STRICTLY CONFIDENTIAL

GIGA-BYTE TECHNOLOGY CO., LTD.

(incorporated as a company limited by shares in Taiwan, the Republic of China)

US$500,000,000

CURRENCY-LINKED ZERO COUPON CONVERTIBLE BONDS DUE 2031

The US$500,000,000 Zero Coupon Convertible Bonds Due 2031 (the "Bonds") will be issued by Giga-Byte Technology Co., Ltd. (referred to in this Offering Memorandum as "we," "our," "us," the "Company," "our Company," or the "Issuer," and together with its subsidiaries, the "Group"), a company limited by shares incorporated in Taiwan, the Republic of China (the "ROC"). Unless previously redeemed, converted or repurchased and cancelled, the Bonds will be redeemed on May 26, 2031 at the Settlement Equivalent of a redemption price equal to 111.84% of the outstanding principal amount thereof.

Unless previously redeemed, converted or repurchased and cancelled, the Bonds may be converted at any time on or after August 27, 2026, up to May 16, 2031 (the "Conversion Period") into common shares of our Company with a par value NT$10.0 each (such shares, the "Conversion Shares"). The initial conversion price for the Bonds is NT$371.81 per Conversion Share and is subject to adjustment in specified circumstances (the "Conversion Price"). For purposes of determining the number of Conversion Shares to be issued upon conversion, a fixed exchange rate of US$1.00 = NT$31.635 (the "Exchange Rate") will be applied when converting the U.S. dollar-denominated principal amount of the Bonds to an N.T. dollar equivalent. See "Description of the Bonds—Conversion." Our shares are listed and traded on the Taiwan Stock Exchange (the "TWSE") under the trading code "2376".

The Bonds will mature on May 26, 2031 (the "Maturity Date"). We have the option to redeem the Bonds at the Settlement Equivalent of the applicable Early Redemption Amount (as defined herein), (i) in whole or in part, at any time on or after May 26, 2029 and prior to the Maturity Date, if the Closing Price (as defined herein) of our shares listed on the TWSE for 20 trading days (whether or not consecutive) in any consecutive 30-trading-day period, immediately prior to the date on which notice of such redemption is given, is at least 130% of the quotient of Early Redemption Amount for each Bond divided by US$200,000, and then multiplied by the then prevailing Conversion Price or (ii) all of the Bonds where 90% or more in principal amount of the Bonds issued have been redeemed, converted or repurchased and cancelled. Holders of the Bonds may also require us to repurchase all or part of the Bonds on the second anniversary and the fourth anniversary of the Issue Date (as defined herein), at a price equal to the Settlement Equivalent of the Early Redemption Amount. Holders of the Bonds will also have the right to require us to repurchase the Bonds, in whole or in part, at the relevant Put Date (as defined herein) at the Settlement Equivalent of the Early Redemption Amount if a Delisting (as defined herein) or a Change of Control (as defined herein) occurs. See "Description of the Bonds."

Approval in-principle has been received for the listing of the Bonds on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Memorandum. Approval in-principle for the listing of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Offering (as defined herein), our Company, our subsidiaries, our associated companies or the Bonds. There is currently no public market for the Bonds. This Offering Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the "MAS").

This document is important and should be read carefully. Investors are advised to consult their stockbroker, bank manager, solicitor, accountant or other professional adviser.

Investing in the Bonds involves certain risks. See "Risk Factors" beginning on page 12.

The Bonds (and the Conversion Shares to be issued upon conversion thereof) have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and are exclusively being offered and sold pursuant to this Offering Memorandum outside of the United States ("U.S.") in reliance on Regulation S under the Securities Act ("Regulation S"). For a description of these and other restrictions on offers and sales of the Bonds (and the Conversion Shares to be issued upon conversion thereof), and distribution of this Offering Memorandum, see "Transfer Restrictions" and "Plan of Distribution."

The Bonds will be represented by beneficial interests in a permanent global certificate (the "Global Certificate") in registered form, which will be registered in the name of a nominee for, and deposited on or about May 26, 2026, with a common depositary for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream"). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream and their participants. Except as described herein, certificates for the Bonds will not be issued in exchange for interest in the Global Certificate.

BOND ISSUE PRICE 100%

Sole Global Coordinator

UBS

Joint Overall Coordinators and Joint Bookrunners

UBS citi

Offering Memorandum dated May 18, 2026

NOTICE TO INVESTORS

You should rely only on the information contained in this Offering Memorandum. We have not authorized anyone to provide you with different information. None of our Company, the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent or the Registrar (each as defined herein), nor any of their respective affiliates, directors, officers, employees, representatives, agents or advisers nor any person who controls any of them are making an offer of these securities in any jurisdiction where such an offer is not permitted.

This Offering Memorandum is strictly confidential and has been prepared by us solely for use in connection with the proposed offer of the Bonds (and Conversion Shares to be issued upon conversion of the Bonds) to eligible investors. UBS AG Hong Kong Branch and Citigroup Global Markets Limited will act as initial purchasers (the "Initial Purchasers"). This Offering Memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase or otherwise acquire the Bonds (or the Conversion Shares to be issued upon conversion of the Bonds). Distribution of this Offering Memorandum to any person other than a prospective investor or any person retained to advise such prospective investor with respect thereto is unauthorized, and any disclosure of any of its contents, without our prior written consent, is prohibited. By accepting delivery of this Offering Memorandum, each prospective investor agrees to the foregoing and agrees not to make photocopies of this Offering Memorandum or any documents referred to herein.

The information contained in this Offering Memorandum is current as of the date of this Offering Memorandum or such other date as otherwise indicated. The information herein is subject to change, completion or amendment without notice. Neither the delivery of this Offering Memorandum at any time nor the offer, sale or delivery of any of the Bonds (or the Conversion Shares to be issued upon conversion of the Bonds) shall, under any circumstances, constitute a representation or create any implication that there has been no change in the information set forth in this Offering Memorandum or in our affairs since the date of this Offering Memorandum or such other date as otherwise indicated, or that any information contained herein is correct as of any date subsequent to the date hereof or such other date as otherwise indicated. Unless otherwise indicated, you should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front page of this Offering Memorandum or such other date as otherwise indicated.

No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum in connection with this Offering, and, if given or made, such information or representation must not be relied upon as having been authorized by our Company, the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent or the Registrar, or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them, or any other person.

We, having made all reasonable inquiries, confirm that this document contains all information with respect to our Company and the Bonds (including the Conversion Shares to be issued upon conversion of the Bonds) that is material in the context of this Offering; that the information contained herein is true and accurate in all material respects; that the opinions and intentions expressed herein are honestly held, that we are not aware of any other facts the omission of which, in our reasonable opinion, may make this document as a whole or any of such information or the expression of any such opinions or intentions materially misleading and that all reasonable inquiries have been made by us to verify the accuracy of such information; provided that, this Offering Memorandum contains summaries that we believe to be accurate with respect to certain terms of some documents, but for complete information regarding the documents, you may obtain copies of the actual documents in connection with the offering of the Bonds, upon request to the Initial Purchasers or us when available. Although we believe that such sources are reliable, we take responsibility for only the accurate reproduction and extraction of such information and data and accept no other responsibility for such information, unless otherwise stated. The accuracy and completeness of such information are not guaranteed and have not been independently verified by us, the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent, the Registrar, or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them.

No U.S. federal, state, or foreign securities commission or regulating authority has approved of, disapproved of or recommended the Bonds (including the Conversion Shares to be issued upon conversion of the Bonds), nor have any of the foregoing authorities reviewed, passed upon, determined or endorsed the merits of this Offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary

in this Offering Memorandum is a criminal offense in the U.S. and may be a criminal offense in other jurisdictions.

None of our Company, the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent or the Registrar, nor any of their respective affiliates, directors, officers, employees, representatives, agents or advisers nor any person who controls any of them is making any representation to any purchasers of the Bonds regarding the legality of investment by such purchaser under applicable laws. In making an investment decision, you must rely on your own examination of this Offering Memorandum and the terms herein, including the merits and risks involved, and should not construe the contents of this Offering Memorandum as legal, business or tax advice. Each prospective investor should be aware that it may be required to bear the financial risks of an investment in the Bonds (including the Conversion Shares to be issued upon conversion of the Bonds) for an indefinite period of time, and should consult with its own advisors as to legal, tax, business, financial and related aspects of purchasing or acquiring the Bonds (including the Conversion Shares issuable upon conversion of the Bonds). By receiving this Offering Memorandum, you acknowledge that (i) you have been afforded an opportunity to request and review copies of the actual documents in connection with the offering of the Bonds, from us and to review, and have received, all information that you consider necessary to verify the accuracy of, or to supplement, the information contained in this Offering Memorandum; (ii) you have not relied on the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent or the Registrar or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them in connection with your investigation of the accuracy of any information in this Offering Memorandum or your investment decision; and (iii) no person has been authorized to give any information or to make any representation concerning our Company or our shares other than as contained in this Offering Memorandum and, if given or made, any such other information or representation should not be relied upon as having been authorized by our Company, the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent or the Registrar, any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them.

This Offering Memorandum does not constitute an offer to sell, or an invitation by or on behalf of us or the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent or the Registrar or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them to purchase, any of the Bonds (including the Conversion Shares to be issued upon conversion of the Bonds) and may not be used for the purpose of an offer to, or a solicitation by, anyone, in each case, in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized or is unlawful. There are restrictions on the distribution of this Offering Memorandum and the making of solicitations pursuant thereto in certain jurisdictions, further details of which are set out under "*Plan of Distribution*" and "*Transfer Restrictions.*" Recipients of this Offering Memorandum are required to inform themselves about and observe any applicable restrictions.

The Bonds (including the Conversion Shares to be issued upon conversion of the Bonds) have not been, and will not be, registered under the Securities Act, or any U.S. state securities laws and, unless so registered, may not be offered, sold or delivered within the U.S. except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. This Offering is being made only outside the U.S. in reliance on Regulation S. Each purchaser of the Bonds in making its purchase will be required to make, or will be deemed to have made, certain acknowledgments, representations, and agreements. For a description of these and certain further restrictions on offers, sales, and transfers of the Bonds (or the Conversion Shares to be issued upon conversion of the Bonds) and distribution of this Offering Memorandum, see "*Plan of Distribution*" and "*Transfer Restrictions.*"

Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Bonds or possesses or distributes this Offering Memorandum and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Bonds (or the Conversion Shares to be issued upon conversion of the Bonds) under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and none of our Company, the Initial Purchasers, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent or the Registrar, any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them shall have any responsibility therefor.

We reserve the right to withdraw this Offering at any time and, together with the Initial Purchasers, reserve the right to reject any commitment to purchase the Bonds, in whole or in part. We also reserve the right to

allocate to you less than the full amount of the Bonds sought by you. The Initial Purchasers and certain related entities may acquire for their own account a portion of the Bonds.

In connection with the issue and distribution of the Bonds, the Initial Purchasers or any person acting for it may, subject to applicable law, over-allot or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail for a limited period of time. However, the Initial Purchasers or any person acting for it is under no obligation to do so. Furthermore, such stabilization, if commenced, may be discontinued at any time and must be brought to an end after a limited period of time.

PRIIPS REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET: Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (the "COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "EUWA") ("UK MiFIR"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK CCI REGULATIONS / PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is not a professional client as defined in point (8) of Article 2(1) of UK MiFIR. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

In addition, prospective investors should be aware that this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at: (i) in the UK, persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), and/or high net-worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order; and (ii) persons who are outside the UK (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to, and will be engaged in only with, relevant persons.

Important Notice to Prospective Investors

Prospective investors should be aware that certain intermediaries in the context of this Offering of the Bonds, including UBS AG Hong Kong Branch and Citigroup Global Markets Limited, are "capital market intermediaries" ("CMIs") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "Code"). This notice to prospective investors is a summary of

certain obligations the Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" ("OCs") for this Offering and are subject to additional requirements under the Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the Code as having an association ("Association") with the Issuer, the CMI or the relevant group company. Prospective investors associated with the Issuer or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Initial Purchaser, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Initial Purchaser or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a "proprietary order". If a prospective investor is otherwise affiliated with any Initial Purchaser, such that its order may be considered to be a "proprietary order" (pursuant to the Code), such prospective investor should indicate to the Initial Purchaser when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not such a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private bank(s) which acts as a CMI in connection with this Offering ("Private Banks")) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Initial Purchasers and/or any other third parties as may be required by the Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the Code, it being understood and agreed that such information shall only be used for the purpose of complying with the Code, during the bookbuilding process for this Offering. Failure to provide such information may result in that order being rejected.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains "forward-looking" statements. All statements other than statements of historical fact contained in this Offering Memorandum including, without limitation, estimates, projections, future financial position, operation results, strategies, plans, objectives, goals, targets, and future developments in the markets in which we participate or are seeking to participate in, are forward-looking statements. These forward-looking statements generally are identified by the words "believes," "expects," "anticipates," "estimates," "forecasts," "intends," "strategy," "could," "plan," "may," "will," "would," "will be," "will continue," "will likely result," and similar words or expressions. Additionally, statements relating to the implementation of business strategies, future financial performance, acquisition strategies, capital raising transactions, the performance of contractual obligations and similar statements may contain forward-looking statements. The future events referred to in these forward-looking statements involve known and unknown risks, uncertainties, and other factors, some of which are beyond the control of our Company and that may cause our actual results, performance, achievements, or industry results to be materially different from any future results, performance, achievements, or industry results expressed or implied by the forward-looking statements.

Forward-looking statements are based on current expectations and assumptions that are subject to significant risks and uncertainties, which may cause actual results to differ materially from the forward-looking statements. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain.

Important factors that could cause the actual results, performance, achievements, or industry results to differ materially from those in the forward-looking statements include, among other things, the following:

- the volatility of the computer industry;
- general economic, political and social conditions and developments in the ROC, the PRC and other jurisdictions in which we operate our business;
- market acceptance of our products;
- our ability to introduce new products in accordance with our customers' requirements;
- our ability to develop new technologies successfully; fluctuations and volatility in the prices of key production materials and components;
- the increased competition from other companies and our ability to retain and increase our market share; our ability to generate growth and profitability; our ability to hire and retain qualified personnel; fluctuations in foreign currency rates and our ability to manage such risks;
- the globalization and de-globalization of the world economy;
- legal proceedings; and
- other risks, uncertainties, and factors set forth under "*Risk Factors.*"

When relying on forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which we operate. Such forward-looking statements speak only as of the date on which they are made. We are not obligated to update or revise any of these statements, whether as a result of new information, future events or otherwise. We do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one out of the many possible scenarios and therefore should not be viewed as the most probable or standard scenario. Accordingly, you should not place undue reliance on any forward-looking statement.

INDUSTRY AND MARKET DATA

This Offering Memorandum contains statistical data, estimates, and forecasts regarding our industry that are based on various sources, including independent industry publications and other publicly available information, as well as other information based on our internal sources. Some data and other information contained in this Offering Memorandum are also based on management's estimates and calculations, which are derived from our review and interpretation of internal and independent sources. Data regarding the industries in which we compete and our market position and market share within these industries are inherently imprecise and are subject to significant business, economic, and competitive uncertainties beyond our control, but we believe they generally indicate size, position, and market share within this industry. With respect to any information included herein sourced from a third party, as far as we are aware and are able to ascertain from information published by that third party, the information has been accurately reproduced and no facts have been omitted which would render the reproduced information inaccurate or misleading. While we believe such information is reliable, we have not independently verified any third-party information and accept no responsibility for the accuracy thereof. While we believe our internal company research and estimates are reliable, such research and estimates have not been verified by any independent source. In addition, assumptions and estimates of our and our industry's future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "Risk Factors." These and other factors could cause our future performance to differ materially from our assumptions and estimates, and you are cautioned not to give undue weight to these estimates. As a result, you should be aware that market, ranking, and other similar industry data included in this Offering Memorandum, and estimates and beliefs based on that data, may not be reliable. Neither we, the Joint Bookrunners, the Trustee, the Principal Paying Agent, the Transfer Agent, the Conversion Agent, the Registrar, nor any of their respective affiliates, directors, officers, employees, representatives, agents or advisers nor any person who controls any of them can guarantee the accuracy or completeness of any such information contained in this Offering Memorandum. The content of the below

sources, except to the extent specifically set forth in this Offering Memorandum, does not constitute a portion of this Offering Memorandum and is not incorporated herein.

Certain information in the text of this Offering Memorandum is contained in independent industry publications and publicly-available reports. The sources of these independent industry publications and publicly-available reports are provided below:

- QY Research, Global General Purpose Server Sales Market Report, Competitive Analysis and Regional Opportunities 2026-2032 – January 2026;
- QY Research, CPU+GPU AI Servers- Global Market Share and Ranking, Overall Sales and Demand Forecast 2026-2032 – February 2026;
- Grand View Research, Gaming PC Market Size, Share & Trends Analysis Report, (2025-2030) – December 2025;
- Counterpoint Research, AI Advanced PCs to Surpass Half of Global Shipments in 2026 as NPU-Powered Laptops Go Mainstream – September 2025;
- Mordor Intelligence, PC Industry Size & Share Analysis – Growth Trends & Forecasts (2025-2030) – December 2025;
- Mordor Intelligence, Monitor Market Size & Share Analysis – Growth Trends & Forecasts (2025-2030) – December 2025;
- Mordor Intelligence, Motherboard Market Size & Share Analysis – Growth Trends & Forecasts (2025-2030) – December 2025; and
- Market.us, Artificial Intelligence Market – January 2026.

CONVENTIONS AND DEFINITIONS

In this Offering Memorandum, all references to "Issuer" and "Company" refer to Giga-Byte Technology Co., Ltd.; all references to "Group" refer to the Company and its subsidiaries; and all references to "we," "us," "our," and "Giga-Byte" refer to the Company or our Group, as the context may require. The references to "Shares" and "Common Shares" refer to our common shares of par value NT$10.00 per share. All references to "Bondholders" or to "Holders of the Bonds" refer to holders of the Bonds from time to time. The references herein to "Taiwan," the "ROC," and the "Republic of China" refer to the island of Taiwan and other areas under the effective control of the Republic of China (Taiwan). All references herein to the "ROC Government" refer to the government of the ROC. All references to "TWSE" refer to the Taiwan Stock Exchange Corporation and references to "TPEx" refer to the Taipei Exchange (formerly known as the GreTai Securities Market in the ROC). All references to the "FSC" refer to the ROC Financial Supervisory Commission.

References to "Non-ROC Individuals" refer to individuals directly or indirectly owning the Bonds or the Conversion Shares who are not citizens of the ROC or who are not physically present in the ROC for 183 days or more within a calendar year. References to "Non-ROC entities" refer to entities (including corporate and non-corporate bodies) directly or indirectly owning the Bonds or the Conversion Shares established or organized under the laws of a jurisdiction other than the ROC and which do not have any fixed place of business or business agent in the ROC. References to "Non-ROC holders" refer to Non-ROC entities and Non-ROC Individuals.

References to the "PRC" and "China" refer to the People's Republic of China and, for the purpose of this Offering Memorandum, do not include the Hong Kong Special Administrative Region ("Hong Kong"), Macau Special Administrative Region ("Macau") or Taiwan. A "PRC person" refers to (i) an individual with household registration in China (but not including Hong Kong and Macau), (ii) any juristic person, organization, or other institution of the PRC (but not including Hong Kong and Macau), and (iii) any corporation established outside China (including those established in Hong Kong or Macau) either (a) more than 30% of its issued share capital or total capital contribution amount is owned, directly or indirectly, by PRC person(s) or (b) which is controlled by PRC person(s).

PRESENTATION OF FINANCIAL INFORMATION

Solely for the convenience of the reader, unless otherwise noted, all translations from New Taiwan dollars ("N.T. dollars" or "NT$") to United States dollars ("U.S. dollars" or "US$") were made at the noon buying rate in The City of New York for cable transfers in N.T. dollars per U.S. dollar set forth in the statistical release of the U.S. Federal Reserve Board of the United States, as of March 31, 2026, which was NT$32.05 = US$1.00 as of that date. Such translations are unaudited and should not be construed as representing what the N.T. dollar or U.S. dollar amounts referred to herein could be or could have been converted into N.T. dollars or U.S. dollars, as the case may be, at that or any other rate.

The Company has not quantified or identified the impact of the differences between Taiwan IFRS and IFRS Accounting Standards or the U.S. GAAP, see "*Risk Factors — Risks Relating to the ROC — Financial reporting requirements and accounting standards in the ROC differ from those in other countries*." Taiwan IFRS differs from IFRS Accounting Standards issued by the IASB, the U.S. GAAP or the generally accepted accounting principles of certain other countries in certain respects, including, but not limited to, the extent that any new or amended standards or interpretations applicable under IFRS Accounting Standards may not be timely endorsed and came into effect by the FSC.

The Company's audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 included herein have been prepared and presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the International Financial Reporting Standards ("IFRS"), International Accounting Standards ("IAS"), IFRIC Interpretations ("IFRIC"), and SIC Interpretations ("SIC") that came into effect as endorsed by the FSC (together referred to herein as "T-IFRS"). The unaudited consolidated financial statements as of and for the three months ended March 31, 2025 and 2026 included herein have been prepared and presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" ("IAS 34") that came into effect as endorsed by the FSC. The T-IFRS differs from the IFRS issued by the International Accounting Standard Board, United States generally accepted accounting principles ("U.S. GAAP") or generally accepted accounting principles of certain other countries in certain respects, including, but not limited to, the extent that any new or amended standards or interpretations applicable under IFRS may not be timely endorsed and came into effect by the FSC. Potential investors should seek professional advice with respect to such differences from generally accepted accounting principles. All such financial data should be read in conjunction with, and are qualified in their entirety by reference to, the financial statements included elsewhere in this Offering Memorandum, including the Bonds thereto. Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 have been audited by PricewaterhouseCoopers, Taiwan as indicated in the independent auditors' reports for 2023, 2024 and 2025 included in this Offering Memorandum.

Our unaudited consolidated interim financial statements as of and for the three months ended March 31, 2025 and 2026 have been reviewed by PricewaterhouseCoopers, Taiwan in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China ("TWSRE 2410") as indicated in the independent auditors' review report included in this Offering Memorandum. The review report of PricewaterhouseCoopers, Taiwan dated May 15, 2026 relating to the unaudited consolidated interim financial statements was qualified with respect to the effect of adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated insignificant subsidiaries and the investments accounted for using equity method, been reviewed by independent auditors. The Company's unaudited consolidated financial statements as of and for the three months ended March 31, 2026 should not be taken as an indication of the expected consolidated financial position and performance of the Company for the full financial year ending December 31, 2026.

Rounding adjustments have been made in calculating some of the financial information included in this Offering Memorandum according to established commercial standard. As a result, rounded figures in the tables included in this Offering Memorandum may not add up to the aggregate amounts in such tables.

In this Offering Memorandum, unless otherwise specified or the context otherwise requires, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

NON-T-IFRS FINANCIAL MEASURES

We refer to the terms EBITDA and EBITDA margin (as defined in "*Summary Financial Data*") in various places in this Offering Memorandum. These non-T-IFRS financial data are supplemental financial measures that

are not required by, or presented in accordance with, IFRS or T-IFRS and are therefore referred to as "non-T-IFRS" financial measures. They are not measurements of our financial performance under T-IFRS or IFRS and should not be considered as an alternative to profit from operations or any other performance measures derived in accordance with T-IFRS or IFRS or as an alternative to cash flows from operating activities or as a measure of our liquidity.

Our measurement of these non-T-IFRS items may not be comparable to those of other companies. See the section titled "*Summary Financial Data*" and "*Selected Financial and Other Data*" for a more thorough discussion of our use of these non-T-IFRS items in this Offering Memorandum, including the reasons why we believe this information is useful to management and why they may be useful to investors, and a reconciliation of each non-T-IFRS items to the most closely comparable financial measure calculated in accordance with T-IFRS.

MARKET AND INDUSTRY INFORMATION

This Offering Memorandum includes market share and industry data and forecasts that we have obtained from industry publications and surveys, reports of governmental agencies and internal company surveys. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources we believe to be reliable, but there can be no assurance as to the accuracy or completeness of the included information. While we have taken reasonable actions to ensure that the information is extracted accurately and in its proper context, the Initial Purchasers and we have not independently verified any of the data from third-party sources or ascertained the underlying economic assumptions relied upon by such sources.

ENFORCEABILITY OF FOREIGN JUDGMENTS

We are a company limited by shares and incorporated under the ROC Company Act. Most of our directors and executive officers named in this Offering Memorandum are residents of the ROC and a significant portion of our assets and the assets of such persons are located in the ROC. As a result, it may be difficult for investors to enforce judgments obtained outside the ROC against us or such persons in the ROC, including those predicated upon the civil liability provisions of the federal securities laws of the United States. Any final judgment obtained against us or such persons in any court other than the courts of the ROC in respect of any legal suit or proceeding arising out of or relating to our Shares or Bonds will be enforced by the courts of the ROC without further review of the merits only if the court of the ROC in which enforcement is sought is satisfied that:

- the court rendering the judgment has jurisdiction over the subject matter according to the laws of the ROC;
- neither the judgment nor the court proceedings resulting in the judgment are contrary to the public order or good morals of the ROC;
- the judgment was a final judgment for which the period for appeal had expired or from which no appeal could be taken;
- if the judgment was rendered by default by the court rendering the judgment, (i) process was duly and timely served on us or such persons within the jurisdiction of such court in accordance with the laws and regulations of such jurisdiction or (ii) process was served on us or such persons with assistance of the judicial authorities of the ROC; and
- judgments of the courts of the ROC are recognized and enforceable in the jurisdiction of the court rendering the judgment on a reciprocal basis.

A party seeking to enforce a foreign judgment in the ROC would, except under limited circumstances, be required to obtain foreign exchange approval from the Central Bank of the Republic of China (Taiwan), or the CBC, for conversion of N.T. dollars into foreign currency and remittance out of the ROC of any amounts exceeding US$100,000 or its equivalent recovered in respect of such judgment denominated in a currency other than N.T. dollars.

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SUMMARY

The summary below is qualified in its entirety by, and is subject to, the more detailed information set out or referred to elsewhere in this Offering Memorandum, including the financial information herein. Prospective purchasers should read this Offering Memorandum in its entirety and should carefully consider the information set forth in "Risk Factors" in particular. Prospective purchasers should also carefully review the financial statements included in this Offering Memorandum prior to making an investment decision with respect to the Bonds. To understand the terms of the Bonds and our Shares, prospective purchasers should carefully read the sections of this Offering Memorandum entitled "Description of the Bonds" and "Description of our Share Capital."

Overview

We offer a comprehensive product lineup including motherboards, graphics cards, servers, personal computers ("PCs"), other PC components and peripherals. With expertise in providing leading-edge PC solutions with AI features to gamers pursuing high functionalities and providing modularized server solutions, including AI servers, for workstations of different scales, we established our reputation as an industry leader with award-winning products.

As a perennial developer of PC hardware and solutions, we are dedicated to provide unforgettable user experiences for gamers, professionals, designers, and creators, allowing their imagination to manifest a better life. Since our inception in 1986, we have been fully committed to investing in next generation technologies for our motherboards and graphics cards, including system stability, power optimization and cooling solutions. Many of our motherboards and graphics cards are renowned for their top performance, high stability and efficient heat dissipation. Benefiting from such commitment, we have earned a dominant position in gaming PC. Embracing the era of AI, we also offer AI PCs that feature the integration of AI Nexus (consisting of AI Power Gear, AI Boost, and AI Generator functions), a new control software which elevates power management, gaming performance, and generative-AI software to a new level. Our other PC related products include PC components such as PC case, power supply, and central processing unit ("CPU") cooler, and PC peripherals such as monitor, keyboard, mouse, headset and gaming chair.

We are also one of the premier providers of AI computing solutions, and provide AI servers in addition to various server hardware and solution for general purpose. We have being developing server solutions in response to the booming demand of high performance computer ("HPC") and AI technologies. The decade-long collaboration with leading GPU and CPU players, such as NVIDIA and AMD, enables us to ride on the AI wave. For the year ended December 31, 2025, the revenue generated from AI servers contributed to more than 80% of our server segment. We launched "GIGAPOD," a scalable, turnkey AI supercomputing solution that creates a cluster of racks built with our graphic processing unit ("GPU") servers acting as one powerful cluster that accelerates artificial intelligence ("AI") supercomputing. In addition, we also offer a full spectrum of cooling technology, ranging from air cooling, direct liquid cooling to immersion cooling. We aim to provide a one-stop immersion solution through integration of the three pillars of immersion cooling technologies, i.e. density-optimized tank, immersion-ready server, and data center infrastructure.

"Upgrade Your Life" is our mission and the core essence in everything we do at Giga-Byte. We believe that "only technology made for you will speak to you." By combining innovation and practicality, we wield the technology of the future to improve everyone's life today. We have been listed on the TWSE since 1998, and now have a global presence with our products have being shipped to more than 70 countries since our foundation. We have three main production facilities in both the ROC and the PRC.

For the years ended December 31, 2023, 2024 and 2025, and the three months ended March 31, 2026, our operating revenue amounted to approximately NT$136.8 billion, NT$265.1 billion, NT$336.9 billion (US$10,739.6 million) and NT$105.1 billion (US$3,277.9 million), respectively. For the years ended December 31, 2023, 2024 and 2025, and the three months ended March 31, 2026, our net profit amounted to approximately NT$4.8 billion, NT$10.8 billion, NT$13.3 billion (US$424.0 million) and NT$5.6 billion (US$176.1 million), respectively.

The following table sets out our sales broken down by major product types, together with a percentage of revenue from contracts with customers for the periods indicated:

	Year ended December 31,							Three months ended March 31,		
	2023		2024		2025			2026		
	(NT$m)	%	(NT$m)	%	(NT$m)	%	(US$m) (Unaudited)	(NT$m)	%	(US$m) (Unaudited)
Computer parts (Motherboards and Graphic Cards)	72,243	53	82,776	31	113,929	33	3,632	26,276	25	820
Networking communication products (Servers)	52,704	38	170,416	64	207,693	62	6,621	75,135	72	2,344
Others (including PC components and peripherals, etc.)	11,826	9	11,957	5	15,315	5	488	3,647	3	114
Total	136,773	100	265,149	100	336,937	100	10,741	105,057	100	3,278

Our Competitive Strengths

- A global leader in PC components and one of the premier providers of AI servers to capture the massive market opportunity
- Uniquely positioned within the AI ecosystem with unparalleled technology to enable faster time to market and leading positions in various vertical markets
- Long-term, close relationships with tier 1 industry value chain players allow us to offer the best in class products to customers in a timely manner
- Strong technology and design capabilities with high competency in heat dissipation technology
- Modularized design to cater the needs of our customers and our first class after-sales services to increase customer loyalty
- Visionary management with a strong commitment to ESG leading a team of highly professional talent

Our Business Strategies

- Actively launch innovative products
- Continue to invest in secular growth markets to drive revenue
- Provide high quality customer services and maintain close customer relationships
- Continue to invest in R&D for the development of new products and advanced product applications
- Continue the commitment in ESG and corporate responsibility

Recent Developments

Pursuant to the Securities and Exchange Law of the ROC, the Company reports its consolidated net sales each month.

- The Company's consolidated operating revenue for January 2026 amounted to NT$33,118.55 million, representing a 57.02% increase from NT$21,091.56 million for January 2025.

- The Company's consolidated operating revenue for February 2026 amounted to NT$32,908.19 million, representing a 47.40% increase from NT$22,326.22 million for February 2025.

- The Company's consolidated operating revenue for March 2026 amounted to NT$39,028.80 million, representing a 74.84% increase from NT$22,322.80 million for March 2025.

- The Company's consolidated operating revenue for April 2026 amounted to NT$52,267.73 million, representing a 73.66% increase from NT$30,098.10 million for April 2025.

These monthly results have not been audited or reviewed by PricewaterhouseCoopers, Taiwan and is subject to adjustments based on, among other things, completion of applicable reporting processes, and may not be indicative of the Company's net sales for the full year 2026.

THE OFFERING

The following is only a summary and is qualified in its entirety by reference to "Description of the Bonds" and the more detailed information contained elsewhere in this Offering Memorandum. Capitalized terms used in this summary and not defined have the respective meanings given to them in "Description of the Bonds."

Issuer	Giga-Byte Technology Co., Ltd.
The Offering	US$500,000,000 aggregate principal amount of US dollar denominated currency-linked zero coupon convertible bonds due 2031, being offered outside the United States in reliance on Regulation S.
Interest	The Bonds will not bear any interest.
Closing Date	May 26, 2026
Maturity Date and Final Redemption	Unless previously redeemed, repurchased and canceled or converted, the Bonds will mature, and we will redeem the Bonds, on May 26, 2031 at the Settlement Equivalent of 111.84% of the outstanding principal amount thereof.
Issue Price	100%
Ranking	The Bonds will be our direct, unconditional, unsecured and unsubordinated obligations (but subject to a negative pledge, as described in "Negative Pledge" below), and will rank *pari passu* without any preference or priority among themselves and with all of our other present and future direct, unconditional, unsubordinated and unsecured obligations.
Conversion	Subject to certain conditions, each holder of the Bonds (a "Holder") will have the right during the Conversion Period (as defined herein) to convert its Bonds (or any portion thereof being US$200,000 in principal amount or integral multiples thereof) into Common Shares, *provided*, *however*, that the Conversion Right during any Closed Period (as defined herein) shall be suspended and the Conversion Period shall not include any such Closed Period. See "*Description of the Bonds — Conversion*" and "*Risk Factors — Risks Relating to the Bonds and the Shares — There are limitations on the Bondholders' ability to exercise Conversion Rights.*" Subject to changes to ROC laws and regulations, we shall as soon as practicable but in no event more than five Trading Days (as defined herein) after the Conversion Date (as defined herein) issue and deliver Common Shares in book-entry form to the local agent appointed by the converting Holders for the purpose of trading the Common Shares on the TWSE.
Conversion Price	The conversion price will initially be NT$371.81 per share determined on the basis of the Fixed Exchange Rate applicable on conversion of Bonds of NT$31.635 = US$1.00. The conversion price will be subject to adjustments for, among other things, subdivision or consolidation of shares, right issues, distributions, stock dividends, and other dilutive events. See "*Description of the Bonds.*"
Early Redemption Amount	The Early Redemption Amount for each US$200,000 of the Bonds is determined so that it represents for the Holder a yield of

	2.25% per annum, calculated on a semi-annual basis.
Redemption at the Option of the Issuer	At any time after May 26, 2029 and prior to the Maturity Date, the Bonds may be redeemed at the option of us, in whole or in part, on not less than 30 nor more than 60 days' notice to the Holders (which notice shall be irrevocable) and to the Trustee and the Agents, at the Settlement Equivalent of the applicable Early Redemption Amount, *provided* that: (l) the Closing Price (converted into U.S. Dollars at the Prevailing Rate) of the Common Shares for 20 out of the 30 consecutive Trading Days immediately prior to the date upon which notice of such redemption was given, is at least 130% of the quotient of the Early Redemption Amount divided by US$200,000, and then multiplied by the then prevailing Conversion Price; and (2) the applicable Redemption Date does not fall within a Closed Period. Notwithstanding the foregoing, we may redeem the Bonds, in whole but not in part, at any time, on not less than 30 nor more than 60 days' notice, at the Settlement Equivalent of the applicable Early Redemption Amount if more than 90% in principal amount of the Bonds originally issued has been redeemed, repurchased and canceled or converted; provided that the applicable Redemption Date does not fall within a Closed Period.
Additional Amounts.....	Payment of principal of and other amounts on the Bonds will be made without withholding or deduction for or on account of taxes of the ROC or such other jurisdiction in which we are then organized or resident for tax purposes or from which any payment on the Bonds is made (or any political subdivision or authority or agency thereof), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, we will, subject to certain exceptions, pay such Additional Amounts (as defined herein) on the Bonds as will result in receipt by the Holder of each Bond of such amounts as would have been received by such Holder had no such withholding or deduction been required.
Tax Redemption	If, as a result of certain changes relating to the tax laws in the ROC or such other jurisdiction in which we are then organized or resident for tax purposes (or any political subdivision or authority or agency thereof) on or after the Closing Date, we become obligated to pay Additional Amounts, the Bonds may be redeemed at the option of us, in whole but not in part, at the Settlement Equivalent of the applicable Early Redemption Amount; *provided* that such right cannot be exercised earlier than 45 days prior to the first date on which we would be obligated to make an Additional Amounts payment with respect to all or substantially all of the outstanding Bonds were a payment then due. Notwithstanding the foregoing, if the outstanding principal amount of the Bonds at the time when such redemption notice is given is greater than 10% of the aggregate principal amount of the Bonds as of the Closing Date, Holders may elect not to have their Bonds redeemed but with no entitlement to any Additional Amounts or reimbursement of additional tax. See "*Description of the Bonds — Redemption of the Bonds — Redemption for Taxation Reasons.*"

Repurchase at the Option of the Holder.....	Unless the Bonds have been previously redeemed, repurchased and canceled or converted, each Holder shall have the right, at such Holder's option, to require us to repurchase, in whole or in part (being US$200,000 in principal amount or an integral multiple thereof), such Holder's Bonds, on May 26, 2028 and May 26, 2030 at a price equal to the Settlement Equivalent of 104.58% and 109.36% of the principal amount in US dollars respectively with respect to such Holder's Bonds to be repurchased.
Repurchase in the Event of Change of Control.....	Unless the Bonds have been previously redeemed, repurchased and canceled or converted, each Holder shall have the right, at such Holder's option, to require us to repurchase, in whole or in part (being US$200,000 in principal amount or integral multiples thereof), such Holder's Bonds at the Settlement Equivalent of the applicable Early Redemption Amount upon the occurrence of a Change of Control, as defined herein. See "*Description of the Bonds — Repurchase of the Bonds — Repurchase in the Event of Change of Control.*"
Repurchase in the Event of Delisting ..	Unless the Bonds have been previously redeemed, repurchased and canceled or converted, in the event that the Common Shares cease to be listed or admitted to trading on the TWSE, each Holder shall have the right, at such Holder's option, to require us to repurchase, in whole or in part (being US$200,000 in principal amount or an integral multiple thereof), such Holder's Bonds on the date set by the Issuer for such repurchase, which shall not be less than 30 nor more than 60 days following the date on which the Trustee sends to each Holder a notice after receiving relevant information from the Issuer regarding such delisting at the Settlement Equivalent of the applicable Early Redemption Amount with respect to such Holder's Bonds to be repurchased. See "*Description of the Bonds — Repurchase of the Bonds — Repurchase in the Event of Delisting.*"
Negative Pledge.....	Subject to certain exceptions, we will not, and will ensure that none of our Principal Subsidiaries (as defined herein) will, create or permit to subsist any Lien (as defined herein) on any of its or, as the case may be, such Principal Subsidiary's, property, assets or revenues, present or future, to secure for the benefit of the holders of any International Investment Securities (as defined herein) any sum owing in respect thereof or any guarantee or indemnity thereof without making effective provision to secure the Bonds (a) equally and ratably with such International Investment Securities with a similar Lien or (b) with such other security as shall be approved by Holders holding not less than 50% of the principal amount of the outstanding Bonds. See "*Description of the Bonds — Certain Covenants — Negative Pledge.*"
Form and Denomination.....	The Bonds will be issuable only in book-entry form and only in denominations of US$200,000 in principal amount or any integral multiples thereof. Bonds will be represented by the Global Bond. On the closing date of the Offering, we will deliver the Global Bond to a common depositary (the "Common Depositary") for Euroclear and Clearstream. If (i) at any time, the Common Depositary advises the Company in writing that it is unwilling or unable to continue as a depository for the Global Bond and a successor depository is not appointed by the Company within 90 days, (ii) either Euroclear or Clearstream or any alternative clearing system on behalf of which the Bonds evidenced by the

	Global Bond may be held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, or (iii) an event of default has occurred and is continuing with respect to the Bonds and the Trustee notifies the Company in writing that any of the Bonds have become immediately due and payable pursuant to the Indenture, the Company shall issue individual certificated bonds in registered form in exchange for the Global Bond in any authorized denominations and in an aggregate principal amount equal to the principal amount of the Global Bond. The Bonds will not be issuable in a bearer form.
Use of Proceeds	The gross proceeds to be received by us from this Offering will be US$500,000,000, before deducting underwriting commissions and related expenses. We intend to use the net proceeds of this Offering for procurement of raw materials outside of the ROC. See "*Use of Proceeds*."
Listing.....	For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Bonds will be traded on the SGX-ST in a minimum board lot size of US$200,000. Approval in-principle has been received for the listing of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Offering Memorandum. Approval in-principle for the listing of the Bonds is not to be taken as an indication of the merits of this Offering, the Company, the Group, its subsidiaries, or any of their associated companies or the Bonds. For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, we will appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption, in the event that the Global Certificate is exchanged for definitive Certificates. In addition, in the event that the Global Certificate is exchanged for definitive Certificates, an announcement of such exchange will be made by us or on our behalf through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Certificates, including details of the paying agent in Singapore.
Lock-Ups	We have agreed that for a period of 90 days after the Closing Date, we will not, without the Initial Purchasers' prior written consent, offer, pledge, sell, contract to sell or otherwise dispose of any Shares or any securities convertible into or exercisable or exchangeable for Shares. See "*Plan of Distribution*."
Trading Market for the Common Shares	The only trading market for the Common Shares is the TWSE. The Common Shares have been listed on the TWSE under the trading code "2376".
Governing Law.....	The Indenture and the Bonds will be governed by, and construed in accordance with, the laws of the State of New York.
Trustee	Citicorp International Limited
Paying Agent, Conversion Agent and Transfer Agent.....	Citibank, N.A., London Branch

Registrar	Citicorp International Limited
Transfer Restrictions.....	None of the Bonds or the Shares issuable upon conversion of the Bonds has been registered under the Securities Act, and those securities are subject to restrictions on transfer. See "*Transfer Restrictions.*"
Delivery of the Bonds.....	Delivery of the Bonds, against payment in same-day funds, will be on the Closing Date.

SUMMARY FINANCIAL DATA

The summary financial information as of and for the years ended December 31, 2023, 2024 and 2025, and for the three months ended March 31, 2025 and 2026 set forth below are qualified by reference to, and should be read in conjunction with, our consolidated financial statements included elsewhere in this Offering Memorandum. Our audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 are prepared and presented in accordance with T-IFRS. Our unaudited consolidated financial statements as of and for the three months ended March 31, 2025 and 2026 are prepared and presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 endorsed by FSC and had been reviewed by the independent auditors in accordance with TWSRE 2410 and should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit and should not be taken as an indication of the expected financial condition and financial performance for the year ended December 31, 2026. The review report of PricewaterhouseCoopers, Taiwan dated May 15, 2026 relating to the unaudited consolidated interim financial statements was qualified with respect to the effect of adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated insignificant subsidiaries and the investments accounted for using equity method, been reviewed by independent auditors.

T-IFRS differs from IFRS, U.S. GAAP or the generally accepted accounting principles of certain other countries in certain respects, including, but not limited to, the extent that any new or amended standards or interpretations applicable under IFRS may not be timely endorsed and came into effect by the FSC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME:

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$)	(NT$)	(NT$)	(US$) (Unaudited)
	(in thousands, except for earnings per share)			
Operating revenue	$136,773,409	$265,148,779	$336,936,660	$10,512,844
Operating costs	(120,197,968)	(237,056,292)	(301,751,564)	(9,415,025)
Gross profit	16,575,441	28,092,487	35,185,096	1,097,819
Operating expenses				
Total operating expenses	(11,680,266)	(15,315,938)	(18,412,697)	(574,499)
Profit from operations	4,895,175	12,776,549	16,772,399	523,320
Total non-operating income and expenses	1,209,446	821,322	207,772	6,483
Profit before income tax	6,104,621	13,597,871	16,980,171	529,803
Income tax expense	(1,323,536)	(2,842,723)	(3,695,478)	(115,304)
Net profit for the year	4,781,085	10,755,148	13,284,693	414,499
Other comprehensive (loss) income for the year, net of income tax	120,095	226,312	(80,440)	(2,510)
Total comprehensive income for the year	$4,901,180	$10,981,460	$13,204,253	$411,989
Net profit attributable to:				
Owners of parent	$4,742,979	$9,788,540	$12,189,874	$380,339
Non-controlling interests	38,106	966,608	1,094,819	34,160
	$4,781,085	$10,755,148	$13,284,693	414,499
Earnings per share				
Basic	$7.46	$15.03	$18.20	$0.57
Diluted	$7.40	$14.46	$17.18	$0.54

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
	(in thousands, except earnings per share)		
Operating revenue	$65,747,430	$105,057,330	$3,277,920
Operating costs	(57,267,119)	(92,442,700)	(2,884,328)
Gross profit	8,480,311	12,614,630	393,592
Operating expenses			
Total operating expenses	(4,240,781)	(5,200,920)	(162,275)
Profit from operations	4,239,530	7,413,710	231,317

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
	(in thousands, except earnings per share)		
Total non-operating income and expenses	237,980	(359,207)	(11,208)
Profit before income tax	4,477,510	7,054,503	220,109
Income tax expense	(1,085,080)	(1,410,189)	(44,000)
Net profit for the period	3,392,430	5,644,314	176,109
Other comprehensive income for the period, net of income tax	165,040	203,744	6,357
Total comprehensive income for the period	$3,557,470	$5,848,058	$182,466
Net profit (loss) attributable to:			
Owners of parent	$3,116,119	$5,268,403	$164,381
Non-controlling interests	276,311	375,911	11,728
	$3,392,430	$5,644,314	$176,109
Earnings per share			
Basic	$4.65	$7.86	$0.25
Diluted	$4.40	$7.32	$0.23

CONSOLIDATED BALANCE SHEETS:

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$)	(NT$)	(NT$)	(US$) (Unaudited)
		(in thousands)		
Assets				
Total current assets	73,074,904	100,485,803	144,263,268	4,501,195
Total non-current assets	9,075,516	10,801,105	11,862,328	370,119
Total assets	82,150,420	111,286,908	156,125,596	4,871,314
Liabilities				
Total current liabilities	34,599,267	37,050,036	84,483,661	2,635,996
Total non-current liabilities	9,616,992	19,156,281	10,442,732	325,826
Total liabilities	44,216,259	56,206,317	94,926,393	2,961,822
Total equity	37,934,161	55,080,591	61,199,203	1,909,492
Total liabilities and equity	$82,150,420	$111,286,908	$156,125,596	$4,871,314

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands)	
Assets			
Total current assets	138,960,271	234,087,870	7,303,834
Total non-current assets	11,098,419	13,738,900	428,671
Total assets	150,058,690	247,826,770	7,732,505
Liabilities			
Total current liabilities	72,317,691	170,374,747	5,315,905
Total non-current liabilities	19,107,381	10,406,275	324,689
Total liabilities	91,425,072	180,781,022	5,640,594
Total equity	58,633,618	67,045,748	2,091,911
Total liabilities and equity	150,058,690	247,826,770	7,732,505

CONSOLIDATED STATEMENTS OF CASH FLOWS:

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$)	(NT$)	(NT$)	(US$) (Unaudited)
		(in thousands)		
Net cash generated from (used in) operating activities	2,264,857	(16,182,193)	5,088,944	158,781
Net cash used in investing activities	(674,984)	(3,076,605)	(1,330,808)	(41,523)
Net cash generated from financing activities	5,455,898	17,190,481	15,061,172	469,927
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(145,206)	401,337	2,744	86

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$)	(NT$)	(NT$)	(US$) (Unaudited)
	(in thousands)			
Net Increase (Decrease) in Cash and Cash Equivalents	6,900,565	(1,666,980)	18,822,052	587,271
Cash and Cash Equivalents at the Beginning of the Year	16,265,510	23,166,075	21,499,095	670,799
Cash and Cash Equivalents at the End of the Year	23,166,075	21,499,095	40,321,147	1,258,070

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands)	
Net cash generated from (used in) operating activities	2,182,672	(20,652,885)	(644,396)
Net cash used in investing activities	(466,447)	(1,317,395)	(41,104)
Net cash generated from financing activities	19,267,770	43,953,054	1,371,390
Effect of Exchange Rate Changes on Cash and Cash Equivalents	150,364	1,007,190	31,426
Net Increase in Cash and Cash Equivalents	21,134,359	22,989,964	717,316
Cash and Cash Equivalents at the Beginning of the period	21,499,095	40,321,147	1,258,070
Cash and Cash Equivalents at the End of the period	42,633,454	63,311,111	1,975,386

OTHER FINANCIAL DATA:

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$) (Unaudited)	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
	(in thousands, except percentage data and financial ratios)			
Gross profit margin (%)[(1)]	12.12	10.59	10.44	10.44
Operating margin (%)[(2)]	3.58	4.82	4.98	4.98
Net margin (%)[(3)]	3.50	4.06	3.94	3.94
EBITDA[(4)(6)]	6,977,805	14,918,277	18,894,098	589,519
EBITDA margin (%)[(5)(6)]	5.10	5.63	5.61	5.61

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands, except percentage data and financial ratios)	
Gross profit margin (%)[(1)]	12.90	12.01	12.01
Operating margin (%)[(2)]	6.45	7.06	7.06
Net margin (%)[(3)]	5.16	5.37	5.37
EBITDA[(4)(6)]	4,821,590	7,708,304	240,509
EBITDA margin (%)[(5)(6)]	7.33	7.34	7.34

Note:

(1) Gross profit margin is calculated by dividing gross profit by operating revenue.

(2) Operating margin is calculated by dividing operating profit by operating revenue.

(3) Net margin is calculated by dividing net profit by operating revenue.

(4) EBITDA is defined as profit before income tax from continuing operations adding back depreciation (but excluding non-operating depreciation), amortization and interest expense.

(5) EBITDA margin is calculated by dividing EBITDA by operating revenue.

(6) The Company has presented EBITDA and EBITDA margin because the Company considers them important supplemental measures of our operating performance and believe they are frequently used by analysts, investors and other interested parties in the evaluation of companies in our industry. The Company's management uses EBITDA and EBITDA margin as additional measurement tools for purposes of business decision-making, including developing budgets, managing expenditures and evaluating potential acquisitions or divestitures. Other companies in our industry may calculate EBITDA and EBITDA margin differently than the Company does. EBITDA and EBITDA margin are not measures of operating performance under T-IFRS and should not be considered as a substitute for, or superior to, income from operations or operating margin prepared in accordance with T-IFRS. EBITDA and EBITDA margin have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under T-IFRS. You are encouraged to evaluate these adjustments and the reasons the Company considers them appropriate for supplemental analysis. In evaluating EBITDA and EBITDA margin, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. The Company's presentation of EBITDA and EBITDA margin should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

RISK FACTORS

You should carefully evaluate the risks described below and all the other information set forth in this Offering Memorandum before deciding to invest in the Bonds. You should pay particular attention to the fact that we are an ROC company and are subject to a legal and regulatory regime which in some respects may be different from that which prevails in other countries. This Offering Memorandum also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this Offering Memorandum. See "Forward-looking Statements." Moreover, the risks described herein are not exhaustive, as there may be additional risks other than those described in the Offering Memorandum, and there may be additional risks that are primarily applicable for only certain of our businesses.

Risks Relating to Our Industry and Business

We operated in a cyclical industry. Fluctuations in demand for our products or a market decline in the industry could have a material adverse effect on our results of operations.

Industry-wide fluctuations have materially adversely affected us in the past and may materially adversely affect us in the future. Different segments of this industry have experienced significant downturns in the past, characterized by diminished product demand, overcapacity, elevated inventory level and accelerated erosion of average sales prices, rapid technological change, and evolving technical standards. From time to time, these and other factors, together with changes in general economic conditions, may cause us to experience significant declines in the average selling prices for certain of our products and under-utilization of our production capacity.

For example, the sale of motherboard, graphics cards and other PC components experienced a decline in the second half of 2022 as a result of weak PC end market conditions and inventory correction actions across the PC supply chain, which is partially due to the switch back from remote work mode to on-site work mode after COVID-19 pandemic. In addition, the server market has at times seen fluctuate demand due to the rapid changing of technology and new application of these products, such as cloud AI computing and edging computing. Recent volatility in cloud computing market may affect the demand of our server products. If we are unable to manage the risks related to the volatility of the computer market, we may continue to experience declines in our profitability that are primarily related to industry conditions and not to our products, and our business, financial condition and results of operations could be materially adversely affected.

We operate in a highly competitive environment, and we may not be able to sustain our current market position.

We operate in highly competitive markets for both PC components and servers. For PC components including motherboard and graphics cards, our major competitors include ASUSTeK Computer Corp. ("ASUS") and Micro-Star International Co., Ltd ("MSI"). Our overall competitive position depends on a number of factors, including price, quality, and performance of our products; level of customer service we provide; development of new technology; our ability to participate in emerging markets; and our customers' expectations with respect to socially responsible operations. We expect the competition to continue to intensify in the future.

The PC components industry is characterized by a large number of competitors, rapidly changing customer demand patterns such as the frequent introduction of new products causing intensified competition, short product life cycles, continuous improvement in performance characteristics, reductions in product pricing and high price sensitivity on the part of customers. In particular, as a major player in the gaming PC market, we may face fierce competition for gaming PC and other related components as a result of the high-performance demand by the end-users. We have experienced, and may experience in the future, gross margin declines in certain businesses, reflecting factors such as reducing shipments, competitive pricing pressures, inventory write downs and increases in component and manufacturing costs due to higher labor and material costs borne by our suppliers that, as a result of the competitive nature of our industry, we may not be able to pass on to our customers. We may take additional initiatives to maintain the profitability of our PC component products, including improving our product mix, broadening our product offerings, upgrading our products, reducing component costs, reducing inventory carrying costs, lowering operating costs, improving inventory management, increasing product differentiation, and diversifying our product supply sources to decrease supply cost and procurement risk. However, there can be no assurance that these initiatives will be effective in

stimulating higher levels of sales and mitigating pricing pressure, or will not have a material adverse effect on our results of operations or financial condition.

The market for servers continues to evolve with the growth of cloud technologies, edge computing and AI, which intensifies the competition. We also expect competitions for servers from our competitors. Our competitors might have significant financial resources, better relationships with our suppliers or customers and more advanced technological capabilities, and it is possible that new competitors could emerge and acquire significant market share. If we do not develop innovative and competitive solutions, enhance the reliability, performance, efficiency and other features of our existing server products, our products may become uncompetitive and obsolete and our customers may turn to our competitors for alternatives. In order to succeed in this environment, we must successfully meet our customers' technology requirements and increase the value of our products, while also striving to reduce their overall costs and our own operating costs. If we fail to successfully manage these competitive factors, fail to successfully balance the conflicting demands for innovative technology and lower overall costs, or fail to address new competitive forces, our business and financial condition will be adversely affected.

Our industry is subject to rapid technological change, uncertainty and shifting market opportunities, and we may be unable to adapt to technological change and develop new products.

The markets for our products are characterized by rapidly changing technology, evolving industry standards, new product introductions, changing preferences and requirements of customers and evolving methods of operations. Our success depends, in part, on our ability to define and keep pace with changes in industry trends and technological developments. Changes in industry trends and needs could adversely affect the development of, and demand for, our technology, rendering our technology currently under development obsolete and unmarketable. For example, we have adapted to the AI trend, following G593-SD0, the world's first NVIDIA-certified H100 HGX 8-GPU SXM5 5U high-performance AI server in 2023, we further launch G593-SD1-AAX3 and G593-ZD1-AAX3, which supports NVIDIA HGX H200 AI server platform in 2024. In addition, we launched the revolutionary X870E/X870 and Z890 series motherboards, featuring D5 Bionic Corsa technology an all-encompassing AI-optimized solution integrating software, hardware, and firmware. With the introduction of the GIGAPOD supported by our immersion cooling technologies, we now offer a one-stop source for data centers. As part of the evolution of our business, we have been keeping making investments to develop new products and enhancements to existing products through our research and development ("R&D") efforts and cooperation with partners. In 2023, 2024, 2025, and the three months ended March 31, 2026, our R&D expenses amounted to NT$2,747 million, NT$4,128 million, NT$4,307 million (US$134 million), and NT$908 million (US$28 million), respectively. As of March 31, 2026, our R&D team consisted of 948 members, among which 279 received master's degree or higher. The patents and applications comprising our portfolio have fixed terms, and, if we fail to anticipate or respond adequately to these changes through the development or acquisition of new patentable inventions, patents or other technology, we could miss a critical market opportunity, reducing or eliminating our ability to capitalize on our patents, technology solutions or both.

It is hard to predict emerging technological trends accurately. If the market of our products does not grow as we expect, or if we fail to adapt and respond effectively to rapidly changing technology, evolving industry standards, changing regulations, changing market demands and changing customer needs, requirements or preferences, our products and solutions may become less competitive and our financial performance may be impacted. We must commit significant resources, including the investments we have been making, to developing new products before knowing whether our investments will result in products and services the market will accept. If the industry does not evolve as we believe it will, or if our strategy for addressing this evolution is not successful, many of our strategic initiatives and investments may be of no or limited value, and have adverse impacts on our financial condition. Similarly, our business could be harmed if we fail to develop, or fail to develop in a timely fashion and cost-effective manner, offerings to address other transitions, or if the offerings addressing these other transitions that ultimately succeed are based on technology, or an approach to technology, different from ours. Failure to introduce products that meet technological trends may cause us to lose our competitive position, and our business, financial condition or results of operations could be adversely affected.

Failure to forecast customer demand or industry supply properly has led and could lead to inventory risk, including losses on inventories.

We need to order components and build inventory in advance of customer orders for products. Because demand for the Company's products is affected by a number of factors, there is a risk that we may forecast demand incorrectly and produce or order from third parties excess or insufficient inventories of particular products. Those factors include, among others:

- market acceptance of our products;
- competing technologies and competitor product releases and announcements;
- changes in business and economic conditions resulting in decreased end demand;
- sudden or sustained government lockdowns or actions to control case spread of COVID-19 or other global or local health issues;
- rapidly changing technology or customer requirements, such as the demand for accelerated or AI-related cloud services;
- time to market;
- new product introductions and transitions resulting in less demand for existing products;
- increase in demand for competitive products, including competitive actions;
- failure in supply chain management;
- failure in adapting to changing market prices;
- business decisions made by third parties; and
- government actions or changes in governmental policies, such as increased restrictions on gaming usage.

We have experienced differences between actual and forecasted demand in the past, which have resulted in both product shortages and excess, and expects differences to arise in the future. For example, in the second half of 2022, the PC market experienced weak demands and there was inventory correction actions across the PC supply chain. In addition to our ordinary valuation of inventories, under such market condition, in order to incentivize the sale of our products and avoid a high inventory level, we also decreased the average sale price of our products. We cannot assure you that we will not encounter this kind of market situation again in the future. Should we suffer from decreased purchases by our customers, we may face pressure on our inventory management, which may lead to a reduction in sale price, and therefore a decrease in our revenues. Furthermore, the prices of our products fluctuate depending on industry supply and demand. If we maintain a higher than expected inventory level when the product prices decrease, we may suffer an inventory loss, which in turn may materially and adversely affect our business, financial condition and results of operations.

In addition, frequent new product introductions in the computer industry can result in the obsolescence of our existing inventories of products. This can result in a decrease in the stated value of our inventory, which we value at the lower of aggregate cost or market value. Given the rapid and unpredictable pace of product obsolescence in the computer industry, the company may incur inventory and related charges in the future. Such charges may have a material adverse effect on the company's results of operations and financial condition.

We rely heavily on overseas sales and on maintaining global operations to generate revenue. The global nature of our operations exposes us to increased risks inherent in engaging in international business and compliance obligations.

We derived substantially all of our revenue from sales outside of the ROC, and we expect our orders and revenue to continue to depend on sales to customers outside the ROC. Sales to customers outside the ROC

represented 97.90%, 97.46%, 95.38% and 79.40% of our net sales in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. The success and profitability of our international activities depend on many factors beyond our control, such as general economic conditions, political stability, freight and shipment costs, production locations, labor conditions, the tax laws, trade restrictions, changes in tariffs, laws and policies affecting trade and investment, fluctuations in currency exchange rates, expatriation restrictions, etc.

Offering our products in an increasing number of geographic locations and through a variety of distribution channels requires us to increase our geographic presence, to recruit and retain qualified technical and managerial employees, to provide increased levels of sales and support for our customers, to ensure intellectual property protection outside of the ROC, and to coordinate communications among and manage international operations. There can be no assurance, however, that this will be effective or that the requisite service and support to ensure the success of our international operations can be achieved in a cost-effective manner.

Geopolitical tensions may adversely affect our business, financial condition, and results of operations.

Geopolitical risk has increased over the past few years as a result of trade tensions between the United States and China, the conflict between Russia and Ukraine, the ongoing geopolitical instability and military conflicts involving the United States, Iran and Israel, and Israel-Hamas conflict, and the United Kingdom's official exit from the European Union, or Brexit. Growing tensions may lead, among others, to a de-globalization of the world economy, an increase in protectionism, a general reduction of international trade in goods and services and a reduction in the integration of financial markets, any of which could materially and adversely affect our business, financial condition, and results of operations.

There have been sustained tension between the United States and the PRC over trade policies including tariffs and barriers on imports and exports and government incentives to onshore and/or nearshore production and supply chains to favored jurisdictions. Currently, we have production facilities in both the ROC and the PRC, and the products sold to our customers in the United States are mainly produced by the production facilities in the ROC. Our current results of operations have not been materially affected by the export control regulations or the overall trade tensions between the United States and the PRC. Nevertheless, depending on future developments in the trade tensions, we may arrange new production facilities in places outside of the PRC to avoid being affected by trade tensions, which will generate additional costs. Moreover, we may also encounter barriers if we re-locate our production lines or build new production facilities overseas, including difficulties in obtaining requisite approvals and licenses and potential objections from local government or society due to regional protectionism. We cannot assure you that further regulations, rules, or measures will not have an adverse impact on our business, financial condition and results of operations.

In addition, the uncertain nature, magnitude, and duration of hostilities stemming from the recent geopolitical conflicts relating to Ukraine, including the potential effects of sanctions limitations, retaliatory cyber-attacks on the world economy and markets, and potential shipping delays, have contributed to increased market volatility and uncertainty, which could have an adverse impact on macroeconomic factors that affect our business. The United States and several countries in the North Atlantic Treaty Organization (NATO) imposing sanctions on Russia, following which the Russian government has issued a list of countries and territories taking "unfriendly actions" against Russia, including, among others, Taiwan, Great Britain, the United States, European Union member states and Singapore. In July 2022, the Russian government has expanded the list of countries and territories to include more European countries. Corporate deals with companies and individuals from the countries and territories covered under the list will have to be approved by a Russian government commission. As the invasion of Ukraine continues, there can be no certainty regarding whether such governments or other governments will impose additional sanctions, or other economic or military measures against Russia.

Whilst we currently have not been materially adversely affected by the geo-political conflicts, it is uncertain whether our business prospects will be adversely affected as the current geo-political conflicts continue, new geo-political conflicts occur, and consequential sanctions and countermeasures develop. It is not possible to predict the broader consequences of geo-political conflicts, which could include further sanctions, embargoes, regional instability, geopolitical shifts and adverse effects on macroeconomic conditions, the availability and cost of raw materials, supplies, freight and labor, currency exchange rates and financial markets, all of which could impact our business, financial condition and results of operations.

Slowdown in global economic conditions may put downward pressure on prices and demand for our products, as well as our business, financial condition, liquidity and results of operations.

The global economy has experienced significant volatility in recent years, including due to the global financial crisis and economic slowdown, rising interest rates, the conflicts of Russia-Ukraine and Israel-Hamas, trade tensions between the United States and the PRC, the novel coronavirus 2019 ("COVID-19") pandemic and volatility in the global stock markets, which have led to less favorable financial and economic conditions. Our business is sensitive to global economic conditions. The volatile global market conditions may adversely affect the demand for our products. The potential decrease and slowdown in demand for our products may inflict significant downward pressure on prices, and we could have reduced revenues, lower profit margins and/or loss of market share, any of which would have a material adverse effect on our reputation, business, financial condition and results of operations. The uncertain nature, magnitude, and duration of geopolitical tensions have contributed to increased market volatility and uncertainty, which could have an adverse impact on macroeconomic factors that affect our business. In addition, the geopolitical tensions can also lead to consequences such as newly imposed sanctions and export/import control, embargoes, increased pressure on the availability and cost of raw materials and components, potential shipping delays, adverse effects on currency exchange rates, all of which could adversely impact our business, financial condition and results of operations.

In recent years, there has been sustained tension between the United States and other countries over trade policies including tariffs and barriers on imports and exports and government incentives to onshore and/or nearshore production and supply chains to favored jurisdictions. For example, in 2025, the United States has imposed and altered tariffs on its trading partners for multiple times. The United States imposed varying reciprocal tariffs on more than 90 trading partners, effective from August 7, 2025, including a 20% tariff on the ROC. On January 15, 2026, the U.S. Department of Commerce announced the signing of a new trade agreement establishing of a strategic economic partnership between the United States and the ROC. Among other matters, the announcement indicated that the U.S. reciprocal tariff rate applied to ROC goods will not exceed 15%. In addition, the United States currently imposes a 30% tariff on goods from the PRC, through an executive order issued on August 11, 2025 postponing heightened reciprocal tariffs on goods from the PRC until November 10, 2025. The United States has also imposed, or is developing, varied tariffs for certain types of goods. The tariffs imposed by the United States have led to, and may further lead to, retaliatory measures taken by other countries. Given ongoing discussions between the United States and its trading partners, there remains significant uncertainty about whether the United States may further change the scope and level of tariffs it imposes. Any tariffs imposed on imports of our products into the United States may result in increased costs for purchasing such products, which may, in turn, lead to decreased demand for our products and services and adversely affect our business and future growth. Also, any other international trade barriers, such as tariffs imposed by other countries, increase in the use of export control restrictions, and sanctions to target certain countries and entities, could also have an adverse impact on our ability to continue supplying products to our customers as well as our customers' demand for our products. As we have established a global presence across Asia, Europe, and the Americas, to the extent that changes in the political environment and/or international trade environment have a negative impact on us or on the markets in which we operate, our business, financial condition and results of operations could be materially and adversely impacted.

We depend upon the development of new products and enhancements to our existing products, and if we fail to predict or respond to our customers' changing needs, our operating results and market share may suffer.

Our operating results depend on our ability to develop and introduce new products into existing and emerging markets and to reduce the production costs of existing products. In order to compete successfully, we must design, develop, market and sell new, innovative or enhanced products that provide increasingly higher levels of performance and reliability, offer and integrate new functionalities, and meet the cost expectations of our customers. If our customers do not purchase our products, our business will be harmed. It is difficult to anticipate changes in consumer preferences for the products and solutions, and the process of developing products incorporating new technologies is complex and uncertain. If we fail to accurately predict customers' changing needs, we may committee resources and effort into developing or enhancing products without getting enough returns and or enlarging market share, and our operating results will be adversely affected.

Furthermore, we may experience difficulties with design, development, marketing or certification, which could delay or prevent our development, introduction or marketing of new or enhanced products. There can be technical hurdles that we fail to overcome in a timely fashion. This could result in competitors providing those solutions before we do. As the success of new products depends on several factors, including timely completion and introduction of these products, differentiation of new products from those of our competitors, and market

acceptance of these products, if we fail to introduce new, innovative or enhanced products that meet the needs of our customers in a timely fashion, products and technologies developed by others might render our products or technologies obsolete or noncompetitive, and we might be suffered from loss of market share, revenue, and earnings.

We may incur high costs, including R&D costs, in our expansion into new businesses such as AI servers and there is no guarantee that our expansion of product lines will succeed.

We have been continuously trying to diversify our product lines, so as to integrate new technology innovation into our production, to include products with a higher profit margin, and to better meet anticipated needs of customers. For example, we are working on the R&D of AI servers, in addition to other computer servers that we provided as an important part of our major product categories. The expansion into new businesses and the provision of new products, such as AI servers, incurred and may continue to incur high R&D costs, as we scale the "learning curve" in these new products. These new products and services may require expertise that we are still building up, and higher costs may be incurred due to efforts to gather the required expertise and capabilities. To obtain new hardware, software and peripheral technologies for new product lines, we need to spend large capital expenditures for research and development or the acquisition of new technology. These high costs may result in lower profit margins for us, which in turn may adversely affect our business, financial condition, results of operations and prospects. In addition, there is no guarantee that our R&D investments will result in products that create additional revenue. If we cannot sell our products in sufficient volume and with adequate gross margins to compensate for such investment in R&D, our earnings may be materially and adversely affected.

Moreover, some of our new product lines are technology intensive, and the direction and pace of development of the market of these new products is uncertain. For example, the rapid evolving AI and cloud technology may cause some companies to delay purchasing decisions of relevant productions to qualify or otherwise evaluate the new product offerings, and the market did witness the slowdown of some high-tech companies' capital expenditure spent on AI servers and other cloud technology related products. Such trend may further intensify the impact of high costs incurred during the introduction of new products on our business and financial condition. In addition, as new players in these markets, the development of our products may be still at an early stage, which makes the future profitability hard to predict, and we are facing competitions from existing market players, who might have more experience and are already renowned among the customers. As a result, there can be no assurance that our expansion of product lines will be a success. Should our attempt to expanding product lines fail, it will adversely affect our business, financial condition, and results of operations.

Shortages in, or rises in the prices of, raw materials or input components for our products and production delays associated with such shortages may adversely affect our business.

Production for certain of our businesses depends on obtaining adequate supplies of raw materials and components on a timely basis, such as integrated circuits ("ICs"), chipsets, connectors, printed circuit boards, other integrated circuits and sockets. Given the variety of products that we offer, the large number of suppliers, and the lead times that may be required to manufacture, assemble and deliver certain components and products, problems could arise in planning production and managing inventory levels, including the possibility of defective parts, an increase in input component costs, reduced control over delivery schedules and shortages of raw materials and input components. Shortages of raw materials and components could also result in reduced production or delays in production, which may limit our capacity to fulfill large orders at short notice or may prevent us from making scheduled shipments to customers, which could adversely affect the Group's relationship with existing customers, as well as that with prospective customers.

In addition, we may not be able to procure the necessary raw materials and components for our businesses. At various times, supplies of some of the raw materials and components that we use have been scarce as a result of strong demand for those raw materials and components or problems experienced by suppliers. If shortages, supply-demand imbalances or delays arise, the prices of these raw materials and components may increase, which may decrease our profit margins if we cannot pass the cost increases to our consumers successfully. Our industry has experienced materials shortages and delivery delays in the past, including as a result of the negative impact of the COVID-19 pandemic on global supply chains, and we may experience shortages or delays of materials or increased logistics costs to obtain necessary materials in a timely manner in the future. For example, the widely reported shortages of integrated circuits ("ICs") since 2020 brought challenges to our management of raw materials and components. Since ICs are necessary for the production of our products, we sometimes had to pay higher-than-normal price to ensure supply of ICs, the extra costs of which could not always been passed on

to our customers. In particular, the demand for NVIDIA's GPUs was high that it led to chip shortages and supply chain disruptions since 2020. Although the shortage of ICs and GPU has relieved, there is no assurance that similar shortage in our raw materials and components would not happen again, or that our operations will not be affected by such events in the future.

If we were to lose any of our current supply or contract manufacturing relationships, the process of identifying and qualifying a new supplier or contract manufacturer who meets our quality and delivery requirements, and who will appropriately safeguard our intellectual property, may require a significant investment of time and resources, adversely affecting our ability to satisfy customer purchase orders and delaying our ability to rapidly introduce new products to market. Similarly, if any of our suppliers were to cancel, materially change contracts or commitments to us or fail to meet the quality or delivery requirements needed to satisfy customer demand for our products, whether due to shortages or other reasons, our reputation and relationships with customers could be damaged. We could lose orders, be unable to develop or sell some products cost-effectively or on a timely basis, if at all, and have significantly decreased revenues, margins and earnings, which would have a material adverse effect on our business, results of operations and financial condition.

Our reliance on certain key suppliers could result in delays and adversely affect our results of operations.

Our production operations depend upon obtaining adequate supplies of components from third-party suppliers on a timely basis. The principal components used in the manufacture of our products are ICs, chipsets, connectors, printed circuit boards, other integrated circuits and sockets. We currently purchase chipset and IC from Intel, NVIDIA, and AMD, and purchase other key components from Delta Electronics, Inc., HannStar Board Corporation, Cooler Master Technology Inc., and Amphenol Corporation. It is important for us to remain as an Add-in-Board (AIB) partner to the industry-leading GPU designers, such as NVIDIA and AMD so that we can continue to have access to the latest products. Failure to secure latest products from the industry-leading suppliers may have a material adverse effect on our business, results of operations and financial condition. Purchases of components from our single largest supplier accounted for 37.61%, 56.69%, 70.61% and 79.91% of the value of our purchases in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Currently, we do not have long-term supply agreements with all of our major component suppliers, including some of our largest suppliers. Certain suppliers have, in the past, delayed delivery of components, limited supply to us or increased prices due to capacity constraints or other factors. In addition, we have experienced interruptions to our production and, as a result, loss of net sales, in recent years due to shortages of components. Our results of operations would be adversely affected if we are unable to obtain adequate supplies of high quality components in a timely manner or if there were significant increases in the costs of components that we could not pass on to customers.

Outsourcing the manufacturing of some of our products could impact our business by adversely affecting product quality, delivery, reliability and cost.

Currently, we outsource some part of manufacturing activities to third parties. As of December 31, 2025, we outsourced the manufacturing of approximately 31% of our motherboards and 74% of our graphics cards in terms of units produced. We also outsource the manufacturing of some other PC related products. We currently do not outsource the production of servers. Since we do not rely heavily upon any specific outsourced manufacturers and we do not think that the outsources work is technology-intensive, we currently do not have plan to shift the outsourced manufacturing activities back to our own facilities, thus are dependent upon the continuing operations of those outsourcing manufacturers or the engagement with new capable outsourcing manufacturers to fulfill demand for our products.

While we take measures to ensure the quality and reliability of our outsourcing manufacturers, there can be no assurance that potential or existing outsourcing manufacturers will be able to always fulfill our quality requirements, that our outsourcing manufacturers will be able to modify and manufacture products to meet our specifications or that our outsourced products will be free of defects. Defective products from outsourcing manufacturers could reduce our product reliability and harm our reputation and brands.

There can be no assurance that the delivery of outsourced products will not delay. If our outsourcing suppliers are unable to quickly adjust their operation in response to changes to the nature or volume of orders, there may be shortages or delays in their delivery of our outsourced products. If shortages or delays persist, we may not be able to fulfill our customers' demands in time, which could harm our reputation and brands. In order to secure the delivery of enough products in a timely manner, we may also need to seek new outsourcing

manufacturers or pay additional fees to the current outsourcing manufacturers, thus incur additional costs. Accordingly, our net sales and gross margin could suffer as we could lose time-sensitive sales, incur additional costs or be unable to pass on price increases to our customers.

We cannot assure that we will be able to obtain the necessary financing to fund future capital expenditures.

Our businesses may require us to make additional capital expenditures. We have made investments in a number of our subsidiaries and affiliates. Some of these companies may require additional capital contributions, shareholder financing or contingent support, such as the provision of guarantees for their bank financing facilities, to fund their operations or expansions. We cannot assure you that we will at all times have sufficient financial resources to meet our obligations (if any), and to make additional capital contributions or provide shareholder financing to our subsidiaries and affiliates if and when required, or that such additional capital contributions or shareholder financing will not have a material and adverse effect on our cash flow, operations, and prospects with respect to our own business activities.

In addition, we may elect to enter into new businesses that require substantial initial capital expenditures. These capital expenditures may be made in advance of any additional sales to be generated by the expanded or new businesses. We may in the future incur operating losses if revenues do not adequately offset capital expenditures. Such capital expenditures likely would be funded with proceeds from existing cash and cash equivalent balances and lines of credit, together with existing and future bank, capital market, and other financings. However, in the event of adverse market conditions in the future or adverse changes in our businesses, we may need to secure additional financing from external sources. We cannot assure that external sources of liquidity will be available to fund our ongoing operations or capital expenditures associated with any expansion plans or spending on new businesses. The failure to obtain financing could obstruct our ability to make investments in product development, expansion plans or new businesses, which could materially and adversely affect our business, financial condition and results of operations.

We may incur additional indebtedness to fund our operations, expansions or strategic initiatives, which could materially and adversely affect our business, financial condition, results of operations, liquidity and prospects.

We have incurred, and expect to continue to incur, indebtedness, including borrowings under bank and other credit facilities from time to time to fund our operations, expansions or strategic initiatives. We may from time to time engage in discussions to obtain new indebtedness, including loan facilities, which, if happened, may have a material impact on our financial condition and results of operations, including our profitability, cash flows, liquidity and leverage ratio. As of the date of this Offering Memorandum, we have not reached any definitive agreements in respect of such new indebtedness. Any additional indebtedness could increase our debt service obligations and interest expenses, reduce our financial flexibility and limit our ability to obtain additional financing in the future. In addition, any financing arrangements we enter into may contain financial covenants, security interests, collateral requirements or other restrictive provisions that could restrict our operational and financial flexibility.

