

gamania

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Annual Shareholders' Meeting

Meeting Agenda 2022

Time / June 16, 2022 / Thu / 9am
Address / Banquet Hall, 1st Floor of Victoria Hotel
No. 168, Jingye 4th Rd., Taipei City



Table of Contents

I.	Meeting Procedure	1
II.	Meeting Agenda	2
	i. Reports.....	3
	ii. Ratifications.....	3
	iii. Discussion.....	4
	iv. Ad Hoc Motions	4
III.	Attachment	
	i. 2021 Business Report	7
	ii. Audit Committee’s Audit Report	9
	iii. 2021 CPA’s Audit	10
	iv. 2021 Financial Statements	15
	v. Declaration on 2021 Consolidated Financial Statement of Affiliates	21
	vi. 2021 CPA’s Audit Report on Consolidated Financial Statement	22
	vii. 2021 Consolidated Financial Statements	28
	viii. 2021 Earnings Distribution	35
	ix. Comparison Table of Amendments to the Articles of Incorporation	36
	x. Comparison Table of Amendments to the Procedures for Acquisition or Disposal of Assets.....	37
	xi. Articles of Incorporation (Before Amendment).....	51
	xii. Procedures for Acquisition or Disposal of Assets (Before Amendment)	58
	xiii. Rules of Procedure for Shareholders’ Meetings.....	79
	xiv. Shareholding by Directors.....	85
	xv. Other Information.....	85

Gamania Digital Entertainment Co., Ltd.

Procedure for the 2022 General Shareholders' Meeting

- I. Call the Meeting to Order
- II. Chairperson Takes Chair
- III. Chairperson Remarks
- IV. Reports
- V. Ratifications
- VI. Discussion
- VII. Ad Hoc Motions
- VIII. Adjournment

Gamania Digital Entertainment Co., Ltd.

Agenda of the 2022 General Shareholders' Meeting

- I. Time: 9:00 am, Thursday, June 16, 2022
- II. Venue: Ballroom of Grand Victoria Hotel at 1F (No. 168, Jingye 4th Rd., Taipei City)
- III. The way of convening the shareholders' meeting: Physical shareholders' meeting
- IV. Report the total number of shares represented by the attending shareholders
- V. Chairperson Remarks
- VI. Reports
 - i. 2021 Business Report.
 - ii. Audit Committee' review of 2021 statements and reports.
 - iii. Distribution of 2021 remuneration to directors and employees.
- VII. Ratifications
 - i. The Company's 2021 Financial Statements
 - ii. The Company's 2021 Distribution of Earnings.
- VIII. Discussion
 - i. Revision of the Company's Articles of Incorporation.
 - ii. Revision of the Company's Procedures for Acquisition or Disposal of Assets.
- IX. Ad Hoc Motions
- X. Adjournment

I. Reports

Case 1

Proposal: The Company's 2021 Business Report.

Explanatory notes: See pages 5-7 of the Handbook for details.

Case 2

Proposal: Audit Committee review of 2021 statements and reports.

Explanatory notes: See page 8 of the Handbook for details.

Case 3

Proposal: Distribution of 2021 remuneration to directors and employees.

- Explanatory notes:
1. The distribution of 2021 remuneration to directors and employees was approved by the Board of Directors on March 10, 2022, and will be made in cash, but the date of payment has not been determined yet.
 2. Remuneration for directors: NTD 32,600,000.
 3. Remuneration to employees: NTD 163,299,140, subject to the Articles of Incorporation.
 4. The remuneration to directors dropped by NTD 463,756 from that was recognized for 2021. The difference will be listed as the loss or profit for 2022.

II. Ratifications

Case 1: Brought forth by the Board of Directors

Proposal: The Company's 2021 Financial Statements.

- Explanatory notes:
1. The Company's 2021 Financial Statements of the Company have been audited and certified by CPAs Lin Yi-Fan and Yen Yu-fun, from PwC Taiwan.
 2. See pages 9-34 of the Handbook for the attached statements and the Review Report from CPAs.

Resolution:

Case 2: Brought forth by the Board of Directors

Proposal: The Company's 2021 Distribution of Earnings.

- Explanatory notes:
1. In 2021, the Company's net profits after tax amounted to NTD 1,106,280,817 and distributable earnings for this period amounted to NTD 1,830,237,489.
 2. If the Company's share buyback, transfer or cancellation of treasury shares, or exercise of employee stock options caused a change in the number of outstanding shares, the distribution rate and dividend payout per share, the board of directors shall be authorized to deal with relevant matters.
 3. See page 35 of the Handbook for the attached 2021 Statement for Distribution of Earnings.

Resolution:

III. Discussion

Case 1: Brought forth by the Board of Directors

Proposal: Amendment to the Company's Articles of Incorporation.

- Explanatory notes:
1. Revision of the Company's Articles of Incorporation in accordance with laws and regulations.
 2. See page 36 of the Handbook for the attached Comparison Table of Amendments to the Articles of Incorporation.

Resolution:

Case 2: Brought forth by the Board of Directors

Proposal: Amendments to the Company's "Procedures for Acquisition or Disposal of Assets."

- Explanatory notes:
1. Revision made to the Procedures for the Acquisition or Disposal of Assets in accordance with relevant laws and regulations.
 2. See pages 37-50 of the Handbook for the attached Comparison Table of Amendments to the Procedures for Acquisition or Disposal of Assets.

Resolution:

IV. Ad Hoc Motions

V. Adjournment

Letter to Shareholders

Dear shareholders, ladies and gentlemen:

The consolidated revenue of Gamania Group in 2021 was NTD 11.37 billion, a growth of 9%, which marked the second highest in the history of the Group. Meanwhile, given continual growth from the online game “Maplestory (New)”, the Group’s product sales hit a record high, and coupled with the launch of new game designs and steady growth of other businesses, Gamania Group’s operating gross profit came in at NT\$ 4.76 billion, a growth of 20%. Thanks to a better product mix from high-margin products and proper cost control, the operating profit amounted to NTD 1.73 billion, a growth of 52%. The after-tax net profit attributable to the owner of the Company was NTD1.11 billion, a growth of 27%, with earnings per share (EPS) of NTD 6.30.

In response to factors such as the impact of the COVID-19 pandemic, Gamania Group’s core business exhibited operational resilience in order to achieve steady development in 2021. In addition, beanfun! collected group resources to optimize user interface (UI) and user experience (UX), and successively added novels and comics to attract ACGN (anime, comics, game, novels) users, promoting beanfun! interactions and lengths of stay, with steady growth in the core indicators such as the number of active users. In 2022, a new community group function will be launched to boost customer loyalty, linking up the users of the Group and rendering synergistic effects based on the data analysis results. Meanwhile, by increasing the marketing channels of the Group’s curatorial “Gamania Online Carnival”, we have attracted a large number of new users to beanfun!

Looking back at 2021, the gaming business played a key role in profits and user diversion. The annual revenue of “Maplestory (New)” hit a record high, while Gamania celebrated the fourth anniversary of its main product “Lineage M”, and its new game designs also exhibited steady sales contribution, which boosted the Group’s sales growth. For 2022, Gamania Group aims to improve its services, and launch one to two new games in the second half of the year to strengthen its core business.

