

GIGA-BYTE TECHNOLOGY CO., LTD.

Minutes of the 2022 Annual General Meeting

(Translations)

Time: 9:00 a.m., 14 June, 2022 (Tuesday)

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

Attendance: The total amount of shares represented by attended shareholders and proxies is 434,287,280 shares (366,972,489 shares representing electronic voting), commanding 68.39% of the totally issued shares of this Company at 634,983,886 shares(excluding 705,000 non-voting shares), reaching the statutory requirement for the annual general meeting of shareholders. The chairman thus called the meeting to order according to the law.

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

Guests: Se-Kai Lin of PwC Taiwan, CFO Chun-Ying Chen and General Counsel Chih-Peng Chiu.

Chairman: Pei-Chen Yeh

Recorder: Yu-Chi Ting

- I. Calling the meeting to order:** The total amount of shares represented by attended shareholders and proxies has exceeded the statutory requirement, the chairman thus called the meeting to order.
- II. Chairman's address:** (Omitted).
- III. Management presentations**
 - (1) 2021 business reports**

Explanation: Please refer to Appendix 1 2021 Business Report.
 - (2) Audit Committee's review report on the 2021 financial statements**

Explanation: Please refer to Appendix 2 Approval/Audit Report of the Audit Committee.
 - (3) Reports on the distribution of compensations to employees and directors in 2021**

Explanation:

 1. According to Article 28 of the Articles of Incorporation regarding the percentage of profits distributed to employees and directors, if there is profit in the year, this Company will appropriate 3-10% as compensations for employees and not more than 3% as compensations for directors.
 2. In 2021, this Company plans to appropriate NT\$1,766,530,344 and NT\$46,000,000 as compensations for employees and directors respectively. The appropriation ratio is 10% and 0.26% respectively. Both are distributed in cash.
 3. This proposal has been approved by the Compensations Committee Meeting and the Board Meeting.

(4) Report on 2021 surplus distribution in the form of cash dividend distribution in cash

Explanation:

1. According to Article 28 of the Articles of Incorporation, distributable dividends and bonuses is authorized to be paid after a resolution has been adopted at a meeting of the board of directors, in whole or in part by cash, and be submitted to the shareholders' meeting.
2. The Company proposes to distribute cash dividend of NT\$7,619,806,632 to shareholders in accordance with the Articles of Incorporation, at NT\$12 per share. Cash dividends will be distributed up to one dollar (rounded down values below NT\$1). The odd amount will be combined to the Company's non-operating income. Subsequently, if the number of shares outstanding is affected and the distribution ratio per share is changed due to the repurchase of shares of the Company, the transfer or cancellation of treasury shares or the conversion of employee stock option certificates by employees, etc., it is proposed to authorize the Chairman to deal with it with full power.
3. Upon resolution of the meeting of the Board of Directors, the Board of Directors shall set the dividend (distribution) record date, distribution date and other related matters.

(5) The execution of the company's shares repurchase report

Explanation: The execution of the company's shares repurchase report as below,

Repurchase period	11th time (For the first time in 2021)
Date of the board of directors' resolution	2021/08/06
Purpose of the share repurchase	Transfer to employee
Scheduled period for the repurchase	2021/08/09-2021/10/05
Repurchase price range	NT\$ 75 至 NT\$ 130
Actual period of the current repurchase	2021/08/09-2021/09/02
Type and number of shares currently repurchased	common stock 3,000,000 shares
Total monetary amount of shares currently repurchased	NT\$ 280,919,362
Current average repurchase price per share	NT\$ 93.64
Ratio of quantity repurchased to scheduled repurchase quantity	100%
Number of shares cancelled and transferred	2,295,000 shares
Cumulative number of the company's own shares held (shares)	705,000 shares
Cumulative number of the company's own shares as a percentage of the total number of the company's issued shares (%)	0.11%

(6) Other matters: None.

IV. Adoption

Proposal 1: Adoption of the 2021 Business Report and Financial Statements (proposed by the Board)

Explanation:

1. The 2021 financial statements have been audited and certified by the certified public accountant.
2. Please refer to Appendix 1, Appendix 3-1, and Appendix 3-2 for the 2021 Business Report, CPA Audit Report, and Financial Statements of this Company.
3. The 2021 Business Report and 2021 Financial Statements have been approved by the Board meeting and audited by the Audit Committee.
4. Please adopt.

Resolution : The voting results, with 90.62% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	427,428,318	387,364,467	61,998	0	40,001,853
Proportion	100%	90.62%	0.01%	0%	9.35%
	Voting electronically	320,076,182	61,998		39,975,347

Proposal 2: Adoption of the Proposal for Distribution of 2021 Profits (proposed by the Board)

Explanation:

1. 2021 profit distribution plan is prepared in accordance with the Articles of Incorporation, please refer to the profit distribution table for details.
2. The resolution was approved at the meeting of the Board of Directors and audited by the Audit Committee.
3. Please adopt.

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

Year 2021

(Unit: NT\$)

Items	Total
Beginning retained earnings	8,401,744,492
Add: 2021 Net profit before tax	15,852,773,095
Income tax expense	(2,514,813,075)
Net profit after tax	13,337,960,020
Other adjustments ²	10,827,246
Less: 10% legal reserve	(1,334,878,727)
Distributable net profit	20,415,653,031
Cash dividend to shareholders@NT\$12 (see note)	(7,619,806,632)
Unappropriated retained earnings	12,795,846,399

Note:

1. For current year's surplus distribution, 2021 profit shall first be distributed.
2. Other adjustments: This year to determine the benefits of the benefit plan actuarial gains and losses to increase NT\$ 10,827,246.
3. Current distribution based on 634,983,886 shares (calculated based on number of outstanding shares as of April 16, 2022). Subsequently, if the number of shares outstanding is affected and the distribution ratio per share is changed due to the repurchase of shares of the Company, the transfer or cancellation of treasury shares or the conversion of employee stock option certificates by employees, etc., it is proposed to authorize the Chairman to deal with it with full power.
4. Cash dividends will be distributed up to one dollar (rounded down values below NT\$1). The odd amount will be combined to the Company's non-operating income. The Board of Directors shall set the dividend (distribution) record date, distribution date and other related matters.

Resolution: The voting results, with 90.99% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	427,428,318	388,952,609	96,073	0	38,379,636
Proportion	100%	90.99%	0.02%	0%	8.97%
Voting electronically		321,664,324	96,073		38,353,130

V. Proposals and Discussions

Proposal 1: The company spin off its network communication business to 100% owned subsidiary (proposed by the Board)

Explanation:

1. In order to improve the competitiveness and operating performance, the Company plans to transfer the relevant operations (including assets, liabilities and business) of its Netcom business to Giga Computing Technology Co., Ltd. (hereinafter referred to as "Giga Computing"), a 100% owned subsidiary of the Company, and Giga Computing will issue shares to the Company as the consideration. The book-close date of the division is temporarily set on January 1, 2023 (hereinafter referred to as "the division case").
2. The business value of the proposed division case is NT\$833,600,000 (temporarily based on the book value of the Company's financial statements audited and certified by a CPA on December 31, 2021, but the actual business value of the division shall be the book value of the actual assets and liabilities on the base date of the division. The Company will make a swap for 83,360,000 ordinary shares of Giga Computing (denomination of NT\$10 per share) at NT\$10 per one ordinary share newly issued by Giga Computing. If there is any odd-lot share due to the swap, Giga Computing shall make the payment for it in cash.

3. In accordance with the Business Mergers and Acquisitions Act, the Company Act and other relevant laws and regulations, the Company has entered into a division plan (including the articles of association of Giga Computing, the business value of the proposed division and transfer, and the opinion on the rationality of the division and share swap ratio issued by an independent expert). Please refer to Appendix 4, Appendix 4-1, Appendix 4-2 and Appendix 4-3.
4. The Audit Committee of the Company has appointed Lai, Ming-Yang of WeTec International CPAs as the independent expert to issue a price rationality opinion on the share swap ratio of this division. According to the opinion of the independent expert Lai, Ming-Yang, the division is an organizational adjustment, Giga Computing remains a 100% owned subsidiary of the Company both before and after the division and transfer, and Giga Computing will issue 83,360,000 new ordinary shares at NT\$10 per share, which is equal to the business value of the relevant assets and liabilities of the transferred Netcom business of NT\$833,600,000, which has no impact on the shareholders' equity of the Company, Therefore, the share swap ratio of this division should be reasonable.
5. This case has been approved by the Audit Committee and the board meeting, and will be submitted to the shareholders' meeting in 2022 for approval.
6. When the business scope, amount (assets, liabilities and business), share swap ratio (if necessary), other matters related to the division (including but not limited to the time schedule and the base date of the division) or matters not covered in the division need to be changed due to the administrative guidance of the relevant competent authority, or the formulation of relevant laws and regulations, or objective environmental factors, the Company plans to submit it to the shareholders' meeting to authorize the board meeting to handle them with full power.
7. If the division plan is not approved or permitted by the relevant competent authority in the future, the division plan will not take effect from the beginning.
8. Please discuss.

Resolution: The voting results, with 90.54% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	421,010,318	381,220,904	420,812	0	39,368,602
Proportion	100%	90.54%	0.09%	0%	9.35%
	Voting electronically	313,932,619	420,812		39,342,096

Proposal 2: Amendment to the Company's "Articles of Incorporation" (proposed by the Board)

Explanation:

1. It is proposed to amend the "Articles of Incorporation" of the Company by adding the provisions that video conference may be adopted for the shareholders' meeting and the practical needs of the Company.
2. Below shows the correspondence of the amendment to the "Articles of Incorporation".

3. Please discuss.

Revised Edition	Previous Edition	Description
<p>Article 1 This Company is incorporated as a company limited by shares in accordance with the Company Act and other applicable laws of the Republic of China in the name of 技嘉科技股份有限公司 in Chinese or GIGA-BYTE TECHNOLOGY CO., LTD. in English.</p>	<p>Article 1 This Company is incorporated as a company limited by shares in accordance with the Company Act and other applicable laws of the Republic of China in the name of 技嘉科技股份有限公司 in Chinese or <u>Gigabyte Technology Co., Ltd.</u> in English.</p>	Name unification in compliance with the actual needs of the Company.
<p>Article 10 Meetings of shareholders include the annual meeting of shareholders and the provisional meeting of shareholders. The Board of Directors according to the law shall convene the former once a year within six (6) months after the end of each accounting year and the latter shall be convened according to the law where necessary. <u>The shareholders' meeting may be held by video conference or other means announced by the central competent authority.</u></p>	<p>Article 10 Meetings of shareholders include the annual meeting of shareholders and the provisional meeting of shareholders. The Board of Directors according to the law shall convene the former once a year within six (6) months after the end of each accounting year and the latter shall be convened according to the law where necessary.</p>	Amended in coordination with the practice needs of the Company.
<p>Article 16 Unless otherwise specified by other laws and regulations, a meeting of shareholders shall be held with the attendance of shareholders representing at least half of total amount of issued shares, and resolutions of the meetings of shareholders shall be made with the approval of over 50% vote of shareholders attending the meeting. <u>Voting on a proposal at a shareholders' meeting may be exercised in writing or electronically in accordance with relevant laws and regulations.</u></p>	<p>Article 16 Unless otherwise specified by other laws and regulations, a meeting of shareholders shall be held with the attendance of shareholders representing at least half of total amount of issued shares, and resolutions of the meetings of shareholders shall be made with the approval of over 50% vote of shareholders attending the meeting.</p>	Amended in coordination with the practice needs of the Company.
<p>Article 21 Unless otherwise specified in the <u>laws and regulations</u>, a board resolution shall be approved by at least half of all directors and half of directors attending the board meeting.</p>	<p>Article 21 Unless otherwise specified in the <u>Company Act</u>, a board resolution shall be approved by at least half of all directors and half of directors attending the board meeting.</p>	Textual amendment.
<p>Article 22 <u>If a director is unable to attend the board meeting for some reason, he/she may entrust another director to attend the meeting on his/her behalf, and the entrustment shall be governed by the Company Act and relevant laws and regulations.</u> Each director shall only represent one other director at a board meeting.</p>	<p>Article 22 <u>A director may authorize another director to represent him/her at a board meeting by written authorization. Such authorization may include exercising the voting rights of the assignor for all proposals discussed at the board meeting.</u> Each director shall only represent one other director at a board meeting.</p>	Amended in coordination with the laws and practice needs of the Company.
<p>Article 28 Dividend Policy (omitted) 4. After deducting the amount calculated under Item 1 to Item 3, together with 5% to 80% of the accumulated undistributed surplus of the previous year, the Board shall, at the time of issue of the issuance of new shares, call upon the shareholders' meeting to authorize the Board to delegate to more than two-thirds directors and to attend the resolutions of more than half of the directors in accordance with the provisions of the Company Act, and shall assign dividends and dividends or all or part of the statutory surplus reserve and capital public funds provided for in Paragraph I of Article 241 of the Company Act, for the payment of cash, and report to the shareholders' meeting. The ratio of cash dividends for shareholders shall not be less than 5% of the total shareholder dividend. In addition, cash dividends less than NT\$0.1</p>	<p>Article 28 Dividend Policy (omitted) 4. After deducting the amount calculated under Item 1 to Item 3, together with 5% to 80% of the accumulated undistributed surplus of the previous year, the Board shall, at the time of issue of the issuance of new shares, call upon the shareholders' meeting to authorize the Board to delegate to more than two-thirds directors and to attend the resolutions of more than half of the directors in accordance with the provisions of the Company Act, and shall assign dividends and dividends or all or part of the statutory surplus reserve and capital public funds provided for in Paragraph I of Article 241 of the Company Act, for the payment of cash, and report to the shareholders' meeting. <u>However, the ratio for distribution of this profit and the ratio of cash dividends should be adjusted with the resolution of the meeting of shareholders according to the actual profit</u></p>	Amended in coordination with the practice needs of the Company.