Our ability to refinance existing indebtedness or obtain additional financing on favorable terms, or at all, will depend on many factors beyond our control, including prevailing market conditions, interest rates, our financial condition and our creditworthiness at the relevant time. We cannot assure you that we will be able to secure financing, or that any financing we obtain will not have a material and adverse effect on our business, financial condition, results of operations, liquidity and prospects.

Our operating cash flows have fluctuated and may continue to fluctuate.

We experienced significant fluctuations in cash flows from operating activities for the three months ended March 31, 2025 and 2026. Such fluctuations were primarily attributable to movements in trade receivables from our customers, inventories, prepayments made to our suppliers, and settlement of trade payables to our suppliers. Any delays in customer payments, accelerated settlement of payables, increases in advance payments to suppliers, or slower inventory turnover could adversely affect our cash flows, which may limit our ability to fund our operations, meet our working capital requirements or pursue growth opportunities

We are subject to foreign exchange fluctuation risk.

While we headquarter in the ROC and need N.T. dollars for our daily operations, we price most of our products and purchase most of our components and raw materials in U.S. dollars. In 2023, 2024, 2025 and for the three months ended March 31, 2026, 83.56%, 87.77%, 85.22% and 89.31% of our net sales were denominated in U.S. dollars, respectively, with the remainder denominated in N.T. dollars, while we estimate that during the same period, 49.78%, 60.06%, 57.51% and 52.06% of our purchase and operating expenses were denominated in the N.T. dollar, respectively, and approximately 93.45%, 96.52%, 95.83% and 89.01% of our components and raw materials are priced in the U.S. dollar, respectively. We retain most of our cash in U.S. dollars in interest bearing bank accounts.

Accordingly, we are exposed to foreign exchange risks in exchange rate fluctuations between U.S. dollar and N.T. dollar exchange rates and, to a lesser extent, exchange rates between other currencies, which would affect our operating revenue as well as our non-operating income. The depreciation of U.S. dollar would moreover result in the loss of our operating margins. Although most of our account receivables and account payables are denominated in U.S. dollar, we remain exposed to foreign exchange risks and cannot assure that we will not be adversely affected by the fluctuations in exchange rates in the future. Furthermore, there can also be no assurance that shortages in the availability of foreign currency will not restrict our ability to obtain sufficient foreign currency to satisfy our foreign currency needs.

The impact of future exchange rate fluctuations among these currencies on our results of operations and financial condition cannot be accurately predicted, and there can be no assurance that our attempt to mitigate the adverse effects of exchange rate fluctuations will be successful or that such exchange rate fluctuations will not in the future have a material adverse effect on our financial performance.

Any future outbreaks of health epidemics and outbreaks of contagious diseases, including COVID-19, avian influenza or swine flu, may materially affect our operations and business.

The outbreak of communicable diseases or occurrence of major pandemics, such as COVID-19 pandemic, may adversely affect global or regional economy, as well as our business operations. For example, influenza viruses circulating in animals pose threats to human health. Humans can become ill when infected with viruses from animal sources, such as avian influenza virus subtypes H5N1, H9N2 and H7N9 and swine influenza virus subtype H1N1 and H3N2. An outbreak of a contagious disease such as New Influenza A, more commonly known as the "bird flu" and "swine flu," SARS, or avian influenza with virus subtype H7N9, for which there is inadequate treatment or no known cure or vaccine, may potentially result in a quarantine of infected employees and related persons and adversely affect our operations at one or more of our facilities or the operations of our customers or suppliers. We cannot predict the impact that any further future outbreak of the aforementioned influenza viruses or other diseases could have on our business and results of operations.

To conclude, outbreak of contagious diseases may restrict the level of economic activity in affected regions, result in sporadic volatility in capital markets, and adversely affect the global economy, all of which may also adversely affect our business. There is no assurance that any future outbreak of such diseases would not have a material adverse effect on our business, financial condition and results of operations.

We are vulnerable to any force majeure events or natural disasters and other disruptive events that could severely disrupt the normal operation of our business and adversely affect earnings.

The ROC is susceptible to earthquakes and has experienced severe earthquakes in the past, which caused significant property damage and loss of life. In the ROC, earthquakes usually hit the central and eastern regions. For example, in September 2022, a 6.5-magnitude earthquake struck Taitung and Hualien. In April 2024, a 7.2-magnitude earthquake struck the ROC's east coast. On January 21 and January 30, 2025, a 6.4 magnitude earthquake and a 5.6 magnitude earthquake struck southern Taiwan, respectively. Although we did not experience significant structural damage to the facilities in recent years, there can be no assurance that future earthquakes will not occur and result in major damage to the facilities, including work in progress, or cause significant business interruptions, all of which could have a material adverse effect on our results of operations.

The ROC is also susceptible to typhoons, which may cause damage and business interruptions to companies. Flood is another potential risk that may disrupt our operations or the operations of our customers or suppliers, which could result in a decline in the demand for our respective products or lack of raw materials and components supply. In addition, our global presence also makes us be subject to potential threat of natural

disasters and incidents in other geographic regions. Any temporary or sustained adverse impact from any future natural disaster or incident may adversely affect our results of operations.

If the Company's or any of the major subsidiaries' customers are affected by an earthquake, a typhoon, a flood or other natural disasters, it could result in a decline in the demand for our respective products or services. If our respective suppliers and providers of raw materials, components or transport services are affected, our respective operations could be interrupted or delayed. As a result, a major drought, earthquake, typhoon, flood, natural disaster, climate change or other disruptive events in the ROC could severely disrupt our normal business operations and have a material adverse effect on our respective financial conditions and results of operations. Similarly, acts of terrorism, wars, threats of war, social unrest and the corresponding heightened travel security measures instituted in response to such events, as well as geopolitical uncertainty and international conflict and tension, could affect economic development and the stability of the global economy, which in turn, could have a material adverse effect on our business, financial condition and results of operations. In addition, we may not be adequately prepared in terms of contingency planning or have recovery capabilities in place to deal with a major incident or crisis. As a result, our operational continuity may be materially and adversely affected, and our reputation may be negatively impacted.

Our production facilities are subject to risks of power shortages.

Our production facilities consume substantial amounts of power in manufacturing processes. Any power shortage, brownout or blackout for a significant period of time may disrupt our manufacturing, and as a result, could have a material adverse impact on our business, financial condition and results of operations. For example, on March 3, 2022, Taiwan suffered a massive electrical power outage, which left millions of homes, offices and factories without power. Although the electrical power outage did not have a material impact on our operations, there is no assurance that our operations in such countries will not be affected by power shortages or such administrative measures in the future, thereby causing material production disruption and delay in delivery schedules. If such event occurs, our business, results of operations, financial condition and future prospects could be materially and adversely affected.

If we are unable to attract and integrate additional key employees in a manner that enables us to scale our business and operations effectively, or if we do not maintain competitive compensation policies to retain our employees, our ability to operate effectively and efficiently could be limited.

Our future success depends in large part upon the continued service of our current executive management team and other key employees. We are particularly dependent on the continued service of our existing R&D personnel because of the complexity of our products and technologies. Our employment arrangements with our executives and employees do not require them to provide services to us for any specific length of time, and they can terminate their employment with us at any time without penalty. The loss of services of any of these executives or of one or more other key members of our team could seriously harm our business.

To execute our growth plan, we must attract additional highly qualified personnel, including additional engineers and executive staff. Competition for qualified personnel is intense. We have experienced and may continue to experience difficulty in hiring and retaining highly skilled employees with appropriate qualifications. If we are unable to attract and integrate additional key employees in a manner that enables us to scale our business and operations effectively, or if we do not maintain competitive compensation policies to retain our employees, our ability to operate effectively and efficiently could be limited.

Any failure to protect our intellectual property could impair our brand and our competitiveness.

Our ability to prevent competitors from gaining access to our technology is essential to our success. As of April 30, 2026, we have a broad portfolio of 3,369 patents and 1,727 pending patent applications in various jurisdictions around the world including, among others, the ROC, the United States, the PRC, Japan, Germany, France and European Patent Office. See "*Business — Intellectual Property and Licenses*." If we fail to protect our intellectual property rights adequately, we may lose an important advantage in the markets in which we compete. Trademark, patent, copyright and trade secret laws in the ROC and other jurisdictions as well as our internal confidentiality procedures and contractual provisions are the core of our efforts to protect our proprietary technology and our brand. Our patents and other intellectual property rights may be challenged by others or invalidated through administrative process or litigation, and we may initiate claims or litigation against third parties for infringement of our proprietary rights. Such administrative proceedings and litigation are inherently uncertain and divert resources that could be put towards other business priorities. We may not be able

to obtain a favorable outcome and may spend considerable resources in our efforts to defend and protect our intellectual property.

Furthermore, legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective patent, trademark, copyright and trade secret protection may not be available to us in every country in which our products are available. The laws of some foreign countries may not be as protective of intellectual property rights as those in the ROC, and mechanisms for enforcement of intellectual property rights may be inadequate.

Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property and using our technology for their competitive advantage. Any such infringement or misappropriation could have a material adverse effect on our business, results of operations and financial condition.

We may inadvertently breach intellectual property rights of third parties.

Our industry is marked by a large number of patents, copyrights, trade secrets and trademarks and by frequent litigation based on allegations of infringement or other violation of intellectual property rights. Although we believe that in the past, our operations were not materially and adversely affected by the disputes over infringements upon the proprietary rights of others, there can be no assurance that third parties will not assert infringement and other claims against us in the future, which may have a material impact on our operations.

Successful intellectual property claims against us from others could result in significant financial liability or prevent us from operating our business or portions of our business as we currently conduct it or as we may later conduct it. In addition, resolution of claims may require us to redesign our technology to obtain licenses to use intellectual property belonging to third parties, which we may not be able to obtain on reasonable terms, to cease using the technology covered by those rights, and to indemnify our customers, indirect sales channel partners or vendors. Any claim, regardless of its merits, could be expensive and time consuming to defend against, and divert the attention of our technical and management resources.

We may be subject to liability in connection with industrial accidents at our processing and production sites.

As our production processes are complex and involve the operation of tools, equipment and machinery which are potentially dangerous, industrial accidents resulting in personal injuries or even deaths may occur. Industrial accidents may occur at our manufacturing sites, whether due to malfunctions of tools, equipment or machinery or other reasons. In 2023, 2024, 2025 and the three months ended March 31, 2026, no severe industrial accidents happened at our manufacturing sites, however, we cannot assure you that such accidents would not happen in the future. If this type of event were to occur, we may be held liable for the personal injuries or deaths and subject to monetary losses, fines or penalties or other forms of legal liability as well as business interruptions caused by equipment shutdowns for government investigation or implementation or imposition of safety measures. For example, work safety laws imposed by the local government authorities where we operate could impose compliance costs or reduce the efficiency of our operations, thereby materially and adversely affecting our business, financial condition and results of operations.

Our insurance coverage may not adequately protect us against certain operating and other hazards which may have an adverse effect on our business.

We believe that our coverage from insurance policies for production facilities is in line with industry norms, adequate for present operations and includes adequate coverage for risks relating to earthquake, fires and public liability. However, there can be no assurance that any claim under the insurance policies maintained will be timely honored in full or at all. To the extent that we suffer loss or damage that is not covered by insurance or exceeds insurance coverage, our business, results of operations and financial condition may be materially and adversely affected. There can also be no assurance that insurance will continue to be available to provide reasonable, or any, coverage on reasonable commercial terms.

If we violate environmental regulations or if stringent new regulations are introduced, we may be subject to fines or restrictions or higher compliance costs that could cause our operations to be delayed or interrupted and our business to suffer.

We are subject to a variety of environmental laws and regulations in all of the jurisdictions in which we have production facilities. Future changes to existing environmental regulations may give rise to additional compliance-related costs or potential exposure to liability for environmental claims that may seriously affect our business, financial condition and results of operations. Although we have not suffered material environmental claims nor incurred any severe fines in connection with environmental regulations in the past, any failure to comply with any present or future regulations could result in the assessment of damages or imposition of fines against us, suspension of production, or a cessation of operations.

We have adopted various environmental, social, governance ("ESG") measures in response to the increase in ESG rules and regulations applicable to our business, and we expect this trend to continue. Given the pace of evolution of rules and regulations in these areas, we may not be able to timely comply with such rules and regulations fully or at all. We are also exposed to the risk that future ESG rules and regulations may adversely affect our ability to run our business, face increased compliance costs or take other steps which may have a material adverse effect on our business, financial condition and results of operations.

Failure to maintain an effective quality control system at our production facilities, or product quality issues of our suppliers, could have a material adverse effect on our business and operations.

The quality of our products is critical to the success of our business. Our quality control system depends on a number of factors, including the design of our quality control procedures, our quality training programs and our ability to ensure that our employees adhere to our quality control policies and guidelines. The products that we offer are complex, and our regular testing and quality control efforts may not be effective in controlling or detecting all quality issues. If we fail to meet the product specifications, our sales orders may be cancelled and products may be returned, which could have a material adverse effect on our business, reputation, results of operations and financial condition.

Moreover, our products could be affected by the quality controls of our components suppliers. For example, many of our products use precise components and any defects in such components may lead to malfunction of our products. We may face product recalls and product liability claims from our customers or distributors if the use of our products results in bodily injury, property damage or other loss, regardless of whether we are at fault. Thus, any product quality issue of our supplier, if leads to the defect of our products, could subject us to unexpected expenses, significant production interruption, negative publicity and therefore affect our business, reputation, results of operations and financial condition.

We may be sued for product liability or experience problems with product quality or performance, which could result in adverse publicity or subject us to unexpected expenses, including potentially significant monetary damages.

We typically provide a three-year warranty to our customers for our products, including returning, replacing, and repairing defective products. While we pay close attention to our product quality and are committed to providing top post-sale service for our customers, we may still be subject to claims from our customers that our products had failed to perform as expected or caused damage. If any product liability claims are successfully asserted against us, we could be required to pay significant monetary damages. We carry insurance for certain product liability claims, but such coverage may be limited. In addition, we may not be successful in recovering amounts from third parties, including our suppliers, in connection with these claims. Even if a product liability claim does not result in a judgment in favor of a claimant, we may still incur substantial legal expenses defending against such a claim. Moreover, product failures and the assertion of product liability claims against us, even if unsuccessful, could also result in adverse publicity that may damage our reputation and customer relationships, which would have a material adverse effect on our business.

If negative publicity arises with respect to us, our employees, or our partners, our business and operating results could be adversely affected, regardless of whether the negative publicity is true.

Negative publicity about us or our products, even if inaccurate or untrue, could adversely affect our reputation and the confidence in our products, which could harm our business and operating results. Harm to our reputation can also arise from many other sources, including employee misconduct and misconduct by our

partners. Additionally, negative publicity with respect to our partners or service providers could also affect our business and operating results to the extent that we rely on these partners or if our customers or prospective customers associate our company with these partners.

System security violations, data protection breaches, cyber-attacks and other related cyber-security issues could disrupt our internal operations or compromise the security of our products, and any such disruption could reduce our expected revenues, increase our expenses, damage our reputation and adversely affect our business.

Malicious computer programmers and hackers may be able to penetrate our network and misappropriate or compromise our confidential information or that of third parties, create system disruptions or cause shutdowns. Computer programmers and hackers also may be able to develop and deploy viruses, worms and other malicious software programs that attack our products or otherwise exploit any security vulnerabilities of our products. While we employ a number of protective measures, including firewalls, anti-virus and endpoint detection and response technologies, these measures may fail to prevent or detect attacks on our systems. In August 2021, our network was attacked by hackers. While we took immediate response to the attack and our manufacturing, sale and operation was not materially and adversely affected by the attack, there can be no assurance that unauthorized intrusions into our network will not occur again in the future and that, if such intrusions occur, our business, operations, or products will not be adversely affected. In addition, our hardware and software or third-party components and software that we utilize in our products may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation or security of the products. The costs to us to eliminate or mitigate cyber or other security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant and, if our efforts to address these problems are not successful, could result in interruptions, delays, cessation of service and loss of existing or potential customers that may impede our sales, manufacturing, distribution or other critical functions. Any claim that our products or systems are subject to a cyber-security risk, whether valid or not, could damage our reputation and adversely impact our revenues and results of operations.

We manage and store various proprietary information and sensitive or confidential data relating to our business as well as information from our suppliers and customers. Breaches of our or any of our third party suppliers' security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of proprietary information or sensitive or confidential data about us or our customers or suppliers, including the potential loss or disclosure of such information or data as a result of fraud, trickery or other forms of deception, could expose us or our customers or suppliers to a risk of loss or misuse of this information, result in litigation and potential liability for us, damage our brand and reputation or otherwise harm our business.

To the extent we experience cyber-security incidents in the future, our relationships with our customers and suppliers may be materially impacted, our brand and reputation may be harmed and we could incur substantial costs in responding to and remediating the incidents and in resolving any investigations or disputes that may arise with respect to them, any of which would cause our business, operations, or products to be adversely affected. In addition, the cost and operational consequences of implementing and adding further data protection measures could be significant.

Failure to comply with the U.S. Foreign Corrupt Practices Act, other applicable anti-corruption and anti-bribery laws, and applicable trade control laws could subject us to penalties and other adverse consequences.

We sell our products in the United States and several other countries. Our operations are subject to the U.S. Foreign Corrupt Practices Act (the "FCPA") as well as the anti-corruption and anti-bribery laws in the countries where we do business. The FCPA prohibits covered parties from offering, promising, authorizing or giving anything of value, directly or indirectly, to a "foreign government official" with the intent of improperly influencing the official's act or decision, inducing the official to act or refrain from acting in violation of lawful duty or obtaining or retaining an improper business advantage. The FCPA also requires publicly traded companies to maintain records that accurately and fairly represent their transactions, and to have an adequate system of internal accounting controls. In addition, other applicable anti-corruption laws prohibit bribery of domestic government officials, and some laws that may apply to our operations prohibit commercial bribery, including giving or receiving improper payments to or from non-government parties, as well as so-called "facilitation" payments.

In addition, we are subject to U.S. and other applicable trade control regulations that restrict with whom we may transact business, including the trade sanctions enforced by the U.S. Treasury, Office of Foreign Assets

Control. If we fail to comply with laws and regulations restricting dealings with sanctioned countries or companies and/or persons on restricted lists, we may be subject to civil or criminal penalties. Any future violations could have an adverse impact on our ability to sell our products to U.S. federal, state and local government and related entities. We have an office in Russia, but currently do not have any sales in Russia or to Russian customers. While we currently do not have business relationships with companies that are on the restricted party list or otherwise subject to sanctions, there can be no assurance that as sanction regime develops, our business partners will not be added to sanctioned parties in the future. Should that happened, we may be required to terminate or modify such relationships if our activities are prohibited by U.S. laws. Further, our association with these parties could subject us to greater scrutiny or reputational harm among current or prospective customers, partners, suppliers, investors, other parties doing business with us or using our products, or the general public. The United States and other countries continually update their lists of export-controlled items and technologies, and may impose new or more-restrictive export requirements on our products in the future. For example, the European Union controls the export of products, services, and technologies designed for non-military purposes, but which are utilized in military applications or can contribute to the proliferation of weapons of mass destruction. Some of our products may qualify as the dual-use items, and we would need to obtain appropriate license or authorizations before export of such products. As a result of regulatory changes, we may be required to obtain licenses or other authorizations to continue supporting existing customers or to supply existing products to new customers in certain jurisdictions. Further escalations in trade restrictions, particularly between the United States and China, could impede our ability to sell or support our products.

In addition, while we have implemented policies, internal controls and other measures reasonably designed to promote compliance with applicable anti-corruption and anti-bribery laws and regulations, and certain safeguards designed to ensure compliance with U.S. trade control laws, our employees or agents may in the future engage in improper conduct for which we could be held responsible. If we, or our employees or agents acting on our behalf, are found to have engaged in practices that violate these laws and regulations, we could suffer severe fines and penalties, profit disgorgement, injunctions on future conduct, securities litigation, bans on transacting government business and other consequences that may have a material adverse effect on our business, results of operations and financial condition. In addition, our brand and reputation, our sales activities or our stock price could be adversely affected if we become the subject of any negative publicity related to actual or potential violations of anti-corruption, anti-bribery or trade control laws and regulations.

There are uncertainties under the U.S. Outbound Investment Rule that might subject U.S. investors of the Bonds to notification requirements.

On October 28, 2024, the U.S. Department of the Treasury (the "Treasury") issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern (the "Outbound Investment Rule"). The Outbound Investment Rule, effective on January 2, 2025, is aimed at exerting greater U.S. government oversight over U.S. direct and indirect investments involving China and introduces new hurdles and uncertainties for cross-border collaborations, investments, and funding opportunities of China-based entities. It targets investments involving entities associated with countries of concern, currently China (including Hong Kong and Macau) and imposes investment prohibition or notification requirements on a wide range of investments in entities engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum computing, and (iii) artificial intelligence systems. Under the Outbound Investment Rule, entities with meaningful tie with a country of concern and engaged in activities relating to the three sectors are defined as covered foreign persons, and with limited exceptions, equity investments (including investment in convertible bonds) by a U.S. person in a covered foreign person (a "covered transaction") are subject to prohibition or notification requirements. Violation of such requirements could be subject to (i) a civil penalty up to the greater of (a) twice the value of the transaction that is the basis for the violation and (b) approximately US$368,000 (adjusted annually for inflation); and (ii) in the case of willful violations, a criminal penalty of up to 20 years' imprisonment and a fine of up to US$1 million. Additionally, the Treasury would also have authority to order the nullification or force the divestment of any prohibited investment. We do not meet the definition of covered foreign person and we do not believe that an investment by a U.S. person, as defined under the Outbound Investment Rule, in the Bonds constitutes a covered transaction under the Outbound Investment Rule.

On December 23, 2025, the Treasury issued new guidance regarding compliance with the Outbound Investment Rule in the form of frequently asked questions (the "Treasury FAQ"), including the scope of "excepted transactions" such as a publicly traded securities exception. A U.S. person's acquisition of a publicly traded security and/or a contingent equity interest that is convertible into, or provides the right to acquire, only a publicly traded security would be an excepted transaction, so long as such investment does not afford the U.S.

person rights beyond standard minority shareholder protections. An investment by a U.S. person in the Bonds is expected to qualify as an excepted transaction under the publicly traded securities exception, to the extent that the Bonds are convertible solely into publicly traded equity securities and do not confer rights beyond standard minority shareholder protections. However, the Treasury FAQ provides that any conversion of a contingent equity interest must be analyzed separately. Accordingly, while the initial acquisition of the Bonds is expected to constitute an excepted transaction, investors must make their own determination as to their own obligations under the Outbound Investment Rule at the time of any conversion of the Bonds into Shares.

There remain uncertainties under the Outbound Investment Rule and we cannot assure you that the Treasury will not change their view and treat the investment in the Bonds by a U.S. person as a covered transaction and thus subject to further requirements under the Outbound Investment Rule.

Additionally, the uncertainty in the interpretation of the Outbound Investment Rule may reduce U.S. investors' interest in our equity securities. In such a case, the trading price of the Ordinary Shares may be adversely affected, and the value of the Bonds may decline significantly. It could also be detrimental to our capital raising capacity and our business, financial condition and prospects. If we were to be deemed a covered foreign person due to changes in our business operations or amendments to relevant laws and regulations at the time a U.S. person holding our Bonds elects to convert their Bonds, and we elect to satisfy our conversion obligation by delivering Shares, the U.S. person could be subject to the prohibition or notification requirements under the Outbound Investment Rule. Therefore, in such an event, holders of the Bonds may not be able to convert their Bonds into Shares, or may be required to make a notification to the Treasury upon such conversion of the Bonds in the future. In addition, if we were deemed to be a covered foreign person in the future, U.S. persons' acquisition of the Bonds could be subject to the prohibition or notification requirements under the Outbound Investment Rule, which could in turn affect the transferability of the Bonds. Investors should exercise caution on the potential investment restrictions and compliance obligations that may result from such changes in our business or relevant laws and regulations in the future.

In February 2025, U.S. President Donald Trump released the America First Investment Policy Memorandum, outlining several initiatives to incentivize investment from U.S. allies and partners while restricting investments involving "foreign adversaries" including China. Among other things, the policy aims to expand the industry sectors covered by the Outbound Investment Rule and supplement outbound restrictions through the imposition of sanctions. The proposed restrictions may further increase uncertainties for cross-border collaboration, investment, and funding opportunities of companies with operations in China.

On December 18, 2025, the U.S. Comprehensive Outbound Investment National Security Act of 2025 (the "COINS Act") became law. Among other things, the COINS Act directs the Secretary of the Treasury to issue regulations restricting the U.S. outbound investments in countries of concern involving certain technologies. The COINS Act is subject to a rulemaking process, which is required to be completed by March 2027, and there is substantial uncertainty regarding how the new law will be implemented. The Treasury FAQ provides that in the meantime, parties should continue to act in full compliance with the Outbound Investment Rule.

Any of the foregoing development remains uncertain and could have a material adverse effect on the Group's business, results of operations and financial condition.

The estimates of market opportunity and forecasts of market growth included in this Offering Memorandum may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business may not grow at similar rates, or at all.

Market opportunity estimates and growth forecasts included in this Offering Memorandum are subject to significant uncertainty and are based on assumptions and estimates which may not prove to be accurate, including third-party market research and internal estimates. The estimates and forecasts included in this Offering Memorandum relating to size and expected growth of our target markets, as well as our assumptions incorporated in such estimates and forecasts, may prove to be inaccurate. While we believe the information on which we base our market opportunity estimates and forecasts is generally reliable, such information is inherently imprecise. Furthermore, even if the markets in which we compete meet the size estimates and growth forecasts included in this Offering Memorandum, our business may not grow at similar rates, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties, including those described herein. If our market opportunity estimates or growth forecasts prove to be inaccurate, our future growth opportunities may be limited and there could be a material adverse effect on our prospects, business, financial condition and results of operations.

Risks Relating to the ROC

Strained relations between the ROC and the PRC and political developments in the ROC could adversely affect our business and the market value of the Bonds or our Shares.

Our principal executive offices and a significant portion of our assets and operations are located in Taiwan and our Shares are listed on the TWSE. Accordingly, our business, financial condition and results of operations and the market price of our Shares and the Bonds may be affected by changes in the ROC governmental policies, taxation, inflation, interest rates, social instability and other political, economic, diplomatic or social developments in or affecting the ROC which are outside our control. Taiwan has a unique international political status. Both the governments of the PRC and the ROC assert sovereignty over Taiwan. The PRC government does not recognize the legitimacy of the government of the ROC. Although significant economic and cultural relations have been established in the past decades between Taiwan and the PRC, the PRC has refused to renounce the possibility that it might use force to gain control over Taiwan if Taiwan were to declare independence or if a foreign power were to interfere in Taiwan's domestic affairs. Relations between the PRC and the ROC have at times been strained. Strained relations could result in future military actions or economic sanctions or other disruptive activities undertaken by either government. Past tensions between the PRC and the ROC have on occasion depressed the market price of the securities of ROC companies. There is no assurance that relations between the ROC and the PRC will not deteriorate, or that future military actions or economic sanctions or other disruptive activities will not be undertaken by either the PRC or ROC governments.

The trading price of our Shares and the Bonds may be adversely affected by the general activities of the TWSE and TPEx and the economic performance of Taiwan.

The trading price of our Shares and the Bonds may be adversely affected by the general activities of the TWSE and the TPEx and economic conditions in Taiwan. Our Shares are listed on the TWSE. The trading price of the Bonds may be affected by the trading price of our Shares on the TWSE, the general activities of the TWSE and the TPEx and the economic performance of Taiwan. The TWSE is smaller and, as a market, more volatile than the securities markets in the United States and a number of European countries. The TWSE has experienced substantial fluctuations in the prices and volumes of sales of listed securities, and there are currently limits on the range of daily price movements on the TWSE. In the past decade, the TWSE Index reached a low of 7,410.34 on August 24, 2015 and peaked at 24,390.03 on July 11, 2024. In 2025, daily closing prices of our Shares ranged from NT$180.00 to NT$317.00.

The Taiwan stock markets, including the TWSE, are particularly volatile during times of political instability, such as when relations between Taiwan and the PRC are strained. In response to past declines and volatility in the securities markets in Taiwan, and in line with similar activities by other countries in Asia, the ROC government formed the National Financial Stabilization Fund, which has purchased, and may from time to time purchase shares of ROC companies listed on the TWSE and the TPEx, to support these markets. In the future, market activity by government entities, or the perception that such activity is taking place, may take place or has ceased, may cause fluctuations in the market prices and liquidity of our Shares.

Our future investment in the PRC or other countries may be restricted by the ROC laws and regulations relating to investment of ROC entities in the PRC or foreign countries. Failure to obtain, maintain or renew approvals for inbound and outbound investments may materially and adversely affect our financial condition and results of operation.

Under Taiwan Relations Between Peoples of the Taiwan Area and the Mainland Area Act (the "Act") and the regulations promulgated thereunder, any individual, juristic person, organization, or other institution of Taiwan (including the Company) may only invest in the PRC if the target business falls within a permitted investment category and after obtaining the prior approval of the Department of Investment Review of the Ministry of Economic Affairs (the "MOEA") unless the investment amount is less than US$1,000,000. In addition, except in limited circumstances, the total accumulated amount of a Taiwan listed company's investments in the PRC may not exceed 60% of its net worth or 60% of its consolidated net worth, which is higher. Our current investment in the PRC falls within the permitted investment category under the Act, and our PRC investment does not exceed the applicable 60% limit.

The Department of Investment Review of the MOEA has supervisory and regulatory authority for matters relating to, among other things, inbound investment in Taiwan companies by non-ROC persons and overseas ROC nationals, and outbound investments by Taiwan companies or individuals. Under current ROC law, ROC

companies are required to obtain prior approval from or, within the period of time prescribed by relevant laws and regulations, a post filing with the Department of Investment Review of the MOEA for making certain investments in any other jurisdictions outside Taiwan under certain circumstances. There is no assurance that we will be able to continue to satisfy the requirements for, or otherwise obtain, permits or approvals for our current investments, or future investments that we might make outside Taiwan. Failure to obtain, maintain or renew such permits and approvals may impede or hinder our operations, expansion and adversely affect our financial condition, results of operations and business prospects.

The imposition of foreign exchange restrictions may have an adverse effect on the secondary market price of the Bonds.

According to the Foreign Exchange Control Act, the ROC government has the legal power to impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the ROC government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in Taiwan. These restrictions may restrict all or some foreign exchange settlements. There can be no assurance that these restrictions, if imposed, will not adversely affect, among other things, the secondary market price of the Bonds.

Financial reporting requirements and accounting standards in the ROC differ from those in other countries.

We are subject to financial reporting requirements in the ROC that differ in significant respects from those applicable to companies in certain other countries, including the United States. In addition, our financial statements are prepared in accordance with T-IFRS, which differ in certain significant respects from generally accepted accounting principles in certain other countries, such as U.S. GAAP or IFRS. The accounting treatment adopted by us under Taiwan IFRS may cause volatility of our revenue and/or profits. Potential investors should consult their own professional advisers for an understanding of such differences and how they might affect the financial information contained herein.

You may not be able to enforce a judgment of a foreign court in the ROC.

We are a company incorporated under the ROC Company Act. All of our Directors and executive officers are residents of Taiwan, and a significant portion of our assets and the assets of such persons are located in Taiwan. As a result, it may be difficult for investors to enforce judgments obtained outside Taiwan against us or such persons in Taiwan.

Risks Relating to the PRC

We are subject to the political and economic situation in the PRC.

Currently, a significant portion of our production facilities are located in the PRC, which contributed approximately 89.51%, 43.65%, 42.60% and 81.85% of the manufacturing capacity of the Group with respect to motherboards, graphics cards, servers, and other products, respectively, for the year ended December 31, 2025. Accordingly, our business, financial condition and results of operations are subject to the political and economic environments and legal developments in the PRC. Since 1978, the PRC government has permitted foreign investment and implemented economic reforms, gradually changing from a planned economy toward a market-oriented economy. However, many of the reforms and economic policies adopted or to be adopted by the PRC government are unprecedented or experimental in nature and may have unforeseen results, which may have an adverse effect on enterprises with substantial business in the PRC, including us.

The PRC government has implemented policies from time to time to regulate economic expansion in the PRC. Although in recent years the PRC government has implemented measures emphasizing the use of market forces for economic reform, it continues to play a significant role in regulating industrial development and it has broad discretion and authority to regulate the technology industry in the PRC. It also exercises significant control over the PRC's economic growth through the allocation of resources, controlling payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies.

While the PRC's economy has experienced significant growth in the past 30 years, growth has been uneven, both geographically and among various sectors in the economy. The PRC government has implemented various

measures to encourage economic growth and guided the allocation of resources. Some of these measures benefit the overall economy of the PRC, but may have a negative effect on us. Significant change to governmental controls over capital investments or changes in tax regulations, for example, could materially and adversely affect our business, financial condition and results of operations.

There is also a risk, based on the complex relationships between the ROC and the PRC, that political, diplomatic, or military events could result in trade disruptions, including tariffs, trade embargoes, export restrictions and other trade barriers. A significant trade disruption, export restriction, or the establishment or increase of any trade barrier in any area where we do business could reduce customer demand and cause customers to search for substitute products and services, make our products and services more expensive or unavailable for customers, increase the cost of our products and services, have a negative impact on customer confidence and spending, make our products less competitive, or otherwise have a materially adverse impact on our future revenue and profits, our customers' and suppliers' businesses and our results of operations.

We are subject to risks associated with the PRC legal system.

Our business and operations conducted through the Company's subsidiaries in the PRC are governed by PRC laws, rules and regulations. The PRC legal system is based on written statutes. Prior court decisions are not legally binding and can only be cited as reference. Additionally, PRC written statutes are often principle-oriented and require detailed interpretations by the enforcement bodies in applying and enforcing such laws. Since 1979, the PRC Government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade, with a view to developing a comprehensive system of commercial law. However, as these laws and regulations are continually evolving in response to changing economic and other conditions, and because of the limited volume of published cases and their non-binding nature, interpretations of PRC laws and regulations are not always uniform or definitive, and enforcement involves uncertainties. Despite the development of the legal system, the PRC's system of laws is not yet complete. Even where laws and regulations exist in the PRC, there may be laws and regulations at the national level or local level which are not commonly seen in developed countries and which may impose additional procedural or compliance requirements on us.

PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between the PRC and the country where the judgment is made or on reciprocity between jurisdictions. In the case of a foreign judgment rendered by a foreign court where the country and the PRC do not have treaty or other agreement that provide for the reciprocal recognition and enforcement of foreign judgments, such a judgment may not be enforced by a PRC court. In addition, according to the PRC Civil Procedures Law, courts in the PRC will not enforce a foreign judgment if they decide that the judgment violates the basic principles of PRC laws or national sovereignty, security or public interest. Therefore, it is uncertain whether a PRC court would enforce a foreign judgment rendered by a foreign court. The relative inexperience of the PRC's judiciary in many cases also creates additional uncertainty as to the outcome of any litigation. Furthermore, interpretation of laws and regulations of the PRC may be subject to government policies reflecting domestic political changes.

We cannot predict the effects of future developments of the PRC legal system, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, the pre-emption of local regulations by national laws, or the overturn of local governments' decisions by the central government. These uncertainties may limit the legal protections available to us. In addition, any litigation in the PRC may be protracted and result in substantial costs and diversion of our resources and management's attention.

Although we believe that we have all the relevant government approvals required in connection with our PRC operations, additional approvals from the PRC government may be required.

We operate facilities in Dongguan and Ningbo, the PRC, through our subsidiaries, Dongguan Gigabyte Electronics Co., Ltd. and Ningbo Giga-Byte Technology Co., Ltd. Our activities in the PRC will be subject to administrative review and approval by various national and local agencies of the PRC government. We believe that we have completed all required filings and obtained all necessary PRC governmental approvals, in connection with the foreign investment in PRC entities, the establishment, capital increases, and daily operations of our PRC subsidiaries. The interpretation of PRC laws and regulations involves uncertainties, however, and additional approval from the PRC government might be required. Due to the changes occurring in the legal and regulatory structure of the PRC, we may not be able to secure the required additional governmental approval for our activities in the PRC, if any. Failure to obtain the requisite governmental approval or to comply with the

PRC government's policies or practices for any of our activities could adversely affect our business and operating results.

Our PRC operations may be constrained by increasing challenges in recruiting and retaining employees at reasonable cost.

As of March 31, 2026, approximately 40% of our employees were located in the PRC. However, it has been increasingly challenging in recent years to recruit and retain employees at all levels and we cannot assure you that labor will continue to be available to us in the PRC at a relatively low cost. The PRC has experienced rapid social, political and economic changes in recent years which have led to rising salaries and wages. In addition, there has been a growing shortage of workers in the PRC who are willing to work in factories. Rising wages as well as a shortage of labor in the PRC may increase our overall cost of production, cause delays in production and could lower the cost competitiveness of our PRC operations, which may have a material adverse effect on our business, financial condition and results of operations.

Dividends we receive from our PRC subsidiaries may be subject to PRC withholding tax.

The PRC Enterprise Income Tax Law (the "PRC EIT Law") provides that income tax may be applicable to dividends payable to non-PRC enterprise investors that are "non-resident enterprises" to the extent such dividends are derived from sources within the PRC. The PRC State Council has reduced such rate to 10% through the implementation of the PRC EIT Law. Under the PRC EIT Law and its implementation rules, an enterprise established outside of the PRC with its "de facto management body" within the PRC is considered a "resident enterprise" and will be subject to the enterprise income tax on its global income. We believe that the Company is not a PRC resident enterprise for PRC tax purposes. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term "de facto management body." Non-resident shareholders and bond holders may be subject to PRC tax on dividends, interests, gains realized on the sale or other disposition of the Shares or bonds, if such income is treated as sourced from within the PRC.

Certain employment and labor laws in the PRC may restrict our flexibility regarding the hiring and termination of employees and may increase our labor costs in the PRC.

Labor laws and regulations in the PRC impose strict requirements on signing labor contracts, paying remuneration, paid annual leave, probation and dissolving labor contracts. PRC labor law also requires the terms of employment contracts to be placed in writing within one month of the commencement of an employment relationship, which makes hiring temporary workers difficult. In the event we decide to significantly change or decrease the workforce of our PRC subsidiaries, the PRC labor laws and regulations could adversely affect our ability to enact such changes in a manner that is most advantageous to the business of our PRC subsidiaries or in a timely and cost-effective manner, which may materially and adversely affect our business, financial condition and results of operations.

PRC laws and regulations require us to make social insurance registrations and payments, and open housing provident fund accounts, with the relevant governmental authorities for our PRC and non-PRC employees working in the PRC. Furthermore, we must pay to designated government agencies various statutory employee benefits, including pensions, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance and housing provident fund for the benefit of our employees who work in the PRC. The relevant government agencies may examine whether an employer has made adequate payments of the requisite statutory employee benefits, and employers who fail to make adequate payments may be subject to late payment fees, fines and/or other penalties. Failure to pay the requisite statutory employee benefits for and on behalf of our employees in accordance with PRC regulations may have an adverse impact on our financial conditions and results of operation.

Risks Relating to the Bonds and the Shares

There are limitations on the Bondholders' ability to exercise Conversion Rights.

The Bondholders will not be able to exercise Conversion Rights (as defined in "*Description of the Bonds*") during any Closed Period (as defined in "*Description of the Bonds*"). Under the current ROC law and regulations, PRC persons are not permitted to convert the Bonds or to register as our shareholders unless (i) it is a qualified domestic institutional investor approved by the competent authority of the securities, insurance or

banking industries in the Mainland area and registered with Taiwan Stock Exchange or Taiwan Futures Exchange ("QDII"), which will hold less than 10% of the Common Shares after conversion of the Bonds, or (ii) it otherwise obtains the approval of the Department of Investment Review of the MOEA if all the business items of the Company are within the positive list promulgated by the ROC government from time to time in the event that it will hold 10% or more (or other threshold required by the regulators) of the Common Shares after conversion of the Bonds. In addition, there are restrictions on the amount remitted to Taiwan for investments by each QDII and all QDIIs. Accordingly, the qualification criteria for a PRC person to make investment and the investment threshold imposed by the FSC and the TWSE might cause a Bondholder who is a PRC person to be unable to convert and hold our Shares issuable upon conversion of the Bonds. Under current ROC laws, a "PRC person" means (i) an individual with household registration in China (but not including Hong Kong and Macau), (ii) any juristic person, organization, or other institution of the PRC (but not including Hong Kong and Macau), and (iii) any corporation established outside China (including those established in Hong Kong or Macau) either (a) more than 30% of its issued share capital or total capital contribution amount is owned, directly or indirectly, by PRC person(s) or (b) which is controlled by PRC person(s).

Shares including, but not limited to any securities that may be convertible into, or exchangeable for, our Shares that are eligible for future sale by us or our current shareholders may adversely affect the value of your investment.

The market prices of the Bonds and our Shares could decline as a result of sales of a large number of our Shares or any securities that are substantially similar to our Shares including, but not limited to any securities that may be convertible into, or exchangeable for, our Shares after this Offering or the perception that such sales could occur. In connection with this Offering, we agreed to certain lock-ups, subject to certain exceptions, for a period of 90 days after the Closing Date not to (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, or file with the United States Securities and Exchange Commission a registration statement under the Securities Act relating to, any Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Shares or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Shares or such other securities, in cash or otherwise, other than the Bonds to be offered and sold hereunder and shares of Common Shares issuable upon conversion of the Bonds. Nevertheless, when the applicable restrictive period expires, we will be able to sell or otherwise dispose of our Shares, subject to legal restrictions. In addition, we cannot assure you that any of our shareholders will not sell, or otherwise dispose of, our Shares. If our shareholders sell a large number of our Shares after this Offering, the market price of the Bonds and our Shares could be depressed and the value of your investment could substantially decrease. The market prices of our Shares and the Bonds could also decline if substantial amounts of our Shares or securities convertible or exchangeable into our Shares are sold after the closing of this Offering, or if there is a perception that these sales could occur.

A liquid market for the Bonds may not develop, and the market for our Shares may not be liquid.

Prior to this Offering, there has been no market for the Bonds. Approval in-principle has been received for the listing of the Bonds but not our Shares on the SGX-ST. An active trading market for the Bonds might not develop or could not be maintained. Holders of the Bonds may experience difficulty in reselling the Bonds or may be unable to sell them at all. If a market for the Bonds develops, it may be discontinued at any time. Although the Initial Purchasers have advised the Company that they currently intend to make a market in the Bonds, they are not obligated to do so and may discontinue market-making activity at any time without notice. The Bonds are subject to the restrictions on transfer described under "*Transfer Restrictions*."

The Bonds have not been registered under the securities laws of the United States or elsewhere and cannot be publicly offered, sold, pledged or otherwise transferred in any jurisdiction where such registration may be required. The Bonds may not be publicly offered or sold, directly or indirectly, in the ROC. Furthermore, there has been no trading market for our Shares outside the ROC, and the only trading market for our Shares is the TWSE.

Holders of the Bonds will bear the risk of fluctuations in the price of our Shares.

The market price of the Bonds at any time will be affected by fluctuations in the price of our Shares. It is impossible to predict how the price of our Shares will change. Trading prices of our Shares will be influenced by, among other things, our results of operations and political, economic, financial and other factors that affect capital markets generally. Any decline in the price of our Shares would adversely affect the market price of the Bonds.

Fluctuations in the exchange rate between the N.T. dollar and the U.S. dollar may have a material adverse effect on the value of the Bonds in U.S. dollar terms.

Although the principal amount of the Bonds is denominated in U.S. dollars, our Shares are listed on the TWSE, which quotes and trades our Shares in N.T. dollars. As a result, fluctuations in the exchange rate between the N.T. dollar and the U.S. dollar will affect, among other things, the market price of the Bonds and the U.S. dollar equivalent of our Shares received upon conversion of the Bonds.

Holders of the Bonds will have no rights as shareholders until they acquire our Shares upon conversion of the Bonds.

Unless and until the holders of the Bonds acquire our Shares upon conversion of the Bonds, the holders of the Bonds will have no rights as shareholders, including any voting rights or rights to receive any dividends or other distributions with respect to our Shares. Subject to the Indenture and other applicable ROC laws, holders of the Bonds who acquire our Shares upon the exercise of their Conversion Rights will be entitled to exercise the rights of shareholders only as to actions for which the applicable record date occurs after the Conversion Date.

Non-ROC holders of the Bonds will be required to register with the TWSE and appoint several local agents in Taiwan if they convert the Bonds and become our shareholders, which may make ownership burdensome.

Under current ROC law, if a non-ROC person (other than a PRC person) wishes to convert the Bonds and hold the Common Shares, such non-ROC person will be required to register with the TWSE to obtain the Foreign Investor Investment I.D. for making investments in the ROC securities market prior to converting the Bonds into Common Shares. In addition, a non-ROC person (other than a PRC person) will be required to appoint an eligible agent in the ROC to open a securities trading account with a local brokerage firm, a Taiwan Depository & Clearing Corporation ("TDCC") book entry account and a bank account, to pay ROC taxes, remit funds, exercise shareholders' rights and perform such other functions as such person may designate upon conversion. In addition, a non-ROC person (other than a PRC person) will be required to appoint a custodian bank in the ROC to hold the securities in safekeeping, make confirmation, settle trades and report all relevant information. Without obtaining the Foreign Investor Investment I.D. and opening such accounts, a non-ROC person would be unable to hold or subsequently sell the Common Shares converted from the Bonds on the TWSE or otherwise. In addition, these regulations may change from time to time. There can be no assurance that a non-ROC person (other than a PRC person) will be able to register with the TWSE and open the requisite accounts in a timely manner.

When a non-ROC Bondholder exercises its conversion right with respect to the Bonds in order to receive Common Shares, that holder will be required to appoint an agent (a "Tax Guarantor") in the ROC. Such Tax Guarantor will be required to meet the qualifications set by the ROC Ministry of Finance (the "MOF") and will act as the guarantor of such holder's tax payment obligations. Generally, evidence of the appointment of a Tax Guarantor and the approval of such appointment may be required as a condition to such holder's repatriation of profits. There can be no assurance that non-ROC holders of Bonds will be able to appoint and obtain approval for a Tax Guarantor in a timely manner.

Also, if our Common Shares to be received by any non-ROC person (other than a PRC person) upon single conversion will exceed 10% of our total issued and outstanding shares, such non-ROC person must obtain the prior approval from the Department of Investment Review of the MOEA.

Under the current ROC law and regulations, except for QDIIs registered with TWSE or Taiwan Futures Exchange and obtained the QDII Investment I.D., PRC persons are not permitted to convert the Bonds and hold our Common Shares and in order to hold our Common Shares, such QDIIs are required to appoint the agent, custodian and the Tax Guarantor as required by the ROC law and regulations. If the aggregate amount of our

Common Shares to be held by any QDII or our Common Shares to be received by any QDII upon single conversion will exceed 10% of our total issued and outstanding shares, such QDII must obtain the prior approval from the Department of Investment Review of the MOEA.

We should point out that these regulations may change from time to time. We cannot assure you that current ROC law will remain in effect or that future changes in ROC law will not adversely affect your ability to convert the Bonds into our Common Shares.

An account number of TDCC and the Foreign Investor Investment I.D. (or the QDII Investment I.D., if one is required) must be specified in any conversion notice.

Delivery of our Shares into which the Bonds may be converted will only be made through the book entry system maintained by the TDCC. No physical share certificates will be delivered to the converting Holder (or its designee) upon conversion. Thus, a book entry account number of TDCC maintained by the converting Holder or its designee must be specified in the conversion notice. The Conversion Agent will deem any conversion notice that does not include an account number of TDCC or the Foreign Investor Investment I.D. (or the QDII Investment I.D., if one is required) incomplete and will reject such conversion notice in accordance with the terms of the Indenture. If the non ROC converting Holder (or its designee) does not have a TDCC book entry account, the conversion notice executed by such converting Holder will not become valid unless and until such Holder (or its designee) registers with the TWSE and obtains a Foreign Investor Investment I.D. (or the QDII Investment I.D., if one is required) and opens a TDCC account. We will deliver our Shares through the book entry system maintained by the TDCC within five Trading Days after such account being opened.

Holders of the Bonds or their designee requesting the conversion of the Bonds into our Shares may be required to provide certain information to us, and failure to provide that information may result in a delay of the conversion.

A Holder of the Bonds or its designee requesting the conversion of the Bonds into our Shares may be required to provide certain information to the Company or the Conversion Agent, including the name and nationality of the person to be registered as the shareholder, the number of Shares to be acquired by such person and the number of Shares acquired by such person in the past before the Conversion Date. Under applicable ROC laws, the Company is required to report to the FSC if the person to be registered as a shareholder (i) is a "related party" of the Company as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers or (ii) will hold, immediately following such conversion, more than 10% of the total number of our Shares deliverable upon conversion of the aggregate principal amount of the Bonds at the time of issuance based on the initial Conversion Price. Failure to provide such information may result in a delay of the conversion of the Bonds.

Our public shareholders may have more difficulty in protecting their interests than they would as a shareholder of a corporation of other jurisdictions.

Our corporate affairs are governed by our Articles of Incorporation and ROC laws and regulations. The rights of our shareholders to bring shareholders' suits against our board of directors under ROC laws are much more limited than those of the shareholders of corporations of some other jurisdictions. Therefore, our public shareholders may have more difficulty in protecting their interests in connection with actions taken against our management, members of our board of directors or controlling shareholders than they would as shareholders of corporations of other jurisdictions.

We may not have the ability to redeem the Bonds.

We will at maturity be required to redeem all of the Bonds and the Bondholders may require us to redeem for cash all or some of their Bonds on May 26, 2028 and May 26, 2030 or upon a transaction or event constituting a change of control or delisting or otherwise as described under "*Description of the Bonds*." We may not have sufficient funds or other financial resources to make the required redemption in cash at such time or the ability to arrange necessary financing on acceptable terms, or at all. Failure to repay, repurchase or redeem tendered Bonds by us would constitute an event of default under the Bonds, which may also constitute a default under the terms of other indebtedness held by us.

The Trustee may request the Holders of the Bonds to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances, the Trustee may request Holders of the Bonds to provide an indemnity and/or security and/or prefunding to its satisfaction before it will take actions on their behalf. The Trustee will not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. Further, the Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Indenture or in circumstances where there is uncertainty or dispute as to such actions' compliance with applicable laws and regulations. In such circumstances, to the extent permitted by any applicable agreements or applicable laws, it will be for the Holders of the Bonds to take such actions directly.

MARKET PRICE INFORMATION FOR OUR SHARES

Our shares have been listed on the TWSE since September 24, 1998. The table below shows, for the periods indicated, the high and low closing prices on the TWSE for our shares and the highest and lowest daily closing values of the TWSE Index ("TAIEX").

	Price per Share		TAIEX	
Period	**High**	**Low**	**High**	**Low**
	NT$	***NT$***		
2013	39.30	25.10	8,623.43	7,616.64
2014	52.30	30.85	9,569.17	8,264.48
2015	40.65	23.55	9,973.12	7,410.34
2016	47.35	31.55	9,392.68	7,664.01
2017	56.80	37.60	10,854.57	9,272.88
2018	90.00	36.20	11,253.11	9,478.99
2019	56.30	38.00	12,122.45	9,382.51
2020	94.70	36.35	14,732.53	8,681.34
2021	165.00	74.60	18,248.28	14,902.03
2022	160.00	78.30	18,526.35	12,666.12
2023	382.50	105.00	17,930.81	14,199.13
2024	394.50	216.00	24,390.03	17,161.79
2025				
January	293.50	248.00	23,651.27	22,488.33
February	269.00	230.00	23,730.25	22,694.71
March	273.50	240.00	22,871.90	20,695.90
April	248.50	180.00	21,298.22	17,391.76
May	277.00	227.00	21,843.69	20,522.59
June	291.50	263.50	22,580.08	21,002.71
July	292.00	265.00	23,542.52	22,362.27
August	291.50	270.00	24,519.90	23,378.94
September	300.00	262.00	26,247.37	24,016.78
October	317.00	276.50	28,294.74	25,982.91
November	284.00	238.50	28,334.59	26,434.94
December	250.50	232.00	28,963.60	27,342.53
2026				
January	259.00	231.00	32,803.82	29,349.81
February	239.50	219.00	35,414.49	31,624.03
March	251.00	206.50	35,095.09	31,722.99
April	292.00	222.00	39,616.63	32,572.43

Source: TWSE

The closing price of our shares as reported by the TWSE on April 30, 2026 was NT$273.00.

There is no public market outside the ROC for our Shares. The TAIEX has experienced significant fluctuations in the prices of traded securities, and fluctuations in the price of stock traded on the TWSE (such as our Common Shares) are currently subject to a restriction of 10% above and below the auction reference price at market opening of the current trading session for stocks.

Fluctuations in the exchange rate between the N.T. dollar and the U.S. dollar will affect the U.S. dollar equivalent of the N.T. dollar price of our Common Shares on the TWSE.

USE OF PROCEEDS

The gross proceeds from the Offering (before deduction of fees and expenses) will be US$500 million. We intend to use the net proceeds from this Offering for the purposes of procurement of raw materials in foreign currencies.

CAPITALIZATION

The following table sets forth our capitalization as of March 31, 2026, on an actual basis and on an adjusted basis. The adjusted basis gives effect to the issuance of Bonds in this Offering before deducting underwriting commission and fees and other offering expenses, but the adjusted basis does not take into account the bifurcation of embedded derivatives. In addition, the fair value of the convertible option relating to the Bonds has not been determined at this time. Except as otherwise disclosed herein, there has been no material change in our capitalization and indebtedness since March 31, 2026.

	As of March 31, 2026 (Unaudited)			
	Actual		Pro forma as adjusted for the issuance of the Convertible Bonds	
	(NT$)	(US$)[2]	(NT$)	(US$)[2]
	(Consolidated in thousands)			
Assets				
Cash and cash equivalents	63,611,111	1,984,746	79,636,109	2,484,746
Long-term liabilities				
Convertible bonds payable[1]	9,540,960	297,690	25,565,965	797,690
Equity				
Capital stock (common shares)	6,698,889	209,014	6,698,889	209,014
Capital surplus	14,016,502	437,332	14,016,502	437,332
Retained earnings	43,263,859	1,349,886	43,263,859	1,349,886
Other equity interests	587,980	18,346	587,980	18,346
Non-controlling interest	2,478,518	77,333	2,478,518	77,333
Total equity[3]	67,045,748	2,091,911	67,045,748	2,091,911
Total capitalization[4]	76,586,708	2,389,601	92,611,713	2,889,601

Notes:

(1) As of March 31, 2026, the Company had outstanding convertible bonds payable totaling NT$18,886,180 thousand, of which NT$9,345,220 thousand was classified as the current portion of long-term liabilities.

(2) The principal amount of the Bonds is denominated in U.S. dollars. Solely for the convenience of the reader, unless otherwise noted, all translations from U.S. dollars to N.T. dollars were made at the noon buying rate in The City of New York for cable transfers in N.T. dollars per U.S. dollar set forth in the statistical release of the U.S. Federal Reserve Board of the United States, as of March 31, 2026, which was NT$32.05 = US$1.00 as of that date.

(3) The fair value of the convertible option related to the Bonds has not been determined at this time.

(4) The capitalization includes long-term borrowings and total equity.

SELECTED FINANCIAL AND OTHER DATA

The following tables present our selected financial data and other data solely for the convenience of the reader and should be read in conjunction with and are qualified in their entirety by reference to, our consolidated financial statements, which are included elsewhere in this Offering Memorandum. Our consolidated financial statements, prepared in accordance with T-IFRS, are not intended to present the financial position, result of operations, and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions, including the United States.

The following tables present a summary of the Company's consolidated financial information and selected operating data as of the dates or for each of the periods indicated. The financial information presented in these tables for the financial years ended as of December 31, 2023, 2024 and 2025 have been derived from the historical audited consolidated financial statements of the Company included elsewhere in this Offering Memorandum, which were prepared in accordance with T-IFRS and audited by PricewaterhouseCoopers, Taiwan, our independent auditors for 2023, 2024 and 2025.

The summary consolidated financial information presented for the three months ended March 31, 2025 and 2026, has been derived from the unaudited interim consolidated financial statements of the Company presented elsewhere in this Offering Memorandum, which were prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 and reviewed by PricewaterhouseCoopers, Taiwan, our independent auditors in accordance with TWSRE 2410 and should not be relied upon by investors to provide the same quality of information associated with information that has been subject to an audit. The review report of PricewaterhouseCoopers, Taiwan dated May 15, 2026 relating to the unaudited consolidated interim financial statements was qualified with respect to the effect of adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated insignificant subsidiaries and the investments accounted for using equity method, been reviewed by independent auditors.

Our historical results do not necessarily indicate results expected for any future periods. In addition, our unaudited results for the three months ended March 31, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026 and is subject to adjustments based on, among other things, completion of applicable reporting processes.

We have translated the N.T. dollar amounts of our consolidated financial information for the year ended December 31, 2025 and the three months ended March 31, 2026, based on the noon buying rate in The City of New York for cable transfers in N.T. dollars per U.S. dollar set forth in the statistical release of the U.S. Federal Reserve Board, as of March 31, 2026 which was NT$32.05 = US$1.00, for convenience only. See "*Presentation of Financial Information*."

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME:

	Year ended December 31,			
	2023	**2024**	**2025**	**2025**
	(NT$)	**(NT$)**	**(NT$)**	**(US$) (Unaudited)**
	(in thousands, except for earnings per share)			
Operating revenue	$136,773,409	$265,148,779	$336,936,660	$10,512,844
Operating costs	(120,197,968)	(237,056,292)	(301,751,564)	(9,415,025)
Gross profit	16,575,441	28,092,487	35,185,096	1,097,819
Operating expenses				
Total operating expenses	(11,680,266)	(15,315,938)	(18,412,697)	(574,499)
Profit from operations	4,895,175	12,776,549	16,772,399	523,320
Total non-operating income and expenses	1,209,446	821,322	207,772	6,483
Profit before income tax	6,104,621	13,597,871	16,980,171	529,803
Income tax expense	(1,323,536)	(2,842,723)	(3,695,478)	(115,304)
Net profit for the year	4,781,085	10,755,148	13,284,693	414,499
Other comprehensive (loss) income for the year, net of income tax	120,095	226,312	(80,440)	(2,510)
Total comprehensive income for the year	$4,901,180	$10,981,460	$13,204,253	$411,989
Net profit attributable to:				
Owners of parent	$4,742,979	$9,788,540	$12,189,874	$380,339

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$)	(NT$)	(NT$)	(US$) (Unaudited)
	(in thousands, except for earnings per share)			
Non-controlling interests	38,106	966,608	1,094,819	34,160
	$4,781,085	$10,755,148	$13,284,693	414,499
Earnings per share				
Basic	$7.46	$15.03	$18.20	$0.57
Diluted	$7.40	$14.46	$17.18	$0.54

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
	(in thousands, except earnings per share)		
Operating revenue	$65,747,430	$105,057,330	$3,277,920
Operating costs	(57,267,119)	(92,442,700)	(2,884,328)
Gross profit	8,480,311	12,614,630	393,592
Operating expenses			
Total operating expenses	(4,240,781)	(5,200,920)	(162,275)
Profit from operations	4,239,530	7,413,710	231,317
Total non-operating income and expenses	237,980	(359,207)	(11,208)
Profit before income tax	4,477,510	7,054,503	220,109
Income tax expense	(1,085,080)	(1,410,189)	(44,000)
Net profit for the period	3,392,430	5,644,314	176,109
Other comprehensive income for the period, net of income tax	165,040	203,744	6,357
Total comprehensive income for the period	$3,557,470	$5,848,058	$182,466
Net profit (loss) attributable to:			
Owners of parent	$3,116,119	$5,268,403	$164,381
Non-controlling interests	276,311	375,911	11,728
	$3,392,430	$5,644,314	$176,109
Earnings per share			
Basic	$4.65	$7.86	$0.25
Diluted	$4.40	$7.32	$0.23

CONSOLIDATED BALANCE SHEETS:

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$)	(NT$)	(NT$)	(US$) (Unaudited)
		(in thousands)		
Assets				
Total current assets	73,074,904	100,485,803	144,263,268	4,501,195
Total non-current assets	9,075,516	10,801,105	11,862,328	370,119
Total assets	82,150,420	111,286,908	156,125,596	4,871,314
Liabilities				
Total current liabilities	34,599,267	37,050,036	84,483,661	2,635,996
Total non-current liabilities	9,616,992	19,156,281	10,442,732	325,826
Total liabilities	44,216,259	56,206,317	94,926,393	2,961,822
Total equity	37,934,161	55,080,591	61,199,203	1,909,492
Total liabilities and equity	$82,150,420	$111,286,908	$156,125,596	$4,871,314

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands)	
Assets			
Total current assets	138,960,271	234,087,870	7,303,834
Total non-current assets	11,098,419	13,738,900	428,671
Total assets	150,058,690	247,826,770	7,732,505

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands)	
Liabilities			
Total current liabilities	72,317,691	170,374,747	5,315,905
Total non-current liabilities	19,107,381	10,406,275	324,689
Total liabilities	91,425,072	180,781,022	5,640,594
Total equity	58,633,618	67,045,748	2,091,911
Total liabilities and equity	150,058,690	247,826,770	7,732,505

CONSOLIDATED STATEMENTS OF CASH FLOWS:

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$)	(NT$)	(NT$)	(US$) (Unaudited)
		(in thousands)		
Net cash generated from (used in) operating activities	2,264,857	(16,182,193)	5,088,944	158,781
Net cash used in investing activities	(674,984)	(3,076,605)	(1,330,808)	(41,523)
Net cash generated from financing activities	5,455,898	17,190,481	15,061,172	469,927
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(145,206)	401,337	2,744	86
Net Increase (Decrease) in Cash and Cash Equivalents	6,900,565	(1,666,980)	18,822,052	587,271
Cash and Cash Equivalents at the Beginning of the Year	16,265,510	23,166,075	21,499,095	670,799
Cash and Cash Equivalents at the End of the Year	23,166,075	21,499,095	40,321,147	1,258,070

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands)	
Net cash generated from (used in) operating activities	2,182,672	(20,652,885)	(644,396)
Net cash used in investing activities	(466,447)	(1,317,395)	(41,104)
Net cash generated from financing activities	19,267,770	43,953,054	1,371,390
Effect of Exchange Rate Changes on Cash and Cash Equivalents	150,364	1,007,190	31,426
Net Increase in Cash and Cash Equivalents	21,134,359	22,989,964	717,316
Cash and Cash Equivalents at the Beginning of the period	21,499,095	40,321,147	1,258,070
Cash and Cash Equivalents at the End of the period	42,633,454	63,311,111	1,975,386

OTHER FINANCIAL DATA:

	Year ended December 31,			
	2023	2024	2025	2025
	(NT$) (Unaudited)	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands, except percentage data and financial ratios)		
Gross profit margin (%)[1]	12.12	10.59	10.44	10.44
Operating margin (%)[2]	3.58	4.82	4.98	4.98
Net margin (%)[3]	3.50	4.06	3.94	3.94
EBITDA[4][6]	6,977,805	14,918,277	18,894,098	589,519
EBITDA margin (%)[5][6]	5.10	5.63	5.61	5.61

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
		(in thousands, except percentage data and financial ratios)	
Gross profit margin (%)[1]	12.90	12.01	12.01
Operating margin (%)[2]	6.45	7.06	7.06
Net margin (%)[3]	5.16	5.37	5.37
EBITDA[4][6]	4,821,590	7,708,304	240,509

	Three months ended March 31,		
	2025	2026	
	(NT$) (Unaudited)	(NT$) (Unaudited)	(US$) (Unaudited)
	(in thousands, except percentage data and financial ratios)		
EBITDA margin (%)[5][6]	7.33	7.34	7.34

Note:

(1) Gross profit margin is calculated by dividing gross profit by operating revenue.

(2) Operating margin is calculated by dividing income from operations by operating revenue.

(3) Net margin is calculated by dividing net profit by operating revenue.

(4) EBITDA is defined as profit before income tax from continuing operations adding back depreciation (but excluding non-operating depreciation), amortization and interest expense.

(5) EBITDA margin is calculated by dividing EBITDA by operating revenue.

(6) The Company has presented EBITDA and EBITDA margin because the Company considers them important supplemental measures of our operating performance and believe they are frequently used by analysts, investors and other interested parties in the evaluation of companies in our industry. The Company's management uses EBITDA and EBITDA margin as additional measurement tools for purposes of business decision-making, including developing budgets, managing expenditures and evaluating potential acquisitions or divestitures. Other companies in our industry may calculate EBITDA and EBITDA margin differently than the Company does. EBITDA and EBITDA margin are not measures of operating performance under T-IFRS and should not be considered as a substitute for, or superior to, income from operations or operating margin prepared in accordance with T-IFRS. EBITDA and EBITDA margin have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under T-IFRS. You are encouraged to evaluate these adjustments and the reasons the Company considers them appropriate for supplemental analysis. In evaluating EBITDA and EBITDA margin, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. The Company's presentation of EBITDA and EBITDA margin should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

BUSINESS

Overview

Giga-Byte offers a comprehensive product lineup including motherboards, graphics cards, servers, PCs, other PC components and peripherals. With expertise in providing leading-edge PC solutions with AI features to gamers pursuing high functionalities and providing modularized server solutions, including AI servers, for workstations of different scales, Giga-Byte established its reputation as an industry leader with award-winning products.

As a perennial developer of PC hardware and solutions, Giga-Byte is dedicated to provide unforgettable user experiences for gamers, professionals, designers, and creators, allowing their imagination to manifest a better life. Since our inception in 1986, we have been fully committed to investing in next generation technologies for our motherboards and graphics cards, including system stability, power optimization and cooling solutions. Many of our motherboards and graphics cards are renowned for their top performance, high stability and efficient heat dissipation, and have won many awards, including Red Dot Design Awards in seven consecutive years from 2019 to 2025 for our Z790 AORUS XTREME X motherboard, Z790 AORUS MASTER X motherboard, Z790 AORUS PRO X motherboard, and X670E AORUS PRO X motherboard, and AORUS GeForce RTX™ 4080 16GB MASTER graphics cards, among others, and iF Design Awards in 2022 for Z690 AORUS XTREME motherboard and Z690 AORUS MASTER motherboard, among others. Benefiting from our commitment to developing cutting-edge technology, we have earned a dominant position in gaming PC. Embracing the era of AI, we also offer AI PCs that feature the integration of AI Nexus (consisting of AI Power Gear, AI Boost, and AI Generator functions), a new control software which elevates power management, gaming performance, and generative-AI software to a new level. In addition to motherboards and graphics cards as our core products, we also provide a wide range of PC related product offerings, which not only provides us with a wide customer basis, but also enables us to be more defensive and resilient in the fluctuating economic cycle. Our other PC related products include PCs, PC components such as PC case, power supply, and CPU cooler, and PC peripherals such as monitor, keyboard, mouse, headset and gaming chair.

We are also one of the premier providers of AI computing solutions, and provide AI servers in addition to various server hardware and solution for general purpose. We have being developing server solutions in response to the booming demand of high performance computer ("HPC") and AI technologies. The decade-long collaboration with leading GPU and CPU players, such as NVIDIA and AMD, enables us to ride on the AI wave. We launched "GIGAPOD," a scalable, turnkey AI supercomputing solution that creates a cluster of racks built with our graphic processing unit ("GPU") servers acting as one powerful cluster that accelerates AI supercomputing. In addition, we also offer a full spectrum of cooling technology, ranging from air cooling, direct liquid cooling to immersion cooling. We aim to provide a one-stop immersion solution through integration of the three pillars of immersion cooling technologies, i.e. density-optimized tank, immersion-ready server, and data center infrastructure. As a result of our effort in the AI server sector, the revenue generated from AI servers contributed to more than 80% of our server segment for the year ended December 31, 2025.

"Upgrade Your Life" is our mission and the core essence in everything we do at Giga-Byte. We believe that "only technology made for you will speak to you." With a keen understanding of customers' needs, we have raised industry standards with game-changing DualBIOS™ technology, our patented Ultra Durable™ motherboards that are designed to last and outlast, and our superior liquid immersion cooling system. By combining innovation and practicality, we wield the technology of the future to improve everyone's life today.

We have been listed on the TWSE since 1998, and now have a global presence with our products have being shipped to more than 70 countries since our foundation. We have three main production facilities in both the ROC and the PRC.

We achieved strong financial performance during the past three years and the three months ended March 31, 2026. Our operating revenue was NT$136.8 billion, NT$265.1 billion, NT$336.9 billion (US$10,512.8 million) and NT$105.1 billion (US$3,277.9 million) in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively, and our net profit was NT$4.8 billion, NT$10.8 billion, NT$13.3 billion (US$414.5 million) and NT$5.6 billion (US$176.1 million) in 2023, 2024, and 2025 and the three months ended March 31, 2026, respectively. Driven by the strong growth in the server segment, our operating revenue for the three months ended March 31, 2026 represents a year-on-year increase by 59.8%. Moreover, the revenue generated from the networking communication products continues to grow, and contributes to 71.5% of the total revenue for the three months ended March 31, 2026. Such a robust growth momentum from 2023 to the three months ended

March 31, 2026 further illustrates our strength of maintaining an optimal product mix, which enables us to capture high growth sectors across various product categories.

Competitive Strengths

We believe our success is primarily attributable to the following competitive strengths:

A global leader in PC components and one of the premier providers of AI servers to capture the massive market opportunity

According to Mordor Intelligence, the global PC and PC monitor market is expected to reach US$437 billion in 2031 from US$270 billion in 2025, representing a CAGR of 8.4%. According to QY Research, the global servers market is expected to reach US$265 billion in 2032 from US$138 billion in 2025, representing a CAGR of 9.8%. Leveraging our innovative and comprehensive offerings in PC and PC components and servers, we believe we are well positioned to capture the massive market opportunity.

We are a world leading PC components supplier, especially for motherboard and graphics card, enabled by our strong brand name, superb design capabilities and high product quality. As a major player in the gaming PC sector, our high-end AORUS e-sports motherboards and graphic cards have been top choices of gamers, and we have various products in this series to meet their different preference of features and specifications in terms of performance, connectivity, storage and cooling system. Benefiting from our dominant position in the gaming PC market, our other PC or PC component products are also good choices for professionals, designers, and creators, especially those who have strong needs for processing pictures and videos, which further diversifies our customer base. We are also a top 2 provider in global motherboard market, according to Mordor Intelligence.

We are also one of the premier providers of AI computing solutions, and provide AI servers in addition to various server hardware and solution for general purpose. We benefit from a strong server demand driven by the secular growth trend of data center and AI computing demand. The long-term collaboration with leading GPU and CPU players, such as NVIDIA and AMD, enables us to ride on the AI wave. We launched "GIGAPOD," a scalable, turnkey AI supercomputing solution that creates a cluster of racks built with our graphic processing unit ("GPU") servers acting as one powerful cluster that accelerates AI supercomputing. As a result of our effort in the AI server sector, the revenue generated from AI servers contributed to more than 80% of the revenue of the server segment for the year ended December 31, 2025. We continuously introduce new categories of servers into the market to better serve the computing process driven by new technology. In addition to AI servers, we also provide servers equipped with Intel or AMD processors that meet the mainstream demands in the market.

Uniquely positioned within the AI ecosystem with unparalleled technology to enable faster time to market and leading positions in various vertical markets

Our first mover advantage in the industry, long-term relationships with key industry players, and diversified product offerings provide us with the opportunity to capture the AI trend. We tapped into the AI industry as early as 2012 through our collaboration with our customers and supplier, such as NVIDIA, which enables us to enjoy first-mover advantages and have access to latest AI technology. Benefiting from the insight into the AI industry, we can adapt to changing customer needs and provide various products. With our product offerings in AI server and edge computing together with design and manufacturing services, we can capture different secular growth drivers in the AI trend. Our unique diversified one-stop shop offerings may also distinguish us from the peers who only focus on specific areas.

In terms of PC and PC components sector, we responded swiftly to the booming demand of high performance computer and AI technics. With generative AI developing rapidly on edge devices, PCs, as popular content creation devices, is expected to be an important part of the generative AI ecosystem. We offer AI PCs that feature the integration of AI Nexus (consisting of AI Power Gear, AI Boost, and AI Generator functions), a new control software which elevates power management, gaming performance, and generative-AI software to a new level. "AI Power Gear" optimizes power consumption to enhance battery life and extend product lifespan. It also helps enhance operation speed for gaming purposes. "AI Boost," powered by Microsoft Azure AI, automatically adjusts system power consumption and fan settings for an overclocking gaming experience. "AI Generator" utilizes cutting-edge AI computing capabilities and embedded text-to-image software Stable Diffusion for users to enjoy the creative AI graphics generation experience. In addition, we are one of the first three laptop brands that have added exclusive Copilot hotkeys that can instantly activating the Windows Copilot

AI assistant function to help users seek answers and discover innovative solutions, which shows our capability to grasp the opportunity in the AI wave and our close relationship with AI industry leaders such as Microsoft.

In terms of server sector, we have developed server solutions aiming at accelerating large scale data analysis, deep learning, machine learning, inferencing, large language models, and generative AI training tasks. One of the cutting-edge products that we launched is the industry's first NVIDIA-certified HGX H100 8-GPU SXM5 server, G593-SD0, which can perform extremely intensive workloads from generative AI and deep learning model training. G593, as the smallest 5U chassis server of its kind in the market, can substantially improve user deployment efficiency with tremendous computing power through its compact dimensions and superior cooling capability. We have further launched the G593-SD1-AAX3 and G593-ZD1-AAX3, which support the NVIDIA HGX H200 AI platform.

Additionally, we launched "GIGAPOD," a scalable, turnkey AI supercomputing solution that creates a cluster of racks built with our graphic processing unit ("GPU") servers acting as one powerful cluster that accelerates AI supercomputing. GIGAPOD offers from one GIGABYTE GPU server to eight racks with 32 GPU nodes (a total of 256 GPUs) of NVIDIA H100, AMD MI300 series, etc. With the introduction of the GIGAPOD, we offer a one-stop shop AI solution for data centers that runs deep learning models at scale. In addition to GPU servers, GIGAPOD also includes switches, easy-to-deploy hardware, software, and services. Our numerous stock keeping units (SKUs) enable customers to select the best fit combination for all imaginable enterprise applications.

Long-term, close relationships with tier 1 industry value chain players allow us to offer the best in class products to customers in a timely manner

Leveraging our strong position in the whole industry chain, we believe that we maintain close relationships with our upstream players and a diversified client base.

We have long-term collaborations with leading market players in our upstream. Being a leading and renowned supplier, we are well positioned to ride on the growth trajectory of major CPU/GPU players. We have been cooperating with NVIDIA and AMD, two leading GPU designers, for more than 20 years and more than 30 years, respectively. We are also an Add-in-Board (AIB) partner to NVIDIA and AMD. As an AIB partner, we are able to get access to their latest generation of GPUs and invited by them to design platforms, such as servers, compatible with these new GPUs. Therefore, our launch of new products equipped with new generation of GPUs can be ahead of other market players. We also maintain close relationships with other first-tier industry leaders including Intel and ARM CPUs, as well as with many other second-tier communications service providers (CSPs) and enterprises. Such long-term amicable relationship not only shows that our design capabilities are well recognized and validated by the industry leaders, but also ensures that we have the early insights of the latest technology trends and respond swiftly to the new trends in the market. Through our connections with our upstream providers, we have access to the information about edging technology, such as new innovations of GPU/CPU design, so that we can upgrade our products accordingly, and roll out new options as quickly as possible in the rapidly growing market.

We have a diversified customer base ranging from individual PC consumers such as gamers to original design manufacturers ("ODMs"), original equipment manufacturers ("OEMs"), distributors, and mid to long tail cloud customers. In the last decades, we have achieved great success in diversifying our customer base. In addition to traditional channels of selling our PC related products to distributors and ODMs, we also sell our products to end customers through channel partners such as large distributors. Similarly for servers, not only do we serve ODM customers, we also supply our own brand of servers to medium sized and long tail cloud vendors and enterprise customers through channel partners. We have a high exposure to channel customers, which gives us flexibility to design and to showcase our capabilities. With such a client mix, our sale can avoid being affected by the situation of specific customers and we are more resilient to market cycles.

Strong technology and design capabilities with high competency in heat dissipation technology

Our products require advanced technologies to achieve high product quality, power efficiency, computing speed and reliability. In order to meet the rapidly evolving market demand, we have continuously dedicated resources in R&D to identify key trends and emerging technologies that create incremental opportunities for us in the long run and further increase our value-add to our clients.