The Group’s payment, e-commerce, and media businesses gained traction in 2021, while the Group gradually developed diversified user profiles, bridging diversified online and offline consumption scenes in order to provide services to the users’ living community. In 2022, the Group aims to launch the transformation plan for its subsidiary by optimizing its existing business model,

keeping track of the global digital transformation trend, and launching innovative services, including: Tapping into the third generation, Web 3.0, officially providing one-stop blockchain integration services, and jointly creating sales momentum together with new ACGN companies, world-class cyber security services and diversified digital advertising businesses.

Gamania Group was actively committed to ESG (Environmental, Social, Governance) practices, and won the Bronze Medal under the 3rd National Enterprise Environment Protection Award from the Environmental Protection Agency, and issued the 2020 Gamania Group Corporate Sustainability Report. The Group attaches great importance to corporate sustainability, with achievements in communicating with stakeholders. Gamania Cheer Up Foundation is committed to supporting youth athletes. In 2021, the foundation supported Chung-Han Lu in climbing the world's 10th highest peak, and Yung-Cheng Yuan to become a pro football player in the Spanish Professional Football League and set a new record in Taiwan.

Looking into 2022, Gamania will focus on strengthening its core business and supporting the transformation and business optimization of its subsidiaries, linking the needs of users via beanfun! and further unify the Group's network ecosystem. We will also keep in line with the global ESG trend, and adhere to our commitment to sustainable development in the comprehensive ESG performance including environmental and social factors, with the aim to take a leading position in the digital industry.

Finally, we would like to express our gratitude to the shareholders' support for Gamania Group. In the new era of digital transformation, we will continue to strengthen the Group's organizational structure, and share our key achievements with shareholders.

I wish you

The best in all your endeavors and happiness and well-being of you and your loved ones!

Chairman and President

Liu, Po-Yuan

Business Report

1. Results of Business Plans for 2021

The operating income, operating gross profit, pre-tax net profit, and after-tax net profit for 2021 are detailed in the table below.

Unit: NTD 1,000

Item	2021
Operating income	11,372,477
Operating gross profit	4,757,085
Operating profit	1,734,095
Pre-tax net profit	1,445,096
Net profit attributable to owner of the parent company	1,106,281

2. Analysis of Financial Income and Expenditure and Profitability

Refer to “II. Financial Analysis of Past Five Years” under “Six. Financial Overview” for details.

3. Status of Research and Development

Refer to the descriptions about R&D accomplishments under “I. Scope of Operation” under “Five. Overview of Operation” for details.

4. Expected Sales Volume and Rationale

The Company has different measurement units given its numerous types of operating income and has not prepared financial forecasts, so there are no statistics on the expected sales.

5. Impacts from External Competition, Regulatory Environment, and Overall Operational Setting

(1) Impacts from External Competition and Overall Operational Setting

The popularization of smart phones and mobile devices has contributed to the rapid growths in the production value brought about by games and has also attracted accession of foreign game service providers at the same time. As a result, the competition on the domestic gaming market is getting fiercer and fiercer. The external environment, international trade disputes, and the global pandemic, however, impact global economic growths and add uncertainties to the operational setting. In light of this, besides continuing to run large well-known IP games, the Company is proactively transforming to be a comprehensive web-based enterprise. Centering gaming consumers, respective businesses are connected to bring growth momentum for the Company.

(2) Impacts from Regulatory Setting

As far as the regulatory setting is concerned, besides complying with national policies and regulatory requirements, respective units, namely finance, sales, and auditing, of the Company are paying close attention to changes in important policies and laws in the nation at any time and are precisely keeping track of the latest information so as to adjust the Company's internal system and operating activities accordingly and to ensure smooth corporate operations.

Chairman of the Board:
Liu, Po-Yuan

Manager:
Liu, Po-Yuan

Chief Accountant:
Su, Hsin-Hung

Audit Committee's Audit Report

The Board of Directors prepared and submitted the 2021 Business Report, and Financial Statements (parent company-only and consolidated). The Financial Statements, in particular, were completely audited by CPA Lin, Yi-Fan and CPA Yen, Yu-fun of PwC Taiwan and this Audit Report was issued. The above-mentioned Business Report and Financial Statements have been reviewed by the Audit Committee and no inconsistency has been found. Therefore, according to applicable requirements of the Securities and Exchange Act and the Company Act, it is reported as above. Your review and approval are cordially requested.

Gamania Digital Entertainment Co., Ltd.

Convener of Audit Committee:

March 10, 2022



INDEPENDENT AUDITORS' REPORT

PWCR 21000380

To the Board of Directors and Shareholders of Gamania Digital Entertainment Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Gamania Digital Entertainment Co., Ltd. (the “Company”) 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 financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the audit reports of other auditors, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of Gamania Digital Entertainment Co., Ltd. as at December 31, 2021 and 2020, and its financial performance and its 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 Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Estimate of revenue recognition of online and mobile games revenue

Description

Refer to Note 4(25) for accounting policies on revenue recognition, Note 5(2) for the critical accounting estimates and assumptions and Note 6(22) for the details of accounting applied on revenue recognition.

The Company is primarily engaged in providing online and mobile game services. The game players purchase game stored-value cards or value-added to play the game or exchange for virtual items. The Company recognises receipt of payments for game stored-value card purchases or value-added by players as ‘contract liability’, and recognises revenue over the period of the service or the estimated delivery period of the virtual items when the game stored-value cards or value-added is used for the purchase of service or virtual items, respectively.

The estimation of the virtual items delivery period, which is the same as the expected users’ relationship period, is based on historical data on item consumption and item transfer by management. The Company has implemented processes and controls to develop and periodically review these estimates. Given that the Company has many transactions of game revenue and the deferral of virtual items and the estimation of users relationship period involve management’s subjective judgement, we consider the estimation of recognition of online and mobile games revenue and contract liability as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Assessed and tested the relevant internal controls over revenue recognition for online and mobile games revenue.
- B. Tested on a sample basis the consumption information generated from the Company’s data collection systems and verified against the consumption report provided by the Company’s accountant.
- C. Tested on a sample basis the virtual items information generated from the Company’s data collection systems and verified against the advance receipts as shown in the trial balance sheet provided by the Company’s accountant.
- D. Tested on a sample basis the expected users’ relationship periods as reflected in the data collection systems, and compared with expected consumption based on the Company’s accounting policy.

Impairment assessment of premium on investments accounted for under equity method

Description

Refer to Notes 4(12) and 4(16) for accounting policy on impairment assessment of investments accounted for under equity method, Note 6(6) and 6(12) for details of impairment assessment of investments accounted for under equity method, and Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for under equity method.

As of December 31, 2021, the investments of Gamania Digital Entertainment Co., Ltd. in NOWnews Network Co., Ltd. and Digicentre Company Limited are material and there is a premium arising from goodwill. The future cash flows projections of the expected recoverable amount was estimated based on management's estimation and expectation of the future operations, which involve management's subjective judgement and significant estimation, and the result is significant to the financial statements. Thus, we consider impairment assessment of investments accounted for using equity method a key audit matter.