Revised Edition	Previous Edition	Description
per share will only be distributed through stock dividends.	and fund condition of that year. The ratio of cash dividends for shareholders shall not be less than 5% of the total shareholder dividend. In addition, cash dividends less than NT\$0.1 per share will only be distributed through stock dividends.	
<p>Article 31 This “Articles of Incorporation” was established on March 24, 1986. 1st amendment was made on September 1, 1986. 2nd amendment was made on August 30, 1988. 3rd amendment was made on March 20, 1989. 4th amendment was made on June 3, 1991. 5th amendment was made on July 2, 1995. 6th amendment was made on May 15, 1996. 7th amendment was made on January 27, 1997. 8th amendment was made on April 19, 1997. 9th amendment was made on March 25, 1998. 10th amendment was made on May 4, 2000. 11th amendment was made on May 11, 2001. 12th amendment was made on May 23, 2002. 13th amendment was made on June 17, 2003. 14th amendment was made on June 9, 2004. 15th amendment was made on June 9, 2005. 16th amendment was made on April 12, 2006. 17th amendment was made on June 13, 2008. 18th amendment was made on June 16, 2009. 19th amendment was made on June 17, 2010. 20th amendment was made on June 15, 2011. 21st amendment was made on June 18, 2012. 22nd amendment was made on June 11, 2014. 23rd amendment was made on June 17, 2015. 24th amendment was made on June 15, 2016. 25th amendment was made on June 11, 2018. 26th amendment was made on June 12, 2019. 27th amendment was made on June 14, 2022.</p>	<p>Article 31 This “Articles of Incorporation” was established on March 24, 1986. 1st amendment was made on September 1, 1986. 2nd amendment was made on August 30, 1988. 3rd amendment was made on March 20, 1989. 4th amendment was made on June 3, 1991. 5th amendment was made on July 2, 1995. 6th amendment was made on May 15, 1996. 7th amendment was made on January 27, 1997. 8th amendment was made on April 19, 1997. 9th amendment was made on March 25, 1998. 10th amendment was made on May 4, 2000. 11th amendment was made on May 11, 2001. 12th amendment was made on May 23, 2002. 13th amendment was made on June 17, 2003. 14th amendment was made on June 9, 2004. 15th amendment was made on June 9, 2005. 16th amendment was made on April 12, 2006. 17th amendment was made on June 13, 2008. 18th amendment was made on June 16, 2009. 19th amendment was made on June 17, 2010. 20th amendment was made on June 15, 2011. 21st amendment was made on June 18, 2012. 22nd amendment was made on June 11, 2014. 23rd amendment was made on June 17, 2015. 24th amendment was made on June 15, 2016. 25th amendment was made on June 11, 2018. 26th amendment was made on June 12, 2019.</p>	Added the date of the latest amendment.

Resolution: The voting results, with 89.38% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	427,428,318	382,073,091	5,871,511	0	39,483,716
Proportion	100%	89.38%	1.37%	0%	9.23%
	Voting electronically	314,784,806	5,871,511		39,457,210

Proposal 3: Amendment to the Company’s “Asset Acquisition and Disposal Operating and Handling Procedure” (proposed by the Board)

Explanation:

1. In compliance with the revision of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies and the Company’s practical needs, it is proposed to revise the Company’s “ Asset Acquisition and Disposal Operating and Handling Procedure.”
2. Below shows the correspondence of the amendment to the “ Asset Acquisition and Disposal Operating and Handling Procedure”.

3. Please discuss.

Revised Edition	Previous Edition	Description
<p>Article 4</p> <p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters who provide the Company with appraisal reports, certified public accountant opinions, attorney opinions, or underwriter opinions shall meet the following requirements:</p> <p>Item 1-3 (omitted)</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the <u>self-discipline norms of their trade associations and the following matters</u>:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate</u> and reasonable, and that they have complied with applicable laws and regulations. 	<p>Article 4</p> <p>Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters who provide the Company with appraisal reports, certified public accountant opinions, attorney opinions, or underwriter opinions shall meet the following requirements:</p> <p>Item 1-3 (omitted)</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and <u>accurate</u>, and that they have complied with applicable laws and regulations. 	<p>In compliance with the revision of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>
<p>Article 8</p> <p>Except for transactions with domestic government agencies, outsourcing construction projects on own property, outsourcing construction projects on leased property, acquiring/disposing equipment or right-of-use assets thereof for business use, when acquiring or disposing real property, equipment or right-of-use assets thereof with a transaction amount up to 20% of the Company's paid-in capital or over NT\$300 million, this Company shall obtain a professional appraisal report on the subject matter issued by professional appraisers prior to transaction and meet the following requirements:</p> <p>Item 1-2 (omitted)</p> <ol style="list-style-type: none"> 3. Unless all appraisal prices of asset acquisition are otherwise higher than the transaction price or all appraisal prices of asset disposal are otherwise lower than the transaction price, the in-charge department(s) shall engage a CPA to review the cause(s) of price difference and express opinion on the fairness on the transaction price under any one of the following circumstances: <ul style="list-style-type: none"> (1) The difference between the appraisal price and 	<p>Article 8</p> <p>Except for transactions with domestic government agencies, outsourcing construction projects on own property, outsourcing construction projects on leased property, acquiring/disposing equipment or right-of-use assets thereof for business use, when acquiring or disposing real property, equipment or right-of-use assets thereof with a transaction amount up to 20% of the Company's paid-in capital or over NT\$300 million, this Company shall obtain a professional appraisal report on the subject matter issued by professional appraisers prior to transaction and meet the following requirements:</p> <p>Item 1-2 (omitted)</p> <ol style="list-style-type: none"> 3. Unless all appraisal prices of asset acquisition are otherwise higher than the transaction price or all appraisal prices of asset disposal are otherwise lower than the transaction price, the in-charge department(s) shall engage a CPA to review the cause(s) of price difference and express opinion on the fairness on the transaction price <u>in accordance with the Statements on Auditing Standards (SAS) 20 published by the Accounting Research and</u> 	<p>In compliance with the revision of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

Revised Edition	Previous Edition	Description
<p>transaction price is over 20% of the transaction price.</p> <p>(2) The appraisal price of two or more professional appraisers is over 10% of the transaction price.</p> <p>Below omitted.</p>	<p><u>Development Foundation in Taiwan</u> under any one of the following circumstances:</p> <p>(1) The difference between the appraisal price and transaction price is over 20% of the transaction price.</p> <p>(2) The appraisal price of two or more professional appraisers is over 10% of the transaction price.</p> <p>Below omitted.</p>	
<p>Article 9</p> <p>The Company acquiring or disposing securities shall, prior to the date of occurrence of the event, obtain the latest financial statements of the issuing company certified or reviewed by a certified public accountant for the reference of appraising the transaction price. Except for securities with publicly quoted prices in the active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC), when the transaction amount is 20 percent of the Company's paid-in capital or above NT\$300 million, the Company shall additionally engage a CPA to express an opinion on the fairness of the transaction price prior to the date of occurrence of the event, under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. Acquiring or disposing securities not traded through the stock market or securities companies. 2. Acquiring or disposing privately placed securities. 	<p>Article 9</p> <p>The Company acquiring or disposing securities shall, prior to the date of occurrence of the event, obtain the latest financial statements of the issuing company certified or reviewed by a certified public accountant for the reference of appraising the transaction price. Except for securities with publicly quoted prices in the active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC), when the transaction amount is 20 percent of the Company's paid-in capital or above NT\$300 million, the Company shall additionally engage a CPA to express an opinion on the fairness of the transaction price prior to the date of occurrence of the event.</p> <p><u>Where an expert report is required as evidence, the CPA shall proceed in accordance with the SAS 20 published by the Accounting Research and Development Foundation in Taiwan</u> under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. Acquiring or disposing securities not traded through the stock market or securities companies. 2. Acquiring or disposing privately placed securities. 	<p>In compliance with the revision of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>
<p>Article 10</p> <p>Except for trading with domestic government agencies, when acquiring or disposing intangible assets or right-of-use assets thereof or memberships amounting up to 20% of the Company's paid-in capital or NT\$300 million, the Company shall consult a CPA to express opinion on the fairness of the amount prior to transaction.</p>	<p>Article 10</p> <p>Except for trading with domestic government agencies, when acquiring or disposing intangible assets or right-of-use assets thereof or memberships amounting up to 20% of the Company's paid-in capital or NT\$300 million, the Company shall consult a CPA to express opinion on the fairness of the amount prior to transaction. <u>The CPA shall, in return, proceed in accordance with SAS 20 published by the Accounting Research and Development Foundation in Taiwan.</u></p>	<p>In compliance with the revision of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>
<p>Article 13</p> <p>Except for trading domestic bonds and repurchase (RP)/ reserve repurchase (RS) securities, subscribing or buying back money market funds (MMFs) issued by domestic securities investment trust companies, when acquiring or disposing property or right-of-use assets thereof for related parties, or acquiring or disposing assets other than property or right-of-use assets thereof with related parties at a transaction amount up to 20% of the Company's paid-in capital, up to 10% of the total assets as disclosed in the latest CPA audit (review) report, or over NT\$300 million, the Company shall submit the following data to the Audit Committee and then to the Board of Directors for approval prior to concluding the transaction agreement and disburse the payment:</p> <p>Item 1-7 (omitted)</p> <p><u>Where the Company or a subsidiary that is not a</u></p>	<p>Article 13</p> <p>Except for trading domestic bonds and repurchase (RP)/ reserve repurchase (RS) securities, subscribing or buying back money market funds (MMFs) issued by domestic securities investment trust companies, when acquiring or disposing property or right-of-use assets thereof for related parties, or acquiring or disposing assets other than property or right-of-use assets thereof with related parties at a transaction amount up to 20% of the Company's paid-in capital, up to 10% of the total assets as disclosed in the latest CPA audit (review) report, or over NT\$300 million, the Company shall submit the following data to the Audit Committee and then to the Board of Directors for approval prior to concluding the transaction agreement and disburse the payment:</p> <p>Item 1-7 (omitted)</p> <p><u>Acquisition or disposal projects in the preceding</u></p>	<p>In compliance with the revision of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

Revised Edition	Previous Edition	Description
<p><u>domestic public company has a transaction referred to in the paragraph above, and the transaction amount reaches more than 10% of the total assets of the Company, the Company shall submit the information listed in paragraph 1 to the shareholders' meeting for approval before signing the transaction contract and making payment. However, this restriction does not apply to transactions between the Company and its parent company or subsidiaries, or between its subsidiaries.</u></p> <p>Acquisition or disposal projects in the <u>first</u> paragraph without the approval of more than half of the members of the Audit Committee may proceed with the approval of more than two thirds of all directors, and the resolution of Audit Committee members shall be specified in the minutes of the board meeting.</p> <p>The transaction amount referred to in the paragraph 1 shall be calculated in accordance with paragraph 2 of Article 26, and "within one previous year" refers to the year preceding the date of occurrence of the current transaction. The section(s) with an appraisal report from a professional appraiser or the CPA opinion obtained in accordance with this Procedure shall be exempted.</p> <p>Below omitted.</p>	<p>paragraph without the approval of more than half of the members of the Audit Committee may proceed with the approval of more than two thirds of all directors, and the resolution of Audit Committee members shall be specified in the minutes of the board meeting.</p> <p>The transaction amount referred to in the paragraph 1 shall be calculated in accordance with paragraph 2 of Article 26, and "within one previous year" refers to the year preceding the date of occurrence of the current transaction. The section(s) with an appraisal report from a professional appraiser or the CPA opinion obtained in accordance with this Procedure shall be exempted.</p> <p>Below omitted.</p>	
<p>Article 26</p> <p>When acquiring or disposing assets, the Company shall publish/report relevant information by the asset type in the required format on the website designated by FSC within two days after occurrence under any one of the following circumstances:</p> <p>Item 1-5 (omitted)</p> <p>6. Asset transactions, obligations disposed by financial institutions, or investments in mainland China other than that mentioned in the foregoing five paragraphs at an amount up to 20% of the Company's paid-in capital or over NT\$300 million, except for the following circumstances:</p> <p>(1) Trading of domestic <u>government bonds or foreign government bonds with a credit rating not lower than the ROC's sovereign rating.</u></p> <p>(2) Securities trade in stock exchanges or securities companies of professional investment companies, or <u>foreign government bonds or ordinary corporate bonds and non-share-related ordinary financial bonds(excluding subordinated debt) from offering subscribed from the primary market or subscription or redemption of securities investment trust funds or futures trust funds, or subscribing to or selling back index investment securities,</u> or securities subscribed in accordance with the regulations of from Taipei Exchange by a securities company for underwriting needs or consulting emerging companies.</p> <p>(3) Trading RP/RS securities, subscribing or buying back MMFs issued by domestic securities investment trust companies.</p> <p>Below omitted.</p>	<p>Article 26</p> <p>When acquiring or disposing assets, the Company shall publish/report relevant information by the asset type in the required format on the website designated by FSC within two days after occurrence under any one of the following circumstances:</p> <p>Item 1-5 (omitted)</p> <p>6. Asset transactions, obligations disposed by financial institutions, or investments in mainland China other than that mentioned in the foregoing five paragraphs at an amount up to 20% of the Company's paid-in capital or over NT\$300 million, except for the following circumstances:</p> <p>(1) Domestic bond trading.</p> <p>(2) Securities trade in stock exchanges or securities companies of professional investment companies, or ordinary corporate bonds and non-share-related ordinary financial bonds(excluding subordinated debt) from offering subscribed from the primary market or subscription or redemption of securities investment trust funds or futures trust funds or securities subscribed in accordance with the regulations of from Taipei Exchange by a securities company for underwriting needs or consulting emerging companies.</p> <p>(3) Trading RP/RS securities, subscribing or buying back MMFs issued by domestic securities investment trust companies.</p> <p>Below omitted.</p>	<p>In compliance with the revision of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

Resolution: The voting results, with 90.74% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	427,428,318	387,883,220	143,382	0	39,401,716
Proportion	100%	90.74%	0.03%	0%	9.21%
	Voting electronically	320,594,935	143,382		39,375,210

Proposal 4: Amendment to the Company’s “Rules of Procedure for Shareholder Meetings” (proposed by the Board)

Explanation:

1. It is proposed to amend the “ Rules of Procedure for Shareholder Meetings” of the Company by adding the relevant provisions that the shareholders’ meeting may be convened by video conference and the practical needs of the Company.
2. Below shows the correspondence of the amendment to the “ Rules of Procedure for Shareholder Meetings”.
3. Please discuss.