We have accumulated abundant experience in the cooling system of our servers, motherboards and graphics cards, mastering both air-cooled (WINDFORCE) and water-cooled (WATERFORCE) cooling system. As the servers for large data centers and AI computing require high computing performance, a lot of energy are consumed and heat are generated during their operations, making cooling solutions a key point in the design of servers to reach its optimal performance and directly related to the operating costs of data centers and AI computing. Being the pioneer in the HPC industry, we have long seen the thermal challenges and urgent needs of a more efficient cooling system in the server industry and is able to provide a one-stop solution in this regard. We offer a full spectrum of cooling technology, ranging from air-cooling, direct liquid cooling to immersion cooling. Leveraging our cooling technology and cooperating with our technology partners, including Asperitas, GRC, and Submer, we have announced a liquid immersion cooling solution for servers in August 2022, to deliver an energy consumption efficient and lightweight design for customers. We also aim to provide a one-stop immersion solution through integration of the three pillars of immersion cooling technologies, i.e. density-optimized tank, immersion-ready server, and data center infrastructure. And we have R&D capabilities in most of the cooling system components, such as coolant distribution unit, cold plate module, manifold, etc. Our DLC or Immersion cooling solutions can be deployed to Intel & AMD CPU and high density computer & GPU servers. Our immersion tank is equipped with up to 80kW of heat dissipation capacity, and the operating temperature is up to 50°C. Our immersion tank is also energy and cost efficient, with minimum power usage effectiveness of 1.02 and 95% reduction in cooling operating expense.

We believe that our full spectrum offering of cooling technology ranging from air-cooling, direct liquid cooling to immersion cooling is the key to differentiate Giga-Byte from our peers. Leveraging our strong know-how in cooling technology, we are capable of providing a variety of design solutions for a wide range of customers, including smaller size cloud customers who do not have an established in-house engineering unit. With the ability to modularize, customize, and provide an integrated solution, we can offer different solutions to those smaller size customers, ranging from standard cooling system solutions to customizable cooling system solutions catering to existing data center/server design, and to whole-system design solutions including the server design and cooling system design. Such flexibility can better accommodate the needs of different customers and enlarge our customer base. Our ability to tailor and integrate solutions for our customers is also a strong testimony to our design capabilities.

In addition to our cooling technology, we have also been focusing on the R&D of upgrading power solution for motherboard and providing more stable power for processors, even during overclocking, so as to satisfy our customers' pursuit of better gaming experience. Some of our products have won the Red Dot Design Award in the past three years, including Z890 AORUS XTREME AI TOP motherboard, Z790 AORUS XTREME X motherboard, Z790 AORUS MASTER X motherboard, Z790 AORUS PRO X motherboard, and X670E AORUS PRO X motherboard.

As a result of our R&D and design capabilities, as of April 30, 2026, we have a broad portfolio of 3,369 patents worldwide, among which 1,351 patents are in the ROC, and 1,727 pending patent applications in various jurisdictions around the world. In order to sustain our R&D success, we have put in tremendous effort to attract, retain and maintain qualified R&D personnel. Currently, half of our employees are in R&D department. We believe our R&D and design capabilities will continue to drive technological breakthroughs and bring in new business opportunities.

Modularized design to cater the needs of our customers and our first class after-sales services to increase customer loyalty

Our market position is also enhanced by our modularized and fully integrated solutions. Our modularized design provides a high degree of compatibility with various components and cross-generation platforms, which enables rapid development of diverse product portfolios and shortened development cycle to quickly respond to and provide the optimal solution to our customers. In addition, we provide a wide variety of SKUs for client to choose. Customers can pick suitable modules based on their budget, needs and end applications, and we can help to customize the integrated solutions to cater their specific needs and preferences. This design provides suitable and budget friendly solutions for smaller customers, and wins us a broader customer basis with faster time-to-market technology. As an all-in-one supplier with the ability to tailor solutions, coupled with our leading position in offering immersion cooling technology and AI technics, we are a go-to-partner for enterprise customers worldwide.

In the meantime, our first-class after-sales services help to solidify our customer relationship. We offer a three-year warranty for our entire line of motherboard products and have established a complete network of

services globally to render efficient and considerate after-sales services. Currently, we have deployed after-sales teams to more than 20 locations with more than 600 employees around the globe, and we also offer online service through our eSupport system. We also collect and analyze maintenance data to further improve our products and provide feedback to our R&D team. We believe that high-quality after-sales services is a key to customer loyalty, as it can allow customers to use our products more smoothly and find us more reliable and our products can be improved based on their feedback.

Visionary management with a strong commitment to ESG leading a team of highly professional talent

We are led by an experienced management team consisting of industry veterans with proven and extensive track record in computer and technology industries. With an innovative mind-set, our visionary management team is able to create differentiated strategies to lead the technology development and meet the demands from top-tier customers. In particular, Mr. Yeh Pei-Chen, the Chairman of our board of directors and our President, is one of the founders of Giga-Byte and he brings more than 40 years of experience in practical experience in relevant electronic technology industry and interdisciplinary industrial operation management. In addition, the majority of our management team have served at a variety of leading high-tech companies, possess in-depth understanding of the computer industry, and bring their deep industry understanding and functional expertise to their current positions. Our management team are supported by a team of highly professional talents. As of March 31, 2026, 42.5% of the Company's employees received bachelor's degree, and 11.8% of the Company's employees received master's degree or higher. Our R&D personnel in the channel solution business unit and the network and communication business unit have an average of 14.04 years and 7.1 years of in-depth working experience, respectively. We believe that our outstanding management team and professional talents will continue to drive our success in the future.

Our management team are dedicated to ethical and responsible business practices, and care deeply about the environment and our employees' social well-being. Our ESG pursuit is reflected in every aspect of our business, from corporate management to product design and manufacturing. For example, the Company has formulated standard corporate identity ("CI") rules and applicable regulations. All materials made internally or externally using CI must be submitted by the responsible unit for review to ensure a full compliance with ethical management. We also provide continuous training and learning opportunities for our employees, covering, among others, technology trends, management kill, and ESG goals and policies. For our product design and manufacturing, we take probable environmental impacts into consideration at the product design stage and aim to minimize our environmental impact. We are also committed to implementing waste reduction and recycling programs in our plants to reduce resource depletion, and we factor in and calculate the environmental impact of repairs and maintenance to ensure we adopt the most environmental friendly solutions. Moreover, we also launched the "Reduce 333 Program" and organized the "Reduce, Share, Love the Earth Alliance" supplier conference to share with suppliers our "reduce" cases and our strategy and actions for sustainable development. We believe our care about our employees, the work environment and the Company's social responsibility can contribute to the Company's sustainable growth and long-term thrive.

Business Strategies

We plan to pursue the following strategies to achieve our success:

Actively launch innovative products

We will continue to launch innovative products, which we believe will allow us to solidify our leading market position and further penetrate our current markets.

Our diversified offerings of PC related products have won us a wide customer base and stably contributed to our overall revenues. To better address the needs of our existing customers, strengthen our customer relationships, and attract new customers, we plan to further expand our product portfolio, especially our AI PC products. Currently, we already operate a broad portfolio containing motherboards, graphic cards, servers, PCs, other PC components and PC peripherals, and for our major products, we have multiple series, each containing various models of products. We expect to continue developing new generations of diverse products and services. For example, we will continue to develop our AORUS series. Keeping path with the launch of new CPUs, GPUs and chipsets, we will also introduce new generations of top-performance motherboards and high-end gaming graphics cards as new members of this series. In January 2026, we launched the AORUS GeForce RTX 5090 INFINITY graphic card, which combines compact dimensions with a next-generation cooling solution. In May 2025, we launched AMD Radeon RX 9060 XT and Radeon AI PRO R9700 graphics cards. The Radeon

RX 9060 XT graphics card features enhanced raytracing capabilities for an immersive gaming experience, while the Radeon AI PRO R9700 graphics card is designed to deliver optimized performance for AI computing and machine-learning workloads. In June 2024, we launched AMD Radeon PRO W7000 series graphics cards, which are designed to accelerate advanced AI experiences and work on multiple machine learning frameworks, speeding up local AI workloads and processing large machine learning data sets.

We will continue to monitor the trends of the market and develop new products in response to the new growth points. Technology evolution has brought new possibility to gaming industry. For example, the implementation of visual reality ("VR") technology has led to new categories of computer games, which allow more interactions between the subjects in the games and the game players, and we will continue developing innovative computer peripherals in response to such needs.

In addition, given the increasing needs for heat dissipation technologies, we will continue to launch products with advanced cooling system that could further improve the performance, such as GIGAPOD. In January 2026, we launched the GIGABYTE XN24-VC0-LA61, which is a NVIDIA Grace Blackwell server platform based on NVIDIA MGX modular architecture and incorporates direct liquid cooling technology. We launched products supporting Intel Xeon6 Processor (LGA 4710) with Efficient-cores in a single or dual socket configuration in June 2024, which include GPU servers, liquid cooling servers and motherboards. Capitalizing on our deep insight on industry trends and positive brand image, we will continue to strengthen our leading market position in the motherboard and graphics card segments and strategically tap into the development and manufacture of new generation of products, so as to grasp the growth opportunity in this industry.

Continue to invest in secular growth markets to drive revenue

We will continue to explore and penetrate high growth markets, including the server market that we currently focus on and new markets with growth opportunity that we would like to explore.

The server market is experiencing strong growth, benefiting from the development of cloud and AI. Being one of the leading AI server suppliers, we will continue to produce and upgrade our leading edge technology products, such as AI servers, to further improve profit margin and enhance our competitive advantage. In January 2023, Giga Computing Technology Co., Ltd., our wholly owned subsidiary, started to take charge of the server business, which was previously under our network and communication business division. We are planning to roll out AI cloud computing series, hyper-converged infrastructure series, big data storage service series, enterprise IT architecture series, and front-end water cooling series to meet the various need of server customers. Such adjustment also shows our emphasis of the importance of server business to our entire Group and provides more autonomy and flexibility to the development of server business. We hope that through continuous input to R&D and optimized administrative arrangement, our competitiveness in server segment can be further increased.

With continuous effort to invest in server segment and penetrate into new market, we have the confidence that we will keep advancing our development and expansion in the digital realm.

Provide high quality customer services and maintain close customer relationships

Leveraging our market position and tradition of paying close attention to product support, we aim to provide high quality and more value-add customer services and maintain close relationships with our customers. We will continue to directly provide after sales services to our customers instead of outsourcing the services to third party providers, in order to ensure service quality. As we expand our global market, we will also add or relocate our after sales service teams in close proximity to our customers, which will enable us to better address their various needs, including design, qualification, logistics and quality assurance. Given the current development of online service, we have also set up our online eSupport system, and will continue to update this platform so as to provide after sale services to our customer through different channels. Our rapidly expanding product lines also brings challenge to identifying and fixing the issues of products with different features and specifications. We will continue to allocate resources to the training of our employees and agents, to make sure that they are familiar with our various products and can respond to the customers' requests swiftly and correctly.

As we have been expanding beyond the ODM business into the channel-end market and building out our original brand manufacturer (OBM) business model, we have more opportunities to directly interact with our end-customers as well as more needs to build our brands among them, and we believe that providing satisfactory service will contribute to our build-up of competitive brand in the market.

Continue to invest in R&D for the development of new products and advanced product applications

Superiority of manufacturing technology is a key competing edge for computer industry. We place great emphasis on technological capabilities and plan to continue our R&D investment, in order to maintain our technological advance, develop innovative solutions, and meet our customers' evolving demands.

Our motherboards and graphics cards need to be continuously upgrade to match or equip latest generation of chipsets and GPUs. We keep close track of the innovation made by major manufacturers of those components, such as AMD, Intel, and NVIDIA. The development of VR in recent years also point out new direction for the development of gaming. Following this trend, we see significant growth opportunities in developing new generation of PC components and peripherals that can support VR experience. In addition, AI technology has also expanded the possible function and implementation of computers, which create new growth areas for our motherboards, graphics cards, and servers. We have been developing AI servers and will continue to explore the upgrade of our other products to support AI related computing. On the other side, the more rapid and intensive computing creates needs for more efficient and energy saving cooling system. We have been focusing on the development of advanced cooling and have developed innovative liquid immersion cooling solution. We will continue to invest in the cooling technology, which can be implemented in our next generations of motherboards, graphics cards, and servers, further improving their performance.

Through our active R&D, we will continue keeping up with the emerging technology trends, diversifying our product portfolio, responding timely to market opportunities and establishing industry standards with the intention of further penetrating the computer market and achieving increase in our profit margin.

Continue the commitment in ESG and corporate responsibility

We plan to continue being committed to sustainable operation and corporate social responsibility. We have set goals in various aspects of environmental protections and sustainable growth. We target to reduce 3% of each of carbon emissions, water usage and waste generated during production for each year. We have set a long-term goal of reducing carbon emissions by 50% by 2025, as compared to 2009 as the base year. By 2030, we aim to reduce water usage by 20% as compared to that in 2010, and waste generated during production by 50% as compared to that in 2010. In addition, by 2030, we also plan to stop using disposable packaging. We have already achieved the goal of reducing carbon emissions by 50% in 2024, ahead of the 2025 target year and we remain on track to achieving our other goals. In 2024, our carbon emission reduced by 14.31% compared to 2023 and by 51.97% compared to 2009, the base year; our water usage reduced by 34.87% compared to 2010, the base year; our waste generated per NTD million revenue reduced by 81.82% compared to 2010, the base year. The recyclable rate of our package reached 95.9% in 2024. We have taken and will continue to take actions to our ESG goals, such as upgrading our production facilities, optimizing the production process, implementing and upgrading waste treatment procedures, etc. To achieve stopping using disposable packaging, we also developed and applied the world's first pure rice husk eco-package, which not only became a sustainability milestone in technology industry, but also won international awards such as iF, Red Dot and Good Design. We will continue making similar tryouts and treating ESG as a long-term commitment.

In addition, we have complied with and will continue to ensure compliance with the environmental protection regulations in countries where we operate. Moreover, we will continuously monitor the financial risks caused by climate change, and improve the environmental, safety, and health requirements of our production facilities. We will also keep track of the latest ESG requirements and optimize our corporate structure so that we can focus on sustainable development and fulfill our corporate social responsibility.

Our History

We were incorporated in April 1986. We were initially engaged in the research and development of 286 motherboards for IBM compatible computers and outsourced our production to subcontractors in Taiwan, while handling testing, packaging, sales and distribution of our products ourselves.

In August 1987, we established our own research and development and export sales departments, and in November 1987, developed our first fully self-designed product – an extension of memory system card which provided additional memory for a PC. We commenced development of 386 motherboards in 1988.

In 1993, we entered into arrangements with Intel Corporation to assist Intel in the development of the Pentium-based Mercury chipset reference board. This joint development initiative was the first of many with

Intel. We established our three major manufacturing facilities in Dongguan, Guangdong Province, China, Nanping, Taoyuan City, Taiwan, and Ningbo, Zhejiang Province, China in 1998, 2000 and 2003, respectively.

In September 1998, we became listed on TWSE under the trading code "2376".

In 1999, we developed DualBIOS™ technology for the production of motherboards. In 2004, we launched the first 64 bits SCSI motherboard. In 2013, we launched the BRIX Ultra Compact PC Kit. In 2019, our Z390 AORUS XTREME WATERFORCE motherboard won Red Dot Design Award, and our new server using AMD EPYC™ 7002 chipset broke 11 performance records. In 2020, we released a series of edge computing products and solutions. In 2022, we introduced single-phase and two-phase immersion cooling solutions.

Our quality products have received near 20,000 awards and accolades for innovation and design. The major awards that we received in recent years include the GVM CSR – Role Model Award for the Electronics and Technology Industry in 2024, the GVM CSR Award – TOP 6 of Electronics and Technology Industry in 2021, the Red Dot Design Awards in seven consecutive years from 2019 to 2025, and the iF Design Awards in 2022. We were also named as Top 25 Best Taiwan Global Brand in both 2021 and 2022.

Our Products

We design, develop, manufacture and sell computer related products, both for individual consumers and enterprises. Our PC related products mainly include motherboards and graphics cards. We also produce and sell PCs, monitors, other PC components such as PC case, power supply, and CPU cooler, and PC peripherals such as keyboard, mouse, headset and gaming chair. Our products for enterprises mainly include servers. The table below sets out details of our net sales for the periods indicated by product category:

	Year ended December 31,							Three months ended March 31,		
	2023		2024		2025			2026		
	(NT$) (Audited)	%	(NT$) (Audited)	%	(NT$) (Audited)	%	(US$) (Unaudited)	(NT$) (Unaudited)	%	(US$) (Unaudited)
	(in thousands, except for percentage)									
Computer parts (Motherboards and Graphic Cards)	72,243	53	82,776	31	113,929	33	3,632	26,276	25	820
Networking communication products (Servers)	52,704	38	170,416	64	207,693	62	6,621	75,135	72	2,344
Others (including PC components and peripherals, etc.)	11,826	9	11,957	5	15,315	5	488	3,647	3	114
Total	136,773	100	265,149	100	336,937	100	10,741	105,058	100	3,278

Motherboards

Along with a hard disk and CPU, a motherboard is one of the main pieces of hardware in a computer, and determines the performance and stability of a computer. A motherboard comprises a printed circuit board on which various semiconductor components, including discrete devices and ICs, are connected to each other by electronic circuitry, the design layout of which determines the quality of the motherboard.

Two of the key determining factors of the design of a motherboard are the dimensions or "form factor" of the PC in which it is to be incorporated and the type of CPU it is designed to support. The chipsets mounted on a motherboard are also selected by reference to the type of CPU which the motherboard is designed to support.

Our motherboards are designed for various kinds of chipsets, such as those from Intel, NVIDIA and VIA, for different types of CPUs, including CPUs produced by both Intel and AMD, and being installed in a variety of different PC chassis.

As of March 31, 2026, we have more than 2,000 different motherboard models. Currently, we have five distinct series of motherboards: AORUS, AI TOP, AERO, GAMING, and ULTRA DURABLE, each targeting a defined customer segment with differentiated technical specifications and design characteristics:

- **AORUS:** This series is designed to meet the demanding requirements of enthusiast users and competitive gamers. Equipped with advanced power delivery solutions, compatibility with the latest storage standards, high-bandwidth connectivity interfaces, and thermal management architectures engineered to maintain operational stability under full-load conditions, the series is engineered to support intensive gaming and high-performance computing workloads. The Company's current high-end AORUS motherboards feature two proprietary GIGABYTE technologies: D5 Duo X, which leverages CUDIMM and CQDIMM architectures together with Per-Rank Tuning and MRC Optimization to enhance signal integrity across the memory subsystem, enabling DDR5 memory speeds of up to 10,400 MT/s; and X3D Turbo Mode 2.0, a platform-level performance mode that employs a dedicated onboard controller and an AI-trained Dynamic OC Engine to dynamically coordinate power delivery and platform responsiveness for AMD X3D processors, thereby enhancing gaming and multi-tasking performance.

- **AI TOP:** This series is designed to support desktop-level AI inference and model fine-tuning workloads. Equipped with multi-GPU configurations via multiple PCIe 5.0 x16 slots, dual 10GbE networking, and server-grade low-loss PCB materials with enhanced copper layers, the series is engineered to maintain signal integrity during prolonged AI workloads. The series is supported by the Company's AI TOP Utility software, which provides an integrated environment for large language model fine-tuning and inference, and incorporates memory offloading capabilities that extend available compute capacity by shifting training data from GPU VRAM to system DRAM or NVMe SSDs, thereby enabling large-scale model training within a standard desktop power envelope.

- **AERO:** This series is designed for content creation professionals requiring reliable computing performance, stable connectivity, expandable graphics capability, and high-throughput storage to support intensive workloads such as three-dimensional rendering and long-form video production. In terms of core functionality, products in this series offer capabilities comparable to those of the AORUS series. The series is distinguished by its unique visual design language, featuring a silver-and-white color scheme combined with heterogeneous material aesthetics, including the integration of natural wood-grain surface elements alongside metallic components. This differentiated industrial design is intended to address the aesthetic preferences of creative professionals while reinforcing the series' premium workstation-oriented positioning.

- **GAMING:** This series is designed to meet the performance demands of mainstream gaming users seeking responsive, high-throughput system performance. Equipped with a high-phase-count PWM VRM with high-current power stages capable of sustaining peak CPU performance under demanding operating conditions, the series is engineered to support intensive gaming and multi-core workloads. Comprehensive full-metal VRM heatsinks help maintain thermal headroom and system stability during extended operation. In addition, a reinforced one-piece stainless-steel PCIe slot provides enhanced structural durability for high-end graphics card configurations while supporting signal integrity under sustained graphics-intensive workloads.

- **ULTRA DURABLE:** This series is designed for users prioritizing platform longevity and ease of assembly over performance-oriented specifications. Equipped with ultra-durable components selected for extended operational lifespan, the series features a multi-phase PWM VRM that delivers stable, consistent power suited for everyday computing and productivity-focused workloads. Full-metal heatsink coverage across the VRM zone and M.2 slots maintains system-wide thermal stability during continuous operation. In addition, a suite of EZ-DIY features simplifies the assembly process, making the series a practical and accessible choice for users seeking a dependable, low-maintenance long-term platform.

By offering motherboards across a range of prices and performance levels, we are able to sell our products to a wide spectrum of customers, from those who want a decent computer at an affordable price to those who are willing to pay for the top performance.

Graphics Cards

We design, manufacture and sell a range of graphics cards, which are display controller cards that provide enhanced graphics functions for computer monitors. Graphics cards are the primary computer component supporting video functions, such as video editing and video games.

Graphics cards need to match up with the graphic processing units ("GPUs"), and we currently produce graphics cards for some of the major GPUs in the market, such as NVIDIA and AMD.

As of March 31, 2026, we have more than 1,000 different graphics card models. Currently, we have five different series of graphics cards: AORUS, GAMING, EAGLE, AERO and AI BOX, which are engineered to satisfy consumer requirements for robust computational performance in AI-driven applications, creative design, and high-end gaming.

- **AORUS:**

  AORUS INFINITY: This series features a breakthrough Double Flow Through design intended to create an unobstructed airflow path to enhance thermal efficiency. The series is equipped with Giga-Byte's air-cooled (WINDFORCE Hyperburst) cooling system and a central boost fan to improve airflow performance. The series also incorporates a circular thermal module with RGB Halo lighting and is designed with a premium and futuristic aesthetic.
  AORUS XTREME WATERFORCE: This series represents our flagship liquid-cooled graphics card product line, designed to deliver high-performance computing capabilities with reduced operating noise. The all-in-one models utilize liquid metal thermal interface materials to enhance thermal conductivity, while the WB (Water Block) models are designed for DIY enthusiasts and incorporate micro-fin structures and shortened water channels to facilitate cooling of the GPU, video random access memory ("VRAM") and metal-oxide-semiconductor field-effect transistor ("MOSFET") components.
  AORUS MASTER: This series represents our premier air-cooled graphics card product line primarily targeting high-end gaming users. The series features the WINDFORCE cooling system with Hawk fans, and certain models incorporate innovative Screen Cooling Plus technology to optimize airflow direction. Selected configurations also utilize composite metal grease designed to enhance thermal conductivity and operational stability under high-performance workloads.

- **GAMING and EAGLE:** These series combine reliability with gaming-oriented designs and are engineered to deliver performance and differentiated visual identities. The GAMING series is recognized for its rock-solid stability, with certain high-end models featuring the iconic Triple Ring RGB Halo lighting and innovative sliding side plate. Complementing the GAMING series, the EAGLE series incorporates geometric graphics and futuristic, cosmic-inspired design elements, while utilizing WINDFORCE cooling technology to enhance gaming performance and user experience.

- **AERO:** This series is designed primarily for creators and professional users, featuring a silver-and-white color scheme and minimalist design elements. The series incorporates subtle RGB lighting effects and is intended to complement streamlined PC configurations while delivering computing performance for creative workloads and content creation applications.

- **AI BOX Series:** This series represents our external computing solution series featuring Thunderbolt™ 5 connectivity with bidirectional bandwidth of up to 80 Gbps. The series is designed to enhance the computational capabilities of compatible laptops and devices, enabling high-performance workstation functions and supporting local execution of large language models ("LLMs") and AI image generation applications, while facilitating data privacy and hardware expansion capabilities.

Our different series of graphics cards provide users with more diversified choices to build their own PCs, enabling users to experience top computing performance of graphics cards and overwhelming aesthetics in a smooth working state.

Servers

We design, manufacture and deliver server and AI infrastructure solutions, ranging from AI development systems and GPU servers to rack-scale AI clusters and AI Factory deployment solutions. Our offerings include AI servers, general-purpose servers, high-density servers, GPU servers, blade systems, workstation platforms, as well as integrated infrastructure management software and thermal management solutions. Our server products typically comprise server boards and finished server units consisting of a motherboard, storage drives, power supply units, CPUs and memory, and are deployed in enterprise and data center environments to support computing, storage, AI training and inference, and high-performance computing ("HPC") workloads. As demand for accelerated computing infrastructure continues to grow alongside the rapid advancement of large language models, generative AI and AI-driven workloads, we continuously develop next-generation server

platforms and AI infrastructure solutions aligned with leading AI computing ecosystems and next-generation processor and accelerator platforms. Together, our server portfolio, AI infrastructure solutions and thermal management technologies position us to support the evolving demands of AI, HPC and next-generation data center environments.

Our AI infrastructure portfolio includes rack-scale AI systems built on the NVIDIA Vera Rubin platform. We have introduced the NVIDIA Vera Rubin NVL72, integrating 72 NVIDIA Rubin GPUs and 36 NVIDIA Vera CPUs to support demanding AI workloads, including trillion-parameter model training and high-throughput token generation. In addition, we provide liquid-cooled GPU server platforms, such as the GIGABYTE G4L4-SD3-LAX7 supporting NVIDIA HGX™ B300, for compute-intensive AI training and inference workloads. We also offer deskside AI workstation platforms, including the GIGABYTE W775-V10-L01 powered by the NVIDIA GB300 Grace Blackwell Ultra Desktop Superchip, supporting AI model development, testing and inference applications. Our deployment solutions further include AI Training & AI Factory Pods and HPC Pods designed for high-density GPU cluster deployments and large-scale enterprise computing environments.

To address increasing demand for scalable AI deployment, we launched "GIGAPOD," a scalable and integrated AI infrastructure solution designed for high-density GPU cluster deployments. GIGAPOD combines compute infrastructure, networking, storage, thermal management solutions and software orchestration capabilities to support AI training, inference and HPC workloads. Built on the GIGAPOD architecture, our deployment solutions include AI Training & AI Factory Pods and HPC Pods supporting diversified AI applications and enterprise computing environments. For AI and visual computing workloads, our solutions support platforms leveraging the NVIDIA RTX PRO™ 6000 Blackwell Server Edition. For AI inference workloads, our solutions support platforms leveraging AMD Instinct™ MI355X series GPUs and next-generation AI accelerator architectures. For HPC deployments, we provide high-density server and blade architectures optimized for large-scale computing environments.

To further enhance operational efficiency and infrastructure management, we developed GPM (GIGAPOD Management Platform), which provides centralized monitoring, resource scheduling, cluster management and workload orchestration capabilities. GPM integrates compute, networking, storage, cooling and power management functions, enabling customers to efficiently manage AI infrastructure environments ranging from individual server nodes to rack-scale cluster deployments.

In addition to our server and deployment solutions, we developed GAIFA (GIGABYTE AI Factory Accelerator), an end-to-end AI infrastructure research, validation and accelerated computing platform. GAIFA leverages NVIDIA DSX digital twin technologies to perform "Real-to-Sim" simulations, enabling customers to simulate and evaluate performance, deployment and infrastructure configurations prior to physical implementation. Through proof-of-concept validation, total cost of ownership optimization, blueprint-driven architecture design from L6 hardware systems to L13 data center integration, and "Sim-to-Real" deployment processes, GAIFA helps customers accelerate AI Factory deployment while reducing deployment risks and implementation complexity. We are also developing GADU (GIGABYTE Accelerated Deployment Unit), a modular deployment unit concept designed to enhance scalability, repeatability and deployment efficiency for large-scale AI infrastructure projects.

We also offer diversified thermal management solutions, including air cooling, direct liquid cooling ("DLC") and immersion cooling technologies. Compared with traditional air-cooling approaches, DLC and immersion cooling solutions provide enhanced thermal efficiency and improved energy optimization for high-density AI computing environments. These cooling solutions are designed to support increasing rack power density and the evolving requirements of next-generation AI infrastructure deployments. Our immersion-ready servers are compatible with industry-standard immersion cooling tanks, reducing the need for customization and compatibility testing and simplifying customer deployment processes. We continue to provide integrated cooling infrastructure solutions combining immersion-ready servers, density-optimized tanks and supporting data center infrastructure to facilitate the deployment of next-generation AI Factory environments.

Others

We also design, manufacture and sell PCs, other PC components and PC peripherals.

With our abundant experience in the production of motherboards, graphics cards and cooling systems, we are able to manufacture high-quality desktop and notebook PC products. We have put a great emphasis on the

production of PCs which feature high-performance for game software, especially online games. In addition, we also have PCs designed specifically for professionals, designers, and creators. We expect to continue developing more entertainment-oriented products, which differentiate our product lines from those of our competitors.

Our PC components mainly include PC case, power supply, CPU cooler, SSD, and memory. Our PC peripherals mainly include keyboard, mouse, headset, and gaming chair.

Industry Overview

AI and digitalization have been driving massive demand for processing capability. The advancement in machine learning algorithms, enhancement of computing power, and increase in data generation is expected to create massive potential for AI adoption. According to Market.us, the global AI market, in terms of the revenue of AI hardware, software and services, is expected to reach US$2,765 billion by 2030 from US$543 billion in 2025, representing a CAGR of 38.5%. AI infrastructure empowers the rapid growth of multiple end application verticals, such as industrial Internet of Things ("IoT"), cloud computing, 5G devices, smart manufacturing and data centers, which require higher processing capability. Leveraging our strong R&D capabilities, comprehensive product offerings, long-term relationships with key industry chain players, modularized design and high-quality services, we believe are well positioned to capture the massive market opportunity within the AI ecosystem.

Server Industry

Servers can be divided into two categories, namely GP servers and AI servers. For the purpose of this Offering Memorandum, GP servers refer to the servers normally used for general computing functions under end user control, where CPU is the main computing power provider; AI servers refer to the servers that adopt a heterogeneous architecture, such as CPU plus GPU, or CPU plus on-site. AI servers have many forms, such as field programmable gate array ("FPGA"), CPU plus tensor processing unit ("TPU"), CPU plus application-specific integrated circuit ("ASIC") or CPU plus different types of accelerator cards.

The server market experienced an expansion in 2024 and 2025, driven largely by the significant demand for AI infrastructure. The growth momentum is expected to continue in the next five years for servers, according to IDC. According to QY Research, the global servers market is expected to reach US$265 billion in 2032 from US$138 billion in 2025, representing a CAGR of 9.8%. The global server market is expected to grow mainly driven by the following factors:

- The growth of GP servers is expected to be driven by continuous development of data-intensive applications, increasing demand for scalable and efficient computing resources and digitalization of multiple industries. According to QY Research, the market size of the global GP servers is expected to reach US$146 billion in 2032 from US$96 billion in 2025, representing a CAGR of 6.2%.

- The development of AI servers is expected to be accelerated, mainly driven by the increasing demand for AI applications, big data, edge computing, cloud computing and hardware innovations. Currently, the computing power and price of AI servers are mainly determined by the number of GPUs installed on an AI server. AI server supply was tight in 2025 due to surging demand for GPUs, HBM memory, and advanced packaging. However, the shortage is anticipated to ease later in 2026 and beyond as new fab capacity comes online. According to QY Research, the market size of the global AI servers is expected to reach US$119 billion in 2032 from US$42 billion in 2025, representing a CAGR of 16.2%.

PC Industry

PC

PCs have become an important part of our society, supporting people from business, education to entertainment activities. The demand for motherboards and graphic cards is highly correlated with the development of several types of PCs, including gaming PCs and AI PCs. According to Mordor Intelligence, the global PC and PC monitor and projectors market is expected to reach US$437 billion in 2031 from US$270 billion in 2025, representing a CAGR of 8.4%.

Gaming PC

Gaming PCs refer to specialized PCs designed for playing PC games at high standards for the purpose of this Offering Memorandum. Gaming PCs typically have higher-performance graphics cards, CPUs and RAMs than traditional PCs. Compared with traditional PCs, gaming PCs have a shorter replacement cycle due to the following reasons:

- *Higher motherboards and graphic cards specifications*: The increase in real-time multiplayer games requires high levels of processing power, low latency and large amounts of memory. As a result, users need more frequent upgrade of devices and systems.

- *Strong stickiness and resilience*: Compared with traditional PCs, gaming PCs exhibits higher user stickiness, leading to more rapid and resilient demand for PC hardware.

The gaming market is expected to grow in the next few years, mainly driven by the increasing number of top-rated game titles, real-time multiplayer and streaming needs. As a result, the average selling price of graphics cards is also expected to increase. In addition, the gaming PC market is expected to reach US$130 billion in 2030 from US$69 billion in 2025, representing a CAGR of 13.5%, according to Grand View Research. The growth of gaming PCs also drives the demand for full range of gaming products and peripherals, including PCs, notebooks, gaming chairs, etc.

AI PC

AI PCs refer to PCs that can provide hybrid (integrated software and hardware) intelligent learning and reasoning capabilities. AI PC is expected to become driving force in the PC market due to the following reasons:

- Higher specifications to support AI applications are expected to result in an increase in the average sales price of AI PCs.

- The end of support for Windows 10 in 2025 is also anticipated to trigger a significant refresh cycle, with many users opting for AI-capable devices.

- Shipments of AI PC units are anticipated to rise in response to the growing application of AI chipsets.

According to Counterpoint Research, AI PC shipments are expected to a year-on-year increase by 52% in 2026 to capture approximately 59% of total global PC shipments as the market matures and vendors differentiate across increasingly diverse categories.

As a perennial developer in PC hardware and solutions, we have earned a dominant position in gaming PC, especially for motherboards and graphics cards. Embracing the era of AI, we also offer AI PCs with an aim to elevating power management, gaming performance, and generative-AI software to a new level.

Motherboard and Graphics Card

The global motherboard market experienced a significant growth in 2024 and 2025, primarily driven by increased PC replacement demand, the rise of AI PCs, and the Windows 10 end-of-life in October 2025. Such growth momentum is expected to continue, and industrial motherboards will also see growth, fueled by highly integrated units for IoT, smart manufacturing, and edge computing.

For graphics cards, 2024 and 2025 growth were propelled by the surging demand from AI and machine learning applications, alongside new GPU launches from NVIDIA and AMD, an expanding global gaming population, and rising device requirements for advanced graphics.

Motherboard and graphics card players like us are well poised to benefit from the growth of AI servers in the following aspects:

- *Immersion cooling technology*: As AI servers require high computing performance, its growth accelerates the need for advanced cooling technology. The immersion cooling technology can increase heat dissipation and lower energy costs for high-power computing, which is critical for GPUs to deliver the best performance.

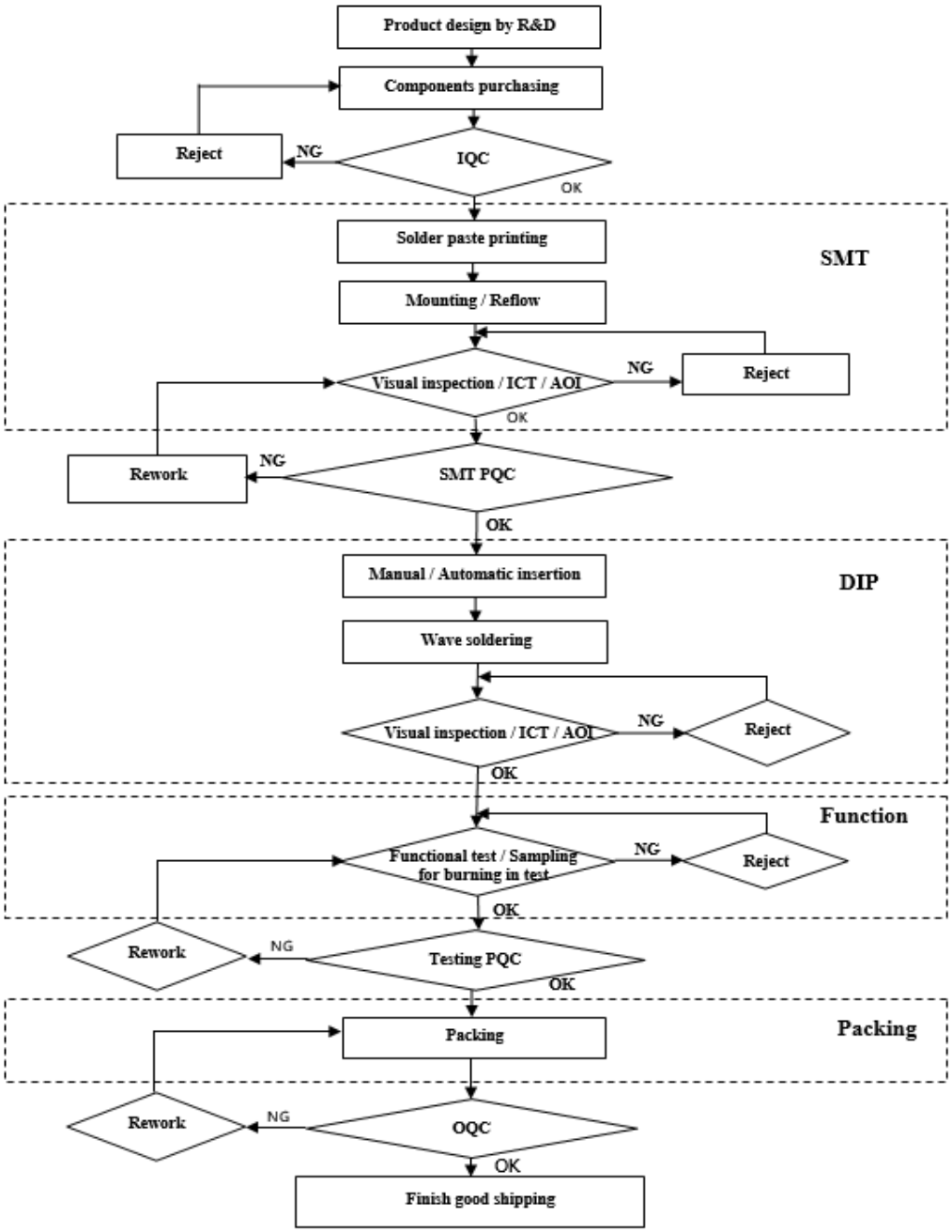
- *Modular design capabilities*: To adapt to the customized demand arising in the era of AI, the modular design of motherboard and graphics card allows easy integration with existing infrastructure and systems. The modular design capabilities provide customized designs with high-end GPU and network interface, and are modularized to quickly respond to customer demand.

- *Strong relationship with key GPU manufacturers*: The strong relationship with key GPU manufacturers enables motherboard and graphic card players to have access to the latest generation of GPUs and the opportunity to design platforms together, which is important for launch of new products ahead of other market players.

- *Global presence*: Delivering high-quality services to customers with global manufacturing sites and service centers is also critical to reaching and serving customers and end-users, which may also pose challenges to new market entrants who could not compete effectively on a global basis.

Manufacturing Process

The manufacturing process of motherboards and graphics cards including the following major steps:



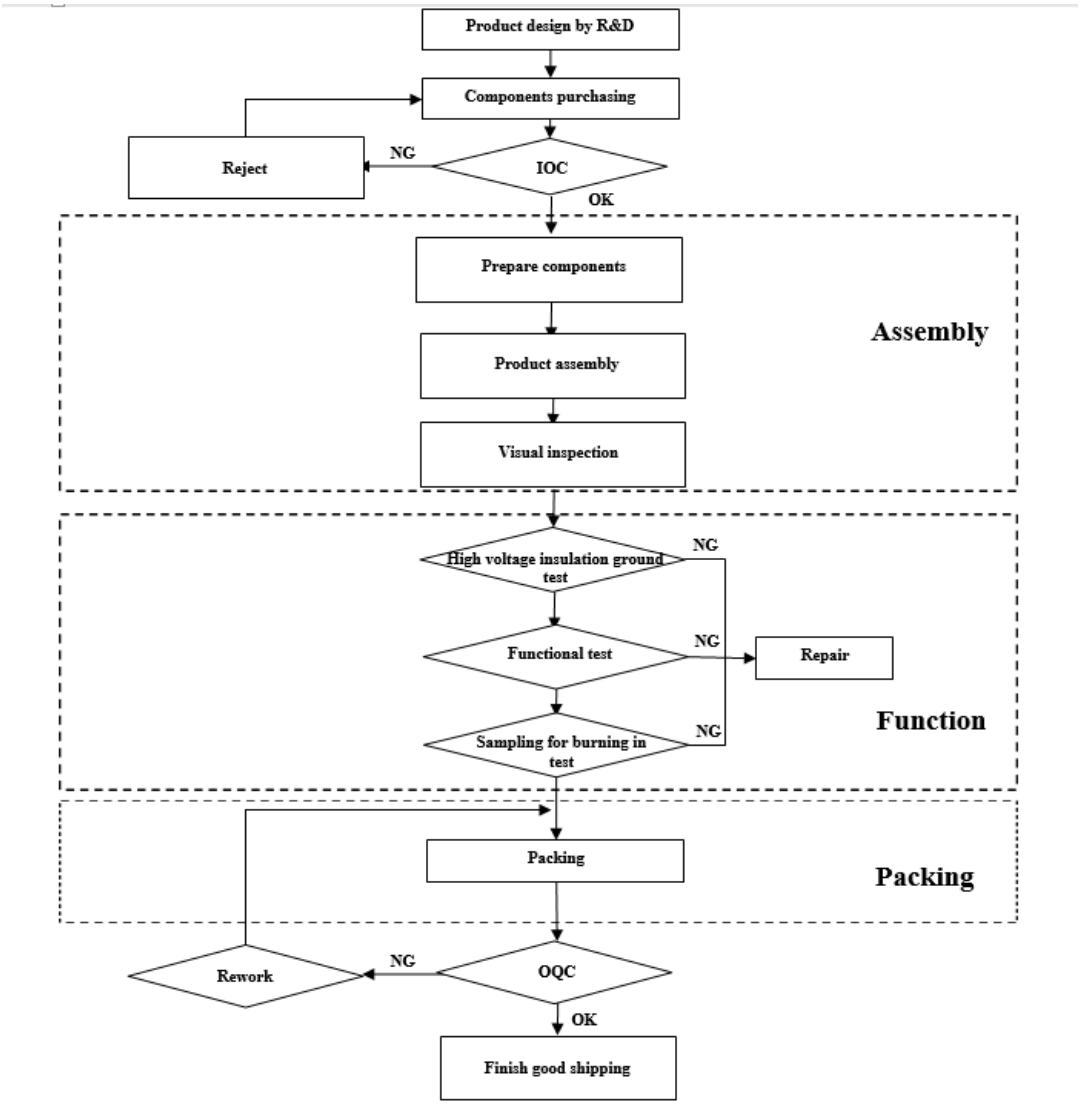
These products consists of a printed circuit board with various semiconductor components attached to it, including integrated circuits, chipsets and connectors. Those raw materials and components need to pass the inspection and incoming quality control before they are able to proceed to our manufacturing process.

During the manufacturing process, these raw materials and components are connected to each other in electronic circuitry. The two main technologies used to fix components onto our motherboards and graphic cards are surface mount technology ("SMT") and pin to hole technology, which are incorporated in separate production lines at our manufacturing facilities. Raw materials and components are first processed on an SMT production line, which picks and places components onto a printed circuit board, and gets soldered with reflow ovens. The products need to undergo visual inspection, in-circuit testing ("ICT"), and automated optical inspection ("AOI") before proceeding to the next manufacturing stage.

The next stage is the dual in-line package (DIP) production lines, which involve automatic or manual component insertion and application of wave soldering. Here, applying pin to hole technology, dual in-line pin will pass through holes on a printed circuit board (PCB) and be soldered on the other side. After these processes, the products undergo visual inspection, ICT, and AOI again, and then proceed to the functional testing and

sampling for burning in test. After passing all processes, products are sent to our warehouses. Once an order for our products is received, the products are packed and shipped.

The manufacturing process of servers including the following major steps:



Similar to the production of motherboards and graphics cards, the manufacture of servers starts with the purchase and preparation of raw material and components, including semiconductors, printed circuit boards, motherboards, among others. Those raw materials and components need to pass the inspection and incoming quality control. After we assemble the servers, we conduct high voltage insulation ground test, to prevent voltage drop or other voltage issues and reduce the safety risks of our products. Then the products also need to undergo functional testing and sampling for burning in test. After passing all processes, the servers are sent to our warehouses and will be shipped to our customers.

Raw Materials, Components and Suppliers

Our key raw materials and components include ICs, chipsets, connectors, printed circuit boards, other integrated circuits and sockets. Securing an adequate supply of raw materials and components at commercially reasonable prices and terms is critical to our business operations. We source from quality and long-term vendors who offer high-quality and cost-effective materials in a timely manner. We currently purchase chipset and IC from Intel, NVIDIA, and AMD, and purchase other key components from Delta Electronics, Inc., HannStar Board Corporation, Cooler Master Technology Inc., and Amphenol Corporation. Purchases of components, mainly GPU, from our single largest supplier, accounted for 37.61%, 56.69%, 70.61% and 79.91% of the value of our purchases in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. We do not have

long-term supply agreements with all of our major component suppliers. We believe that we maintain stable relationships with our major suppliers.

Our purchasing policy requires that at least two suppliers must be available for each key raw material or component used in our products except for particular chipsets of which there is only one manufacturer, so as to ensure supplier flexibility, price comparison and minimizing the risk of over-centralized supply.

We select component suppliers based on the selection of the individual components they offer and the attributes of the supplier, including production capacity, technological capabilities, reliability and quality. Before a new product is produced, our production management division provides a complete production specification to the R&D department, which then designs the product and selects the components to be incorporated in the product. The R&D department and the procurement department then together select component suppliers. Individual components are selected on the basis of various criteria, including cost, design, performance and function. Our R&D department provides assistance to certain component manufacturers in developing new components by providing input at the design and planning stage and by testing prototype components. Our procurement department also works closely with component suppliers to try to ensure that suppliers have sufficient inventories of components required by us and that components are delivered on time.

We use our own web-based business-to-business component supply and purchasing system which is designed to eliminate some of the human processes involved in the placing of orders for products and key components.

Inventory levels of our components and pre-packed finished goods are usually maintained at approximately five days. We prepare a rolling six week forecast of our key component requirements and generally orders required key components three months before their projected date of use. Our procurement department also systematically reviews the availability of key components with our suppliers on at least a weekly basis, and checks availability of key components on a daily basis in the lead up to peak season production periods.

Production Facilities and Capacity

The Group currently has three main production facilities, located in Nanping, Taoyuan City, Taiwan, Dongguan, Guangdong Province, the PRC and Ningbo, Zhejiang Province, the PRC, respectively.

A summary of the status of these main production facilities is set forth below:

Facility	Product	Actual Production Capacity for the Year Ended December 31, 2025 (in thousand Units) [1]	Floor space (square meters) [2]	Number of employees [2]
Nan-Ping Factory	Motherboards	661	45,000	1,132
	Graphics cards	621	45,000	1,132
	Servers	28.3	45,000	1,132
	Others (including PC components and peripherals, etc.)	94	45,000	1,132
Dongguan Factory	Motherboards	2,943	47,000	1,224
	Graphics cards	481	47,000	1,224
	Others (including PC components and peripherals, etc.)	0	47,000	1,224
Ningbo Factory.....	Motherboards	2,695	100,000	1,200
	Servers	21	100,000	1,200
	Others (including PC components and peripherals, etc.)	424	100,000	1,200

Notes:
(1) Figures for production capacity are the actual production capacity for the year ended December 31, 2025 instead of monthly figures.
(2) Figures for floor space and employees are total figures for an entire factory. The number of employees for each factory is as of December 31, 2025.

We constantly renew the equipment and make automation adaptations at the production facilities, so as to increase efficiency and ensure a high standard of quality control. We have implemented automation to different aspects of production, including warehousing, insertion and assembly. The high automation degree of our production facilities has contributed to increased efficiency of our production facilities.

Currently, we also outsource some part of manufacturing activities to third parties' manufacturing facilities in the ROC and the PRC. As of December 31, 2025, we outsourced the manufacturing of approximately 31% of our motherboards and 74% of our graphics cards in terms of units produced. We also outsource the manufacturing of some other PC related products. We currently do not outsource the production of servers. We do not rely heavily upon any specific outsourced manufacturers and we do not think that the outsource work is technology-intensive.

Quality Control

We understand that quality and reliability are fundamental to ensuring customer loyalty and brand name developments. We target an average return material authorization repair time of less than seven days. Quality control is undertaken at every stage of the manufacturing process, from purchasing of manufacturing supplies and components through packaging. We seek to continually improve our quality testing by ensuring that it incorporates the latest technology in our testing processes.

There are four principal stages in our quality assurance process – engineering and design, incoming quality control, production quality control and outgoing quality control.

- **Engineering and design:** Our component approval section ensures that the work of engineers and all of the relevant components used in our products are of high quality and can withstand environmental stress.

- **Incoming quality control ("IQC"):** this stage of control ensures that the materials and components delivered by suppliers are of sufficient quality. Compatible materials are sent directly to warehouse, while non-conforming materials are addressed by the material review board, which will adopt one of four responses: accepting the materials if the defect is not such material that it would influence the quality and integrity of the product; rejecting the whole batch and returning it to the supplier; sorting out the individual rejects and returning them to the supplier; or scrapping the defective stock and delivering it to the scrapped materials stock room. We are constantly working with suppliers to improve the quality and compatibility of the components supplied to us.

- **Production quality control ("PQC"):** The manufacturing process is heavily driven by quality assurance. During the manufacturing processes, three separate tests are undertaken; vibration testing, followed by an in-circuit test and visual inspection of 100% of production volume. After a product has passed these tests, it then undergoes a function test.

- **Outgoing quality control ("OQC"):** After function testing, products proceed to the warehouse for packaging and distribution. Products that fail to meet customers' specified defect rates will either be returned for further quality review or rejected. The material review board reviews any non-conforming products so that any defects can be identified and rectified by us.

Our Dongguan facility obtained ISO-9002 certification in June 2000, and our Nan-Ping facility has been certified as meeting ISO-9002 quality standards in 2001. Our Ningbo facility obtained ISO-9001 certification in March 2002. ISO is an organization formed by delegates from member countries to establish international quality assurance standards for products and manufacturing processes. ISO-9001 is a quality assurance model which is made up of 20 sets of quality system requirements, and applies to organizations that design, develop, produce, install and service products. ISO-9002 is a separate quality assurance model which applies to organizations that produce, install and service, but not necessarily design or develop, products.

Sales, Marketing and Customers

For our motherboards, graphics cards, and other PC related products, we mainly sell to distributors in various markets. For our servers, we mainly sell to system integrators and enterprises operating workstations or

data centers. In 2023, 2024 and 2025, no single customer accounted for more than 10% of our total sales, except for CoreWeave and HPE which contributed to 17% of our total sales in 2023 and 2024, respectively.

Most of our products were sold outside of the ROC. In 2023, 2024, 2025 and the three months ended March 31, 2026, 97.90%, 97.46%, 95.38% and 79.40% of our products were sold outside of the ROC. The following table sets out the percentage breakdown of our sales according to geographic regions for the periods indicated:

	Year ended December 31							Three months ended March 31		
	2023		2024		2025			2026		
	(NT$)	%	(NT$)	%	(NT$)	%	(US$) (Unaudited)	(NT$) (Unaudited)	% (Unaudited)	(US$) (Unaudited)
	(*in thousands, except for percentage*)									
Europe	36,996,526	27.0	78,941,530	29.8	75,302,119	22.3	2,400,450	11,118,319	10.6	346,905
USA and Canada	54,460,541	39.8	54,158,248	20.4	59,866,214	17.8	1,908,391	9,107,484	8.7	284,165
Singapore	1,048,006	0.8	70,808,453	26.7	56,680,085	16.8	1,806,824	29,251,858	27.8	912,694
Japan	1,151,357	0.8	1,925,488	0.7	36,701,463	10.9	1,169,954	1,363,938	1.3	42,557
China	19,479,683	14.2	24,907,577	9.4	31,938,822	9.5	1,018,133	7,176,859	6.8	223,927
Malaysia	278,712	0.2	5,309,011	2.0	28,218,657	8.4	899,543	9,875,366	9.4	308,124
Taiwan	2,756,623	2.1	6,736,341	2.5	15,567,806	4.6	496,264	21,641,733	20.6	675,249
Others	20,601,961	15.1	22,362,131	8.4	32,661,494	9.7	1,041,170	15,521,774	14.8	484,299
Total	136,773,409	100.00	265,148,779	100.00	336,936,660	100.00	10,740,729	105,057,330	100.00	3,277,920

We advertise our products in industry publications (both printed and online), on our website and various social media, through participating in product launch roadshows with vendors as well as our distributor customers, and by outdoor advertisements.

Customer Services

We have been paying close attention to customer service and product support since the early stage of the Company's development, and targeting to provide customer-oriented product support and service. We typically provide a three-year warranty to our customers for our products, including returning, replacing, and repairing defective products.

Given our international presence, to allow customers to receive professional and prompt services to fulfill their needs, we established worldwide support centers and an online eSupport system. Currently we have support centers in multiple different countries and regions, including the United States, the United Kingdom, the Netherlands, Spain, Australia, Germany, Japan, Korea, India, the PRC, etc. These support centers provide a full range of after sales services for our products. Our customer-centric after-sales services is also one of our key competitive strengths. We also emphasize training our agents in trouble-shooting and certain repairs, in order to minimize logistical and repair costs resulting from products being returned to us for repair.

Research and Development

We believe that R&D is critical to our success. Our products require advanced technology to achieve high product quality, power efficiency, computing speed and reliability. In order to meet the market demand involving rapidly with times, we actively invest in R&D to meet demands from our clients.

We perform most of our R&D activities in-house in the ROC. As of March 31, 2026, our R&D team consisted of 948 members, among which 279 received master's degree or higher. Our R&D expenses were NT$2,747 million, NT$4,128 million, NT$4,307 million (US$134 million) and NT$908 million (US$28 million) for 2023, 2024, 2025 and the three months ended March 31, 2026, respectively.

Our R&D efforts are focused on (1) technologies to improve cooling effectiveness and power stability for processors; (2) product development for cloud, edge and AI computing.

Recent products from our R&D efforts include the following:

- **GIGABYTE Z890 AORUS gaming motherboards:** Engineered for high-performance gaming users, these motherboards incorporate proprietary GIGABYTE technologies designed to enhance memory speed, signal integrity and platform stability. The proprietary Z890 AORUS Tachyon Duo X Ice, features D5 Duo X technology, which leverages a two-DIMM architecture, CUDIMM and CQDIMM support, Per-Rank Tuning and MRC Optimization to enhance signal integrity across the memory subsystem and support DDR5 memory speeds of up to 10,400 MT/s. These designs are intended to provide a high-performance platform for users seeking advanced memory overclocking capability, stable system responsiveness and reliable operation under intensive gaming and high-performance computing workloads.

- **GIGABYTE X870E AORUS gaming motherboards:** Engineered for eSports enthusiasts and hardcore gamers demanding peak memory performance, these motherboards deliver industry-leading DDR5-9000 speeds that redefine high-performance computing. The proprietary X3D Turbo Mode 2.0 leverages AI-powered optimization to dynamically tune performance in real-time, adapting seamlessly to gaming and productivity workloads. Achieving stable 9000 MT/S operation is made possible through D5 Bionic Corsa Technology, an innovative system integrating AI-enhanced software, hardware, and firmware for intelligent parameter adjustment and continuous real-time analysis. Signal integrity is maximized through advanced engineering: 8-layer server-grade PCB with Back Drilling technology reduces signal loss and electromagnetic interference, while Shielded Memory Routing delivers clean, interference-free memory signals. The Daisy-Chained topology further eliminates bottlenecks to unlock full memory potential, making this the ultimate platform for gamers and enthusiasts who demand uncompromising performance.

- **Graphics Innovation: The GAMING and AI Computing Powerhouse:** To fully unlock the massive AI potential of the NVIDIA RTX 50 and AMD RX 9000 series GPUs, GIGABYTE has heavily invested in proprietary cooling R&D, positioning us as a leader in high-performance computing hardware. Our AORUS XTREME WATERFORCE model, featuring flagship models with liquid metal thermal grease (up to 10x conductivity over traditional grease), guarantees sustained peak performance and system stability even under extreme overclocking and AI workloads. Simultaneously, our air-cooling champion, the AORUS MASTER, utilizes the innovative WINDFORCE system, integrating the new Hawk Fan, advanced vapor chamber technology, and Screen Cooling Plus to ensure unparalleled thermal efficiency across all high-wattage GPUs. Recent additions to our graphics card portfolio further demonstrate this cooling-focused product strategy, including high-end models such as the AORUS GeForce RTX 5090 INFINITY, which incorporates the revolutionary WINDFORCE Hyperburst cooling system, featuring a breakthrough double flow through design that creates an unobstructed airflow path and significantly boosts thermal efficiency. The AORUS INFINITY series marks a major step forward for AORUS in the high-end gaming segment, setting a new benchmark for next-generation flagship graphics cards. By offering a diverse, refined portfolio - from the powerful GAMING and minimalist AERO series to SFF-Ready compact designs - GIGABYTE caters precisely to the high-demand segments of gaming, content creation, and critical AI development, assuring both market breadth and technological depth in the next generation of computing.

- **AI Server Leadership & Ecosystem Integration:** By maintaining close collaboration with NVIDIA to align with the latest technological advancements, we have simultaneously launched a full spectrum of NVIDIA Blackwell architecture server product lines. This includes high-performance servers featuring the B200 HGX / B300 HGX GPUs, GB200 NVL72/ GB300 NVL72 rack-scale solutions, and RTX PRO Servers supporting the RTX PRO 6000 GPU and CX8 switch board. This demonstrates our leading position and rapid response capability in the cutting-edge AI computing sector.

- **Mainstream & Edge Computing Server Lines:** Beyond dedicated AI servers, we continue to reinforce our enterprise market product lines. In conjunction with the release of Intel's new-generation Xeon 6 AP processors and Ampere Computing's AmpereOne M processors, we have simultaneously introduced server product lines for both mainstream and AI acceleration. These products are designed for various scenarios, including CPU-centric computing servers for enterprise critical missions, cloud high-density servers, and Edge AI inference servers, catering to the diverse market demands for general-purpose and high-performance computing.

- **Enhanced One-Stop Liquid Cooling Rack & Data Center Integration:** We successfully secured several critical field deployment projects in 2025, significantly strengthening our One-Stop-Shopping supply capability. These achievements include collaborations with Empyrion Digital on the 7MW Data

Center in Taipei, SK Telecom on their DLC verification laboratory in Korea, and Start Campus on the SIN01 facility in Portugal. The validation from these real-world deployments has provided us with invaluable expertise in rack-scale liquid cooling integration and AI Data Center floor planning, ensuring we can deliver comprehensive solutions from design to deployment.

- **Low-Carbon Server Initiative & Sustainability:** In alignment with increasingly strict environmental regulations and the goal of achieving green and sustainable IT infrastructure, we have simultaneously introduced the Low-Carbon Server Initiative. This initiative features the manufacturing of servers using a high proportion of Post-Consumer Recycled materials, with some finished components incorporating up to 95% recycled content. This marks a new chapter for the industry's green transition.

In addition, our R&D team currently focuses on developing the following in the different product segments:

- **For Motherboard:** Our focus is to (i) provide optimized signal quality so as to increase product stability and reliability, (ii) simplify the installation and detachment process so as to reduce the risk of accidentally damaging the board, and (iii) equip complete and flexible network options and enable dynamic adjustment of network traffic packet so as to reduce online gaming latency and optimize streaming and immersive VR experiences. We expect to develop a new generation of high-order Intel chipset motherboard as well as a new generation of AMD latest platform series motherboard. New products will be launched simultaneously worldwide in collaboration with upstream vendors.

- **For Graphics Card:** Our focus is to develop new generation of chip graphics cards and further enlarge our product series to provide users with diversified solutions across gaming, AI computing, creative design and professional workstation applications. Our AORUS graphics cards will be built with our advanced cooling system.

- **For Server:** Our focus remains on AI Servers, Liquid Cooling Platforms, High-Bandwidth Architectures, and Energy-Efficiency-Oriented Rack-Scale Products. Our R&D team efforts are focused on enhancing thermal management efficiency, power delivery stability and system performance for next-generation processors and accelerated computing platforms. We also actively develop server and AI infrastructure solutions for cloud computing, edge computing, AI training and inference, and high-performance computing ("HPC") environments.

- **For Data Center Infrastructure:** Leveraging the valuable experience gained from recent field deployment projects, we re-strategize our global regional production, assembly, and testing sites. This strategy aims to optimize supply chain efficiency, enhance the speed and quality of Built-to-Order business delivery, and rapidly respond to regional customer needs for AI computing rack integration and data center floor planning.

- **For Software:** We will continuously strengthen our software development and validation to provide a more comprehensive, one-stop user service. The scope of our management software will expand from single-server to rack-scale platform, covering functionalities from productivity allocation to hardware health monitoring. Furthermore, we will collaborate with various domain suppliers to extend the software's control over power supply and cooling equipment, enabling smarter and more holistic data center operational management.

- We are also working on introducing new series of power supply to support latest generation of graphics cards, new tactical gaming monitors, and exploring the upgrade of our products and implementation of our technology in 5G era.

Intellectual Property and Licenses

Intellectual property is an important aspect of our business, and we actively seek protection for our intellectual property as appropriate. We currently rely on a combination of patents, trade secrets, copyrights, trademarks, contractual commitments and other legal rights to protect our intellectual property. In addition to the protection provided by our intellectual property rights, we enter into confidentiality and proprietary rights or similar agreements that restrict the disclosure of our intellectual property with our employees, customers and suppliers. We further control the use of our proprietary technology and intellectual property through provisions in both general and product-specific terms of use.

We regularly review our R&D efforts to assess the existence and patentability of new intellectual property and generally apply for patent protection if our intellectual property carries the potential for wide application across our sectors or is able to give our business a competitive advantage over our competitors.

As of April 30, 2026, we have a broad portfolio of 3,369 patents worldwide, among which 1,351 patents are in the ROC, and 1,727 pending patent applications in various jurisdictions around the world including, among others, the ROC, the United States, the PRC, Japan, Germany, France and European Patent Office.

As of April 30, 2026, we have registered 5 major trademarks. We have registered our "Gigabyte" trademark in over 110 countries or territories and have registered our "AORUS" trademark in 47 countries or territories.

We also have license agreements with other companies for the use of proprietary technology in our products, including HDMI Licensing LLC, DTS, Inc., and AMI, Taiwan Branch. Payments of royalties under the various licenses are generally based on the volume and/or sales price of units produced incorporating the licensed technology. We have no reason to believe that the Group will not continue to enjoy the benefit of these or other licenses to the extent it deems appropriate.

Competition

The market for our products is highly competitive, rapidly evolving and subject to new technological developments, changing customer needs and new product introductions.

The principal competitive factors in our market include the following:

- First to market with new emerging technologies;
- High product performance, efficiency and reliability;
- Early engagement with customers;
- Collaborative and longstanding relationship with suppliers;
- Capacity management;
- Cost-effectiveness;
- Scalability;
- Localized and responsive customer support on a worldwide basis; and
- Working capital management.

We believe that we compete favorably with respect to most of these factors. However, some of our competitors have longer operating histories, significantly greater resources, greater name recognition and deeper market penetration. They may be able to devote greater resources to the development, promotion and sale of their products than we can, which could allow them to respond more quickly to new technologies and changes in customer needs. In addition, it is possible that new competitors could emerge and acquire significant market share. See "*Risk Factors – Risks Relating to Our Industry and Business– We operate in a highly competitive environment, and we may not be able to sustain our current market position.*"

Employees

We had 6,602, 7,430, 7,505 and 6,885 employees as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. The following table sets forth a breakdown of the number of our employees by geography as of March 31, 2026:

Country / Region	**Number**
The ROC	3,414
Asia Pacific (excluding the ROC)	2,987
America	284
EMEA	200
Total	6,885

The following table sets forth a breakdown of the number of our employees by function as of March 31, 2026:

Function	Number
Production	3,647
R&D	948
General Administration	785
Sales and Marketing	1,505
Total	6,885

Our continued success is dependent in large part on our ability to attract, retain and maintain qualified personnel. As of March 31, 2026, 42.5% of the Company's employees received bachelor's degree, and 11.8% of the Company's employees received master's degree or higher.

Our employees are not covered by any collective bargaining agreement. For the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026, we did not experience any material labor dispute with our employees or any strike, and we believe that we maintain good working relationships with our employees.

We believe that our compensation packages are competitive with those of our competitors. We make contribution to employee pension plans in compliance with local laws in the various jurisdictions in which we operate. We also provide relevant insurances in accordance with local laws, e.g., labor insurance, health insurance, and group insurance. In 2023, 2024, 2025 and the three months ended March 31, 2026, we incurred employee benefit expenses, including employee remuneration, pension, insurance expenses, meal expenses and training expenses of NT$6,612 million, NT$9,224 million (US$288 million), NT$9,854 million (US$307 million), and NT$2,787 billion (US$87 million), respectively.

Properties

The Group's land and buildings had a book value of NT$2,643 million and NT$2,943 million, respectively, in the Company's consolidated accounts as of March 31, 2026.

As of March 31, 2026, the Group had no property, plant and equipment pledged to others as collateral.

In addition, we also lease various assets including land, buildings and transportation equipment. Rental contracts for land and buildings are typically made for periods of one year.

We believe that our existing properties, including both owned and leased, are in good condition and are suitable for the conduct of our business.

Environmental, Safety and Health Matters

We are eager to achieve the harmony between technology and sustainability. We entrust a qualified clearance and disposal organization to carry out procedures of waste disposal. We have installed waste treatment facilities and implemented waste treatment procedures in our production facilities to treat waste discharged during the production process. The types of waste discharged during our production process include domestic sewage, exhaust emissions, and industrial waste. Waste produced during the production process is treated before being discharged in accordance with applicable environmental standards and procedures in the relevant jurisdiction where our facilities are located. In addition, we have also adopted greenhouse gas inventory and workplace safety policies. In recognition of our environmental compliance, we have been accredited with ISO 14064-1 for our greenhouse gas emissions management, ISO 14001 for our environmental management system standard, ISO 45001 for our occupational health and safety, ISO 14051 for our material flow cost accounting, IECQ QC 080000 for our hazardous substance process management, and ISO 50001 for our energy management.

We have set goals in various aspects of environmental protections and sustainable growth. We target to reduce 3% of each of carbon emissions, water usage and waste generated during production for each year. We have set a long-term goal of reducing carbon emissions by 50% by 2025, compared to 2009 as the base year. By 2030, we aim to reduce water usage by 20% as compared to that in 2010, and waste generated during production by 50% as compared to that in 2010. In addition, by 2030 we also plan to stop using disposable packaging. We have already achieved the goal of reducing carbon emissions by 50% in 2024, ahead of the 2025 target year and we remain on track to achieving our other goals. In 2024, our carbon emission reduced by 14.31% compared to

2023 and by 51.97% compared to 2009, the base year; our water usage reduced by 34.87% compared to 2010, the base year; our waste generated per NTD million revenue reduced by 81.82% compared to 2010, the base year. The recyclable rate of our package reached 95.9% in 2024.

We have not been subject to any severe fines or legal actions involving non-compliance with any relevant environmental regulations, nor are we aware of any threatened or pending action by any environmental regulatory authority in any of the jurisdictions where we operate.

Our health and safety standards and our implementations of such are reviewed on an ongoing basis. Our operations are also subject to periodic inspections by the government.

Our efforts in environmental protection and sustainable development have been recognized by relevant authoritative organizations. We were selected as a constituent company in the FTSE4Good Index series in 2025. In 2024, We were ranked A-(Leadership Level) in the CDP Supplier Engagement Rating and B (Management Level) in the CDP Climate Change Survey. Additionally, we received the Outstanding Performance Award in Electronics and Technology Industry category at Global Views Magazine (GVM) ESG Corporate Sustainability Awards in 2024. We were also included in the CRIF Asia TOP1000, and listed among Taiwan High Compensation 100 (HC100) and the 2024 Taiwan Best-in-Class 100.

Insurance

We maintain insurance policies covering property damage to our offices, production facilities, equipment, raw materials and inventories caused by fire and natural disasters (including earthquakes).

In addition, we maintain cargo transportation insurance in connection with the transportation of our products, account receivables insurance in response to unforeseeable bankruptcy of our customers or their delay of payment, and product liabilities insurance for fees in relation to product liability claims.

We also maintain as insurance for our employees as required by the applicable laws and regulations of jurisdictions in which we have business operations, as well as insurance policies for directors' and officers' liabilities.

We believe that our insurance policies are adequate and in line with the industry norm in the ROC.

Legal Proceedings

Neither the Company nor any member of the Group is engaged in any material litigation or arbitration which the Company believes would have (or has had during the 12 months preceding the date hereof) a material effect on the Company's and its subsidiaries' financial condition or operations nor is the Company aware that any such proceedings are pending or threatened.

Corporate Structure and Subsidiaries

The following table sets forth certain information in relation to our consolidated subsidiaries as of March 31, 2026:

Company Name	Place of Incorporation	Date of Incorporation	Total Aggregate Shareholdings[(1)] (percentage)	Principal Business	Total Paid-In Capital
Freedom International Group Ltd.	British Virgin Islands	September 11, 1997	100.00	Holding company	USD 176,571,691.54
G.B.T. Inc.	United States	April 10, 1990	100.00	Sales of computer information products	USD 18,010,700
G.B.T. Technology Trading GmbH	Germany	September 21, 1993	100.00	Promotion of computer information products	EUR 10,080,000
Nippon Giga-Byte Corp.	Japan	September 25, 2008	100.00	Promotion of computer information products	JPY 30,000,000

Company Name	Place of Incorporation	Date of Incorporation	Total Aggregate Shareholdings[1] (percentage)	Principal Business	Total Paid-In Capital
GBT Tech. Co., Ltd.	United Kingdom	January 26, 1999	100.00	Promotion of computer information products	GBP 800,000
Giga-Byte Technology B.V.	Netherlands	July 13, 2001	100.00	Sales of computer information products	EUR 850,000
Gigabyte Technology Pty. Ltd.	Australia	November 28, 2003	100.00	Promotion of computer information products	AUD 2,400,000
Giga Investment Co.	Taiwan	August 30, 1999	100.00	Holding company	NTD 2,977,565,000
Gigabyte Technology (India) Private Limited	India	April 17, 2003	100.00	Promotion and repairing of computer information products	INR 46,000,000
G-Style Co., Ltd.	Taiwan	July 27, 2005	100.00	Selling of notebooks	NTD 120,000,000
BYTE International Co., Ltd.	Taiwan	March 13, 2006	100.00	Repairing of computer information products	NTD 310,000,000
Gigabyte Technology ESPANA S.L.U.	Spain	July 30, 2009	100.00	Promotion of computer information products	EUR 5,000
Gigabyte Information Technology Commerce Limited Company	Turkey	April 22, 2010	100.00	Promotion of computer information products	TRY 200,000
Gigabyte Technology LLC	Republic of Korea	May 3, 2012	100.00	Promotion of computer information products	KRW 840,000,000
GIGAIPC CO., LTD.	Taiwan	December 14, 2017	62.24	Selling of computer information products	NTD 178,000,000
Giga Computing Technology Co., Ltd.	Taiwan	March 9, 2022	83.93	Selling of computer information products	NTD 2,326,896,000
Charleston Investments Limited	Cayman Islands	April 8, 1998	100.00	Holding company	USD 57,032,141.68
Giga Future Limited	British Virgin Islands	February 8, 2001	100.00	Holding company	USD 82,819,549.86
Giga Computing Singapore Pte. Ltd.	Singapore	January 15, 2004	83.93	Promotion of computer information products	SGD 3,073,000
Gigabyte Canada, Inc.	Canada	March 3, 2022	100.00	Promotion of computer information products	CAD 1,000
Gigabyte Technology Poland SP Z O.O.	Poland	May 22, 2009	100.00	Promotion and repairing of computer information products	PLN 1,674,000
Dongguan Gigabyte Electronics Co., Ltd.	China	November 17, 1998	100.00	Manufacturing of computer information products	USD 36,380,000
Ningbo Boxinda Trading Co., Ltd.	China	June 5, 2001	100.00	Sales of computer information products	USD 8,000,000
Ningbo Giga-Byte Technology Co., Ltd.	China	March 30, 2001	100.00	Manufacturing of computer information products	USD 85,629,768

Company Name	Place of Incorporation	Date of Incorporation	Total Aggregate Shareholdings[(1)] (percentage)	Principal Business	Total Paid-In Capital
Ningbo Zhongjia Technology Co., Ltd.	China	April 4, 2003	100.00	Sales of computer information products	CNY 28,000,000
Ningbo BestYield Tech. Services Co., Ltd.	China	June 5, 2001	100.00	Repairing of computer information products	USD 5,800,000
Giga-Trend International Investment Group Ltd.	Taiwan	February 26, 2003	100.00	Holding company	NTD 600,000,000
Selita Precision Co., Ltd.	Taiwan	April 18, 2016	100.00	Manufacturing of bicycle and parts	NTD 50,000,000
Cloudmatrix Co., Ltd.	Taiwan	April 10, 2015	100.00	E-commerce platform	NTD 30,000,000
OGS Europe B.V.	Netherlands	October 18, 2013	100.00	Selling of communication products	EUR 300,000
Zaozhuang Bestyield Resources Recycling Co., Ltd.	China	November 30, 2018	100.00	Recycling and selling of renewable resources	CNY 1,200,000
Giga Computing Technology Inc.	United States	September 15, 2023	83.93	Sales of computer information products	USD 100,000
Popxing Technology & Trading Co., Limited	Hong Kong	July 3, 2024	100.00	Sales of computer information products	USD 7,000,000
MyelinTek Inc.	Taiwan	January 17, 2020	100.00	Electronic Information Supply and Software Services	NTD 74,999,999
Bestyield (Thailand) Limited	Thailand	July 22, 2022	100.00	Promotion and repairing of computer information products	THB 4,000,000

Note:

(1) Our direct and/or indirect shareholding as of March 31, 2026.

MANAGEMENT

Directors

Our board of directors has ultimate responsibility for the management of our business and affairs. The current board of directors is composed of eleven directors (including five independent directors), all of whom are high-caliber professionals equipped with extensive experiences as well as the ability to lead, ability to make policy decisions, ability to conduct management administration, ability to make operational judgments, ability to conduct crisis management, knowledge of the industry, and an international market perspective. Five independent directors are experts of finance and accounting, legal, operations, and business administration, and six directors have expertise in business, science and technology, and industry marketing. The following table sets forth certain information relating to our directors as of the date of this Offering Memorandum.

The following table contains certain information about each of our directors as of April 12, 2025:

Name	Position	Position held since[(1)]	Number of Shares held directly as of April 12, 2025	Number of Shares held under the title of a third party as of April 12, 2025	Number of Shares Held through Spouse and Minor Children as April 12, 2025	Percentage of Total Issued Shares as of April 12, 2025
Yeh, Pei-Chen	Chairman	June 12, 2024	30,211,237	9,187,075	5,821,063	6.76%
Yang, Hsueh-Ching	Director	September 4, 2024	360,000	56,645,697	1,750,000	8.77%
Ma, Mou-Ming	Director	June 12, 2024	23,733,383	3,959,725	470,914	4.20%
Tseng, Chun-Ming	Director	June 12, 2024	3,778,647	2,192,200	288,846	0.93%
Ko, Cong-Yuan	Director	June 12, 2024	-	4,548,000	1,000	0.68%
Lee, E-Tay	Director	June 12, 2024	931,381	-	6,204	0.14%
Wang, Hwei-Min	Independent Director	June 12, 2024	-	-	-	-
Yang, Cheng-Li	Independent Director	June 12, 2024	-	-	-	-
Lin, Li-Chen	Independent Director	June 12, 2024	-	-	-	-
Peng, Peng-Huang	Independent Director	June 12, 2024	-	-	-	-
Chu, Wen-Yi	Independent Director	June 12, 2024	-	-	-	-

Note:
(1) The date represents the date of commencement of their current term.

The business address of the above directors is No.6, Baoqiang Road, Xindian District, New Taipei City 231, Taiwan.

Yeh, Pei-Chen

Chairman

Mr. Yeh is one of the founders of Giga-Byte and the Chairman of our board of directors. He is also the President of Giga-Byte, the Chairman of Giga Investment Co., the Chairman of Giga-Byte Communications Inc., the Director Representative of G-Style, and the Chairman of Giga-Trend International Investment Group Ltd. In addition, he serves as the Chairman of PG Union, the Director Representative of BYTE International Co., Ltd., and a Director of Walsin Technology Corporation and Albatron technology Co., Ltd., the Director Representative of Shun on Electronic Co., Limited, Spirox Corporation, and AMIDA Technology, Inc. He was previously an engineer at Electronics Research and Service Organization (ERSO) of the Industrial Technology Research Institute. Mr. Yeh has 40 years of practical experience in relevant electronic technology industry and interdisciplinary industrial operation management.