How our audit addressed the matter:

We performed the following audit procedures relative to the above key audit matter:

- A. Assessed whether the valuation models adopted by the Company are reasonable for the industry, environment and the valued assets of the Company;
- B. Confirmed whether the expected future cash flows adopted in the valuation model are in agreement with the budget provided by the cash-generating units;
- C. Assessed the appointed external appraisers in conformity with the rules of qualification and independence, and evaluated the reasonableness of material assumptions, such as expected growth rates, operating profit margin and discount rates, by:
 - (1) Reviewing the appraisal method and calculation formulas used by the independent appraisal expert.
 - (2) Comparing the expected growth rate and operating profit margin with historical data;
 - (3) Reviewing the discount rate and comparing similar return on similar assets in the market.

D. Comparing the recoverable value and book value of each cash-generating unit in order to assess the reasonableness of the book value.

Other matter – Scope of the Audit

As described in Note 6(6), part of the investments accounted for under the equity method is based on the financial statements audited by other auditors appointed by these companies. We did not audit the financial statements of certain investments accounted for under the equity method. For the years ended December 31, 2021 and 2020, the comprehensive income amounted to NT\$37,081 thousand and NT\$89,185 thousand, respectively, and the balance of investments accounted for under equity method amounted to NT\$860,190 thousand and NT\$1,379,771 thousand as of December 31, 2021 and 2020, respectively. Those financial statements and information on the investees disclosed in Note 13 were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements relative to these investees is based solely on the audit reports of the other auditors.

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 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 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 financial statements, including the disclosures, and whether the 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 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.

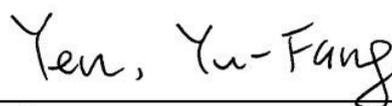
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Lin, Yi-Fan



Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 11, 2022

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

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

GAMANIA DIGITAL ENTERTAINMENT 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)	\$ 725,321	10	\$ 479,706	7
1170	Accounts receivable, net	6(2)	201,444	3	217,939	3
1180	Accounts receivable - related parties	7	670,836	9	300,881	4
1200	Other receivables		40,935	1	45,416	1
1210	Other receivables - related parties	7	28,965	-	25,532	-
1220	Current income tax assets		663	-	663	-
130X	Inventories	6(3)	250	-	967	-
1410	Prepayments	6(4)	112,962	2	114,453	1
1470	Other current assets	8	27,152	-	5,000	-
11XX	Total current assets		<u>1,808,528</u>	<u>25</u>	<u>1,190,557</u>	<u>16</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non- current	6(5)	162,155	2	120,449	2
1550	Investments accounted for under equity method	6(6)	2,300,711	32	2,225,926	31
1600	Property, plant and equipment	6(7), 7 and 8	2,616,968	36	2,661,093	37
1755	Right-of-use assets	6(8)	67,883	1	43,491	1
1780	Intangible assets	6(10) and 7	157,569	2	808,911	11
1840	Deferred income tax assets	6(28)	127,055	2	152,373	2
1900	Other non-current assets	6(11)	19,086	-	13,444	-
15XX	Total non-current assets		<u>5,451,427</u>	<u>75</u>	<u>6,025,687</u>	<u>84</u>
1XXX	Total assets		<u>\$ 7,259,955</u>	<u>100</u>	<u>\$ 7,216,244</u>	<u>100</u>

(Continued)

GAMANIA DIGITAL ENTERTAINMENT 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	%
Current liabilities						
2100	Short-term borrowings	6(13)	\$ -	-	\$ 102,533	2
2130	Current contract liabilities	6(22)	473,290	6	373,877	5
2150	Notes payable		-	-	1,211	-
2170	Accounts payable		265,789	4	225,025	3
2180	Accounts payable - related parties	7	46,888	1	33,327	1
2200	Other payables	6(14)	568,878	8	934,341	13
2220	Other payables - related parties	7	148,289	2	162,938	2
2230	Current income tax liabilities		190,598	2	99,828	1
2280	Current lease liabilities		18,137	-	17,379	-
2320	Long-term liabilities, current portion	6(15)	80,000	1	160,000	2
2399	Other current liabilities		4,574	-	4,076	-
21XX	Total current liabilities		<u>1,796,443</u>	<u>24</u>	<u>2,114,535</u>	<u>29</u>
Non-current liabilities						
2540	Long-term borrowings	6(15)	-	-	80,000	1
2580	Lease liabilities - non-current		49,634	1	26,163	1
2600	Other non-current liabilities	6(6)(16)	5,439	-	10,898	-
25XX	Total non-current liabilities		<u>55,073</u>	<u>1</u>	<u>117,061</u>	<u>2</u>
2XXX	Total liabilities		<u>1,851,516</u>	<u>25</u>	<u>2,231,596</u>	<u>31</u>
Equity						
Share capital						
3110	Common stock	6(18)	1,754,936	24	1,754,936	24
Capital surplus						
3200	Capital surplus	6(19)	1,335,163	19	1,352,471	18
Retained earnings						
3310	Legal reserve	6(20)	378,451	5	264,787	4
3320	Special reserve		551,904	8	171,976	2
3350	Unappropriated retained earnings		1,893,337	26	1,992,382	28
Other equity interest						
3400	Other equity interest	6(21)	(505,352)	(7)	(551,904)	(7)
3XXX	Total equity		<u>5,408,439</u>	<u>75</u>	<u>4,984,648</u>	<u>69</u>
Significant contingent liabilities and unrecorded contract commitments						
Significant events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 7,259,955</u>	<u>100</u>	<u>\$ 7,216,244</u>	<u>100</u>

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

Items	Notes	Year ended December 31				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(22) and 7	\$ 8,285,403	100	\$ 7,423,592	100
5000	Operating costs	6(3)(27) and 7	(4,960,842)	(60)	(4,810,386)	(65)
5950	Gross profit		3,324,561	40	2,613,206	35
	Operating expenses	6(27) and 7				
6100	Selling expenses		(547,887)	(6)	(523,319)	(7)
6200	General and administrative expenses		(796,253)	(10)	(789,233)	(10)
6300	Research and development expenses		(329,363)	(4)	(275,698)	(4)
6450	(Reversal of) expected credit impairment loss		(3)	-	18	-
6000	Total operating expenses		(1,673,506)	(20)	(1,588,232)	(21)
6900	Operating income		1,651,055	20	1,024,974	14
	Non-operating income and expenses					
7100	Interest income	6(23)	632	-	2,370	-
7010	Other income	6(24) and 7	52,817	-	70,924	1
7020	Other gains and losses	6(25)	(103,415)	(1)	(18,235)	-
7050	Finance costs	6(26)	(3,791)	-	(8,729)	-
7070	Share of loss of associates and joint ventures accounted for under equity method		(166,642)	(2)	(31,293)	(1)
7000	Total non-operating income and expenses		(220,399)	(3)	15,037	-
7900	Profit before income tax		1,430,656	17	1,040,011	14
7950	Income tax expense	6(28)	(324,375)	(4)	(167,515)	(2)
8200	Profit for the year		\$ 1,106,281	13	\$ 872,496	12
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial income (loss) on defined benefit plan	6(16)	\$ 5,108	-	(\$ 7,940)	-
8316	Unrealised income (loss) from investments in equity instruments measured at fair value through other comprehensive income	6(21)	47,250	1	(46,931)	(1)
8330	Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method that will not be reclassified to profit or loss	6(21)	11,561	-	(24,597)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(28)	(1,022)	-	1,588	-
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		62,897	1	(77,880)	(1)
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(17,503)	-	(39,950)	(1)
8380	Share of other comprehensive loss of associates and joint ventures accounted for under equity method that will be reclassified to profit or loss	6(21)	(9,059)	-	(4,175)	-
8399	Income tax relating to components of other comprehensive loss	6(28)	2,721	-	9,331	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(23,841)	-	(34,794)	(1)
8300	Other comprehensive income (loss) for the year	6(28)	\$ 39,056	1	(\$ 112,674)	(2)
8500	Total comprehensive income for the year		\$ 1,145,337	14	\$ 759,822	10
	Earnings per share (in dollars)	6(29)				
9750	Basic earnings per share		\$ 6.30		\$ 5.00	
9850	Diluted earnings per share		\$ 6.21		\$ 4.94	