Revised Edition	Previous Edition	Description
<p>Article 3 Unless otherwise specified in other laws and regulations, meetings of shareholders of the Company shall be convened by the Board of Directors. <u>The change of the convening method of the shareholders’ meeting of the Company shall be decided by the board meeting and shall be made before the notice of the shareholders’ meeting is sent at the latest.</u> This Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. <u>If the paid-in capital of the Company reaches NT\$10 billion at the end of the most recent fiscal year, or if the total shareholding ratio of foreign capital and mainland capital recorded in the shareholders’ register reaches 30% in the most recent fiscal year, the transmission of the abovementioned electronic file shall be completed 30 days before the general shareholders’ meeting.</u> In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also</p>	<p>Article 3 Unless otherwise specified in other laws and regulations, meetings of shareholders of the Company shall be convened by the Board of Directors. This Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place. Below omitted.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>

Revised Edition	Previous Edition	Description
<p>be displayed at the Company and the professional shareholder services agent designated.</p> <p><u>On the day of the shareholders' meeting, the Company shall provide shareholders with the proceedings manual and supplementary information of the meeting referred to in the preceding paragraph in the following ways:</u></p> <p><u>1. When convening a physical shareholders' meeting, they shall be distributed at the venue of the shareholders' meeting.</u></p> <p><u>2. When holding a video-assisted shareholders' meeting, they shall be distributed at the venue of the shareholders' meeting and transmitted to the video conference platform in electronic files.</u></p> <p><u>3. When a video shareholders' meeting is held, they shall be transmitted to the video conference platform in electronic files.</u></p> <p>Below omitted.</p>		
<p>Article 4</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p> <p><u>After the power of attorney is delivered to the Company, if a shareholder wishes to attend the shareholders' meeting by video, he/she shall give a written notice to the Company to cancel the power of attorney two days before the shareholders' meeting. In case of cancellation after the deadline, the voting rights of the agent present shall prevail.</u></p>	<p>Article 4</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>
<p>Article 5</p> <p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. <u>When deciding the place and time of the meeting, fully consideration shall be given to the opinions of independent directors. When the Company holds a video shareholders' meeting, it is not subject to the restrictions above on the place of holding the shareholders' meeting.</u></p>	<p>Article 5</p> <p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>
<p>Article 6</p> <p>This Company shall specify in its shareholders meeting notices the time during which shareholder, solicitors, and entrusted agents (hereinafter referred to as shareholders) attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p>	<p>Article 6</p> <p>This Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding</p>	<p>Revision in compliance with the revision of the laws and</p>

Revised Edition	Previous Edition	Description
<p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>For a video shareholders' meeting, the registration shall be accepted on the video conference platform of the shareholders' meeting 30 minutes before the start of the meeting, and the shareholders who complete the registration shall be deemed to have attended the shareholders' meeting in person.</u></p> <p>Shareholders shall attend meetings of shareholders based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. This Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>This Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>If the shareholders' meeting is held by video conference, shareholders who wish to attend by video shall register with the Company two days before the shareholders' meeting.</u></p> <p><u>If the shareholders' meeting is held by video conference, the Company shall upload the proceedings manual, annual report and other relevant materials to the video conference platform for the shareholders' meeting at least 30 minutes before the meeting, and continue to disclose them until the end of the meeting.</u></p>	<p>paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p><u>Shareholders and their proxies (collectively, "shareholders") shall attend meetings of shareholders based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></p> <p>This Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>This Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p>	<p>regulations and the practical needs of the Company.</p>
<p><u>Article 6-1</u></p> <p><u>When the Company holds a video shareholders' meeting, the following matters shall be specified in the notice of convening the shareholders' meeting:</u></p> <p><u>1. Method for shareholders to participate in video conference and exercise their rights.</u></p> <p><u>2. The handling method of obstacles to the video conference platform or participation by video due to natural disasters, accidents or other force majeure, which shall at least include the following matters:</u></p> <p><u>(1) The time when the meeting needs to be postponed or resumed due to the continuous failure to remove the obstacles before the occurrence, and the date for the continuation or resumption of the meeting.</u></p> <p><u>(2) Shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the continuation or resumption of the meeting.</u></p>	<p>None</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>

Revised Edition	Previous Edition	Description
<p>(3) <u>If a video-assisted shareholders' meeting cannot be resumed, the shareholders' meeting shall be continued if the total number of shares attending the shareholders' meeting reaches the quorum of the shareholders' meeting after deducting the number of shares attending the shareholders' meeting by video. The number of shares attending the shareholders' meeting by video shall be included in the total number of shareholders' shares attending the meeting, and the voting on all proposals at the shareholders' meeting shall be deemed to have been abstained.</u></p> <p>(4) <u>The handling method in the event that the results of all proposals have been announced but no extempore motion has been made.</u></p> <p><u>3. If the shareholders' meeting is held by video conference, it shall be specified in the meeting notice the appropriate alternative measures provided to shareholders who have difficulties in participating in the shareholders' meeting by video.</u></p>		
<p>Article 8</p> <p>This Company shall videotape or audiotape the whole process of the meeting of shareholders and retain relevant copies for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</p> <p><u>If the shareholders' meeting is held by video conference, the Company shall keep records of the enrollment, registration, check-in, questioning, voting and vote counting results of the shareholders, and continuously audio and video record the whole process of the video meeting.</u></p> <p><u>The information and audio and video recordings referred to in the preceding paragraph shall be properly kept by the Company during its existence, and the audio and video recordings shall be provided to those entrusted to handle video conference affairs for preservation.</u></p>	<p>Article 8</p> <p>This Company shall videotape or audiotape the whole process of the meeting of shareholders and retain relevant copies for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>
<p>Article 9</p> <p>Attendance at meetings of shareholders shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in <u>and the those registered on the video conference platform</u> plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time and announce information such as the number of non-voting rights shares and shares represented by the attending shareholders. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made.</p> <p>If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. <u>If the shareholders' meeting is held by video conference, the Company shall separately announce the abortion of the current meeting on the video conference platform.</u></p>	<p>Article 9</p> <p>Attendance at meetings of shareholders shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>The chair shall call the meeting to order at the appointed meeting time and announce information such as the number of non-voting rights shares and shares represented by the attending shareholders. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made.</p> <p>If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>

Revised Edition	Previous Edition	Description
<p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. <u>If the shareholders' meeting is held by video conference, shareholders who wish to attend by video shall re-register with the Company in accordance with Article 6.</u></p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.</p> <p>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	
<p>Article 11 Item 1-3 (omitted)</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>If the shareholders' meeting is held by video conference, shareholders participating by video may ask questions in writing on the video conference platform of the shareholders' meeting after the chairman announces the start of the meeting and before the adjournment of the meeting. The number of questions for each proposal shall not exceed two, each question is limited to 200 words, and the provisions of paragraphs 1 to 5 shall not apply.</u></p>	<p>Article 11 Item 1-3 (omitted)</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>
<p>Article 13 Item 1-3 (omitted)</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or by video</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Item 5-8 (omitted)</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p> <p><u>If the shareholders' meeting is held by video conference, after the chairman announces the start of the meeting, the shareholders participating by video</u></p>	<p>Article 13 Item 1-3 (omitted)</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Item 5-8 (omitted)</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>

Revised Edition	Previous Edition	Description
<p>shall vote on various proposals and elections through the video conference platform and shall complete the voting before the chairman announces the end of the voting. If their voting is overdue, they shall be deemed to have abstained.</p> <p>If the shareholders' meeting is held by video conference, the votes shall be counted in one go after the chairman announces the end of voting, and the voting and election results shall be announced.</p> <p>When the company holds a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by video in accordance with Article 6 but want to attend the physical shareholders' meeting in person shall cancel their registration in the same manner as the registration two days before the shareholders' meeting; if the cancellation is overdue, they can only attend the shareholders' meeting by video.</p> <p>Those who exercise their voting rights in writing or electronically but did not revoke their expression of intention and participate in the shareholders' meeting by video, except for extempore motions, shall not exercise their voting rights on the original proposal, propose amendments to the original proposal, or exercise their voting rights on the amendments to the original proposal.</p>		
<p>Article 15 Item 1-3 (omitted)</p> <p>Where shareholders express no objection to the resolution method described above when enquired by the chairman, this shall be noted as "unanimous approval of all attending shareholders when enquired by the chairman". Where shareholders express an objection, the voting method and the number of passing votes and their proportion shall be specified.</p> <p>If the shareholders' meeting is held by video conference, in addition to the items to be recorded in accordance with the preceding paragraph, the minutes shall record the beginning and end time of the shareholders' meeting, the method of holding the meeting, the name of the chairman and the minute taker, as well as the handling method and circumstances in case of obstacles to the video conference platform or participation by video due to natural disasters, incidents or other force majeure.</p> <p>If the shareholders' meeting is held by video conference, the Company shall, in addition to following the provisions of the preceding paragraph, specify in the minutes the alternative measures provided to shareholders who have difficulties in participating in the shareholders' meeting by video.</p>	<p>Article 15 Item 1-3 (omitted)</p> <p>Where shareholders express no objection to the resolution method described above when enquired by the chairman, this shall be noted as "unanimous approval of all attending shareholders when enquired by the chairman". Where shareholders express an objection, the voting method and the number of passing votes and their proportion shall be specified.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>
<p>Article 16</p> <p>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies and shall make an express disclosure of the same at the place of the shareholders meeting. If the shareholders' meeting is held by video conference, the Company shall upload the information above to the video conference platform of shareholders' meeting at least 30 minutes before the meeting and continue to disclose it until the end of the meeting.</p>	<p>Article 16</p> <p>On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies and shall make an express disclosure of the same at the place of the shareholders meeting.</p> <p>Below omitted.</p>	<p>Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.</p>

Revised Edition	Previous Edition	Description
<p>If the shareholders' meeting is held by video conference, when announcing the start of the meeting, the total number of shareholders' shares attending the meeting shall be disclosed on the video conference platform. If the total number of shares and voting rights of shareholders attending the meeting are otherwise counted at the meeting, the same shall apply. Below omitted.</p>		
<p><u>Article 19</u> If the shareholders' meeting is held by video conference, the Company shall immediately disclose the voting results of various proposals and election results on the video conference platform of the shareholders' meeting after the voting is completed, and shall continue to disclose them for at least 15 minutes after the chairman announces the adjournment of the meeting.</p>	None	Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.
<p><u>Article 20</u> If the shareholders' meeting is held by video conference, the chairman and the minute taker shall be in the same place in Taiwan, and the chairman shall announce at the meeting the address of that place.</p>	None	Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.
<p><u>Article 21</u> If the shareholders' meeting is held by video conference, before the chairman announces the adjournment of the meeting, if the obstacles to the video conference platform or participation by video continue for more than 30 minutes due to natural disasters, incidents or other force majeure, the meeting shall be continued or resumed within five days, and the provisions of Article 182 of the company law shall not apply. In the event of a continued or resumed meeting referred to in the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the continued or resumed meeting. If the meeting should be postponed or resumed in accordance with the provisions of paragraph, for shareholders who have registered to participate in the original shareholders meeting by video and have completed the registration but who have not participated in the continued or resumed meeting, the number of shares attended at the original shareholders meeting, their voting rights exercised and election rights shall be included in the total number of shares, voting rights and election rights of shareholders present at the continued or resumed meeting. When handling the continued or resumed shareholders' meeting in accordance with paragraph 1, there is no need to re-discuss and re-adopt resolutions on the proposals for which the voting and counting have been completed and the voting results or the list of directors and supervisors have been announced. When the Company holds a video-assisted</p>	None	Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.

Revised Edition	Previous Edition	Description
<p>shareholders' meeting, and the video meeting cannot be resumed in accordance with paragraph 1, if the total number of shares attending the shareholders' meeting by video still meets the quorum after deducting the number of shares attending the shareholders' meeting by video, the shareholders' meeting shall continue without being postponed or resumed in accordance with paragraph 1.</p> <p>In the event that the meeting should be continued in accordance with the preceding paragraph, the number of shares presented by shareholders participating in the shareholders' meeting by video shall be included in the total number of shares attended by shareholders, but the voting on all proposals at the shareholders' meeting shall be deemed to have been abstained.</p> <p>When the Company continues or resumes the meeting in accordance with paragraph 1, it shall handle the relevant preparatory operations in accordance with the provisions in paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies in the same manner as for the original shareholders' meeting and pursuant to the provisions of each article.</p> <p>During the period specified in the latter part of Article 12 and paragraph 3, Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and paragraph 2, Article 44-5, paragraph 15, Article 44, and paragraph 1, Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone or resume the shareholders' meetings in accordance with paragraph 1.</p>		
<p>Article 22</p> <p>If the shareholders' meeting is held by video conference, it shall provide appropriate alternative measures for shareholders who have difficulties in attending the shareholders' meeting by video.</p>	None	Revision in compliance with the revision of the laws and regulations and the practical needs of the Company.
<p>Article 23</p> <p>These Rules, and any amendments hereto, shall be implemented after adoption by meetings of shareholders.</p>	<p>Article 19</p> <p>These Rules, and any amendments hereto, shall be implemented after adoption by meetings of shareholders.</p>	Amendment of Article No.

Resolution: The voting results, with 89.41% of shareholders attended the AGM voting for the proposal, of this proposal are shown as follows. The proposal was approved accordingly.

Item	Voting rights represented by attended shareholders	Number of agree votes	Number of disagree votes	Number of invalid votes	Waiver/Not Voted
Number	427,428,318	382,184,572	5,760,297	0	39,483,449
Proportion	100%	89.41%	1.34%	0%	9.23%
Voting electronically		314,896,287	5,760,297		39,456,943

VI. VIII. Questions and Motions: None.

VII. Meeting Adjournment: 9:27 a.m., June 14, 2022.

Appendix 1

2021 Business Report

Dear shareholders,

There is no doubt that 2021 was an impressive year for all Gigabyte people.

In 2021, Gigabyte set a number of records in the history of the Group: the operating revenue exceeded NT\$120 billion, the gross profit margin reached 24.27%, the parent company's after-tax net profit exceeded NT\$13.3 billion, and the basic earnings per share reached NT\$21.01. Compared with the fairly good operating results in 2020, the indicators above achieved double-digit or even multiple growth respectively.

In particular, 2021 was still a challenging year when COVID-19 continued to rage around the world; other than affecting the life and consumption decisions of end customers, it had a great impact on the scheduling and cost control of the supply chain. In addition, the supply situation of suppliers was still tight, the trend of the virtual money market was unpredictable, and major countries continued to raise interest rates. All these uncertainties tested the operation of the Group in different aspects.

Being able to achieve unprecedented success in a challenging year shows the resilience of Gigabyte in the face of difficult environments. I would like to congratulate all my staff on the strength accumulated in the process of growing up with the Group, and thank all their families for understanding the inconvenience caused to the family life due to their work, as well as the full support and trust of all shareholders in the management team. The details of GIGABYTE's financial and operational performance are as follows:

Unit: NT\$100 million

Item	2021	2020	Difference	Percentage of Difference(%)
Operating income	1,219.05	846.03	+373.02	+44.09
Gross profit	295.90	144.64	+151.26	+104.58
Net profit after tax of the parent company	133.38	43.74	+89.64	+204.94

Item		2021	2020
Financial structure (%)	Debt to total assets (%)	45.79	44.54
	Long-term capital to property & equipment (%)	913.09	702.10
Solvency (%)	Current ratio (%)	196.09	198.08
	Quick ratio (%)	105.88	120.83
Profitability (%)	Return on assets (%)	22.50	10.06
	Return on equity (%)	41.11	16.92
	Profit margin (%)	10.94	5.17
	Basic EPS (NT\$)	21.01	6.88

The following summarizes GIGABYTE's various products and business performances in 2021, and its future outlook:

Motherboard and graphics card business

Relying on the keen market sense, stable upstream and downstream operation management, reliable manufacturing capacity and sophisticated R&D and product design technology established through decades of deep cultivation of motherboard and display card business, Gigabyte was able to launch motherboard and display card products with durable quality, super efficiency, innovative functions and extreme beauty in response to changes in market environment and user needs, and won various awards and user recognition. In 2020, Gigabyte launched a variety of direct-out 20+1+2-phase digital power supply designs supporting ultra-high-speed transmission architectures such as PCIe 5.0 and DDR5, integrated the third-generation fins-array stacked fins, the second-generation direct-contact heat pipe and advanced fan-less board cooling technology with the nano carbon cooling base plate, and various AORUS XTREME series motherboard products with 90-degree corner sockets and RGB LED lighting effects, which won the Red Dot Design Award, iF Design Award, Taiwan Boutique Award and many other awards at home and abroad. On display cards, Gigabyte's NVIDIA RTX30 series display cards and AMD RX 6000 series display cards widely use Gigabyte's wind power heat dissipation system. With three unique blade diversion fans, combined with positive and reverse function, high-efficiency pure copper heat pipe, large copper sheet direct-contact GPU heat conduction, fan stop function, screen cooling and other heat dissipation technologies, the display cards are kept in a low-temperature working environment at any time, resulting in higher and more stable product performance which is widely welcomed by the market. Moreover, the excellent product design of AORUS XTREME is also recognized by the Red Dot Design Award.