Mr. Yeh graduated from the Electronic Engineering Department of Minghsin University of Science and Technology and completed the Entrepreneur Program at National Chengchi University.

Yang, Hsueh-Ching

Director

Ms. Yang is a member of our board of directors. Ms. Yang serves as a director of Giga-Byte, and also the chairman of Ming Wei Investment Co., Ltd., a corporate director of Giga-Byte, for over 20 years.

Ms. Yang graduated from National Taipei University of Business.

Ma, Mou-Ming

Director

Mr. Ma is one of the founders of Giga-Byte and a member of our board of directors. He is also the Senior Vice President of Giga-Byte. He serves as the Director Representative of Giga Investment Co., the Director Representative of Giga-Byte Communications Inc., and a director of Giga-Trend International Investment Group Ltd. In addition, he is the Director Representative of MyelinTek Inc. He has over 35 years of experience in technology R&D and management.

Mr. Ma graduated from the Electronic and Computer Engineering Department of National Taiwan University of Science and Technology.

Tseng, Chun-Ming

Director

Mr. Tseng is a member of our board of directors. He is also the Senior Vice President of Giga-Byte, and the Director Representative of Giga-Byte Communications Inc. In addition, he serves as the Chairman of Selita Precision Co., Ltd. He has been in charge of managing Giga-Byte's manufacturing operations at home and abroad for over 35 years.

Mr. Tseng graduated from Minghsin University of Science and Technology.

Ko, Cong-Yuan

Director

Mr. Ko is a member of our board of directors. He was formerly the Vice President of Giga-Byte and is now the Chairman of Albatron Technology Co. Ltd. and an independent director of Liwanli Innovation Co., Ltd. He has managed operations and strategies in the electronic industry for over 35 years.

Mr. Ko holds a master's degree in engineering management from National Tsing Hua University.

Lee, E-Tay

Director

Mr. Lee is a member of our board of directors. He is also the general manager of Giga-Byte Group, the Chairman of Gigaipc Co., Ltd., and the Director Representative of MyelinTek Inc. He previously served as the manager of Intel Corporation, as well as an engineer at Texas Instruments and SIEMENS. He was previously the President of Gigabyte Network and Communication Business Unit for more than 20 years. Mr. Lee has over 30 years of professional knowledge and skills in electronic components and semiconductor technology and management.

Mr. Lee completed a Computer Engineering Program at California State University in Chico.

Wang, Hwei-Min

Independent Director

Mr. Wang is an independent director of our Company. He is also the Chairman of Moores Rowland CPAs. He has over 34 years of experience as a practicing accountant and served as a director of Moores Rowland CPAs for over 21 years.

Mr. Wang graduated from the National Taipei University of Business and obtained a master's degree from the Department of Industrial Management at Chung Hua University.

Yang, Cheng-Li

Independent Director

Mr. Yang is an independent director of our Company. He is also the Chairman of King Core Electronics Inc. and Allied Biotech Corporation. In addition, he previously served as a supervisor of Trade-van Info Services, Everlight Electronics and Litemax Electronics Inc. He has more than 30 years of experience in business management.

Mr. Yang holds two MBA degrees, one from Tulane University, the United States and the other from National Chengchi University, Taiwan.

Lin, Li-Chen

Independent Director

Mrs. Lin is an independent director of our Company. She is also an attorney-at-Law at Partners of PCL TransAsia Law Offices.

Mrs. Lin graduated from Department of Law, National Taipei University, and obtained an MBA degree from Freeman School of Business, Tulane University.

Peng, Peng-Huang

Independent Director

Mr. Peng is an independent director of our Company. He is also the General Manager of Xinyin Enterprise Co., Ltd. and a director of Taiwan Jingxing Technology Co., Ltd.

Mr. Peng graduated from Department of Electric Engineering, National Taipei University of Technology, and obtained an MBA degree from Soochow University.

Chu, Wen-Yi

Independent Director

Mrs. Chu is an independent director of our Company. She is also a professor of the Business Administration at National Taiwan University.

Mrs. Chu graduated from Department of Business Administration at National Taiwan University, and obtained a master degree from Graduate Institute of Business Administration at National Taiwan University and a Ph.D. degree from Strategy and International Management at London Business School.

Audit Committee

Our audit committee consists of Wang, Hwei-Min, Yang, Cheng-Li, Lin, Li-Chen, Chu, Wen-Yi, and Peng, Peng-Huang. Our audit committee is responsible for, among other things:

(i) Establishment or amendment of an internal control system in accordance to Article 14-1 of the Taiwan Securities and Exchange Act;

(ii) Evaluation of the internal control system in accordance to Article 36-1 of the Taiwan Securities and Exchange Act;

(iii) Establishment or amendment of operating procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others;

(iv) Matters involving the personal interest of a director;

(v) Transactions of material assets or derivatives;

(vi) A material monetary loan, endorsement, or provision of guarantee;

(vii) The offering, issuance, or private placement of any equity-type securities;

(viii) The appointment or dismissal of CPAs, or their compensation;

(ix) The appointment or discharge of financial, accounting, or internal auditing officers;

(x) Annual financial statements or biannual financial statements;

(xi) Any other material matters specified by the Company or competent authorities.

Compensation Committee

Our remuneration committee consists of Wang, Hwei-Min, Yang, Cheng-Li and Peng, Peng-Huang. Our compensation committee is responsible for, among other things:

(i) On a regular basis, evaluating and recommending on the Company's policies, institutions, standards, and structure of the annual and long-term performance targets and compensation for directors, supervisors, and managers;

(ii) Evaluating and recommending on the level of performance of the Company's directors, supervisors, and managers, and the nature and amount of their compensation.

Nominating Committee

Our nominating committee was established in August 2021 and currently consists of Yang, Cheng-Li, Yeh, Pei-Chen and Wang, Hwei-Min. Our nominating committee is responsible for, among other things:

(i) Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of members of the board of directors and the President of the Group, and finding, reviewing, and nominating candidates for directors and the President of the Group;

(ii) Establishing and developing the organizational structure of the board and each committee, evaluating the performance of the board, committees, directors and the President of the Group, as well as evaluating the independence of the independent directors;

(iii) Establishing and reviewing on a regular basis programs for directors' continuing education and the succession plans of directors and the President of the Group;

(iv) Establishing corporate governance guidelines of the Company.

Related-Party Transactions and Compensation

The aggregate remuneration paid and benefits in kind granted by us or any of our subsidiaries to our directors in these capacities as a group for the years ended December 31, 2023, 2024 and 2025 was NT$50.12 million, NT$51.11 million and NT$51.11 million (US$1.59 million), respectively. The aggregate remuneration paid and benefits in kind granted by us to our executive officers in these capacities for the years ended

December 31, 2023, 2024 and 2025 was NT$591.16 million, NT$709.66 million and NT$825.44 million (US$25.75 million), respectively. There are no outstanding loans granted by us or any of our subsidiaries to any of our directors or executive officers, and there are no outstanding guarantees provided by us or any of our subsidiaries for the benefit of any of our directors or executive officers.

None of our executive officers or our directors who are representatives of our controlling shareholders have or have had interests in transactions which are or were unusual in their nature or conditions or significant in relation to our business or any of our subsidiaries and which were effected by us during the current or immediately preceding fiscal year or were effected during an earlier year and remain in any respect outstanding or unperformed.

PRINCIPAL SHAREHOLDERS

The names of our 10 largest shareholders and their share ownership as of April 12, 2025 are as follows:

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned (%)[1]
Cathay Taiwan ESG Sustainable High Dividend ETF Securities Investment Trust Fund Special Account, entrusted to Taiwan Shin Kong International Commercial Bank Co., Ltd. for custody	48,201,000	7.20
Ming-Wei Global Co., Ltd.	42,583,497	6.36
Fubon Life Insurance Co., Ltd.	32,525,000	4.86
Yuanta Taiwan High Dividend Fund Special Account	30,600,266	4.57
Yeh, Pei-Chen	30,211,237	4.51
Ma, Mou-Ming	23,733,383	3.54
Ming-Wei Investment Co., Ltd.	14,062,200	2.10
Chunghwa Post Co., Ltd..	13,622,000	2.03
Cathay Life Insurance Company, Ltd.	9,562,000	1.43
Xi-Wei Investment Co., Ltd.	9,187,075	1.37

Note:
(1) Based on the issued share capital of the Company on April 12, 2025.

RELATED-PARTY TRANSACTIONS

We have from time to time, in the course of ordinary business operations, engaged in business transactions with our subsidiaries or affiliates. For information on our related party transactions presented on a consolidated basis, see notes 7 and 13 to the audited consolidated financial statements as of and for the year ended December 31, 2023, 2024 and 2025, and notes 7 and 13 to the unaudited consolidated financial statements as of and for the three months ended March 31, 2025 and 2026. The transactions among us and our subsidiaries were eliminated during the consolidation process. Except as otherwise disclosed elsewhere in this Offering Memorandum, we conduct transactions with such entities on terms comparable to an arm's-length transaction with unrelated parties, in compliance with the relevant ROC laws and regulations applicable to our Company.

DIVIDENDS AND DIVIDEND POLICY

Dividend Policy

Except in limited circumstances, we are not permitted to distribute dividends or make other distributions to shareholders for any year in which we do not have current or retained earnings (excluding reserves). Pursuant to our Articles of Incorporation, where we have a profit before tax for each fiscal year, we shall first recover the loss for preceding years, if any, and then distribute 3% to 10% and no more than 3% of the remaining profit to our employees and directors as remuneration, respectively, and at least 20% of the employee remuneration shall be allocated for distribution or salary adjustment to non-management employees, and then pay taxes, and set aside 10% of our annual net profit as legal reserve, unless the accumulated legal reserve has equaled the total paid-in capital of the Company. In addition, we must set aside special reserve or the special reserve shall be reversed in accordance with relevant laws or regulations or as requested by the competent authorities. Afterwards, 5% to 100% of the balance (if any) together with accumulated and unappropriated retained earnings shall be available for distribution as dividends to shareholders.

In consideration that we are in a highly competitive industry with a changeful environment, and the business life cycle has become mature, we have adopted a prudent dividend policy for distributing our retained earnings in order to meet the need for operating funds in the future and long-term financial planning and also satisfying shareholders demand for cash flow.

The board of directors may propose and/or approve the distribution. If the dividends are to be paid though issuing new Shares, the board of directors should seek for approval at the shareholders' general meeting. Shareholders' dividends paid by cash may be approved by the board of directors and reported to the shareholders' meeting. Cash dividend shall not be less than 5% of the total shareholders' dividends. If the cash dividend is less than NT$0.1 per share, share dividend shall be issued instead.

Recent Historical Dividends

On April 17, 2026, our board of directors resolved to approve the distribution of a cash dividend of NT$12.00 per share in the total amount of NT$8,038,666,632 in respect of the 2025 financial year. The timing of payment remains to be confirmed.

On April 16, 2025, our board of directors resolved to approve the distribution of a cash dividend of NT$10 per share in the total amount of NT$6,698,888,860 in respect of the 2024 financial year. We paid this dividend on August 28, 2025.

On April 17, 2024, our board of directors resolved to approve the distribution of a cash dividend of NT$6.36 per share in the total amount of NT$4,259,115,536 in respect of the 2023 financial year. We paid this dividend on August 30, 2024.

On April 18, 2023, our board of directors resolved to approve the distribution of a cash dividend of NT$6.20 per share in the total amount of NT$3,941,271,093 in respect of the 2022 financial year. We paid this dividend on August 31, 2023.

On March 18, 2022, our board of directors resolved to approve the distribution of a cash dividend of NT$12.00 per share in the total amount of NT$7,619,806,632 in respect of the 2021 financial year. We paid this dividend on August 31, 2022.

Our historical dividends payment history is not, and should not be taken as, an indication of our potential future practice with respect to dividend payments.

DESCRIPTION OF THE BONDS

The following summary of the terms and conditions of the Bonds does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the detailed provisions of the Indenture (as defined below), including the definitions of certain terms therein. In the event of any inconsistency between the following summary and the provisions of the Indenture, the provisions of the Indenture shall prevail.

The Bonds are being sold outside the United States in reliance on Regulation S and will be available for purchase in the denominations specified in this Offering Memorandum only in book-entry form as beneficial interests in the Global Certificate (as defined below). Your rights as a holder of a beneficial interest in the Global Certificate will be subject to the rules and procedures of Euroclear or Clearstream.

The Bonds are to be issued under an indenture, to be dated as of May 26, 2026 (the "Indenture"), between Giga-Byte Technology Co., Ltd. (the "Issuer" or the "Company") and Citicorp International Limited, in its capacity as trustee (the "Trustee", which expression shall include its successor(s) and all persons for the time being the trustee or trustees under the Indenture). The following summary of certain provisions of the Bonds and the Indenture does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Bonds and Indenture, including the definitions of certain terms therein. Whenever particular Sections or defined terms of the Indenture not otherwise defined herein are referred to, such Sections or defined terms are incorporated herein by reference. Copies of the Indenture will be available for inspection by any Holder (as defined below) on or after the Closing Date (as defined below) at the office of the Trustee on any weekday (excluding public holidays) at all reasonable times during normal office hours (being between 9.00 a.m. (Hong Kong time) and 3.00 p.m. (Hong Kong time)) upon prior written request and satisfactory proof of holding and identity to the satisfaction of the Trustee.

General

Except in certain limited circumstances, the Bonds will only be issued in book-entry form.

The Bonds will be issued on or about May 26, 2026 (the "Closing Date") as direct, unconditional, unsecured and unsubordinated obligations of the Issuer limited in aggregate principal amount to US$500,000,000 and will be redeemed on May 26, 2031 (the "Maturity Date") unless earlier redeemed, repurchased and canceled or converted pursuant to the terms thereof and of the Indenture.

The Bonds will not bear interest.

Each Bond will be convertible into the Common Shares (as defined below), subject to compliance with certain conditions and procedures (see *"— Conversion — Procedures; Conversion Notice; Taxes and Duties*" below), at the Holder's election on any Business Day (as defined below) during the period (the "Conversion Period") commencing on August 27, 2026 (the next day immediately after the end of a three-month period following the Closing Date) and ending at 3:00 p.m. (London time) at the location of the Conversion Agent (as defined below) on (i) May 16, 2031 (the 10th day prior to the Maturity Date), or (ii) the fifth (5th) Business Day prior to the applicable Purchase Date (as defined below) of such Bond or the applicable Redemption Date (as defined below) (other than the Maturity Date) of such Bond. The Conversion Period shall not include any Closed Period (as defined below).

The principal of and other amounts on the Bonds will be payable in US Dollars by the Issuer pursuant to the Indenture, and the Bonds may be presented for registration of transfer or conversion, at the office or agency of the Issuer or maintained for such purpose at c/o Citibank, N.A., Dublin Branch, 1 North Wall Quay, Dublin 1, Ireland (being the office of Citibank, N.A., London Branch) acting as paying agent (the "Paying Agent"), as conversion agent (the "Conversion Agent") and as transfer agent (the "Transfer Agent") and as registrar (the "Registrar", together with the Paying Agent, the Conversion Agent and the Transfer Agent, collectively the "Agents" and each an "Agent") of the Issuer with regard to the Bonds.

The Issuer reserves the right, subject to the provisions of the Indenture and the Paying Agent and Registrar Appointment Letter, at any time to vary or terminate the appointment of any Agents and to appoint further or other Agents. Notice of any such termination or appointment and of any changes in the specified offices of the Agents will be given promptly by the Issuer to the Holders (and other applicable parties) in accordance with the notice provisions of the Indenture as described below under "*— Notices*".

The Bonds will be issued only in fully registered form, without interest coupons, in denominations of US$200,000 per Bond or in any integral multiples thereof. See "— *Book Entry; Delivery and Form*" below. No service charge will be payable for any registration of transfer or exchange of the Bonds, for the conversion thereof or for the charges of the Agents in connection therewith, but the Issuer may require payment by a Holder of a sum sufficient to cover any transfer or stamp tax or other similar governmental charge payable in connection therewith.

The Issuer and its Affiliates (as defined below) may at any time, subject to applicable law, purchase the Bonds in the open market, or otherwise, at any price. The Bonds which are purchased by the Issuer (including purchase in the open market), early redeemed, repurchased and repaid when due, converted or sold back by the Holders will be canceled and will not be re-issued. A Bond does not cease to be outstanding because any of the Issuer's Affiliates holds such Bond; provided, however, any Bonds owned by any Affiliate of the Issuer will be deemed not to be outstanding in determining whether the Holders of the requisite principal amount of Bonds have given or concurred in any request, demand, authorization, direction, notice, consent or waiver under the Indenture.

Book Entry; Delivery and Form

The Bonds will only be represented by a global certificate in fully registered book-entry form (the "Global Bond") and will be deposited with a common depositary (the "Common Depositary") for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream") and registered in the name of a nominee of the Common Depositary. If (i) at any time, the Common Depositary advises the Issuer in writing that it is unwilling or unable to continue as a depository for the Global Bond and a successor depository is not appointed by the Issuer within 90 days, (ii) either Euroclear or Clearstream or any alternative clearing system on behalf of which the Bonds evidenced by the Global Bond may be held is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, or (iii) an Event of Default has occurred and is continuing with respect to the Bonds and (x) the Trustee notifies the Issuer, (y) the Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding notifies the Issuer and the Trustee or (z) the Trustee at the written direction of Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding (subject to being indemnified and/or secured and/or prefunded by such Holders to its satisfaction) notifies the Issuer, in writing that any of the Bonds have become immediately due and payable pursuant to the Indenture, and if the Issuer has received a written request from a Holder, the Issuer shall issue individual certificated bonds in registered form in exchange for the Global Bond in any authorized denominations and in an aggregate principal amount equal to the principal amount of the Global Bond. The Bonds will have minimum denominations of US$200,000 or in any integral multiples thereof.

The Bonds are not issuable in bearer form.

Ranking

The Bonds will (i) be direct, unconditional, unsecured and unsubordinated obligations of the Issuer, (ii) rank *pari passu* without any preference or priority among themselves and with all other direct, unconditional, unsecured and unsubordinated Debt (as defined below) of the Issuer now or hereafter outstanding (except to the extent that such other Debt (x) ranks above such obligation solely by reason of Liens (as defined below) permitted under the Indenture or (y) is preferred by mandatory provisions of law), and (iii) be senior in right of payment to all Debts of the Issuer that is expressed to be subordinated in right of payment to the Bonds.

The Bonds will be effectively subordinated to all secured obligations but subject to the negative pledge as described in "*Certain Covenants — Negative Pledge*" of the Issuer with respect to claims against the assets securing such obligations ("Secured Debt"). As of March 31, 2026, the Issuer had no outstanding Secured Debt.

Sinking Fund

The Bonds will not be entitled to the benefit of a sinking fund.

Transfer of Certificated Bonds and Delivery of New Certificated Bonds

In the event Certificated Bonds (as defined below) are issued, the following provisions will apply:

(i) Transfer of Certificated Bonds

A Certificated Bond may be transferred upon the surrender at the specified office of the Transfer Agent of the Certificated Bonds to be transferred, together with the form of transfer endorsed thereon (the "Form of Transfer") duly completed and executed and any other evidence that such Transfer Agent may reasonably require. In the case of a transfer of only part of a holding of Certificated Bonds, a new Certificated Bond shall be issued to the transferee in respect of the part transferred and a further new Certificated Bond in respect of the balance of the holding not transferred shall be issued to the transferor.

(ii) Delivery of New Certificated Bonds

Each new Certificated Bond shall be available for delivery upon receipt by the Transfer Agent at its specified office of the relevant Certificated Bond and the Form of Transfer. Delivery of the new Certificated Bonds shall be made at the specified office of the Transfer Agent to whom the relevant Certificated Bond and the Form of Transfer shall have been surrendered or delivered or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant Form of Transfer or otherwise in writing, be sent by uninsured post at the risk of the Holder entitled to the new Certificated Bond to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify.

(iii) Formalities Free from Charge

Transfers of the Certificated Bonds will be effected without charge by or on behalf of the Issuer or the Transfer Agent, but only upon confirmation of payment (or the giving of such indemnity and/or security and/or pre-funding as the Transfer Agent may require in respect) of any tax or other governmental charges which may be imposed in relation thereto.

(iv) Restricted Transfer Periods

No Holder may require the transfer of a Certificated Bond to be registered (i) during the period of 15 days preceding a Redemption Date (as defined below), (ii) after such Bond has been selected by the Issuer for redemption, pursuant to the terms of the Indenture or (iii) after such Holder has exercised its Conversion Right (as defined below).

Payments

All amounts due under, and all claims arising out of or pursuant to, the Bonds and/or the Indenture from or against the Issuer shall be payable and settled in US Dollars only.

Interest

The Bonds will not bear interest.

In any case where the date of the payment of the principal of the Bonds or the date fixed for redemption of the Bonds is not a Business Day (as defined below), then payment of such principal or the Early Redemption Amount (as defined below) shall be made on the next succeeding Business Day, with the same force and effect as if made on the Maturity Date or the date fixed for redemption, as the case may be, and no interest shall accrue for the period after such date.

Additional Amounts

All payments of the principal of and other amounts on the Bonds and all deliveries of Common Shares (as defined below) made on conversion of the Bonds are to be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or other governmental charges ("Taxes") imposed, levied, collected, withheld or assessed by or within the ROC or any other jurisdiction in which the Issuer is organized or resident for tax purposes or from which any payment on the Bonds is made (or any political subdivision or Taxing Authority (as defined below) thereof or therein), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Issuer will pay such additional amounts on the Bonds (all such additional amounts being referred to herein as "Additional Amounts") as will result in receipt by the Holder of each Bond of such amounts as would have been received by such Holder had no such withholding or deduction been required, except that no Additional Amounts shall be payable for or on account of:

(i) any Taxes that would not have been imposed but for:

(A) the existence of any present or former connection between the Holder of such Bond and the ROC or any other jurisdiction in which the Issuer is organized or resident for tax purposes, other than merely holding such Bond or receiving payments or enforcing rights thereunder, including such Holder being or having been a national, domiciliary or resident of or treated as a resident thereof or being or having been present or engaged in a trade or business therein or having or having had a permanent establishment therein;

(B) the presentation of such Bond (if presentation is required) more than 30 days after the later of the date on which the payment of the principal of or other amounts on such Bond became due and payable pursuant to the terms thereof or the date that such payment was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Bond for payment on any date within such 30 day period;

(C) the failure of the holder or beneficial owner to comply with a timely request from us or any successor, addressed to the Holder, to provide certification, information, documents or other evidence concerning such Holder's or beneficial owner's nationality, residence, identity or connection with the relevant jurisdiction, or to make any declaration or satisfy any other reporting requirement relating to such matters, if and to the extent that due and timely compliance with such request is required by statute, regulation or administrative practice of the relevant jurisdiction in order to reduce or eliminate any withholding or deduction as to which additional amounts would have otherwise been payable; or

(D) the presentation of such Bond (if presentation is required) for payment in the ROC, unless such Bond could not have been presented for payment elsewhere;

(ii) any estate, inheritance, gift, sale, transfer, stamp, personal property or similar tax, assessment or other governmental charge;

(iii) any tax, duty, assessment or other governmental charge that is payable otherwise than by withholding from payments or deliveries under or with respect to the Bonds;

(iv) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended ("FATCA"), any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA or any law enacted by such other jurisdiction to give effect to such agreement, or any agreement with the U.S. Internal Revenue Service under FATCA; or

(v) any combination of Taxes referred to in the preceding clauses (i), (ii), (iii) and/or (iv).

The Issuer will not pay Additional Amounts if the registered Holder of the Bond is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that the beneficiary, partner or settler with respect to such fiduciary, partnership or person, or the beneficial owner of that payment, would not have been entitled to the Additional Amounts if it had been the registered Holder of the Bonds.

Whenever there is mentioned, in any context, (i) the payment of the principal of and other amounts on any Bond, or (ii) the delivery of Common Shares or cash payments (if any) on conversion of any Bond, such mention shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable with respect thereto.

Subject to certain exceptions, the Issuer will pay any present or future stamp, court or documentary taxes, or any other excise or property taxes, charges or similar levies which arise in any jurisdiction from the issue, initial delivery or registration of the Bonds or any other document or instrument referred to herein, including those resulting from or required to be paid in connection with, the enforcement of the Bonds or any other document or instrument following the occurrence of any Event of Default with respect to the Bonds and excluding those payable upon issue and delivery of Bonds to the order of a person other than a Holder.

Neither the Trustee nor any Agent shall be responsible for paying any Additional Amounts or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, the Holders or any other person to pay such Additional Amounts or be responsible to provide any notice or information in relation to the Bonds in connection with payment of such tax, duty, charges, assessments, withholding or other payment imposed by or in any jurisdiction.

The Paying Agent and the Trustee will make payments free of withholdings or deductions on account of taxes unless required by applicable law. If such a deduction or withholding is required by applicable law, the Paying Agent or the Trustee will not be obligated to pay any Additional Amount to the recipient unless such an Additional Amount is received by the Paying Agent or the Trustee in immediately cleared and available funds.

Redemption of the Bonds

Redemption for Taxation Reasons

The Bonds may be redeemed, in whole but not in part (subject to the provision of the paragraph below), at the option of the Issuer, at any time, upon giving not less than 30 nor more than 60 days' written notice to the Holders (which notice shall be irrevocable) and to the Trustee and Agents, at the Settlement Equivalent of the applicable Early Redemption Amount on the Redemption Date (as defined below), if the Issuer determines and certifies to the Trustee in a Company's Certificate immediately prior to the giving of such notice that, as a result of any change in, or amendment to the laws (including any regulations or rulings promulgated thereunder) of the ROC or such other jurisdiction in which the Issuer is then organized or resident for tax purposes (or any political subdivision or Taxing Authority thereof or therein), affecting taxation, or any change in official position regarding the application, interpretation or administration of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction), which change, amendment, application, interpretation or administration is proposed and becomes effective on or after the Closing Date (or, in the case of any jurisdiction other than the ROC, the date (if later than the Closing Date) on which the Issuer first becomes organized or resident for tax purposes in or subject to such other jurisdiction) with respect to any payment due or to become due on the Bonds, the Issuer is required to pay Additional Amounts in connection therewith and such requirement to pay Additional Amounts cannot be avoided by the taking of reasonable measures by the Issuer; provided that such right cannot be exercised earlier than 45 days prior to the first date on which the Issuer would be obligated to make an Additional Amounts payment with respect to all or substantially all of the outstanding Bonds were a payment then due. Prior to the giving of any such notice of redemption, the Issuer is required to deliver to the Trustee and Agents (i) a Company's Certificate stating that such change or amendment has occurred, describing the facts related thereto and stating that such requirement cannot be avoided by the Issuer taking reasonable measures and (ii) an opinion of counsel or written advice of a qualified tax expert that the circumstances referred to in the preceding sentence exist as a result of such change, amendment, application, interpretation or administration. The Trustee and the Agents shall be entitled (but shall not be obliged) to accept and rely conclusively upon such certificates and opinions (without further investigation or enquiry and without liability to any Holder, the Issuer or any other person) described in clauses (i) and (ii) of the preceding sentence as sufficient evidence of the satisfaction of the conditions precedent described above, in which event, the same shall be conclusive and binding on the Holders. The Trustee and Agents shall be protected and will not be responsible for any loss occasioned by accepting and acting in reliance on such certificate and/or opinion, and is not obligated to investigate or verify any information in such certificate or opinion.

Notwithstanding the foregoing, if the Issuer has given a redemption notice for taxation reasons in accordance with the paragraph above and if the outstanding principal amount of the Bonds at the time when such redemption notice is given is greater than 10% of the aggregate principal amount of the Bonds as of the Closing Date, each Holder of the Bonds will have the right to elect, and the redemption notice will state that each Holder will have the right to elect, that all or a portion of its Bonds should not be redeemed. Upon the exercise of such right by the Holder, the provisions set forth in "— *Additional Amounts*" will not apply to any payment in respect of such Bonds that is due after the relevant Redemption Date, and such payment will be made subject to the deduction of any ROC tax (or tax of such other jurisdiction in which the Issuer is then organized or resident for tax purposes) required to be withheld or deducted. To exercise such right the Holder must give notice to the Issuer in the manner set out in the Indenture no later than 15 days prior to the relevant Redemption Date.

Redemption at the Option of the Issuer

At any time after May 26, 2029 and prior to the Maturity Date, the Issuer may, upon giving not less than 30 nor more than 60 days' written notice to the Holders (which notice shall be irrevocable) and to the Trustee and the Agents, redeem the Bonds, in whole or in part, at the Settlement Equivalent of the applicable Early Redemption Amount; provided, however, that no such redemption may be made unless:

(1) the Closing Price of the Common Shares for 20 (whether or not consecutive) out of the 30 consecutive Trading Days (the "Calculation Period") immediately prior to the date upon which notice of such redemption was given, is at least 130% of the quotient of the Early Redemption Amount divided by US$200,000, and then multiplied by the Conversion Price (as defined below); and

(2) the applicable Redemption Date does not fall within a Closed Period (as defined below).

If there shall occur an event giving rise to a change in the Conversion Price during any Calculation Period, appropriate adjustments for the relevant days, determined by an opinion of an Independent Investment Bank, shall be made for the purpose of calculating the Closing Price for such days. Notice of any such adjustments in the Conversion Price will be given promptly by the Issuer to the Trustee and the Agents.

Notwithstanding the foregoing, the Issuer may redeem the Bonds, in whole but not in part, at any time, upon giving not less than 30 nor more than 60 days' notice (which notice shall be irrevocable) to the Holders, the Trustee and the Agents, at the Settlement Equivalent of the applicable Early Redemption Amount if more than 90% in principal amount of the Bonds originally issued has been redeemed, repurchased and canceled or converted; provided that the applicable Redemption Date does not fall within a Closed Period (as defined below).

Notice of any such redemption will be given by the Issuer to the Holders (and other applicable parties) in accordance with the notice provisions of the Indenture as described below under "— Notices".

Redemption at Maturity

Unless the Bonds have been previously redeemed, repurchased and canceled or converted, the Issuer will redeem the Bonds on the Maturity Date at the Settlement Equivalent of a redemption price equal to 111.84% of the outstanding principal amount thereof. The Bonds may be redeemed prior to the Maturity Date only as described herein.

Redemption Procedures

Payment of the relevant redemption price for a Certificated Bond is conditioned upon delivery of such Bond (together with necessary endorsements) to any Paying Agent. Payment of the relevant redemption price for any Bond will be made on the Redemption Date or, if such Bond is a Certificated Bond and has not been so delivered on or prior to the Redemption Date, at the time of delivery of such Bond. If the Paying Agent holds, in accordance with the terms of the Indenture, cash sufficient to pay the relevant redemption price of such Bond on the Redemption Date, then, immediately after such Redemption Date, such Bond will cease to be outstanding, whether or not such Bond is delivered to a Paying Agent, and all other rights of the Holder shall terminate (other than the right to receive the relevant redemption price).

In the case of any redemption other than on the Maturity Date, notice of redemption to each Holder shall specify the outstanding principal amount of each Bond held by such holder to be redeemed, the Redemption Date, the price at which such Bonds will be redeemed and the place or places of payment and that payment will be made upon presentation and surrender of the Bonds to be redeemed. Such notice shall also specify the Conversion Price then in effect and the date on which the right to convert such Bonds or the portions thereof to be redeemed will expire. Neither the Trustee nor any of the Agents shall be responsible for monitoring or taking any steps to ascertain whether any of the circumstances mentioned above has occurred or for calculating or verifying the calculations of any amount payable under any notice of redemption hereunder and none of them shall be liable to the Holders or the Issuer or any other person for not doing so.

Repurchase of the Bonds

Repurchase at the Option of the Holder

Unless the Bonds have been previously redeemed, repurchased and canceled or converted, each Holder shall have the right (the "Holder's Put Right"), at such Holder's option, to require the Issuer to repurchase, in whole or in part (being US$200,000 in principal amount or any integral multiples thereof), such Holder's Bonds, on May 26, 2028 and May 26, 2030 (the "Bondholder's Put Option Date") at a price equal to the Settlement Equivalent of 104.58% and 109.36% of the principal amount in US Dollars respectively with respect to such Holder's Bonds to be repurchased (the "Holder's Put Price").

Repurchase in the Event of Delisting

In the event that the Common Shares cease to be listed or admitted to trading on the TWSE (a "Delisting") each Holder shall have the right (the "Delisting Put Right"), at such Holder's option to require the Issuer to repurchase, in whole or in part (being US$200,000 in principal amount or any integral multiples thereof), such Holder's Bonds on the date set by the Issuer for such repurchase (the "Delisting Put Date"), which shall not be less than 30 nor more than 60 days following the date on which the Trustee sends to each Holder a notice after receiving relevant information from the Issuer regarding the Delisting referred to under "— *Repurchase Procedures*" below at the Settlement Equivalent of the applicable Early Redemption Amount with respect to such Holder's Bonds to be repurchased on the Delisting Put Date (the "Delisting Put Price").

Repurchase in the Event of Change of Control

If a Change of Control (as defined below) occurs with respect to the Issuer, each Holder shall have the right (the "Change of Control Put Right"), at such Holder's option, to require the Issuer to repurchase, in whole or in part (being US$200,000 in principal amount or any integral multiples thereof), such Holder's Bonds on the date set by the Issuer for such repurchase (the "Change of Control Put Date"), which shall be not less than 30 nor more than 60 days following the date on which the Issuer notifies the Trustee, the Agents and the Holders in writing of the Change of Control, at the Settlement Equivalent of the applicable Early Redemption Amount with respect to such Holder's Bonds to be repurchased on the Change of Control Put Date (the "Change of Control Put Price").

Repurchase Procedures

Not less than 30 nor more than 60 days prior to the Bondholder's Put Option Date and not less than 30 nor more than 60 days promptly after becoming aware of a Delisting or Change of Control, the Issuer will provide sufficient information to the Trustee and the Paying Agent in sufficient time (including such notice to be provided to Holders) to permit the Trustee and the Agents to provide to each Holder a notice regarding such Holder's Put Right, Delisting Put Right or Change of Control Put Right, as the case may be, which notice shall state, as appropriate:

(A) the Bondholder's Put Option Date, the Delisting Put Date or the Change of Control Put Date, as the case may be (each, a "Purchase Date");

(B) in the case of a Delisting, the date of such Delisting and, briefly, the events causing such Delisting;

(C) in the case of a Change of Control, the date of such Change of Control and, briefly, the events causing such Change of Control;

(D) the date by which the Holder Purchase Notice (as defined below) must be given;

(E) the Holder's Put Price, the Delisting Put Price or the Change of Control Put Price, as the case may be, and the method by which such amount will be paid;

(F) the names and addresses of all Agents;

(G) briefly, the Conversion Right (as defined below) of the Holders and the then current Conversion Price and the date on which the right to convert such Bond will expire;

(H) the procedures that Holders must follow and the requirements that Holders must satisfy in order to exercise their repurchase rights and/or Conversion Right; and

(I) that a Holder Purchase Notice, once validly given, may not be withdrawn.

To exercise its right to require the Issuer to repurchase its Bonds, the Holder must deliver a written irrevocable notice of the exercise of such right (a "Holder Purchase Notice") to any Paying Agent on any Business Day between 9:00 a.m. and 3:00 p.m. (London time) at the location of such Paying Agent on such day and which day is not less than ten (10) Business Days prior to the Purchase Date.

Payment of the Holder's Put Price upon exercise of the Holder's Put Right, Delisting Put Price upon exercise of the Delisting Put Right or Change of Control Put Price upon exercise of the Change of Control Put Right for any Certificated Bond for which a Holder Purchase Notice has been delivered is conditioned upon delivery of such Certificated Bond (together with any necessary endorsements) to any Paying Agent on any Business Day together with the delivery of such Holder Purchase Notice and will be made promptly following the later of the Purchase Date and the time of delivery of such Certificated Bond. If the Paying Agent holds on the Purchase Date money sufficient to pay the Holder's Put Price, Delisting Put Price or the Change of Control Put Price, as the case may be, of Bonds for which Holder Purchase Notices have been delivered in accordance with the provisions of the Indenture upon exercise of such right, then, whether or not such Bond is delivered to the Paying Agent, on and after such Purchase Date, (i) such Bond will cease to be outstanding, (ii) such Bond will be deemed paid, and (iii) all other rights of the Holder shall terminate (other than the right to receive the Holder's Put Price, the Delisting Put Price or the Change of Control Put Price, as the case may be).

Neither the Trustee nor any Agent shall be required to monitor or to take any steps to ascertain whether a Change of Control, Delisting or any event which could lead to a Change of Control or Delisting has occurred or may occur and each of them shall be entitled to assume that no such event has occurred until it has received written notice to the contrary from the Issuer and none of them shall have any obligation or duty to verify the accuracy, completeness, content, validity and/or genuineness of any notices or documents in relation to or in connection with a Change of Control or Delisting and none of them shall be liable to the Holders, the Issuer or any other person for any loss arising from their not doing any of the foregoing. Neither the Trustee nor any Agent shall be responsible for calculating or verifying the calculations of any amount payable under any notice of redemption or Holder Purchase Notice and none of them shall be liable to the Holders or the Issuer or any other person for not doing so.

Certain Definitions

Set forth below is a summary of certain of the defined terms used in the covenants and other provisions of the Indenture. Reference is made to the Indenture for the full definition of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"*Affiliate*" means, with respect to any Person (the "Specified Person"), (i) any Person other than the Specified Person directly or indirectly controlling, controlled by or under direct or indirect common control with, the Specified Person or (ii) any Person who is a director or executive officer (A) of the Specified Person, (B) of any Subsidiary of such Specified Person or (C) of any Person described in clause (i) above. For purposes of this definition, the term "control" when used with respect to any Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"*Agents*" means the Registrar, Paying Agent, Transfer Agent and Conversion Agent, including any successor registrar, paying agent, conversion agent and transfer agent; an "**Agent**" means any of them.

"*Business Day*" means any day except a Saturday, Sunday or other day on which commercial banks in Taipei, Hong Kong, London and the City of New York (or, if applicable, in the city where the relevant Paying Agent is located) are authorized by law to close or are otherwise not open for business.

"*Capital Stock*" means, with respect to any Person, any and all shares, ownership interests, participation or other equivalents (however designated), including all common stock and all preferred stock, of such Person.

"*Certificated Bonds*" means the individual certificated Bonds executed and delivered by the Issuer and authenticated by or to the order of the Trustee, which may be delivered in exchange for the Global Bond in certain circumstances.

"*Change of Control*" occurs when:

(1) any Person or Persons (as defined below) acting together acquires Control of the Issuer if such Person or Persons does not or do not have, and would not be deemed to have, control of the Issuer on the Closing Date;

(2) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other Person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Issuer or any successor entity; or

(3) one or more other Persons acquire the legal or beneficial ownership of all or substantially all of the Issuer's Capital Stock.

"*Closing Price*" means for any Trading Day (a) with respect to the Common Shares, the closing price of the Common Shares on the TWSE on such day or, if no reported sales take place on such day, the average of the reported closing bid and offered prices, in either case as reported by the TWSE for such day as furnished by an Independent Investment Bank, and (b) with respect to Capital Stock of the Issuer (other than Common Shares), the closing price for such Capital Stock (other than Common Shares) on the Selected Exchange (as defined under "Trading Day" below); provided that for the purpose of determining the Closing Price used in "— *Redemption at the Option of the Issuer*" above for all Trading Days on or between the ex-rights or ex-dividends date and the record date for the determination of the shareholders entitled to receive such rights or dividends, the Closing Price shall be adjusted upwards to include the value of such rights or dividends.

"*Common Shares*" means shares of the common stock of the Issuer, with a par value of NT$10.0 per share.

"*Control*" means (i) the right to appoint and/or remove all or the majority of the members of the Issuer's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; or (ii) the acquisition or control of more than 50% of the voting rights of the issued share capital of the Issuer.

"*Conversion Price*" means the initial conversion price of NT$371.81 per Common Share set forth on the cover of this Offering Memorandum, subject to adjustment in the manner provided in "— *Conversion — Adjustments to the Conversion Price*" below.

"*Debt*" means, with respect to any Person at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of trading, (iv) all obligations of such Person as lessee which are capitalized in accordance with the generally accepted accounting principles applicable to such Person, (v) all Debt secured by a Lien on any asset of such Person, whether or not such Debt is otherwise an obligation of such Person, (vi) all obligations of such Person to purchase securities or other property that arise out of or in connection with the sale of the same or substantially similar securities or property, (vii) all non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit or similar instrument and (viii) all Debt of others guaranteed by such Person.

"*Default*" means any condition or event which, with the giving of notice or lapse of time or both, would become an Event of Default (as defined below).

"*Early Redemption Amount*" means, for each US$200,000 in principal amount of the Bonds, the amount calculated in accordance with the following formula, rounded (if necessary) to two decimal places with 0.005 being rounded upwards:

Early Redemption Amount = $I \times (1 + r/2)^{d/180}$

where:

I = Issue price (100% of principal amount) of the Bonds.

r = 2.25% expressed as a decimal.

d = number of days from, and including, May 26, 2026 to, but excluding, the date for redemption, calculated on the basis of a 360-day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the actual number of days elapsed.

Semi-Annual Date	**Early Redemption Amount (in US Dollars)**
November 26, 2026	$202,250.00
May 26, 2027	$204,525.31
November 26, 2027	$206,826.22
May 26, 2028	$209,153.02
November 26, 2028	$211,505.99
May 26, 2029	$213,885.43
November 26, 2029	$216,291.64
May 26, 2030	$218,724.92
November 26, 2030	$221,185.58

"*FSC*" means the Financial Supervisory Commission of the ROC.

"*Fixed Exchange Rate*" means the fixed rate of US$1.00=NT$31.635.

"*Holder*", "*holder*" and "*Bondholder*" in relation to a Bond means the person in whose name a Bond is registered in the Bond register.

"*Independent Investment Bank*" means (i) an independent investment bank of international repute or (ii) leading independent securities company or bank in the ROC (in each case of (i) and (ii), acting as an expert) selected by the Issuer at the expense of the Issuer and notified in writing to the Trustee and the Agents.

"*Lien*" means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such property or asset, including, without limitation, the right of a vendor, lessor or similar party under any conditional sales agreement, capital lease or other title retention agreement relating to such property or asset, and any other right of or arrangement with any creditor to have its claims satisfied out of any property or assets, or the proceeds therefrom prior to any general creditor of the owner thereof.

"*Market Value*" means (i) in the case of Common Shares, the average of the Closing Prices of the Common Shares for the most recent 30 Trading Days, (ii) in the case of Capital Stock (other than Common Shares) which is listed on the Selected Exchange, the average of the Closing Prices of such Capital Stock (other than Common Shares) for the most recent 30 Trading Days and (iii) in the case the market value cannot be determined pursuant to the procedures above, the market value determined by an opinion of an Independent Investment Bank.

"*NT Dollars*" *or "N.T. dollars"* or "*NT$*" means the lawful currency for the time being of the ROC.

"*Person*" means any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organization, trust, state or agency of a state (in each case whether or not being a separate legal entity), limited liability company, government or political subdivision or agency or instrumentality thereof, or any other entity or organization; provided that in the context of a Change of Control, a Person does not include the Issuer's board of directors or any other governing board and does not include the Issuer's wholly-owned direct or indirect Subsidiaries.

"*Prevailing Rate*" for each Rate Calculation Date, means a rate determined by the Issuer in good faith as follows:

(a) the fixing rate at 11:00 a.m., expressed as the number of NT Dollars per one US Dollar, quoted by Taipei Forex Inc.;

(b) if no such rate is available under sub-paragraph (a), the prevailing rate determined by the Issuer in good faith on the basis of quotations provided by the Reference Dealers of the specified exchange rate for the Rate Calculation Date as obtained in accordance with the provisions below; and

(c) if fewer than two quotations are provided under sub-paragraph (b), the exchange rate for the Rate Calculation Date as shall be determined by an Independent Investment Bank in good faith.

In determining the prevailing rate under sub-paragraph (b), the Issuer will request the Taipei office of each of the Reference Dealers to provide a quotation of what the specified screen rate would have been had it been published, reported or available for the Rate Calculation Date, based upon each Reference Dealer's experience in the foreign exchange market for NT Dollars and general activity in such market on the Rate Calculation Date. The quotations used to determine the Prevailing Rate for a Rate Calculation Date will be determined in each case for such Rate Calculation Date, and will be requested at 3:30 p.m. (Taipei time) on such Rate Calculation Date or as soon as practicable after it is determined that the specified screen rate was not available.

If four quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the rates, without regard to the rates having the highest and lowest value. For this purpose, if more than one quotation has the same highest value or lowest value, then the rate of only one of such quotations shall be disregarded. If two or three quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the rates provided.

As soon as practicable and no later than one Business Day after the Prevailing Rate has been determined, the Issuer will notify the Trustee and Agents in writing of the Prevailing Rate and the applicable Settlement Equivalent on the Rate Calculation Date.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of determining the Prevailing Rate, whether by the Reference Dealers (or any of them), the Issuer or the Independent Investment Bank, will (in the absence of fraud, willful default or gross negligence) be binding on the Issuer and all Bondholders, and for administrative purpose only (without assuming any liability) on the Trustee and Agents.

"*Principal Subsidiary*" means any consolidated Subsidiary (1) whose revenues, as shown by the latest audited accounts (consolidated in the case of a company which itself has subsidiaries) of such Subsidiary, are at least 10% of the consolidated revenues as shown in the latest audited consolidated accounts of the Issuer or (2) whose total assets, as shown in the latest audited accounts (consolidated in the case of a company which itself has subsidiaries) of such Subsidiary are at least 10% of the consolidated total assets of the Issuer as shown in the latest audited consolidated accounts of the Issuer, including any such Subsidiary as may be acquired or formed from time to time during the term of the Bonds; provided, however, for the purposes of calculation of consolidated assets of the Issuer under (2) only, the interests of the minority shareholders of the Issuer and of its consolidated Subsidiaries shall be excluded, and "*Principal Subsidiaries*" means those companies collectively. An officer's certificate delivered to Trustee and Holders stating that in the Issuer's opinion, a consolidated Subsidiary is or is not or was or was not at a specified date a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

"*Purchase Date*" has the meaning specified under the caption "— Repurchase Procedures" above.

"*Rate Calculation Date*" means the day which is fifth Business Days before the due date of the relevant amount.

"*Redemption Date*" means, with respect to any Bond, (i) the date fixed for redemption of such Bond pursuant to a notice of redemption given by the Issuer in accordance with the provisions of the Indenture; or (ii) the Maturity Date of such Bond if such Bond has not been redeemed, repurchased and canceled or converted in accordance with its terms prior to the Maturity Date.

"*Reference Dealers*" means four leading dealers engaged in the foreign exchange market of the relevant currency selected by the Issuer.

"*Settlement Equivalent*" for the relevant Rate Calculation Date in respect of any US Dollar-denominated amount payable in respect of the Bonds, means such US Dollar amount converted into NT Dollar amount using the Fixed Exchange Rate, and then converted back to US Dollar amount using the applicable Prevailing Rate on such date.

"*Securities Act*" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"*Subsidiary*" means, with respect to any Person, (a) any entity which is controlled or of which more than 50% of its Capital Stock is owned directly or indirectly by such Person, or (b) any entity which at any time has its accounts consolidated with those of that Person or which, under the law, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such Person from time to time, should have its accounts consolidated with those of that Person.

"*Taxing Authority*" means any government or political subdivision or any authority or agency thereof, having the legal power and authority to levy a mandatorily payable charge, assessment or tax.

"*Trading Day*" means (a) with respect to the Common Shares, a day when the TWSE is open for business, *provided*, *however*, if no transaction price or closing bid and offered prices are reported by the TWSE in respect of the Common Shares for one or more Trading Days, such day or days will be disregarded in any relevant calculation and will be deemed not to have existed when ascertaining any period of consecutive Trading Days and (b) with respect to Capital Stock of the Issuer (other than Common Shares), a day on which any securities exchange or quotation system selected by the Issuer and notified to the Agents for this purpose (the "Selected Exchange") on which shares of such Capital Stock (other than Common Shares) are quoted or traded is open for trading or quotation; *provided*, *however*, if no bid price is reported by the Selected Exchange in respect of such Capital Stock (other than Common Shares) for one or more Trading Days, such day or days will be disregarded in any relevant calculation and will be deemed not to have existed when ascertaining any period of consecutive Trading Days.

"*TWSE*" means the Taiwan Stock Exchange Corporation.

"*US Dollars*", "*U.S. Dollars*" or "*US$*" means the lawful currency for the time being of the United States of America.

Certain Covenants

Negative Pledge

So long as any Bond remains outstanding (as defined in the Indenture), the Issuer shall not, and shall ensure that none of its Principal Subsidiaries will, create or permit to subsist any Lien on any of its or, as the case may be, such Principal Subsidiary's, property, assets or revenues, present or future, to secure for the benefit of the holders of any International Investment Securities (as defined below) (i) payment of any sum owing in respect of any such International Investment Securities, (ii) any payment under any guarantee of any such International Investment Securities or (iii) any payment under any indemnity or other like obligation relating to any such International Investment Securities, unless (a) contemporaneously therewith effective provision is made to secure the Bonds equally and ratably with such International Investment Securities with a similar Lien on the same property, assets or revenues securing such International Investment Securities for so long as such International Investment Securities are secured by such Lien or (b) with such other security, guarantee,

indemnity or other arrangement as shall be approved by registered Holders holding not less than 50% of the principal amount of the outstanding Bonds.

As used herein, "International Investment Securities" means bonds, debentures, notes or other similar investment securities of the Issuer or any other person evidencing indebtedness, with a maturity of not less than one year from the issue date thereof, or any guarantees thereof, which (i) either (A) are by their terms payable, or confer a right to receive payment, in any currency other than NT Dollars or (B) are denominated in NT Dollars and more than 50% of the aggregate principal amount thereof is initially distributed outside the ROC by or with the consent of the Issuer and (ii) are for the time being, or are intended to be or capable of being, quoted, listed, dealt in or traded on any stock exchange or over-the-counter or other securities market outside the ROC.

Consolidation, Amalgamation or Merger

The Issuer shall not consolidate with, merge or amalgamate into or transfer or convey all or substantially all of its properties and assets to, any Person (the consummation of any such event, a "Merger"), unless:

(i) the corporation formed by such Merger or the Person that acquired such properties and assets shall expressly assume, by an indenture supplemental to the Indenture, all obligations of the Issuer under the Indenture and the performance of every covenant and agreement applicable to it contained therein;

(ii) immediately after giving effect to any such Merger, no Default or Event of Default shall have occurred or be continuing or would result therefrom;

(iii) the Issuer at least 20 Business Days prior to the Merger has delivered to the Trustee an officer's certificate stating that such Merger complies with the provisions of the Indenture relating to this matter and that all conditions precedent therein provided for or relating to such Merger have been complied with;

(iv) the corporation formed by such Merger, or the Person that acquired such properties and assets, shall expressly agree to (A) indemnify each holder of a Bond against any tax, assessment or governmental charge payable by withholding or deduction thereafter imposed on such holder solely as a consequence of such Merger with respect to the payment of principal of and other amounts on the Bonds and (B) if organized under the laws of a jurisdiction other than the ROC, deliver a substitute undertaking to the Trustee to pay any additional amounts as may be necessary in order that the net amounts received by the holders of the Bonds, after any withholding or deduction of any such tax, assessment or other governmental charge shall equal the respective amounts of the principal of and Additional Amounts on the Bonds, which would have been receivable in respect of the Bonds in the absence of such Merger. No successor corporation or other Person shall have the right to redeem the Bonds unless the Issuer would have been entitled to redeem the Bonds pursuant to the Indenture in the absence of the Merger; and

(v) the Issuer shall as soon as practicable on or prior to the Merger, deliver to the Trustee an opinion satisfactory to the Trustee of counsel(s) of recognized standing as to the legality and validity of the Merger.

In the event of any such Merger, the provisions described under "— *Additional Amounts*" and "— *Redemption for Taxation Reasons*" above will be applicable to the corporation formed by such Merger or the Person acquiring such properties and assets as appropriate, and any reference to the Issuer shall be read to include such successor person.

Conversion

Conversion Right

Each Holder will have the right (the "Conversion Right") during the Conversion Period to convert its Bonds (being US$200,000 in principal amount or any integral multiples thereof), at the option of such converting Holder, upon delivery of an irrevocable notice (the "Conversion Notice") at the office of the Conversion Agent, on any Business Day at all reasonable times during normal office hours (being between 9.00 a.m. and 3.00 p.m.

(London time)) at the location of the Conversion Agent to which such Conversion Notice is delivered, into Common Shares; *provided*, *however*, that the Conversion Right during any Closed Period (as defined below) shall be suspended and the Conversion Period shall not include any such Closed Period. "Closed Period" means (i) any period during which under the laws of ROC, the Issuer must close its stock transfer books, excluding the 60-day period immediately prior to the date of any of the Issuer's annual general shareholders' meetings and the 30-day period immediately prior to the date of any of the Issuer's extraordinary general shareholders' meetings; (ii) in the event of free distribution of Common Shares, distribution of cash dividend or capital increase by cash, the period starting from the fifteenth (15th) Trading Day prior to any closure of the Issuer's shareholders' register and ending on the record date for the determination of the shareholders entitled to the receipt of dividends in cash or shares, or subscription of new Common Shares due to capital increase by cash; (iii) the period from the record date for the determination of the shareholders participating in any capital reduction to one day prior to the first Trading Day on which the Common Shares are reissued after such capital reduction; (iv) the period beginning from one Trading Day before the Issuer's application with the Ministry of Economic Affairs of the ROC for a change of par value of the Common Shares to one day prior to the first Trading Day of the Common Shares reissued after the change of par value; and (v) such other periods during which the Issuer may be required to close its stock transfer books under ROC applicable laws and regulations and the rules of the TWSE from time to time. The Issuer shall procure that Holders (and other applicable parties) are given at least 10 days' but not more than 60 days' prior notice of any Closed Period in accordance with the provisions of the Indenture, provided that seven (7) days prior notice shall be sufficient in the event of any Closed Period of the type described in clause (ii) above.

The number of Common Shares to be issued upon conversion will be determined by dividing the aggregate principal amount of all the Bonds to be converted by such Holder (translated into NT Dollars at the Fixed Exchange Rate) by the Conversion Price in effect on the Conversion Date (as defined below). Fractions of Common Shares will not be issued on conversion, and the Issuer will pay in US Dollars for any fraction of a Common Share not issued as aforesaid, net of remittance fee and processing fees, rounding to one US Dollar with US$0.50 being rounded upwards.

The Conversion Price shall at all times be subject to Anti-dilution Adjustment (as defined below). The Issuer shall not take any action that would reduce the Conversion Price below a level that may be prescribed by applicable laws and regulations from time to time (if any).

On the Conversion Date, the Conversion Agent shall be entitled to write down and cancel the relevant Bonds subject to such exercised Conversion Right with no further liability. None of the Trustee nor any of the Agents shall be required to monitor or assist with the delivery of Common Shares or cash for any registration that may arise pursuant to an exercise of a Conversion Right.

Restrictions on Shareholdings by PRC Persons

Under current ROC laws and regulations, PRC persons are not permitted to convert the Bonds or to register as our shareholders unless (i) it is a QDII, which will hold less than 10% of the Common Shares after conversion of the Bonds, or (ii) it otherwise obtains the approval of the Department of Investment Review (formerly Investment Commission) of the MOEA if all the business items of the Company are within the positive list promulgated by the ROC government from time to time in the event that it will hold 10% or more (or other threshold required by the regulators) of the Common Shares after conversion of the Bonds. In addition, there are restrictions on the amount remitted to Taiwan for investments by each QDII and all QDIIs. Accordingly, the qualification criteria for a PRC person to make investment and the investment threshold imposed by the FSC might cause a Bondholder who is a PRC person to be unable to convert and hold the Common Shares issuable upon conversion of the Bonds. Under current ROC laws, a "PRC person" means (i) an individual with household registration in China (but not including Hong Kong and Macau), (ii) any juristic person, organization, or other institution of the PRC (but not including Hong Kong and Macau), and (iii) any corporation established outside China (including those established in Hong Kong or Macau) either (a) more than 30% of its issued share capital or total capital contribution amount is owned, directly or indirectly, by PRC person(s) or (b) which is controlled by PRC person(s).

ROC Procedures for Foreign Persons Holding Common Shares

Under current ROC law, a non-ROC converting Holder who is not a PRC person, before exercising the Conversion Right, is required to register with the TWSE to obtain the Foreign Investor Investment I.D. for making investments in the ROC securities market. In addition, a non-ROC person (other than a PRC person)

will be required to appoint an eligible agent in the ROC to open a securities trading account with a local brokerage firm and a TDCC book entry account and a bank account, to pay ROC taxes, remit funds, exercise shareholders' rights and perform such other functions as such person may designate upon conversion. In addition, a non-ROC person (other than a PRC person) will be required to appoint a custodian bank in the ROC to hold the securities in safekeeping, make confirmation, settle trades and report all relevant information. Without obtaining the Foreign Investor Investment I.D. and opening such accounts, a non-ROC person would be unable to hold or subsequently sell the Common Shares converted from the Bonds on the TWSE or otherwise. In addition, these regulations may change from time to time.

When a non-ROC Bondholder exercises its conversion right with respect to the Bonds in order to receive Common Shares, that holder will be required to appoint an agent (a "Tax Guarantor") in the ROC. Such Tax Guarantor will be required to meet the qualifications set by the ROC MOF and will act as the guarantor of such holder's tax payment obligations. Generally, evidence of the appointment of a Tax Guarantor and the approval of such appointment may be required as a condition to such holder's repatriation of profits.

Also, if our Common Shares to be received by any non-ROC person (other than a PRC person) upon single conversion will exceed 10% of our total issued and outstanding shares, such non-ROC person must obtain the prior approval from the Department of Investment Review of the MOEA.

Without meeting such requirements, such non-ROC converting Holder would not be able to hold or sell or otherwise transfer Common Shares into which the Bonds may be converted on the TWSE or otherwise. For more details, see "Certain ROC Legal Requirements relating to the Bonds."

Delivery of Common Shares upon Conversion

Converting Holders will not be deemed to be holders of Common Shares until the Conversion Date. The price at which such Bonds will be converted will be the Conversion Price in effect on the Conversion Date.

Subject to any applicable limitations then imposed by ROC laws and regulations (including obtaining the Foreign Investor Investment I.D. or QDII Investment I.D., if one is required), we will as promptly as practicable, and in any event within five Trading Days after the Conversion Date, deliver to the TDCC book-entry account specified by the Holder in the Conversion Notice the number of Common Shares such Holder is entitled to receive upon conversion.

The Issuer's delivery to the Bondholder of the number of Common Shares into which the Bonds are convertible, together with any cash payment for any fraction of Common Shares, will be deemed to satisfy the Issuer's obligation to pay the principal of and other amounts on such Bonds.

See "*Risk Factors — Risks Relating to the Bonds and the Shares — A liquid market for the Bonds may not develop, and the market for our Shares may not be liquid.*"

Procedures; Conversion Notice; Taxes and Duties

In order to effect a conversion, each Holder must complete, execute and deliver at such Holder's expense during the Conversion Period to the office of the Conversion Agent on any Business Day at all reasonable times during normal office hours (being between 9.00 a.m. and 3.00 p.m. (London time)) at the location of the Conversion Agent, a Conversion Notice, in substantially the form then obtainable from the office of the Conversion Agent, together, in the case of Certificated Bonds, with the certificate representing the Bonds to be converted, and any certificates and other documents as may be required under applicable law and any expenses or other payments required to be paid by the Holder pursuant to the terms of the Indenture. The Conversion Notice shall contain the required information, inter alia, for a non ROC Holder, an appointment of a local agent and a custodian by such converting Holder and the name and address of such local agent and custodian and information relating to such Holder's Foreign Investor Investment I.D. (or the QDII Investment I.D. if one is required) and TDCC account number. Holders of the Bonds who are unable to make the representations set forth in the Conversion Notice will not be able to receive Common Shares issuable upon conversion of the Bonds. The Conversion Agent will deem any Conversion Notice that does not include a TDCC account number or the Foreign Investor Investment I.D. or QDII Investment I.D. (if one is required) incomplete or incorrect and reject such Conversion Notice.

As conditions precedent to conversion, the Holder must undertake to the Issuer that all stamp, issue, registration and similar taxes and duties (if any) arising on conversion in the country in which the Bond is deposited for conversion, or payable in any jurisdiction consequent upon the issue and delivery of Common Shares or any other property or cash upon conversion to or to the order of a person other than the converting Bondholder have been paid to the relevant authority. Except as aforesaid, the Issuer will pay the expenses arising in the ROC on the issue of Common Shares on conversion of Bonds and all charges of the Conversion Agent in connection therewith as provided in the Indenture.

The date on which any Bond and the Conversion Notice (in duplicate) relating thereto, together with any certificates and other documents as may be required under applicable law and in a form to the satisfaction of the Conversion Agent are duly deposited and the relevant Bonds duly surrendered with the Conversion Agent and the payments, if any, required to be paid by the Bondholder are made is hereinafter referred to as the "Deposit Date". The "Conversion Date" applicable to a Bond shall mean the next Business Day following the Deposit Date (or the first Business Day which is a Trading Day following the last day of a Closed Period if the related Conversion Notice was deposited during such Closed Period), which day must be a Trading Day and must fall within the Conversion Period. The Holder must therefore satisfy all such conditions on or before the Business Day prior to the end of the Conversion Period.

Any Conversion Notice received after the normal office hours at the office of the Conversion Agent on any Business Day (i.e. after 3:00 pm (London time)), will be deemed received by the Conversion Agent on the next Business Day. Upon receipt of such Conversion Notices (and Bonds duly surrendered), the Conversion Agent shall have to process and transmit such Conversion Notices to the Issuer and notify the Issuer the Deposit Date.

A Conversion Notice once so delivered may not be withdrawn without the consent in writing of the Issuer. Holders who deposit a Conversion Notice during a Closed Period will not be permitted to convert their Bonds until the first Business Day which is a Trading Day following the last day of that Closed Period which (if all other conditions to conversion have been fulfilled) will be the Conversion Date for such Bonds. Such Holders will not be deemed as holders of Common Shares until the Conversion Date. The price at which such Bonds will be converted will be the Conversion Price in effect on the Conversion Date.

With effect from the opening of business in the ROC on the Conversion Date, the Issuer will deem the person designated in the Conversion Notice as the person in whose name the Common Shares to be issued upon such conversion are to be registered as the holder of record of the number of Common Shares (disregarding any retroactive adjustment of the Conversion Price referred to below prior to the time such retroactive adjustment shall have become effective), and at such time the rights of such converting Holder as a Holder with respect to the Bonds deposited for conversion shall cease.

On the Conversion Date, the Issuer will deem and treat the converting Holder (or its designee) as the holder of record of the number of Common Shares to be issued upon conversion of such Bonds and, subject to any applicable limitations then imposed by ROC laws and regulations, according to the request made in the relevant Conversion Notice, procure that, as soon as practicable, and in any event within five Trading Days after the Conversion Date (subject to changes to ROC laws and regulations), there be delivered to the TDCC book-entry account specified by the Holder in the Conversion Notice, together with any cash payment for any fraction of Common Shares. No physical certificates will be delivered to the converting Holder (or its designee) upon conversion.

Neither the Trustee nor any of the Agents shall have any responsibility or liability to pay or determine whether a Bondholder is liable to pay any such stamp duty, income, transfer and registration tax or any other duties and taxes or any brokers' commissions or other stock exchange transaction costs or brokers' commissions, together with any value added or other tax thereon, arising in any jurisdiction and shall not be liable to any Bondholder or any other person for not doing so.

Adjustments to the Conversion Price

Anti-dilution. The Conversion Price will be subject to adjustment ("Anti-dilution Adjustment") in the circumstances described below:

(i) If the Issuer shall issue Common Shares as a dividend in Common Shares or make a free distribution or bonus issue of Common Shares which is treated as a capitalization issue for accounting purposes (including but not limited to capitalization of retained earnings or capital reserves), then the Conversion Price in effect on the record date for the determination of the shareholders entitled to receive such dividend and/or distribution shall be adjusted in accordance with the following formula:

$$NCP = OCP \times {}^{N}/_{(N+n)}$$

where:

NCP = the Conversion Price after such adjustment.

OCP = the Conversion Price before such adjustment.

N = the number of Common Shares outstanding on the day before the record date for the determination of shareholders entitled to receive such dividend and/or distribution.

n = the number of Common Shares to be distributed to the shareholders as a dividend and/or distribution.

(ii) If the Issuer shall (a) subdivide its outstanding Common Shares, (b) combine its outstanding Common Shares into a smaller number of Common Shares, or (c) re-classify any of its Common Shares into other securities of the Issuer, then the Conversion Price shall be appropriately adjusted so that the Holder, in respect of the Conversion Date which occurs after the coming into effect of the adjustment described in this subsection (ii), shall be entitled to receive the number of Common Shares and/or other securities of the Issuer which it would have held or have been entitled to receive after the happening of any of the events described above had such Bond been converted immediately prior to the happening of such event (or, if the Issuer has fixed a prior record date for the determination of the shareholders entitled to receive any such securities issued upon any such subdivision, combination or reclassification, immediately prior to such record date), but without prejudice to the effect of any other adjustment to the Conversion Price made with effect from the date of the happening of such event (or such record date) or any time thereafter.

(iii) If the Issuer shall grant, issue or offer to the holders of Common Shares rights entitling them to subscribe for or purchase Common Shares, which expression shall include those Common Shares which are required to be offered to employees and persons other than shareholders in connection with such grant, issue or offer, at a consideration per Common Share receivable by the Issuer which is fixed:

(a) on or prior to the record date mentioned below and is less than the Market Value per Common Share on such record date; or

(b) after the record date mentioned below and is less than the Market Value per Common Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in the case of (a) above) on the record date for the determination of the shareholders entitled to receive such rights or (in the case of (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[{}^{(N+v)}\Big/_{(N+n)} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding (in the case of (a) above) on the day before such record date or (in the case of (b) above) on the date the Issuer fixes the said consideration.

n = the number of Common Shares to be issued in connection with such rights issue at the said consideration.

v = the number of Common Shares which the aggregate consideration receivable by the Issuer would purchase at such Market Value specified in (a) or, as the case may be, (b) above.

Subject as provided below, such adjustment shall become effective immediately after the latest date for the submission of applications of such Common Shares by shareholders entitled to the same pursuant to such rights or (if later) immediately after the Issuer fixes the said consideration but retroactively to the record date mentioned above.

For the avoidance of doubt, if, in connection with a grant, issue or offer to the holders of Common Shares of rights entitling them to subscribe for or purchase Common Shares, any Common Shares which are not subscribed for or purchased by the persons entitled thereto are purchased by other persons after the latest date for the submission of applications for such Common Shares, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the Issuer receives the consideration in full, from such other persons but retroactively to the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Common Shares of rights entitling them to subscribe for or purchase Common Shares, any such Common Shares which are not subscribed for or purchased by such other persons as referred to above or by the persons entitled thereto (or persons to whom shareholders have transferred such rights) who have submitted applications for such Common Shares as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

(iv) If the Issuer shall grant, issue or offer to the holders of Common Shares warrants entitling them to subscribe for or purchase Common Shares at a consideration per Common Share receivable by the Issuer which is fixed:

(a) on or prior to the record date for the determination of the shareholders entitled to receive such warrants and is less than the Market Value per Common Share at such record date; or

(b) after the record date mentioned above and is less than the Market Value per Common Share on the date the Issuer fixes the said consideration,

then the Conversion Price in effect (in a case within (a) above) on the record date for the determination of the shareholders entitled to receive such warrants or (in a case within (b) above) on the date the Issuer fixes the said consideration shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[{}^{(N+v)}\Big/_{(N+n)} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding (in the case of (a) above) on the day before such record date or (in the case of (b) above) on the date the Issuer fixes the said consideration.

n = the number of Common Shares initially to be issued upon exercise of such warrants at the said consideration where no applications by shareholders entitled to such warrants are required. Where applications by shareholders entitled to such warrants are required, n equals the number of such Common Shares that equals (A) the number of warrants which underwriters have agreed to underwrite as referred to below or, as the case may be, and (B) the number of warrants for which applications are received from shareholders as referred to below except to the extent already adjusted for under (A).

v = the number of Common Shares which the aggregate consideration receivable by the Issuer would purchase at such Market Value per Common Share specified in (a) or, as the case may be, (b) above.

Subject as provided below, such adjustment shall become effective, where applications by shareholders entitled to the same are required as aforesaid, immediately after the latest date for the submission of such applications or (if later) immediately after the Issuer fixes the said consideration but retroactively to the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Common Shares of warrants entitling them to subscribe for or purchase Common Shares where applications by shareholders entitled to the same are required, any warrants which are not subscribed for or purchased by the shareholders entitled thereto are purchased by other persons after the latest date for the submission of applications for such warrants, an adjustment shall be made to the Conversion Price in accordance with the above provisions which shall become effective immediately after the date the Issuer receives the consideration in full, from such other persons but retroactively to the record date mentioned above.

If, in connection with a grant, issue or offer to the holders of Common Shares of warrants entitling them to subscribe for or purchase Common Shares where applications by shareholders entitled to the same are required, any such warrants which are not subscribed for or purchased by such other persons as referred to above or by the shareholders entitled thereto (or persons to whom shareholders have transferred the right to purchase such warrants) who have submitted applications for such warrants as referred to above are offered to and/or subscribed by others, no further adjustment shall be made to the Conversion Price by reason of such offer and/or subscription.

(v) In case the Issuer or any Subsidiary of the Issuer shall distribute to all holders of Common Shares, any shares of Capital Stock of the Issuer other than Common Shares, evidences of indebtedness or other assets (other than cash distributions described below) of the Issuer, or rights or warrants to subscribe for or purchase any Capital Stock of the Issuer (other than Common Shares) at less than the Market Value of such indebtedness, assets or Capital Stock, determined as of the date on which the board of directors of the Issuer approves such distribution (the "Grant Date"), then in each such case the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[{}^{(M - fmv)}/_{M}\right]$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

M = the Market Value per Common Share on the record date for the determination of shareholders entitled to receive such distribution.

fmv = the Fair Market Value on the Grant Date (as determined by an independent financial institution selected by the Issuer, at the expense of the Issuer and promptly notified in writing to the Trustee and the Agents) of the portion of Capital Stock other than Common Shares, evidences of indebtedness or other assets so distributed applicable to one Common Share less any consideration payable for the same by the relevant Shareholder.

(vi) In case the Issuer shall, by dividend or otherwise, distribute to all holders of Common Shares cash then, in such case, the Conversion Price shall be adjusted downward, not upward (with such adjustment to be effective on the record date for the determination of the shareholders entitled to receive such distribution) in accordance with the following formula and rounded to the nearest cent of a NT Dollar;

$$NCP = OCP \times \left[1 - \left({}^{C}/_{M}\right)\right]$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

C = the amount of cash so distributed applicable to one Common Share.

M = the Market Value per Common Share on such record date.

If such dividend or distribution is not so paid or made, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such dividend or distribution had not been approved.

(vii) (a) If the Issuer shall reduce its share capital other than by means of canceling any Common Shares repurchased for the purpose of holding such Common Shares in treasury and does not distribute any cash in connection with such share capital reduction, then the Conversion Price in effect on the record date for the determination of the shareholders participating in such capital reduction shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left({}^{N}/_{n}\right)$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding immediately prior to such capital reduction.

n = the number of Common Shares outstanding immediately after such capital reduction.

For the avoidance of doubt, no adjustment to the Conversion Price under this subsection will be required if the Issuer cancels any Common Shares repurchased for the purpose of holding such Common Shares in treasury.

(b) If the Issuer shall reduce its share capital other than by means of canceling any Common Shares repurchased for the purpose of holding such Common Shares in treasury and shall distribute cash in connection with such share capital reduction, the Conversion Price then in effect on the record date for the determination of the shareholders participating in such capital reduction shall be adjusted in accordance with the following formula:

$$NCP = OCP \times [(1 - C/c) \times ({}^{N}/_{n})]$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N and n have the meanings ascribed thereto in clause (a) of this subsection above.

C = the amount of cash distributed per Common Share.

c = the Closing Price on the last Trading Day prior to such capital reduction.

For the avoidance of doubt, no adjustment to the Conversion Price under this subsection will be required if the Issuer cancels any Common Shares repurchased for the purpose of holding such Common Shares in treasury.

(c) Effective date of adjustment: Such adjustment shall become effective immediately on the record date for the determination of the shareholders participating in such capital reduction.

(viii) In case a tender or exchange offer made by the Issuer or any Subsidiary of the Issuer for all or any portion of the Common Shares shall expire and such tender or exchange offer shall involve the payment by the Issuer or such Subsidiary of consideration per Common Share having a Fair Market Value (as determined by an independent financial institution selected by the Issuer, at the expense of the Issuer and promptly notified in writing to the Trustee and the Agents) at the last time (the "Expiration Date") tenders or exchanges could have been made pursuant to such tender or exchange offer (as it shall have been amended) that exceeds the Market Value per Common Share, as of the Expiration Date, the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left[{}^{(N \times M)}\Big/_{(a + [(N - n) \times M])}\right]$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding (including any tendered or exchanged Common Shares) at the close of business on the Expiration Date.

M = Market Value per Common Share as of the Expiration Date.

a = the Fair Market Value of the aggregate consideration payable to the holders of Common Shares based on the acceptance (up to a maximum specified in the terms of the tender or exchange offer) of all Common Shares validly tendered or exchanged and not withdrawn as of the Expiration Date (the Common Shares deemed so accepted up to any such maximum, being referred to as the "Purchased Shares").

n = the number of Purchased Shares.

such reduction to become retroactively effective immediately prior to the opening of business on the Trading Day following the Expiration Date.

If the Issuer is obligated to purchase Common Shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchase or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such tender or exchange offer had not been made.

(ix) In case the Issuer issues Common Shares (other than (A) Common Shares issued upon conversion or exchange of any convertible or exchangeable securities (including the Bonds) issued by the Issuer; (B) Common Shares issued upon exercise of any rights or warrants granted, offered or issued by the Issuer; (C) issuance of employee stock bonus; or (D) Common Shares issued in any of the circumstances described in subsections (i) and (ii)) or the Issuer or any Subsidiary of the Issuer shall issue any securities initially convertible into or exchangeable for Common Shares at a price per Common Share less than the Market Value per Common Share determined as of the date on which the board of directors or shareholders' meeting of the Issuer or such Subsidiary, if applicable, approves such issuance, the Conversion Price in effect immediately prior to the date of issue of such Common Shares or convertible or exchangeable securities shall be adjusted and become effective in accordance with the following formula:

$$NCP = OCP \times \left[{}^{(N+v)}\Big/_{(N+n)} \right]$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (i) above.

N = the number of Common Shares outstanding on the date immediately prior to issuance of such Common Shares or initially convertible or exchangeable securities.

n = the number of Common Shares issued or issuable upon conversion or exchange of such initially convertible or exchangeable securities.

v = the number of Common Shares which the aggregate consideration issue price of the total amount of Common Shares would purchase at Market Value; in the case of convertible or exchangeable securities, the number of Common Shares which the conversion price or exchange price of the newly issued securities multiply by "n" would purchase at Market Value; provided that if the new Common Shares are issued by the Issuer to exchange for the total outstanding shares of an entity to be consolidated with, merged or amalgamated into the Issuer, such "aggregate consideration issue price of the total amount of Common Shares" shall mean the aggregate amount of the fair value per common share of such entity multiplied by "n" and further multiplied by the applicable share swap ratio under such consolidation, merger or amalgamation. The fair value per common share of such entity shall be the net asset value per share of such entity based on the latest audited or reviewed financial statements of such entity prior to the record date set for such consolidation, merger or amalgamation, times the share swap ratio.

If the conversion or exchange right of any such convertible or exchangeable securities expires prior to exercise, the Conversion Price shall be readjusted to reflect the actual securities converted or exchanged.

(x) In case the Issuer reissues the Common Shares to change the par value of the Common Shares, then the Conversion Price in effect on the record date for the determination of the shareholders participating in such change of the par value of the Common Shares shall be adjusted in accordance with the following formula:

$$NCP = OCP \times \left({}^{N}/_{n}\right)$$

where:

NCP and OCP have the meanings ascribed thereto in subsection (a) above.

N = the number of Common Shares outstanding immediately prior to such change of par value of the Common Shares.

n = the number of Common Shares outstanding immediately after such change of par value of the Common Shares.

Such adjustment shall become effective immediately on the record date for the determination of the shareholders participating in such change of the par value of the Common Shares.