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

GAMANIA DIGITAL ENTERTAINMENT 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	Capital Reserves				Retained Earnings			Other Equity Interest			Total equity
		Share capital - common stock	Additional paid-in capital	Treasury stock transactions	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	
2020												
Balance at January 1, 2020		\$ 1,754,936	\$ 886,975	\$ 306,832	\$ 97,786	\$ 175,997	\$ 199,195	\$ 1,461,346	(\$ 73,174)	(\$ 98,802)	\$ -	\$ 4,711,091
Profit for the year		-	-	-	-	-	-	872,496	-	-	-	872,496
Other comprehensive income (loss) for the year		-	-	-	-	-	-	(6,352)	(34,794)	(71,528)	-	(112,674)
Total comprehensive income (loss) for the year		-	-	-	-	-	-	866,144	(34,794)	(71,528)	-	759,822
Appropriation and distribution of 2019 retained earnings	6(20)	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	-	88,790	-	(88,790)	-	-	-	-
Reversal of special reserve		-	-	-	-	-	(27,219)	27,219	-	-	-	-
Cash dividends		-	-	-	-	-	-	(544,030)	-	-	-	(544,030)
Changes in equity of associates and joint ventures accounted for under equity method		-	-	-	(2,496)	-	-	(787)	-	-	-	(3,283)
Change in ownership interest in subsidiaries		-	-	-	(2,495)	-	-	(2,326)	-	-	-	(4,821)
Purchase of treasury shares		-	-	-	-	-	-	-	-	-	91,449	91,449
Share-based payment	6(17)	-	-	-	65,863	-	-	-	-	-	-	65,863
Transfer of treasury stocks to employees		-	-	65,869	(65,863)	-	-	-	-	-	(91,449)	(91,443)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(5)	-	-	-	-	-	-	273,606	-	(273,606)	-	-
Balance at December 31, 2020		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 92,795	\$ 264,787	\$ 171,976	\$ 1,992,382	(\$ 107,968)	(\$ 443,936)	\$ -	\$ 4,984,648
2021												
Balance at January 1, 2021		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 92,795	\$ 264,787	\$ 171,976	\$ 1,991,382	(\$ 107,968)	(\$ 443,936)	\$ -	\$ 4,984,648
Profit for the year		-	-	-	-	-	-	1,106,281	-	-	-	1,106,281
Other comprehensive income (loss) for the year		-	-	-	-	-	-	4,086	(23,841)	58,811	-	39,056
Total comprehensive income (loss) for the year		-	-	-	-	-	-	1,110,367	(23,841)	58,811	-	1,145,337
Appropriation and distribution of 2020 retained earnings	6(20)	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	-	113,664	-	(113,664)	-	-	-	-
Special reserve		-	-	-	-	-	379,928	(379,928)	-	-	-	-
Cash dividends		-	-	-	-	-	-	(701,974)	-	-	-	(701,974)
Changes in equity of associates and joint ventures accounted for under equity method		-	-	-	1,074	-	-	-	-	-	-	1,074
Change in ownership interest in subsidiaries		-	-	-	(18,382)	-	-	(2,264)	-	-	-	(20,646)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(5)	-	-	-	-	-	-	(11,582)	-	11,582	-	-
Balance at December 31, 2021		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 75,487	\$ 378,451	\$ 551,904	\$ 1,893,337	(\$ 131,809)	(\$ 373,543)	\$ -	\$ 5,408,439

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
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 tax		\$ 1,430,656	\$ 1,040,011
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(27)	124,706	118,798
Amortisation	6(27)	615,972	722,451
Expected credit impairment loss (reversal)	12(2)	3 (	18)
Interest expense	6(26)	3,939	8,729
Interest income	6(23)	(632 ) (	2,370)
Share-based payments	6(17)	-	49,966
Share of loss of associates accounted for under equity method		166,642	31,293
Loss on disposal of property, plant and equipment	6(25)	5	1
Impairment loss on non-financial assets	6(12)	100,247	10,119
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		16,492	32,250
Accounts receivable - related parties		(369,955)	53,326
Other receivables		4,481 (	25,032)
Other receivables - related parties		(3,433)	90,331
Inventories		717	1,497
Prepayments		(1,539)	56,111
Other non-current assets		(2,654 ) (	826)
Changes in operating liabilities			
Contract liabilities		99,413	245,238
Notes payable		(1,211 ) (	26)
Accounts payable		40,764 (	45,581)
Accounts payable - related parties		13,561	20
Other payables		(192,139 ) (	3,450)
Other payables - related parties		(13,501)	5,541
Other current liabilities		7,824	876
Other non-current liabilities		(658 ) (	596)
Cash inflow generated from operations		2,039,700	2,388,659
Interest received		632	2,370
Dividends received		112,284	77,439
Interest paid		(3,939 ) (	8,729)
Income tax paid		(206,588 ) (	129,825)
Net cash flows from operating activities		<u>1,942,089</u>	<u>2,329,914</u>

(Continued)

GAMANIA DIGITAL ENTERTAINMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from liquidation of financial assets at fair value through other comprehensive income		\$ -	\$ 2,331
Proceeds from disposal of financial assets at fair value through other comprehensive income		5,545	294,116
Increase in other financial assets		(22,152)	(5,000)
Acquisition of investments accounted for under equity method		(443,022)	(163,990)
Proceeds from liquidation of investments accounted for under equity method		-	9,796
Acquisition of property, plant and equipment	6(30)	(65,423)	(101,409)
Proceeds from disposal of property, plant and equipment		5	-
Acquisition of intangible assets	6(30)	(185,193)	(980,273)
(Decrease) increase in refundable deposits		(2,988)	3,633
Net cash flows used in investing activities		(713,228)	(935,796)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(31)	(102,533)	(547,467)
Payments of lease liabilities	6(31)	(18,739)	(13,516)
Repayment of long-term debt	6(31)	(160,000)	(160,000)
Purchase of treasury shares		-	(91,449)
Treasury shares purchased by employees		-	91,455
Cash dividends paid	6(20)	(701,974)	(544,030)
Net cash flows used in financing activities		(983,246)	(1,265,007)
Net increase in cash and cash equivalents		245,615	124,111
Cash and cash equivalents at beginning of year		479,706	355,595
Cash and cash equivalents at end of year		\$ 725,321	\$ 479,706

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



INDEPENDENT AUDITORS' REPORT

PWCR21000438

To the Board of Directors and Shareholders of Gamania Digital Entertainment Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Gamania Digital Entertainment Co., Ltd. and its 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 audit reports of other auditors (please refer to the other matter section), 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 Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

provide a separate opinion on these matters.