Also, faced with the rekindled craze of virtual currency mining in 2021, GIGABYTE, with its experience gained from the business impact in 2019 caused by the decline in virtual currency market, grasped the actual market demand of graphics card realistically, took active steps to identify and screen out downstream overorder so as to manage inventory risk, strengthened mutual trust with upstream chip suppliers, and established strategies to seek a balanced business development for graphics card and motherboard, responding steadily to this wave of market change in graphics card supply shortage.

In the future, GIGABYTE will continue to invest in resources on top of its existing foundation. By grasping market pulse, increasing its product capabilities and user satisfaction, developing and strengthening the working relationship with up and downstream partners, as well as continuing to evolve its power of manufacturing, it will continue to lay a solid foundation for the long-term growth of its motherboard and graphics card businesses.

Network and communications business

Since the setup of Network and Communication Business Unit by GIGABYTE in 2000, it has been dedicated in the research of server solutions, which play a key role in IT architecture. With 20 years of effort, the engineering team from Taiwan Head Office is now equipped with the capabilities to design, develop, sample and manufacture server products, providing customers with high quality, highly efficient and highly reliable data center solutions. Faced with data centers' rapidly increasing high-performance computing power, GIGABYTE G (GPU) Series, H (High-density) Series and R (Rack) Series servers, designed based on the concepts of high precision design and retaining scalability, ultra fast computing/memory/data storage, optimized heat dissipation function, smart power management, high flexibility and proper resources utilization, are very well received by local and overseas industries. They have since been used overseas to assist car manufacturers in computational fluid dynamics simulation, and to increase the computing, storage and transmission

capabilities required for automated vehicle's real-time recognition due to the huge amount of data, in forecast and simulation of climate and ocean modeling, and in nuclear research and development organizations for analyzing the huge amount of raw data generated from Large Hadron Collider (LHC) experiment. In Taiwan, the National Center for High-performance Computing (NCHC), Industrial Technology Research Institute (ITRI) and National Taiwan Normal University also work closely with GIGABYTE team by using GIGABYTE's high performance servers to improve their research results.

In addition, as 5G related communication technologies continue to advance, Internet of Everything that brings convenience to life has transformed science fiction into reality. To realize the characteristics of 5G's Enhanced Mobile Broadband (eMBB), massive Machine Type Communications (mMTC), Ultra-Reliable and Low Latency Communications (URLLC) technologies, the applications brought about require network service architecture with large amount of Multi-access Edge Computing, also known as Mobile Edge Computing, to reduce the burden of the core network. High-resolution image processing and data sending are performed at the local end without having to wait for the remote server's response, thereby reducing latency. It is also flexible and new applications and services can be quickly provided, allowing users to have a better experience, as well as reduce network operating cost. Using edge computing technologies and infrastructure, GIGABYTE has developed immersive VR stadium experience solutions, smart city solutions which include but not limited to smart energy management, parking management and waste management, as well as automated car network solutions, and it will continue to develop other solutions that can create a better living environment. Gigabyte and its business partner ARM also demonstrated the solutions of network-in-a-box and enterprise private network at the MWC 2022 Conference. The ARM architecture server based on the Ampere Altra processor is used as the hardware platform to provide network operators with more convenient deployment of 5G.

The continuous development of cloud services will inevitably require a large amount of careful matching of software and hardware. Diversified and efficient cloud applications require more and more computing power, which further promotes the generation replacement and development of CPUs and related hardware. Although the process evolution of semiconductors can improve the performance of CPUs and GPUs, it seems that it cannot prevent the continuous increase of the thermal design power (TDP) of CPUs and GPUs. To solve this problem, we need to redesign the existing server hardware products by not only improving the internal heat dissipation architecture of the system, but also cooperating with external manufacturers to integrate the liquid cooling kit into the existing server system, and it is even necessary to design a new immersion cooling tank to realize the overall heat dissipation of the L10 server system. The innovation of heat dissipation related technologies becomes more and more urgent today with the rising awareness of energy conservation and carbon reduction.

In addition to continuously designing and developing hardware products related to cloud computing, Gigabyte is actively seeking to cooperate with external partners to provide solutions for software and hardware integration. In order to meet the needs of customers for rapid transformation to the cloud, Gigabyte cooperates with software partners to develop a self-built AI hybrid cloud platform that can conduct in-depth learning across cloud big data to help enterprises solve the data compatibility problem when expanding the data center, and simplify resource management and reduce construction costs through software definition and storage. In addition, in response to the large number of AI applications that need to be developed in the future, Gigabyte has long cooperated with AI software partners to integrate the system that can build its own deep learning environment, adjust automation parameters, and improve the accuracy of computing models with Gigabyte's efficient computing server to provide a DNN deep learning and training solution that can effectively improve computing efficiency and reduce training time.

In the era of 5G, cloud, artificial intelligence and software-defined technologies, GIGABYTE will continue to work closely with partners from different domains, provide solutions required by different industries, and grow together with the customers.

Laptops and peripherals business

To continue the positive consumer orientation in recent years and meet the needs of different ethnic groups such as players/creators, Gigabyte added its unique innovation in the software and hardware of laptop and computer peripheral products in 2021, and further launched a number of AORUS professional E-sports laptops and AERO creator laptops with “Reshape the game” and “Elevate your vision” as the theme respectively. With Gigabyte’s commitment to providing better visual experience for players, they are equipped with 360Hz E-sports panel with extremely narrow borders on four sides, in order to meet the high standards required by professional E-sports players and professional players. Gigabyte created a new generation of AORUS professional E-sports laptop with fast computing efficiency, fast panel update and fast trigger, with the exclusively imported Microsoft Azure AI automatic tuning software to optimize the game experience with one click, which changed the game rules of E-sports laptops. On the other hand, Gigabyte also designed a new generation of AERO creator’s laptop with higher expansibility, lighter weight, more lasting power, better efficiency, more effective heat dissipation, revolutionary thin body, and amazing and exciting 4K HDR vision with the posture of humanistic aesthetic technology, which strives to bring the creator an efficient, accurate and wonderful creative journey no matter in video editing, 3D model design or other creative work. The new-generation AORUS professional E-sports laptop and the AERO creator laptop won awards at home and abroad after their launch, and their product power was affirmed by professional evaluators.

Other than laptops, the e-sports screen is also a highlight of AORUS products. Many products with innovative and up-to-date technology were launched in 2021, which are equipped with the OLED panel with high-speed 1ms reaction time, AORUS FO48U screen with 10-bit ultra-fine color and 98% DCI-P3 ultra wide color gamut display. The AORUS FI32Q X screen provides users with the latest panel technology and the highest E-sports performance to continue Gigabyte’s unique SuperSpeed IPS display technology. Through the liquid crystal molecule arrangement with high reaction speed, the reaction time even reaches 0.4ms, and the screen update frequency is also increased to 240Hz to make the product more competitive.

At the same time, the launch of FI32U also pushes the e-sports screen to the 4K world with high resolution and brings users a better feeling of use.

For the business of laptop and computer peripheral products, Gigabyte will not only continue to develop evolutionary products, but also integrate various online and offline resources of the Group, strengthen product marketing and promotion, and expand product market share.

Corporate social responsibilities and sustainable development

Gigabyte has long been investing in the Company’s sustainable governance and development, giving full play to our influence in the economy, environment and society, and actively practicing our commitments to stakeholders. With the Company’s core concept of “Innovating science and technology to beautify life” as the corporate purpose, and integrating the concern of stakeholders, Gigabyte summed up four CSR visions – zero waste and zero pollution, low-carbon technology transformation, leading a sustainable cycle, and realizing humanistic values – which have become the long-term goals of the sustainable development of Gigabyte. We further outlined the expected values to be created according to the vision – reducing the operating footprint, cultivating

innovation strength, establishing a friendly brand and creating shared value; by examining the current situation and practices of the Company's operation, we formulated four operational strategies to respond to the economic value and ESG to create a perfect blueprint for sustainable governance.

In response to the sustainable development goals of the United Nations, Gigabyte promotes the "Make Earth Green Again" project, cooperates with the German Plant-for-the-Planet Foundation to plant 75,000 trees in Mexico, creates local employment opportunities, contributes to the sustainability of the earth, organizes and supports climatology parks, and trained 1,367 Climate Justice Ambassadors at home and abroad; since 2020, with the concept of "planting trees to give back to the earth" of the Vice Chairman, the focus was moved back to Taiwan to continue adopting the forest land of the Forestry Bureau. At present, 2,860 native trees have been planted in Taiwan to continue to conserve water and restore ecology for Taiwan's mountains. We promoted the project of "Never Forget That the Sea Cultivated Gigabyte," adopted Taoyuan Dayuan Beach and promised to protect the ocean for a long time; we also expect to invest in solar power plants to respond to climate risks and the requirements of the renewable energy initiative organization RE100. Gigabyte won the 2020 Vision Magazine's Electronic Technology Industry Model Award in its "CSR Survey" on CSR corporate social responsibilities, was nominated among the top ten in ESG Comprehensive Performance – Electronic Technology Industry for five consecutive years, and won the honor of No. 649 in the world's best employer in 2020 and No. 9 in Taiwan.

Looking forward to 2022, although some countries have begun to try to coexist with COVID-19 to stabilize people's consumption patterns and business operation arrangements, the operation of the main production bases of Gigabyte Group and many suppliers may still be affected by the pandemic control measures of the local government. In addition, the war between Ukraine and Russia has directly affected manufacturers' shipments to and the market development of the two countries, and there is still considerable uncertainty regarding whether it will further evolve into a trade or technology war between groups of different countries, and then affect the reorganization of the global supply chain. Moreover, the trend of the United States to raise interest rates to fight inflation in 2022 has been basically determined, which is expected to affect the investment decision of Gigabyte customers, and AI, 5G, Internet of Things, cloud computing technology and related applications are expected to still usher in a new wave of growth momentum for computer, information and communication related software and hardware manufacturers. Facing the environment where opportunities and challenges coexist, Gigabyte will adhere to the principle of steady operation, compete for growth opportunities with other manufacturers, and properly manage risks. In the process of pursuing brand development, R&D innovation and sustainable development, Gigabyte will continue to create value for shareholders and fulfill its obligations as a social citizen to benefit mankind and give back to society.

Wish You Health and Happiness.

Dandy Yeh
Chairman

Chairman: Pei-Cheng Yeh

CEO: E-Tay Li

CFO: Chun-Ying Chen

Appendix 2

Audit Committee Approval/Audit Report

This Audit Committee has approved the individual financial statements of the Company and the consolidated financial statements of the Group for fiscal year 2021 that have been passed by the Board of Directors. The CPA firm PwC Taiwan was then retained to audit such statements by CPAs Se-Kai Lin and Fang-yu Wang and issued the “unqualified opinion with explanatory paragraph” audit report. These statements have been reviewed and determined to be compliant with all relevant laws and regulations. In addition, this Audit Committee has audited the business report and profits distribution proposal of fiscal year 2021 passed by the Board of Directors and determined they have complied with relevant laws and regulations. This report is thus issued in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

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

Hwei-Min Wang
Convener
Audit Committee
18 April, 2022

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying parent company only balance sheets of Giga-Byte Technology Co., Ltd. as at December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditors, as described in the Other matters section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2021 and 2020, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2021 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2021 parent company only financial statements are stated as follows:

Occurrence of revenue from significant new counterparty

Description

Please refer to Note 4(28) for the accounting policies on revenue recognition. For the year ended December 31, 2021, the parent company only operating revenue amounted to NT\$121,741,896 thousand.

The Company's revenue is derived from numerous customers from different countries and there was no revenue from a single customer that exceeded 10% of the parent company only operating revenue. Given that the verification of the existence of the transaction counterparty is critical to the revenue recognition, the occurrence of revenue from significant new counterparty was identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Interviewed with management and obtained an understanding of the revenue recognition policy, and the consistency of the policy application during the financial reporting periods.
2. Obtained an understanding and tested credit check procedures for significant new counterparty. Verified that the transaction with significant new counterparty has been properly approved and agreed with supporting documentation, which include searching transaction counterparty's related information.
3. Obtained an understanding and tested the selling price and credit term of significant new counterparty.
4. Interviewed with management and obtained an understanding for the reason of accounts receivable overdue from significant new counterparty in order to evaluate the reasonableness.
5. Sampled and tested detailed revenue schedule of significant new counterparty and verified the original supporting documentation.
6. Sent accounts receivable confirmation letter to significant new counterparty. Investigated the reason and tested reconciling items made by the Company if the result in confirmation reply did not correspond to records, or tested collections after the balance sheet date if no confirmation reply was received.

Assessment of allowance for valuation of inventory loss

Description

Please refer to Note 4(12) for the accounting policies on evaluation of inventories; Note 5(2) for uncertainty of accounting estimates and assumption on inventory evaluation; and Note 6(5) for the details of the inventories. As of December 31, 2021, the inventories and allowance for valuation loss amounted to NT\$20,249,239 thousand and NT\$304,360 thousand, respectively.

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

Given that the amount of inventories is significant and that the individually identified net realizable value of obsolete inventories has uncertainty based on prior industry experience, the evaluation of the allowance for valuation loss was identified as a key audit matter.

How our audit addressed the matter

Our key audit procedures performed in respect of the above included the following:

1. Interviewed with management and obtained an understanding of the policy and process on evaluation of the allowance for valuation loss, and the consistency of the policy and process application during the financial reporting periods.
2. Obtained an understanding of the warehouse management procedures, reviewed annual physical inventory count plan and participated the annual inventory count. Evaluated the effectiveness of management control on identifying and managing obsolete inventories.
3. Tested the appropriateness of system logic in inventory aging report which management adopted for inventories valuation purpose, and verified that obsolete inventories which exceeded a certain aging period were included in the report.
4. Evaluated the reasonableness of obsolete or damaged inventory items which were identified by management, reviewed related supporting documentation, and compared to the results obtained from the observation of physical inventory count.