(xi) If the Issuer shall declare a dividend in, or make a free distribution or bonus issue of, Common Shares which dividend, issue or distribution is to be paid or made to shareholders as of a record date which is also:

A. the record date for the issue of any rights or warrants which requires an adjustment of the Conversion Price pursuant to subsections (iii) or (iv) above;

B. the day immediately before the date of issue of any securities convertible into or exchangeable for Common Shares which requires an adjustment of the Conversion Price pursuant to subsection (ix) above;

C. the day immediately before the date of a distribution which requires an adjustment of the Conversion Price pursuant to subsection (v) above;

D. the record date for distribution of cash which requires an adjustment of the Conversion Price pursuant to subsection (vi) above;

E. the record date for the determination of the shareholders participating in capital reduction which requires an adjustment of the Conversion Price pursuant to subsection (vii) above;

F. the Expiration Date with respect to any tender or exchange offer which requires an adjustment to the Conversion Price pursuant to subsection (viii) above; or

G. the relevant date for an analogous event or circumstance which requires an adjustment to the Conversion Price;

then (except where such dividend, bonus issue or free distribution gives rise to a retroactive adjustment of the Conversion Price under subsections (i) or (ii) above) no adjustment of the Conversion Price in respect of such dividend, bonus issue or free distribution shall be made under the relevant subsections, but in lieu thereof an adjustment shall be made (A) under subsections (iii), (iv) or (ix) above, as applicable, by including in the denominator of the fraction described therein the aggregate number of Common Shares to be issued pursuant to such dividend, bonus issue or free distribution and (B) under subsections (v), (vi), (vii) and (viii) above, as applicable, by multiplying the Conversion Price after the adjustment under such subsections by a fraction the numerator of which is the number of Common Shares outstanding on the record date and the denominator of which is the sum of such number of Common Shares outstanding and the aggregate number of Common Shares to be issued pursuant to such dividends, bonus issue or free distribution.

(xii) In case of a Merger of the Issuer, each Bond then outstanding shall, without the consent of any Bondholders, become convertible only into the kind and amount of securities, cash and other property receivable upon such Merger by a holder of the number of Common Shares, into which such Bonds could have been converted immediately prior to such Merger. The corporation formed by such Merger or the Person that acquired such properties and assets shall enter into a supplemental indenture with the Trustee to provide for the continuation of the Conversion Rights to continue after such Merger and such supplemental indenture shall provide for adjustments to the Conversion Price which shall be as nearly equivalent as practicable to the adjustments provided in the Indenture *provided* that where there has been a Change of Control pursuant to such a Merger, a Holder may exercise its Change of Control Put Right as set forth in "— *Repurchase in the Event of Change of Control.*"

If any event or circumstance analogous to the events and circumstances described in subsections (i) through (x) occur, the Conversion Price shall be adjusted as set forth in the analogous subsection in the Indenture.

Provisions Applicable to All Conversions and Adjustments of Conversion Price

No adjustment of the Conversion Price will be required to be made until cumulative adjustments, required to be made in the circumstances set forth above, amount to 1.0% or more of the Conversion Price as last adjusted. However, any adjustment, required to be made in the circumstances set forth above, which is not made because of failure to meet the 1.0% threshold, will be carried forward. Except as otherwise described below, the Conversion Price may at any time be reduced by the Issuer.

All calculations relating to conversion, including adjustments of the Conversion Price, will be made to the lower 0.001 of a share of securities or other property or nearest NT$0.01, as the case may be.

Whenever the Conversion Price is adjusted, the Issuer will promptly file with the Trustee and the Agents a Company Certificate setting forth the date on which such adjustment became effective, the Conversion Price after such adjustment and prior to such adjustment and setting forth a brief statement of the facts requiring such adjustment. Promptly after receipt of such certificate, the Issuer shall give notice of such adjustment of the Conversion Price setting forth the adjusted Conversion Price, the Conversion Price prior to such adjustment, a brief statement of the facts requiring such adjustment and the date on which such adjustment became effective and shall give such notice of such adjustment of the Conversion Price to each Holder of a Bond.

Neither the Trustee nor any Agent shall be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price or to make any calculation (or verification thereof) in connection with the Conversion Price and will not be responsible to Bondholders for any loss arising from any failure by it to do so or for any delay by the Issuer in making a determination or any erroneous determination in connection with the Conversion Price. The Trustee and the Agents shall be entitled to rely conclusively without liability to any Bondholder on any report or certificate of a director of the Company in connection therewith.

Events of Default; Notice and Waiver

The Indenture provides that, if one or more of the following events or conditions (each an "Event of Default") shall have occurred, either (i) the Trustee at its sole and absolute discretion may, or (ii) the Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding (by notice in writing to the Issuer and to the Trustee) may, or (iii) the Trustee at the written direction of Holders of not less than 25% in aggregate principal amount of the Bonds then outstanding (subject to being indemnified and/or secured and/or prefunded by such Holders to its satisfaction) shall, declare the Bonds to be immediately due and payable at the Settlement Equivalent of the applicable Early Redemption Amount, Additional Amounts, if any, and other amounts. In the case of certain events of bankruptcy or insolvency, the Bonds shall automatically become and be immediately due and payable at the Settlement Equivalent of the applicable Early Redemption Amount, Additional Amounts, if any, and other amounts. Under certain circumstances, the Holders of a majority in aggregate principal amount of the outstanding Bonds may rescind any such acceleration with respect to the Bonds and its consequences.

Under the Indenture, Events of Default include:

(i) a default that occurs and continues for more than seven Business Days in payment of the principal in respect of any Bond when due and payable;

(ii) default in the payment of Additional Amounts upon any Bond as and when the same becomes due and payable, and continuance of such default for seven Business Days;

(iii) failure by the Issuer to deliver the Common Shares as and when such Common Shares are required to be delivered following conversion of a Bond in accordance with the Indenture, which failure continues for more than five Business Days;

(iv) failure on the part of the Issuer duly to observe or perform any of the covenants or agreements provided in the Bonds or the Indenture (other than those referred to in clauses (i) or (ii) above) which failure cannot be remedied or, if such failure is capable of being remedied, is not remedied within 30 days after the date on which written notice thereof requiring the Issuer to remedy the same shall have been given to the Issuer by the Trustee (acting on instructions of the Holders);

(v) there shall have been entered against the Issuer or any of its Principal Subsidiaries a final judgment, decree or order by a court of competent jurisdiction for the payment of money in excess of US$30 million with respect to the Issuer or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) as a result of which (i) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any material part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 60 days or (ii) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person);

(vi) (A) the Issuer or any of its Principal Subsidiaries shall fail to make any payment with respect to present or future Debt (other than the Bonds) in an aggregate principal amount in excess of US$30 million with respect to the Issuer or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) when and as the same shall become due and payable, if such failure shall continue for more than the period of grace, if any, originally applicable thereto or (B) the Issuer or any of its Principal Subsidiaries shall fail to perform or observe any covenant or agreement to be performed or observed by the Issuer or any of its Principal Subsidiaries contained in any agreement or instrument evidencing Debt (other than the Bonds) in an aggregate principal amount in excess of US$30 million with respect to the Issuer or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) and such failure results in the acceleration of the maturity of any amount owing thereunder;

(vii) a decree or order by a court having jurisdiction shall have been entered under any applicable bankruptcy, insolvency, reorganization or other similar law (A) adjudging the Issuer as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization of the Issuer, (B) appointing a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Issuer or its property or (C) ordering the winding up or liquidation of the affairs of the Issuer and in any such case such decree or order shall have continued undischarged and unstayed for a period of 60 days; or

(viii) the Issuer shall voluntarily commence proceedings to be adjudicated as bankrupt or insolvent, or shall consent to the filing of a bankruptcy or insolvency proceeding against it, or shall file a petition or answer or consent seeking reorganization under any applicable bankruptcy, insolvency, reorganization or other similar law or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or its property, or shall make an assignment for the benefit of creditors.

If an Event of Default shall have occurred and be continuing, interest shall accrue on the overdue sum at the rate of 2.00% per annum from the due date and ending on the date on which payment is made to the Holders in respect thereof (both dates inclusive). Such default interest shall accrue on the basis of the actual number of days elapsed and a 360-day year consisting of 12 months of 30 days each.

The Holders of a majority in aggregate principal amount of the outstanding Bonds may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust

or power conferred on the Trustee; *provided* that such direction shall not be in conflict with any law or the Indenture and subject to certain other limitations. The Trustee may refuse to follow any direction that conflicts or would conflict with any law or the Indenture or is unduly prejudicial to the rights of other Bondholders (it being understood that the Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such holders) or would involve the Trustee in personal liability. The Trustee may also refuse to perform any duty, exercise any right or power, expend or risk its own funds or otherwise incur any financial liability, unless it receives indemnity and/or security and/or pre-funding satisfactory to it against any loss, liability or expense. For the avoidance of doubt, for so long as the Bonds are represented by one or more Global Bond and such Global Bond are registered in the name of the Common Depository or its nominee or held through Euroclear or Clearstream, the Trustee may treat the beneficial owner(s) of the Global Bond as the "Holder" of such principal amount of the Bonds so held by such beneficial owner(s) (as shown in the records of Euroclear or Clearstream at the relevant time) for purposes of the provision of directions or instructions to the Trustee. No Holder will have the right to pursue any remedy with respect to the Indenture or the Bonds, unless:

(i) such Holder shall have previously given the Trustee written notice of a continuing Event of Default;

(ii) the Holders of at least 25% in aggregate principal amount of the outstanding Bonds shall have made a written request to the Trustee to pursue such remedy;

(iii) such Holder or Holders shall have offered to the Trustee security and/or indemnity and/or pre-funding against any loss, liability or expense satisfactory to it;

(iv) the Trustee shall have failed to comply with the request within 60 days after receipt of such notice, request and offer of security or indemnity and/or pre-funding; and

(v) the Holders of a majority in aggregate principal amount of the outstanding Bonds shall not have given the Trustee a direction inconsistent with such request within 60 days after receipt of such request.

The right of any Holder (i) to receive payment of the principal of and other amounts on the Bonds, Additional Amounts, the Holder's Put Price upon exercise of the Holder's Put Right, the Delisting Put Price upon exercise of the Delisting Put Right or the Change of Control Put Price upon exercise of the Change of Control Put Right, or to receive Common Shares on or after any Redemption Date, Purchase Date or Conversion Date, as the case may be, (ii) to convert its Bonds or (iii) to bring suit for the enforcement of any such right, shall not be materially impaired or materially adversely affected without such Holder's consent.

The Holders of a majority in aggregate principal amount of Bonds at the time outstanding may waive any existing Default and its consequences, except (i) any default in any payment on the Bonds, (ii) any default with respect to the Conversion Rights of Holders or (iii) any default with respect to certain covenants or provisions in the Indenture which may not be modified without the consent of the Holder as described in "— *Meeting of Bondholders; Modification and Waiver*" below. When a Default is waived, it is deemed cured and shall cease to exist, but no such waiver shall extend to any subsequent or other Default or impair any consequent right.

The Trustee and the Agents shall not be required to take any steps to ascertain whether a Default or an Event of Default or any event which could lead to the occurrence of a Default or an Event of Default has occurred and will not be responsible to Holders or any other person for any loss arising from any failure by it to do so. The Trustee or the Agents shall be entitled to assume that no such event has occurred and that the Issuer is performing all its obligations under the Indenture and the Bonds until they have received written notice to the contrary from the Issuer. The Trustee and the Agents are entitled to rely conclusively on any opinion of counsel or officer's certificate regarding whether a Default or an Event of Default has occurred.

The Issuer will be required to furnish to the Trustee, within 14 days of its annual audited financial statements (as described in "— *Provision of Financial Statements and Reports*" above) being made available to its shareholders and also within 14 days after any request by the Trustee, a Company's Certificate concerning the performance and observance of its obligations under the Bonds or the Indenture (on which the Trustee may rely conclusively on as to such compliance and shall not be liable to any Bondholder or any other person for such reliance). In addition, the Issuer is required to file promptly with the Trustee a Company's Certificate of the occurrence of any Default or Event of Default by not later than 14 days following the first day on which it becomes aware of the occurrence of such default, specifying each such default and the nature and status thereof.

Prescription

Claims in respect of payment of the principal of or other amounts on the Bonds will be prescribed unless made within a period of six years from the relevant due date of payment in respect thereof.

Under ROC laws, claims in respect of the payment of (a) principal and (b) interest (inclusive of redemption premium) would become unenforceable after 15 years and 5 years, respectively from the relevant due date of payment in respect thereof.

Meeting of Bondholders; Modification and Waiver

The Indenture contains provisions for convening meetings (including by way of teleconference or videoconference call) of the Holders to consider any matter affecting their interests, including the approval of certain amendments or modifications of the Bonds or the provisions of the Indenture upon either the written consent of the Holders of a majority in aggregate principal amount of the outstanding Bonds or the approval at a meeting of the Holders duly called by persons entitled to vote a majority in principal amount of the outstanding Bonds. The quorum at any such meeting shall be two or more persons entitled to vote a majority in principal amount of the outstanding Bonds.

Modifications and amendments of the Indenture or the Bonds may be made by the Issuer and the Trustee with the written consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Bonds; *provided* that no such modification or amendment may, without the consent of each Holder of the Bonds affected thereby:

(i) change the Maturity Date;

(ii) change the Bondholder's Put Option Date;

(iii) reduce the principal of or other amounts on any Bond or Settlement Equivalent payable in respect of the Bonds, or change the method of calculation of the Settlement Equivalent;

(iv) increase the then current Conversion Price (except as required by the anti-dilution provisions of the Indenture);

(v) change the place or currency of payment of the principal of or other amounts on any Bond or the method of calculating any such payment;

(vi) impair the right to institute suit for the enforcement of any payment on or after the Maturity Date (or, in the case of a redemption, on or after the Redemption Date) of any Bond;

(vii) alter the obligations of the Issuer under "*— Certain Covenants — Negative Pledge*", "*— Certain Covenants — Consolidation, Amalgamation or Merger*" or "*— Additional Amounts*" above;

(viii) materially adversely affect the Conversion Right, the Holder's Put Right, the Delisting Put Right or the Change of Control Put Right;

(ix) modify the obligations of the Issuer to maintain an agent having offices (including without limitation the Paying Agent, the Conversion Agent or the Transfer Agent) in an European Union member state;

(x) reduce the above-stated percentage of outstanding Bonds the consent of whose Holders is necessary to modify or amend the Indenture;

(xi) reduce the percentage or aggregate principal amount of outstanding Bonds the consent of whose Holders is necessary for waiver of compliance with certain provisions of the Indenture or for waiver of certain Defaults;

(xii) modify any of the percentage voting and quorum provisions described under "*—Meeting of Bondholders; Modification and Waiver*"; or

(xiii) release the Issuer from any obligation under the Indenture other than in accordance with the provisions of the Indenture, or amend or modify any provision relating to such release in a manner that materially adversely affects the rights of the Holders.

Neither the Issuer nor any of its Subsidiaries will, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Bonds, unless such consideration is offered to be paid or agreed to be paid to all Holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or amendment.

Without the consent of any Holder, the Issuer together with the Trustee may amend the Indenture to:

(i) cure any ambiguity, manifest errors, defect or inconsistency in the Indenture or the Bonds;

(ii) provide for the assumption of the Issuer's obligations under the Bonds and the Indenture by the surviving Person in a Merger effected in accordance with the provisions of the Indenture described under "— *Certain Covenants — Consolidation, Amalgamation or Merger*" above;

(iii) make any other change that does not materially adversely affect the rights of any Holder;

(iv) make any change necessary to comply with applicable ROC laws and regulations;

(v) add to the covenants or obligations of the Issuer under the Indenture or decrease the Conversion Price at the discretion of the Issuer or surrender any right, power or option conferred by the Indenture on the Issuer; or

(vi) to effect any changes to the Indenture in a manner necessary to comply with the procedures of Euroclear or Clearstream or any applicable clearing system.

Notices

Whenever the Indenture provides for notice to be given to Holders, such notice will be validly given (except as otherwise expressly provided) if in writing and sent, first-class postage prepaid, to each Holder entitled thereto, at such Holder's last address as it appears on the Bond register. Any such notice shall be deemed to have been given on the seventh day after being so sent. Notwithstanding the foregoing, so long as the Bonds are represented by the Global Bond and the Global Bond is held on behalf of Euroclear and Clearstream, notice to Holders may be given by delivery of the relevant notice to Euroclear and Clearstream or their successor clearing systems for communication by them to entitled accountholders in substitution for notification as required by the foregoing sentence.

Concerning the Trustee

Citicorp International Limited has been appointed as Trustee under the Indenture with regard to the Bonds, and Citibank, N.A., London Branch has been appointed as Paying Agent, as Conversion Agent, as Transfer Agent and as Registrar with regard to the Bonds. The Indenture provides that, prior to the occurrence of an Event of Default, the Trustee will not be liable except for the performance of such duties as are specifically set forth in such Indenture, and no implied covenant, duty or obligation shall be read into the Indenture, the Bonds or any documents to which the Trustee is a party against the Trustee. If an Event of Default has occurred and is continuing, the Trustee will be obligated to use the same degree of care and skill as a prudent person in its exercise of the rights and powers vested in it under the Indenture. The Trustee will not be responsible for any loss, liability, cost, claim, actions, demand, expense or inconvenience which may result from their exercise or non-exercise of any rights or powers conferred under the Indenture for the benefit of the Holders. Whenever in the Indenture, the Bonds or by law, the Trustee shall have discretion or permissive power it may decline to exercise the same in the absence of approval by the Holders. In the exercise of its duties, the Trustee shall not be responsible for the verification of the accuracy or completeness of any certification submitted to it by the Issuer and is entitled to rely exclusively and conclusively on the certification contained therein, and take action based on the information contained in, the certification or legal opinion. Notwithstanding anything described herein, the Trustee has no duty to monitor the performance or compliance of the Issuer in the fulfillment of its obligations under the Indenture and the Bonds. Furthermore, the Trustee shall not be deemed to have any actual

or constructive knowledge of any Default or Event of Default unless it has been actually notified in writing of such event.

The Trustee shall not be responsible for the performance by the Issuer or any other person appointed by the Issuer in relation to the Bonds and, unless notified in writing to the contrary, shall assume that the same are being duly performed. The Trustee shall not be liable to any Holders or any other person for any action taken by the Holders or the Trustee in accordance with the instructions of the Holders.

The Trustee is entitled to rely conclusively on all instructions, notices, declarations and certifications or any translations thereof received pursuant to the Indenture or the Bonds without investigating or being responsible for the accuracy, authenticity and validity of these instructions, notices, declarations and certifications or any translations thereof.

Neither the Trustee nor the Agents will be responsible for making calculations or for verifying calculations performed by the Issuer or any other persons unless otherwise specified in the Indenture, or have a duty to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection thereto, and shall not be liable to the Holders or any other person for not doing so.

The Trustee or any of the Agents may become the owner or pledgee of the Bonds with the same rights it would have if it were not the Trustee or an Agent and may otherwise deal with the Issuer and receive, collect, hold and retain collections from the Issuer with the same rights it would have if it were not the Trustee or an Agent.

Pursuant to the terms of the Indenture and the Bonds, the Issuer will reimburse the Trustee and the Agents for all properly incurred expenses, and advances properly made, by the Trustee and each predecessor Trustee except to the extent that any such expense was as a result of the Trustee's gross negligence or willful default.

The Indenture contains limitations on the rights of the Trustee, should it become a creditor of the Issuer to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The Trustee, the Agents and their respective associated entities are permitted to engage in other transactions with the Issuer and its Affiliates and shall not be obligated to account for any profits therefrom. Without prejudice to the foregoing, the Trustee is permitted to deal (whether on their own or their customers' account) in, or advise on, securities of such other customers and that such dealing or giving of advice will not constitute a conflict of interest for the purposes of the Bonds or the Indenture.

If an Event of Default occurs and is continuing, the Trustee may, but will not be obliged to, and shall, upon written request of Holders of at least 25% in aggregate principal amount of outstanding Bonds (subject to receiving indemnity, prefunding and/or security to its satisfaction), pursue, in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Bonds or to enforce the performance of any provision of the Bonds or the Indenture. The Trustee may maintain a proceeding even if it does not possess any of the Bonds or does not produce any of them in the proceeding.

The Trustee will not be under any obligation to exercise and have sole, absolute and unfettered discretion as to exercise or non-exercise of any rights or powers conferred under the Indenture for the benefit of the Holders unless such Holders have instructed the Trustee pursuant to the terms of the Indenture in writing and offered to the Trustee indemnity and/or security and/or pre-funding satisfactory to the Trustee against any loss, liability or expense. Furthermore, each Holder, by accepting the Bonds will agree, for the benefit of the Trustee and each Agent, that it is solely responsible for its own independent appraisal of and investigation into all risks arising under or in connection with the Indenture and has not relied on and will not at any time rely on the Trustee or the Agents in respect of such risks.

Disclosure Obligations

The Indenture provides that the Issuer may have certain disclosure obligations and reporting obligations under ROC law if:

(i) the person to be registered as a shareholder of the Issuer is a "related party" of the Issuer under the Guidelines Governing the Preparation of Financial Report by Securities Issuers of the ROC and such person beneficially owns Common Shares converted from the Bonds; or

(ii) the person to be registered as a shareholder owns Common Shares issued upon conversion of the Bonds and the Common Shares so issued on conversion exceed 10% of the total number of Common Shares expected to be issued upon conversion of the Bonds based on the conversion price at the time of issue of the Bonds.

Due to these obligations, the Issuer may ask the converting Holders to disclose the name of the person to be registered as the shareholder and to provide proof of identity and genuineness of any signature and other information and documents before it will convert the Bonds. The conversion of Bonds may be delayed until the Issuer receives the requested information and satisfactory evidence of the compliance with all laws and regulations by the Holders. The information the Holder is required to provide may include the name and nationality of the person to be registered as a shareholder of the Issuer and the total number of Common Shares such person is converting or has converted in the past.

Governing Law and Jurisdiction

The Indenture and the Bonds are governed by, and shall be construed in accordance with, the laws of the State of New York. In relation to any legal action or proceedings arising out of or in connection with the Indenture and the Bonds, the Issuer has in the Indenture irrevocably and unconditionally submitted to the non-exclusive jurisdiction of the New York State and United States Federal courts sitting in the Borough of Manhattan, The City of New York. The Issuer has appointed Cogency Global Inc., now located at 122 East 42nd Street, 18th Floor, New York, NY 10168, as its agent for service of process.

Bondholders should note that exercise of a Conversion Right is subject not only to the provisions of the Indenture but also to the applicable ROC laws and regulations.

DESCRIPTION OF OUR SHARE CAPITAL

Set forth below is a summary of information relating to our share capital including brief summaries of the relevant provisions of our Articles of Incorporation, the ROC Securities and Exchange Act and the ROC Company Act, all as currently in effect.

General

As of the date of this Offering Memorandum, our authorized share capital registered with the MOEA was NT$9,500,000,000, and our paid-in share capital was NT$6,698,888,860, divided into 669,888,886 Common Shares with a par value of NT$10.00 per share. Any change in the authorized share capital of a public company limited by shares, such as us, requires an amendment to our Articles of Incorporation (which requires approval at a shareholders' meeting).

Authorized but unissued shares may also be issued at such times and, subject to the provisions of the applicable laws and the approval of, or registration with, the MOEA and the FSC, upon terms that our board of directors may determine.

Dividends and Distributions

Dividend payments and distributions are generally governed by the ROC Company Act as well as our Articles of Incorporation. Under the ROC law, cash dividends are subject to the statute of limitations of 5 years. The stock dividends are not subject to statute of limitations under the ROC law.

Except in limited circumstances, we are not permitted to distribute dividends or make other distributions to shareholders for any year in which we do not have current or retained earnings (excluding reserves). Pursuant to our Articles of Incorporation, where we have a profit before tax for each fiscal year, we shall first recover the loss for preceding years, if any, and then distribute 3% to 10% and no more than 3% of the remaining profit to our employees and directors as remuneration, respectively, and at least 20% of the employee remuneration shall be allocated for distribution or salary adjustment to non-management employees, and then pay taxes, and set aside 10% of our annual net profit as legal reserve, unless the accumulated legal reserve has equaled the total paid-in capital of the Company. In addition, we must set aside special reserve or the special reserve shall be reversed in accordance with relevant laws or regulations or as requested by the competent authorities. Afterwards, 5% to 100% of the balance (if any) together with accumulated and unappropriated retained earnings shall be available for distribution as dividends to shareholders.

In consideration that we are in a highly competitive industry with a changeful environment, and the business life cycle has become mature, we have adopted a prudent dividend policy for distributing our retained earnings in order to meet the need for operating funds in the future and long-term financial planning.

In addition to permitting dividends to be paid out of accumulated earnings after deducting losses, the ROC Company Act permits that we can make distributions in cash or in the form of additional common shares to our shareholders from the legal reserve and capital surplus of premium from issuing shares and earnings from gifts received. However, the portion payable out of our legal reserve is limited to the portion that the accumulated legal reserve exceeds 25% of our paid-in capital.

Pursuant to our Articles of Incorporation, the employees' remuneration may be distributed in the form of shares or cash but the directors' remuneration shall be distributed in the form of cash.

Preemptive Rights

According to the ROC Company Act, when a company issues new common shares for cash, 10% to 15% of the issue must be offered to its employees. In addition, under the ROC Securities and Exchange Act, if a public company listed on the TWSE or whose shares are traded on the TPEx intends to offer new shares for cash, at least 10% of the issue must be offered to the public. This percentage can be increased by a resolution passed at a shareholders' meeting, thereby reducing the number of new shares subject to the preemptive rights of existing shareholders. Unless the percentage of shares to be offered to the public is increased by the shareholders, existing shareholders who are listed on the shareholders' register as of the record date have a preemptive right to acquire the remaining 75% to 80% of the issue. The shares not subscribed for by the employees and

shareholders at the expiration of the period for the exercise of their rights may be sold to the public or specified persons at the direction of our board of directors. The preemptive rights provisions will not apply to offering of new shares through a private placement approved at a shareholders' meeting.

Meetings of Shareholders

Meetings of our shareholders may be annual general shareholders' meeting or extraordinary shareholders' meeting. Annual general meetings of our shareholders shall be duly convened within six months following the end of each fiscal year. Any shareholder who holds 1% or more of our issued and outstanding Common Shares may submit one written proposal for discussion at our annual general shareholders' meeting. Our directors may convene an extraordinary shareholders' meeting whenever they think fit, and they must do so if requested in writing by shareholders holding not less than 3% of our paid-in share capital who have held their shares for more than a year. In addition, any member of our audit committee may convene a shareholders' meeting under certain circumstances. For a public company in Taiwan, such as our company, at least 15 days' advance written notice must be given of every extraordinary shareholders' meeting and at least 30 days' advance written notice must be given of every annual general shareholders' meeting.

The notice shall state the reason for the convening of a shareholders' meeting and such notice may be given by means of electronic transmission with the consent from the recipient(s) thereof.

Electronic copies of meeting notice, the form of proxy, and materials of all proposals shall be posted on the Market Observation Post System ("MOPS") no less than 30 days before the annual general shareholders' meetings and no less than 15 days before the extraordinary shareholders' meeting.

Unless otherwise required by law or by our Articles of Incorporation, voting for an ordinary resolution requires an affirmative vote of a simple majority of those present and voting. An acknowledgement of financial statements and business report would be an example of an act requiring an ordinary resolution. A special resolution may be adopted in a meeting of shareholders convened with a quorum of holders of at least two thirds of our total outstanding shares at which the holders of at least a majority of our shares represented at the meeting vote in favor thereof. A special resolution is necessary for various matters under ROC law, including:

- any amendment to our Articles of Incorporation;
- our dissolution or amalgamation;
- a merger or spin-off;
- transfers of the whole or a substantial part of our business or properties;
- the acquisition of the entire business or properties of another company which would have a significant impact on our operations;
- execution, modification or termination of any contracts regarding leasing of all business or joint operations or mandate of our business to other persons;
- the distribution of any stock dividend; or
- the removal of directors.

However, in the case of a public company such as our company, a special resolution may be adopted by holders of at least two thirds of the shares represented at a meeting of shareholders at which holders of at least a majority of the total outstanding shares are present.

Voting Rights

Our Articles of Incorporation provide that holders of Common Shares have one vote for each Share. However, (i) treasury shares or (ii) our Common Shares held by an entity in which our company owns more than 50% of the voting shares or paid-in capital, or a "Controlled Entity," or by a third entity in which our company and a Controlled Entity jointly own, directly or indirectly, more than 50% of the voting shares or paid-

in capital, cannot be voted. There is cumulative voting for the election of directors. In all other matters, shareholders must cast all their votes the same way on any resolution provided that shareholders holding shares on behalf of others are permitted to split votes when exercising voting rights. Voting rights attached to our Common Shares may be exercised by personal attendance or proxy through written or electronic ballot.

If any shareholder is represented at a general or extraordinary shareholders' meeting by proxy, a valid proxy form must be delivered to us five days before the commencement of the general or extraordinary shareholders' meeting. Voting rights attached to our shares that are exercised by our shareholders' proxy are subject to ROC proxy regulations. Any shareholder who has a personal interest in a matter to be discussed at our shareholders' meeting, the outcome of which may impair our interests, is not permitted to vote or exercise voting rights nor vote or exercise voting rights on behalf of another shareholder on such matter.

Except for trust enterprises or share transfer agents approved by the FSC, where one person is appointed as proxy by two or more shareholders who together hold more than 3% of our shares, the votes of those shareholders in excess of 3% of our total issued shares will not be counted.

According to our Articles of Incorporation, the directors (including independent directors) shall be nominated by adopting the candidate nomination system specified in the ROC Company Act. In an election of directors, the holders of Common Shares shall elect directors from the list of nominated candidates.

Registration of Shareholders

With respect to shareholders who have opened book-entry accounts at TDCC, our register of such shareholders is maintained by the database of TDCC. With respect to shareholders who have not opened TDCC book-entry accounts, the register of our shareholders is maintained by our stock transfer agent, CTBC Bank, Co., Ltd.

For the purpose of determining certain rights, including right to dividends attached to the Shares, the registration for transfer of Shares shall be suspended for a period of sixty days immediately before the date of annual general shareholders' meeting, thirty days immediately before the date of extraordinary shareholders' meeting, and five days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company. Under the ROC law, we are required to set a record date for the determination of the shareholders entitled to the receipt of dividends in cash or shares, or subscription of new Common Shares due to capital increase.

Annual Financial Statements

Within three months after the end of each fiscal year, we must post our annual audited financial statements under Taiwan IFRS on the MOPS, for inspection by our shareholders. The shareholders may bring their lawyers or certified public accountants for such an inspection. According to the regulations of the FSC, we are required to publish our annual and quarterly financial statements on a consolidated basis.

Transfer of Shares

The transfer of shares in registered form is effected by endorsement and delivery of the related share certificates. However, settlement of trading of share of a listed company, such as our company, is generally carried out on the book-entry system maintain by TDCC. In order to assert shareholder's rights against us, the transferee must have its name and address registered on our register of shareholders. Shareholders are required to file their respective specimen seals, also known as chops, with our share registrar.

Repurchase of Shares by Us

With minor exceptions, we cannot acquire our own Shares under the ROC Company Act.

Under the ROC Securities and Exchange Act, we may, by resolution adopted by a majority of our board of directors at a meeting where more than two-thirds of the directors are present, repurchase the Shares on the TWSE or by a tender offer in accordance with the procedures prescribed by the FSC for the following purposes:

- for delivery upon conversion of bonds with warrants, preferred shares with warrants, convertible bonds and convertible preferred shares or certificates of warrants issued by us into capital stock;

- to transfer to our employees; or

- if necessary, to maintain our credit and shareholders' equity, provided that the Shares so repurchased shall be canceled thereafter.

The total Shares repurchased us may not exceed 10% of our total issued and outstanding Shares. In addition, the total cost of the purchased Shares may not exceed the aggregate amount of our retained earnings, any premium from share issuance and the realized portion of our capital reserve. Shares repurchased in the first two instances mentioned above are to be transferred to the intended transferees within five years from the repurchase, failing which they will be canceled and we are required to complete an amended registration for the cancelation. In the third instance mentioned above, the Shares repurchased by us must be canceled, and we shall complete an amended registration for such cancelation within six months after the repurchase. The Shares repurchased by us may not be pledged or hypothecated. In addition, we may not exercise any of the shareholder's rights attached to these Shares. Our affiliates, as defined in Article 369-1 of the ROC Company Act, directors, managers and shareholders holding more than 10% of our issued and outstanding shares and their respective spouse and minor children and/or nominees, which we refer to as insiders, are prohibited from selling the Shares held by the insiders until our repurchase period has lapsed.

Liquidation Rights

Pursuant to the ROC Company Act, in the event of our liquidation, the remaining assets after payment of all debts, liquidation expenses, taxes and distribution to holders of preferred shares, if any, will be distributed *pro rata* to the holders of Common Shares in accordance with the relevant provisions of the ROC Company Act.

Substantial Shareholders and Transfer Restrictions

Insiders are required to report to us, on a monthly basis, any changes in their shareholding in our Company. The number of Shares that they may sell or transfer on the TWSE on any given trading day is limited by ROC laws. In addition, they may only sell or transfer such Shares on the TWSE at least three days after they have filed a notification with the TWSE/FSC in connection with such sale or transfer, provided that such notification is not required if the number of Shares to be sold or transferred does not exceed 10,000. A person who individually or together with other persons (as defined under the FSC regulations) acquires more than 5% of our issued and outstanding shares shall file the substantial shareholder disclosure report with the TWSE and make a public announcement via MOPS, within ten days after the holding is over such 5% threshold. Such substantial shareholder disclosure report shall include the acquisition purpose, funding sources and other information required by the FSC.

Rights to Bring Shareholder Suits

Under the ROC Company Act, a shareholder may bring a suit against us in the following events:

- Within 30 days after the date of the shareholders' meeting, any shareholder has the right to annul any resolution adopted at a shareholders' meeting where the procedures or the method of resolution were or was legally defective. However, if the court is of the opinion that such violation is not material and does not affect the result of the resolution, the court may reject or dismiss the shareholder's lawsuit.

- If the substance of a resolution adopted at a shareholders' meeting contradicts any applicable law or regulation or our Articles of Incorporation, a shareholder may bring a suit to determine the validity of such resolution.

Shareholders may bring suit against our directors under the following circumstances:

- Shareholders who have continuously held 1% or more of the total number of issued and outstanding shares for a period of six months or longer may request in writing that an audit committee member institute an action against a director on our behalf. In case the audit committee member fails to institute an action within 30 days after receiving such request, the shareholders may institute an action on our behalf. In the event that shareholders institute an action, a court may, upon application of the defendant, order such shareholders to furnish appropriate security.

- Shareholders holding 3% or more of the total number of issued and outstanding shares may institute an action with a court to remove a director who has materially violated the applicable laws or our Articles of Incorporation or has materially damaged our interests if a resolution for removal on such grounds has first been voted on and rejected by the shareholders and such suit is filed within 30 days of such shareholders' vote.

- In the event that any director, manager or shareholder holding more than 10% of the issued and outstanding shares and their respective spouse and minor children and/or nominees sells shares within six months after the acquisition of such shares, or repurchases the shares within six months after the sale, we may make a claim for recovery of any profits realized from the sale and purchase. If our board of directors or our audit committee fails to make a claim for recovery, any shareholder may request our board of directors or our audit committee to make such claim within 30 days. After such 30-day period, the requesting shareholder will have the right to make a claim for such recovery, and our directors or our audit committee will be jointly and severally liable for damages suffered by us as a result of their failure to exercise the right of claim.

Other Rights of Shareholders

Under the ROC Company Act, dissenting shareholders are entitled to appraisal rights in the event of merger, spin-off and various other major corporate actions. A dissenting shareholder may request us to redeem all of the shares owned by such shareholder at a fair price to be determined by mutual agreement. If an agreement cannot be reached, the valuation will be determined by a court order.

CHANGES IN OUR SHARE CAPITAL

According to our Articles of Incorporation, we have only one class of shares in issue (i.e. Common Shares). Currently, our Articles of Incorporation provide that our authorized share capital is NT$9,500,000,000, divided into 950,000,000 Shares. All issued Shares are in registered form.

The following table sets forth the changes in our issued share capital since January 1, 2015 and up to the date of this Offering Memorandum:

Date of issue	Type of issue	Number of Common Shares issued	Number of total issued Common Shares after issue
February 2015	Capitalization through the exercise of employee stock options for 2,050,000 shares	2,050,000	628,882,886
April 2015	Capitalization through the exercise of employee stock options for 130,000 shares	130,000	629,012,886
September 2015	Capitalization through the exercise of employee stock options for 50,000 shares	50,000	629,062,886
November 2016	Capitalization through the exercise of employee stock options for 5,000 shares	5,000	629,067,886
January 2017	Capitalization through the exercise of employee stock options for 50,000 shares	50,000	629,117,886
August 2017	Capitalization through the exercise of employee stock options for 602,000 shares	602,000	629,719,886
December 2017	Capitalization through the exercise of employee stock options for 3,474,000 shares	3,474,000	633,193,886
February 2018	Capitalization through the exercise of employee stock options for 2,495,000 shares	2,495,000	635,688,886
September 2024	Capitalization through the issuance of 34,200,000 new shares for the subsequent issuing of global depositary shares	34,200,000	669,888,886

TAXATION

We are incorporated in the ROC, and our principal operating subsidiaries are located in Taiwan and China. Prospective investors should consult their own advisors concerning the tax consequences of an investment in the Bonds or Shares.

Taiwan Taxation of Non-Residents

The following is a summary under present Taiwan law of the principal tax consequences of the ownership and disposal of the Shares or Bonds by a Non-Taiwan Resident Individual or Non-Taiwan Resident Entity (each a "Non-Taiwan Holder"). As used in the preceding sentence, a "Non-Taiwan Resident Individual" is a foreign national individual who owns Shares or Bonds and is not physically present in Taiwan for 183 days or more during any calendar year and a "Non-Taiwan Resident Entity" is a corporation or a non-corporate body that owns Shares or Bonds and is organized under the laws of a jurisdiction other than Taiwan and has no fixed place of business or business agent in Taiwan.

You should consult your tax advisors concerning the Taiwan tax consequences of owning the Shares or Bonds and the laws of any relevant taxing jurisdiction to which you are subject.

Payments on the Bonds

Payments of principal on the Bonds made by the Issuer will not be subject to Taiwan withholding tax.

Payments of interest (including premium) (if any ever becomes payable on the Bonds) to a Non-Taiwan Holder constitute interest income and, therefore, are subject to Taiwan withholding tax, currently at the rate of 15%. We have agreed to pay Additional Amounts in respect of such withholding tax on the payments of interest (if any). See "*Description of the Bonds — Additional Amounts.*" In addition, should withholding tax be payable, we will be responsible for withholding such taxes at source.

Conversion of Bonds

The conversion of the Bonds into Shares is not subject to Taiwan tax. However, securities transaction tax, gift tax and/or income tax may be imposed in relation to the converting holder's designation of other person to be the holder of Common Shares upon conversion of the Bonds.

Capital Gains from the sale or disposal of the Shares

Currently, capital gains realized upon the sale or other disposition of the Shares are exempt from ROC income tax.

Capital gains from the sale or disposal of the Bonds

Under current Taiwan law, capital gains in transactions of corporate bonds issued by Taiwan companies are exempt from income tax. This exemption applies to capital gains derived from the sale of the Bonds.

Dividends on the Shares

Dividends (whether in cash or Common Shares) distributed by the Company out of retained earnings and paid out to Non-Taiwan Holders of Common Shares are normally subject to ROC income tax collected by way of withholding at the time of distribution. The current rate of withholding for Non-Taiwan Holders of Common Shares is 21% of the amount of the distribution, unless a lower withholding rate is provided under a tax treaty between the ROC and the jurisdiction where the Non-Taiwan Holder is a resident.

Distributions made by the Company out of capital reserves in the form of cash or stock are not subject to withholding tax, except under limited circumstances.

In accordance with the ROC Income Tax Act, a 5% undistributed earnings tax was imposed on an ROC company for its after-tax earnings generated after January 1, 1998 which were not distributed in the following year. The retained earnings tax so paid will further reduce the retained earnings available for future distribution.

Securities Transaction Tax

Securities Transaction Tax, currently levied at 0.3% of the transaction price, will be withheld by a securities broker upon a sale of the Shares. A transfer or a conversion of the Bonds, however, is not subject to the securities transaction tax.

Stamp Duty

There is no Taiwan stamp duty, issue or registration tax imposed on the delivery of Shares upon conversion of the Bonds.

Estate Tax and Gift Tax

Taiwan estate tax is payable on any property within the Taiwan of a deceased Non-Taiwan Resident Individual, and Taiwan gift tax is payable on any property within Taiwan donated by a Non-Taiwan Resident Individual. Estate tax and gift tax are currently imposed at progressive rates of 10%, 15% and 20%. Under Taiwan estate and gift tax laws, the Bonds and Common Shares are deemed located in the ROC without regard to the location of the owner.

Tax Treaties

At present, Taiwan has entered into double taxation treaties with Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Eswatini, France, Gambia, Germany, Hungary, India, Indonesia, Israel, Italy, Japan, Kiribati, Luxembourg, North Macedonia, Malaysia, the Netherlands, New Zealand, Paraguay, Poland, Singapore, South Africa, the United Kingdom, Vietnam, Senegal, Slovakia, Sweden, Switzerland, Thailand, Saudi Arabia and Korea, which generally have reduced the rate of withholding tax on dividends and interest paid by Taiwan companies to residents of these countries. Holders of the Bonds or Shares who are otherwise entitled to the benefit of a treaty should consult their own tax advisers concerning eligibility for benefit under the treaty with respect to the Bonds or Shares, and shall cooperate with and provide necessary information regarding the benefit under the applicable treaty to the Company.

PLAN OF DISTRIBUTION

UBS AG Hong Kong Branch and Citigroup Global Markets Limited are the joint bookrunners (the "Joint Bookrunners") and the Initial Purchasers of this Offering.

Subject to the terms and conditions stated in a purchase agreement, dated as of May 18, 2026, entered into between us and the Initial Purchasers, the Initial Purchasers have agreed to purchase, and we have agreed to sell to the Initial Purchasers, the following principal amounts of the Bonds:

Initial Purchasers	**Principal Amount (US$)**
UBS AG Hong Kong Branch	250,000,000
Citigroup Global Markets Limited	250,000,000
Total	500,000,000

The address of UBS AG Hong Kong Branch is 52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong; and the address of Citigroup Global Markets Limited is Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom. The purchase agreement provides that the obligations of the Initial Purchasers to purchase the Bonds included in this Offering are subject to certain conditions, including receipt of certain legal opinions, and entitles the Initial Purchasers to terminate it in certain circumstances prior to payment being made to us.

The Initial Purchasers or their affiliates may purchase the Bonds for its own account and enter into transactions, including (i) credit derivatives including asset swaps, repackaging and credit default swaps relating to the Bonds and/or our securities or (ii) equity derivatives and stock loan transactions relating to the Common Shares at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counter-parties and separately from any existing sale or resale of the Bonds to which this Offering Memorandum relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds). The Initial Purchasers or their affiliates may purchase Bonds and be allocated Bonds for asset management and/or proprietary purposes and not with a view to distribution. The Initial Purchasers or their affiliates are not expected to disclose such transactions or the extent of any such investment, except as required by any legal or regulatory obligation to do so. These transactions may involve a substantial portion of the Bonds.

The Bonds and the Shares (to be delivered upon conversion of the Bonds) have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. See "*Transfer Restrictions*." The Bonds will not be offered or sold directly or indirectly in the ROC, or to, or for the account or benefit of, any ROC person.

Approval in-principle has been received for the listing of the Bonds on the SGX-ST. However, we cannot assure you that the prices at which the Bonds will sell in the market after this Offering will not be lower than the initial offering price or that an active trading market for the Bonds will develop and continue after this Offering.

For a period of 90 days after the Closing Date, without the prior written consent of the Initial Purchasers of this Offering, we will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, or file with the United States Securities and Exchange Commission a registration statement under the Securities Act relating to, any Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Common Shares or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Shares or such other securities, in cash or otherwise, other than the Bonds to be offered and sold hereunder and shares of Common Shares issuable upon conversion of the Bonds.

In addition, Ming-Wei Global Co., Ltd, Yeh, Pei-Chen, Ma, Mou-Ming and Ming-Wei Investment Co., Ltd. (the "Relevant Parties") have each agreed that, for a period of 90 days after the Closing Date, without the prior written consent of the Initial Purchasers of this Offering, the Relevant Parties will not, nor will any person acting on their behalf, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, or file with the United States Securities and Exchange Commission a registration statement under the Securities Act relating to, any shares of Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares (the "Lock-up Securities") beneficially owned by the Relevant Parties, or publicly disclose the intention to make any such offer, sale, pledge, disposition or filing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of any Lock-up Securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of any Lock-up Securities, in cash or otherwise.

The Initial Purchasers has performed commercial banking, investment banking and advisory services for us from time to time for which it has received customary fees and reimbursement of expenses. The Initial Purchasers may, from time to time, engage in transactions with and perform services for us in the ordinary course of its business for which it may receive customary fees and reimbursement of expenses.

Notice to Capital Market Intermediaries and Prospective Investors Pursuant to Paragraph 21 of the Code – Important Notice to CMIs (including Private Banks)

This notice to CMIs (including Private Banks) is a summary of certain obligations the Code imposes on CMIs, which require the attention and cooperation of other CMIs (including Private Banks). Certain CMIs may also be acting as OCs for this Offering and are subject to additional requirements under the Code.

Paragraph 21.3.3(c) of the Code requires that a CMI should take all reasonable steps to identify whether its investor clients may have any associations with the Issuer, a CMI or a company in the same group of companies as the CMI and provide sufficient information to the OC to enable it to assess whether orders placed by these investors may negatively impact the price discovery process.

Prospective investors who are the directors, employees or major shareholders of the Issuer, a CMI or its group companies would be considered under the Code as having an Association with the Issuer, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, Private Banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer or any CMI (including its group companies) and inform the Initial Purchasers accordingly.

CMIs are informed that the marketing and investor targeting strategy for this Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language (if applicable) set out elsewhere in this Offering Memorandum.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information should be provided to the OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including Private Banks as the case may be) in the order book and book messages.

CMIs (including Private Banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer. In addition, CMIs (including Private Banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed

decision. In order to do this, the Initial Purchasers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, Private Banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private Banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Private Banks who disclose that they are placing their order other than on a "principal" basis (i.e. they are acting as an agent) should note that such order may be considered to be an omnibus order pursuant to the Code. Private Banks should be aware that if any of their group companies is a CMI of this Offering, placing an order on a "principal" basis may require the Initial Purchasers to apply the "proprietary orders" of the Code to such order and will require the Initial Purchasers to apply the "rebates" requirements of the Code (if applicable) to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including Private Banks) are requested to provide the following underlying investor information, preferably in Excel Workbook format, in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including Private Banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OCs. By submitting an order and providing such information to the OCs, each CMI (including Private Banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the OCs and/or any other third parties as may be required by the Code, including to the Issuer, relevant regulators and/or any other third parties as may be required by the Code, for the purpose of complying with the Code, during the bookbuilding process for the Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the Offering. The Initial Purchasers may be asked to demonstrate compliance with its obligations under the Code, and may request other CMIs (including Private Banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including Private Banks) are required to provide the relevant Initial Purchasers with such evidence within the timeline requested.

Republic of China

Each of the Initial Purchaser has agreed that, as part of the distribution of the Bonds, it has not offered or sold, and will not offer or sell, any Bond directly or indirectly in the ROC or to, or for the account or benefit of, any ROC person; each of the Initial Purchaser also understands and has acknowledged that the Bonds may not be sold to any related person of us (as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers) or any person listed in Article 36 of the Chinese Securities Association Regulations Governing Underwriting and Resale of Securities by Securities Firms.

Prohibition of Sales to EEA Retail Investors

Each Initial Purchaser represents and agrees that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by the Offering Memorandum in relation thereto and any retail investor in the EEA. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (as amended, the "FSMA")) received by

it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Prohibition of Sales to UK Retail Investors

Each Initial Purchaser represents and agrees that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Bonds to any retail investor in the UK. For the purposes of this provision, the expression "retail investor" means a person who is not a professional client, as defined in point (8) of Article 2(1) of UK MiFIR.

Hong Kong

Each of the Initial Purchaser has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong the ("SFO") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up an Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"). Accordingly, each of the Initial Purchaser has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

Each of the Initial Purchaser has acknowledged that this Offering Memorandum has not been and will not be registered as a prospectus with the MAS. Accordingly, each of the Initial Purchaser has represented and agreed that it has not offered or sold any Bonds and/or Shares or caused the Bonds and/or the Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds and/or Shares or cause the Bonds and/or the Shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds and/or the Shares, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or, (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

This Offering Memorandum has not been and will not be registered as a prospectus with the MAS. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or, (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

PRC

This Offering Memorandum is not intended to constitute a public offer of the Bonds, whether by way of sale or subscription, in the PRC. The Bonds are not an offer of securities within the meaning of the Securities Law of PRC or other pertinent laws and regulations of the PRC. The Bonds are not being offered and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by applicable laws of the PRC.

TRANSFER RESTRICTIONS

Because of the following restrictions, we encourage you to consult your legal advisor prior to making any offer, resale, pledge or other transfer of the Bonds offered and sold in reliance on Regulation S, or the shares issuable upon conversion of the Bonds. Terms used in this section are defined in Regulation S under the Securities Act.

The Bonds, and the shares issuable upon conversion of the Bonds, have not been offered in the United States and will not be registered under the Securities Act, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. In addition, an offering or sale of the Bonds within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Except in certain limited circumstances, interests in the Bonds may only be held through interests in the Global Certificate. Such interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream and their respective direct and indirect participants.

Each purchaser of our Bonds in this Offering, by accepting delivery of this Offering Memorandum and those Bonds, will be deemed to have represented, agreed and acknowledged, for the benefit of the Issuer and the Initial Purchasers, that:

(1) It acknowledges and agrees that the Bonds (and shares issuable upon conversion of the Bonds, to the extent offered and sold), are being offered, sold and delivered to such purchaser outside the United States in an "offshore transaction" within the meaning of and in reliance on Regulation S under the Securities Act.

(2) It understands that the Bonds in the Offering and the shares issuable upon conversion of the Bonds, have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and that it will not offer, sell, pledge or otherwise transfer any interest in such Bonds or in the shares issuable upon conversion of the Bonds within the United States except as permitted by the applicable U.S. securities laws and the securities laws of any State of the U.S.

(3) We and the Initial Purchasers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

(4) The Bonds will bear legends to the following effect, which restrictions we will observe unless we determine otherwise in compliance with applicable law:

THE CURRENCY-LINKED ZERO COUPON CONVERTIBLE BONDS DUE 2031 (THE "BONDS") AND THE COMMON SHARES ISSUABLE UPON CONVERSION OF THE BONDS HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE SECURITIES LAWS. EACH HOLDER AND BENEFICIAL OWNER, BY ITS ACCEPTANCE OF THE BONDS EVIDENCED HEREBY, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.

Each purchaser of our Bonds in the Offering will be deemed to have represented and agreed that (a) it is relying on this Offering Memorandum and not on any other information or representation concerning us or our Bonds, and none of us, nor any other person will be responsible for this Offering Memorandum or any part of it, nor the Initial Purchasers will have any liability for any such other information or representation; and (b)(i) it is able to fend for itself in the transactions contemplated by this Offering Memorandum, (ii) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Bonds, and (iii) it has the ability to bear the economic risks of its prospective investment and can afford the complete loss of such investment.

CERTAIN ROC LEGAL REQUIREMENTS RELATING TO THE BONDS

Payments

Unless otherwise limited by the Central Bank of the Republic of China (Taiwan) (the "CBC"), we may, without obtaining further approvals from the CBC or any other government authority of the ROC, convert NT dollars to other non-ROC currencies, including U.S. dollars, for making payments in respect of redemption of the Bonds or repayment of principal of and interest (if any) on the Bonds.

Conversion

Under current ROC law and regulation, PRC persons (other than QDIIs) are not permitted to convert the Bonds or to register as our shareholders. Under current ROC law, a "PRC person" (other than QDIIs) means (i) an individual with household registration in China (but not including Hong Kong and Macau), (ii) any juristic person, organization, or other institution of the PRC (but not including Hong Kong and Macau), and (iii) any corporation established outside China (including those established in Hong Kong or Macau) either (a) more than 30% of its issued share capital or total capital contribution amount is owned, directly or indirectly, by PRC person(s) or (b) which is controlled by PRC person(s).

Delivery of the Common Shares into which the Bonds may be converted will only be made through the book-entry system maintained by TDCC. No physical share certificates will be delivered to the converting Holder (or its designee) upon conversion.

Under current ROC law, a non-ROC converting Holder (or its designee)(other than a PRC person) when exercising its Conversion Right to convert its Bonds into Common Shares is required to obtain a Foreign Investor Investment I.D. A non-ROC converting Holder is also required to appoint an agent and a custodian in the ROC. Such agent and custodian will open a securities trading account with a local brokerage firm, an account with TDCC, handle the conversion application, act as custodian for the securities, make confirmation and settlement, remit funds, exercise shareholders' rights and perform such other matters as may be designated by such converting Holder (or its designee), on behalf of and as agent for such converting Holder (or its designee). Under existing ROC laws and regulations, without obtaining a Foreign Investor Investment I.D. and opening such securities trading account with a local brokerage firm and opening an account with TDCC, a non-ROC converting Holder would not be able to receive and hold Common Shares or sell or otherwise transfer the Common Shares into which the Bonds may have been converted on the TWSE or otherwise. Also, if our Common Shares to be received by any non-ROC person (other than a PRC person) upon single conversion will exceed 10% of our total issued and outstanding shares, such non-ROC person must obtain the prior approval from the Department of Investment Review of the MOEA.

Pursuant to the current ROC laws and regulations, except for QDIIs, PRC persons are not permitted to convert the Bonds and hold our Common Shares and in order to hold our Common Shares, such QDIIs are required to appoint the agent and custodian as required by the ROC law and regulations. If the aggregate amount of our Common Shares to be held by any QDII or our Common Shares to be received by any QDII upon single conversion will exceed 10% of our total issued and outstanding shares, such QDII must obtain the prior approval from the Department of Investment Review of the MOEA.

Repatriation of Profits

Under current ROC law, a non-ROC (and a QDII) converting Holder will be required to appoint an agent in the ROC for filing tax returns and making tax payments (a "Tax Guarantor"), whose qualifications are set by the ROC MOF. The Tax Guarantor will act as the guarantor of the converting Holder's tax payment obligations.

Under current ROC law, subject to certain limited exceptions, repatriation of profits by a non-ROC (and a QDII) converting Holder is subject to the submission of evidence of the appointment of a Tax Guarantor to, and approval thereof by, the ROC tax authorities. There can be no assurance that a non-ROC (and a QDII) converting Holder would be able to appoint a Tax Guarantor and obtain approval by the tax authorities in a timely manner.

A non-ROC converting Holder or a QDII converting Holder, after obtaining a Foreign Investor Investment I.D. or a QFII Investment I.D., may, through its agent and without obtaining prior approval from the CBC, convert into foreign currencies net proceeds realized from the sale of converted Common Shares or any stock

dividends relating to such Common Shares, or any cash dividend or other cash distribution in respect of such Common Shares, as well as inward remittance of subscription payments in respect of rights offerings.

Securities Transaction Tax

The ROC government imposes a securities transaction tax that will apply to transfers of the Common Shares. The securities transaction tax, which is payable by the seller, is levied on a transfer of the Common Shares at the rate of 0.3% of the sales proceeds. According to a letter issued by the ROC MOF on March 23, 2010, transfers of the Bonds are not subject to the ROC securities transaction tax.

Disclosure Obligations

We may have certain disclosure obligations and reporting obligations under ROC laws and regulations if:

- the person to become a shareholder is a "related party" of our company as defined under the Regulations Governing the Preparation of Financial Reports by Securities Issuers and such person beneficially owns the Common Shares issued upon the conversion of Bonds; or

- the person to become a shareholder owns the Common Shares issued upon the conversion of the Bonds and such Common Shares exceed 10% of the total number of Common Shares expected to be issued upon conversion of all the Bonds based on the Conversion Price at the time of issue of the Bonds.

As a result of such disclosure obligations, the converting Holders will be required to provide information to enable our compliance with our obligation under the ROC regulations including the following:

- name of the converting Holder;

- name and nationality (and the identity number, if such person is an ROC citizen) of the person ("Registered Holder") who will become the shareholder upon such conversion;

- the number of Common Shares the Registered Holder will acquire upon such conversion and the aggregate number of Common Shares the Registered Holder has acquired upon all conversion of the Bonds prior to such conversion; and

- any other information that we or the Conversion Agent may deem necessary or desirable to comply with any ROC disclosure or reporting requirements.

The conversion of the Bonds may be delayed until the requested information has been provided by Holder in the Conversion Notice.

INDEPENDENT AUDITORS

The audited consolidated financial statements as of and for the years ended December 31, 2023, 2024 and 2025 included in this Offering Memorandum have been audited, and the consolidated financial statements as of and for the three months ended March 31, 2025 and 2026 have been reviewed by PricewaterhouseCoopers, Taiwan, our independent auditors.

With respect to our unaudited consolidated financial information as of and for the three months ended March 31, 2025 and 2026, included in this Offering Memorandum, PricewaterhouseCoopers, Taiwan, our independent auditors, reported that they have applied review procedures in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China ("TWSRE 2410") for a review of such information. Accordingly, their report dated May 15, 2026 with respect thereto included in this Offering Memorandum stated that they did not audit and they do not express an opinion on that unaudited consolidated financial information. The degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. In addition, the review report also stated that the financial statements of certain insignificant consolidated subsidiaries and investments accounted for under equity method were not reviewed by independent auditors. Accordingly, the review report contains qualification with respect to the effect on the financial statements of such adjustments, if any, as might have been determined to be necessary had financial statements of these certain consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors.

PricewaterhouseCoopers, Taiwan is located at 27F, No.333 Sec.1, Keelung Rd, Xinyi District, Taipei, Taiwan.

GENERAL INFORMATION

(1) **Legal Status:** The Company was incorporated on April 30, 1986 under the ROC laws as a company limited by shares.

(2) **Legal Entity Identifier:** Our Legal Entity Identifier is 2549001BU3CG63KSN047.

(3) **Listing:** Approval in-principle has been received for the listing of the Bonds on SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Memorandum. Approval in-principle for the listing of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Offering, our Company, our subsidiaries, our associated companies or the Bonds. The Bonds will be traded on the SGX-ST in a minimum board lot size of US$200,000 for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.

For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Bonds may be presented or surrendered for payment or redemption, in the event that the Global Certificate is exchanged for definitive Certificates. In addition, in the event that the Global Certificate is exchanged for definitive Certificates, an announcement of such exchange will be made by the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Certificates, including details of the paying agent in Singapore**.**

(4) **Authorizations:** The issue of the Bonds was authorized by resolutions passed at the meetings of our board of directors held on November 14, 2025, March 12, 2026 and April 17, 2026, respectively. A copy of this Offering Memorandum will be uploaded to the website designated by the FSC subsequent to the closing of this Offering.

(5) **Material Change:** Except as disclosed in this Offering Memorandum, there has been no material adverse change in our financial position or Offering Memorandum since March 31, 2026, the date of our latest unaudited interim consolidated financial statements.

(6) **Litigation:** Except as disclosed in this Offering Memorandum, neither we nor any of our subsidiaries are involved in any litigation or arbitration proceedings which may have, or have had during the twelve (12) months preceding the date of this Offering Memorandum, a material adverse effect on our financial position or that of our subsidiaries, nor are we or any of our subsidiaries aware that any such proceedings are pending or threatened.

(7) **Documents Available:** For as long as the Bonds are outstanding and listed on the SGX-ST, copies of the Indenture and the Agency Agreement will be available for inspection by Bondholders from the Closing Date, subject to prior written requests and proof of holding and identity to the satisfaction of the Trustee, during normal business hours (being between 9:00 a.m. to 3:00 p.m. from Monday to Friday (Hong Kong time) (other than public holidays)) at the corporate trust office of the Trustee being at the date hereof at 40/F, Champion Tower, Three Garden Road, Central, Hong Kong.

(8) **Consolidated Subsidiaries:** We are required to consolidate the financial results of any subsidiary of which the total number of outstanding shares held by us exceeds 50% or over which we can exercise control. Our historical annual and quarterly financial statements have been prepared on a consolidated basis.

(9) **Clearing Systems:** The Bonds have been accepted for clearance through the facilities of Euroclear and Clearstream. The ISIN for the Bonds is XS3253754934 and the Common Code is 325375493.

(10) **Other Information:** Under the laws and regulations of the ROC, we were required to file an application for approval of issuance of the Bonds with the CBC and the FSC. The CBC issued its approval on December 15, 2025 and the FSC issued its approvals on January 2, 2026, March 30, 2026 and April 22, 2026, respectively.

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[1] The audited consolidated financial statements set out herein have been reproduced from our audited consolidated financial statements for the years ended December 31, 2023 and 2024 and page references are referred to pages set forth in the relevant annual financial reports. The audited consolidated financial statements have not been specifically prepared for inclusion in this Offering Memorandum.

[2] The audited consolidated financial statements set out herein have been reproduced from our audited consolidated financial statements for the years ended December 31, 2024 and 2025 and page references are referred to pages set forth in the relevant annual financial reports. The audited consolidated financial statements have not been specifically prepared for inclusion in this Offering Memorandum.

[3] The unaudited consolidated interim financial statements has been reproduced form our unaudited consolidated interim financial statements as of and for the three months ended March 31, 2025 and 2026 and page references to pages set forth in the relevant interim financial reports. The unaudited consolidated interim financial statements have not been specifically prepared for inclusion in this Offering Memorandum.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

DECEMBER 31, 2024 AND 2023 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2024, pursuant to "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the entity that is required to be included in the consolidated financial statements of affiliates, is the same as the entity required to be included in the consolidated financial statements of parent and subsidiary companies under IFRS 10. Additionally, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

GIGA-BYTE TECHNOLOGY CO., LTD.

Dandy Yeh

March 14, 2025

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

We have audited the accompanying consolidated balance sheets of Giga-Byte Technology Co., Ltd. and subsidiaries (the "Group") as at December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2024 consolidated financial statements. 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 2024 consolidated financial statements are stated as follows:

Occurrence of revenue from significant new counterparties

Description

Please refer to Note 4(34) for accounting policies on operating revenue and Note 6(21) for details of operating revenue.

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

How our audit addressed the matter

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

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

4. Interviewed with management and obtained an understanding for the reason of accounts receivable overdue from significant new counterparties in order to evaluate the reasonableness.

5. Sampled and tested detailed revenue schedules of significant new counterparties and verified the original supporting documentation.

6. Sent accounts receivable confirmation letters to significant new counterparties. Investigated the reason and tested reconciling items made by the Group if the result in confirmation reply did not correspond to records, or tested collections after the balance sheet date if no confirmation reply was received.

Assessment of allowance for valuation of inventory loss

Description

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

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

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

How our audit addressed the matter

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

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

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

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion with *Other matter* paragraph on the parent company only financial statements of Giga-Byte Technology Co., Ltd. as at and for the years ended December 31, 2024 and 2023.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

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

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

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

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

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

Hsiao, Chun-Yuan　　Lin, Se-Kai

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2025

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

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

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

	Assets	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 21,499,095	19	$ 23,166,075	28
1110	Financial assets at fair value through profit or loss-current	6(2)	724,931	1	451,810	1
1136	Financial assets at amortized cost-current	6(3)	1,337,084	1	753,336	1
1150	Notes receivable, net	6(4)	4,668	-	3,941	-
1170	Accounts receivable, net	6(4)	28,546,444	26	16,016,209	20
1200	Other receivables		1,792,160	2	738,720	1
130X	Inventories, net	6(5)	43,809,525	39	29,664,354	36
1410	Prepayments		2,763,060	2	2,011,553	2
1470	Other current assets		8,836	-	268,906	-
11XX	**Total current assets**		100,485,803	90	73,074,904	89
	Non-current assets					
1510	Financial assets at fair value through profit or loss-non-current	6(2)	147,679	-	75,000	-
1517	Financial assets at fair value through other comprehensive income-non-current	6(6)	1,605,274	2	1,906,413	3
1535	Financial assets at amortized cost-non-current	6(3) and 8	210,225	-	142,931	-
1550	Investments accounted for using equity method	6(7)	747,686	1	515,538	1
1600	Property, plant and equipment, net	6(8)	6,426,692	6	4,820,456	6
1755	Right-of-use assets	6(9)	224,285	-	189,132	-
1760	Investment property, net	6(11)	27,053	-	33,389	-
1780	Intangible assets		193,660	-	169,857	-
1840	Deferred income tax assets	6(28)	989,773	1	1,032,612	1
1900	Other non-current assets		228,778	-	190,188	-
15XX	**Total non-current assets**		10,801,105	10	9,075,516	11
1XXX	**Total assets**		$ 111,286,908	100	$ 82,150,420	100

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

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(12)	$ 2,000,000	2	$ -	-
2120	Financial liabilities at fair value through profit or loss-current	6(2)	2,216	-	-	-
2130	Contract liabilities-current	6(21)	4,534,401	4	4,355,872	5
2150	Notes payable		24,642	-	12,741	-
2170	Accounts payable		17,766,216	16	20,698,047	25
2200	Other payables	6(13)	9,393,787	8	7,145,576	9
2230	Current income tax liabilities		1,866,521	2	1,080,707	1
2250	Provisions for liabilities-current	6(14)	812,365	1	826,369	1
2280	Lease liabilities-current		88,975	-	79,509	-
2300	Other current liabilities		560,913	1	400,446	1
21XX	**Total current liabilities**		37,050,036	34	34,599,267	42
	Non-current liabilities					
2530	Bonds payable	6(15)	18,403,329	17	8,920,465	11
2570	Deferred income tax liabilities	6(28)	172,029	-	55,803	-
2580	Lease liabilities-non-current		107,686	-	79,963	-
2600	Other non-current liabilities	6(16)	473,237	-	560,761	1
25XX	**Total non-current liabilities**		19,156,281	17	9,616,992	12
2XXX	**Total liabilities**		56,206,317	51	44,216,259	54
	Equity attributable to owners of the parent					
	Capital stock	6(18)				
3110	Common stock		6,698,889	6	6,356,889	8
	Capital surplus	6(19)				
3200	Capital surplus		14,011,469	13	3,898,998	5
	Retained earnings	6(20)				
3310	Legal reserve		7,480,218	7	7,006,565	9
3320	Special reserve		426,354	-	426,354	-
3350	Unappropriated retained earnings		24,615,353	22	19,535,057	24
	Other equity interest					
3400	Other equity interest		450,866	-	248,947	-
31XX	**Total equity attributable to owners of the parent**		53,683,149	48	37,472,810	46
36XX	**Non-controlling interests**		1,397,442	1	461,351	-
3XXX	**Total equity**		55,080,591	49	37,934,161	46
3X2X	**Total liabilities and equity**		$ 111,286,908	100	$ 82,150,420	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
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Year ended December 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(21)	$ 265,148,779	100	$ 136,773,409	100
5000	Operating costs	6(5)(26)(27)	(237,056,292)	(89)	(120,197,968)	(88)
5900	Gross profit		28,092,487	11	16,575,441	12
	Operating expenses	6(26)(27)				
6100	Selling expenses		(7,121,523)	(3)	(5,874,500)	(4)
6200	General and administrative expenses		(3,965,519)	(1)	(2,970,764)	(2)
6300	Research and development expenses		(4,127,573)	(2)	(2,747,327)	(2)
6450	Expected credit loss	6(26) and 12(2)	(101,323)	-	(87,675)	-
6000	Total operating expenses		(15,315,938)	(6)	(11,680,266)	(8)
6900	Operating profit		12,776,549	5	4,895,175	4
	Non-operating revenue and expenses					
7100	Interest income	6(22)	645,171	-	422,575	-
7010	Other income	6(23)	986,200	-	814,781	1
7020	Other gains and losses	6(24)	(301,715)	-	62,781	-
7050	Finance costs	6(25)	(518,268)	-	(84,097)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using the equity method	6(7)	9,934	-	(6,594)	-
7000	Total non-operating revenue and expenses		821,322	-	1,209,446	1
7900	**Profit before income tax**		13,597,871	5	6,104,621	5
7950	Income tax expense	6(28)	(2,842,723)	(1)	(1,323,536)	(1)
8200	**Profit for the year**		$ 10,755,148	4	$ 4,781,085	4

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Year ended December 31 2024 AMOUNT	%	2023 AMOUNT	%
	Other comprehensive income, net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6(16)	$ 30,656	-	($ 8,063)	-
8316	Unrealised (loss) gain on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(6)	(302,775)	-	268,615	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(28)	(6,131)	-	1,613	-
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		(278,250)	-	262,165	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		504,562	-	(142,070)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		504,562	-	(142,070)	-
8300	**Other comprehensive income, net**		$ 226,312	-	$ 120,095	-
8500	**Total comprehensive income for the year**		$ 10,981,460	4	$ 4,901,180	4
	Profit attributable to:					
8610	Owners of the parent		$ 9,788,540	4	$ 4,742,979	4
8620	Non-controlling interest		966,608	-	38,106	-
	Total		$ 10,755,148	4	$ 4,781,085	4
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 10,014,984	4	$ 4,863,074	4
8720	Non-controlling interest		966,476	-	38,106	-
	Total		$ 10,981,460	4	$ 4,901,180	4
9750	Basic earnings per share	6(29)	$	15.03	$	7.46
9850	Diluted earnings per share	6(29)	$	14.46	$	7.40

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
				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 or loss on valuation of financial assets at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
Year 2023											
Balance at January 1, 2023		$ 6,356,889	$ 3,281,465	$ 6,346,126	$ 426,354	$ 19,400,238	($ 469,031)	$ 591,433	$ 35,933,474	$ 11,446	$ 35,944,920
Profit for the year		-	-	-	-	4,742,979	-	-	4,742,979	38,106	4,781,085
Other comprehensive (loss) income for the year		-	-	-	-	(6,450)	(142,070)	268,615	120,095	-	120,095
Total comprehensive income (loss)		-	-	-	-	4,736,529	(142,070)	268,615	4,863,074	38,106	4,901,180
Appropriations of 2022 earnings:	6(20)										
Legal reserve		-	-	660,439	-	(660,439)	-	-	-	-	-
Cash dividends		-	-	-	-	(3,941,271)	-	-	(3,941,271)	-	(3,941,271)
Change in equity of associates accounted for using equity method	6(7)	-	(392)	-	-	-	-	-	(392)	-	(392)
Changes in ownership interests in subsidiaries	6(30)	-	167,801	-	-	-	-	-	167,801	411,799	579,600
Due to recognition of equity component of convertible bonds issued	6(15)	-	449,693	-	-	-	-	-	449,693	-	449,693
Past due expired dividends		-	431	-	-	-	-	-	431	-	431
Balance at December 31, 2023		$ 6,356,889	$ 3,898,998	$ 7,006,565	$ 426,354	$ 19,535,057	($ 611,101)	$ 860,048	$ 37,472,810	$ 461,351	$ 37,934,161
Year 2024											
Balance at January 1, 2024		$ 6,356,889	$ 3,898,998	$ 7,006,565	$ 426,354	$ 19,535,057	($ 611,101)	$ 860,048	$ 37,472,810	$ 461,351	$ 37,934,161
Profit for the year		-	-	-	-	9,788,540	-	-	9,788,540	966,608	10,755,148
Other comprehensive income (loss) for the year		-	-	-	-	24,525	504,694	(302,775)	226,444	(132)	226,312
Total comprehensive income (loss)		-	-	-	-	9,813,065	504,694	(302,775)	10,014,984	966,476	10,981,460
Appropriations of 2023 earnings:	6(20)										
Legal reserve		-	-	473,653	-	(473,653)	-	-	-	-	-
Cash dividends		-	-	-	-	(4,259,116)	-	-	(4,259,116)	-	(4,259,116)
Cash capital increase – issuance of global depositary receipts	6(18)	342,000	9,478,164	-	-	-	-	-	9,820,164	-	9,820,164
Change in equity of associates accounted for using equity method	6(7)	-	12,260	-	-	-	-	-	12,260	1,254	13,514
Changes in ownership interests in subsidiaries	6(30)	-	94,792	-	-	-	-	-	94,792	48,313	143,105
Due to recognition of equity component of convertible bonds issued	6(15)	-	526,862	-	-	-	-	-	526,862	-	526,862
Past due expired dividends		-	393	-	-	-	-	-	393	-	393
Cash dividends paid from subsidiary to non-controlling interest		-	-	-	-	-	-	-	-	(79,900)	(79,900)
Change in non-controlling interests		-	-	-	-	-	-	-	-	(52)	(52)
Balance at December 31, 2024		$ 6,698,889	$ 14,011,469	$ 7,480,218	$ 426,354	$ 24,615,353	($ 106,407)	$ 557,273	$ 53,683,149	$ 1,397,442	$ 55,080,591

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

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

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 13,597,871	$ 6,104,621
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(26)	647,439	660,033
Depreciation charge on investment property	6(11)	4,705	4,635
Amortization	6(26)	149,994	124,419
Gain from lease modification	6(9)(24)	(11)	(80)
Expected credit loss	6(26) and 12(2)	101,323	87,675
Gain on valuation of financial assets at fair value through profit or loss	6(24)	(90,862)	(16,800)
Share of (profit) loss of associates and joint ventures accounted for using equity method	6(7)	(9,934)	6,594
Loss on disposal of property, plant and equipment	6(24)	6,664	6,350
Interest income	6(22)	(645,171)	(422,575)
Interest expense	6(25)	518,268	84,097
Dividends income	6(23)	(59,593)	(58,479)
Share-based payments	6(17)	112,865	387,840
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss		(252,722)	17,985
Notes receivable		(727)	34
Accounts receivable		(12,648,450)	(1,975,962)
Other receivables		(1,059,189)	(498,796)
Inventories		(14,145,171)	(7,887,109)
Prepayments		(751,507)	(1,051,108)
Other current assets		260,070	(4,255)
Changes in operating liabilities			
Contract liabilities		178,529	1,567,821
Notes payable		11,901	1,177
Accounts payable		(2,931,831)	6,713,163
Other payables		2,210,678	(312,990)
Provisions for liabilities		(14,004)	8,104
Other current liabilities		160,467	207,203
Other non-current liabilities		(97,640)	(50,715)
Cash (outflow) inflow generated from operations		(14,746,038)	3,702,882
Interest received		650,920	417,314
Dividend received		64,114	63,000
Interest paid		(247,214)	(5,125)
Income tax paid		(1,903,975)	(1,913,214)
Net cash flows (used in) from operating activities		(16,182,193)	2,264,857

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

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortized cost		($ 969,986)	($ 1,809,386)
Proceeds from disposal of financial assets at amortized cost		318,944	1,791,294
Acquisition of investments accounted for using equity method	6(7)	(210,000)	-
Acquisition of property, plant and equipment	6(31)	(1,964,291)	(416,736)
Proceeds from disposal of property, plant and equipment		5,223	7,499
Acquisition of intangible assets		(173,434)	(165,426)
Increase in refundable deposits		(13,823)	(26,957)
Decrease in refundable deposits		14,972	28,532
Increase in other non-current assets		(84,210)	(83,804)
Net cash flows used in investing activities		(3,076,605)	(674,984)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(32)	95,016,365	-
Decrease in short-term borrowings	6(32)	(93,016,365)	-
Proceeds from issuing bonds	6(32)	9,738,672	9,291,186
Increase in guarantee deposits received	6(32)	325,483	9,610
Decrease in guarantee deposits received	6(32)	(284,711)	(1,466)
Payments of lease liabilities	6(32)	(100,692)	(94,352)
Cash dividends	6(20)	(4,259,116)	(3,941,271)
Cash dividends paid from subsidiary to non-controlling interest		(79,900)	-
Cash capital increase – issuance of global depositary receipts	6(18)	9,820,164	-
Exercise of employee share options	6(30)	30,240	191,760
Change in non-controlling interest		(52)	-
Past due expired unpaid dividends for shareholders		393	431
Net cash flows from financing activities		17,190,481	5,455,898
Effects of change in exchange rates on foreign currency holdings		401,337	(145,206)
Net (decrease) increase in cash and cash equivalents		(1,666,980)	6,900,565
Cash and cash equivalents at beginning of year		23,166,075	16,265,510
Cash and cash equivalents at end of year		$ 21,499,095	$ 23,166,075

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

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

1. HISTORY AND ORGANISATION

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

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

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

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

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

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

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

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

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

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

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

IFRS 18, 'Presentation and disclosure in financial statements'

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1)Compliance statement

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

(2)Basis of preparation

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

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3)Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main business activities	Ownership(%) December 31, 2024	Ownership(%) December 31, 2023	Description
The Company	Freedom International Group Ltd.	Holding company	100.00	100.00	
〃	G.B.T., Inc.	Sales of computer information products	22.64	22.64	
〃	G.B.T. Technology Trading GmbH	Promotion of computer information products	100.00	100.00	
〃	Nippon Giga-Byte Corp.	Promotion of computer information products	100.00	100.00	
〃	GBT Tech. Co., Ltd.	Promotion of computer information products	100.00	100.00	
〃	Giga-Byte Technology B.V.	Sales of computer information products	100.00	100.00	
〃	Gigabyte Technology Pty. Ltd.	Promotion of computer information products	100.00	100.00	
〃	Giga Investment Corp.	Holding company	100.00	100.00	
〃	Gigabyte Technology (India) Private Limited	Promotion and repairing of computer information products	100.00	100.00	
〃	G-Style Co., Ltd.	Selling of notebooks	100.00	100.00	
〃	BYTE International Co., Ltd.	Repairing of computer information products	100.00	100.00	
〃	Giga-Byte Communications Inc.	Selling of communications	-	99.86	Note 1
〃	Gigabyte Technology ESPANA S.L.U.	Promotion of computer information products	100.00	100.00	
〃	Gigabyte Information Technology Commerce Limited Company	Promotion of computer information products	100.00	100.00	
〃	Gigabyte Technology LLC	Promotion of computer information products	100.00	100.00	
〃	Giga Computing Technology Co., Ltd.	Selling of computer information products	83.93	83.93	
Freedom International Group Ltd.	Charleston Investments Limited	Holding company	100.00	100.00	
〃	Giga Future Limited	Holding company	100.00	100.00	

Investor	Subsidiary	Main business activities	Ownership(%) December 31, 2024	Ownership(%) December 31, 2023	Description
Freedom International Group Ltd.	G.B.T. Inc.	Sales of computer information products	77.36	77.36	
G.B.T., Inc.	Gigabyte Canada, Inc.	Promotion of computer information products	100.00	100.00	
G.B.T. Technology Trading GmbH	Gigabyte Technology Poland SP Z O.O.	Promotion and repairing of computer information products	-	100.00	Note 2
Charleston Investments Limited	Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of computer information products	100.00	100.00	
〃	Ningbo Boxinda Trading Co., Ltd.	Sales of computer information products	100.00	100.00	
Giga Future Limited	Ningbo Giga-Byte Technology Co., Ltd.	Manufacturing of computer information products	100.00	100.00	
Ningbo Boxinda Trading Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	100.00	100.00	
〃	Popxing Technology & Trading Co., Limited	Sales of computer information products	100.00	-	Note 3
Giga Investment Corp.	Giga-Trend International Investment Group Ltd.	Holding company	100.00	100.00	
〃	Selita Precision Co., Ltd.	Manufacturing of bicycle and parts	100.00	100.00	
〃	Senyun Precise Optical Co., Ltd	Manufacturing and selling of mold and industrial plastic products	96.41	96.41	
〃	Cloudmatrix Co., Ltd.	E-commerce platform	100.00	100.00	
Senyun Precise Optical Co., Ltd	Dongguan Senyun Precise Optical Co., Ltd	Selling of mold and industrial plastic products	100.00	100.00	
BYTE International Co., Ltd.	Ningbo BestYield Tech. Services Co., Ltd.	Repairing of computer information products	100.00	100.00	
〃	Aorus Pte. Ltd.	Promotion of computer information products	100.00	100.00	
〃	Gigabyte Technology Poland SP Z O.O.	Promotion and repairing of computer information products	100.00	-	Note 2
Ningbo BestYield Tech. Services Co., Ltd.	Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	100.00	100.00	
〃	OGS Europe B.V.	Selling of communication products	100.00	100.00	
Giga Computing Technology Co., Ltd.	GIGAIPC CO., LTD.	Sales of computer information products	83.33	100.00	Note 4
〃	Giga Computing Technology Inc.	Sales of computer information products	100.00	-	Note 3

Note 1: On August 14, 2024, the Board of Directors resolved that the Company acquire the remaining 0.14% of equity for $52 from other shareholders of the subsidiary, Giga-Byte Communications Inc., through a merger, with the Company as the surviving entity. The effective date was set on September 30, 2024.