Estimation of revenue recognition of online and mobile games revenue

Description

Refer to Note 4(27) for accounting policies on revenue recognition, Note 5(2) for the critical accounting estimates and assumptions and Note 6(25) for the details of accounting applied on revenue recognition.

Gamania Digital Entertainment Co., Ltd. (the “Company”) is primarily engaged in providing online and mobile game services. The game players purchase game stored-value cards or value-added to play the game or exchange for virtual items. The Company recognises receipt of payments for game stored-value card purchases or value-added by players as “contract liability”, and recognises revenue over the period of the service or the estimated delivery period of the virtual items when the game stored-value cards or value-added is used for the purchase of service or virtual items, respectively.

The estimation of the virtual items delivery period, which is the same as the expected users’ relationship period, is based on historical data on item consumption and item transfer by management. The Company has implemented processes and controls to develop and periodically review these estimates. The information of stored-value and value-added was collected by computer system. Given that the Company has many transactions of game revenue and the deferral of virtual items and the estimation of users’ relationship period involve management’s subjective judgment, we consider the estimation of recognition of online and mobile games revenue and contract liability as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

- A. Assessed and tested the relevant internal controls over revenue recognition for online and mobile games revenue.
- B. Tested on a sample basis the consumption information generated from the Company’s data collection systems and verified against the consumption report provided by the Company’s accountant.
- C. Tested on a sample basis the virtual items information generated from the Company’s data collection systems and verified against the advance receipts as shown in the trial balance sheet provided by the Company’s accountant.
- D. Tested on a sample basis the expected users’ relationship periods as reflected in the data collection systems, and compared with expected consumption based on the Company’s accounting policy.

Impairment assessment of goodwill

Description

Refer to Notes 4(17) and (18) for accounting policies on goodwill impairment, Notes 6(12) and (14) for details of goodwill, and Note 5(2) for the uncertainty of accounting estimates and assumptions in relation to goodwill.

Goodwill arising from the merger of the Company with NOWnews Network Co., Ltd. and Digicentre Company Limited is material to the financial statements and the projected future cash flows of the expected recoverable amount under the valuation model adopted in the impairment assessment of goodwill was estimated based on management's subjective judgement and expectation on the future operations. Thus, we consider the assessment of goodwill impairment a key audit matter.

How our audit addressed the matter

We performed the following audit procedures relative to the above key audit matter:

- A. Assessed whether the valuation models adopted by the Group are reasonable for the industry, environment and the valued assets of the Group;
- B. Confirmed whether the expected future cash flows adopted in the valuation model are in agreement with the budget provided by the cash-generating units;
- C. Assessed the appointed external appraisers in conformity with the rules of qualification and independence, and evaluated the reasonableness of material assumptions, such as expected growth rates, operating profit margin and discount rates, by:
 - (a) Reviewing the appraisal method and calculation formulas used by the independent appraisal expert.
 - (b) Comparing the expected growth rate and operating profit margin with historical data;
 - (c) Reviewing the discount rate and comparing similar return on similar assets ratio in the market.
- D. Comparing the recoverable value and book value of each cash-generating unit in order to assess the reasonableness of the book value.

Other matter – Reference to the audits of other auditors

As described in Notes 4(3) and 6(8), part of the subsidiaries and investments accounted for under the equity method is based on the financial statements audited by other auditors appointed by these companies. We did not audit the financial statements of certain subsidiaries and investments accounted

for under the equity method. Total assets of the subsidiaries amounted to NT\$1,700,468 thousand and NT\$2,186,919 thousand, constituting 18% and 24% of consolidated total assets as of December 31, 2021 and 2020, respectively, and operating revenue was NT\$2,469,898 thousand and NT\$2,716,688 thousand, constituting 22% and 26% of consolidated total operating revenue for the years then ended, respectively. The balance of investment accounted for under equity method amounted to NT\$56,856 thousand and NT\$106,943 thousand, constituting 1% and 1% of consolidated total assets as at December 31, 2021 and 2020, respectively, and other comprehensive loss accounted for under equity method was NT(\$83,433) thousand and NT(\$70,713) thousand, constituting (8%) and (11%) of consolidated total comprehensive income for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Gamania Digital Entertainment 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, 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 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 judgment 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.

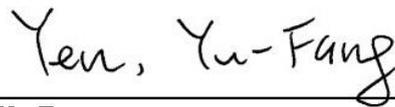
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Lin, Yi-Fan



Yen, Yu-Fang

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 review 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.

GAMANIA DIGITAL ENTERTAINMENT 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)	\$ 3,418,896	36	\$ 2,397,601	26
1136	Financial assets at amortised cost - current	6(7) and 8	88,463	1	102,626	1
1150	Notes receivable, net	6(2)	752	-	4,533	-
1170	Accounts receivable, net	6(2)	876,123	9	944,691	10
1180	Accounts receivable - related parties, net	7	11,341	-	13,345	-
1200	Other receivables	6(3)	260,489	3	258,160	3
1210	Other receivables - related parties	7	2,214	-	2,642	-
1220	Current income tax assets		21,049	-	9,580	-
130X	Inventories	6(4)	122,582	1	125,906	1
1410	Prepayments	6(5)	352,026	4	423,105	5
1470	Other current assets	8	278,466	3	100,446	1
11XX	Total current assets		<u>5,432,401</u>	<u>57</u>	<u>4,382,635</u>	<u>47</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non- current	6(6)	198,626	2	182,953	2
1550	Investments accounted for under equity method	6(8)	121,309	1	205,090	2
1600	Property, plant and equipment	6(9) and 8	2,797,267	30	2,845,436	31
1755	Right-of-use assets	6(10)	95,538	1	66,589	1
1780	Intangible assets	6(12)	630,744	7	1,411,663	15
1840	Deferred income tax assets	6(31)	139,523	1	165,441	2
1900	Other non-current assets	6(13)	57,107	1	45,088	-
15XX	Total non-current assets		<u>4,040,114</u>	<u>43</u>	<u>4,922,260</u>	<u>53</u>
1XXX	Total assets		<u>\$ 9,472,515</u>	<u>100</u>	<u>\$ 9,304,895</u>	<u>100</u>

(Continued)