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

Other matter – Report of other auditors

We did not audit the financial statements of certain investee companies. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion expressed herein, in so far as it relates to the amounts included in the financial statements was based solely on the reports of the other auditors. The aforementioned equity investments were \$0 thousand and \$10,053 thousand, representing 0% and 0.02% of total parent company only assets as of December 31, 2021 and 2020, respectively, and total net comprehensive loss were \$10,053 thousand and \$11,140 thousand, representing (0.08%) and (0.25%) of total parent company only comprehensive loss for the years then ended, respectively.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably

be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Se-Kai Lin
For and on behalf of PricewaterhouseCoopers, Taiwan
March 11, 2022

Fang-Yu Wang

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

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021		December 31, 2020		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 14,145,435	20	\$ 10,777,615	21
1110	Financial assets at fair value through profit or loss - current	6(2)	1,131,758	1	545,764	1
1136	Financial assets at amortized cost-current	6(3)	619,516	1	590,000	1
1150	Notes receivable, net	6(4)	2,725	-	2,897	-
1170	Accounts receivable, net	6(4)	6,200,375	9	4,387,759	9
1180	Accounts receivable-related parties, net	7	12,882,184	18	8,843,389	17
1200	Other receivables	7	389,364	-	73,125	-
130X	Inventories, net	6(5)	19,944,879	28	11,107,195	21
1410	Prepayments		479,964	1	546,894	1
1470	Other current assets		270,652	-	1,483	-
11XX	Total current assets		<u>56,066,852</u>	<u>78</u>	<u>36,876,121</u>	<u>71</u>
Non-current assets						
1535	Financial assets at amortized cost-non-current	6(3) and 8	151,078	-	153,413	1
1550	Investments accounted for using equity method	6(6) and 7	12,022,295	17	11,487,898	22
1600	Property, plant and equipment, net	6(7)	2,685,920	4	2,431,447	5
1755	Right-of-use assets	6(8)	79,913	-	74,109	-
1780	Intangible assets		27,438	-	24,679	-
1840	Deferred income tax assets	6(25)	847,135	1	520,795	1
1900	Other non-current assets		57,856	-	156,874	-
15XX	Total non-current assets		<u>15,871,635</u>	<u>22</u>	<u>14,849,215</u>	<u>29</u>
1XXX	Total assets		<u>\$ 71,938,487</u>	<u>100</u>	<u>\$ 51,725,336</u>	<u>100</u>

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2021		December 31, 2020		
		Amount	%	Amount	%	
Liabilities						
Current liabilities						
2130	Contract liabilities - current	6(18)	\$ 1,051,029	1	\$ 3,847,245	7
2150	Notes payable		18,966	-	257	-
2170	Accounts payable		15,449,011	22	8,641,802	17
2180	Accounts payable-related parties	7	4,309,837	6	4,180,167	8
2200	Other payables	6(10) and 7	9,172,314	13	4,996,254	10
2230	Current income tax liabilities		2,378,159	3	709,676	1
2250	Provisions for liabilities - current	6(11)	725,193	1	776,454	2
2280	Lease liabilities-current		48,403	-	38,968	-
2300	Other current liabilities		199,635	-	143,794	-
21XX	Total current liabilities		<u>33,352,547</u>	<u>46</u>	<u>23,334,617</u>	<u>45</u>
Non-current liabilities						
2540	Long-term borrowings	6(12)	200,000	1	200,000	-
2570	Deferred income tax liabilities	6(25)	-	-	35,958	-
2580	Lease liabilities-non-current		32,169	-	35,468	-
2600	Other non-current liabilities	6(6)(13)	865,787	1	724,102	2
25XX	Total non-current liabilities		<u>1,097,956</u>	<u>2</u>	<u>995,528</u>	<u>2</u>
2XXX	Total liabilities		<u>34,450,503</u>	<u>48</u>	<u>24,330,145</u>	<u>47</u>
Equity						
Capital stock						
3110	Common stock	6(15)	6,356,889	9	6,356,889	12
Capital surplus						
3200	Capital surplus	6(16)	3,279,731	5	3,884,904	7
Retained earnings						
3310	Legal reserve	6(17)	5,011,247	7	4,575,820	9
3320	Special reserve		426,354	-	426,354	1
3350	Unappropriated retained earnings		21,750,531	30	11,379,927	22
Other equity						
3400	Other equity		729,248	1	771,297	2
3500	Treasury shares	6(14)(15)	(66,016)	-	-	-
3XXX	Total equity		<u>37,487,984</u>	<u>52</u>	<u>27,395,191</u>	<u>53</u>
Significant events after the balance sheet date 11						
3X2X	Total liabilities and equity		<u>\$ 71,938,487</u>	<u>100</u>	<u>\$ 51,725,336</u>	<u>100</u>

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020

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

Items	Notes	2021		2020	
		Amount	%	Amount	%
4000 Operating revenue	6(17) and 7	\$ 121,741,896	100	\$ 84,087,874	100
5000 Operating costs	6(5)(23) and 7	(94,467,818)	(78)	(72,143,565)	(86)
5900 Gross profit		<u>27,274,078</u>	<u>22</u>	<u>11,944,309</u>	<u>14</u>
Operating expenses	6(23) and 7				
6100 Selling expenses		(6,290,855)	(5)	(3,715,471)	(4)
6200 General and administrative expenses		(2,227,585)	(2)	(1,845,842)	(2)
6300 Research and development expenses		(4,045,591)	(3)	(2,261,837)	(3)
6450 Expected credit losses	6(23)	(6,683)	-	(10,452)	-
6000 Total operating expenses		<u>(12,570,714)</u>	<u>(10)</u>	<u>(7,833,602)</u>	<u>(9)</u>
6900 Operating profit		<u>14,703,364</u>	<u>12</u>	<u>4,110,707</u>	<u>5</u>
Non-operating income and expenses					
7100 Interest revenue	6(19)	36,858	-	46,186	-
7010 Other income	6(20)	1,044,689	1	798,896	1
7020 Other gains and losses	6(21)	232,283	-	220,838	-
7050 Finance costs	6(22)	(2,168)	-	(2,049)	-
7070 Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method	6(6)	(162,253)	-	27,569	-
7000 Total non-operating income and expenses		<u>1,149,409</u>	<u>1</u>	<u>1,091,440</u>	<u>1</u>
7900 Profit before income tax		<u>15,852,773</u>	<u>13</u>	<u>5,202,147</u>	<u>6</u>
7950 Income tax expense	6(25)	(2,514,813)	(2)	(827,818)	(1)
8200 Profit for the year		<u>\$ 13,337,960</u>	<u>11</u>	<u>\$ 4,374,329</u>	<u>5</u>
Other comprehensive income (loss), net					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311 Remeasurements of defined benefit plans	6(13)	\$ 13,534	-	(\$ 25,070)	-
8330 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		94,333	-	87,222	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	(2,707)	-	5,014	-
8310 Components of other comprehensive income that will not be reclassified to profit or loss		<u>105,160</u>	<u>-</u>	<u>67,166</u>	<u>-</u>
Components of other comprehensive income (loss) that will subsequently be reclassified to profit or loss					
8361 Exchange differences arising from translation of foreign operations		(136,382)	-	66,386	-
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss		<u>(136,382)</u>	<u>-</u>	<u>66,386</u>	<u>-</u>
8300 Other comprehensive income(loss) for the year, net		<u>(\$ 31,222)</u>	<u>-</u>	<u>\$ 133,552</u>	<u>-</u>
8500 Total comprehensive income for the year		<u>\$ 13,306,738</u>	<u>11</u>	<u>\$ 4,507,881</u>	<u>5</u>
9750 Basic earnings per share	6(26)	\$	21.01	\$	6.88
9850 Diluted earnings per share	6(26)	\$	20.60	\$	6.79

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars)

	Notes	Retained earnings				Other equity			Treasury shares	Total equity
		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealized gain or loss on valuation of financial assets at fair value through other comprehensive income		
<u>Year 2020</u>										
Balance at January 1, 2020		\$ 6,356,889	\$ 3,896,889	\$ 4,381,896	\$ 426,354	\$ 8,618,094	\$ 673,470	\$ 1,291,159	\$ -	\$ 24,297,811
Profit for the year		-	-	-	-	4,374,329	-	-	-	4,374,329
Other comprehensive (loss) income for the year		-	-	-	-	(20,056)	66,386	87,222	-	133,552
Total comprehensive income for the year		-	-	-	-	4,354,273	66,386	87,222	-	4,507,881
Appropriations of 2019 earnings:	6(17)									
Legal reserve		-	-	193,924	-	(193,924)	-	-	-	-
Cash dividends		-	-	-	-	(1,398,516)	-	-	-	(1,398,516)
Changes in equity of associates accounted for using equity method		-	(11,985)	-	-	-	-	-	-	(11,985)
Balance at December 31, 2020		\$ 6,356,889	\$ 3,884,904	\$ 4,575,820	\$ 426,354	\$ 11,379,927	\$ 607,084	\$ 1,378,381	\$ -	\$ 27,395,191
<u>Year 2021</u>										
Balance at January 1, 2021		\$ 6,356,889	\$ 3,884,904	\$ 4,575,820	\$ 426,354	\$ 11,379,927	\$ 607,084	\$ 1,378,381	\$ -	\$ 27,395,191
Profit for the year		-	-	-	-	13,337,960	-	-	-	13,337,960
Other comprehensive (loss) income for the year		-	-	-	-	10,827	(136,382)	94,333	-	(31,222)
Total comprehensive income (loss) for the year		-	-	-	-	13,348,787	(136,382)	94,333	-	13,306,738
Appropriations of 2020 earnings:	6(17)									
Legal reserve		-	-	435,427	-	(435,427)	-	-	-	-
Cash dividends		-	-	-	-	(2,542,756)	-	-	-	(2,542,756)
Cash dividends from capital surplus	6(17)	-	(635,688)	-	-	-	-	-	-	(635,688)
Changes in equity of associates accounted for using equity method		-	-	-	-	-	-	-	-	-
Purchase of treasury shares	6(15)	-	2,281	-	-	-	-	-	(280,919)	2,281
Share-based payment transactions	6(14)	-	28,234	-	-	-	-	-	214,903	243,137
Balance at December 31, 2021		\$ 6,356,889	\$ 3,279,731	\$ 5,011,247	\$ 426,354	\$ 21,750,531	\$ 743,466	\$ 1,472,714	(\$ 66,016)	\$ 37,487,984

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

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	2021	2020
<u>Cash flows from operating activities</u>			
Profit before income tax		\$ 15,852,773	\$ 5,202,147
Adjustments to reconcile profit before income tax to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation	6(7)(8)(23)	325,548	313,233
Amortization	6(23)	52,928	53,018
Profit from lease modification	6(8)(21)	(88)	(235)
Expected credit losses	6(23)and12(2)	6,683	10,452
Net loss on valuation of financial assets at fair value through profit or loss	6(21)	12,338	1,264
Interest expense	6(22)	2,168	2,049
Interest income	6(19)	(36,858)	(46,186)
Share of profit(loss) of subsidiaries and associates accounted for using the equity method	6(6)	162,253	(27,569)
Gain on disposal of property, plant and equipment	6(21)	-	(4,101)
Share-based payments	6(14)	28,234	-
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		(598,332)	(73,811)
Notes receivable		172	98
Accounts receivable		(5,858,094)	(3,674,522)
Other receivables		(317,564)	12,999
Inventories		(8,837,684)	(2,276,341)
Prepayments		66,930	(253,520)
Other current assets		(269,169)	(571)
Net changes in liabilities relating to operating activities			
Contract liabilities		(2,796,216)	3,476,551
Notes payable		18,709	(53,835)
Accounts payable		6,936,879	3,797,099
Other payables		4,185,735	1,622,260
Provisions for liabilities		(51,261)	262,886
Other current liabilities		55,841	18,527
Other non-current liabilities		2,433	8,518
Cash generated from operations		8,944,358	8,370,410
Interest received		38,183	44,125
Dividends received		158	27,578
Interest paid		(2,168)	(2,049)
Income tax paid		(1,211,335)	(185,088)
Net cash generated from operating activities		7,769,196	8,254,976

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
<u>Cash flows from investing activities</u>			
Acquisition of financial assets at amortized cost		(\$ 27,181)	(\$ 495,373)
Acquisition of investments accounted for using equity method	6(6) and 7(2)	(740,000)	(730,481)
Proceeds from disposal of investments accounted for using equity method	6(6)	200,000	-
Acquisition of property, plant and equipment	6(27)	(530,325)	(137,936)
Proceeds from disposal of property, plant and equipment		-	7,246
Decrease (increase) in guarantee deposit paid		836	(5,056)
Acquisition of intangible assets		(56,378)	(57,999)
Decrease (increase) in other non-current assets		<u>90,679</u>	<u>(49,456)</u>
Net cash used in investing activities		<u>(1,062,369)</u>	<u>(1,469,055)</u>
<u>Cash flows from financing activities</u>			
Proceeds from long-term borrowings	6(28)	-	200,000
Decrease (increase) in deposit received	6(28)	(43,790)	43,308
Repayments of principal portion of lease liabilities	6(28)	(50,757)	(50,374)
Cash dividends paid	6(17)(28)	(2,542,756)	(1,398,516)
Cash dividends from capital surplus	6(17)(28)	(635,688)	-
Purchase of treasury shares	6(15)	(280,919)	-
Treasury shares sold to employees	6(14)(15)	<u>214,903</u>	<u>-</u>
Net cash used in financing activities		<u>(3,339,007)</u>	<u>(1,205,582)</u>
Net increase in cash and cash equivalents		3,367,820	5,580,339
Cash and cash equivalents at beginning of year		<u>10,777,615</u>	<u>5,197,276</u>
Cash and cash equivalents at end of year		<u>\$ 14,145,435</u>	<u>\$ 10,777,615</u>

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

Appendix 3-2

INDEPENDENT AUDITORS' REPORT

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, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other independent auditors, as described in the Other matters section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, 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 as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. 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 Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

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

Occurrence of revenue from significant new counterparties

Description

Please refer to Note 4(31) for the accounting policies on revenue recognition. For the year ended December 31, 2021, the consolidated operating revenue amounted to NT\$121,905,357 thousand.

Giga-Byte Technology Group's revenue is derived from numerous customers from different countries and there was no revenue 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 the accounting policies on evaluation of inventories; Note 5(2) for uncertainty of accounting estimates and assumption on inventory evaluation; and Note 6(6) for the details of the inventories. As of December 31, 2021, the inventories and allowance for valuation loss amounted to NT\$27,377,652 thousand and NT\$787,922 thousand, respectively.

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

Given that 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 – Report of other independent auditors

We did not audit the financial statements of certain consolidated subsidiaries and investments accounted for using the equity method. Those financial statements were audited by the other independent auditors, whose reports thereon have been furnished to us, and our opinion expressed herein, in so far as it relates to the amounts included in the financial statements was based solely on the reports of the other independent auditors. The aforementioned equity investments were \$0 thousand and \$10,053 thousand, representing 0% and 0.02% of total consolidated assets as of December 31, 2021 and 2020, respectively, and total net comprehensive loss were \$10,053 thousand and \$11,140 thousand, representing (0.08%) and (0.25%) of total consolidated comprehensive loss for the years then ended, respectively.

Other matter – Parent company only financial statements

We have audited and expressed an unmodified opinion 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, 2021 and 2020.

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 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 generally accepted auditing standards in 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 generally accepted auditing standards in the Republic of China, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.