Note 2: BYTE International Co., Ltd acquired 100% shares interest of Gigabyte Technology Poland SP Z O.O. from subsidiary G.B.T. Technology Trading GmbH for a cash consideration of PLN $377,687 in March 22, 2024.

Note 3: The company was newly established in 2024.

Note 4: On April 18, 2024, GIGAIPC CO., LTD. issued employee stock options, resulting in the Giga Computing Technology Co., Ltd.'s shareholding ratio in the investee decreasing to 83.33% and the Group's shareholding ratio in the investee decreasing to 69.94%, please refer to Notes 6(17) and 6(30).

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: Not applicable.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

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

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

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

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognized in other comprehensive income.

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

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

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realized within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6) Cash equivalents

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

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using settlement date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:

(a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using settlement date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:

(a) The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognized in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

(9) Financial assets at amortized cost

A. Financial assets at amortized cost are those that meet all of the following criteria:

(a) The objective of the Group's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using settlement date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

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

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

(11) Impairment of financial assets

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

(12) Derecognition of financial assets

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

(13) Leasing arrangements (lessor)－operating leases

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

(14) Inventories

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

(15) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity that are not recognized in profit or loss or other comprehensive income of the associate and such changes not affecting the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

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

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

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

(17) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3～55 years
Machinery and equipment	2～10 years
Research and development equipment	3～ 6 years
Office equipment	3～ 15 years
Other tangible operating assets	1～12 years

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

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

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

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

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

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

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

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

(19) Investment property

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

(20) Intangible assets

A. Computer software

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

B. Trademark right (indefinite useful life)

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

(21) Impairment of non-financial assets

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

B. The recoverable amounts of intangible assets with an indefinite useful life are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(22) Borrowings

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

(23) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

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

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

A.Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B.At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(25) Convertible bonds payable

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

(a) Whether the embedded call options and put options shall be separated as embedded derivative depends on if its' economic characteristics and risks are closely related to the economic characteristics and risks of the host contract, when recognized initially. When the economic characteristics and risks of the embedded call options and put options are closely related to the economic characteristics and risks of the host contract, the multiple embedded derivatives shall be accounted for in accordance with the appropriate standards according to its nature. When the economic characteristics and risks of the embedded call options and put options are not closely related to the economic characteristics and risks of the host contract. Embedded derivatives are separated from the host contract, the host contract shall be accounted for in accordance with the appropriate standards according to its nature.

(b) The host contracts of bonds are initially recognized at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortized in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

(c) The embedded conversion options which meet the definition of an equity instrument are initially recognized in 'capital surplus—share options' at the residual amount of total issue price less the amount of bonds payable as stated above. Conversion options are not subsequently remeasured.

(d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

(e) When bondholders exercise conversion options, the liability component of the bonds (bonds payable) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and 'capital surplus—share options'.

(26) Derecognition of financial liabilities

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

(27) Non-hedging derivatives

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

(28) Provisions

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

(29) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurement arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognized immediately in profit or loss.

C. Termination benefits

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

D. Employees' compensation and directors' remuneration

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

(30) Employee share-based payment

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

(31) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or losss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(32) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(33) Dividends

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

(34) Revenue recognition

Sales of goods

A. The Group manufactures and sells computer peripheral and component parts products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue from sales is recognized based on the price specified in the contract, net of the estimated business tax, volume discounts, sales returns and allowances. Accumulated experience is used to estimate and provide for the volume discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

C. The Group's obligation to provide a repair for faulty products under the standard warranty terms is recognized as a provision.

D. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(35) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

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

(36) Operating segments

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

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

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

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

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

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and petty cash	$ 11,431	$ 13,425
Checking accounts and demand deposits	15,488,831	13,131,314
Time deposits	5,998,833	10,021,336
	$ 21,499,095	$ 23,166,075

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

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

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

Financial assets mandatorily measured at fair value through profit or loss	December 31, 2024	December 31, 2023
Current items:		
Listed stocks	$ 39,227	$ 67,130
Emerging stocks	54,313	43,913
Unlisted stocks	235,751	179,537
Beneficiary certificates	129,825	154,941
Debt instrumants	194,601	-
	653,717	445,521
Valuation adjustment	71,214	6,289
	724,931	451,810
Non-current items:		
Beneficiary certificates	150,000	75,000
Valuation adjustment	(2,321)	-
	147,679	75,000
	$ 872,610	$ 526,810
Financial liabilities held for trading		
Derivative instruments	$ 2,216	$ -

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

	Years ended December 31,	
	2024	2023
Financial assets mandatorily measured at fair value through profit or loss		
Equity intruments	$ 94,685	($ 3,112)
Beneficiary certificates	(1,920)	23,040
Debt instruments	8,831	1,069
Financial liabilities held for trading		
Derivative instruments	(1,686)	-
	$ 99,910	$ 20,997

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

	December 31, 2024	
Derivative financial instruments	Contract amount (Notional principal)(in thousand)	Contract period
Forward exchange contracts – Sell USD, Buy NTD	USD 5,000	2024/11～2025/2

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

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

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

(3) Financial assets at amortized cost

	December 31, 2024	December 31, 2023
Current items:		
Time deposits with more than three months maturity	$ 1,337,084	$ 753,336
Non-current items:		
Pledged bank deposits	$ 210,225	$ 142,931

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

	Years ended December 31,	
	2024	2023
Interest income	$ 19,852	$ 23,201

B. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was $1,547,309 and $896,267, respectively.

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

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

(4) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 4,668	$ 3,941
Accounts receivable	$ 29,050,129	$ 16,401,679
Less: Allowance for uncollectible accounts	(503,685)	(385,470)
	$ 28,546,444	$ 16,016,209

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

B. As of December 31, 2024 and 2023, and January 1, 2023, the balances of receivable (including notes receivable) from contracts with customers amounted to $29,054,797, $16,405,620 and $14,429,692, respectively.

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

D. As at December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable were $4,668, $3,941, $28,546,444 and $16,016,209, respectively.

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

(5) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 16,956,407	($ 689,512)	$ 16,266,895
Work in progress	6,181,192	(25,021)	6,156,171
Finished goods and merchandise inventories	22,252,312	(865,853)	21,386,459
	$ 45,389,911	($ 1,580,386)	$ 43,809,525

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

The cost of inventories recognized as expense for the year:

	Years ended December 31,	
	2024	2023
Cost of inventories sold	$ 234,959,974	$ 118,965,719
Cost of warranty	1,892,141	1,715,799
Loss on (gain on reversal of) valuation	204,177	(483,550)
	$ 237,056,292	$ 120,197,968

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

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

	December 31, 2024	December 31, 2023
Debt instruments		
Listed stocks	$ 936,387	$ 936,387
Unlisted stocks	112,206	110,570
	1,048,593	1,046,957
Valuation adjustment	556,681	859,456
	$ 1,605,274	$ 1,906,413

A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $1,605,274 and $1,906,413 as of December 31, 2024 and 2023, respectively.

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

	Years ended December 31,	
	2024	2023
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	($ 302,775)	$ 268,615
Dividend income recognized in profit or loss held at end of year	$ 50,525	$ 55,022

C. As of December 31, 2024 and 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was $1,605,274 and $1,906,413, respectively.

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

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

(7) Investments accounted for using the equity method

	2024	2023
At January 1	$ 515,538	$ 528,720
Increase in investments accounted for using equity method	210,000	-
Share of gain (loss) of investments accounted for using equity method	9,934	(6,594)
Earnings distribution of investments accounted for using equity method	(4,521)	(4,521)
Changes in capital surplus	13,514	(392)
Changes in other equity items	3,221	(1,675)
At December 31	$ 747,686	$ 515,538

	December 31, 2024	December 31, 2023
Associates		
Wellysun Inc.	$ 462,702	$ 451,584
We Solutions Techology Co., Ltd.	221,740	-
Joint ventures		
MyelinTek Inc.	57,329	53,357
Da Shiang Technology Co., Ltd.	5,915	10,597
	$ 747,686	$ 515,538

A. Abovementioned investments accounted for using equity method are based on investee companies' financial statements audited by other independent auditors.

B. In October, 2024, Wellysun Inc. conducted a cash capital increase, and the Group did not participate in the subscription, resulting in the group's shareholding ratio decreasing to 26.43%. The Group is the single largest shareholder of the investee. Given that 8 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.

C. On August 13, 2024, the Group invested $210,000 in We Solutions Techology Co., Ltd., and the shareholding ratio was 21.5%. In October 2024, We Solutions Techology Co., Ltd. conducted a cash capital increase, and the Group did not participate in the subscription, resulting in the Group's shareholding ratio decreasing to 21.15%.

D. The Group has no material associates and joint venture investment. The Group's share of the operating results of the aforementioned investments are summarized below:

	Year ended December 31,	
	2024	2023
Profit (loss) for the year from continuing operations	$ 9,934	($ 6,594)
Other comprehensive income (loss), net of tax	3,221	(1,675)
Total comprehensive income (loss)	$ 13,155	($ 8,269)

(8) Property, plant and equipment

	2024								
	Land			Buildings and structures			Machinery	Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
At January 1									
Cost	$1,501,876	$ 72,564	$1,574,440	$3,732,950	$ 40,587	$3,773,537	$3,029,054	$1,667,997	$10,045,028
Accumulated depreciation	-	-	-	(1,936,246)	(9,882)	(1,946,128)	(2,121,221)	(1,157,223)	(5,224,572)
	$1,501,876	$ 72,564	$1,574,440	$1,796,704	$ 30,705	$1,827,409	$ 907,833	$ 510,774	$ 4,820,456
At January 1	$1,501,876	$ 72,564	$1,574,440	$1,796,704	$ 30,705	$1,827,409	$ 907,833	$ 510,774	$ 4,820,456
Additions	787,237	-	787,237	929,991	-	929,991	36,204	248,403	2,001,835
Disposals	-	-	-	-	-	-	(6,216)	(5,671)	(11,887)
Reclassifications	18,880	(18,880)	-	23,806	(7,989)	15,817	16,248	12,147	44,212
Depreciation charge	-	-	-	(99,460)	(590)	(100,050)	(195,224)	(249,525)	(544,799)
Net exchange differences	29,733	-	29,733	39,692	-	39,692	25,632	21,818	116,875
At December 31	$2,337,726	$ 53,684	$2,391,410	$2,690,733	$ 22,126	$2,712,859	$ 784,477	$ 537,946	$ 6,426,692
At December 31									
Cost	$2,337,726	$ 53,684	$2,391,410	$4,761,981	$ 30,027	$4,792,008	$3,068,989	$1,776,829	$12,029,236
Accumulated depreciation	-	-	-	(2,071,248)	(7,901)	(2,079,149)	(2,284,512)	(1,238,883)	(5,602,544)
	$2,337,726	$ 53,684	$2,391,410	$2,690,733	$ 22,126	$2,712,859	$ 784,477	$ 537,946	$ 6,426,692

	2023								
	Land			Buildings and structures			Machinery	Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
At January 1									
Cost	$1,499,434	$ 72,564	$1,571,998	$3,691,516	$ 40,587	$3,732,103	$3,082,447	$1,496,957	$ 9,883,505
Accumulated depreciation	-	-	-	(1,844,661)	(9,086)	(1,853,747)	(2,000,405)	(1,082,453)	(4,936,605)
	$1,499,434	$ 72,564	$1,571,998	$1,846,855	$ 31,501	$1,878,356	$1,082,042	$ 414,504	$ 4,946,900
At January 1	$1,499,434	$ 72,564	$1,571,998	$1,846,855	$ 31,501	$1,878,356	$1,082,042	$ 414,504	$ 4,946,900
Additions	-	-	-	62,067	-	62,067	29,270	326,235	417,572
Disposals	-	-	-	(4,742)	-	(4,742)	(6,293)	(2,814)	(13,849)
Reclassifications	-	-	-	145	-	145	18,193	10,622	28,960
Depreciation charge	-	-	-	(114,113)	(796)	(114,909)	(209,860)	(240,398)	(565,167)
Net exchange differences	2,442	-	2,442	6,492	-	6,492	(5,519)	2,625	6,040
At December 31	$1,501,876	$ 72,564	$1,574,440	$1,796,704	$ 30,705	$1,827,409	$ 907,833	$ 510,774	$ 4,820,456
At December 31									
Cost	$1,501,876	$ 72,564	$1,574,440	$3,732,950	$ 40,587	$3,773,537	$3,029,054	$1,667,997	$10,045,028
Accumulated depreciation	-	-	-	(1,936,246)	(9,882)	(1,946,128)	(2,121,221)	(1,157,223)	(5,224,572)
	$1,501,876	$ 72,564	$1,574,440	$1,796,704	$ 30,705	$1,827,409	$ 907,833	$ 510,774	$ 4,820,456

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

B. The Group had no interest capitalisation for the years ended December 31, 2024 and 2023.

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

(9) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 9 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise buildings,parking spaces and business vehicles. Low-value assets comprise multifunction printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2024	December 31, 2023
	Carrying amount	Carrying amount
Land	$ 32,932	$ 33,261
Buildings	116,762	87,068
Transportation equipment	74,591	68,803
	$ 224,285	$ 189,132

	Year ended December 31,	
	2024	2023
	Depreciation charge	Depreciation charge
Land	$ 1,453	$ 1,427
Buildings	59,462	62,135
Transportation equipment	41,725	31,304
	$ 102,640	$ 94,866

D. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $139,330 and $134,631, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31,	
	2024	2023
Items affecting profit or loss		
Interest expense on lease liabilities	$ 7,495	$ 4,584
Expense on short-term lease contracts	288,108	268,312
Expense on leases of low-value assets	5,279	6,424
Gain on lease modification	11	80

F. For the years ended December 31, 2024 and 2023, the Group's total cash outflow for leases was $410,574 and $373,943, respectively.

(10) Leasing arrangements – lessor

A. The Group leases various assets including land and buildings. Rental contracts are typically made for periods of 1 and 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2024 and 2023, the Group recognized rent income in the amounts of $23,141 and $21,972, respectively, based on the operating lease agreement, which does not include variable lease payments.

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

	December 31, 2024	December 31, 2023
2024	$ -	$ 6,204
2025	14,387	2,966
2026	11,557	-
	$ 25,944	$ 9,170

(11) Investment property

	Bulidings	
	2024	2023
At January 1		
Cost	$ 102,993	$ 107,625
Accumulated depreciation	(69,604)	(70,196)
	$ 33,389	$ 37,429
At January 1	$ 33,389	$ 37,429
Reclassifications	(2,750)	-
Depreciation charge	(4,705)	(4,635)
Net exchange differences	1,119	595
At December 31	$ 27,053	$ 33,389
At December 31		
Cost	$ 104,417	$ 102,993
Accumulated depreciation	(77,364)	(69,604)
	$ 27,053	$ 33,389

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

	Years ended December 31,	
	2024	2023
Rental income from investment property	$ 11,382	$ 7,671
Direct operating expenses arising from the investment property that generated rental income in the year	$ 4,705	$ 4,635

B. The fair value of the investment property held by the Group as at December 31, 2024 and 2023 was $91,713 and $58,436, respectively, which was valuated with reference to the future rental income and the related discounted cash flows, which was categorized within Level 3 in the fair value hierarchy. Key assumptions are as follows:

	December 31, 2024	December 31, 2023
Discount rate	1.670%	2.606%

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

(12) Short-term borrowings (December 31, 2023 : None)

	December 31, 2024
Unsecured bank loans	$ 2,000,000
Credit lines	$ 66,577,736
Interest rate range	1.756%~1.800%

(13) Other payables

	December 31, 2024	December 31, 2023
Salary and bonus payable	$ 5,062,170	$ 4,115,936
Employees' compensation and directors' remuneration payable	2,153,639	925,986
Marketing fee payable	1,115,086	1,090,225
Shipping and freight-in payable	402,995	244,553
Royalties payable	70,944	83,268
Others	588,953	685,608
	$ 9,393,787	$ 7,145,576

(14) Provisions – current

	Warranty	
	2024	2023
At January 1	$ 826,369	$ 818,265
Additional provisions	1,892,141	1,715,799
Used during the year	(1,906,145)	(1,707,695)
At December 31	$ 812,365	$ 826,369

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

(15) Bonds payable

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

A. Fourth unsecured convertible bonds overseas

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

i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 23, 2024 to July 23, 2029. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 0.875% (semi-annually calculated).

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT$358.87 per share/conversion exchange rate used is USD:TWD=1:32.61), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT$350.75 per share on August 9, 2024.

iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 0.875% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.

v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.

vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

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

B. Third unsecured convertible bonds overseas

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

i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 27, 2023 to July 27, 2028. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 1% (semi-annually calculated).

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three month of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT$375 per share/conversion exchange rate used is USD:TWD=1:31.095), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT$357.87 per share on August 9, 2024.

iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.

v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.

vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

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

(16) Pensions

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

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

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

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

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 579,025)	$ 168,314	($ 410,711)
Current service cost	(2,081)	-	(2,081)
Interest (expense) income	(6,800)	1,934	(4,866)
Past service cost	221	-	221
	(587,685)	170,248	(417,437)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,887	14,887
Change in demographic assumptions	(9)	-	(9)
Change in financial assumptions	21,911	-	21,911
Experience adjustments	(6,133)	-	(6,133)
	15,769	14,887	30,656
Pension fund contribution	-	44,452	44,452
Paid pension	37,364	(21,261)	16,103
At December 31	($ 534,552)	$ 208,326	($ 326,226)

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 588,601)	$ 126,508	($ 462,093)
Current service cost	(3,864)	-	(3,864)
Interest (expense) income	(7,787)	1,619	(6,168)
Past service cost	1,850	-	1,850
Settlement profit or loss	12,198	(9,532)	2,666
	(586,204)	118,595	(467,609)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,533	2,533
Change in demographic assumptions	(12)	-	(12)
Change in financial assumptions	(8,363)	-	(8,363)
Experience adjustments	(2,221)	-	(2,221)
	(10,596)	2,533	(8,063)
Pension fund contribution	-	64,961	64,961
Paid pension	17,775	(17,775)	-
At December 31	($ 579,025)	$ 168,314	($ 410,711)

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

(d) The principal actuarial assumptions used were as follows:

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

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

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

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

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

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

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

(f) As of December 31, 2024, the weighted average duration of the retirement plan is 8 years. The analysis of timing of the future pension payment was as follows:

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

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2024 and 2023 were $129,021 and $111,502, respectively.

The Company's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentage for the years ended December 31, 2024 and 2023 was both 12%~16%. Other than the monthly contributions, the Group has no further obligations. For the years ended December 31, 2024 and 2023, the Company's mainland China subsidiaries have recognized pension cost of $112,410 and $100,281, respectively.

(17) Share-based payment

A. For the years ended December 31, 2024 and 2023, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Employee stock options- GIGAIPC CO., LTD.	2024.4.18	2,400,000 shares	2024.6.5-2024.6.21	Immediately vested
Employee stock options- Giga Computing Technology Co., Ltd.	2023.10.17	16,000,000 shares	2023.10.30-2023.11.22	Immediately vested
Employee stock options- Senyun Precise Optical Co., Ltd.	2018.1.10	1,670,000 shares	5 years	0~1 year's service

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

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

	2024	
Employee stock options – GIGAIPC CO., LTD.	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Options granted	2,400	$ 12.60
Options exercised	(2,400)	"
Options outstanding at December 31	-	

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

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

C. As of January 10, 2023, all of stock options outstanding of Senyun Precise Optical Co., Ltd have expired.

D. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Price volatility	Option life	Dividends	Interest rate	Fair value per unit
Employee stock options-GIGAIPC CO., LTD.	2024.4.18	$ 59.6	$ 12.6	30.31%	0.18 years	-	1.22%	$ 47.0272
Employee stock options-Giga Computing Technology Co., Ltd.	2023.10.17	$ 36.24	$ 12	-	-	-	-	$ 24.24
Employee stock options-Senyun Precise Optical Co., Ltd.	2018.1.10	$ 5.2	$ 10	55.00%	3 years	-	0.50%	$ 1

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

	Years ended December 31,	
	2024	2023
Equity-delivery	$ 112,865	$ 387,840

(18) Share capital

A. As of December 31, 2023, the Company's authorized capital was $9,500,000, consisting of 950,000 thousand shares of ordinary stock (including 50,000 thousand shares reserved for employee stock options, for preferred shares with warrants or for convertible bonds issued by the Company), and the paid-in capital was $6,698,889 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

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

	2024	2023
At January 1	$ 635,688,886	$ 635,688,886
Cash capital increase – issuance of global depositary receipts	34,200,000	-
At December 31	$ 669,888,886	$ 635,688,886

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

(19) Capital surplus

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

(20) Retained earnings

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

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

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

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

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

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

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

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

(21) Operating revenue

	Years ended December 31,	
	2024	2023
Revenue from contracts with customers	$ 265,148,779	$ 136,773,409

A. Disaggregation of revenue from contracts with customers

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

	Year ended December 31, 2024		
	Global brand business group	Other business group	Total
Product Types			
Computer parts	$ 82,776,488	$ -	$ 82,776,488
Networking communication products	170,415,638	-	170,415,638
Others	11,086,012	870,641	11,956,653
	$ 264,278,138	$ 870,641	$ 265,148,779

	Year ended December 31, 2023		
	Global brand business group	Other business group	Total
Product Types			
Computer parts	$ 72,243,127	$ -	$ 72,243,127
Networking communication products	52,704,117	-	52,704,117
Others	11,187,940	638,225	11,826,165
	$ 136,135,184	$ 638,225	$ 136,773,409

B. Contract liabilities

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

	December 31, 2024	December 31, 2023	January 1, 2023
Advance sales receipts	$ 4,534,401	$ 4,355,872	$ 2,788,051

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

	Year ended December 31,	
	2024	2023
Advance sales receipts	$ 4,297,042	$ 2,788,051

(22) Interest income

	Year ended December 31,	
	2024	2023
Interest income from bank deposits	$ 623,490	$ 396,472
Interest income from financial assets measured at amortized cost	19,852	23,129
Interest income from financial assets measured at fair value through profit or loss	-	740
Others	1,829	2,234
	$ 645,171	$ 422,575

(23) Other income

	Year ended December 31,	
	2024	2023
Dividend income	$ 59,593	$ 58,479
Rental revenue	23,141	21,972
Other income - others	903,466	734,330
	$ 986,200	$ 814,781

(24) Other gains and losses

	Year ended December 31,	
	2024	2023
Foreign exchange (losses) gains	($ 380,449)	$ 25,877
Gains on financial assets at fair value through profit or loss (non-derivative financial instruments)	92,528	16,800
Losses on financial assets and liabilities at fair value through profit or loss (derivative financial instruments)	(1,686)	-
Gains from lease modification	11	80
Losses on disposal of property, plant and equipment	(6,664)	(6,350)
Others	(5,455)	26,374
	($ 301,715)	$ 62,781

(25) Finance costs

	Year ended December 31,	
	2024	2023
Interest expense		
Amortization of convertible bonds discount	$ 271,054	$ 78,972
Bank borrowing	239,557	-
Interest expense on lease liabilities	7,495	4,854
Other interest expense	162	271
	$ 518,268	$ 84,097

(26) Expenses by nature

	Year ended December 31,	
	2024	2023
Cost of goods sold	$ 232,410,977	$ 116,874,375
Employee benefit expense	9,223,606	6,612,034
Warranty cost of after-sale service	1,892,141	1,715,799
Export expense	1,063,590	691,725
Transportation expenses	801,198	697,031
Depreciation and amortization	797,433	784,452
Marketing service charge	718,398	795,633
Loss on (gain on reversal of) inventory valuation	204,177	(483,550)
Expected credit loss	101,323	87,675
Other costs and expenses	5,159,387	4,103,060
	$ 252,372,230	$ 131,878,234

(27) Employee benefit expense

	Year ended December 31,	
	2024	2023
Wages and salaries	$ 8,140,317	$ 5,673,889
Labor and health insurance fees	417,048	381,043
Pension costs	248,157	217,299
Other personnel expenses	418,084	339,803
	$ 9,223,606	$ 6,612,034

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

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

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

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

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

(28) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31,	
	2024	2023
Current tax:		
Current tax on profits for the year	$ 2,639,411	$ 1,295,580
Tax on undistributed surplus earnings	22,928	87,069
Prior year income tax underestimation (overestimation)	21,179	(34,293)
Total current tax	2,683,518	1,348,356
Deferred tax:		
Origination and reversal of temporary differences	152,934	(24,687)
Effect of the exchange rate	6,271	(133)
Total deferred tax	159,205	(24,820)
Income tax expense	$ 2,842,723	$ 1,323,536

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

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

B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31,	
	2024	2023
Tax calculated based on profit before tax and statutory tax rate (Note)	$ 2,719,574	$ 1,220,924
Items disallowed by tax regulation	(143,190)	(453,574)
Tax exempt income by tax regulation	(13,238)	(38,308)
Taxable loss not recognized as deferred tax assets	13,001	10,340
Effect from investment tax credits	(118,622)	(137,983)
Prior year income tax underestimation (overestimation)	21,179	(34,293)
Tax on undistributed surplus earnings	22,928	87,069
Effect of tax from different applicable taxes within the Group	341,091	669,361
Income tax expense	$ 2,842,723	$ 1,323,536

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

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

	Year ended December 31, 2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax assets				
Provision for warranty expense	$ 165,274	($ 2,801)	$ -	$ 162,473
Loss on inventory valuation	280,859	18,325	-	299,184
Amount of allowance for bad debts that exceed the limit for tax purpose	7,606	(2,262)	-	5,344
Pension expense	55,804	(10,766)	-	45,038
Unrealized profit on intercompany sales	223,226	29,257	-	252,483
Unrealized exchange loss	139,675	(57,176)	-	82,499
Remeasurement of defined benefit obligations	14,629	-	(6,131)	8,498
Others	145,539	(11,285)	-	134,254
	$ 1,032,612	($ 36,708)	($ 6,131)	$ 989,773
Deferred tax liabilities				
Unrealized exchange gain	($ 55,803)	($ 116,226)	$ -	($ 172,029)

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

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

December 31, 2024				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Usable until year
2015	$ 298,581	$ 135,637	$ 135,637	2025
2016	344,635	267,833	267,833	2026
2017	334,931	295,407	295,407	2027
2018	285,840	284,277	284,277	2028
2019	464,762	439,788	439,788	2029
2020	357,385	350,115	350,115	2030
2021	137,022	129,945	129,945	2031
2022	194,665	184,691	184,691	2032
2023 (Note)	38,619	38,157	38,157	2033
2024 (Note)	74,235	74,235	74,235	2034
	$ 2,530,675	$ 2,200,085	$ 2,200,085	

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

Note: These amounts were based on estimates.

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

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

G. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

H. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

(a) The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD).Since Pillar Two legislation was enacted in the Netherlands, Germany, and other countries, the jurisdiction in which the entity controlled by the Group is incorporated, and will come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2024.While Pillar Two legislation was enacted in other operational regions of the Group and has not yet come into effect, it has no significant impact to the Group based on the Group's assessment.

(b) Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

(c) Due to the complexities in applying the legislation and calculating GloBE income , the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(29) Earnings per share

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 9,788,540	651,134	$ 15.03
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	4,762	
-Convertible bonds	251,227	38,412	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 10,039,767	694,308	$ 14.46

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

(30) Transactions with non-controlling interest

A. GIGAIPC CO., LTD. issued the employee share options resolved by the Board of Directors on April 18, 2024. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 13.99%. The transaction increased non-controlling interest by $48,313 and decreased the equity attributable to owners of parent by $18,073. The effect of changes in interests in GIGAIPC CO., LTD. on the equity attributable to owners of the parent for the year ended December 31, 2024 is shown below:

	December 31, 2024
Cash	$ 30,240
Capital surplus-employee share options	112,865
Increase in the carrying amount of non-controlling interest	(48,313)
Capital surplus-changes in ownship interests in subsidiaries	$ 94,792

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

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

(31) Supplemental cash flow information:

Investing activities with partial cash payments:

	Year ended December 31,	
	2024	2023
Purchase of property, plant and equipment	$ 2,001,835	$ 417,572
Add: Opening balance of payable on equipment	7,157	6,321
Less: Ending balance of payable on equipment	(44,701)	(7,157)
Cash paid during the year	$ 1,964,291	$ 416,736

(32) Changes in liabilities from financing activities

	Year ended December 31, 2024				
	Short-term borrowings	Bonds payable	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	$ -	$ 8,920,465	$ 104,873	$ 159,472	$ 9,184,810
Changes in cash flow from financing activities	2,000,000	9,738,672	40,772	(100,692)	11,678,752
Payment of interest expense on lease liabilities (Note)	-	-	-	(7,495)	(7,495)
Conversion options of convertible bonds	-	(526,862)	-	-	(526,862)
Amortization of convertible bonds discount (Note)	-	271,054	-	-	271,054
Impact of changes in foreign exchange rate	-	-	-	3,320	3,320
Changes in other non-cash items	-	-	-	142,056	142,056
At December 31	$ 2,000,000	$ 18,403,329	$ 145,645	$ 196,661	$ 20,745,635

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

Note: Listed under cash flows from operating activities.

7. RELATED PARTY TRANSACTIONS

(1) Significant related party transactions and balances

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

(2) Key management compensation

	Year ended December 31,	
	2024	2023
Salaries and other short-term employee benefits	$ 717,172	$ 452,609
Share-based payments	42,983	124,715
Post-retirement benefits	15,287	1,365
Total	$ 775,442	$ 578,689

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2024	December 31, 2023	Purpose
Pledged assets - non-current (accounted for as "Financial assets at amortized cost - non-current")			
- Demand deposits	$ 5,231	$ 5,561	Security deposit for office leasing
- Time deposits	204,994	137,370	Guarantee for the customs duties
	$ 210,225	$ 142,931	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

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

12. OTHERS

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets mandatorily measured at fair value through profit or loss	$ 872,610	$ 526,810
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	1,605,274	1,906,413
Financial assets at amortized cost		
Cash and cash equivalents	21,499,095	23,166,075
Financial assets at amortized cost	1,547,309	896,267
Notes receivable	4,668	3,941
Accounts receivable	28,546,444	16,016,209
Other receivables	1,792,160	738,720
Other financial assets	-	257,500
Guarantee deposits paid	66,393	67,542
	$ 55,933,953	$ 43,579,477
Financial liabilities		
Financial liabilities held for trading	$ 2,216	$ -
Financial liabilities at amortized cost		
Short-term borrowings	2,000,000	-
Notes payable	24,642	12,741
Accounts payable	17,766,216	20,698,047
Other payables	9,393,787	7,145,576
Bonds payable	18,403,329	8,920,465
Guarantee deposits received	145,645	104,873
Lease liabilities	196,661	159,472
	$ 47,932,496	$ 37,041,174

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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

(c) Information about derivative financial instruments that are used to hedge financial risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting forecast transactions.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 2,061,719	32.781	$ 67,585,211
RMB:NTD	430,649	4.478	1,928,446
EUR:NTD	20,399	34.132	696,259
USD:RMB	151,903	7.321	4,979,903
Non-monetary items			
USD:NTD	$ 5,913	32.781	$ 193,834
Investments accounted for using equity method			
USD:NTD	$ 312,380	32.781	$ 10,240,126
Financial liabilities			
Monetary items			
USD:NTD	$ 1,192,762	32.781	$ 39,099,931
RMB:NTD	643,153	4.478	2,880,039
USD:RMB	316,201	7.321	10,366,156

	December 31, 2023		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 1,398,620	30.735	$ 42,986,586
RMB:NTD	207,002	4.331	896,526
EUR:NTD	6,670	34.014	226,873
USD:RMB	254,624	7.096	7,825,302
Non-monetary items			
USD:NTD	$ 3,002	30.735	$ 92,266
Investments accounted for using equity method			
USD:NTD	$ 294,662	30.735	$ 9,056,432
Financial liabilities			
Monetary items			
USD:NTD	$ 1,044,032	30.735	$ 32,088,324
RMB:NTD	556,964	4.331	2,412,211
USD:RMB	244,640	7.096	7,518,466

iv. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2024 and 2023, amounted to loss of $380,449 and gain of $25,877, respectively.

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

	Year ended December 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 675,852	$ -
RMB:NTD	1%	19,284	-
EUR:NTD	1%	6,963	-
USD:RMB	1%	49,799	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 390,999	$ -
RMB:NTD	1%	28,800	-
USD:RMB	1%	103,662	-

	Year ended December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 429,866	$ -
RMB:NTD	1%	8,965	-
EUR:NTD	1%	2,269	-
USD:RMB	1%	78,253	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 320,883	$ -
RMB:NTD	1%	24,122	-
USD:RMB	1%	75,185	-

Price risk

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

ii. The Group's investments in equity securities comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, pre-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by $6,788 and $5,268, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss and beneficiary certificates. Other components of equity would have increased/decreased by $16,053 and $19,064, respectively, as a result of gains/losses on equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The domestic/overseas bond funds investment and bond products with fixed interest rate by the Group was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.

ii. For fixed interest rate bond investments held by the Group classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At December 31, 2024 and 2023, if market interest rates had been 1% higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2024 and 2023 would have been $1,938 and $0 higher/lower, respectively.

iii. The Group's main interest rate risk arises from short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings mainly bear variable interest rate. During the year ended December 31, 2024, the Group's borrowings were denominated in NTD.

iv. At December 31, 2024, if interest rates on borrowings had been 0.25% higher/lower with all other variables held constant, pre-tax profit for the year ended December 31, 2024 would have been $5,000 lower/higher. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at fair value through profit or loss.

ii. The bond fund held by the Group was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Group trades with several securities investment trust companies, credit risk is low.

iii. The Group has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Group is the total amount of all book value.

iv. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

v. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

vi. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

vii. The Group classifies customers' accounts receivable in accordance with credit rating of customer, insurance coverage and characteristics of collateral. The Group applies the simplified approach to estimate expected credit loss under the provision matrix basis.

viii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
   (i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
   (ii) The disappearance of an active market for that financial asset because of financial difficulties;
   (iii) Default or delinquency in interest or principal repayments;
   (iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

ix. The Group used the forecastability of macroeconomic growth by the International Monetary Fund to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2024 and 2023, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31 to 60 days past due
December 31, 2024			
Expected loss rate	0.96%~1.86%	0.96%~9.02%	0.96%~17.58%
Total book value	$ 19,430,816	$ 8,158,677	$ 823,635
Loss allowance	$ 59,138	$ 100,119	$ 28,154

	61 to 90 days past due	Over 90 days	Total
Expected loss rate	0.96%~48.82%	10%~100%	
Total book value	$ 294,880	$ 342,121	$ 29,050,129
Loss allowance	$ 47,201	$ 269,073	$ 503,685

	Not past due	Up to 30 days past due	31 to 60 days past due
December 31, 2023			
Expected loss rate	0.09%~15.41%	0.09%~18.46%	0.09%~40.51%
Total book value	$ 12,899,437	$ 2,851,559	$ 423,004
Loss allowance	$ 101,666	$ 68,069	$ 82,923

	61 to 90 days past due	Over 90 days	Total
Expected loss rate	0.09%~95.22%	0.13%~100%	
Total book value	$ 41,805	$ 185,874	$ 16,401,679
Loss allowance	$ 21,625	$ 111,187	$ 385,470

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

	2024		
	Notes receivable	Accounts receivable	Total
At January 1	$ -	$ 385,470	$ 385,470
Provision for impairment	-	101,323	101,323
Write-offs	-	(1,386)	(1,386)
Effect of exchange rate changes	-	18,278	18,278
At December 31	$ -	$ 503,685	$ 503,685

	2023		
	Notes receivable	Accounts receivable	Total
At January 1	$ -	$ 299,121	$ 299,121
Provision for impairment	-	87,675	87,675
Write-offs	-	(52)	(52)
Effect of exchange rate changes	-	(1,274)	(1,274)
At December 31	$ -	$ 385,470	$ 385,470

Considering the credit insurance on accounts receivable, the abovementioned amounts were not provided with allowance for uncollectible accounts in the amounts of $314,121 and $348,681 on December 31, 2024 and 2023, respectively. For provisioned loss for the years ended December 31, 2024 and 2023, the impairment gains and losses arising from customers' contracts amounted to loss of $101,323 and loss of $87,675, respectively.

(c) Liquidity risk

i. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are invested in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

iii. The Group's undrawn borrowing facilities for floating rate short-term borrowings amounted to $64,446,094.

iv. The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the contractual undiscounted cash flows of short-term borrowings, notes payable, accounts payable, other payables and guarantee deposits received were equivalent to their carrying amounts and were expiring within one year, the amounts disclosed in the table are the contractual undiscounted cash flows of other financial liabilities:

December 31, 2024	Within 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 94,646	$ 65,155	$ 47,194	$ 206,995
Bonds payable	-	9,804,347	10,219,532	20,023,879
Derivative financial liabilities:				
Forward exchange contracts	$ 2,216	$ -	$ -	$ 2,216

December 31, 2023	Within 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 82,752	$ 52,990	$ 27,979	$ 163,721
Bonds payable	-	-	9,804,347	9,804,347

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

(3) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(11).

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

values.

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

	December 31, 2023			
		Fair value		
	Book	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 8,920,465	$ -	$ 8,896,590	$ -

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

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

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

	Level 1	Level 2	Level 3	Total
December 31, 2024				
Assets				
Recurring fair value measurements-assets				
Financial assets at fair value through profit or loss				
Equity instrument	$ 124,225	$ -	$278,497	$ 402,722
Beneficiary certificates	128,375	-	147,679	276,054
Debt instruments	-	193,834	-	193,834
Financial assets at fair value through other comprehensive income				
Equity instrument	1,519,479	-	85,795	1,605,274
	$1,772,079	$193,834	$511,971	$2,477,884
Liabilities				
Recurring fair value measurements-liabilities				
Financial assets at fair value through profit or loss				
Derivative instruments	$ -	$ 2,216	$ -	$ 2,216

	Level 1	Level 2	Level 3	Total
December 31, 2023				
Recurring fair value measurements-assets				
Financial assets at fair value through profit or loss				
Equity instrument	$ 135,504	$ -	$165,571	$ 301,075
Beneficiary certificates	150,735	-	75,000	225,735
Financial assets at fair value through other comprehensive income				
Equity instrument	1,820,927	-	85,486	1,906,413
	$2,107,166	$ -	$326,057	$2,433,223

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

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

	Listed shares	Open-end fund	Government bond and corporate bond
Market quoted price	Closing price	Net asset value	Market price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions.

v. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

vi. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

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

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

F. The following chart is the movement of the equity instruments and the beneficiary certificates catagorised within Level 3 for the years ended December 31, 2024 and 2023:

	Years ended December 31,	
	2024	2023
At January 1	$ 326,057	$ 237,022
Gain (loss) recognized in profit or loss	39,600	(13,097)
Loss recognized in other comprehensive income	(1,327)	(2,886)
Acquired in the period	157,710	105,000
Disposed in the period	(11,705)	-
Effect of exchange rate changes	1,636	18
At December 31	$ 511,971	$ 326,057

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

H. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	$ 280,590	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the discount for lack of marketability, the lower the fair value
Venture capital shares	$ 231,381	Net asset value	Not applicable	Not applicable
Private equity fund investment				

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	$ 167,664	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the discount for lack of marketability, the lower the fair value
Venture capital shares	$ 158,393	Net asset value	Not applicable	Not applicable
Private equity fund investment				

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Price-to-book ratio	±1%	$ 2,785	($ 2,785)	$ 21	($ 21)

			December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Price-to-book ratio	±1%	$ 1,656	($ 1,656)	$ 21	($ 21)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

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

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

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

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

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

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

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

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

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

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

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

(4) Major shareholders information

Major shareholders information: Please refer to table 11.

14. SEGMENT INFORMATION

(1) General information

The Group management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group's operating segments are segregated into the global brand business group and other business group based on the revenues from all sources.

Global brand business group: in-charge of the development and sale of main boards, interface cards, network & communication products, notebooks and computer peripherals.

Other business group: in-charge of the development and sale of product maintenance, automotive electronics and other products.

The Group's company organisation, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(2) Measurement of segment information

The Board of Directors assesses the performance of the operating segments based on the operating income.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Year ended December 31, 2024		
	Global brand business group	Other business group	Total
Total segment revenue	$ 264,278,138	$ 870,641	$ 265,148,779
Operating income	$ 12,054,956	$ 721,593	$ 12,776,549
Depreciation and amortization	$ 281,632	$ 515,801	$ 797,433
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

	Year ended December 31, 2023		
	Global brand business group	Other business group	Total
Total segment revenue	$ 136,135,184	$ 638,225	$ 136,773,409
Operating income	$ 4,543,511	$ 351,664	$ 4,895,175
Depreciation and amortization	$ 265,818	$ 518,634	$ 784,452
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

Note: As the Group's assets and liabilities are not the measurement items used by the Chief Operating Decision-Maker in evaluating segments, the measurement amount of the assets and liabilities that shall be disclosed is zero.

(4) Reconciliation for segment income (loss)

The revenue from external parties and segment profit (loss) reported to the Chief Operating Decision-Maker are measured in a manner consistent with those in the statement of pre-tax income. Therefore, such reconciliation is not required.

(5) Information on products and services

The revenue from external parties was derived primarily from the development and sale of interface cards, main boards, notebooks, computer peripherals, network & communication products and cell phones.

Details of revenue is as follows:

	Years ended December 31,	
Items	2024	2023
Computer components	$ 82,776,488	$ 72,243,127
Networking communication products	170,415,638	52,704,117
Others	11,956,653	11,826,165
	$ 265,148,779	$ 136,773,409

(6) Geographical information

Geographical information for the years ended December 31, 2024 and 2023 is as follows:

A. Revenue by geographic area:

	Years ended December 31,	
	2024	2023
Europe	$ 78,941,530	$ 36,996,526
Singapore	70,808,453	$ 1,048,006
USA and Canada	54,158,248	54,460,541
China	24,907,577	19,479,683
Taiwan	6,736,341	2,756,623
Others	29,596,630	22,032,030
	$ 265,148,779	$ 136,773,409

B. Non-current assets:

	Years ended December 31,	
	2024	2023
Taiwan	$ 3,296,383	$ 3,014,581
USA	1,968,673	$ 703,100
China	913,572	980,602
Others	921,840	704,739
	$ 7,100,468	$ 5,403,022

(7) Major customer information

Major customer information of the Group for the years ended December 31, 2024 and 2023 are as follows:

	Years ended December 31,	
	2024	2023
	Revenue	Revenue
Customer B	$ 45,431,914	$ 6,454,697
Customer A	7,301,442	23,533,102
	$ 52,733,356	$ 29,987,799

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

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

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

(1) The Company number is 0.

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

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

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

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

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

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

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

(1) Having business relationship.

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

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2024				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Giga-Byte Technology Co., Ltd.	Debt instruments-DEUTSCHE BANK AG etc.	None	Financial assets at fair value through profit or loss-current	Omitted	$ 194,601	-	$ 193,834	
			Valuation adjustment of financial assets at fair value through profit or loss		(767)			
					$ 193,834			
Giga-Trend International Investment Group Ltd.	Listed stocks - Gudeng Equipment Co., LTD. etc.	None	Financial assets at fair value through profit or loss-current	Omitted	$ 39,227	0.02%~0.16%	$ 47,984	
			Valuation adjustment of financial assets at fair value through profit or loss		8,757			
					$ 47,984			
	Emerging stocks - Lianyou Metals Co., Ltd. etc.	〃	Financial assets at fair value through profit or loss-current	Omitted	$ 54,313	0.01%~1.21%	$ 76,241	
			Valuation adjustment of financial assets at fair value through profit or loss		21,928			
					$ 76,241			
	Unlisted stocks - Castec International Crop. etc.	〃	Financial assets at fair value through profit or loss-current	Omitted	$ 157,972	-	$ 150,103	
			Valuation adjustment of financial assets at fair value through profit or loss		(7,869)			
					$ 150,103			
	Beneficiary certificates - Cathay U.S. Treasury 20+ Year Bond ETF etc.	〃	Financial assets at fair value through profit or loss-current	Omitted	$ 99,825	-	$ 96,381	
			Valuation adjustment of financial assets at fair value through profit or loss		(3,444)			
					$ 96,381			
Giga Investments Corp.	Unlisted stocks - Taiwan Truewin Technology Co., Ltd. etc.	None	Financial assets at fair value through profit or loss-current	Omitted	$ 77,779	1.86%~13.01%	$ 128,394	
			Valuation adjustment of financial assets at fair value through profit or loss		50,615			
					$ 128,394			
	Beneficiary certificates - Yuanta Japan Leaders Equity Fund	〃	Financial assets at fair value through profit or loss-current	3,021,148	$ 30,000	-	$ 31,994	
			Valuation adjustment of financial assets at fair value through profit or loss		1,994			
					$ 31,994			

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Acquisition or sale of the same security with the accumulated cost reaching $300 million or 20% of paid-in capital or more

Year ended December 31, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more

Year ended December 31, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2024

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

December 31, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

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

Note 1: Including other receivables.

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant inter-company transactions during the reporting periods

Year ended December 31, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

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

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

Note 1 : Credit terms were 90 days upon receipt of goods.
Note 2 : Credit terms were 60 days after billing.
Note 3 : Credit terms were 30 days after billing.
Note 4 : Credit terms were 180 days upon receipt of goods.
Note 5 : Credit terms were 60 days upon receipt of goods.
Note 6 : Credit terms were 30 days upon receipt of goods.
Note 7 : Credit terms were 45 days upon recepit of goods.
Note 8 : Transactions listed above are amount reaching NT$100 million.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2024

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

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

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

Note: Please refer to note 4(3).

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2024

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

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

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

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

Note 3: Others.

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant transactions , either directly or indirectly through a third area, with investee companies in the Mainland Area

Year ended December 31, 2024

Table 10

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Major Shareholders Information

December 31, 2024

Table 11

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

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2025 AND 2024

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

DECEMBER 31, 2025 AND 2024 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

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GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2025, pursuant to "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the entity that is required to be included in the consolidated financial statements of affiliates, is the same as the entity required to be included in the consolidated financial statements of parent and subsidiary companies under IFRS 10. Additionally, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

GIGA-BYTE TECHNOLOGY CO., LTD.

Dandy Yeh

March 12, 2026

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

We have audited the accompanying consolidated balance sheets of Giga-Byte Technology Co., Ltd. and subsidiaries (the "Group") as at December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2025 consolidated financial statements. 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 2025 consolidated financial statements are stated as follows:

Occurrence of revenue from significant new counterparties

Description

Please refer to Note 4(34) for accounting policies on operating revenue and Note 6(21) for details of operating revenue.

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

How our audit addressed the matter

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

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

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

Assessment of allowance for valuation of inventory loss

Description

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

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

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

How our audit addressed the matter

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

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

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

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion with *Other matter* paragraph on the parent company only financial statements of Giga-Byte Technology Co., Ltd. as at and for the years ended December 31, 2025 and 2024.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Liang, Yi Chang　　Chen, Chi-Tung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2026

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

As the financial statements are the responsibility of the management, PricewaterhouseCoopers 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, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 40,321,147	26	$ 21,499,095	19
1110	Financial assets at fair value through profit or loss-current	6(2)	937,867	-	724,931	1
1136	Financial assets at amortized cost-current	6(3) and 8	1,157,735	1	1,337,084	1
1150	Notes receivable, net	6(4)	-	-	4,668	-
1170	Accounts receivable, net	6(4)	33,803,039	21	28,546,444	26
1200	Other receivables		2,745,241	2	1,792,160	2
130X	Inventories, net	6(5)	62,185,369	40	43,809,525	39
1410	Prepayments		3,101,489	2	2,763,060	2
1470	Other current assets		11,381	-	8,836	-
11XX	**Total current assets**		144,263,268	92	100,485,803	90
	Non-current assets					
1510	Financial assets at fair value through profit or loss-non-current	6(2)	159,755	-	147,679	-
1517	Financial assets at fair value through other comprehensive income-non-current	6(6)	1,755,415	1	1,605,274	2
1535	Financial assets at amortized cost-non-current	6(3) and 8	122,350	-	210,225	-
1550	Investments accounted for using equity method	6(7)	761,648	1	747,686	1
1600	Property, plant and equipment, net	6(8)	6,952,593	5	6,426,692	6
1755	Right-of-use assets	6(9)	501,605	-	224,285	-
1760	Investment property, net	6(11)	22,501	-	27,053	-
1780	Intangible assets		254,109	-	193,660	-
1840	Deferred income tax assets	6(28)	1,061,388	1	989,773	1
1900	Other non-current assets		270,964	-	228,778	-
15XX	**Total non-current assets**		11,862,328	8	10,801,105	10
1XXX	**Total assets**		$ 156,125,596	100	$ 111,286,908	100

(Continued)

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

	Liabilities and Equity	Notes	December 31, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(12)	$ 24,446,153	16	$ 2,000,000	2
2120	Financial liabilities at fair value through profit or loss-current	6(2)	-	-	2,216	-
2130	Contract liabilities-current	6(21)	3,956,261	3	4,534,401	4
2150	Notes payable		12,764	-	24,642	-
2170	Accounts payable		31,493,799	20	17,766,216	16
2200	Other payables	6(13)	11,483,325	7	9,393,787	8
2230	Current income tax liabilities		2,256,352	1	1,866,521	2
2250	Provisions for liabilities - current	6(14)	905,485	1	812,365	1
2280	Lease liabilities-current		153,009	-	88,975	-
2320	Long-term liabilities, current portion	6(15)	9,297,043	6	-	-
2399	Other current liabilities, others		479,470	-	560,913	1
21XX	**Total current liabilities**		84,483,661	54	37,050,036	34
	Non-current liabilities					
2530	Bonds payable	6(15)	9,491,563	6	18,403,329	17
2570	Deferred income tax liabilities	6(28)	77,738	-	172,029	-
2580	Lease liabilities-non-current		324,126	-	107,686	-
2600	Other non-current liabilities	6(16)	549,305	1	473,237	-
25XX	**Total non-current liabilities**		10,442,732	7	19,156,281	17
2XXX	**Total liabilities**		94,926,393	61	56,206,317	51
	Equity attributable to owners of the parent					
	Capital stock	6(18)				
3110	Common stock		6,698,889	4	6,698,889	6
	Capital surplus	6(19)				
3200	Capital surplus		14,018,015	9	14,011,469	13
	Retained earnings	6(20)				
3310	Legal reserve		8,461,525	6	7,480,218	7
3320	Special reserve		426,354	-	426,354	-
3350	Unappropriated retained earnings		29,107,577	19	24,615,353	22
	Other equity interest					
3400	Other equity interest		387,800	-	450,866	-
31XX	**Total equity attributable to owners of the parent**		59,100,160	38	53,683,149	48
36XX	**Non-controlling interests**		2,099,043	1	1,397,442	1
3XXX	**Total equity**		61,199,203	39	55,080,591	49
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 156,125,596	100	$ 111,286,908	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
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Year ended December 31			
			2025		2024	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(21)	$ 336,936,660	100	$ 265,148,779	100
5000	Operating costs	6(5)(26)(27)	(301,751,564)	(90)	(237,056,292)	(89)
5900	Gross profit		35,185,096	10	28,092,487	11
	Operating expenses	6(26)(27)				
6100	Selling expenses		(9,343,642)	(3)	(7,121,523)	(3)
6200	General and administrative expenses		(4,582,776)	(1)	(3,965,519)	(1)
6300	Research and development expenses		(4,307,125)	(1)	(4,127,573)	(2)
6450	Expected credit loss	6(26) and 12(2)	(179,154)	-	(101,323)	-
6000	Total operating expenses		(18,412,697)	(5)	(15,315,938)	(6)
6900	Operating profit		16,772,399	5	12,776,549	5
	Non-operating revenue and expenses					
7100	Interest income	6(22)	925,769	-	645,171	-
7010	Other income	6(23)	1,440,363	-	986,200	-
7020	Other gains and losses	6(24)	(1,126,625)	-	(301,715)	-
7050	Finance costs	6(25)	(1,012,638)	-	(518,268)	-
7060	Share of (loss) profit of associates and joint ventures accounted for using the equity method	6(7)	(19,097)	-	9,934	-
7000	Total non-operating revenue and expenses		207,772	-	821,322	-
7900	**Profit before income tax**		16,980,171	5	13,597,871	5
7950	Income tax expense	6(28)	(3,695,478)	(1)	(2,842,723)	(1)
8200	**Profit for the year**		$ 13,284,693	4	$ 10,755,148	4

(Continued)

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

	Items	Notes	Year ended December 31 2025 AMOUNT	%	2024 AMOUNT	%
	Other comprehensive income, net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit plans	6(16)	($ 21,432)	-	$ 30,656	-
8316	Unrealized gain (loss) on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(6)	96,091	-	(302,775)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(28)	4,286	-	(6,131)	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		78,945	-	(278,250)	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		(159,385)	-	504,562	-
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(159,385)	-	504,562	-
8300	**Other comprehensive (loss) income, net**		($ 80,440)	-	$ 226,312	-
8500	**Total comprehensive income for the year**		$ 13,204,253	4	$ 10,981,460	4
	Profit attributable to:					
8610	Owners of the parent		$ 12,189,874	4	$ 9,788,540	4
8620	Non-controlling interest		1,094,819	-	966,608	-
	Total		$ 13,284,693	4	$ 10,755,148	4
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 12,109,354	4	$ 10,014,984	4
8720	Non-controlling interest		1,094,899	-	966,476	-
	Total		$ 13,204,253	4	$ 10,981,460	4
9750	Basic earnings per share	6(29)	$	18.20	$	15.03
9850	Diluted earnings per share	6(29)	$	17.18	$	14.46

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
				Retained earnings			Other equity interest				
	Notes	Capital stock-Common stock	Capital suplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealised gain or loss on valuation of financial assets at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
Year 2024											
Balance at January 1, 2024		$ 6,356,889	$ 3,898,998	$ 7,006,565	$ 426,354	$ 19,535,057	($ 611,101)	$ 860,048	$ 37,472,810	$ 461,351	$ 37,934,161
Profit for the year		-	-	-	-	9,788,540	-	-	9,788,540	966,608	10,755,148
Other comprehensive income (loss) for the year	6(6)	-	-	-	-	24,525	504,694	(302,775)	226,444	(132)	226,312
Total comprehensive income (loss)		-	-	-	-	9,813,065	504,694	(302,775)	10,014,984	966,476	10,981,460
Appropriations of 2023 earnings:	6(20)										
Legal reserve		-	-	473,653	-	(473,653)	-	-	-	-	-
Cash dividends		-	-	-	-	(4,259,116)	-	-	(4,259,116)	-	(4,259,116)
Cash capital increase – issuance of global depositary receipts	6(18)	342,000	9,478,164	-	-	-	-	-	9,820,164	-	9,820,164
Changes in equity of associates accounted for using equity method	6(7)	-	12,260	-	-	-	-	-	12,260	1,254	13,514
Changes in ownership interests in subsidiaries	6(30)	-	94,792	-	-	-	-	-	94,792	48,313	143,105
Due to recognition of equity component of convertible bonds (preference share) issued	6(15)	-	526,862	-	-	-	-	-	526,862	-	526,862
Past due expired dividends		-	393	-	-	-	-	-	393	-	393
Cash dividends paid from subsidiary to non-controlling interest		-	-	-	-	-	-	-	-	(79,900)	(79,900)
Change in non-controlling interests		-	-	-	-	-	-	-	-	(52)	(52)
Balance at December 31, 2024		$ 6,698,889	$ 14,011,469	$ 7,480,218	$ 426,354	$ 24,615,353	($ 106,407)	$ 557,273	$ 53,683,149	$ 1,397,442	$ 55,080,591
Year 2025											
Balance at January 1, 2025		$ 6,698,889	$ 14,011,469	$ 7,480,218	$ 426,354	$ 24,615,353	($ 106,407)	$ 557,273	$ 53,683,149	$ 1,397,442	$ 55,080,591
Profit for the year		-	-	-	-	12,189,874	-	-	12,189,874	1,094,819	13,284,693
Other comprehensive (loss) income for the year	6(6)	-	-	-	-	(17,146)	(157,270)	93,896	(80,520)	80	(80,440)
Total comprehensive income (loss)		-	-	-	-	12,172,728	(157,270)	93,896	12,109,354	1,094,899	13,204,253
Appropriations of 2024 earnings:	6(20)										
Legal reserve		-	-	981,307	-	(981,307)	-	-	-	-	-
Cash dividends		-	-	-	-	(6,698,889)	-	-	(6,698,889)	-	(6,698,889)
Changes in equity of associates accounted for using equity method	6(7)	-	(4,358)	-	-	-	-	-	(4,358)	(85)	(4,443)
Changes in ownership interests in subsidiaries	6(30)	-	12,144	-	-	-	-	-	12,144	47,498	59,642
Organizational restructuring		-	(1,594)	-	-	-	-	-	(1,594)	1,594	-
Past due expired dividends		-	354	-	-	-	-	-	354	-	354
Cash dividends paid from subsidiary to non-controlling interest		-	-	-	-	-	-	-	-	(434,680)	(434,680)
Change in non-controlling interests		-	-	-	-	-	-	-	-	(7,625)	(7,625)
Subsidiary's disposal of equity instruments at fair value through other comprehensive income	6(6)	-	-	-	-	(308)	-	308	-	-	-
Balance at December 31, 2025		$ 6,698,889	$ 14,018,015	$ 8,461,525	$ 426,354	$ 29,107,577	($ 263,677)	$ 651,477	$ 59,100,160	$ 2,099,043	$ 61,199,203

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

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

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 16,980,171	$ 13,597,871
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(26)	713,494	647,439
Depreciation charge on investment property	6(11)	4,529	4,705
Amortization	6(26)	183,266	149,994
Gain from lease modification	6(9)(24)	(1,228)	(11)
Expected credit loss	6(26) and 12(2)	179,154	101,323
Gain on valuation of financial assets and liabilities at fair value through profit or loss	6(24)	(204,714)	(90,862)
Share of (profit) loss of associates and joint ventures accounted for using equity method	6(7)	19,097	(9,934)
Loss on disposals of property, plant and equipment	6(24)	4,533	6,664
Loss on disposals of investments	6(24)	36,858	-
Interest income	6(22)	(925,769)	(645,171)
Interest expense	6(25)	1,012,638	518,268
Dividends income	6(23)	(51,848)	(59,593)
Share-based payments	6(17)	10,642	112,865
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss		(22,512)	(252,722)
Notes receivable		(130)	(727)
Accounts receivable		(5,455,413)	(12,648,450)
Other receivables		(905,795)	(1,059,189)
Inventories		(18,397,188)	(14,145,171)
Prepayments		(337,998)	(751,507)
Other current assets		(3,493)	260,070
Changes in operating liabilities			
Contract liabilities		(576,322)	178,529
Notes payable		(11,878)	11,901
Accounts payable		13,733,700	(2,931,831)
Other current liabilities		2,144,060	2,210,678
Provisions for liabilities		93,120	(14,004)
Other current liabilities		(81,156)	160,467
Other non-current liabilities		78,619	(97,640)
Cash inflow (outflow) generated from operations		8,218,437	(14,746,038)
Interest received		878,253	650,920
Dividend received		64,659	64,114
Interest paid		(605,138)	(247,214)
Income tax paid		(3,467,267)	(1,903,975)
Net cash flows from (used in) operating activities		5,088,944	(16,182,193)

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

	Notes	Year ended December 31 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		($ 58,000)	$ -
Acquisition of financial assets at amortized cost		(726,863)	(969,986)
Proceeds from disposal of financial assets at amortized cost		1,011,587	318,944
Acquisition of investments accounted for using equity method	6(7)	(107,225)	(210,000)
Acquisition of subsidiaries (net of cash acquired)		(10,304)	-
Proceeds from disposal of subsidiaries (net of cash disposed)	6(31)	89,594	-
Acquisition of property, plant and equipment	6(31)	(1,161,178)	(1,964,291)
Proceeds from disposal of property, plant and equipment		1,048	5,223
Acquisition of intangible assets		(242,184)	(173,434)
Increase in refundable deposits		(24,501)	(13,823)
Decrease in refundable deposits		12,335	14,972
Increase in other non-current assets		(115,117)	(84,210)
Net cash flows used in investing activities		(1,330,808)	(3,076,605)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(32)	125,391,526	95,016,365
Decrease in short-term borrowings	6(32)	(103,070,749)	(93,016,365)
Proceeds from issuing bonds	6(32)	-	9,738,672
Increase in guarantee deposits received	6(32)	10,285	325,483
Decrease in guarantee deposits received	6(32)	(32,156)	(284,711)
Payments of lease liabilities	6(32)	(145,894)	(100,692)
Cash dividends	6(20)	(6,698,889)	(4,259,116)
Cash dividends paid from subsidiary to non-controlling interest		(434,680)	(79,900)
Cash capital increase – issuance of global depositary receipts	6(18)	-	9,820,164
Exercise of employee share options	6(30)	7,325	30,240
Change in non-controlling interest		34,050	(52)
Past due expired unpaid dividends for shareholders		354	393
Net cash flows from financing activities		15,061,172	17,190,481
Effects of change in exchange rates on foreign currency holdings		2,744	401,337
Net increase (decrease) in cash and cash equivalents		18,822,052	(1,666,980)
Cash and cash equivalents at beginning of year		21,499,095	23,166,075
Cash and cash equivalents at end of year		$ 40,321,147	$ 21,499,095

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

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

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

These consolidated financial statements were authorized for issuance by the Board of Directors on March 12, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

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

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

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

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

New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

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

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

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

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

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

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

IFRS 18, 'Presentation and disclosure in financial statements'

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1)Compliance statement

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

(2)Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:
   (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
   (b) Financial assets at fair value through other comprehensive income.
   (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3)Basis of consolidation

A. Basis for preparation of consolidated financial statements:
   (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
   (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
   (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

			Ownership(%) December 31,		
Investor	Subsidiary	Main activities	2025	2024	Description
The Company	Freedom International Group Ltd.	Holding company	100.00	100.00	
〃	G.B.T., Inc.	Sales of computer information products	22.64	22.64	
〃	G.B.T. Technology Trading GmbH	Promotion of computer information products	100.00	100.00	
〃	Nippon Giga-Byte Corp.	Promotion of computer information products	100.00	100.00	
〃	GBT Tech. Co., Ltd.	Promotion of computer information products	100.00	100.00	
〃	Giga-Byte Technology B.V.	Sales of computer information products	100.00	100.00	
〃	Gigabyte Technology Pty. Ltd.	Promotion of computer information products	100.00	100.00	
〃	Giga Investment Corp.	Holding company	100.00	100.00	
〃	Gigabyte Technology (India) Private Limited	Promotion and repairing of computer information products	100.00	100.00	
〃	G-Style Co., Ltd.	Selling of notebooks	100.00	100.00	
〃	BYTE International Co., Ltd.	Repairing of computer information products	100.00	100.00	
〃	Gigabyte Technology ESPANA S.L.U.	Promotion of computer information products	100.00	100.00	

Investor	Subsidiary	Main activities	Ownership(%) December 31, 2025	Ownership(%) December 31, 2024	Description
The Company	Gigabyte Information Technology Commerce Limited Company	Promotion of computer information products	100.00	100.00	
〃	Gigabyte Technology LLC	Promotion of computer information products	100.00	100.00	
〃	Giga Computing Technology Co., Ltd.	Selling of computer information products	83.93	83.93	
〃	MyelinTek Inc.	Electronic Information Supply and Software Services	100.00	40.00	Note 1
Freedom International Group Ltd.	Charleston Investments Limited	Holding company	100.00	100.00	
〃	Giga Future Limited	Holding company	100.00	100.00	
〃	G.B.T. Inc.	Sales of computer information products	77.36	77.36	
G.B.T., Inc.	Gigabyte Canada, Inc.	Promotion of computer information products	100.00	100.00	
Charleston Investments Limited	Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of computer information products	100.00	100.00	
〃	Ningbo Boxinda Trading Co., Ltd.	Sales of computer information products	100.00	100.00	
Giga Future Limited	Ningbo Giga-Byte Technology Co., Ltd.	Manufacturing of computer information products	100.00	100.00	
Ningbo Boxinda Trading Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	100.00	100.00	
〃	Popxing Technology & Trading Co., Limited	Sales of computer information products	100.00	100.00	
Giga Investment Corp.	Giga-Trend International Investment Group Ltd.	Holding company	100.00	100.00	
〃	Selita Precision Co., Ltd.	Manufacturing of bicycle and parts	100.00	100.00	
Giga Investment Corp.	Senyun Precise Optical Co., Ltd	Manufacturing and selling of mold and industrial plastic products	-	96.41	Note 2
〃	Cloudmatrix Co., Ltd.	E-commerce platform	100.00	100.00	
Senyun Precise Optical Co., Ltd	Dongguan Senyun Precise Optical Co., Ltd	Selling of mold and industrial plastic products	-	100.00	Note 2
BYTE International Co., Ltd.	Ningbo BestYield Tech. Services Co., Ltd.	Repairing of computer information products	100.00	100.00	
〃	Giga Computing Singapore Pte. Ltd.	Promotion of computer information products	-	100.00	Note 3
〃	Gigabyte Technology Poland SP Z O.O.	Promotion and repairing of computer information products	100.00	100.00	

Investor	Subsidiary	Main activities	Ownership(%) December 31, 2025	Ownership(%) December 31, 2024	Description
BYTE International Co., Ltd.	Bestyield (Thailand) Limted	Promotion and repairing of computer information products	100.00	-	Note 4
Ningbo BestYield Tech. Services Co., Ltd.	Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	100.00	100.00	
〃	OGS Europe B.V.	Selling of communication products	100.00	100.00	
Giga Computing Technology Co., Ltd.	GIGAIPC CO., LTD.	Sales of computer information products	74.16	83.33	Note 5
〃	Giga Computing Technology Inc.	Sales of computer information products	100.00	100.00	
〃	Giga Computing Singapore Pte. Ltd.	Promotion of computer information products	100.00	-	Note 3

Note 1: In April 2025, the Company acquired the remaining 60% of equity for $30,600 from other shareholders of MyelinTek Inc., resulting in the Company's shareholding ratio increasing to 100% and the Group obtained control over the entity, which was included as a subsidiary in the consolidated financial statements.

Note 2: In June 2025, Giga Investment Corp. sold all the equity of Senyun Precise Optical Co., Ltd. and its subsidiary, Dongguan Senyun Precise Optical Co., Ltd., to GIGA-IMAGE Technoloty Co., Ltd. in the amount of $210,752, resulting in the Group losing control over the subsidiaries. Giga Investment Corp. recognized gains on disposal of investment of $3,855, which was recorded under 'other gains and losses' in the statement of comprehensive income. The related information is provided in Note 6(31) B.

Note 3: On June 30, 2025, BYTE International Co., Ltd. sold 100% of equity of Aorus Pte. Ltd. to the fellow subsidiary, Giga Computing Technology Co., Ltd., for $10,400. Aorus Pte. Ltd. was renamed Giga Computing Singapore Pte. Ltd. on December 9, 2025.

Note 4: The company was newly established in 2025.

Note 5: On October 2, 2025, GIGAIPC CO., LTD. conducted a cash capital increase, and the Group did not participate in the subscription, resulting in Giga Computing Technology Co., Ltd.'s shareholding ratio in the investee decreasing to 74.16% and the Group's shareholding ratio in the investee decreasing to 62.24%, please refer to Notes 6(17) and (30).

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: Not applicable.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4)Foreign currency translation

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

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

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

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognized in other comprehensive income.

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

(5)Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
   (a) Assets that are expected to be realized, or are intended to be sold or consumed in the normal operating cycle;
   (b) Assets that are held primarily for the purpose of trading;
   (c) Assets that are expected to be realized within twelve months after the reporting period;
   (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
   (a) Liabilities that are expected to be settled in the normal operating cycle;
   (b) Liabilities that are held primarily for the purpose of trading;
   (c) Liabilities that are due to be settled within twelve months after the reporting period;
   (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6)Cash equivalents

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

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
   (a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and
   (b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value:
   (a) The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.
   (b) Except for the recognition of impairment loss, interest income and gain or loss on foreign exchange which are recognized in profit or loss, the changes in fair value of debt instruments are taken through other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

(9)Financial assets at amortized cost

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

B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

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

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

(11) Impairment of financial assets

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

(12) Derecognition of financial assets

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

(13) Leasing arrangements (lessor)－operating leases

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

(14) Inventories

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

(15) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity that are not recognized in profit or loss or other comprehensive income of the associate and such changes not affecting the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

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

I. At the balance sheet date, the Group performs an impairment test for an investment in an associate when there is an indication that the investment may be impaired. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

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

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

(17) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3～55 years
Machinery and equipment	2～10 years
Research and development equipment	3～ 8 years
Office equipment	3～15 years
Other tangible operating assets	1～12 years

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

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

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

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

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

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

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

(19) Investment property

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

(20) Intangible assets

A. Computer software

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

B. Trademark right (indefinite useful life)

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

(21) Impairment of non-financial assets

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

B. The recoverable amounts of intangible assets with an indefinite useful life are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(22) Borrowings

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

(23) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

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

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(25) Convertible bonds payable

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

(a) Whether the embedded call options and put options shall be separated as embedded derivative depends on if its' economic characteristics and risks are closely related to the economic characteristics and risks of the host contract, when recognized initially. When the economic characteristics and risks of the embedded call options and put options are closely related to the economic characteristics and risks of the host contract, the multiple embedded derivatives shall be accounted for in accordance with the appropriate standards according to its nature. When the economic characteristics and risks of the embedded call options and put options are not closely related to the economic characteristics and risks of the host contract. Embedded derivatives are separated from the host contract, the host contract shall be accounted for in accordance with the appropriate standards according to its nature.

(b) The host contracts of bonds are initially recognized at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortized in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

(c) The embedded conversion options which meet the definition of an equity instrument are initially recognized in 'capital surplus—share options' at the residual amount of total issue price less the amount of bonds payable as stated above. Conversion options are not subsequently remeasured.

(d) Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

(e) When bondholders exercise conversion options, the liability component of the bonds (bonds payable) shall be remeasured on the conversion date. The issuance cost of converted common shares is the total carrying amount of the abovementioned liability component and 'capital surplus—share options'.

(26) Derecognition of financial liabilities

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

(27) Non-hedging derivatives

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

(28) Provisions

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

(29) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurement arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognized immediately in profit or loss.

C. Termination benefits

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

D. Employees' compensation and directors' remuneration

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

(30) Employee share-based payment

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

(31) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred tax shall not be recognized for the temporary differences arising from the initial recognition of an asset or liability in a transaction other than a business combination that does not affect accounting profit or taxable profit or loss at the time of the transaction, and does not result in equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

(32) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(33) Dividends

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

(34) Revenue recognition

Sales of goods

A. The Group manufactures and sells computer peripheral and component parts products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue from sales is recognized based on the price specified in the contract, net of the estimated business tax, volume discounts, sales returns and allowances. Accumulated experience is used to estimate and provide for the volume discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

C. The Group's obligation to provide a repair for faulty products under the standard warranty terms is recognized as a provision.

D. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(35) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

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

(36) Operating segments

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

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

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

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

Inventories are stated at the lower of cost and net realizable value. For inventory which is saleable and obsolete inventory that is checked item by item, the net realizable value are determined based on past experience on industry. Management's judgement on determining net realizable value involves material judgement. As of December 31, 2025, details of the Group's carrying amount of inventories are provided in Note 6(5).

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2025	December 31, 2024
Cash on hand and petty cash	$ 21,780	$ 11,431
Checking accounts and demand deposits	15,597,443	15,488,831
Time deposits	24,701,924	5,998,833
	$ 40,321,147	$ 21,499,095

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

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

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

Financial assets mandatorily measured at fair value through profit or loss	December 31, 2025	December 31, 2024
Current items:		
Listed stocks	$ 71,009	$ 39,227
Emerging stocks	20,738	54,313
Unlisted stocks	378,498	235,751
Beneficiary certificates	57,782	129,825
Debt instruments	194,601	194,601
	722,628	653,717
Valuation adjustment	221,239	71,214
	943,867	724,931
Non-current items:		
Beneficiary certificates	150,000	150,000
Valuation adjustment	9,755	(2,321)
	159,755	147,679
	$ 1,103,622	$ 872,610
Financial liabilities held for trading		
Derivative instruments	$ -	$ 2,216

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

	Years ended December 31,	
	2025	2024
Financial assets mandatorily measured at fair value through profit or loss		
Equity intruments	$ 188,258	$ 94,685
Beneficiary certificates	21,944	(1,920)
Debt instruments	5,755	8,831
Financial liabilities held for trading		
Derivative instruments	(5,755)	(1,686)
	$ 210,202	$ 99,910

B. Explanations of the transactions and contract information in respect of derivative financial liabilities that the Group does not adopt hedge accounting are as follows: (December 31, 2025: None.)