GAMANIA DIGITAL ENTERTAINMENT 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	%	
Current liabilities						
2100	Short-term borrowings	6(15)	\$ 100,164	1	\$ 226,148	3
2130	Current contract liabilities	6(25)	385,016	4	281,129	3
2150	Notes payable		-	-	1,211	-
2170	Accounts payable		626,998	7	500,183	5
2180	Accounts payable - related parties	7	7,187	-	4,060	-
2200	Other payables	6(16)	1,751,731	18	1,999,733	22
2220	Other payables - related parties	7	158,584	2	115,776	1
2230	Current income tax liabilities		225,187	2	193,041	2
2280	Current lease liabilities		29,663	-	30,142	-
2320	Long-term liabilities, current portion	6(18)	80,000	1	160,000	2
2399	Other current liabilities, others		94,764	1	68,179	1
21XX	Total current liabilities		<u>3,459,294</u>	<u>36</u>	<u>3,579,602</u>	<u>39</u>
Non-current liabilities						
2540	Long-term borrowings	6(18)	-	-	80,000	1
2570	Deferred income tax liabilities	6(31)	66,398	1	66,637	1
2580	Lease liabilities - non-current		66,004	1	36,777	-
2600	Other non-current liabilities		28,766	-	30,148	-
25XX	Total non-current liabilities		<u>161,168</u>	<u>2</u>	<u>213,562</u>	<u>2</u>
2XXX	Total liabilities		<u>3,620,462</u>	<u>38</u>	<u>3,793,164</u>	<u>41</u>
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(21)	1,754,936	18	1,754,936	19
Capital surplus						
3200	Capital surplus	6(22)	1,335,163	14	1,352,471	14
Retained earnings						
3310	Legal reserve	6(23)	378,451	4	264,787	3
3320	Special reserve		551,904	6	171,976	2
3350	Unappropriated retained earnings		1,893,337	20	1,992,382	21
Other equity interest						
3400	Other equity interest	6(24)	(505,352)	(5)	(551,904)	(6)
31XX	Equity attributable to owners of the parent		<u>5,408,439</u>	<u>57</u>	<u>4,984,648</u>	<u>53</u>
36XX	Non-controlling interest	4(3)	443,614	5	527,083	6
3XXX	Total Equity		<u>5,852,053</u>	<u>62</u>	<u>5,511,731</u>	<u>59</u>
Significant contingent liabilities and unrecorded contract commitments						
Significant events after the balance sheet date						
3X2X	Total Liabilities and equity		<u>\$ 9,472,515</u>	<u>100</u>	<u>\$ 9,304,895</u>	<u>100</u>

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)

Items	Notes	Year ended December 31,				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(25) and 7	\$ 11,372,477	100	\$ 10,443,042	100
5000	Operating costs	6(4)(30) and 7	(6,615,392)	(58)	(6,474,304)	(62)
5950	Gross profit		4,757,085	42	3,968,738	38
	Operating expenses	6(30) and 7				
6100	Selling expenses		(1,208,886)	(11)	(1,199,557)	(12)
6200	General and administrative expenses		(1,352,756)	(12)	(1,250,368)	(12)
6300	Research and development expenses		(390,814)	(3)	(345,651)	(3)
6450	Expected credit impairment loss	12(2)	(70,534)	(1)	(35,747)	-
6000	Total operating expenses		(3,022,990)	(27)	(2,831,323)	(27)
6900	Operating income		1,734,095	15	1,137,415	11
	Non-operating income and expenses					
7100	Interest income	6(26)	3,306	-	10,698	-
7010	Other income	6(27)	12,210	-	36,181	-
7020	Other gains and losses	6(28)	(180,021)	(1)	(6,433)	-
7050	Finance costs	6(29)	(6,875)	-	(12,209)	-
7060	Share of loss of associates and joint ventures accounted for under equity method	6(8)	(117,619)	(1)	(100,105)	(1)
7000	Total non-operating income and expenses		(288,999)	(2)	(71,868)	(1)
7900	Profit before income tax		1,445,096	13	1,065,547	10
7950	Income tax expense	6(31)	(435,981)	(4)	(283,227)	(3)
8200	Profit for the period		\$ 1,009,115	9	\$ 782,320	7

(Continued)

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)

Items	Notes	Year ended December 31,			
		2021		2020	
		AMOUNT	%	AMOUNT	%
Other comprehensive income, net					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gain (loss) on defined benefit plan	6(19)	\$ 5,108	- (\$ 7,940)	-
8316	Unrealised loss on investments in equity instruments at fair value through other comprehensive income	6(6)	58,654	- (71,408)	(1)
8320	Share of other comprehensive loss of associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss	6(24)	157	- (120)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(31)	(1,022)	- 1,588	-
8310	Other comprehensive loss that will not be reclassified to profit or loss		62,897	- (77,880)	(1)
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations		(32,607)	- (42,637)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for under equity method that will be reclassified to profit or loss	6(24)	-	- 662	-
8399	Income tax relating to the components of other comprehensive loss	6(31)	4,978	- 9,907	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		(27,629)	- (32,068)	-
8300	Total other comprehensive income (loss) for the period		\$ 35,268	- (\$ 109,948)	(1)
8500	Total comprehensive income for the period		\$ 1,044,383	9 \$ 672,372	6
Profit (loss) attributable to:					
8610	Owners of the parent		\$ 1,106,281	10 \$ 872,496	8
8620	Non-controlling interest		(97,166)	(1) (90,176)	(1)
			\$ 1,009,115	9 \$ 782,320	7
Comprehensive income (loss) attributable to:					
8710	Owners of the parent		\$ 1,145,337	10 \$ 759,822	7
8720	Non-controlling interest		(100,954)	(1) (87,450)	(1)
			\$ 1,044,383	9 \$ 672,372	6
Earnings per share (in dollars)					
9750	Basic earnings per share	6(32)	\$ 6.30	\$ 5.00	
9850	Diluted earnings per share		\$ 6.21	\$ 4.94	