Se-Kai Lin

Fang-Yu Wang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2022

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, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2021		December 31, 2020	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 18,928,473	27	\$ 15,564,617	32
1110	Financial assets at fair value through profit or loss - current	6(2)	1,450,496	2	735,586	1
1136	Financial assets at amortised cost - current	6(4) and 8	1,156,617	2	1,105,293	2
1150	Notes receivable, net	6(5)	5,710	-	2,897	-
1170	Accounts receivable, net	6(5)	10,822,436	16	7,883,297	16
1200	Other receivables		194,564	-	63,806	-
130X	Inventories, net	6(6)	26,589,730	39	15,227,960	31
1410	Prepayments		862,896	1	977,239	2
1470	Other current assets		287,227	-	4,765	-
11XX	Total current assets		<u>60,298,149</u>	<u>87</u>	<u>41,565,460</u>	<u>84</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income–non-current	6(3)	2,515,460	4	2,351,596	5
1535	Financial assets at amortized cost-non-current	6(4) and 8	228,827	-	236,479	1
1550	Investments accounted for using the equity method	6(7)	518,711	1	77,439	-
1600	Property, plant and equipment, net	6(8)	4,206,997	6	4,048,823	8
1755	Right-of-use assets	6(9)	196,740	-	187,568	-
1760	Investment property, net	6(11)	41,698	-	46,861	-
1780	Intangible assets		29,329	-	31,990	-
1840	Deferred income tax assets	6(29)	1,009,779	2	657,554	1
1900	Other non-current assets	6(12)	132,500	-	225,387	1
15XX	Total non-current assets		<u>8,880,041</u>	<u>13</u>	<u>7,863,697</u>	<u>16</u>
1XXX	Total assets		<u>\$ 69,178,190</u>	<u>100</u>	<u>\$ 49,429,157</u>	<u>100</u>

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			Amount	%	Amount	%
Liabilities						
Current liabilities						
2100	Short-term borrowings	6(13)	\$ -	-	\$ 303,217	1
2130	Contract liabilities-current	6(22)	1,197,240	2	3,987,907	8
2150	Notes payable		22,868	-	404	-
2170	Accounts payable		15,886,668	23	9,024,919	18
2200	Other payables	6(14)	10,020,250	15	5,461,410	11
2230	Current income tax liabilities		2,524,197	4	809,318	2
2250	Provisions for liabilities - current	6(15)	768,663	1	820,274	2
2280	Lease liabilities-current		98,602	-	70,112	-
2300	Other current liabilities	6(16)	<u>231,090</u>	-	<u>506,803</u>	1
21XX	Total current liabilities		<u>30,749,578</u>	<u>45</u>	<u>20,984,364</u>	<u>43</u>
Non-current liabilities						
2540	Long-term borrowings	6(16)	200,000	-	210,032	-
2570	Deferred income tax liabilities	6(29)	-	-	38,209	-
2580	Lease liabilities-non-current		64,375	-	79,013	-
2600	Other non-current liabilities	6(17)	<u>661,137</u>	<u>1</u>	<u>704,417</u>	<u>2</u>
25XX	Total non-current liabilities		<u>925,512</u>	<u>1</u>	<u>1,031,671</u>	<u>2</u>
2XXX	Total liabilities		<u>31,675,090</u>	<u>46</u>	<u>22,016,035</u>	<u>45</u>
Equity						
Equity attributable to owners of the parent						
Capital stock						
3110	Common stock	6(19)				
Capital surplus						
3200	Capital surplus	6(20)	6,356,889	9	6,356,889	13
Retained earnings						
3310	Legal reserve	6(21)	3,279,731	5	3,884,904	8
3320	Special reserve		5,011,247	7	4,575,820	9
3320	Special reserve		426,354	1	426,354	1
3350	Unappropriated retained earnings		21,750,531	31	11,379,927	23
Other equity						
3400	Other equity		729,248	1	771,297	1
3500	Treasury shares	6(18)(19)	(66,016)	-	-	-
31XX	Total equity attributable to owners of the parent		<u>37,487,984</u>	<u>54</u>	<u>27,395,191</u>	<u>55</u>
36XX	Non-controlling interest		<u>15,116</u>	<u>-</u>	<u>17,931</u>	<u>-</u>
3XXX	Total equity		<u>37,503,100</u>	<u>54</u>	<u>27,413,122</u>	<u>55</u>
Significant events after the balance sheet date						
3X2X	Total liabilities and equity	11	<u>\$ 69,178,190</u>	<u>100</u>	<u>\$ 49,429,157</u>	<u>100</u>

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	2021		2020	
		Amount	%	Amount	%
4000 Operating revenue	6(22)	\$ 121,905,357	100	\$ 84,602,841	100
5000 Operating costs	6(6)(27)	(92,315,325)	(76)	(70,138,404)	(83)
5900 Gross profit		<u>29,590,032</u>	<u>24</u>	<u>14,464,437</u>	<u>17</u>
Operating expenses	6(27)				
6100 Selling expenses		(7,989,015)	(7)	(5,351,482)	(6)
6200 General and administrative expenses		(3,014,173)	(2)	(2,551,127)	(3)
6300 Research and development expenses		(4,091,372)	(3)	(2,360,903)	(3)
6450 Expected credit (losses) gains	6(27) and 12(2)	(8,959)	-	16,910	-
6000 Total operating expenses		(15,103,519)	(12)	(10,246,602)	(12)
6900 Operating profit		<u>14,486,513</u>	<u>12</u>	<u>4,217,835</u>	<u>5</u>
Non-operating revenue and expenses					
7100 Interest income	6(23)	74,576	-	88,344	-
7010 Other income	6(24)	1,267,712	1	953,574	1
7020 Other gains and losses	6(25)	306,235	-	216,331	-
7050 Finance costs	6(26)	(5,399)	-	(10,629)	-
7060 Share of loss of associates and joint ventures accounted for using the equity method	6(7)	(16,265)	-	(14,650)	-
7000 Total non-operating revenue and expenses		<u>1,626,859</u>	<u>1</u>	<u>1,232,970</u>	<u>1</u>
7900 Profit before income tax		16,113,372	13	5,450,805	6
7950 Income tax expense	6(29)	(2,778,226)	(2)	(1,119,570)	(1)
8200 Profit for the year		<u>\$ 13,335,146</u>	<u>11</u>	<u>\$ 4,331,235</u>	<u>5</u>

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

Items	Notes	2021		2020	
		Amount	%	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(17)	\$ 13,534	-	(\$ 25,070) -
8316	Unrealised gain on valuation of investment in equity instruments measured at fair value through other comprehensive income	6(3)	94,333	-	87,222 -
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(29)	(2,707)	-	5,014 -
8310	Components of other comprehensive income that will not be reclassified to profit or loss		<u>105,160</u>	-	<u>67,166</u> -
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		(136,383)	-	66,389 -
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss		(136,383)	-	66,389 -
8300	Other comprehensive (loss) income, net		<u>(\$ 31,223)</u>	-	<u>\$ 133,555</u> -
8500	Total comprehensive income for the year		<u>\$ 13,303,923</u>	<u>11</u>	<u>\$ 4,464,790</u> <u>5</u>
Profit(loss) attributable to:					
8610	Owners of parent		\$ 13,337,960	11	\$ 4,374,329 5
8620	Non-controlling interest		(2,814)	-	(43,094) -
	Total		<u>\$ 13,335,146</u>	<u>11</u>	<u>\$ 4,331,235</u> <u>5</u>
Comprehensive income (loss) attributable to:					
8710	Owners of parent		\$ 13,306,738	11	\$ 4,507,881 5
8720	Non-controlling interest		(2,815)	-	(43,091) -
	Total		<u>\$ 13,303,923</u>	<u>11</u>	<u>\$ 4,464,790</u> <u>5</u>
9750	Basic earnings per share	6(30)	<u>\$ 21.01</u>		<u>\$ 6.88</u>
9850	Diluted earnings per share	6(30)	<u>\$ 20.60</u>		<u>\$ 6.79</u>

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to equity holders of the company										
		Retained earnings					Other equity interest					
Notes	Capital stock- Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences arising from translation of foreign operations	Unrealised gain or loss on valuation of financial assets at fair value through other comprehensive income	Treasury shares	Total	Non-controlling interest	Total equity	
<u>Year 2020</u>												
	Balance at January 1, 2020	\$ 6,356,889	\$ 3,896,889	\$ 4,381,896	\$ 426,354	\$ 8,618,094	(\$ 673,470)	\$ 1,291,159	\$ -	\$ 24,297,811	\$ 55,300	\$ 24,353,111
	Profit (loss) for the year	-	-	-	-	4,374,329	-	-	-	4,374,329	(43,094)	4,331,235
	Other comprehensive (loss) income for the year	-	-	-	-	(20,056)	66,386	87,222	-	133,552	3	133,555
	Total comprehensive income (loss)	-	-	-	-	4,354,273	66,386	87,222	-	4,507,881	(43,091)	4,464,790
	Appropriations of 2019 earnings:											
	Legal reserve	-	-	193,924	-	(193,924)	-	-	-	-	-	-
	Cash dividends	-	-	-	-	(1,398,516)	-	-	-	(1,398,516)	-	(1,398,516)
	Changes in equity of subsidiaries accounted for using equity method	-	(11,985)	-	-	-	-	-	-	(11,985)	11,985	-
	Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	(12,421)	(12,421)
	Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	6,158	6,158
	Balance at December 31, 2020	<u>\$ 6,356,889</u>	<u>\$ 3,884,904</u>	<u>\$ 4,575,820</u>	<u>\$ 426,354</u>	<u>\$ 11,379,927</u>	<u>(\$ 607,084)</u>	<u>\$ 1,378,381</u>	<u>\$ -</u>	<u>\$ 27,395,191</u>	<u>\$ 17,931</u>	<u>\$ 27,413,122</u>
<u>Year 2021</u>												
	Balance at January 1, 2021	\$ 6,356,889	\$ 3,884,904	\$ 4,575,820	\$ 426,354	\$ 11,379,927	(\$ 607,084)	\$ 1,378,381	\$ -	\$ 27,395,191	\$ 17,931	\$ 27,413,122
	Profit (loss) for the year	-	-	-	-	13,337,960	-	-	-	13,337,960	(2,814)	13,335,146
	Other comprehensive (loss) income for the year	-	-	-	-	10,827	(136,382)	94,333	-	(31,222)	(1)	(31,223)
	Total comprehensive income (loss)	-	-	-	-	13,348,787	(136,382)	94,333	-	13,306,738	(2,815)	13,303,923
	Appropriations of 2020 earnings:											
	Legal reserve	-	-	435,427	-	(435,427)	-	-	-	-	-	-
	Cash dividends	-	-	-	-	(2,542,756)	-	-	-	(2,542,756)	-	(2,542,756)
	Cash dividends from capital surplus	-	(635,688)	-	-	-	-	-	-	(635,688)	-	(635,688)
	Changes in equity of associates accounted for using equity method	-	2,281	-	-	-	-	-	-	2,281	-	2,281
	Purchase of treasury shares	-	-	-	-	-	-	-	(280,919)	(280,919)	-	(280,919)
	Share-based payment transactions	-	28,234	-	-	-	-	-	214,903	243,137	-	243,137
	Balance at December 31, 2021	<u>\$ 6,356,889</u>	<u>\$ 3,279,731</u>	<u>\$ 5,011,247</u>	<u>\$ 426,354</u>	<u>\$ 21,750,531</u>	<u>(\$ 743,466)</u>	<u>\$ 1,472,714</u>	<u>(\$ 66,016)</u>	<u>\$ 37,487,984</u>	<u>\$ 15,116</u>	<u>\$ 37,503,100</u>

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

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	2021	2020
<u>Cash flows from operating activities:</u>			
Profit before income tax		\$ 16,113,372	\$ 5,450,805
Adjustments to reconcile profit before income tax to net cash provided by operating activities:			
Income and expenses having no effect on cash flows			
Depreciation	6(8)(9)(27)	613,141	628,135
Depreciation charge on investment property	6(11)	4,781	4,713
Amortisation	6(27)	62,370	66,643
(Gain) loss from lease modification	6(9)(25)	(519)	2,380
Expected credit loss (gain)	6(27) and 12(2)	8,959	(16,910)
Gain on valuation of financial assets at fair value through profit or loss	6(25)	(131,685)	(31,783)
Share of loss of associates and joint ventures accounted for using equity method	6(7)	16,265	14,650
Loss on disposal of property, plant and equipment	6(25)	3,206	20,526
Loss on disposal of intangible assets	6(25)	4,445	-
Interest income	6(23)	(74,576)	(88,344)
Interest expense	6(26)	5,399	10,629
Dividends income	6(24)	(73,327)	(65,111)
Grants revenue	6(33)	(44,349)	-
Share-based payments	6(18)	28,234	-
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		(643,285)	25,624
Notes receivable		(2,813)	99
Accounts receivable		(2,947,270)	(1,245,173)
Other receivables		(132,083)	67,872
Inventories		(11,356,539)	(3,882,357)
Prepayments		113,824	(372,088)
Other current assets		(282,462)	15,939
Net changes in liabilities relating to operating activities			
Contract liabilities		(2,790,667)	3,740,751
Notes payable		22,464	(57,712)
Accounts payable		6,861,749	1,794,241
Other payables		4,566,965	1,532,221
Provisions for liabilities		(51,261)	262,886
Other current liabilities		(241,253)	243,349
Other non-current liabilities		14,569	3,544
Cash generated from operations		9,667,654	8,125,529
Interest received		75,901	86,283
Dividend received		73,327	65,111
Interest paid		(5,399)	(10,629)
Income tax paid		(1,456,488)	(364,894)
Net cash generated from operating activities, net		8,354,995	7,901,400

(Continued)

GIGA-BYTE TECHNOLOGY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
<u>Cash flows from investing activities:</u>			
Acquisition of financial assets at fair value through other comprehensive income		(\$ 69,531)	(\$ 40,584)
Acquisition of financial assets at amortised cost		(43,672)	(424,935)
Acquisition of investments accounted for under equity method	6(7)	(393,230)	(70,000)
Acquisition of property, plant and equipment	6(32)	(586,534)	(534,146)
Proceeds from disposal of property, plant and equipment		1,641	107,680
Acquisition of intangible assets		(55,687)	(58,468)
Decrease (increase) in refundable deposits		885	(8,033)
Increase in other non-current assets		(57,623)	(53,577)
Net cash used in investing activities		<u>(1,203,751)</u>	<u>(1,082,063)</u>
<u>Cash flows from financing activities:</u>			
Repayments of short-term borrowings	6(33)	(303,217)	(298,445)
Proceeds from short-term borrowings		-	312,574
Repayments of long-term debt	6(33)	-	(10,667)
Proceeds from long-term debt	6(33)	-	244,492
Payments of lease liabilities	6(33)	(102,598)	(97,107)
(Decrease) increase in deposits received	6(33)	(44,315)	43,354
Cash dividends	6(21) (33)	(2,542,756)	(1,398,516)
Cash dividends from capital surplus	6(21) (33)	(635,688)	-
Purchase of treasury shares	6(19)	(280,919)	-
Treasury shares sold to employees	6(18) (19)	214,903	-
Acquisition of ownership interests in subsidiaries	6(31)	-	(12,421)
Changes in non-controlling interest		-	6,158
Net cash used in financing activities		<u>(3,694,590)</u>	<u>(1,210,578)</u>
Effect of exchange rate changes on cash and cash equivalents		(92,798)	48,013
Net increase in cash and cash equivalents		3,363,856	5,656,772
Cash and cash equivalents at beginning of year		<u>15,564,617</u>	<u>9,907,845</u>
Cash and cash equivalents at end of year		<u>\$ 18,928,473</u>	<u>\$ 15,564,617</u>

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

Appendix 4

Business Division Plan

WHEREAS Gigabyte Technology Co., Ltd. (hereinafter referred to as “Gigabyte”), based on its business operation considerations, plans to divide and transfer all the businesses, assets, liabilities and relevant contractual rights and obligations of its Netcom business unit that can operate independently (hereinafter collectively referred to as the “Netcom business”) to Giga Computing Technology Co., Ltd. (hereinafter referred to as “Giga Computing”) as the consideration for the issuance of new shares by Giga Computing to Gigabyte (hereinafter referred to as “the division case”).