	December 31, 2024		
Derivative financial instruments	Contract amount (Notional principal) (in thousand)		Contract period
Forward exchange contracts – Sell USD, Buy NTD	USD	5,000	2024/11～2025/2

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

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

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

(3) Financial assets at amortized cost

	December 31, 2025	December 31, 2024
Current items:		
Time deposits with more than three months maturity	$ 1,067,775	$ 1,337,084
Pledged bank deposits	89,960	-
	$ 1,157,735	$ 1,337,084
Non-current items:		
Pledged bank deposits	$ 122,350	$ 210,225

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

	Years ended December 31,	
	2025	2024
Interest income	$ 21,822	$ 19,852

B. As at December 31, 2025 and 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was $1,280,085 and $1,547,309, respectively.

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

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

(4) Notes and accounts receivable

	December 31, 2025	December 31, 2024
Notes receivable	$ -	$ 4,668
Accounts receivable	$ 34,478,005	$ 29,050,129
Less: Allowance for uncollectible accounts	(674,966)	(503,685)
	$ 33,803,039	$ 28,546,444

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

B. As of December 31, 2025 and 2024, and January 1, 2024, the balances of receivable (including notes receivable) from contracts with customers amounted to $34,478,005, $29,054,797 and $16,405,620, respectively.

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

D. As at December 31, 2025 and 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable were $0 and $4,668; $33,803,039 and $28,546,444, respectively.

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

(5) Inventories

	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 28,144,341	($ 851,998)	$ 27,292,343
Work in progress	373,648	(87,979)	285,669
Finished goods and merchandise inventories	36,061,833	(1,454,476)	34,607,357
	$ 64,579,822	($ 2,394,453)	$ 62,185,369

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 16,956,407	($ 689,512)	$ 16,266,895
Work in progress	6,181,192	(25,021)	6,156,171
Finished goods and merchandise inventories	22,252,312	(865,853)	21,386,459
	$ 45,389,911	($ 1,580,386)	$ 43,809,525

The cost of inventories recognized as expense for the year:

	Years ended December 31,	
	2025	2024
Cost of inventories sold	$ 298,761,612	$ 234,959,974
Cost of warranty	2,175,885	1,892,141
Loss on valuation	814,067	204,177
	$ 301,751,564	$ 237,056,292

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

	December 31, 2025	December 31, 2024
Debt instruments		
Listed stocks	$ 934,387	$ 936,387
Emerging stocks	28,000	-
Unlisted stocks	139,948	112,206
	1,102,335	1,048,593
Valuation adjustment	653,080	556,681
	$ 1,755,415	$ 1,605,274

A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $1,755,415 and $1,605,274 as of December 31, 2025 and 2024, respectively.

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

	Years ended December 31,	
	2025	2024
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	$ 96,091	($ 302,775)
Cumulative loss reclassified to retained earnings due to derecognition	($ 308)	$ -
Dividend income recognized in profit or loss held at end of year	$ 46,360	$ 50,525

C. As of December 31, 2025 and 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was $1,755,415 and $1,605,274, respectively.

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

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

(7) Investments accounted for using the equity method

	2025	2024
At January 1	$ 747,686	$ 515,538
Increase in investments accounted for using equity method	108,099	210,000
Disposal of investments accounted for using equity method	(58,230)	-
Share of (loss) gain of investments accounted for using equity method	(19,097)	9,934
Earnings distribution of investments accounted for using equity method	(12,811)	(4,521)
Changes in capital surplus	(4,443)	13,514
Changes in other equity items	444	3,221
At December 31	$ 761,648	$ 747,686

	December 31, 2025	December 31, 2024
Associates		
Wellysun Inc.	$ 438,802	$ 462,702
We Solutions Technology Co., Ltd.	218,870	221,740
GIGA-IMAGE Technology Co., Ltd.	94,661	-
P.R.E.C. Ltd.	7,969	-
Joint ventures		
MyelinTek Inc.	-	57,329
Da Shiang Technology Co., Ltd.	1,346	5,915
	$ 761,648	$ 747,686

A. Abovementioned investments accounted for using equity method are based on investee companies' financial statements audited by other independent auditors.

B. From January 2025 to March 2025, Wellysun Inc. repurchased treasury shares, resulting in the Group's shareholding ratio increasing to 27.14%. In October 2024, Wellysun Inc. conducted a cash capital increase, and the Group did not participate in the subscription, resulting in the Group's shareholding ratio decreasing to 26.43%. The Group is the single largest shareholder of the investee. Given that 8 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.

C. On August 13, 2024, the Group invested $210,000 in We Solutions Techology Co., Ltd., and the shareholding ratio was 21.5%. In January 2025 and October 2024, We Solutions Techology Co., Ltd. conducted cash capital increases, and the Group did not participate in the subscriptions, resulting in the Group's shareholding ratio decreasing to 20% and 21.15%, respectively.

D. On March 6, 2025, the Group invested $100,000 in GIGA-IMAGE Technology Co., Ltd. by cash, and the shareholding ratio was 29.41%. The Group is the single largest shareholder of the investee. Given that 4 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.

E. In April 2025, the Company acquired the remaining 60% of equity for $30,600 from other shareholders of MyelinTek Inc., resulting in the Company's shareholding ratio increasing to 100% and the Group obtained control over the entity, which was included as a subsidiary in the consolidated financial statements.

F. In April 2025, the Group invested $7,225 in P.R.C.E. Ltd., and the shareholding ratio was increased to 38.42%. Therefore, the financial assets at fair value through other comprehensive income were deemed as disposed and transferred to investments accounted for using equity method. The Group is the single largest shareholder of the investee. Given that 3 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.

G. The Group has no material associates and joint venture investment. The Group's share of the operating results of the aforementioned investments are summarized below:

	Years ended December 31,	
	2025	2024
(Loss) profit for the year from continuing operations	($ 19,097)	$ 9,934
Other comprehensive income, net of tax	444	3,221
Total comprehensive (loss) income	($ 18,653)	$ 13,155

(8) Property, plant and equipment

	2025								
	Land			Buildings and structures			Machinery	Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
At January 1									
Cost	$ 2,337,726	$ 53,684	$ 2,391,410	$ 4,761,981	$ 30,027	$ 4,792,008	$ 3,068,989	$ 1,776,829	$ 12,029,236
Accumulated depreciation	-	-	-	(2,071,248)	(7,901)	(2,079,149)	(2,284,512)	(1,238,883)	(5,602,544)
	$ 2,337,726	$ 53,684	$ 2,391,410	$ 2,690,733	$ 22,126	$ 2,712,859	$ 784,477	$ 537,946	$ 6,426,692
At January 1	$ 2,337,726	$ 53,684	$ 2,391,410	$ 2,690,733	$ 22,126	$ 2,712,859	$ 784,477	$ 537,946	$ 6,426,692
Additions	275,439	-	275,439	299,899	-	299,899	179,400	366,934	1,121,672
Acquired from business combinations	-	-	-	-	-	-	384	212	596
Effect of decrease in consolidated entities	-	-	-	-	-	-	(45,753)	(4,531)	(50,284)
Disposals	-	-	-	-	-	-	(2,966)	(2,615)	(5,581)
Reclassifications	52,945	(52,945)	-	61,023	(10,009)	51,014	13,848	20,297	85,159
Depreciation charge	-	-	-	(112,936)	(569)	(113,505)	(181,734)	(269,652)	(564,891)
Net exchange differences	(39,827)	-	(39,827)	(24,477)	-	(24,477)	3,783	(249)	(60,770)
At December 31	$ 2,626,283	$ 739	$ 2,627,022	$ 2,914,242	$ 11,548	$ 2,925,790	$ 751,439	$ 648,342	$ 6,952,593
At December 31									
Cost	$ 2,626,283	$ 739	$ 2,627,022	$ 5,097,683	$ 24,028	$ 5,121,711	$ 2,909,087	$ 2,031,707	$ 12,689,527
Accumulated depreciation	-	-	-	(2,183,441)	(12,480)	(2,195,921)	(2,157,648)	(1,383,365)	(5,736,934)
	$ 2,626,283	$ 739	$ 2,627,022	$ 2,914,242	$ 11,548	$ 2,925,790	$ 751,439	$ 648,342	$ 6,952,593

	2024								
	Land			Buildings and structures			Machinery	Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
At January 1									
Cost	$ 1,501,876	$ 72,564	$ 1,574,440	$ 3,732,950	$ 40,587	$ 3,773,537	$ 3,029,054	$ 1,667,997	$ 10,045,028
Accumulated depreciation	-	-	-	(1,936,246)	(9,882)	(1,946,128)	(2,121,221)	(1,157,223)	(5,224,572)
	$ 1,501,876	$ 72,564	$ 1,574,440	$ 1,796,704	$ 30,705	$ 1,827,409	$ 907,833	$ 510,774	$ 4,820,456
At January 1	$ 1,501,876	$ 72,564	$ 1,574,440	$ 1,796,704	$ 30,705	$ 1,827,409	$ 907,833	$ 510,774	$ 4,820,456
Additions	787,237	-	787,237	929,991	-	929,991	36,204	248,403	2,001,835
Disposals	-	-	-	-	-	-	(6,216)	(5,671)	(11,887)
Reclassifications	18,880	(18,880)	-	23,806	(7,989)	15,817	16,248	12,147	44,212
Depreciation charge	-	-	-	(99,460)	(590)	(100,050)	(195,224)	(249,525)	(544,799)
Net exchange differences	29,733	-	29,733	39,692	-	39,692	25,632	21,818	116,875
At December 31	$ 2,337,726	$ 53,684	$ 2,391,410	$ 2,690,733	$ 22,126	$ 2,712,859	$ 784,477	$ 537,946	$ 6,426,692
At December 31									
Cost	$ 2,337,726	$ 53,684	$ 2,391,410	$ 4,761,981	$ 30,027	$ 4,792,008	$ 3,068,989	$ 1,776,829	$ 12,029,236
Accumulated depreciation	-	-	-	(2,071,248)	(7,901)	(2,079,149)	(2,284,512)	(1,238,883)	(5,602,544)
	$ 2,337,726	$ 53,684	$ 2,391,410	$ 2,690,733	$ 22,126	$ 2,712,859	$ 784,477	$ 537,946	$ 6,426,692

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

B. The Group had no interest capitalisation for the years ended December 31, 2025 and 2024.

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

(9) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 9 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise buildings, parking spaces and business vehicles. Low-value assets comprise multifunction printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	December 31, 2025	December 31, 2024
	Carrying amount	Carrying amount
Land	$ 31,615	$ 32,932
Buildings	408,126	116,762
Transportation equipment	61,864	74,591
	$ 501,605	$ 224,285

	Years ended December 31,	
	2025	2024
	Depreciation charge	Depreciation charge
Land	$ 1,419	$ 1,453
Buildings	102,193	59,462
Transportation equipment	44,991	41,725
	$ 148,603	$ 102,640

D. For the years ended December 31, 2025 and 2024, the additions to right-of-use assets were $434,268 and $139,330, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Years ended December 31,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 12,385	$ 7,495
Expense on short-term lease contracts	257,305	288,108
Expense on leases of low-value assets	6,056	5,279
Gain on lease modification	1,228	11

F. For the years ended December 31, 2025 and 2024, the Group's total cash outflow for leases was $421,640 and $410,574, respectively.

(10) Leasing arrangements – lessor

A. The Group leases various assets including land and buildings. Rental contracts are typically made for periods of 1 and 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the years ended December 31, 2025 and 2024, the Group recognized rent income in the amounts of $23,181 and $23,141, respectively, based on the operating lease agreement, which does not include variable lease payments.

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

	December 31, 2025	December 31, 2024
2025	$ -	$ 14,387
2026	20,961	11,557
2027	9,565	-
2028	9,708	-
After 2029	39,406	-
	$ 79,640	$ 25,944

(11) Investment property

	Buildings	
	2025	2024
At January 1		
Cost	$ 104,417	$ 102,993
Accumulated depreciation	(77,364)	(69,604)
	$ 27,053	$ 33,389
At January 1	$ 27,053	$ 33,389
Reclassifications	-	(2,750)
Depreciation charge	(4,529)	(4,705)
Net exchange differences	(23)	1,119
At December 31	$ 22,501	$ 27,053
At December 31		
Cost	$ 104,883	$ 104,417
Accumulated depreciation	(82,382)	(77,364)
	$ 22,501	$ 27,053

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

	Years ended December 31,	
	2025	2024
Rental income from investment property	$ 11,115	$ 11,382
Direct operating expenses arising from the investment property that generated rental income in the year	$ 4,529	$ 4,705

B. The fair value of the investment property held by the Group as at December 31, 2025 and 2024 was $105,160 and $91,713, respectively, which was valuated with reference to the future rental income and the related discounted cash flows, which was categorized within Level 3 in the fair value hierarchy. Key assumptions are as follows:

	December 31, 2024	December 31, 2024
Discount rate	1.773%	1.670%

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

(12) Short-term borrowings

	December 31, 2025	December 31, 2024
Unsecured bank loans	$ 24,446,153	$ 2,000,000
Credit lines	$ 78,561,590	$ 66,577,736
Interest rate range	1.750%~4.408%	1.756%~1.800%

For the year ended December 31, 2025 and 2024, details of interest expense recognized in profit or loss are provided in Note 6(25).

(13) Other payables

	December 31, 2025	December 31, 2024
Salary and bonus payable	$ 6,430,354	$ 5,062,170
Employees' compensation and directors' remuneration payable	2,244,455	2,153,639
Marketing fee payable	1,503,105	1,115,086
Shipping and freight-in payable	429,217	402,995
Royalties payable	37,359	70,944
Others	838,835	588,953
	$ 11,483,325	$ 9,393,787

(14) Provisions – current

	Warranty	
	2025	2024
At January 1	$ 812,365	$ 826,369
Additional provisions	2,175,885	1,892,141
Used during the year	(2,082,765)	(1,906,145)
At December 31	$ 905,485	$ 812,365

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

(15) Bonds payable

	December 31, 2025	December 31, 2024
Bonds payable	$ 20,023,879	$ 20,023,879
Less: Discount on bonds payable	(1,235,273)	(1,620,550)
	18,788,606	18,403,329
Less: Exercisable put options on corporate bonds, current portion (accounted for as 'Long-term liabilities,current portion')	(9,297,043)	-
	$ 9,491,563	$ 18,403,329

A. Fourth unsecured convertible bonds overseas

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

i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 23, 2024 to July 23, 2029. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 0.875% (semi-annually calculated).

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT$358.87 per share/conversion exchange rate used is USD:TWD=1:32.61), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT$338.28 per share on August 5, 2025.

iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 0.875% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.

v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.

vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

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

B. Third unsecured convertible bonds overseas

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

i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 27, 2023 to July 27, 2028. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 1% (semi-annually calculated).

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three month of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT$375 per share/conversion exchange rate used is USD:TWD=1:31.095), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT$345.14 per share on August 5, 2025.

iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.

v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.

vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

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

(c) Under the terms of the bonds, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date, with redemption of all or part of the bonds based on semi-annual calculations. As the bondholders will be able to exercise the put options in the third quarter of 2026, the bonds were transferred to 'Long-term liabilities, current portion' from the period. After the put options exceed their exercise period, the unexercised put options will be transferred back to 'Bonds payable' if they met the definition of non-current liabilities.

(16) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the

independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

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

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

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

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

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	($ 579,025)	$ 168,314	($ 410,711)
Current service cost	(2,081)	-	(2,081)
Interest (expense) income	(6,800)	1,934	(4,866)
Past service cost	221	-	221
	(587,685)	170,248	(417,437)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	14,887	14,887
Change in demographic assumptions	(9)	-	(9)
Change in financial assumptions	21,911	-	21,911
Experience adjustments	(6,133)	-	(6,133)
	15,769	14,887	30,656
Pension fund contribution	-	44,452	44,452
Paid pension	37,364	(21,261)	16,103
At December 31	($ 534,552)	$ 208,326	($ 326,226)

(c) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2025 and 2024 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(d) The principal actuarial assumptions used were as follows:

	Year ended December 31,	
	2025	2024
Discount rate	1.35%	1.65%
Future salary increases	3.00%	3.00%

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

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

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2025				
Effect on present value of defined benefit obligation	($ 11,632)	$ 12,031	$ 11,806	($ 11,477)
December 31, 2024				
Effect on present value of defined benefit obligation	($ 11,510)	$ 11,909	$ 11,722	($ 11,388)

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

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

(e) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2026 amount to $10,955.

(f) As of December 31, 2025, the weighted average duration of the retirement plan is 8 years. The analysis of timing of the future pension payment was as follows:

Within 1 year	$ 53,471
1-2 year(s)	23,877
2-5 years	112,188
Over 5 years	436,734
	$ 626,270

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2025 and 2024 were $133,722 and $129,021, respectively.

The Company's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentage for the years ended December 31, 2025 and 2024 was both 12%~17%. Other than the monthly contributions, the Group has no further obligations. For the years ended December 31, 2025 and 2024, the Company's mainland China subsidiaries have recognized pension cost of $126,834 and $112,410, respectively.

(17) Share-based payment

A. For the years ended December 31, 2025 and 2024, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Cash capital increase reserved for employee preemption-GIGAIPC CO., LTD.	2025.7.30	294,000 shares	NA	Immediately vested
Employee stock options-GIGAIPC CO., LTD.	2024.4.18	2,400,000 shares	2024.6.5-2024.6.21	Immediately vested

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

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

	2025	
Cash capital increase reserved for employee preemption-GIGAIPC CO., LTD.	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Options granted	294	$ 25.00
Options exercised	(293)	"
Options expired	(1)	"
Options outstanding at December 31	-	

	2024	
Employee stock options-GIGAIPC CO., LTD.	No. of options (in thousands)	Weighted-average exercise price (in dollars)
Options granted	2,400	$ 12.60
Options exercised	(2,400)	"
Options outstanding at December 31	-	

C. The weighted-average stock price of stock options exercised by GIGAIPC CO., LTD. at exercise dates for the years ended December 31, 2025 and 2024 was NT$61.16 and NT$59.6 (in dollars), respectively.

D. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price	Exercise price	Price volatility	Option life	Dividends	Interest rate	Fair value per unit (in dollars)
Cash capital increase reserved for employee preemption- GIGAIPC CO., LTD.	2025.7.30	$ 61.16	$ 25.00	33.14%	0.12 years	-	1.215%	$ 36.1966
Employee stock options- GIGAIPC CO., LTD	2024.4.18	$ 59.60	$ 12.60	30.31%	0.18 years	-	1.22%	$ 47.0272

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

	Years ended December 31,	
	2025	2024
Equity-settled	$ 10,642	$ 112,865

(18) Share capital

A. As of December 31, 2025, the Company's authorized capital was $9,500,000, consisting of 950,000 thousand shares of ordinary stocks (including 50,000 thousand shares reserved for employee stock options, for preferred shares with warrants or for convertible bonds issued by the Company), and the paid-in capital was $6,698,889 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

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

	2025	2024
At January 1	669,888,886	635,688,886
Cash capital increase – issuance of global depositary receipts	-	34,200,000
At December 31	669,888,886	669,888,886

B. On June 12, 2024, the Company's shareholders during their meeting resolved to authorize the Board of Directors to issue new common shares for the capital increase and sponsor the issuance of global depository receipts (GDRs) in order to support the capital requirements of the procurement of raw materials in foreign currencies. As approved by Financial Supervisory Committee on July 15, 2024, these GDRs were listed on the Securities Exchange of Luxembourg on July 19, 2024, amounting to 17,100 thousand units, represented by 34,200 thousand shares of the Company's common stock. The GDRs were issued at a price of USD 17.75 (in dollars) per unit. The actual cash received was USD 300,031 thousands (approximately NTD 9,820,164 thousand) after deducting issuance costs. Each unit represents 2 common shares of the Company. As of December 31, 2025, there was no outstanding GDRs.

(19) Capital surplus

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

(20) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 100%) of the remainder plus prior year's accumulated retained earnings shall be proposed by the Board of Directors, and distributed as below:
   (a) It shall be resolved by the stockholders when distributed by issuance of new shares.
   (b) Earnings distributed in the form of cash or all or part of the legal reserve and capital surplus regulated by Paragraph 1 of Article 241 of the Company Act distributed in cash shall be resolved by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, and reported to shareholders, but not needed to be submitted to the shareholders for approval. Cash dividends shall not be less than 5% of total distribution amount. If the cash dividend is less than ten cents (NT$0.1) per share, such dividend shall be distributed in the form of shares.

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

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

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

D. The appropriation of earnings for 2024 and 2023 had been resolved by stockholders on June 10, 2025 and June 12, 2024, respectively. Details are summarized below:

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

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

E. As of the reporting date of the consolidated financial statements, the appropriation of retained earnings for 2025 has not been resolved by the Board of Directors. Information about the appropriation of earnings proposed by the Board of Directors and resolved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Operating revenue

	Years ended December 31,	
	2025	2024
Revenue from contracts with customers	$ 336,936,660	$ 265,148,779

A. Disaggregation of revenue from contracts with customers

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

	Year ended December 31, 2025		
	Global brand business group	Other business group	Total
Product Types			
Computer parts	$ 113,928,969	$ -	$ 113,928,969
Networking communication products	207,692,655	-	207,692,655
Others	14,213,274	1,101,762	15,315,036
	$ 335,834,898	$ 1,101,762	$ 336,936,660

	Year ended December 31, 2024		
	Global brand business group	Other business group	Total
Product Types			
Computer parts	$ 82,776,488	$ -	$ 82,776,488
Networking communication products	170,415,638	-	170,415,638
Others	11,086,012	870,641	11,956,653
	$ 264,278,138	$ 870,641	$ 265,148,779

B. Contract liabilities

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

	December 31, 2025	December 31, 2024	January 1, 2024
Advance sales receipts	$ 3,956,261	$ 4,534,401	$ 4,355,872

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

	Years ended December 31,	
	2025	2024
Advance sales receipts	$ 4,507,715	$ 4,297,042

(22) Interest income

	Years ended December 31,	
	2025	2024
Interest income from bank deposits	$ 902,948	$ 623,490
Interest income from financial assets measured at amortized cost	21,822	19,852
Others	999	1,829
	$ 925,769	$ 645,171

(23) Other income

	Year ended December 31,	
	2025	2024
Dividend income	$ 51,848	$ 59,593
Rental revenue	23,181	23,141
Other income - others	1,365,334	903,466
	$ 1,440,363	$ 986,200

(24) Other gains and losses

	Year ended December 31,	
	2025	2024
Foreign exchange losses	($ 1,273,494)	($ 380,449)
Gains on financial assets at fair value through profit or loss (non-derivative financial instruments)	210,469	92,528
Losses on financial liabilities at fair value through profit or loss (derivative financial instruments)	(5,755)	(1,686)
Losses on disposal of investment	(36,858)	-
Losses on disposal of property, plant and equipment	(4,533)	(6,664)
Gains from lease modification	1,228	11
Others	(17,682)	(5,455)
	($ 1,126,625)	($ 301,715)

(25) Finance costs

	Year ended December 31,	
	2025	2024
Interest expense		
Bank borrowing	$ 613,803	$ 239,557
Amortization of convertible bonds discount	385,277	271,054
Interest expense on lease liabilities	12,385	7,495
Other interest expense	1,173	162
	$ 1,012,638	$ 518,268

(26) Expenses by nature

	Years ended December 31,	
	2025	2024
Cost of goods sold	$ 295,942,207	$ 232,410,977
Employee benefit expense	9,853,772	9,223,606
Warranty cost of after-sale service	2,175,885	1,892,141
Export expense	1,320,070	1,063,590
Marketing service charge	1,362,194	718,398
Transportation expenses	1,010,203	801,198
Depreciation and amortization	896,760	797,433
Loss on inventory valuation	814,067	204,177
Expected credit gain	179,154	101,323
Other costs and expenses	6,609,949	5,159,387
	$ 320,164,261	$ 252,372,230

(27) Employee benefit expense

	Year ended December 31,	
	2025	2024
Wages and salaries	$ 8,718,723	$ 8,140,317
Labor and health insurance fees	449,679	417,048
Pension costs	267,529	248,157
Other personnel expenses	417,841	418,084
	$ 9,853,772	$ 9,223,606

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 3%~10% for employees' compensation and shall not be higher than 3% for directors' remuneration. The aforementioned employees' compensation shall be distributed no lower than 20% for distributing the compensation to the rank-and-file employees or adjusting the salaries.

B. For the years ended December 31, 2025 and 2024, employees' compensation was accrued at $1,203 ,042 and $1,198,842, respectively; while directors' remuneration was accrued at $46,000 and $51,000, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 8% and 0.3% of distributable profit of current year for the year ended December 31, 2025. The employees' compensation and directors' remuneration resolved by the Board of Directors were $1,203,042 and $46,000, respectively, and the employees' compensation will be distributed in the form of cash.

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

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

(28) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31,	
	2025	2024
Current tax:		
Current tax on profits for the year	$ 3,640,149	$ 2,639,411
Tax on undistributed surplus earnings	183,869	22,928
Prior year income tax underestimation	32,190	21,179
Total current tax	3,856,208	2,683,518
Deferred tax:		
Origination and reversal of temporary differences	(161,620)	152,934
Effect of the exchange rate	890	6,271
Total deferred tax	(160,730)	159,205
Income tax expense	$ 3,695,478	$ 2,842,723

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

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

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31,	
	2025	2024
Tax calculated based on profit before tax and statutory tax rate (Note)	$ 3,396,034	$ 2,719,574
Items disallowed by tax regulation	(219,567)	(143,190)
Tax exempt income by tax regulation	(58,545)	(13,238)
Taxable loss not recognized as deferred tax assets	-	13,001
Effect from investment tax credits	(116,015)	(118,622)
Prior year income tax underestimation	32,190	21,179
Tax on undistributed surplus earnings	183,869	22,928
Effect of tax from different applicable taxes within the Group	477,512	341,091
Income tax expense	$ 3,695,478	$ 2,842,723

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

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

	Year ended December 31, 2025			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax assets				
Provision for warranty expense	$ 162,473	$ 18,624	$ -	$ 181,097
Loss on inventory valuation	299,184	117,660	-	416,844
Amount of allowance for bad debts that exceed the limit for tax purpose	5,344	3,773	-	9,117
Pension expense	45,038	(6,598)	-	38,440
Unrealized profit on intercompany sales	252,483	(3,717)	-	248,766
Unrealized exchange loss	82,499	(68,968)	-	13,531
Remeasurement of defined benefit obligations	8,498	-	4,286	12,784
Others	134,254	6,555	-	140,809
	$ 989,773	$ 67,329	$ 4,286	$ 1,061,388
Deferred tax liabilities				
Unrealized exchange gain	($ 172,029)	$ 94,291	$ -	($ 77,738)

	Year ended December 31, 2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
Deferred tax assets				
Provision for warranty expense	$ 165,274	($ 2,801)	$ -	$ 162,473
Loss on inventory valuation	280,859	18,325	-	299,184
Amount of allowance for bad debts that exceed the limit for tax purpose	7,606	(2,262)	-	5,344
Pension expense	55,804	(10,766)	-	45,038
Unrealized profit on intercompany sales	223,226	29,257	-	252,483
Unrealized exchange loss	139,675	(57,176)	-	82,499
Remeasurement of defined benefit obligations	14,629	-	(6,131)	8,498
Others	145,539	(11,285)	-	134,254
	$ 1,032,612	($ 36,708)	($ 6,131)	$ 989,773
Deferred tax liabilities				
Unrealized exchange gain	($ 55,803)	($ 116,226)	$ -	($ 172,029)

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

December 31, 2025				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Usable until year
2016	$ 233,944	$ 227,809	$ 227,809	2026
2017	177,757	173,268	173,268	2027
2018	1,563	-	-	2028
2019	184,687	168,653	168,653	2029
2020	70,724	69,131	69,131	2030
2021	90,572	79,193	79,193	2031
2022	77,848	58,913	58,913	2032
2024 (Note)	34,673	34,673	34,673	2034
2025 (Note)	1,605	1,605	1,605	2035
	$ 873,373	$ 813,245	$ 813,245	

December 31, 2024				
Year incurred	Amount filed/ assessed	Unused amount	Unrecognized deferred tax assets	Usable until year
2015	$ 298,581	$ 135,637	$ 135,637	2025
2016	344,635	267,833	267,833	2026
2017	334,931	295,407	295,407	2027
2018	285,840	284,277	284,277	2028
2019	464,762	439,788	439,788	2029
2020	357,385	350,115	350,115	2030
2021	137,022	129,945	129,945	2031
2022	194,665	184,691	184,691	2032
2023 (Note)	38,619	38,157	38,157	2033
2024 (Note)	74,235	74,235	74,235	2034
	$ 2,530,675	$ 2,200,085	$ 2,200,085	

Note: These amounts were based on estimates.

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

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

G. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

H. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

(a) The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was enacted in the Netherlands, Germany, and other countries, the jurisdiction in which the entity controlled by the Group is incorporated, and come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2025. While Pillar Two legislation was enacted in other operational regions of the Group and has not yet come into effect, it has no significant impact to the Group based on the Group's assessment.

(b) Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

(c) Due to the complexities in applying the legislation and calculating GloBE income , the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(29) Earnings per share

	Year ended December 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 12,189,874	669,889	$ 18.20
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	5,759	
-Convertible bonds	379,833	55,948	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 12,569,707	731,596	$ 17.18

	Year ended December 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 9,788,540	651,134	$ 15.03
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	4,762	
-Convertible bonds	251,227	38,412	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 10,039,767	694,308	$ 14.46

(30) Transactions with non-controlling interest

A. GIGAIPC CO., LTD. conducted a cash capital increase on October 2, 2025. The Group did not participate in the subscription. As a result, the Group decreased its share interest by 7.7%. The transaction increased non-controlling interest by $47,498 and increased the equity attributable to owners of parent by $1,502. The effect of changes in interests in GIGAIPC CO., LTD. on the equity attributable to owners of the parent for the year ended December 31, 2025 is shown below:

	December 31, 2025
Cash	$ 49,000
Capital surplus-employee share options	10,642
Increase in the carrying amount of non-controlling interest	(47,498)
Capital surplus-changes in ownship interests in subsidiaries	$ 12,144

B. GIGAIPC CO., LTD. issued the employee share options on April 18, 2024. The Group did not acquire shares proportionally to its interest. As a result, the Group decreased its share interest by 13.99%. The transaction increased non-controlling interest by $48,313 and decreased the equity attributable to owners of parent by $18,073. The effect of changes in interests in GIGAIPC CO., LTD. on the equity attributable to owners of the parent for the year ended December 31, 2024 is shown below:

	December 31, 2024
Cash	$ 30,240
Capital surplus-employee share options	112,865
Increase in the carrying amount of non-controlling interest	(48,313)
Capital surplus-changes in ownship interests in subsidiaries	$ 94,792

(31) Supplemental cash flow information:

A. Investing activities with partial cash payments:

	Year ended December 31,	
	2025	2024
Purchase of property, plant and equipment	$ 1,121,672	$ 2,001,835
Add: Opening balance of payable on equipment	44,701	7,157
Less: Ending balance of payable on equipment	(5,195)	(44,701)
Cash paid during the year	$ 1,161,178	$ 1,964,291

B. The Group sold 100% of equity of the subsidiary, Senyun Precise Optical Co., Ltd., on June 30, 2025 and therefore lost control over the subsidiary (please refer to Note 4(3) B.(b)). The details of the consideration received from the transaction and assets and liabilities relating to the subsidiary are as follows:

	Jun 30. 2025
Consideration received	
Cash	$ 210,752
Carrying amount of the assets and liabilities of the subsidiary - Senyun Precise Optical Co., Ltd.	
Cash	121,158
Note receivable	4,798
Accounts receivable	35,841
Other receivable	308
Inventories	21,344
Prepayments	317
Other current assets	954
Property, plant and equipment	50,284
Other non-current assets	250
Contract liabilities	(1,818)
Accounts payable	(6,995)
Other payables	(16,052)
Other current liabilities	(1,352)
Other non-current liabilities	(2,111)
Total net assets	$ 206,926

(32) Changes in liabilities from financing activities

	Year ended December 31, 2025				
	Short-term borrowings	Bonds payable (Included exercisable put options on corporate bonds, current portion)	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	$ 2,000,000	$ 18,403,329	$ 145,645	$ 196,661	$ 20,745,635
Changes in cash flow from financing activities	22,320,777	-	(21,871)	(145,894)	22,153,012
Payment of interest expense on lease liabilities (Note)	-	-	-	(12,385)	(12,385)
Amortization of convertible bonds discount (Note)	-	385,277	-	-	385,277
Effect of decrease in consolidated entities	-	-	(498)	-	(498)
Impact of changes in foreign exchange rate	125,376	-	-	504	125,880
Changes in other non-cash items	-	-	-	438,249	438,249
At December 31	$ 24,446,153	$ 18,788,606	$ 123,276	$ 477,135	$ 43,835,170

	Year ended December 31, 2024				
	Short-term borrowings	Bonds payable	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	$ -	$ 8,920,465	$ 104,873	$ 159,472	$ 9,184,810
Changes in cash flow from financing activities	2,000,000	9,738,672	40,772	(100,692)	11,678,752
Payment of interest expense on lease liabilities (Note)	-	-	-	(7,495)	(7,495)
Conversion options of convertible bonds	-	(526,862)	-	-	(526,862)
Amortization of convertible bonds discount (Note)	-	271,054	-	-	271,054
Impact of changes in foreign exchange rate	-	-	-	3,320	3,320
Changes in other non-cash items	-	-	-	142,056	142,056
At December 31	$ 2,000,000	$ 18,403,329	$ 145,645	$ 196,661	$ 20,745,635

Note: Listed under cash flows from operating activities.

7. RELATED PARTY TRANSACTIONS

(1) Significant related party transactions and balances

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

(2) Key management compensation

	Years ended December 31,	
	2025	2024
Salaries and other short-term employee benefits	$ 962,364	$ 717,172
Share-based payments	-	42,983
Post-retirement benefits	1,491	15,287
Total	$ 963,855	$ 775,442

8. PLEDGED ASSETS

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

	Book value		
Pledged asset	December 31, 2025	December 31, 2024	Purpose
Pledged assets - current (accounted for as "Financial assets at amortized cost - current")			
- Time deposits	$ 89,960	$ -	Guarantee for the customs duties
Pledged assets - non-current (accounted for as "Financial assets at amortized cost - non-current")			
- Demand deposits	$ 4,767	$ 5,231	Security deposit for office leasing
- Time deposits	117,583	204,994	Guarantee for the customs duties
	$ 122,350	$ 210,225	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

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

(2) On March 12, 2026, the Company's Board of Directors resolved to propose at the shareholders' meeting to authorize the Board of Directors to issue new common shares for the capital increase and sponsor the issuance of global depositary receipts (GDRs) under a limit of 50,000 thousand shares of common shares.

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

12. OTHERS

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	December 31, 2025	December 31, 2024
Financial assets		
Financial assets mandatorily measured at fair value through profit or loss	$ 1,097,622	$ 872,610
Financial assets at fair value through other comprehensive income		
Designation of equity instrument	1,755,415	1,605,274
Financial assets at amortized cost		
Cash and cash equivalents	40,321,147	21,499,095
Financial assets at amortized cost	1,280,085	1,547,309
Notes receivable	-	4,668
Accounts receivable	33,803,039	28,546,444
Other receivables	2,745,241	1,792,160
Guarantee deposits paid	78,793	66,393
	$ 81,081,342	$ 55,933,953
Financial liabilities		
Financial liabilities held for trading	$ -	$ 2,216
Financial liabilities at amortized cost		
Short-term borrowings	24,446,153	2,000,000
Notes payable	12,764	24,642
Accounts payable	31,493,799	17,766,216
Other payables	11,483,325	9,393,787
Bonds payable（Included exercisable put options on corporate bonds, current portion）	18,788,606	18,403,329
Guarantee deposits received	123,276	145,645
Lease liabilities	477,135	196,661
	$ 86,825,058	$ 47,932,496

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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

(c) Information about derivative financial instruments that are used to hedge financial risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD, EUR and RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting forecast transactions.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, EUR and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2025		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 2,077,904	31.438	$ 65,325,146
RMB:NTD	405,042	4.498	1,821,879
EUR:NTD	14,444	36.905	533,056
USD:RMB	106,408	6.990	3,345,576
Non-monetary items			
USD:NTD	$ 6,349	31.438	$ 199,600
Investments accounted for using equity method			
USD:NTD	$ 343,589	31.438	$ 10,801,741
Financial liabilities			
Monetary items			
USD:NTD	$ 2,412,589	31.438	$ 75,846,973
RMB:NTD	508,990	4.498	2,289,437
USD:RMB	280,740	6.990	8,826,752

	December 31, 2024		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 2,061,719	32.781	$ 67,585,211
RMB:NTD	430,649	4.478	1,928,446
EUR:NTD	20,399	34.132	696,259
USD:RMB	151,903	7.321	4,979,903
Non-monetary items			
USD:NTD	$ 5,913	32.781	$ 193,834
Investments accounted for using equity method			
USD:NTD	$ 312,380	32.781	$ 10,240,126
Financial liabilities			
Monetary items			
USD:NTD	$ 1,192,762	32.781	$ 39,099,931
RMB:NTD	643,153	4.478	2,880,039
USD:RMB	316,201	7.321	10,366,156

v. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2025 and 2024, amounted to loss of $1,273,494 and loss of $380,449, respectively.

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

	Year ended December 31, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 653,251	$ -
RMB:NTD	1%	17,318	-
EUR:NTD	1%	5,331	-
USD:RMB	1%	33,456	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 758,470	$ -
RMB:NTD	1%	22,894	-
USD:RMB	1%	88,268	-

	Year ended December 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 675,852	$ -
RMB:NTD	1%	19,284	-
EUR:NTD	1%	6,963	-
USD:RMB	1%	49,799	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 390,999	$ -
RMB:NTD	1%	28,800	-
USD:RMB	1%	103,662	-

Price risk

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

ii. The Group's investments in equity securities comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by $8,980 and $6,788, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss and beneficiary certificates. Other components of equity would have increased/decreased by $17,554 and $16,053, respectively, as a result of gains/losses on equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The domestic/overseas bond funds investment and bond products with fixed interest rate by the Group was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.

ii. For fixed interest rate bond investments held by the Group classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At December 31, 2025 and 2024, if market interest rates had been 1% higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2025 and 2024 would have been $1,996 and $1,938 higher/lower, respectively.

iii. The Group's main interest rate risk arises from short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings mainly bear variable interest rate. During the years ended December 31, 2025 and 2024, the Group's borrowings were denominated in NTD and USD.

iv. At December 31, 2025 and 2024, if interest rates on borrowings had been 0.25% higher/lower with all other variables held constant, pre-tax profit for the years ended December 31, 2025 and 2024 would have been $61,115 and $5,000 lower/higher. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at fair value through profit or loss.

ii. The bond fund held by the Group was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Group trades with several securities investment trust companies, credit risk is low.

iii. The Group has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Group is the total amount of all book value.

iv. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

v. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

vi. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

vii. The Group classifies customers' accounts receivable in accordance with credit rating of customer, insurance coverage and characteristics of collateral. The Group applies the simplified approach to estimate expected credit loss under the provision matrix basis.

viii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

ix. The Group used the forecastability of macroeconomic growth by the International Monetary Fund to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2025 and 2024, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31 to 60 days past due
December 31, 2025			
Expected loss rate	0.93%~2.07%	0.93%~6.01%	0.93%~15.22%
Total book value	$ 24,697,841	$ 4,392,665	$ 4,818,895
Loss allowance	$ 232,597	$ 90,690	$ 125,859

	61 to 90 days past due	Over 90 days	Total
Expected loss rate	0.93%~43.68%	5%~100%	
Total book value	$ 352,949	$ 215,655	$ 34,478,005
Loss allowance	$ 97,219	$ 128,601	$ 674,966

	Not past due	Up to 30 days past due	31 to 60 days past due
December 31, 2024			
Expected loss rate	0.96%~1.86%	0.96%~9.02%	0.96%~17.58%
Total book value	$ 19,430,816	$ 8,158,677	$ 823,635
Loss allowance	$ 59,138	$ 100,119	$ 28,154

	61 to 90 days past due	Over 90 days	Total
Expected loss rate	0.96%~48.82%	10%~100%	
Total book value	$ 294,880	$ 342,121	$ 29,050,129
Loss allowance	$ 47,201	$ 269,073	$ 503,685

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

	2025		
	Notes receivable	Accounts receivable	Total
At January 1	$ -	$ 503,685	$ 503,685
Provision for impairment	-	179,154	179,154
Effect of exchange rate changes	-	(7,873)	(7,873)
At December 31	$ -	$ 674,966	$ 674,966

	2024		
	Notes receivable	Accounts receivable	Total
At January 1	$ -	$ 385,470	$ 385,470
Provision for impairment	-	101,323	101,323
Write-offs	-	(1,386)	(1,386)
Effect of exchange rate changes	-	18,278	18,278
At December 31	$ -	$ 503,685	$ 503,685

Considering the credit insurance on accounts receivable, the abovementioned amounts were not provided with allowance for uncollectible accounts in the amounts of $305,194 and $314,121 on December 31, 2025 and 2024, respectively. For provisioned loss for the years ended December 31, 2025 and 2024, the impairment gains and losses arising from customers' contracts amounted to loss of $179,154 and loss of $101,323, respectively.

(c) Liquidity risk

i. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are invested in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

iii. The Group's undrawn borrowing facilities for floating rate short-term borrowings amounted to $54,115,437.

iv. The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the contractual undiscounted cash flows of short-term borrowings, notes payable, accounts payable, other payables and guarantee deposits received were equivalent to their carrying amounts and were expiring within one year, the amounts disclosed in the table are the contractual undiscounted cash flows of other financial liabilities:

December 31, 2025	Within 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 166,604	$ 131,894	$ 208,839	$ 507,337
Bonds payable（Included exercisable put options on corporate bonds, current portion）	9,804,347	10,219,532	-	20,023,879

December 31, 2024	Within 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 94,646	$ 65,155	$ 47,194	$ 206,995
Bonds payable	-	9,804,347	10,219,532	20,023,879
Derivative financial liabilities:				
Forward exchange contracts	$ 2,216	$ -	$ -	$ 2,216

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

(3) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(11).

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

	December 31, 2025			
		Fair value		
	Book	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable（Included exercisable put options on corporate bonds,current portion）	$ 18,788,606	$ -	$ 18,967,783	$ -

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

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

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2025 and 2024 is as follows:

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

	Level 1	Level 2	Level 3	Total
December 31, 2025				
Assets				
Recurring fair value measurements-assets				
Financial assets at fair value through profit or loss				
Equity instruments	$ 119,138	$ -	$ 550,721	$ 669,859
Beneficiary certificates	68,419	-	159,755	228,174
Debt instruments	-	199,589	-	199,589
Financial assets at fair value through other comprehensive income	-	-	-	
Equity instruments	1,663,431	-	91,984	1,755,415
	$ 1,850,988	$ 199,589	$ 802,460	$ 2,853,037

	Level 1	Level 2	Level 3	Total
December 31, 2024				
Assets				
Recurring fair value measurements-assets				
Financial assets at fair value through profit or loss				
Equity instruments	$ 124,225	$ -	$ 278,497	$ 402,722
Beneficiary certificates	128,375	-	147,679	276,054
Debt instruments	-	193,834	-	193,834
Financial assets at fair value through other comprehensive income				
Equity instruments	1,519,479	-	85,795	1,605,274
	$ 1,772,079	$ 193,834	$ 511,971	$ 2,477,884
Liabilities				
Recurring fair value measurements-liabilities				
Financial liabilities at fair value through profit or loss				
Derivative instruments	$ -	$ 2,216	$ -	$ 2,216

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

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

	Listed shares	Open-end fund	Government bond and corporate bond
Market quoted price	Closing price	Net asset value	Market price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions.

v. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

vi. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

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

E. For the years ended December 31, 2025 and 2024, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of the equity instruments and the beneficiary certificates catagorised within Level 3 for the years ended December 31, 2025 and 2024:

	Years ended December 31,	
	2025	2024
At January 1	$ 511,971	$ 326,057
Gains recognized in profit or loss	140,274	39,600
Losses recognized in other comprehensive income	(21,555)	(1,327)
Acquired in the period	176,752	157,710
Sold in the period	(2,726)	(11,705)
Disposed in the period (Note)	(1,183)	-
Effect of exchange rate changes	(1,073)	1,636
At December 31	$ 802,460	$ 511,971

Note: Provided in Note 6(7) F.

G. For the years ended December 31, 2025 and 2024, there was no transfer in or out from Level 3.

H. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	$ 550,721	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
Venture capital shares Private equity fund investment	$ 251,739	Net asset value	Not applicable	Not applicable

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	$ 280,590	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
Venture capital shares Private equity fund investment	$ 231,381	Net asset value	Not applicable	Not applicable

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability	±1%	$ 5,507	($ 5,507)	$ -	$ -

			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability	±1%	$ 2,785	($ 2,785)	$ 21	($ 21)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

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

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

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 4.

F. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 7.

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

14. SEGMENT INFORMATION

(1) General information

The Group management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group's operating segments are segregated into the global brand business group and other business group based on the revenues from all sources.

Global brand business group: in-charge of the development and sale of main boards, interface cards, network & communication products, notebooks and computer peripherals.

Other business group: in-charge of the development and sale of product maintenance, automotive electronics and other products.

The Group's company organisation, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(2) Measurement of segment information

The Board of Directors assesses the performance of the operating segments based on the operating income.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Year ended December 31, 2025		
	Global brand business group	Other business group	Total
Total segment revenue	$ 335,834,898	$ 1,101,762	$ 336,936,660
Operating income	$ 16,618,143	$ 154,256	$ 16,772,399
Depreciation and amortization	$ 892,235	$ 4,525	$ 896,760
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

	Year ended December 31, 2024		
	Global brand business group	Other business group	Total
Total segment revenue	$ 264,278,138	$ 870,641	$ 265,148,779
Operating income	$ 12,054,956	$ 721,593	$ 12,776,549
Depreciation and amortization	$ 768,301	$ 29,132	$ 797,433
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

Note: As the Group's assets and liabilities are not the measurement items used by the Chief Operating Decision-Maker in evaluating segments, the measurement amount of the assets and liabilities that shall be disclosed is zero.

(4) Reconciliation for segment income (loss)

The revenue from external parties and segment profit (loss) reported to the Chief Operating Decision-Maker are measured in a manner consistent with those in the statement of pre-tax income. Therefore, such reconciliation is not required.

(5) Information on products and services

The revenue from external parties was derived primarily from the development and sale of interface cards, main boards, notebooks, computer peripherals, network & communication products and cell phones.

Details of revenue is as follows:

Items	Years ended December 31, 2025	2024
Computer components	$ 113,928,969	$ 82,776,488
Networking communication products	207,692,655	170,415,638
Others	15,315,036	11,956,653
	$ 336,936,660	$ 265,148,779

(6) Geographical information

Geographical information for the years ended December 31, 2025 and 2024 is as follows:

A. Revenue by geographic area:

	Years ended December 31, 2025	2024
Europe	$ 75,302,119	$ 78,941,530
USA and Canada	59,866,214	54,158,248
Singapore	56,680,085	70,808,453
Japan	36,701,463	1,925,488
China	31,938,822	24,907,577
Malaysia	28,218,657	5,309,011
Taiwan	15,567,806	6,736,341
Others	32,661,494	22,362,131
	$ 336,936,660	$ 265,148,779

B. Non-current assets:

	Years ended December 31, 2025	2024
Taiwan	$ 4,157,578	$ 3,253,576
USA	1,947,979	1,958,497
China	963,327	903,401
Others	854,095	918,601
	$ 7,922,979	$ 7,034,075

(7) Major customer information

There was no customer accounting for more than 10% of the Group's operating revenue for the years ended December 31, 2025. Major customer information of the Group for the years ended December 31, 2024 is as follows:

	2025	2024
	Revenue	Revenue
Customer B	$ 1,242,999	$ 45,431,914

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others

Year ended December 31, 2025

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed: Company name	Party being endorsed/guaranteed: Relationship with the endorser/ guarantor (Note 4)	Limit on endorsements/ guarantees provided for a single party (Note 2)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2025	Outstanding endorsement/ guarantee amount at December 31, 2025 (Note 5)	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
0	Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	2	$ 1,163,448	$ 273,511 (USD 8,700)	$ 273,511 (USD 8,700)	$ 273,511 (USD 8,700)	$ -	0.46%	$ 17,730,048	Y	N	N	

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

(1) The Company number is 0.

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

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

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

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

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

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

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

(1) Having business relationship.

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

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

Note 5: The ending balance of this statement is presented in New Taiwan dollars. Where foreign currencies are involved, they are translated into New Taiwan dollars using the U.S. dollar exchange rate of $31.438 as of the balance sheet date.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2025

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of December 31, 2025				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Giga-Byte Technology Co., Ltd.	Debt instruments-DEUTSCHE BANK AG etc.	None	Financial assets at fair value through profit or loss-current	-	$ 194,601	-	$ 199,589	
			Valuation adjustment of financial assets at fair value through profit or loss		4,988			
					$ 199,589			
Giga-Trend International Investment Group Ltd.	Unlisted stocks - Castec International Crop. etc.	None	Financial assets at fair value through profit or loss-current	Omitted	$ 266,719	0.17%~13.2%	$ 317,194	
			Valuation adjustment of financial assets at fair value through profit or loss		50,475			
					$ 317,194			
Giga Investments Corp.	Unlisted stocks - Taiwan Truewin Technology Co., Ltd.	None	Financial assets at fair value through profit or loss-current	Omitted	$ 105,779	1.83%~10.56%	$ 233,527	
			Valuation adjustment of financial assets at fair value through profit or loss		127,748			
					$ 233,527			
	Beneficiary certificates - NEXUS CVC Partners Fund LP.	〃	Financial assets at fair value through profit or loss-non current	-	$ 150,000	10.73%	$ 159,755	
			Valuation adjustment of financial assets at fair value through profit or loss		9,755			
					$ 159,755			
	Listed stocks - Walsin Technology Corporation etc.	〃	Financial assets at fair value through other comprehensive income-non current	Omitted	$ 934,387	1.37%~ 9.37%	$ 1,621,771	
			Valuation adjustment of financial assets at fair value through other comprehensive income		687,384			
					$ 1,621,771			

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

December 31, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2025 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsidiary	$ 7,298,753	3.81	$ -	-	$ 1,970,695	$ -
	Giga Computing Technology Co., Ltd.	〃	17,540,655	10.38	-	-	30,028	-
	G-Style Co., Ltd.	〃	1,394,217	3.70	-	-	302,482	-
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidary	5,085,748	5.91	-	-	1,561,616	-
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	1,443,845	3.54	-	-	532,458	-
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	Subsidary-indirect	985,602	3.28	-	-	350,606	-
	Gigaipc Co., Ltd.	〃	187,253	7.71	-	-	91,420	-
Dongguan Gigabyte Electronics Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidary	RMB 229,127 thousand	5.55	-	-	RMB 214,446 thousand	-
Ningbo Gigabyte Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidary	RMB 142,712 thousand	7.73	-	-	RMB 108,985 thousand	-
	Giga Computing Technology Co., Ltd.	Sister companies	RMB 203,359 thousand	5.77	-	-	RMB 42,605 thousand	-

Note 1: Including other receivables.

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant inter-company transactions during the reporting periods

Year ended December 31, 2025

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Company name	Counterparty	Relationship	Transaction			
			General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Parent company to subsidiary	Sales	$ 915,122	Note 5	-
	〃	〃	Marketing service charge	242,277	Note 3	-
	〃	〃	Service charge	179,278	〃	-
	G.B.T., Inc	Parent company to subsidiary	Sales	23,627,651	Note 6	7%
	〃	〃	Accounts receivable	7,298,753	〃	5%
	〃	〃	After-sale service fees	104,137	Note 3	-
	G-Style Co., Ltd.	Parent company to subsidiary	Sales	3,161,761	Note 4	1%
	〃	〃	Accounts receivable	1,394,181	〃	1%
	Giga Computing Technology Co., Ltd.	Parent company to subsidiary	Processing revenue	507,611	Note 2	-
	〃	〃	Sales	495,243	Note 4	-
	〃	〃	Other revenue	123,301	〃	-
	〃	〃	Other receivables	17,454,359	〃	11%
	〃	〃	Purchases	1,420,235	〃	-
	〃	〃	Accounts payable	107,986	〃	-
	BYTE International Co., Ltd.	Parent company to subsidiary	After-sale service fees	666,736	Note 3	-
	Ningbo Zhongjia Technology & Trading Co., Ltd.	Parent company to indirect subsidiary	Sales	29,739,153	Note 1	9%
	〃	〃	Accounts receivable	5,085,748	〃	3%
	Dongguan Gigabyte Electronics Co., Ltd.	Parent company to indirect subsidiary	Purchases	1,090,559	Note 2	-
	〃	〃	Accounts payable	206,455	〃	-
	〃	〃	Other payable	1,272,114	〃	1%
	Ningbo Gigabyte Technology Co., Ltd.	Parent company to indirect subsidiary	Purchases	722,688	〃	-
	〃	〃	Accounts payable	105,607	〃	-
	〃	〃	Other payable	578,449	〃	-
	Ningbo BestYield Tech. Services Co., Ltd.	Parent company to indirect subsidiary	After-sale service fees	256,820	Note 3	-

			Transaction			
Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga-Byte Technology B.V.	G.B.T. Technology Trading GmbH	Subsidiary to subsidiary	Marketing service charge	$ 207,746	Note 5	-
G-Style Co., Ltd.	G.B.T., Inc	Subsidiary to subsidiary	Sales	3,106,841	Note 4	1%
	〃	〃	Accounts receivable	1,443,845	〃	1%
Giga Computing Technology Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Subsidiary to subsidiary	Sales	247,997	Note 1	-
	Ningbo Gigabyte Technology Co., Ltd.	Subsidiary to indirect subsidiary	Purchases	168,811	Note 2	-
	〃	〃	Other payable	930,559	〃	1%
	Giga Computing Technology Inc.	Subsidiary to indirect subsidiary	Sales	3,236,008	Note 4	1%
	〃	〃	Accounts receivable	985,602	Note 4	1%
	Gigaipc Co., Ltd.	Subsidiary to indirect subsidiary	Sales	1,407,954	Note 2	-
	〃	〃	Accounts receivable	186,264	〃	-
	BYTE International Co., Ltd.	Subsidiary to subsidiary	After-sale service fees	134,002	Note 3	-
G.B.T., Inc	BYTE International Co., Ltd.	Subsidiary to subsidiary	Sales	107,348	Note 4	-

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

Note 2 : Credit terms were 60 days after billing.

Note 3 : Credit terms were 30 days after billing.

Note 4 : Credit terms were 60 days upon receipt of goods.

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

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investees

Year ended December 31, 2025

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2025			Net profit (loss) of the investee for the year ended December 31, 2025	Investment income(loss) recognized by the Company for the year ended December 31, 2025	Footnote
				Balance as at December 31, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	British Virgin Islands	Holding company	$ 5,251,952	$ 5,251,952	176,571,692	100.00	$10,226,923	$ 853,021	$ 799,779	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Investments Corp.	Taiwan	Holding company	2,815,000	2,815,000	297,756,500	100.00	3,872,136	220,483	220,483	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Taiwan	Manufacturing and selling of notebooks	310,000	310,000	12,000,000	100.00	104,637	119,436	22,328	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	BYTE International Co., Ltd.	Taiwan	Selling of PC peripherals	583,709	583,709	31,000,000	100.00	475,413	75,656	75,656	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	MyelinTek Inc.	Taiwan	Software service	100,600	70,000	749,999,993	100.00	42,308	950	(4,908)	The Company's subsidiary (Note 1)
Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	Taiwan	Sales of computer information products	834,600	834,600	108,498,000	83.93	10,390,431	6,627,122	5,572,097	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Netherlands	Sales of computer information products	25,984	25,984	8,500	100.00	123,370	35,714	35,714	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	GBT Tech. Co. Ltd.	U.K.	Marketing of computer information products	47,488	47,488	800,000	100.00	36,068	3,289	3,289	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Marketing of computer information products	380,675	380,675	183,000	100.00	380,497	1,344	1,344	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Technology Trading GmbH	Germany	Marketing of computer information products	352,752	352,752	-	100.00	468,608	12,103	12,103	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology Pty. Ltd.	AUS	Marketing of computer information products	55,664	55,664	2,400,000	100.00	66,819	3,198	3,198	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology (India) Private Limited	India	Marketing and maintenance of computer information products	182,868	182,868	4,600,000	100.00	29,138	14,335	14,335	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology ESPANA S.L.U.	Spain	Marketing of computer information products	241	241	5,000	100.00	10,775	(1,340)	(1,340)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	90,660	90,660	54,116	22.64	451,448	311,465	41,703	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Information Technology Commerce Limited Company	Turkey	Marketing of computer information products	3,541	3,541	8,000	100.00	2,560	962	962	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC Company	South Korea	Marketing of computer information products	22,534	22,534	168,000	100.00	41,376	5,009	5,009	The Company's subsidiary
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	1,844,922	1,844,922	57,032,142	100.00	3,537,163	589,388	-	The Company's indirect subsidiary
Freedom International Group Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	458,239	458,239	184,916	77.36	1,958,652	311,465	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Future Limited	British Virgin Islands	Holding company	2,689,068	2,689,068	82,819,550	100.00	3,398,658	128,410	-	The Company's indirect subsidiary
Freedom International Group Ltd.	LCKT Yuan Chan Technology Co., Ltd.(Cayman)	Cayman Islands	Holding company	92,775	92,775	3,000,000	30.00	-	(53,373)	-	Subsidiary's investee company accounted for under the equity method

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at December 31, 2025	Initial investment amount: Balance as at December 31, 2024	Shares held as at December 31, 2025: Number of shares	Shares held as at December 31, 2025: Ownership (%)	Shares held as at December 31, 2025: Book value	Net profit (loss) of the investee for the year ended December 31, 2025	Investment income(loss) recognized by the Company for the year ended December 31, 2025	Footnote
G.B.T. Inc.	Gigabyte Canada Inc.	Canada	Marketing of computer information products	$ 22	$ 22	1,000	100.00	$ 1,302	$ 208	-	The Company's indirect subsidiary
Giga Investments Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	547,050	547,050	60,000,000	100.00	718,137	86,057	-	The Company's indirect subsidiary
Giga Investments Corp.	Senyun Precision Optical Co., Ltd.	Taiwan	Manufacturing and selling of optical lens	-	1,547,410	-	-	-	(2,895)	-	Note 2
Giga Investments Corp.	Selita Precision Co., Ltd.	Taiwan	Manufacturing, wholesale and retail of bicycle and parts	50,000	50,000	5,000,000	100.00	59,818	9,122	-	The Company's indirect subsidiary
Giga Investments Corp.	Cloudmatrix Co., Ltd.	Taiwan	E-commerce platform	30,200	30,200	3,000,000	100.00	29,114	(1,605)	-	The Company's indirect subsidiary
Giga Investments Corp.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	392,000	392,000	11,200,000	23.53	380,473	(53,908)	-	Subsidiary's investee company accounted for under the equity method
Giga Investments Corp.	Da Shiang Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	12,500	12,500	1,250,000	25.00	1,346	(18,276)	-	Subsidiary's investee company accounted for under the equity method
Giga Investments Corp.	GIGA-IMAGE Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	100,000	-	10,000,000	29.41	94,661	(18,078)	-	Subsidiary's investee company accounted for under the equity method
BYTE International Co., Ltd.	Giga Computing Singapore Pte. Ltd.	Singapore	Marketing of computer information products	-	60,757	-	-	-	(474)	-	Note 3
BYTE International Co., Ltd.	Gigabyte Technology Poland SP Z O.O.	Poland	Marketing and maintenance of computer information products	13,997	13,997	100	100.00	15,883	(967)	-	The Company's indirect subsidiary
BYTE International Co., Ltd.	BYTE (Thailand) Limited	Thailand	Marketing and maintenance of computer information products	3,907	-	400,000	100.00	2,740	(1,217)	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	Gigaipc Co., Ltd.	Taiwan	Sales of computer information products	120,000	120,000	13,200,000	74.16	305,507	158,154	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	U.S.A.	Sales of computer information products	3,074	3,074	10,000	100.00	(109,781)	60,848	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	We Solutions Techology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	210,000	210,000	7,000,000	20.00	218,870	26,309	-	Subsidiary's investee company accounted for under the equity method
Giga Computing Technology Co., Ltd.	Giga Computing Singapore Pte. Ltd	Singapore	Marketing of computer information products	60,757	-	3,504,600	100.00	23,830	(480)	-	The Company's indirect subsidiary (Note 3)
Giga-Trend International Investment Group Ltd.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	51,480	51,480	1,716,000	3.61	58,329	(53,908)	-	Subsidiary's investee company accounted for under the equity method
Selita Precision Co., Ltd.	P.R.C.E. Ltd.	Taiwan	Retail sale of electrical appliances	8,145	1,230	845,517	38.42	7,969	(1,058)	-	Subsidiary's investee company accounted for under the equity method (Note 4)
Ningbo BestYield Tech. Services	OGS Europe B.V.	Netherlands	Selling of communications	12,443	12,443	3,000	100.00	49,842	(1,249)	-	The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Popxing Technology & Trading Co., Limited	Hong Kong	Sales of computer information products	225,680	225,680	-	100.00	227,897	7,014	-	The Company's indirect subsidiary

Note 1: Provided in Note 4(3) B Note 1.

Note 2: Provided in Note 4(3) B Note 2.

Note 3: Provided in Note 4(3) B Note 3.

Note 4: Provided in Note 6(7) F.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

Year ended December 31, 2025

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Net income of investee as of December 31, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2025	Book value of investments in Mainland China as of December 31, 2025	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2025	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of computer information products	$ 1,180,938	Note 1	$ 1,180,938	$ -	$ -	$ 1,180,938	$ 103,297	100.00	$ 103,297	$ 1,725,504	$ -	The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Sales of computer information products	259,752	Note 1	259,752	-	-	259,752	480,712	100.00	480,712	1,668,250	-	The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	109,853	Note 3	-	-	-	-	451,229	100.00	451,229	1,374,489	-	The Company's indirect subsidiary
Ningbo Gigabyte Technology Co., Ltd.	Manufacturing of computer information products	2,780,313	Note 1	2,780,313	-	-	2,780,313	148,976	100.00	148,976	3,317,401	-	The Company's indirect subsidiary
Ningbo BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	181,923	Note 2	165,515	-	-	165,515	13,171	100.00	13,171	304,261	-	The Company's indirect subsidiary
Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	5,507	Note 3	-	-	-	-	186	100.00	186	8,723	-	The Company's indirect subsidiary

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

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

Note 3: Others.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Giga-Byte Technology Co., Ltd.	$ 4,386,518	$ 4,402,053	$ 36,719,522

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant transactions , either directly or indirectly through a third area, with investee companies in the Mainland Area

Year ended December 31, 2025

Table 8

Expressed in thousands of NTD

(Except as otherwise indicated))

	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing					
Investee in Mainland China	Amount	%	Amount	%	Balance at December 31, 2025	%	Balance at December 31, 2025	Purpose	Maximum balance during the year ended December 31, 2025	Balance at December 31, 2025	Interest rate	Interest during the year ended December 31, 2025	Others	Footnote
Ningbo Zhongjia Technology Co., Ltd.	$ 29,739,153	23	$ -	-	$ 5,085,748	21	$ -	-	$ -	$ -	-	$ -	-	
Ningbo Gigabyte Technology Co., Ltd.	20,557	-	-	-	-	-	-	-	-	-	-	-	-	
〃	(722,688)	(1)	-	-	(105,607)	(1)	-	-	-	-	-	-	Other payables $578,449	
Dongguan Gigabyte Electronics Co., Ltd.	8,583	-	-	-	-	-	-	-	-	-	-	-	-	
〃	(1,090,559)	(1)	-	-	(206,455)	-	-	-	-	-	-	-	Other payables $1,272,114	
Ningbo BestYield Tech. Services Co., Ltd.	53,356	-	-	-	7,732	-	-	-	-	-	-	-	After-sale service fees $256,820	
Ningbo Zhongjia Technology Co., Ltd.	247,997	-	-	-	15,629	-	-	-	-	-	-	-	-	Note 1
Ningbo Gigabyte Technology Co., Ltd.	(168,811)	-	-	-	(21,959)	-	-	-	-	-	-	-	Other payables $930,559	Note 2

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

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

MARCH 31, 2026 AND 2025

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARCH 31, 2026 AND 2025 CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REVIEW REPORT

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INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

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

Introduction

We have reviewed the accompanying consolidated balance sheets of Giga-Byte Technology Co., Ltd. and subsidiaries (the "Group") as at March 31, 2026 and 2025, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Notes 4(3) and 6(7), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method were not reviewed by independent auditors. Total assets of these insignificant consolidated subsidiaries and investments accounted for using the equity method amounted to NT$4,066,228 thousand and NT$3,724,907 thousand, both constituting 2% of the consolidated total assets as at March 31, 2026 and 2025, total liabilities amounted to NT$961,106 thousand and NT$532,387 thousand, both constituting 1% of the consolidated total liabilities as at March 31, 2026 and 2025, and the total comprehensive income amounted to NT$363,343 thousand and NT$49,908 thousand, constituting 6% and 1% of the consolidated total comprehensive income for the three months then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and investments accounted for using equity method been reviewed by independent auditors as described in the *Basis for qualified conclusion* section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026 and 2025, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Liang, Yi Chang　　Chen, Chi-Tung

For and on behalf of PricewaterhouseCoopers, Taiwan

May 15, 2026

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

As the financial statements are the responsibility of the management, PricewaterhouseCoopers 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
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	March 31, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	March 31, 2025 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 63,311,111	26	$ 40,321,147	26	$ 42,633,454	28
1110	Financial assets at fair value through profit or loss-current	6(2)	1,085,060	-	937,867	-	672,864	-
1136	Financial assets at amortized cost-current	6(3) and 8	808,927	-	1,157,735	1	1,362,650	1
1150	Notes receivable, net	6(4)	2	-	-	-	4,101	-
1170	Accounts receivable, net	6(4)	23,933,327	10	33,803,039	21	30,710,032	21
1200	Other receivables		2,468,312	1	2,745,241	2	1,160,352	1
130X	Inventories, net	6(5)	131,625,687	53	62,185,369	40	58,530,862	39
1410	Prepayments		10,837,894	4	3,101,489	2	3,855,411	3
1470	Other current assets		17,550	-	11,381	-	30,545	-
11XX	**Total current assets**		234,087,870	94	144,263,268	92	138,960,271	93
	Non-current assets							
1510	Financial assets at fair value through profit or loss-non-current	6(2)	165,946	-	159,755	-	150,416	-
1517	Financial assets at fair value through other comprehensive income-non-current	6(6)	1,653,981	1	1,755,415	1	1,540,960	1
1535	Financial assets at amortized cost-non-current	6(3) and 8	121,587	-	122,350	-	212,181	-
1550	Investments accounted for using equity method	6(7)	776,969	-	761,648	1	846,843	1
1600	Property, plant and equipment, net	6(8)	6,966,052	3	6,952,593	5	6,526,696	4
1755	Right-of-use assets	6(9)	478,207	-	501,605	-	206,777	-
1760	Investment property, net	6(11)	21,993	-	22,501	-	26,422	-
1780	Intangible assets		303,527	-	254,109	-	229,049	-
1840	Deferred income tax assets		1,526,537	1	1,061,388	1	1,062,074	1
1900	Other non-current assets		1,724,101	1	270,964	-	297,001	-
15XX	**Total non-current assets**		13,738,900	6	11,862,328	8	11,098,419	7
1XXX	**Total assets**		$ 247,826,770	100	$ 156,125,596	100	$ 150,058,690	100

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2026, DECEMBER 31, 2025 AND MARCH 31, 2025
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	March 31, 2026 AMOUNT	%	December 31, 2025 AMOUNT	%	March 31, 2025 AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(12)	$ 69,227,536	28	$ 24,446,153	16	$ 21,325,579	14
2130	Contract liabilities-current	6(20)	7,582,569	3	3,956,261	3	7,045,932	5
2150	Notes payable		27,535	-	12,764	-	9,302	-
2170	Accounts payable		66,507,411	27	31,493,799	20	29,421,177	19
2180	Accounts payable - related parties	7	71,273	-	-	-	-	-
2200	Other payables	6(13)	11,965,520	5	11,483,325	7	10,081,353	7
2230	Current income tax liabilities		3,927,254	2	2,256,352	1	2,932,046	2
2250	Provisions for liabilities - current	6(14)	990,843	-	905,485	1	921,175	1
2280	Lease liabilities-current		151,467	-	153,009	-	83,524	-
2320	Long-term liabilities, current portion	6(15)	9,345,220	4	9,297,043	6	-	-
2399	Other current liabilities, others		578,119	-	479,470	-	497,603	-
21XX	**Total current liabilities**		170,374,747	69	84,483,661	54	72,317,691	48
	Non-current liabilities							
2530	Bonds payable	6(15)	9,540,960	4	9,491,563	6	18,498,901	13
2570	Deferred income tax liabilities		16,347	-	77,738	-	68,545	-
2580	Lease liabilities-non-current		303,466	-	324,126	-	95,557	-
2600	Other non-current liabilities		545,502	-	549,305	1	444,378	-
25XX	**Total non-current liabilities**		10,406,275	4	10,442,732	7	19,107,381	13
2XXX	**Total liabilities**		180,781,022	73	94,926,393	61	91,425,072	61
	Equity attributable to owners of the parent							
	Capital stock	6(17)						
3110	Common stock		6,698,889	3	6,698,889	4	6,698,889	4
	Capital surplus	6(18)						
3200	Capital surplus		14,016,502	5	14,018,015	9	14,007,111	10
	Retained earnings	6(19)						
3310	Legal reserve		8,461,525	4	8,461,525	6	7,480,218	5
3320	Special reserve		426,354	-	426,354	-	426,354	-
3350	Unappropriated retained earnings		34,375,980	14	29,107,577	19	27,731,472	19
	Other equity interest							
3400	Other equity interest		587,980	-	387,800	-	615,752	-
31XX	**Total equity attributable to owners of the parent**		64,567,230	26	59,100,160	38	56,959,796	38
36XX	**Non-controlling interests**		2,478,518	1	2,099,043	1	1,673,822	1
3XXX	**Total equity**		67,045,748	27	61,199,203	39	58,633,618	39
	Significant events after the balance sheet date	11						
3X2X	**Total liabilities and equity**		$ 247,826,770	100	$ 156,125,596	100	$ 150,058,690	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
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

			Three months ended March 31			
			2026		2025	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(20)	$ 105,057,330	100	$ 65,747,430	100
5000	Operating costs	6(5)(25)(26) and 7	(92,442,700)	(88)	(57,267,119)	(87)
5900	Gross profit		12,614,630	12	8,480,311	13
	Operating expenses	6(25)(26)				
6100	Selling expenses		(2,406,661)	(2)	(1,936,285)	(3)
6200	General and administrative expenses		(1,458,231)	(1)	(1,048,031)	(2)
6300	Research and development expenses		(907,848)	(1)	(993,389)	(1)
6450	Expected credit losses	6(25) and 12(2)	(428,180)	(1)	(263,076)	-
6000	Total operating expenses		(5,200,920)	(5)	(4,240,781)	(6)
6900	Operating profit		7,413,710	7	4,239,530	7
	Non-operating revenue and expenses					
7100	Interest income	6(21)	271,715	-	145,595	-
7010	Other income	6(22)	182,331	-	226,334	-
7020	Other gains and losses	6(23)	(420,402)	-	(2,445)	-
7050	Finance costs	6(24)	(407,427)	-	(133,078)	-
7060	Share of profit of associates and joint ventures accounted for using the equity method	6(7)	14,576	-	1,574	-
7000	Total non-operating revenue and expenses		(359,207)	-	237,980	-
7900	**Profit before income tax**		7,054,503	7	4,477,510	7
7950	Income tax expense	6(27)	(1,410,189)	(1)	(1,085,080)	(2)
8200	**Profit for the period**		$ 5,644,314	6	$ 3,392,430	5

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Three months ended March 31			
			2026		2025	
			AMOUNT	%	AMOUNT	%
	Other comprehensive income, net					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8316	Unrealized loss on valuation of investments in equity instruments measured at fair value through other comprehensive income	6(6)	($ 101,867)	-	($ 64,635)	-
8310	Components of other comprehensive loss that will not be reclassified to profit or loss		(101,867)	-	(64,635)	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		305,611	-	229,675	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		305,611	-	229,675	-
8300	**Other comprehensive income, net**		$ 203,744	-	$ 165,040	-
8500	**Total comprehensive income for the period**		$ 5,848,058	6	$ 3,557,470	5
	Profit attributable to:					
8610	Owners of the parent		$ 5,268,403	6	$ 3,116,119	5
8620	Non-controlling interest		375,911	-	276,311	-
	Total		$ 5,644,314	6	$ 3,392,430	5
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 5,468,583	6	$ 3,281,005	5
8720	Non-controlling interest		379,475	-	276,465	-
	Total		$ 5,848,058	6	$ 3,557,470	5
9750	Basic earnings per share	6(28)	$	7.86	$	4.65
9850	Diluted earnings per share	6(28)	$	7.32	$	4.40

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
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
				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 or loss on valuation of financial assets at fair value through other comprehensive income	Total	Non-controlling interests	Total equity
Three months ended March 31, 2025											
Balance at January 1, 2025		$ 6,698,889	$ 14,011,469	$ 7,480,218	$ 426,354	$ 24,615,353	($ 106,407)	$ 557,273	$ 53,683,149	$ 1,397,442	$ 55,080,591
Profit for the period		-	-	-	-	3,116,119	-	-	3,116,119	276,311	3,392,430
Other comprehensive income (loss) for the period	6(6)	-	-	-	-	-	229,521	(64,635)	164,886	154	165,040
Total comprehensive income (loss)		-	-	-	-	3,116,119	229,521	(64,635)	3,281,005	276,465	3,557,470
Changes in equity of associates accounted for using equity method	6(7)	-	(4,358)	-	-	-	-	-	(4,358)	(85)	(4,443)
Balance at March 31, 2025		$ 6,698,889	$ 14,007,111	$ 7,480,218	$ 426,354	$ 27,731,472	$ 123,114	$ 492,638	$ 56,959,796	$ 1,673,822	$ 58,633,618
Three months ended March 31, 2026											
Balance at January 1, 2026		$ 6,698,889	$ 14,018,015	$ 8,461,525	$ 426,354	$ 29,107,577	($ 263,677)	$ 651,477	$ 59,100,160	$ 2,099,043	$ 61,199,203
Profit for the period		-	-	-	-	5,268,403	-	-	5,268,403	375,911	5,644,314
Other comprehensive income (loss) for the period	6(6)	-	-	-	-	-	305,703	(105,523)	200,180	3,564	203,744
Total comprehensive income (loss)		-	-	-	-	5,268,403	305,703	(105,523)	5,468,583	379,475	5,848,058
Changes in equity of associates accounted for using equity method	6(7)	-	(1,515)	-	-	-	-	-	(1,515)	-	(1,515)
Past due expired dividends		-	2	-	-	-	-	-	2	-	2
Balance at March 31, 2026		$ 6,698,889	$ 14,016,502	$ 8,461,525	$ 426,354	$ 34,375,980	$ 42,026	$ 545,954	$ 64,567,230	$ 2,478,518	$ 67,045,748

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 7,054,503	$ 4,477,510
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(25)	194,551	166,761
Depreciation charge on investment property	6(11)	1,189	1,176
Amortization	6(25)	50,634	43,065
Expected credit losses	6(25) and 12(2)	428,180	263,076
Gain on valuation of financial assets and liabilities at fair value through profit or loss	6(23)	(314,634)	74,658
Share of (profit) loss of associates and joint ventures accounted for using equity method	6(7)	(14,576)	(1,574)
Gain on disposal of investments accounted for using equity method	6(7)	(40)	-
Loss on disposal of property, plant and equipment	6(23)	127	2,917
Interest income	6(21)	(271,715)	(145,595)
Interest expense	6(24)	407,427	133,078
Dividends income	6(22)	(234)	(1,108)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss		161,250	(27,544)
Notes receivable		(2)	567
Accounts receivable		9,437,369	(2,430,762)
Other receivables		276,405	667,620
Inventories		(69,440,318)	(14,721,337)
Prepayments		(7,736,405)	(1,092,351)
Other current assets		(6,169)	(21,709)
Changes in operating liabilities			
Contract liabilities		3,626,308	2,511,531
Notes payable		14,771	(15,340)
Accounts payable		35,084,885	11,654,961
Other payables		486,364	717,709
Provisions for liabilities		85,358	108,810
Other current liabilities		98,649	(63,310)
Other non-current liabilities		(100,671)	1,485
Cash (outflow) inflow generated from operations		(20,476,794)	2,304,294
Interest received		272,239	109,783
Dividend received		234	1,108
Interest paid		(182,737)	(37,173)
Income tax paid		(265,827)	(195,340)
Net cash flows (used in) from operating activities		(20,652,885)	2,182,672

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31 2026	2025
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortized cost		($ 3,241)	($ 35,017)
Proceeds from disposal of financial assets at amortized cost		352,812	7,495
Acquisition of investments accounted for using equity method	6(7)	-	(100,000)
Proceeds from disposal of investments accounted for using equity method	6(7)	700	-
Acquisition of property, plant and equipment	6(30)	(81,280)	(83,594)
Proceeds from disposal of property, plant and equipment		159	59
Acquisition of intangible assets		(101,330)	(77,882)
Increase in prepayments for land and buildings		(1,404,450)	-
Increase in refundable deposits		(7,325)	(2,333)
Decrease in refundable deposits		6,422	5,683
Increase in other non-current assets		(79,862)	(180,858)
Net cash flows used in investing activities		(1,317,395)	(466,447)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(31)	70,280,415	29,351,141
Decrease in short-term borrowings	6(31)	(26,382,911)	(10,025,562)
Increase in guarantee deposits received	6(31)	96,968	-
Decrease in guarantee deposits received	6(31)	(100)	(30,344)
Payments of lease liabilities	6(31)	(41,320)	(27,465)
Past due expired unpaid dividends for shareholders		2	-
Net cash flows from financing activities		43,953,054	19,267,770
Effects of change in exchange rates on foreign currency holdings		1,007,190	150,364
Net increase in cash and cash equivalents		22,989,964	21,134,359
Cash and cash equivalents at beginning of period		40,321,147	21,499,095
Cash and cash equivalents at end of period		$ 63,311,111	$ 42,633,454

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

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

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

These consolidated financial statements were authorized for issuance by the Board of Directors on May 15, 2026.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature - dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

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

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

None.