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent											Non-controlling interest	Total equity
		Capital Reserves				Retained Earnings			Other Equity Interest					
		Share capital - common stock	Additional paid-in capital	Treasury stock transactions	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury stocks	Total		
2020														
Balance at January 1, 2020		\$ 1,754,936	\$ 886,975	\$ 306,832	\$ 97,786	\$ 175,997	\$ 199,195	\$ 1,461,346	(\$ 73,174)	(\$ 98,802)	\$ -	\$ 4,711,091	\$ 586,302	\$ 5,297,393
Profit (loss) for the period		-	-	-	-	-	-	872,496	-	-	-	872,496	(90,176)	782,320
Other comprehensive (loss) income for the period		-	-	-	-	-	-	(6,352)	(34,794)	(71,528)	-	(112,674)	2,726	(109,948)
Total comprehensive income (loss)		-	-	-	-	-	-	866,144	(34,794)	(71,528)	-	759,822	(87,450)	672,372
Appropriations of 2019 retained earnings	6(23)	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	-	88,790	-	(88,790)	-	-	-	-	-	-
Reversal of special reserve		-	-	-	-	-	(27,219)	27,219	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	(544,030)	-	-	-	(544,030)	-	(544,030)
Change in equity of associates and joint ventures accounted for under equity method	6(8)	-	-	-	(2,496)	-	-	(787)	-	-	-	(3,283)	-	(3,283)
Change in ownership interest in subsidiaries	6(33)	-	-	-	(2,495)	-	-	(2,326)	-	-	-	(4,821)	46,135	41,314
Purchase of treasury shares		-	-	-	-	-	-	-	-	-	91,449	91,449	-	91,449
Share-based payment		-	-	-	65,863	-	-	-	-	-	-	65,863	-	65,863
Treasury share distributed to employees		-	-	65,869	(65,863)	-	-	-	-	-	(91,449)	(91,443)	-	(91,443)
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	-	-	(17,904)	(17,904)
Disposal of investments in equity instruments at fair value through other comprehensive income	6(6)	-	-	-	-	-	-	273,606	-	(273,606)	-	-	-	-
Balance at December 31, 2020		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 92,795	\$ 264,787	\$ 171,976	\$ 1,992,382	(\$ 107,968)	(\$ 443,936)	\$ -	\$ 4,984,648	\$ 527,083	\$ 5,511,731
2021														
Balance at January 1, 2021		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 92,795	\$ 264,787	\$ 171,976	\$ 1,992,382	(\$ 107,968)	(\$ 443,936)	\$ -	\$ 4,984,648	\$ 527,083	\$ 5,511,731
Profit (loss) for the period		-	-	-	-	-	-	1,106,281	-	-	-	1,106,281	(97,166)	1,009,115
Other comprehensive (loss) income for the period		-	-	-	-	-	-	4,086	(23,841)	58,811	-	39,056	(3,788)	35,268
Total comprehensive income (loss)		-	-	-	-	-	-	1,110,367	(23,841)	58,811	-	1,145,337	(100,954)	1,044,383
Appropriations of 2020 retained earnings	6(23)	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	-	-	113,664	-	(113,664)	-	-	-	-	-	-
Special reserve		-	-	-	-	-	379,928	(379,928)	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	(701,974)	-	-	-	(701,974)	-	(701,974)
Change in equity of associates and joint ventures accounted for under equity method	6(8)	-	-	-	1,074	-	-	-	-	-	-	1,074	-	1,074
Change in ownership interest in subsidiaries	6(33)	-	-	-	(18,382)	-	-	(2,264)	-	-	-	(20,646)	35,159	14,513
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	-	-	(17,674)	(17,674)
Disposal of investments in equity instruments at fair value through other comprehensive income	6(6)	-	-	-	-	-	-	(11,582)	-	11,582	-	-	-	-
Balance at December 31, 2021		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 75,487	\$ 378,451	\$ 551,904	\$ 1,893,337	(\$ 131,809)	(\$ 373,543)	\$ -	\$ 5,408,439	\$ 443,614	\$ 5,852,053

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31,	
		2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,445,096	\$ 1,065,547
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(30)	164,360	164,394
Amortisation	6(12)(30)	726,909	839,191
Expected credit impairment loss	12(2)	70,534	35,747
Interest expense	6(29)	6,875	12,209
Interest income	6(26)	(3,306)	(10,698)
Share-based payments	6(20)	-	65,863
Share of loss of subsidiaries and associates accounted for under equity method		117,619	100,105
Loss (gain) on disposal of property, plant and equipment	6(28)	47	(236)
Impairment loss on non-financial assets	6(14)(28)	171,635	10,119
Dividend income	6(6)(27)	(145)	(458)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		3,781	(4,022)
Accounts receivable		(155)	91,813
Accounts receivable - related parties		2,004	(6,643)
Other receivables		171	25,135
Other receivables - related parties		428	(1,120)
Inventories		3,324	(9,477)
Prepayments		68,049	121,529
Other current assets		(41,596)	4,383
Other non-current assets		(16,856)	(2,217)
Changes in operating liabilities			
Contract liabilities - current		104,887	(53,925)
Notes payable		(1,211)	(26)
Accounts payable		126,815	(40,556)
Accounts payable - related parties		3,127	3,763
Other payables		(74,881)	69,818
Other payables - related parties		42,808	17,098
Other current liabilities		25,585	17,732
Other non-current liabilities		(615)	156
Cash inflow generated from operations		2,945,289	2,515,224
Interest received		3,306	10,698
Dividends received		728	1,078
Interest paid		(6,875)	(12,209)
Income tax paid		(385,669)	(180,846)
Net cash provided by operating activities		<u>2,556,779</u>	<u>2,333,945</u>

(Continued)

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31,	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Disposal of financial assets at fair value through other comprehensive income	6(6)	\$ 41,529	\$ 294,116
Liquidation of financial assets at fair value through other comprehensive income	6(6)	-	2,331
Decrease (increase) in financial assets as amortised cost		14,163	(62,441)
(Increase) decrease in other financial assets		(136,424)	77,645
Acquisition of investments accounted for under equity method		(34,129)	(96,776)
Proceeds from capital reduction of investments accounted for under equity method	6(8)	-	23,340
Acquisition of property, plant and equipment	6(34)	(87,446)	(129,301)
Proceeds from disposal of property, plant and equipment		309	2,093
Acquisition of intangible assets	6(34)	(289,155)	(992,805)
(Increase) decrease in refundable deposits		4,069	(986)
Net cash used in investing activities		(487,084)	(882,784)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(35)	(123,495)	(518,870)
Payment of lease liabilities	6(35)	(31,955)	(26,632)
Repayment of long-term debt	6(35)	(160,000)	(160,000)
Increase in guarantee deposits received		4,340	2,604
Purchase of treasury shares		-	(91,449)
Sale of treasury shares to employees		-	91,455
Cash dividends paid	6(23)	(701,974)	(544,030)
Increase in subsidiaries capital from non-controlling interest	6(33)	13,977	12,009
Cash dividends paid to non-controlling interest		(16,852)	(13,742)
Acquisition of additional equity interest in subsidiaries	6(33)	(822)	-
Net cash used in financing activities		(1,016,781)	(1,248,655)
Effect of exchange rate changes on cash and cash equivalents		(31,619)	(7,638)
Net increase in cash and cash equivalents		1,021,295	194,868
Cash and cash equivalents at beginning of the period		2,397,601	2,202,733
Cash and cash equivalents at end of the period		\$ 3,418,896	\$ 2,397,601

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

Gamania Digital Entertainment Co., Ltd.

2021 Earnings Distribution

Unit: NT\$

Item	Value
Earnings undistributed at the beginning of the reporting period	796,817,458
Add: Adjustments to long-term equity investment	(2,264,804)
: Other combined gains and losses	4,086,083
: Other combined gains and losses transferred retained earnings	(11,581,746)
Add: After-tax net profit for the year	1,106,280,817
Earnings available for distribution at the end of this period	1,893,337,808
Provision of 10% as legal reserve	(109,652,035)
Reversal of special surplus reserves	46,551,716
Earnings available for distribution for this period	1,830,237,489
Distribution: Cash dividends (NT\$ 5 per share)	877,467,865
Unappropriated retained earnings	952,769,624

Note: Subject to the principles of the Company's Earnings Distribution Table, priorities shall be given to distributable earnings of 2021.

Chairman of the Board:
Liu, Po-Yuan

Manager:
Liu, Po-Yuan

Chief Accountant:
Su, Hsin-Hung

Gamania Digital Entertainment Co., Ltd.

Comparison Table of Amendments to the Articles of Association

Provisions before Amendment	Original Provisions	Provisions after Amendment	Remarks
Chapter III Meetings of Shareholders			
Article 9-1 (Added)		The shareholders' meeting can be held by means of a visual communication network or other methods promulgated by the Ministry of Economic Affairs.	Revision of laws and regulations
Chapter VII Supplemental Provisions			
Article 22	These Articles were made effective as of May 26, 1995. <u>The 23rd amendment hereto will be made on June 17, 2020.</u>	These Articles were made effective as of May 26, 1995. The 24th amendment hereto will be made on June 16, 2022.	The revision dates are included.