Therefore, in accordance with the Business Mergers and Acquisitions Act, the Company Act and other relevant laws and regulations of the Republic of China, this division plan (hereinafter referred to as the “plan”) is formulated as follows:

Article 1 Division method and companies participating in the division

1.1 Division method

This division is based on the existing division method, that is, Gigabyte transfers the relevant business (including assets, liabilities and business) of its Netcom business department to Giga Computing, and Giga Computing issues new shares to Gigabyte as the consideration.

1.2 Companies participating in the division

Divided company: Gigabyte Technology Co., Ltd.;

The surviving company undertaking the business: Giga Computing Technology Co., Ltd.

Article 2 Changes to the articles of association of the surviving company undertaking the business

The articles of association of Giga Computing are shown in Annex I.

Article 3 Business scope, business value, assets and liabilities of the divided company

3.1 Scope of business, assets and liabilities transferred through the division

1. Equipment, wealth generating instruments, bank deposits, accounts receivable and other related assets (including tangible and intangible assets) and related liabilities required by Gigabyte's Netcom business.
2. Related contracts, litigation cases, legal relations, legal status, licenses, permits and related rights and interests of Gigabyte's Netcom business. However, if the transfer of the preceding contracts, litigation cases, legal relationship, legal status, licenses, permits and related rights and interests requires the consent of the counterparty or a third party according to the contracts or law, it shall take effect only with the consent of the counterparty or third party.
3. Other assets, liabilities, rights and obligations, rights and interests, business or property divided, tax incentives, licenses and permits that have been enjoyed but have not expired or deducted, and relevant legal relations, factual relations and status related to Gigabyte's Netcom business.

3.2 Business value of the division and transfer

The value of the assets less liabilities divided and transferred is expected to be NT\$833,600,000.

3.3 Assets divided and transferred

The assets expected to be divided and transferred are shown in Annex II, and the value is expected to be NT\$6,746,348,000.

3.4 Liabilities divided and transferred

The liabilities expected to be divided and transferred are shown in Annex II, and the value is expected to be NT\$5,912,748,000.

3.5 The business value, assets and liabilities transferred by the above-mentioned division are temporarily calculated based on the book value of the financial statements of Gigabyte audited and certified by a CPA on December 31, 2021, but the actual amount is still subject to the book value on the base date of the division.

3.6 If necessary, the shareholders' meeting of both parties may authorize the board meeting to adjust the divided and transferred assets and liabilities specified above; the same shall apply if it is necessary to adjust the business value or the proportion of shares issued by Giga Computing.

Article 4 The number and type of shares issued by the surviving company undertaking the business, and the number and types of shares issued by the surviving company in exchange for the division and transfer of business of the divided company as well as the basis for calculation

4.1 Number of shares issued

The business value, assets and liabilities assumed by Giga Computing due to the division and transfer by Gigabyte are expected to be NT\$833,600,000. Giga Computing will issue 83,360,000 ordinary shares at par to Gigabyte for the business value, assets and liabilities assumed by Giga Computing, with a value of NT\$10 per share. The business value, assets and liabilities transferred by Gigabyte will be swapped for 83,360,000 ordinary shares issued at par by Giga Computing, at a value of NT\$10 per share. If there is any odd-lot share due to the swap, Giga Computing will pay cash to Gigabyte in one go according to the business value of the odd-lot share within 30 days after completing the change registration.

4.2 Calculation basis

The number of shares to be issued as mentioned above is determined by taking into account the expert opinion on the book value of the assets and liabilities to be divided and transferred by Gigabyte up to the base date of the division and the rationality of the division and share swap. For details, please refer to the expert opinion in Annex III.

4.3 Giga Computing shall complete the change registration according to law after the base date of the division, and issue ordinary shares to Gigabyte. After the completion of this division, Gigabyte will directly hold 100% equity of Giga Computing.

Article 5 Adjustment of the number and proportion of shares issued by the surviving company in exchange for the business value, assets and liabilities transferred by the divided company

In the following circumstances, the business value, assets and liabilities to be divided and the number and proportion of shares of Giga Computing to be issued for the swap may be changed by the board meeting of both parties with the authorization of the shareholders' meeting of both parties for the division case, and the business value acquired by Giga Computing due to the division shall be adjusted accordingly:

- 5.1 After the signing of this plan, Gigabyte intends to increase or adjust the business, assets or liabilities to be divided and transferred.
- 5.2 After the signing of this plan, either party handles capital increase by cash, issuance of convertible corporate bonds, free allotment of shares, issuance of corporate bonds with stock options, preferred shares with stock options, warrants and other equity securities.
- 5.3 Either party has disposed of its major assets and other acts that affect its financial business.
- 5.4 Either party encounters any major disaster, major technological change or other events that affect the shareholders' equity or its securities price.
- 5.5 Either party buys back treasury shares according to law.
- 5.6 Other circumstances where it is necessary to adjust the proportion of shares issued under Article 4 due to changes in laws and regulations or approval by the relevant competent authority.

Article 6 Purchase and cancellation of dissenting shareholders' shares

The shareholders of Gigabyte and Giga Computing may request Gigabyte and Giga Computing to buy back their shares respectively if they express their objections in writing or orally before or during the shareholders' meeting at which the division is resolved, and have waived their voting rights. Gigabyte and Giga Computing shall buy back the shares held by such dissenting shareholder in accordance with the law; the shares bought back shall be disposed of or cancelled according to law, and the change shall be registered.

Article 7 Creditor notice and announcement related matters

After the resolution of the shareholders' meeting of Gigabyte and Giga Computing on the division, the companies shall immediately prepare their balance sheets and property catalogue, notify and announce the division resolution to their creditors, specify a deadline of more than 30 days away, and state that creditors may raise objections before the deadline. If the creditors raise objections before the deadline, the companies shall deal with them in accordance with the relevant laws and regulations.

Article 8 General acceptance of rights and obligations and related matters after division

- 8.1 The business, assets and liabilities, rights and obligations divided and transferred in this plan shall be generally accepted by Giga Computing in accordance with the law from the base date of division. If it is necessary to go through relevant transfer procedures, both parties shall comply. The cost of the relevant rights after the base date of division shall be borne by Giga Computing.
- 8.2 Except where the debts to be divided and transferred and the debts of Gigabyte before the division are separable, Giga Computing shall be jointly and severally liable with Gigabyte for the debts owed by Gigabyte before the division and within the scope of capital contribution to the business transferred. However, the creditor's claim for creditor's rights shall be extinguished if not exercised within two years from the base date of division.

Article 9. Handling of employee matters

Gigabyte and Giga Computing shall negotiate whether there are employees to be retained in accordance with legal procedures and consult their willingness to be retained. The employees who agree to be retained will be recognized by Giga Computing for their years of service with Gigabyte before the base date of division, or, on the premise of compliance with relevant laws and regulations, Gigabyte shall negotiate with the employees on other means sufficient to protect their rights and interests.

Article 10. Division base date

After the division plan is approved by the board meeting and shareholders' meeting of both parties and the permit or approval of the relevant competent authorities, the board meeting of both companies shall be authorized to decide the division base date of this division plan. At present, it is tentatively set on January 1, 2023. If it is necessary to adjust the division base date, the board meeting of both parties shall be authorized to decide.

Article 11 Plan implementation progress, expected completion date and overdue handling

- 11.1 The division plan is expected to be adopted by the shareholders' meeting on June 14, 2022, but another date may be fixed by the board meeting of both parties based on the actual implementation.

11.2 In case of any overdue completion of this plan and its scheduled implementation progress, the board meeting of both companies shall, based on the actual situation and needs, set the date for convening the shareholders' meeting or the board meeting according to the law, and/or proceed with other necessary disposals.

Article 12. Sharing of taxes and fees

12.1 Unless otherwise agreed in this plan or other contracts, or otherwise agreed by both parties, all taxes or fees arising from the execution or performance of this plan, except those which meet the provisions of tax waiver or exemption, shall be borne by both companies according to law. If this plan is not valid because it is not approved by the shareholders' meeting or disapproved by the relevant competent authorities or due to other reasons, the lawyer's fee, the accountant's fee and related expenses incurred shall be borne by Gigabyte.

12.2 The two parties shall cooperate with each other to obtain preferential tax treatments related to this division plan.

Article 13. Handling of breach of contract

13.1 If either party violates the provisions of this plan and fails to make a correction within 30 days after being notified by the other party in writing, the non-defaulting party may terminate this plan after notifying the defaulting party in writing.

13.2 If either party violates the provisions of this plan and fails to make a correction before the deadline after being notified by the other party, or the violation is serious which results in damage to the other party, the breaching party shall compensate the damaged party for any expenses incurred therefrom (including but not limited to relevant lawyer's fee, accountant's fee and expenses, losses or other damages arising from this division case).

Article 14 Change of paid-in capital of the divided company

Except for the reduction of capital by share cancellation in accordance with other laws, the paid-in capital of Gigabyte will maintain its original amount after the completion of this division without capital reduction.

Article 15 Applicable laws

This division plan shall be interpreted and performed in accordance with the relevant laws of the Republic of China. In case of any dispute arising from this plan, both parties agree to appoint Taiwan Taipei District Court as the court of first instance.

Article 16 Other matters

- 16.1 If any provisions of this plan conflict with relevant laws and regulations and are invalid, only the conflicting provisions shall be invalid and the other provisions shall be still valid. As for the provisions that are invalid due to violation of relevant laws and regulations, they shall be separately negotiated by the board meeting of Gigabyte and Giga Computing within the legal scope in accordance with relevant laws and regulations.
- 16.2 If any provision of this plan needs to be changed in accordance with the approval of the relevant competent authority, it shall be revised either directly in accordance with the contents approved by the competent authority, or by the board meeting of Gigabyte and Giga Computing based on the approval of the relevant competent authority.
- 16.3 This plan shall not come into force until it is submitted to the shareholders' meeting of Gigabyte and Giga Computing for resolution. However, if the plan fails to obtain the approval or permission of the relevant competent authority, the plan will not be effective from the beginning.
- 16.4 Any matters not covered in this plan shall be handled in accordance with the relevant laws and regulations and the provisions of the competent authority. If not specified in the laws and regulations or the competent authority, the shareholders' meeting of both parties shall authorize the board meeting of Gigabyte and Giga Computing to handle them with full power.
- 16.5 The annexes to this plan are also part of this plan.

Article 17 Number of copies of the plan

This plan is made in duplicate.

Parties to the division plan:

Gigabyte Technology Co., Ltd.

Convener of Audit Committee: Wang, Hui-Min

Giga Computing Technology Co., Ltd.

Chairman: Yeh, Pei-Cheng

March 11, 2022

Appendix 4-1

Giga Computing Technology Co., Ltd.

Articles of Association

Chapter I General Provisions

Article 1: The Company is organized in accordance with the provisions of the Company Act on companies limited by shares, and is named Giga Computing Technology Co., Ltd.

Article 2: The business scope of the Company is as follows:

1. CC01110 Computer and Peripheral Equipment Manufacturing
2. I301010 Software Design Services
3. F113010 Wholesale of Machinery
4. CC01080 Electronic Components Manufacturing
5. CH01040 Toys Manufacturing
6. CC01070 Telecommunication Equipment and Apparatus Manufacturing
7. F118010 Wholesale of Computer Software
8. F113050 Wholesale of Computers and Clerical Machinery Equipment
9. F113070 Wholesale of Telecom Instruments
10. F213060 Retail Sale of Telecom Instruments
11. I301030 Electronic Information Supply Services
12. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company is located at 7 F, No. 6, Baoqiang Rd., Xindian Dist., New Taipei City. Depending on business needs, the Company may, by resolution of the board meeting, set up branches at home and abroad.

Article 4: The announcement method of the Company shall be in compliance with Article 28 of the Company Act.

Article 5: The Company may provide external guarantees for business needs.

Chapter II Shares

Article 6: The capital of the Company is set at NT\$2,000,000,000, divided into 200,000,000 shares at a face value of NT\$10 per share, which may be issued in installments.

Article 7: All shares issued by the Company are registered which shall be numbered and signed or sealed by the director representing the Company and issued after being certified by the bank that may act as the issuer of shares in accordance with the law.

Article 8: No change of name or transfer of ownership of the register of shareholders shall be made within 30 days before the general shareholders' meeting, 15 days before the extraordinary shareholders' meeting, or five days before the book-close date on which the Company decides to distribute dividends, bonuses or other benefits.

Article 9: For the transfer of shares, the applicant shall apply with the Company for transfer of ownership. The transfer shall not be used against the Company before the completion of the transfer procedures.

Article 10: For shares purchased by the Company in accordance with the Company Act, the objects of share transfer may include employees of controlled or subordinate companies who meet certain criteria.

The objects of issuance of employee stock option certificates by the Company in accordance with the Company Act may include employees of controlled or subordinate companies who meet certain criteria.

Employees who subscribe to the new shares of the Company in accordance with the provisions of the Company Act may include employees of controlled or subordinate companies who meet certain criteria.

The objects of new shares issued by the Company with restricted employee rights in accordance with the Company Act may include employees of controlled or subordinate companies who meet certain criteria.

Chapter III Shareholders' Meetings

Article 11: The Company's shareholders' meetings are divided into the following two types:

1. The general shareholders' meetings are held at least once a year within six months after the end of each fiscal year and convened by the board meeting according to law.
2. The extraordinary shareholders' meeting is held in accordance with the law when necessary.

Article 12: The Chairman of the board of directors shall be the chairman of the shareholders' meeting. When the Chairman is on leave or is unable to exercise his/her functions and powers for some reason, he/she may appoint one director to act as the agent. If the Chairman fails to appoint an agent, the directors shall elect one person among them to act as the agent.

Article 13: If a shareholder is unable to attend the shareholders' meeting for some reason, he/she may issue a power of attorney specifying the scope of authorization and entrust an agent to attend the shareholders' meeting.

Article 14: Unless otherwise specified in the Company Act or the articles of association, each shareholder of the Company has one voting right per share.

Article 15: Unless otherwise provided by the Company Act, the resolution of the shareholders' meeting shall be adopted in a shareholders' meeting attended by shareholders representing more than half of the total issued shares, with the consent of more than half of the voting rights of the shareholders present.

Article 16: The shareholders' meeting of the Company may be held by video conference or other means announced by the central competent authority. If the shareholders' meeting is held by video conference, the shareholders who participate in the meeting by video shall be deemed to be present in person.