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

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

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

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

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

IFRS 18, 'Presentation and disclosure in financial statements'

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(1)Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting standards 34, "Interim financial reporting" that came into effect as endorsed by the FSC.

(2)Basis of preparation

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

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

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

(3)Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified

to profit or loss when the related assets or liabilities are disposed of.

(f) For the three months ended March 31, 2026 and 2025, the subsidiaries included in the consolidated financial statements except for those listed in the table below, which were evaluated and disclosed in accordance with their reviewed financial statements, other subsidiaries were evaluated and disclosed in accordance with their unreviewed financial statements:

Name of subsidiary	March 31, 2026	March 31, 2025
Freedom International Group Ltd.	Reviewed financial statements	Reviewed financial statements
Charleston Investments Limited	〃	〃
Ningbo Gigabyte Technology Co., Ltd.	〃	〃
Ningbo Zhongjia Technology Co., Ltd.	〃	〃
Dongguan Gigabyte Electronics Co., Ltd.	〃	〃
Ningbo Boxinda Trade Co., Ltd.	〃	〃
Giga Future Limited	〃	〃
G.B.T. Inc.	〃	〃
Giga Investment Corp.	〃	〃
Giga Computing Technology Co., Ltd.	〃	〃
GIGAIPC CO., LTD.	〃	〃
BYTE International Co., Ltd.	〃	〃

B. Subsidiaries included in the consolidated financial statements:

			Ownership(%)			
Investor	Subsidiary	Main activities	March 31, 2026	December 31, 2025	March 31, 2025	Description
The Company	Freedom International Group Ltd.	Holding company	100.00	100.00	100.00	
〃	G.B.T. Inc.	Sales of computer information products	22.64	22.64	22.64	
〃	G.B.T. Technology Trading GmbH	Promotion of computer information products	100.00	100.00	100.00	
〃	Nippon Giga-Byte Corp.	Promotion of computer information products	100.00	100.00	100.00	
〃	GBT Tech. Co. Ltd.	Promotion of computer information products	100.00	100.00	100.00	
〃	Giga-Byte Technology B.V.	Sales of computer information products	100.00	100.00	100.00	
〃	Gigabyte Technology Pty. Ltd.	Promotion of computer information products	100.00	100.00	100.00	
〃	Giga Investment Corp.	Holding company	100.00	100.00	100.00	
〃	Gigabyte Technology (India) Private Limited	Promotion and repairing of computer information products	100.00	100.00	100.00	

Investor	Subsidiary	Main activities	Ownership(%) March 31, 2026	December 31, 2025	March 31, 2025	Description
The Company	G-Style Co., Ltd.	Selling of notebooks	100.00	100.00	100.00	
〃	BYTE International Co., Ltd.	Repairing of computer information products	100.00	100.00	100.00	
〃	Gigabyte Technology ESPANA S.L.U.	Promotion of computer information products	100.00	100.00	100.00	
〃	Gigabyte Information Technology Commerce Limited Company	Promotion of computer information products	100.00	100.00	100.00	
〃	Gigabyte Technology LLC	Promotion of computer information products	100.00	100.00	100.00	
〃	Giga Computing Technology Co., Ltd.	Selling of computer information products	83.92	83.93	83.93	Note 1
〃	MyelinTek Inc.	Electronic Information Supply and Software Services	100.00	100.00	40.00	Note 2
Freedom International Group Ltd.	Charleston Investments Limited	Holding company	100.00	100.00	100.00	
〃	Giga Future Limited	Holding company	100.00	100.00	100.00	
〃	G.B.T. Inc.	Sales of computer information products	77.36	77.36	77.36	
G.B.T. Inc.	Gigabyte Canada Inc.	Promotion of computer information products	100.00	100.00	100.00	
Charleston Investments Limited	Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of computer information products	100.00	100.00	100.00	
〃	Ningbo Boxinda Trading Co., Ltd.	Sales of computer information products	100.00	100.00	100.00	
Giga Future Limited	Ningbo Gigabyte Technology Co., Ltd.	Manufacturing of computer information products	100.00	100.00	100.00	
Ningbo Boxinda Trading Co., Ltd.	Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	100.00	100.00	100.00	
〃	Popxing Technology & Trading Co., Limited	Sales of computer information products	100.00	100.00	100.00	
Giga Investment Corp.	Giga-Trend International Investment Group Ltd.	Holding company	100.00	100.00	100.00	
〃	Selita Precision Co., Ltd.	Manufacturing of bicycle and parts	100.00	100.00	100.00	
〃	Senyun Precise Optical Co., Ltd.	Manufacturing and selling of mold and industrial plastic products	-	-	96.41	Note 3
〃	Cloudmatrix Co., Ltd.	E-commerce platform	100.00	100.00	100.00	
〃	Giga Computing Technology Co., Ltd.	Selling of computer information products	0.01	-	-	Note 1
Senyun Precise Optical Co., Ltd.	Dongguan Senyun Precise Optical Co., Ltd.	Selling of mold and industrial plastic products	-	-	100.00	Note 3
BYTE International Co., Ltd.	Ningbo BestYield Tech. Services Co., Ltd.	Repairing of computer information products	100.00	100.00	100.00	
〃	Giga Computing Singapore Pte. Ltd.	Promotion of computer information products	-	-	100.00	Note 4

Investor	Subsidiary	Main activities	Ownership(%) March 31, 2026	December 31, 2025	March 31, 2025	Description
BYTE International Co., Ltd.	Gigabyte Technology Poland SP Z O.O.	Promotion and repairing of computer information products	100.00	100.00	100.00	
〃	Bestyield (Thailand) Limted	Promotion and repairing of computer information products	100.00	100.00	100.00	
Ningbo BestYield Tech. Services Co., Ltd.	Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	100.00	100.00	100.00	
〃	OGS Europe B.V.	Selling of communication products	100.00	100.00	100.00	
Giga Computing Technology Co., Ltd.	GIGAIPC CO., LTD.	Sales of computer information products	74.16	74.16	83.33	Note 5
〃	Giga Computing Technology Inc.	Sales of computer information products	100.00	100.00	100.00	
〃	Giga Computing Singapore Pte. Ltd.	Promotion of computer information products	100.00	100.00	-	Note 4

Note 1: On February 28, 2026, the Company sold 0.01% of equity of Giga Computing Technology Co., Ltd. to the fellow subsidiary, Giga Investment Corp. for $1,064.

Note 2: In April 2025, the Company acquired the remaining 60% of equity for $30,600 from other shareholders of MyelinTek Inc., resulting in the Company's shareholding ratio increasing to 100% and the Group obtained control over the entity, which was included as a subsidiary in the consolidated financial statements.

Note 3: In June 2025, Giga Investment Corp. sold all the equity of Senyun Precise Optical Co., Ltd. and its subsidiary, Dongguan Senyun Precise Optical Co., Ltd., to GIGA-IMAGE Technoloty Co., Ltd. in the amount of $210,752, resulting in the Group losing control over the subsidiaries. Giga Investment Corp. recognized gains on disposal of investment of $3,855, which was recorded under 'other gains and losses' in the statement of comprehensive income. The related information is provided in Note 6(30) B.

Note 4: On June 30, 2025, BYTE International Co., Ltd. sold 100% of equity of Aorus Pte. Ltd. to the fellow subsidiary, Giga Computing Technology Co., Ltd., for $10,040. Aorus Pte. Ltd. was renamed Giga Computing Singapore Pte. Ltd. on December 9, 2025.

Note 5: On October 2, 2025, GIGAIPC CO., LTD. conducted a cash capital increase, and the Group did not participate in the subscription, resulting in Giga Computing Technology Co., Ltd.'s shareholding ratio in the investee decreasing to 74.16% and the Group's shareholding ratio in the investee decreasing to 62.24%, please refer to Note 6(29).

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: Not applicable.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4)Foreign currency translation

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

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

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

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognized in other comprehensive income.

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

(5)Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
   (a) Assets that are expected to be realized, or are intended to be sold or consumed in the normal operating cycle;
   (b) Assets that are held primarily for the purpose of trading;
   (c) Assets that are expected to be realized within twelve months after the reporting period;
   (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
   (a) Liabilities that are expected to be settled in the normal operating cycle;
   (b) Liabilities that are held primarily for the purpose of trading;
   (c) Liabilities that are due to be settled within twelve months after the reporting period;
   (d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(6)Cash equivalents

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

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

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

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

(9)Financial assets at amortized cost

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

(10) Accounts and notes receivable

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

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

(11) Impairment of financial assets

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

(12) Derecognition of financial assets

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

(13) Leasing arrangements (lessor)－operating leases

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

(14) Inventories

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

(15) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity that are not recognized in profit or loss or other comprehensive income of the associate and such changes not affecting the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

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

I. At the balance sheet date, the Group performs an impairment test for an investment in an associate when there is an indication that the investment may be impaired. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

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

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

(17) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	3～55 years
Machinery and equipment	2～10 years
Research and development equipment	3～ 8 years
Office equipment	3～15 years
Other tangible operating assets	1～12 years

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

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

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

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

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

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date;

(c) Any initial direct costs incurred by the lessee; and

(d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

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

(19) Investment property

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

(20) Intangible assets

A. Computer software

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

B. Trademark right (indefinite useful life)

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

(21) Impairment of non-financial assets

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

B. The recoverable amounts of intangible assets with an indefinite useful life are evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

(22) Borrowings

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

(23) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

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

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

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.

(25) Convertible bonds payable

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

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

(26) Derecognition of financial liabilities

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

(27) Non-hedging derivatives

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

(28) Provisions

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

(29) Employee benefits

A. Short-term employee benefits

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

B. Pensions

(a) Defined contribution plans

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

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurement arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognized immediately in profit or loss.

iv. Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

C. Termination benefits

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

D. Employees' compensation and directors' remuneration

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

(30) Employee share-based payment

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

(31) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred tax shall not be recognized for the temporary differences arising from the initial recognition of an asset or liability in a transaction other than a business combination that does not affect accounting profit or taxable profit or loss at the time of the transaction, and does not result in equal taxable and deductible temporary differences. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognized for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilized.

G. The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

(32) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(33) Dividends

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

(34) Revenue recognition

Sales of goods

A. The Group manufactures and sells computer peripheral and component parts products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

B. Revenue from sales is recognized based on the price specified in the contract, net of the estimated business tax, volume discounts, sales returns and allowances. Accumulated experience is used to estimate and provide for the volume discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.

C. The Group's obligation to provide a repair for faulty products under the standard warranty terms is recognized as a provision.

D. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(35) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at the present ownership instruments' proportionate share in the recognized amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

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

(36) Operating segments

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

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

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

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

None.

(2) Critical accounting estimates and assumptions

Evaluation of inventories

Inventories are stated at the lower of cost and net realizable value. For inventory which is saleable and obsolete inventory that is checked item by item, the net realizable value are determined based on past experience on industry. Management's judgement on determining net realizable value involves material judgement. As of March 31, 2026, details of the Group's carrying amount of inventories are provided in Note 6(5).

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2026	December 31, 2025	March 31, 2025
Cash on hand and petty cash	$ 5,755	$ 21,780	$ 13,059
Checking accounts and demand deposits	38,406,712	15,597,443	14,529,233
Time deposits	24,898,644	24,701,924	28,091,162
	$ 63,311,111	$ 40,321,147	$ 42,633,454

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

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

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

Financial assets mandatorily measured at fair value through profit or loss	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Listed stocks	$ 67,318	$ 71,009	$ 93,800
Emerging stocks	47,366	20,738	29,759
Unlisted stocks	344,498	372,498	257,451
Beneficiary certificates	57,782	57,782	105,192
Debt instrumants	194,601	194,601	194,601
	711,565	716,628	680,803
Valuation adjustment	373,495	221,239	(7,939)
	1,085,060	937,867	672,864
Non-current items:			
Beneficiary certificates	150,000	150,000	150,000
Valuation adjustment	15,946	9,755	416
	165,946	159,755	150,416
	$ 1,251,006	$ 1,097,622	$ 823,280

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

	Three months ended March 31,	
	2026	2025
Financial assets mandatorily measured at fair value through profit or loss		
Equity intruments	$ 302,326	($ 85,221)
Beneficiary certificates	8,562	5,403
Debt instruments	3,980	6,472
Financial liabilities held for trading		
Derivative instruments	-	(204)
	$ 314,868	($ 73,550)

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

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

(3) Financial assets at amortized cost

	March 31, 2026	December 31, 2025	March 31, 2025
Current items:			
Time deposits with more than three months maturity	$ 716,387	$ 1,067,775	$ 1,362,650
Pledged bank deposits	92,540	89,960	-
	$ 808,927	$ 1,157,735	$ 1,362,650
Non-current items:			
Pledged bank deposits	$ 121,587	$ 122,350	$ 212,181

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

	Three months ended March 31,	
	2026	2025
Interest income	$ 4,423	$ 7,930

B. As at March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was $930,514, $1,280,085 and $1,574,831, respectively.

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

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

(4) Notes and accounts receivable

	March 31, 2026	December 31, 2025	March 31, 2025
Notes receivable	$ 2	$ -	$ 4,101
Accounts receivable	$ 25,040,636	$ 34,478,005	$ 31,480,891
Less: Allowance for uncollectible accounts	(1,107,309)	(674,966)	(770,859)
	$ 23,933,327	$ 33,803,039	$ 30,710,032

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

B. As of March 31, 2026, December 31, 2025 and March 31, 2025, and January 1, 2025, the balances of receivable (including notes receivable) from contracts with customers amounted to $25,040,638, $34,478,005, $31,484,992 and $29,054,797, respectively.

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

D. As at March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable were $2, $0, $4,101; $23,933,327, $33,803,039 and $30,710,032, respectively.

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

(5) Inventories

	March 31, 2026		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 72,108,801	($ 1,336,259)	$ 70,772,542
Work in progress	13,677,129	(97,183)	13,579,946
Finished goods and merchandise inventories	48,902,050	(1,628,851)	47,273,199
	$ 134,687,980	($ 3,062,293)	$ 131,625,687

	December 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 28,144,341	($ 851,998)	$ 27,292,343
Work in progress	373,648	(87,979)	285,669
Finished goods and merchandise inventories	36,061,833	(1,454,476)	34,607,357
	$ 64,579,822	($ 2,394,453)	$ 62,185,369

	March 31, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials and supplies	$ 33,475,470	($ 688,595)	$ 32,786,875
Work in progress	5,288,428	(22,669)	5,265,759
Finished goods and merchandise inventories	21,450,611	(972,383)	20,478,228
	$ 60,214,509	($ 1,683,647)	$ 58,530,862

The cost of inventories recognized as expense for the year:

	Three months ended March 31,	
	2026	2025
Cost of inventories sold	$ 91,413,485	$ 56,591,396
Cost of warranty	361,375	572,462
Loss on valuation	667,840	103,261
	$ 92,442,700	$ 57,267,119

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

	March 31, 2026	December 31, 2025	March 31, 2025
Debt instruments			
Listed stocks	$ 934,387	$ 934,387	$ 936,387
Emerging stocks	28,000	28,000	-
Unlisted stocks	140,381	139,948	112,527
	1,102,768	1,102,335	1,048,914
Valuation adjustment	551,213	653,080	492,046
	$ 1,653,981	$ 1,755,415	$ 1,540,960

A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

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

	Three months ended March 31,	
	2026	2025
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income		
Held at end of period	($ 101,867)	($ 64,635)

C. As of March 31, 2026, December 31, 2025 and March 31, 2025, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was $1,653,981, $1,755,415 and $1,540,960, respectively.

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

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

(7) Investments accounted for using the equity method

	2026	2025
At January 1	$ 761,648	$ 747,686
Increase in investments accounted for using equity method	-	100,000
Disposal of investments accounted for using equity method	(660)	-
Share of gain of investments accounted for using equity method	14,576	1,574
Changes in capital surplus	(1,515)	(4,443)
Changes in other equity items	2,920	2,026
At March 31	$ 776,969	$ 846,843

	March 31, 2026	December 31, 2025	March 31, 2025
Associates			
Wellysun Inc.	$ 439,479	$ 438,802	$ 462,188
We Solutions Technology Co., Ltd.	222,589	218,870	221,398
GIGA-IMAGE Technology Co., Ltd.	108,509	94,661	100,000
P.R.E.C Ltd.	5,502	7,969	-
Joint ventures			
MyelinTek Inc.	-	-	58,230
Da Shiang Technology Co., Ltd.	890	1,346	5,027
	$ 776,969	$ 761,648	$ 846,843

A. Abovementioned investments accounted for using equity method are based on investee companies' financial statements of the same reporting period which were not reviewed by other independent auditors.

B. From January to March 2026 and 2025, Wellysun Inc. repurchased treasury shares, resulting in the Group's shareholding ratio increasing to 27.84% and 27.14%, respectively. The Group is the single largest shareholder of the investee. Given that 8 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.

C. On March 6, 2025, the Group invested $100,000 in GIGA-IMAGE Technology Co., Ltd. by cash, and the shareholding ratio was 29.41%. The Group is the single largest shareholder of the investee. Given that 4 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.

D. In April 2025, the Group invested $7,225 in P.R.C.E. Ltd., and the shareholding ratio was increased to 38.42%. Therefore, the financial assets at fair value through other comprehensive income were deemed as disposed and transferred to investments accounted for using equity method. In addition, the Group disposed of a portion of its interest to other shareholders for cash of $700 in January 2026, resulting in the Group's shareholding ratio decreasing to 35.23%. The Group is the single largest shareholder of the investee. Given that 2 other large shareholders (non-related parties) hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investee, the Group has no control, but only has significant influence, over the investee.

E. In April 2025, the Company acquired the remaining 60% of equity for $30,600 from other shareholders of MyelinTek Inc., resulting in the Company's shareholding ratio increasing to 100% and the Group obtained control over the entity, which was included as a subsidiary in the consolidated financial statements.

F. The Group has no material associates and joint venture investment. The Group's share of the operating results of the aforementioned investments are summarized below:

	Three months ended March 31,	
	2026	2025
Profit for the period from continuing operations	$ 14,576	$ 1,574
Other comprehensive income, net of tax	2,920	2,026
Total comprehensive income	$ 17,496	$ 3,600

(8) Property, plant and equipment

	2026								
	Land			Buildings and structures			Machinery	Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
At January 1									
Cost	$ 2,626,283	$ 739	$ 2,627,022	$ 5,097,683	$ 24,028	$ 5,121,711	$ 2,909,087	$ 2,031,707	$ 12,689,527
Accumulated depreciation	-	-	-	(2,183,441)	(12,480)	(2,195,921)	(2,157,648)	(1,383,365)	(5,736,934)
	$ 2,626,283	$ 739	$ 2,627,022	$ 2,914,242	$ 11,548	$ 2,925,790	$ 751,439	$ 648,342	$ 6,952,593
At January 1	$ 2,626,283	$ 739	$ 2,627,022	$ 2,914,242	$ 11,548	$ 2,925,790	$ 751,439	$ 648,342	$ 6,952,593
Additions	-	-	-	15,785	-	15,785	3,543	57,783	77,111
Disposals	-	-	-	-	-	-	(29)	(257)	(286)
Reclassifications	7	(7)	-	15,289	(114)	15,175	(428)	17,331	32,078
Depreciation charge	-	-	-	(33,345)	(106)	(33,451)	(42,353)	(75,202)	(151,006)
Net exchange differences	16,361	-	16,361	19,365	-	19,365	16,372	3,464	55,562
At March 31	$ 2,642,651	$ 732	$ 2,643,383	$ 2,931,336	$ 11,328	$ 2,942,664	$ 728,544	$ 651,461	$ 6,966,052
At March 31									
Cost	$ 2,642,651	$ 732	$ 2,643,383	$ 5,185,074	$ 23,789	$ 5,208,863	$ 2,962,678	$ 2,101,206	$ 12,916,130
Accumulated depreciation	-	-	-	(2,253,738)	(12,461)	(2,266,199)	(2,234,134)	(1,449,745)	(5,950,078)
	$ 2,642,651	$ 732	$ 2,643,383	$ 2,931,336	$ 11,328	$ 2,942,664	$ 728,544	$ 651,461	$ 6,966,052

	2025								
	Land			Buildings and structures			Machinery	Others	
	Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal	Owner-occupied	Owner-occupied	Total
At January 1									
Cost	$ 2,337,726	$ 53,684	$ 2,391,410	$ 4,761,981	$ 30,027	$ 4,792,008	$ 3,068,989	$ 1,776,829	$ 12,029,236
Accumulated depreciation	-	-	-	(2,071,248)	(7,901)	(2,079,149)	(2,284,512)	(1,238,883)	(5,602,544)
	$ 2,337,726	$ 53,684	$ 2,391,410	$ 2,690,733	$ 22,126	$ 2,712,859	$ 784,477	$ 537,946	$ 6,426,692
At January 1	$ 2,337,726	$ 53,684	$ 2,391,410	$ 2,690,733	$ 22,126	$ 2,712,859	$ 784,477	$ 537,946	$ 6,426,692
Additions	-	-	-	4,905	-	4,905	724	47,822	53,451
Disposals	-	-	-	-	-	-	(1,646)	(1,330)	(2,976)
Reclassifications	42,812	(42,812)	-	17,568	(17,568)	-	97,122	12,163	109,285
Depreciation charge	-	-	-	(27,716)	(108)	(27,824)	(46,047)	(65,274)	(139,145)
Net exchange differences	21,114	-	21,114	44,230	-	44,230	10,597	3,448	79,389
At March 31	$ 2,401,652	$ 10,872	$ 2,412,524	$ 2,729,720	$ 4,450	$ 2,734,170	$ 845,227	$ 534,775	$ 6,526,696
At March 31									
Cost	$ 2,401,652	$ 10,872	$ 2,412,524	$ 4,861,499	$ 6,081	$ 4,867,580	$ 3,182,575	$ 1,825,675	$ 12,288,354
Accumulated depreciation	-	-	-	(2,131,779)	(1,631)	(2,133,410)	(2,337,348)	(1,290,900)	(5,761,658)
	$ 2,401,652	$ 10,872	$ 2,412,524	$ 2,729,720	$ 4,450	$ 2,734,170	$ 845,227	$ 534,775	$ 6,526,696

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

B. The Group had no interest capitalisation for the three months ended March 31, 2026 and 2025.

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

(9) Leasing arrangements－lessee

A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 9 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise buildings, parking spaces and business vehicles. Low-value assets comprise multifunction printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
	Carrying amount	Carrying amount	Carrying amount
Land	$ 32,215	$ 31,615	$ 33,237
Buildings	384,221	408,126	108,924
Transportation equipment	61,771	61,864	64,616
	$ 478,207	$ 501,605	$ 206,777

	Three months ended March 31,	
	2026	2025
	Depreciation charge	Depreciation charge
Land	$ 372	$ 369
Buildings	30,269	16,623
Transportation equipment	12,904	10,624
	$ 43,545	$ 27,616

D. For the three months ended March 31, 2026 and 2025, the additions to right-of-use assets were $18,792 and $7,203, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended March 31,	
	2026	2025
Items affecting profit or loss		
Interest expense on lease liabilities	$ 3,909	$ 1,754
Expense on short-term lease contracts	63,132	64,898
Expense on leases of low-value assets	789	1,276

F. For the three months ended March 31, 2026 and 2025, the Group's total cash outflow for leases was $109,150 and $95,393, respectively.

(10) Leasing arrangements – lessor

A. The Group leases various assets including land and buildings. Rental contracts are typically made for periods of 1 and 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. For the three months ended March 31, 2026 and 2025, the Group recognized rent income in the amounts of $7,008 and $6,473, respectively, based on the operating lease agreement, which does not include variable lease payments.

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

	March 31, 2026	December 31, 2025	March 31, 2025
Current year	$ 20,533	$ -	$ 8,741
Within 1 year	15,397	20,961	11,548
Within 1-2 years	10,175	9,565	-
Within 2-3 years	10,326	9,708	-
After 4 years	30,977	39,406	-
	$ 87,408	$ 79,640	$ 20,289

(11) Investment property

	Bulidings	
	2026	2025
At January 1		
Cost	$ 104,883	$ 104,417
Accumulated depreciation	(82,382)	(77,364)
	$ 22,501	$ 27,053
At January 1	$ 22,501	$ 27,053
Depreciation charge	(1,189)	(1,176)
Net exchange differences	681	545
At March 31	$ 21,993	$ 26,422
At March 31		
Cost	$ 108,127	$ 106,562
Accumulated depreciation	(86,134)	(80,140)
	$ 21,993	$ 26,422

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

	Three months ended March 31,	
	2026	2025
Rental income from investment property	$ 2,917	$ 2,887
Direct operating expenses arising from the investment property that generated rental income in the period	$ 1,189	$ 1,176

B. The fair value of the investment property held by the Group as at March 31, 2026, December 31, 2025 and March 31, 2025 was $105,801, $105,160 and $91,953, respectively, which was valuated with reference to the future rental income and the related discounted cash flows, which was categorized within Level 3 in the fair value hierarchy. Key assumptions are as follows:

	March 31, 2026	December 31, 2025	March 31, 2025
Discount rate	1.792%	1.773%	1.839%

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

(12) Short-term borrowings

	March 31, 2026	December 31, 2025	March 31, 2025
Unsecured bank loans	$ 69,227,536	$ 24,446,153	$ 21,325,579
Credit lines	$ 128,708,660	$ 78,561,590	$ 70,440,159
Interest rate range	1.71%~4.47%	1.750%~4.408%	1.758%~5.285%

For the three months ended March 31, 2026 and 2025, details of interest expense recognized in profit or loss are provided in Note 6(24).

(13) Other payables

	March 31, 2026	December 31, 2025	March 31, 2025
Salary and bonus payable	$ 6,343,013	$ 6,430,354	$ 5,060,956
Employees' compensation and directors' remuneration payable	3,347,282	2,244,455	2,759,966
Marketing fee payable	1,110,802	1,503,105	1,057,552
Shipping and freight-in payable	353,048	429,217	432,369
Royalties payable	39,642	37,359	72,462
Others	771,733	838,835	698,048
	$ 11,965,520	$ 11,483,325	$ 10,081,353

(14) Provisions – current

	Warranty	
	2026	2025
At January 1	$ 905,485	$ 812,365
Additional provisions	361,375	572,462
Used during the year	(276,017)	(463,652)
At March 31	$ 990,843	$ 921,175

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

(15) Bonds payable

	March 31, 2026	December 31, 2025	March 31, 2025
Bonds payable	$ 20,023,879	$ 20,023,879	$ 20,023,879
Less: Discount on bonds payable	(1,137,699)	(1,235,273)	(1,524,978)
	18,886,180	18,788,606	18,498,901
Less: Exercisable put options on corporate bonds, current portion (accounted for as 'Long-term liabilities, current portion')	(9,345,220)	(9,297,043)	-
	$ 9,540,960	$ 9,491,563	$ 18,498,901

A. Fourth unsecured convertible bonds overseas

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

i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 23, 2024 to July 23, 2029. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 0.875% (semi-annually calculated).

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT$358.87 per share/conversion exchange rate used is USD:TWD=1:32.61), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT$338.28 per share on August 5, 2025.

iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 0.875% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.

v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.

vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

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

B. Third unsecured convertible bonds overseas

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

i. The total issuance amounted to USD 300 million, with a coupon rate of 0%, a maturity period of 5 years, and a circulation period from July 27, 2023 to July 27, 2028. Upon maturity, the convertible bonds will be redeemed in USD at face value plus an annual interest rate of 1% (semi-annually calculated).

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three month of the bonds issue (excluding the issuance date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model in the terms of the bonds (the conversion price at issuance is NT$375 per share/conversion exchange rate used is USD:TWD=1:31.095), and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The Company adjusted the conversion price to NT$345.14 per share on August 5, 2025.

iv. Except in cases of early redemption, repurchase and cancellation, or conversion, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date or the delisting of the Company's common stock on the Taiwan Stock Exchange, with redemption of all or part of the bonds based on semi-annual calculations.

v. When 90% or more of the bonds have been redeemed, converted, repurchased and cancelled by bondholders, or from the day following the third anniversary of the issuance of the convertible bonds until ten days before maturity, if the closing price of the Company's common stock (converted to USD at the prevailing exchange rate) reaches 130% of the early redemption amount divided by the total face value of the bonds after 20 trading days out of 30 consecutive trading days, the Company may redeem all or part of the bonds early.

vi. Under the terms of the bonds, all bonds redeemed (including repurchased on the secondary market), early redeemed, matured or converted bonds by bondholders will be cancelled and not to be re-issued.

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

(c) Under the terms of the bonds, bondholders may request compensation for interest at an annual rate of 1% above the face value of the bonds from the third anniversary of the issuance date, with redemption of all or part of the bonds based on semi-annual calculations. As the bondholders will be able to exercise the put options in the third quarter of 2026, the bonds were transferred to 'Long-term liabilities, current portion' from the period. After the put options exceed their exercise period, the unexercised put options will be transferred back to 'Bonds payable' if they met the definition of non-current liabilities.

(16) Pensions

A. The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the

independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method, to the employees expected to be qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(a) The pension costs under defined contribution pension plans of the Group for the three months ended March 31, 2026 and 2025 were $1,884 and $1,743, respectively.

(b) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2026 amount to $10,955.

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Group for the three months ended March 31, 2026 and 2025 were $41,294 and $35,541, respectively.

The Company's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentage for the three months ended March 31, 2026 and 2025 was both 12%~17%. Other than the monthly contributions, the Group has no further obligations. For the three months ended March 31, 2026 and 2025, the Company's mainland China subsidiaries have recognized pension cost of $32,174 and $30,632, respectively.

(17) Share capital

As of March 31, 2026, the Company's authorized capital was $9,500,000, consisting of 950,000 thousand shares of ordinary stock (including 50,000 thousand shares reserved for employee stock options, for preferred shares with warrants or for convertible bonds issued by the Company), and the paid-in capital was $6,698,889 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected. The number of the Company's ordinary shares outstanding at the beginning and end of the period is both 669,889,886 shares.

(18) Capital surplus

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

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless accumulated legal reserve has reached an amount equal to the Company's paid-in capital. And then special reserve shall be set aside or reversed according to the laws or decrees or the regulations of competent authorities. Appropriation (5% ~ 100%) of the remainder plus prior year's accumulated retained earnings shall be proposed by the Board of Directors, and distributed as below:
   (a) It shall be resolved by the stockholders when distributed by issuance of new shares.
   (b) Earnings distributed in the form of cash or all or part of the legal reserve and capital surplus regulated by Paragraph 1 of Article 241 of the Company Act distributed in cash shall be resolved by a majority vote at a meeting of Board of Directors attended by at least two-thirds of the total number of directors, and reported to shareholders, but not needed to be submitted to the shareholders for approval. Cash dividends shall not be less than 5% of total distribution amount. If the cash dividend is less than ten cents (NT$0.1) per share, such dividend shall be distributed in the form of shares.

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

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

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

D. The appropriations of 2025 earnings had been approved by the Board of Directors on April 17, 2026 and the appropriations of 2024 earnings had been approved by the shareholders during their meeting on June 10, 2025. Details are summarized below:

	2025		2024	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 1,217,242		$ 981,307	
Cash dividend	8,038,667	$ 12.00	6,698,889	$ 10.00

E. For the appropriation of 2025 earnings, aside from the cash dividends which had been resolved by the Board of Directors on April 17, 2026 and provisioned dividends payable, the remaining was yet to be resolved by the shareholders. Information about the appropriation of earnings proposed by the Board of Directors and resolved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(20) Operating revenue

	Three months ended March 31,	
	2026	2025
Revenue from contracts with customers	$ 105,057,330	$ 65,747,430

A. Disaggregation of revenue from contracts with customers

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

	Three months ended March 31, 2026		
	Global brand business group	Other business group	Total
Product Types			
Computer parts	$ 26,275,513	$ -	$ 26,275,513
Networking communication products	75,135,150	-	75,135,150
Others	3,295,198	351,469	3,646,667
	$ 104,705,861	$ 351,469	$ 105,057,330

	Three months ended March 31, 2025		
	Global brand business group	Other business group	Total
Product Types			
Computer parts	$ 26,596,948	$ -	$ 26,596,948
Networking communication products	35,792,387	-	35,792,387
Others	3,043,505	314,590	3,358,095
	$ 65,432,840	$ 314,590	$ 65,747,430

B. Contract liabilities

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

	March 31, 2026	December 31, 2025	March 31, 2025	January 1, 2025
Advance sales receipts	$ 7,582,569	$ 3,956,261	$ 7,045,932	$ 4,534,401

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

	Three months ended March 31,	
	2026	2025
Advance sales receipts	$ 3,834,425	$ 4,395,563

(21) Interest income

	Three months ended March 31,	
	2026	2025
Interest income from bank deposits	$ 259,837	$ 137,284
Interest income from financial assets measured at amortized cost	4,423	7,930
Others	7,455	381
	$ 271,715	$ 145,595

(22) Other income

	Three months ended March 31,	
	2026	2025
Rental revenue	$ 7,008	$ 6,473
Dividend income	234	1,108
Other income - others	175,089	218,753
	$ 182,331	$ 226,334

(23) Other gains and losses

	Three months ended March 31,	
	2026	2025
Foreign exchange (losses) gains	($ 733,776)	$ 76,415
Gains (losses) on financial assets at fair value through profit or loss (non-derivative financial instruments)	314,634	(74,454)
Losses on financial liabilities at fair value through profit or loss (derivative financial instruments)	-	(204)
Losses on disposals of property, plant and equipment	(127)	(2,917)
Gain on disposal of investments accounted for using equity method	40	-
Others	(1,173)	(1,285)
	($ 420,402)	($ 2,445)

(24) Finance costs

	Three months ended March 31,	
	2026	2025
Interest expense		
Bank borrowing	$ 305,937	$ 35,748
Amortization of convertible bonds discount	97,574	95,572
Interest expense on lease liabilities	3,909	1,754
Other interest expense	7	4
	$ 407,427	$ 133,078

(25) Expenses by nature

	Three months ended March 31,	
	2026	2025
Cost of goods sold	$ 91,016,811	$ 55,876,426
Employee benefit expense	2,787,066	2,395,743
Loss on inventory valuation	667,840	103,261
Expected credit losses	428,180	263,076
Warranty cost of after-sale service	361,375	572,462
Transportation expenses	264,366	224,758
Depreciation and amortization	245,185	209,826
Export expense	230,601	341,437
Marketing service charge	130,279	116,658
Other costs and expenses	1,511,917	1,404,253
	$ 97,643,620	$ 61,507,900

(26) Employee benefit expense

	Three months ended March 31,	
	2026	2025
Wages and salaries	$ 2,486,952	$ 2,124,835
Labor and health insurance fees	111,749	105,864
Pension costs	75,352	67,916
Other personnel expenses	113,013	97,128
	$ 2,787,066	$ 2,395,743

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 3%~10% for employees' compensation and shall not be higher than 3% for directors' remuneration. The aforementioned employees' compensation shall be distributed no lower than 20% for distributing the compensation to the rank-and-file employees or adjusting the salaries.

B. For the three months ended March 31, 2026 and 2025, employees' compensation was accrued at $657,745 and $423,162, respectively; while directors' remuneration was accrued at $11,500 and $11,400 respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on 10% and 0.17% of distributable profit of current year for the three months ended March 31, 2026. Employees' compensation and directors' remuneration of 2025 as resolved by the Board of Directors were in agreement with those amounts recognized in the 2025 financial statements.

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

(27) Income tax

A. Components of income tax expense:

	Three months ended March 31,	
	2026	2025
Current tax:		
Current tax on profits for the period	$ 1,930,077	$ 1,167,296
Prior year income tax underestimation	-	91,553
Total current tax	1,930,077	1,258,849
Deferred tax:		
Origination and reversal of temporary differences	(526,540)	(175,785)
Effect of the exchange rate	6,652	2,016
Total deferred tax	(519,888)	(173,769)
Income tax expense	$ 1,410,189	$ 1,085,080

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

C. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

D. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

(a) The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was enacted in the Netherlands, Germany, and other countries, the jurisdiction in which the entity controlled by the Group is incorporated, and come into effect from January 1, 2024, the Group has no related current tax exposure as of March 31, 2026. While Pillar Two legislation was enacted in other operational regions of the Group and has not yet come into effect, it has no significant impact to the Group based on the Group's assessment.

(b) Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

(c) Due to the complexities in applying the legislation and calculating GloBE income, the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(28) Earnings per share

	Three months ended March 31, 2026		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 5,268,403	669,889	$ 7.86
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	7,047	
-Convertible bonds	96,212	55,948	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 5,364,615	732,884	$ 7.32

	Three months ended March 31, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 3,116,119	669,889	$ 4.65
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
-Employees' compensation	-	5,547	
-Convertible bonds	94,211	53,959	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 3,210,330	729,395	$ 4.40

(29) Transactions with non-controlling interest

GIGAIPC CO., LTD. conducted a cash capital increase on October 2, 2025. The Group did not participate in the subscription. As a result, the Group decreased its share interest by 7.7%. The transaction increased non-controlling interest by $47,498 and increased the equity attributable to owners of parent by $1,502. The effect of changes in interests in GIGAIPC CO., LTD. on the equity attributable to owners of the parent for the year ended December 31, 2025 is shown below:

	December 31, 2025
Cash	$ 49,000
Capital surplus-employee share options	10,642
Increase in the carrying amount of non-controlling interest	(47,498)
Capital surplus-changes in ownership interests in subsidiaries	$ 12,144

(30) Supplemental cash flow information:

A. Investing activities with partial cash payments:

	Three months ended March 31,	
	2026	2025
Purchase of property, plant and equipment	$ 77,111	$ 53,451
Add: Opening balance of payable on equipment	5,195	44,701
Less: Ending balance of payable on equipment	(1,026)	(14,558)
Cash paid during the year	$ 81,280	$ 83,594

B. The Group sold 100% of equity of the subsidiary, Senyun Precise Optical Co., Ltd., on June 30, 2025 and therefore lost control over the subsidiary (please refer to Note 4(3) B.(c)). The details of the consideration received from the transaction and assets and liabilities relating to the subsidiary are as follows:

	June 30, 2025
Consideration received	
Cash	$ 210,752
Carrying amount of the assets and liabilities of the subsidiary - Senyun Precise Optical Co., Ltd.	
Cash	121,158
Notes receivable	4,798
Accounts receivable	35,841
Other receivables	308
Inventories	21,344
Prepayments	317
Other current assets	954
Property, plant and equipment	50,284
Other non-current assets	250
Contract liabilities	(1,818)
Accounts payable	(6,995)
Other payables	(16,052)
Other current liabilities	(1,352)
Other non-current liabilities	(2,111)
Total net assets	$ 206,926

(31) Changes in liabilities from financing activities

	Three months ended March 31, 2026				
	Short-term borrowings	Bonds payable (Included exercisable put options on corporate bonds, current portion)	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	$ 24,446,153	$ 18,788,606	$ 123,276	$ 477,135	$ 43,835,170
Changes in cash flow from financing activities	43,897,504	-	96,868	(41,320)	43,953,052
Payment of interest expense on lease liabilities (Note)	-	-	-	(3,909)	(3,909)
Amortization of convertible bonds discount (Note)	-	97,574	-	-	97,574
Impact of changes in foreign exchange rate	883,879	-	-	326	884,205
Changes in other non-cash items	-	-	-	22,701	22,701
At March 31	$ 69,227,536	$ 18,886,180	$ 220,144	$ 454,933	$ 88,788,793

	Three months ended March 31, 2025				
	Short-term borrowings	Bonds payable	Guarantee deposits received	Lease liability	Liabilities from financing activities-gross
At January 1	$ 2,000,000	$ 18,403,329	$ 145,645	$ 196,661	$ 20,745,635
Changes in cash flow from financing activities	19,325,579	-	(30,344)	(27,465)	19,267,770
Payment of interest expense on lease liabilities (Note)	-	-	-	(1,754)	(1,754)
Amortization of convertible bonds discount (Note)	-	95,572	-	-	95,572
Impact of changes in foreign exchange rate	-	-	-	2,682	2,682
Changes in other non-cash items	-	-	-	8,957	8,957
At March 31	$ 21,325,579	$ 18,498,901	$ 115,301	$ 179,081	$ 40,118,862

Note: Listed under cash flows from operating activities.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Names of related parties	Relationship with the Group
We Solutions Technology Co., Ltd. (We Solutions)	Associates

(2) Significant related party transactions

A. Purchases (Three months ended March 31, 2025: None.)

	Three months ended March 31, 2026
Purchases of goods:	
We Solutions	$ 73,267

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

B. Accounts payable (December 31, 2025 and March 31, 2025: None.)

	March 31, 2026
We Solutions	$ 71,273

(3) Key management compensation

	Three months ended March 31,	
	2026	2025
Salaries and other short-term employee benefits	$ 35,908	$ 33,019
Post-retirement benefits	387	358
Total	$ 36,295	$ 33,377

8. PLEDGED ASSETS

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

	Book value			
Pledged asset	March 31, 2026	December 31, 2025	March 31, 2025	Purpose
Pledged assets - current (accounted for as "Financial assets at amortized cost - current")				
- Time deposits	$ 92,540	$ 89,960	$ -	Guarantee for the customs duties
Pledged assets - non-current (accounted for as "Financial assets at amortized cost - non-current")				
- Demand deposits	$ 3,992	$ 4,767	$ 4,532	Security deposit for office leasing
- Time deposits	117,595	117,583	207,649	Guarantee for the customs duties
	$ 121,587	$ 122,350	$ 212,181	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Please refer to Note 6(19) for the appropriation of earnings for 2025.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group

may adjust the amount of dividends paid to shareholders, issue employee stock option or buyback and retire treasury stock. The Group monitors capital on the basis of the liabilities to assets ratio. Total capital is shown as "Equity" in the consolidated balance sheet, which is also equal to total assets minus total liabilities.

(2) Financial instruments

A. Financial instruments by category

	March 31, 2026	December 31, 2025	March 31, 2025
Financial assets			
Financial assets mandatorily measured at fair value through profit or loss	$ 1,251,006	$ 1,097,622	$ 823,280
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	1,653,981	1,755,415	1,540,960
Financial assets at amortized cost			
Cash and cash equivalents	63,311,111	40,321,147	42,633,454
Financial assets at amortized cost	930,514	1,280,085	1,574,831
Notes receivable	2	-	4,101
Accounts receivable	23,933,327	33,803,039	30,710,032
Other receivables	2,468,312	2,745,241	1,160,352
Guarantee deposits paid	79,696	78,793	63,043
	$ 93,627,949	$ 81,081,342	$ 78,510,053
Financial liabilities			
Financial liabilities at amortized cost			
Short-term borrowings	$ 69,227,536	$ 24,446,153	$ 21,325,579
Notes payable	27,535	12,764	9,302
Accounts payable	66,578,684	31,493,799	29,421,177
Other payables	11,965,520	11,483,325	10,081,353
Bonds payable（Included exercisable put options on corporate bonds, current portion）	18,886,180	18,788,606	18,498,901
Guarantee deposits received	220,144	123,276	115,301
Lease liabilities	454,933	477,135	179,081
	$ 167,360,532	$ 86,825,058	$ 79,630,694

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. To minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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

(c) Information about derivative financial instruments that are used to hedge financial risk are provided in Note 6(2).

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD, EUR and RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD expenditures. Forward foreign exchange contracts are adopted to minimise the volatility of the exchange rate affecting forecast transactions.

iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, EUR and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31, 2026		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 4,096,866	31.980	$ 131,017,775
RMB:NTD	1,737,995	4.627	8,041,703
EUR:NTD	24,149	36.694	886,123
USD:RMB	96,179	6.911	3,075,535
Non-monetary items			
USD:NTD	$ 6,366	31.980	$ 203,585
Investments accounted for using equity method			
USD:NTD	$ 363,402	31.980	$ 11,621,586
Financial liabilities			
Monetary items			
USD:NTD	$ 6,066,211	31.980	$ 193,997,428
RMB:NTD	327,243	4.627	1,514,153
USD:RMB	87,566	6.911	2,801,115

	December 31, 2025		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 2,077,904	31.438	$ 65,325,146
RMB:NTD	405,042	4.498	1,821,879
EUR:NTD	14,444	36.905	533,056
USD:RMB	106,408	6.990	3,345,576
Non-monetary items			
USD:NTD	$ 6,349	31.438	$ 199,600
Investments accounted for using equity method			
USD:NTD	$ 343,589	31.438	$ 10,801,741
Financial liabilities			
Monetary items			
USD:NTD	$ 2,412,589	31.438	$ 75,846,973
RMB:NTD	508,990	4.498	2,289,437
USD:RMB	280,740	6.990	8,826,752

	March 31, 2025		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 1,889,734	33.182	$ 62,705,154
RMB:NTD	514,472	4.570	2,351,137
EUR:NTD	6,598	35.946	237,172
USD:RMB	162,192	7.261	5,381,980
Non-monetary items			
USD:NTD	$ 6,037	33.182	$ 200,306
Investments accounted for using equity method			
USD:NTD	$ 295,519	33.182	$ 9,805,908
Financial liabilities			
Monetary items			
USD:NTD	$ 1,493,785	33.182	$ 49,566,774
RMB:NTD	584,667	4.570	2,671,928
USD:RMB	349,434	7.261	11,595,188

iv. The total exchange gain (loss), including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2026 and 2025, amounted to loss of $733,776 and gain of $76,415, respectively.

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

	Three months ended March 31, 2026		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 1,310,178	$ -
RMB:NTD	1%	80,417	-
EUR:NTD	1%	8,861	-
USD:RMB	1%	30,755	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 1,939,974	$ -
RMB:NTD	1%	15,142	-
USD:RMB	1%	28,011	-

	Three months ended March 31, 2025		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 627,052	$ -
RMB:NTD	1%	23,511	-
EUR:NTD	1%	2,372	-
USD:RMB	1%	53,820	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 495,668	$ -
RMB:NTD	1%	26,719	-
USD:RMB	1%	115,952	-

Price risk

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

ii. The Group's investments in equity securities comprise shares and beneficiary certificates issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, pre-tax profit for the three months ended March 31, 2026 and 2025 would have increased/decreased by $10,474 and $6,230, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss and beneficiary certificates. Other components of equity would have increased/decreased by $16,540 and $15,410, respectively, as a result of gains/losses on equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The domestic/overseas bond funds investment and bond products with fixed interest rate by the Group was held mainly for trading purposes, the effective interest rate of this fund is affected by the market interest rate.

ii. For fixed interest rate bond investments held by the Group classified as financial assets at fair value through profit or loss, changes in market interest rates would affect their fair values. At March 31, 2026 and 2025, if market interest rates had been 1% higher/lower with all other variables held constant, pre-tax profit for the three months ended March 31, 2026 and 2025 would have been $2,036 and $2,003 higher/lower, respectively.

iii. The Group's main interest rate risk arises from short-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings mainly bear variable interest rate. During the three months ended March 31, 2026 and 2025, the Group's borrowings were denominated in NTD and USD.

iv. At March 31, 2026 and 2025, if interest rates on borrowings had been 0.25% higher/lower with all other variables held constant, pre-tax profit for the three months ended March 31, 2026 would have been $43,267 and $13,328 lower/higher. The main factor is that changes in interest expense result from floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at fair value through profit or loss.

ii. The bond fund held by the Group was issued by well-known foreign banks and securities investment trust companies owned by or affiliated with domestic financial holding companies with good credit standing. Since the Group trades with several securities investment trust companies, credit risk is low.

iii. The Group has lower significant concentrations of credit risk, due to investment in corporate bonds or financial bonds. The maximum loss to the Group is the total amount of all book value.

iv. The Group manages their credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

v. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

vi. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:
If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

vii. The Group classifies customers' accounts receivable in accordance with credit rating of customer, insurance coverage and characteristics of collateral. The Group applies the simplified approach to estimate expected credit loss under the provision matrix basis.

viii. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:
(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;
(ii) The disappearance of an active market for that financial asset because of financial difficulties;
(iii) Default or delinquency in interest or principal repayments;
(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

ix. The Group used the forecastability of macroeconomic growth by the International Monetary Fund to adjust historical and timely information to assess the default possibility of accounts receivable. On March 31, 2026, December 31, 2025 and March 31, 2025, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31 to 60 days past due
March 31, 2026			
Expected loss rate	0.96%~3.68%	0.96%~6.17%	0.96%~16.43%
Total book value	$ 19,266,929	$ 3,451,880	$ 869,138
Loss allowance	$ 327,941	$ 62,789	$ 81,618

	61 to 90 days past due	Over 90 days	Total
Expected loss rate	0.96%~4.54%	5%~100%	
Total book value	$ 841,580	$ 611,109	$ 25,040,636
Loss allowance	$ 165,756	$ 469,205	$ 1,107,309

	Not past due	Up to 30 days past due	31 to 60 days past due
December 31, 2025			
Expected loss rate	0.93%~2.07%	0.93%~6.01%	0.93%~15.22%
Total book value	$ 24,697,841	$ 4,392,665	$ 4,818,895
Loss allowance	$ 232,597	$ 90,690	$ 125,859

	61 to 90 days past due	Over 90 days	Total
Expected loss rate	0.93%~43.68%	5%~100%	
Total book value	$ 352,949	$ 215,655	$ 34,478,005
Loss allowance	$ 97,219	$ 128,601	$ 674,966

	Not past due	Up to 30 days past due	31 to 60 days past due
March 31, 2025			
Expected loss rate	0.99%~2.44%	0.99%~9.03%	0.99%~17.67%
Total book value	$ 22,072,491	$ 7,337,610	$ 188,092
Loss allowance	$ 169,712	$ 71,833	$ 21,891

	61 to 90 days past due	Over 90 days	Total
Expected loss rate	0.99%~46.78%	5%~100%	
Total book value	$ 1,497,441	$ 385,257	$ 31,480,891
Loss allowance	$ 245,611	$ 261,812	$ 770,859

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

	2026		
	Notes receivable	Accounts receivable	Total
At January 1	$ -	$ 674,966	$ 674,966
Provision for impairment	-	428,180	428,180
Effect of exchange rate changes	-	4,163	4,163
At March 31	$ -	$ 1,107,309	$ 1,107,309

	2025		
	Notes receivable	Accounts receivable	Total
At January 1	$ -	$ 503,685	$ 503,685
Provision for impairment	-	263,076	263,076
Effect of exchange rate changes	-	4,098	4,098
At March 31	$ -	$ 770,859	$ 770,859

Considering the credit insurance on accounts receivable, the abovementioned amounts were not provided with allowance for uncollectible accounts in the amounts of $286,205, $305,194 and $409,879 on March 31, 2026, December 31, 2025 and March 31, 2025, respectively. For provisioned loss for the three months ended March 31, 2026 and 2025, the impairment gains and losses arising from customers' contracts amounted to loss of $428,180 and loss of $263,076, respectively.

(c) Liquidity risk

i. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii. Surplus cash held by the operating entities over and above balance required for working capital management are invested in interest bearing current accounts, time deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

iii. The Group's undrawn borrowing facilities for floating rate short-term borrowings amounted to $59,481,124.

iv. The table below analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. Except that the contractual undiscounted cash flows of short-term borrowings, notes payable, accounts payable, other payables and guarantee deposits received were equivalent to their carrying amounts and were expiring within one year, the amounts disclosed in the table are the contractual undiscounted cash flows of other financial liabilities:

March 31, 2026	Within 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 164,138	$ 132,931	$ 186,058	$ 483,127
Bonds payable（Included exercisable put options on corporate bonds, current portion）	9,804,347	10,219,532	-	20,023,879

December 31, 2025	Within 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 166,604	$ 131,894	$ 208,839	$ 507,337
Bonds payable（Included exercisable put options on corporate bonds, current portion）	$ 9,804,347	$ 10,219,532	$ -	$ 20,023,879

March 31, 2025	Within 1 year	Between 1 and 2 year(s)	Over 2 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 89,066	$ 59,328	$ 39,855	$ 188,249
Bonds payable	-	9,804,347	10,219,532	20,023,879

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

(3) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(11).

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

	March 31, 2026			
		Fair value		
	Book	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable（Included exercisable put options on corporate bonds, current portion）	$ 18,866,180	$ -	$19,056,538	$ -

	December 31, 2025			
		Fair value		
	Book	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable（Included exercisable put options on corporate bonds, current portion）	$ 18,788,606	$ -	$18,967,783	$ -

	March 31, 2025			
		Fair value		
	Book	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 18,498,901	$ -	$18,648,121	$ -

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

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at March 31, 2026, December 31, 2025 and March 31, 2025 is as follows:

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

	Level 1	Level 2	Level 3	Total
March 31, 2026				
Assets				
Recurring fair value measurements-assets				
Financial assets at fair value through profit or loss				
Equity instrument	$ 416,977	$ -	$393,807	$ 810,784
Beneficiary certificates	70,707	-	165,946	236,653
Debt instruments	-	203,569	-	203,569
Financial assets at fair value through other comprehensive income				
Equity instrument	1,552,761	-	101,220	1,653,981
	$2,040,445	$203,569	$660,973	$2,904,987

	Level 1	Level 2	Level 3	Total
December 31, 2025				
Assets				
Recurring fair value measurements-assets				
Financial assets at fair value through profit or loss				
Equity instrument	$ 119,138	$ -	$550,721	$ 669,859
Beneficiary certificates	68,419	-	159,755	228,174
Debt instruments	-	199,589	-	199,589
Financial assets at fair value through other comprehensive income				
Equity instrument	1,663,431	-	91,984	1,755,415
	$1,850,988	$199,589	$802,460	$2,853,037

	Level 1	Level 2	Level 3	Total
March 31, 2025				
Assets				
Recurring fair value measurements-assets				
Financial assets at fair value through profit or loss				
Equity instrument	$ 142,708	$ -	$223,164	$ 365,872
Beneficiary certificates	106,686	-	150,416	257,102
Debt instruments	-	200,306	-	200,306
Financial assets at fair value through other comprehensive income				
Equity instrument	1,448,826	-	92,134	1,540,960
	$1,698,220	$200,306	$465,714	$2,364,240

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

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

	Listed shares	Open-end fund	Government bond and corporate bond
Market quoted price	Closing price	Net asset value	Market price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions.

v. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.

vi. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the balance sheet date. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

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

E. For the three months ended March 31, 2026 and 2025, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of the equity instruments and the beneficiary certificates catagorised within Level 3 for the three months ended March 31, 2026 and 2025:

	Three months ended March 31,	
	2026	2025
At January 1	$ 802,460	$ 511,971
Loss recognized in profit or loss	(62,703)	(74,296)
Gains recognized in other comprehensive income	8,802	6,018
Acquired in the period	-	21,700
Transfer out from Level 3	(88,020)	-
Effect of exchange rate changes	434	321
At March 31	$ 660,973	$ 465,714

G. For the three months ended March 31, 2025, there was no transfer in or out from Level 3. Because the transaction volume of Certain Micro Application Technology Inc. in the market has steadily increased from February 2026, and there is sufficient observable market information available, the Group has transferred the fair value from Level 3 into Level 1 at the end of the month when the event occurred.

H. Financial segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2026	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	$ 393,807	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
Venture capital shares	$ 267,166	Net asset value	Not applicable	Not applicable
Private equity fund investment				

	Fair value at December 31, 2025	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	$ 550,721	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
Venture capital shares	$ 251,739	Net asset value	Not applicable	Not applicable
Private equity fund investment				

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	$ 225,257	Market comparable companies	Price-to-book ratio, enterprise value to operating income ratio multiple, discount for lack of marketability	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
Venture capital shares	$ 240,457	Net asset value	Not applicable	Not applicable
Private equity fund investment				

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

			March 31, 2026			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability	±1%	$ 3,938	($ 3,938)	$ -	$ -

			December 31, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability	±1%	$ 5,507	($ 5,507)	$ -	$ -

			March 31, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instruments	Discount for lack of marketability	±1%	$ 2,232	($ 2,232)	$ 21	($ 21)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 2.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

F. Significant inter-company transactions during the reporting periods: Please refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 6.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to table 7.

14. SEGMENT INFORMATION

(1) General information

The Group management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group's operating segments are segregated into the global brand business group and other business group based on the revenues from all sources.

Global brand business group: in-charge of the development and sale of main boards, interface cards, network & communication products, notebooks and computer peripherals.

Other business group: in-charge of the development and sale of product maintenance, automotive electronics and other products.

The Group's company organisation, basis of department segmentation and principles for measuring segment information for the period were not significantly changed.

(2) Measurement of segment information

The Board of Directors assesses the performance of the operating segments based on the operating income.

(3) Information about segment profit or loss, assets and liabilities

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

	Three months ended March 31, 2026		
	Global brand business group	Other business group	Total
Total segment revenue	$ 104,705,861	$ 351,469	$ 105,057,330
Operating income	$ 7,311,997	$ 101,713	$ 7,413,710
Depreciation and amortization	$ 243,523	$ 1,662	$ 245,185
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

	Three months ended March 31, 2025		
	Global brand business group	Other business group	Total
Total segment revenue	$ 65,432,840	$ 314,590	$ 65,747,430
Operating income	$ 4,138,095	$ 101,435	$ 4,239,530
Depreciation and amortization	$ 80,114	$ 129,712	$ 209,826
Total assets (Note)	$ -	$ -	$ -
Total liabilities (Note)	$ -	$ -	$ -

Note: As the Group's assets and liabilities are not the measurement items used by the Chief Operating Decision-Maker in evaluating segments, the measurement amount of the assets and liabilities that shall be disclosed is zero.

(4) Reconciliation for segment income (loss)

The revenue from external parties and segment profit (loss) reported to the Chief Operating Decision-Maker are measured in a manner consistent with those in the statement of pre-tax income. Therefore, such reconciliation is not required.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

March 31, 2026

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of March 31, 2026				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Giga-Byte Technology Co., Ltd.	Debt instruments-DEUTSCHE BANK AG etc.	None	Financial assets at fair value through profit or loss-current	-	$ 194,601	-	$ 203,569	
			Valuation adjustment of financial assets at fair value through profit or loss		8,968			
					$ 203,569			
Giga-Trend International Investment Group Ltd.	Emerging stocks - CHYI DING TECHNOLOGIES CO., LTD. etc.	None	Financial assets at fair value through profit or loss-current	Omitted	$ 47,366	0.53%~2.18%	$ 325,904	
			Valuation adjustment of financial assets at fair value through profit or loss		278,538			
					$ 325,904			
	Unlisted stocks - Castec International Crop. etc.	〃	Financial assets at fair value through profit or loss-current	Omitted	$ 238,719	0.17%~13.2%	$ 196,798	
			Valuation adjustment of financial assets at fair value through profit or loss		(41,921)			
					$ 196,798			
Giga Investment Corp.	Listed stocks - Walsin Technology Corporation etc.	None	Financial assets at fair value through other comprehensive income-non current	Omitted	$ 934,387	1.37%~9.37%	$ 1,488,351	
			Valuation adjustment of financial assets at fair value through other comprehensive income		553,964			
					$ 1,488,351			
	Unlisted stocks - Taiwan Truewin Technology Co., Ltd. etc.	〃	Financial assets at fair value through profit or loss-current	Omitted	$ 105,779	1.83%~10.56%	$ 197,009	
			Valuation adjustment of financial assets at fair value through profit or loss		91,230			
					$ 197,009			
	Beneficiary certificates - NEXUS CVC Partners Fund LP.	〃	Financial assets at fair value through profit or loss-non current	-	$ 150,000	10.73%	$ 165,946	
			Valuation adjustment of financial assets at fair value through profit or loss		15,946			
					$ 165,946			

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Three months ended March 31, 2026

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsidiary	(Sales)	($ 5,647,158)	(20%)	45 days upon receipt of goods	The price was based on the contract price	Normal	$ 8,760,551	48%	
	G-Style Co., Ltd.	〃	〃	(232,839)	(1%)	60 days upon receipt of goods	〃	〃	387,224	2%	
	Giga Computing Technology Co., Ltd.	〃	〃	(205,937)	(1%)	60 days upon receipt of goods	〃	〃	89,881	-	
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidary	〃	(6,298,883)	(22%)	90 days upon receipt of goods	〃	〃	924,103	5%	
	Dongguan Gigabyte Electronics Co.,Ltd.	〃	Purchases	191,148	1%	60 days after billing	〃	〃	(142,297)	(1%)	
	Ningbo Gigabyte Technology Co., Ltd.	〃	〃	145,568	1%	60 days after billing	〃	〃	(102,135)	(1%)	
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	(Sales)	(161,492)	(65%)	60 days upon receipt of goods	〃	〃	496,069	90%	
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	Subsidary-indirect subsidary	(Sales)	(756,549)	(1%)	60 days upon receipt of goods	〃	〃	1,201,322	12%	
	GIGAIPC CO., LTD.	〃	〃	(253,347)	-	60 days after billing	〃	〃	187,110	2%	
	Giga Computing Technology Inc.	Subsidary-indirect subsidary	Purchases	134,145	-	60 days upon receipt of goods	〃	〃	(153,606)	-	

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

March 31, 2026

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2026 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent-subsidiary	$ 8,760,551	2.81	$ 6,006,973	Subsequent collection	$ 2,088,057	$ -
	Giga Computing Technology Co., Ltd.	〃	81,879,039	9.35	-	-	89,881	-
	G-Style Co., Ltd.	〃	387,246	1.05	176,493	Subsequent collection	323,606	-
	Ningbo Zhongjia Technology Co., Ltd.	Parent-indirect subsidary	924,103	8.38	-	-	853,247	-
G-Style Co., Ltd.	G.B.T. Inc.	Sister companies	496,069	0.67	332,728	Subsequent collection	332,728	-
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	Subsidary-indirect subsidary	1,201,322	2.76	815,632	Subsequent collection	1,201,322	-
	GIGAIPC CO., LTD.	〃	187,110	5.22	-	-	79,625	-
Dongguan Gigabyte Electronics Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidary	RMB 252,449 thousand	4.97	-	-	RMB 120,079 thousand	-
Ningbo Gigabyte Technology Co., Ltd.	Giga-Byte Technology Co., Ltd.	Parent-indirect subsidary	RMB 168,134 thousand	5.52	-	-	RMB 58,893 thousand	-
	Giga Computing Technology Co., Ltd.	Sister companies	RMB 346,075 thousand	8.34	-	-	RMB 53,462 thousand	-

Note 1: Including other receivables.

Note 2: The amount represents collections subsequent to March 31, 2026 up to April 30, 2026.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant inter-company transactions during the reporting periods

Three months ended March 31, 2026

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Company name	Counterparty	Relationship	Transaction			
			General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	Parent company to subsidiary	Sales	$ 5,647,158	Note 6	5%
	〃	〃	Accounts receivable	8,760,551	〃	4%
	G-Style Co., Ltd.	Parent company to subsidiary	Sales	232,839	Note 4	-
	〃	〃	Accounts receivable	387,224	〃	-
	Giga Computing Technology Co., Ltd.	Parent company to subsidiary	Sales	205,937	〃	-
	〃	〃	Other receivables	81,789,158	〃	33%
	〃	〃	Processing revenue	109,603	Note 2	-
	BYTE International Co., Ltd.	Parent company to subsidiary	After-sale service fees	118,744	Note 3	-
	Ningbo Zhongjia Technology Co., Ltd.	Parent company to indirect subsidiary	Sales	6,298,883	Note 1	6%
	〃	〃	Accounts receivable	924,103	〃	-
	Dongguan Gigabyte Electronics Co., Ltd.	Parent company to indirect subsidiary	Purchases	191,148	Note 2	-
	〃	〃	Accounts payable	142,297	〃	-
	〃	〃	Other payable	1,120,854	〃	-
	Ningbo Gigabyte Technology Co., Ltd.	Parent company to indirect subsidiary	Purchases	145,568	〃	-
	〃	〃	Accounts payable	102,135	〃	-
	〃	〃	Other payable	686,276	〃	-
G-Style Co., Ltd.	G.B.T. Inc.	Subsidiary to subsidiary	Sales	161,492	Note 4	-
	〃	〃	Accounts receivable	496,069	〃	-
Giga Computing Technology Co., Ltd.	Ningbo Gigabyte Technology Co., Ltd.	Subsidiary to indirect subsidiary	Other payable	1,579,137	Note 2	1%
	Giga Computing Technology Inc.	Subsidiary to indirect subsidiary	Sales	756,549	Note 4	1%
	〃	〃	Purchases	134,145	〃	-
	〃	〃	Accounts receivable	1,201,322	〃	-
	〃	〃	Accounts payable	153,606	〃	-

			Transaction			
Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
Giga Computing Technology Co., Ltd.	GIGAIPC CO., LTD.	Subsidiary to indirect subsidiary	Sales	253,347	Note 2	-
	〃	〃	Accounts receivable	187,110	〃	-

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

Note 2 : Credit terms were 60 days after billing.

Note 3 : Credit terms were 30 days after billing.

Note 4 : Credit terms were 60 days upon receipt of goods.

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

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

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investees

Three months ended March 31, 2026

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at March 31, 2026	Initial investment amount: Balance as at December 31, 2025	Shares held as at March 31, 2026: Number of shares	Shares held as at March 31, 2026: Ownership (%)	Shares held as at March 31, 2026: Book value	Net profit (loss) of the investee for the three months ended March 31, 2026	Investment income(loss) recognized by the Company for the three months ended March 31, 2026	Footnote
Giga-Byte Technology Co., Ltd.	Freedom International Group Ltd.	British Virgin Islands	Holding company	$ 5,251,952	$ 5,251,952	176,571,692	100.00	$11,028,149	$ 466,592	$ 511,167	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Investment Corp.	Taiwan	Holding company	2,815,000	2,815,000	297,756,500	100.00	4,068,156	318,813	318,813	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G-Style Co., Ltd.	Taiwan	Manufacturing and selling of notebooks	310,000	310,000	12,000,000	100.00	149,084	17,925	44,447	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	BYTE International Co., Ltd.	Taiwan	Selling of PC peripherals	583,709	583,709	31,000,000	100.00	479,271	(2,871)	(2,871)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	MyelinTek Inc.	Taiwan	Software service	100,600	100,600	749,999,993	100.00	41,658	950	(651)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Giga Computing Technology Co., Ltd.	Taiwan	Sales of computer information products	833,536	834,600	195,276,400	83.92	12,298,204	2,255,226	1,890,935	The Company's subsidiary(Note1)
Giga-Byte Technology Co., Ltd.	Giga-Byte Technology B.V.	Netherlands	Sales of computer information products	25,984	25,984	8,500	100.00	126,627	1,135	1,135	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	GBT Tech. Co. Ltd.	U.K.	Marketing of computer information products	47,488	47,488	800,000	100.00	34,853	(1,133)	(1,133)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Nippon Giga-Byte Corp.	Japan	Marketing of computer information products	380,675	380,675	183,000	100.00	378,602	(1)	(1)	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Technology Trading GmbH	Germany	Marketing of computer information products	352,752	352,752	-	100.00	468,683	2,776	2,776	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology Pty. Ltd.	AUS	Marketing of computer information products	55,664	55,664	2,400,000	100.00	71,107	1,348	1,348	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology (India) Private Limited	India	Marketing and maintenance of computer information products	182,868	182,868	4,600,000	100.00	29,772	2,511	2,511	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology ESPANA S.L.U.	Spain	Marketing of computer information products	241	241	5,000	100.00	11,478	768	768	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	90,660	90,660	54,116	22.64	466,810	82,349	5,095	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Information Technology Commerce Limited Company	Turkey	Marketing of computer information products	3,541	3,541	8,000	100.00	2,828	313	313	The Company's subsidiary
Giga-Byte Technology Co., Ltd.	Gigabyte Technology LLC	South Korea	Marketing of computer information products	22,534	22,534	168,000	100.00	39,788	311	311	The Company's subsidiary
Freedom International Group Ltd.	Charleston Investments Limited	Cayman Islands	Holding company	1,844,922	1,844,922	57,032,142	100.00	4,003,803	353,685	-	The Company's indirect subsidiary
Freedom International Group Ltd.	G.B.T. Inc.	U.S.A.	Sales of computer information products	458,239	458,239	184,916	77.36	2,056,943	82,349	-	The Company's indirect subsidiary
Freedom International Group Ltd.	Giga Future Limited	British Virgin Islands	Holding company	2,689,068	2,689,068	82,819,550	100.00	3,547,172	42,102	-	The Company's indirect subsidiary
Freedom International Group Ltd.	LCKT Yuan Chan Technology Co., Ltd.(Cayman)	Cayman Islands	Holding company	92,775	92,775	3,000,000	30.00	-	(23,264)	-	Subsidiary's investee company accounted for under the equity method

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at March 31, 2026	Initial investment amount: Balance as at December 31, 2025	Shares held as at March 31, 2026: Number of shares	Shares held as at March 31, 2026: Ownership (%)	Shares held as at March 31, 2026: Book value	Net profit (loss) of the investee for the three months ended March 31, 2026	Investment income(loss) recognized by the Company for the three months ended March 31, 2026	Footnote
G.B.T. Inc.	Gigabyte Canada Inc.	Canada	Marketing of computer information products	22	22	1,000	100.00	1,247	(54)	-	The Company's indirect subsidiary
Giga Investment Corp.	Giga-Trend International Investment Group Ltd.	Taiwan	Holding company	$ 547,050	$ 547,050	60,000,000	100.00	$ 1,044,422	$ 326,116	-	The Company's indirect subsidiary
Giga Investment Corp.	Giga Computing Technology Co., Ltd.	Taiwan	Sales of computer information products	1,064	-	20,000	0.01	1,466	2,255,226	-	The Company's indirect subsidiary (Note1)
Giga Investment Corp.	Selita Precision Co., Ltd.	Taiwan	Manufacturing, wholesale and retail of bicycle and parts	50,000	50,000	5,000,000	100.00	59,794	(24)	-	The Company's indirect subsidiary
Giga Investment Corp.	Cloudmatrix Co., Ltd.	Taiwan	E-commerce platform	30,200	30,200	3,000,000	100.00	35,735	6,621	-	The Company's indirect subsidiary
Giga Investment Corp.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	392,000	392,000	11,200,000	24.14	381,082	(2,562)	-	Subsidiary's investee company accounted for under the equity method
Giga Investment Corp.	Da Shiang Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	12,500	12,500	1,250,000	25.00	890	(1,824)	-	Subsidiary's investee company accounted for under the equity method
Giga Investment Corp.	GIGA-IMAGE Technology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	100,000	100,000	10,000,000	29.41	108,509	21,335	-	Subsidiary's investee company accounted for under the equity method
BYTE International Co., Ltd.	Gigabyte Technology Poland SP Z O.O.	Poland	Marketing and maintenance of computer information products	13,997	13,997	100	100.00	16,345	742	-	The Company's indirect subsidiary
BYTE International Co., Ltd.	Bestyield (Thailand) Limited	Thailand	Marketing and maintenance of computer information products	3,907	3,907	400,000	100.00	1,927	(748)	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	GIGAIPC CO., LTD.	Taiwan	Sales of computer information products	120,000	120,000	13,200,000	74.16	345,489	52,230	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	Giga Computing Technology Inc.	U.S.A.	Sales of computer information products	3,074	3,074	10,000	100.00	(269,063)	(100,795)	-	The Company's indirect subsidiary
Giga Computing Technology Co., Ltd.	We Solutions Techology Co., Ltd.	Taiwan	Electronic parts and components manufacturing	210,000	210,000	7,000,000	20.00	222,589	18,638	-	Subsidiary's investee company accounted for under the equity method
Giga Computing Technology Co., Ltd.	Giga Computing Singapore Pte. Ltd	Singapore	Marketing of computer information products	60,757	60,757	3,504,600	100.00	24,134	658		The Company's indirect subsidiary
Giga-Trend International Investment Group Ltd.	Wellysun Inc.	Taiwan	Electronic parts and components manufacturing	51,480	51,480	1,716,000	3.70	58,397	(2,562)	-	Subsidiary's investee company accounted for under the equity method
Selita Precision Co., Ltd.	P.R.C.E. Ltd.	Taiwan	Retail sale of electrical appliances	7,445	8,145	775,517	35.23	5,502	(5,130)	-	Subsidiary's investee company accounted for under the equity method (Note 2)
Ningbo BestYield Tech. Services Co.,Ltd.	OGS Europe B.V.	Netherlands	Selling of communications	12,443	12,443	3,000	100.00	50,241	759	-	The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Popxing Technology & Trading Co., Limited	Hong Kong	Sales of computer information products	225,680	225,680	-	100.00	232,733	1,512	-	The Company's indirect subsidiary

Note 1: Provided in Note 4(3) B Note 1.

Note 2: Provided in Note 6(7) D.

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Information on investments in Mainland China

Three months ended March 31, 2026

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2026	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2026		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Net income of investee as of March 31, 2026	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three months ended March 31, 2026	Book value of investments in Mainland China as of March 31, 2026	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2026	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Dongguan Gigabyte Electronics Co., Ltd.	Manufacturing of computer information products	$ 1,180,938	Note 1	$ 1,180,938	$ -	$ -	$ 1,180,938	$ 20,863	100.00	$ 20,863	$ 1,800,949	$ -	The Company's indirect subsidiary
Ningbo Boxinda Trading Co., Ltd.	Sales of computer information products	259,752	Note 1	259,752	-	-	259,752	331,734	100.00	331,734	2,055,870	-	The Company's indirect subsidiary
Ningbo Zhongjia Technology Co., Ltd.	Sales of computer information products	109,853	Note 3	-	-	-	-	331,864	100.00	331,864	1,749,471	-	The Company's indirect subsidiary
Ningbo Gigabyte Technology Co., Ltd.	Manufacturing of computer information products	2,780,313	Note 1	2,780,313	-	-	2,780,313	41,381	100.00	41,381	3,463,784	-	The Company's indirect subsidiary
Ningbo BestYield Tech. Services Co., Ltd.	Maintenance of computer information products	181,923	Note 2	165,515	-	-	165,515	9,449	100.00	9,449	320,786	-	The Company's indirect subsidiary
Zaozhuang Bestyield Resources Recycling Co., Ltd.	Recycling and selling of renewable resources	5,507	Note 3	-	-	-	-	83	100.00	83	9,057	-	The Company's indirect subsidiary

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

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

Note 3: Others.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2026	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Giga-Byte Technology Co., Ltd.	$ 4,386,518	$ 4,402,053	$ 40,227,448

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area

Three months ended March 31, 2026

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated))

	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals	Financing						
Investee in Mainland China	Amount	%	Amount	%	Balance at March 31, 2026	%	Balance at March 31, 2026	Purpose	Maximum balance during the three months ended March 31, 2026	Balance at March 31, 2026	Interest rate	Interest during the three months ended March 31, 2026	Others	Footnote
Ningbo Zhongjia Technology Co., Ltd.	$ 6,298,883	22	$ -	-	$ 924,103	5	$ -	-	$ -	$ -	-	$ -	-	
Ningbo Gigabyte Technology Co., Ltd.	(145,568)	(1)	-	-	(102,135)	(1)	-	-	-	-	-	-	Other payables $686,276	
Dongguan Gigabyte Electronics Co., Ltd.	(191,148)	(1)	-	-	(142,297)	(1)	-	-	-	-	-	-	Other payables $1,120,854	
Ningbo Gigabyte Technology Co., Ltd.	(1,378,022)	(1)	-	-	(41,223)	-	-	-	-	-	-	-	Other payables $1,579,137	Note 1

Note 1: Giga Computer Technology Co., Ltd. purchases goods from Ningbo Gigabyte Technology Co., Ltd.

Note 2: Transactions listed above are amounts reaching NT$100 million.

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