Article 17: The resolutions of the shareholders' meeting shall be made into minutes, which shall be signed or sealed by the chairman of the shareholders' meeting and distributed to all shareholders within 20 days after the meeting.

The minutes referred to in the preceding paragraph may be prepared and distributed electronically.

Article 18: When the shareholder structure of the Company consists of only the government or one corporate shareholder, the functions and powers of the shareholders' meeting shall be exercised by the board meeting, and the provisions of the Articles of Association on the shareholders' meeting shall not apply.

Chapter IV Directors, Supervisors and Managers

Article 19: The Company shall set up five seats of directors and no supervisors. The term of office is three years. The directors shall be persons with legal capacity appointed by the sole corporate shareholder and may serve consecutive terms. When there is no supervisor seat set up, the provisions of the Company Act and these Articles of Association on supervisors shall not apply.

Article 20: The board of directors shall be organized by directors, and one person shall be elected as the Chairman from among them in a board meeting with the presence of more than two-thirds of the directors, and the consent of more than half of the directors present. The Chairman shall represent the company externally.

Article 21: Unless otherwise provided by the Company Act, a resolution of the board meeting shall be adopted with the consent of more than half of the directors present.

Unless otherwise provided by the Company Act, the board meeting shall be convened by the Chairman of the board of directors with the reasons specified, and each director shall be notified three days in advance. However, in case of emergency, the meeting may be called at any time.

The board meeting of the Company may be convened in writing, by fax or by electronic means.

Article 22: The chairman of the board meeting is the Chairman of the board of directors. If the chairman is on leave or unable to exercise his/her functions and powers for some reason, his/her agency chair the meeting in accordance with Article 208 of the Company Act. The directors shall attend the board of directors in person; if a director is unable to attend for some reason, he/she may entrust another director to act as his/her agent.

The agent referred to in the preceding paragraph shall only be entrusted by one director.

The board meeting may be held by video conference. Directors who participate in the meeting by video conference shall be deemed to be present in person.

The directors may, with the consent of all directors, exercise their voting rights in writing on the proposal of the current board meeting without the holding of a physical meeting.

Article 23: The board meeting is authorized to pay the remuneration of the Company's directors according to the degree of contribution of directors and the general standard of the industry.

Article 24: The Company may set up positions of manager whose appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter V Accounting

Article 25: The accounting year of the Company starts from January 1 to December 31 each year. At the end of each accounting year, the board meeting shall prepare a business report, financial statements and a proposal for earnings distribution or loss compensation, and submit them to the general shareholders' meeting for recognition in accordance with the law.

Article 26: In order to motivate the employees and the management team, if there is any balance after deducting the cumulative loss from the profit of the current year, the Company

shall allocate 3% to 10% of it as the employees' remuneration, and the remuneration of directors and supervisors shall not be higher than 3%.

The objects of employees' remuneration by the issuing of shares or cash may include employees of controlled or subordinate companies who meet certain criteria.

Article 27: In case of any earnings in the final accounts of the year, the Company shall pay taxes and make up for losses according to law, and 10% of the balance shall be appropriated as the legal reserve. However, this requirement shall not apply when the legal reserve has reached the paid-in capital. In addition, after the special reserve is appropriated or reversed in accordance with relevant laws and regulations, the balance plus the undistributed earnings at the beginning of the same period will be the cumulative distributable earnings to shareholders, and the board meeting shall formulate an earnings distribution proposal and submit it to the shareholders' meeting for resolution.

Chapter VI Supplementary Provisions

Article 28: Any matters not covered in these Articles of Association shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 29: The Articles of Association is established on March 8, 2022.

Appendix 4-2

GIGA-BYTE TECHNOLOGY CO., LTD.

Book value of relevant operating assets and liabilities of the Netcom business to be divided

<u>2021/12/31</u>	<u>Unit : NT\$ thousand</u>
Assets	
Current assets	6,426,959
Investments using equity method	227,170
Fixed assets	83,934
Other assets	8,285
Total assets (1)	6,746,348
Liabilities	
Current liabilities	5,788,680
Other liabilities	124,068
Total liabilities (2)	5,912,748
Net (business value) (1)-(2)	833,600

Appendix 4-3



9th Fl., No. 339, Xin Yi Road, Sec 4

Taipei, 10692, Taiwan, R.O.C.

台北市大安區信義路4段339號9樓

Telephone: (02)2325-3375

Fax: (02)2325-3376

Company tax code : 20396901

Summary of Accountant's Opinion

March 9, 2022

Cheng-Bei-Chuan No. 111035

Appointor: Gigabyte Technology Co., Ltd. (hereinafter referred to as the Company)

Appointment content: In order to improve the competitiveness and operating performance, the Company plans to carry out organizational adjustment and professional division of labor, and transfer the relevant operations (including assets, liabilities and business) (hereinafter referred to as the evaluation object) of its Netcom business to Giga Computing Technology Co., Ltd. (hereinafter referred to as "Giga Computing"), a 100% owned subsidiary of the Company, and appoints the account to express an opinion on the reasonableness of the value of the share swap for the division.

Legal basis: Article 10 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.

Basis for forming the opinion: After making reference to the relevant Q&A set and explanatory letter of the Accounting Research and Development Foundation, and performing necessary evaluation and analysis, the accountant adopted the book value method as the transaction consideration of this division case.

Conclusion: According to the analysis and evaluation of the accountant, the net value of the evaluation object is equal to the consideration of the new shares expected to be issued by Giga Computing, with no profit or loss generated. Besides this, Giga Computing is a 100% owned subsidiary of the Company before and after the division and transfer, and this division has no impact on the equity of the Company's shareholders. Therefore, the accountant believes that it is reasonable for the share swap for the division to be conducted based on the book value of relevant operations as the consideration.

WeTec International CPAs

Accountant: Lai, Ming-Yang

March 9, 2022

Declaration

In accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” and relevant laws and regulations, and with reference to the Evaluation Criteria Bulletin of the Republic of China, or the relevant self-discipline norms issued by the professional association and Practical Guidelines for Expert Opinions, the accountant has issued the evaluation opinion, and hereby declares the following:

1. The opinion issued by the accountant and the data sources, parameters and information used in the implementation of operating procedures are complete, correct and reasonable, so as to serve as the basis for issuing this opinion.
2. Before undertaking this case, it was confirmed that the qualification requirements in paragraph 1, Article 5 of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” were met by the accountant, and the professional ability and practical experience of the accountant were carefully evaluated in accordance with subparagraph 1, paragraph 2 of the same article.
3. During the execution of this case, the appropriate operation process was properly planned and implemented to form a conclusion and issue an opinion accordingly; the procedures, data collected and conclusion are detailed in the working paper of the case.
4. There are no such situations of mutual or substantial relationship between the accountant and the transaction parties in this case or the professional appraiser or appraising staff who issue the appraisal opinion as specified in subparagraphs 2 and 3, paragraph 1, Article 5 of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies,” and the accountant declares that there are none of the following circumstances:
 - (1) The accountant or his spouse is currently employed by the transaction parties in this case as a regular employee for a fixed salary, or serves as a director or supervisor.
 - (2) The accountant or his spouse has served as a director, supervisor or manager of the transaction parties, or an employee with a significant influence on the case who has been relieved or resigned for less than two years.

- (3) The entity for which the accountant or his spouse works is a related party of the transaction parties in this case.
 - (4) The accountant has a spouse or second-class relative relationship with the transaction parties' directors, supervisors, managers or employees with a significant influence on the case.
 - (5) The accountant or his spouse has a significant investment in or financial interest relationship with the transaction parties in this case.
5. The accountant has the professionalism and independence required, has assessed the important basis for forming an opinion, has assessed that the information used is correct and reasonable, and has followed the Practical Guidelines for Expert Opinions and relevant laws and regulations, and there is no contingent remuneration or pre-set opinion or conclusion.

Accountant's Opinion

1. Appointor: Gigabyte Technology Co., Ltd. (hereinafter referred to the Company or Gigabyte)
2. Appointed expert: Accountant Lai, Ming-Yang of WeTec International CPAs
3. Appointment content: In order to improve the competitiveness and operating performance, the Company plans to carry out organizational adjustment and professional division of labor, and transfer the relevant operations (including assets, liabilities and business) (hereinafter referred to as the evaluation object) of its Netcom business to Giga Computing Technology Co., Ltd. (hereinafter referred to as "Giga Computing"), a 100% owned subsidiary of the Company, and appoints the accountant to express an opinion on the reasonableness of the value of the share swap for the division.
4. Value standard: As this case is an organizational reorganization, the book value is taken as the value standard for this opinion.
5. Value premise: This opinion is based on the premise that the business of the Company complies with laws and regulations and continues to operate.
6. Valuation base date: December 31, 2021.
7. Significant assumptions and restrictions:
 - (1) Because the internal and external factors of the Company have a significant impact on the evaluation, the information disclosed in this opinion is crucial to the conclusion of value, and this opinion does not hide any information.
 - (2) The accountant only assesses the rationality of the division case from the perspective of an independent third party, and has not actually participated in the structural design and planning of the division case. If the actual transaction content is inconsistent with the information provided by the management of Gigabyte on the evaluation base date, or the hypothetical premise such as economic situation changes later, the conclusion of this opinion will also change

accordingly. After the issuance of this opinion, if the actual situation changes or the premise assumptions change, then the actual results will be different from the analysis results of the accountant, and the accountant will not make an update unless appointed for a re-evaluation.

- (3) The accountant's main business is not to provide professional legal services. Therefore, the accountant cannot judge any legal proceedings that may affect the evaluation from the perspective of a professional lawyer.
 - (4) The accountant's evaluation procedures are based on the book value of the financial statements audited by the CPA of Gigabyte as of December 31, 2021 provided by the management of Gigabyte, and the accountant has not conducted an independent verification or review of the overall fidelity, completeness and correctness of such information provided by the Company. Due to the scope of appointment, the accountant also has not conducted an audit in accordance with the Generally Accepted Auditing Standards. The accountant assumes that such information is true, reliable and trustworthy; therefore, the accountant does not express any opinion or provide any guarantee on the content of such financial information.
8. The accountant expresses an opinion on the reasonableness of the value of the shares to be swapped for this division case in accordance with Article 10 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
 9. Gigabyte is a listed company in Taiwan mainly engaged in the manufacturing, processing and trading of computer hardware peripherals and parts. In order to improve the competitiveness and operating performance of the group, Gigabyte intends to carry out organizational adjustment and professional division of labor and divide and transfer the evaluation object to Giga Computing, and Giga Computing will issue shares to Gigabyte as the consideration. Gigabyte will make a swap for the ordinary shares newly issued by Giga Computing at NT\$10 per share, for totally 83,360,000 ordinary shares of Giga Computing (par value 10 per share). If there is any odd-lot share due to the swap, Giga Computing will pay cash to Gigabyte in one

go according to the business value of the odd-lot share within 30 days after completing the change registration, but the actual amount of the division shall still be subject to the book value on the base date of the division. The base date of the division is tentatively set on January 1, 2023.

10. As the evaluation object and Giga Computing are 100% owned by the Company, the Company holds 100% of the business value of the evaluation object before this division, and still holds it indirectly after this division, there is no material transfer of the management right and control right of the evaluation object, and the essence of the transaction should be organizational restructuring.
11. As of the evaluation base date, the book value of the subject assets the Company intends to divide and transfer to Giga Computing is NT\$6,746,348 thousand, the book value of liabilities is NT\$5,912,748 thousand, and the net amount is NT\$833,600 thousand. The book values of the assets and liabilities of the evaluation object on the base date are as follows:

Subject	Book value on the evaluation base date (NT\$ thousand)
Assets	
Current assets	6,426,959
Investments using equity method	227,170
Fixed assets	83,934
Other assets	8,285
Total assets	6,746,348
Liabilities	
Current liabilities	5,788,680
Other liabilities	124,068
Total liabilities	5,912,748
Net (business value)	833,600

Source: Provided by Gigabyte management

12. Evaluation method:

In view of the fact that there is no material transfer of the management right and control right of the evaluation object, the essence of the transaction should be organizational restructuring. The accountant believes that this division and transfer does not meet the definition in Appendix A of IFRS 3 “Business Merger” (hereinafter referred to as “IFRS 3”), so the relevant accounting treatment of IFRS 3 is not applicable. In accordance with the explanation in paragraph 11 of IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors,” the management may refer to and consider the requirements of IFRS on the treatment of similar and related issues, as well as the definitions of asset, liability, income and expense, recognition criteria and applicability of measurement concepts. Therefore, with reference to the reply on the Q&As of the International Accounting Standards released by the Accounting Research and Development Foundation on October 26, 2018, since IFRS 3 does not clearly define the merger of enterprises under common control, the provisions in the relevant explanatory letters already issued locally shall still apply, and the book value method shall be used.

In addition, with reference to the explanation in the letter from the Accounting Research and Development Foundation referenced (91) Ji-Mi No. 128 on the accounting theory in the third paragraph concerning the accounting treatment involved in a division, if the transferee company becomes an affiliate after the transfer, the original book value of the transferred assets and liabilities shall be regarded as the cost of acquiring the assets and liabilities, with the net amount of the two as the basis and the nominal amount as the share capital; the part exceeding the nominal amount shall be taken as the capital reserve.

The evaluation on the evaluation base date is based on the proforma balance sheet provided by the management of Gigabyte on the evaluation base date, and the total net value (business value) of the evaluation object is NT\$833,600 thousand.

13. Conclusion:

After referring to the Q&As of released by the Accounting Research and Development Foundation and its explanation letter, the accountant adopts the book value method for accounting treatment and takes the original book value of the transferred assets and liabilities as the cost of acquiring the assets and liabilities, with the net worth of both as the basis. Based on the proforma balance sheet provided by the management of Gigabyte on the evaluation base date and after performing necessary evaluation and analysis, the business value of the evaluation object is NT\$833,600 thousand. As of the evaluation base date, Giga Computing plans to issue 83,360,000 ordinary shares (with a face value of NT\$10 per share) to Gigabyte as the consideration at NT\$10 per share. After verification, the net value after the assessment and analysis above remains the same, and no profit or loss has been incurred. In addition, since Giga Computing is a 100% subsidiary of Gigabyte both before and after the division and transfer, the division has no impact on the rights and interests of Gigabyte's shareholders. Therefore, the accountant believes that it is reasonable to carry out the share swap at the book value as the consideration for the division and transfer of the relevant business.



誠品聯合會計師事務所
WeTec International CPAs.

9th Fl., No. 339, Xin Yi Road, Sec 4

Taipei, 10692, Taiwan, R.O.C.

台北市大安區信義路4段339號9樓

Telephone: (02)2325-3375

Fax: (02)2325-3376

Company tax code : 20396901

Brief Introduction to the Independent Expert

Name: Lai, Ming-Yang

Education: Master of Business Administration, Institute of Engineering and Management, National Taiwan University of Science and Technology

Certificate: The Advanced Examination for Accountants of the Republic of China (Accountant's practice certificate number: Bei-Shi-Kuai-Cheng No. 2123)

Experience: Deloitte Taiwan
BDO Taiwan
Ernst & Young Taiwan

Current position: Accountant/Director of WeTec International CPAs