Gamania Digital Entertainment Co., Ltd.
**Comparison Table of Amendments to the Procedures for Acquisition
or Disposal of Assets**

	Original Provisions	Provisions after Amendment	Description
Article 9	<p>Acquisition of Asset Valuation Reports</p> <p>When the Company acquires or disposes of real property equipment or right to use assets, if the transaction amount reaches twenty percent (20%) of the Company’s paid-in capital or NTD 300 million or more, the Company, except for transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of the facilities or right to use assets for business purpose, shall obtain an appraisal report prior to the Date of Occurrence from a professional appraiser (the matters recorded in the valuation report shall be done in accordance with the regulations of SFB), and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where it is necessary to take a restrictive price, specified price or special price as a reference basis for the transaction price for a special reason, the transaction shall be submitted for approval in advance by the Board; the same procedure shall be followed for any subsequent changes to the 	<p>Article 9 Acquisition of Asset Valuation Reports</p> <p>When the Company acquires or disposes of real property equipment or right to use assets, if the transaction amount reaches twenty percent (20%) of the Company’s paid-in capital or NTD 300 million or more, the Company, except for transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of the facilities or right to use assets for business purpose, shall obtain an appraisal report prior to the Date of Occurrence from a professional appraiser (the matters recorded in the valuation report shall be done in accordance with the regulations of SFB), and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where it is necessary to take a restrictive price, specified price or special price as a reference basis for the transaction price for a special reason, the transaction shall be submitted for approval in advance by the Board; the same procedure shall be followed for any subsequent changes to the 	Revision of laws and regulations

Original Provisions	Provisions after Amendment	Description
<p>terms and conditions of the transaction.</p> <p>2. Where the transaction amount reaches NTD 1 billion or more, two or more professional appraisers shall be engaged to carry out the appraisal.</p> <p>3. Where the appraisal results of a professional appraiser fall into any one of the following circumstances, except to the extent that the appraisal price is higher than the transaction amount in the acquisition of asset(s), or the appraisal price is lower than the transaction amount in the disposal of asset(s), a certified public accountant <u>shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by Taiwan's Accounting Research and Development Foundation (Accounting Research and Development Foundation), and</u> express specific opinions regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is twenty percent or more of the transaction amount.</p> <p>(2) The discrepancy</p>	<p>terms and conditions of the transaction.</p> <p>2. Where the transaction amount reaches NTD 1 billion or more, two or more professional appraisers shall be engaged to carry out the appraisal.</p> <p>3. Where the appraisal results of a professional appraiser fall into any one of the following circumstances, except to the extent that the appraisal price is higher than the transaction amount in the acquisition of asset(s), or the appraisal price is lower than the transaction amount in disposal of asset(s), a certified public accountant shall express specific opinions regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is twenty percent or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is ten percent or more of the transaction amount.</p> <p>4. The interval between the date when a report is issued by the professional appraiser and the date</p>	

Original Provisions	Provisions after Amendment	Description
<p>between the appraisal results of two or more professional appraisers is ten percent or more of the transaction amount.</p> <p>4. The interval between the date when a report is issued by the professional appraiser and the date when the contract is entered into shall not exceed three months; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	<p>when the contract is entered into shall not exceed three months; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	
<p>Article 10 Opinions of CPAs</p> <p>1. For acquisition or disposal of securities, the most recent financial statements of the target company certified or reviewed by a certified public accountant shall be obtained prior to the Date of Occurrence to be used as a reference for determining the transaction price. If the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD 300 million, a certified public accountant shall, prior to the Date of Occurrence, be engaged to express opinions in respect of the reasonableness of the transaction price, <u>if the certified public accountant</u></p>	<p>Article 10 Opinions of CPAs</p> <p>1. For acquisition or disposal of securities, the most recent financial statements of the target company certified or reviewed by a certified public accountant shall be obtained prior to the Date of Occurrence to be used as a reference for determining the transaction price. In addition, if the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD300 million, a certified public accountant shall, prior to the Date of Occurrence, be engaged to express opinions in respect of the reasonableness of the transaction price. This</p>	<p>Revision of laws and regulations</p>

Original Provisions	Provisions after Amendment	Description
<p><u>needs professional reports, he shall acquire the same in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> However, if there is a public offer for the securities in the active market or unless otherwise provided for by the Financial Supervisory Commission, such limits do not apply.</p> <p>2. Whenever the Company acquires or disposes of intangible assets or right to use assets or memberships, if the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD 300 million, except for transacting with a domestic government agency, a certified public accountant shall, prior to the Date of Occurrence, <u>be engaged to express opinions in respect of the reasonableness of the transaction price in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p> <p>The transaction amount described in the preceding paragraph shall be calculated pursuant to paragraph 2 of Article 38 hereof. "Within one year" refers to one year from the actual date of the transaction. If the</p>	<p>requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission.</p> <p>2. Whenever the Company acquires or disposes of intangible assets or right to use assets or memberships, if the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD 300 million, except for transacting with a domestic government agency, a certified public accountant shall, prior to the Date of Occurrence, be engaged to express opinions in respect of the reasonableness of the transaction price. The transaction amount described in the preceding paragraph shall be calculated pursuant to paragraph 2 of Article 38 hereof. "Within one year" refers to one year from the actual date of the transaction. If the Company has obtained an appraisal report from a professional appraiser or opinions from a certified public accountant in accordance with these Procedures, it shall be exempt from such requirement.</p>	

Original Provisions	Provisions after Amendment	Description
<p>Company has obtained an appraisal report from a professional appraiser or opinions from a certified public accountant in accordance with these Procedures, it shall be exempt from such requirement.</p>		
<p>Article 13 Materials Submitted at the Meetings of the Board When the Company acquires or disposes of real property or right to use assets from a related party, or when the Company intends to acquire or dispose of any assets other than real property or right to use assets from a related party, the transaction amount reaches 20% of the paid-in capital of the Company, or 10% of the aggregate amount of assets of the Company, or NTD 300 million or more. Except for trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities, investment and trust enterprises, the following materials shall be submitted for approval firstly by the Board of Directors and Audit Committee before any transaction agreement is signed or any payment is made:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing 	<p>Article 13 Materials Submitted at the Meetings of the Board When the Company acquires or disposes of real property or right to use assets from a related party, or when the Company intends to acquire or dispose of any assets other than real property or right to use assets from a related party, the transaction amount reaches 20% of the paid-in capital of the Company, or 10% of the aggregate amount of assets of the Company, or NTD 300 million or more. Except for trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities, investment and trust enterprises, the following materials shall be submitted for approval firstly by the Board of Directors and Audit Committee before any transaction agreement is signed or any payment is made:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing 	<p>Revision of laws and regulations</p>

Original Provisions	Provisions after Amendment	Description
<p>the related party as a transaction counterparty.</p> <p>3. In the acquisition of real property or right to use assets from a related party, the information regarding the reasonableness of the proposed transaction terms shall be evaluated in accordance with Articles 14 and 15 hereof.</p> <p>4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. The appraisal report obtained from a professional appraiser or opinions from a certified public accountant in accordance with the preceding paragraph.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p><u>The amount of transactions described above shall be calculated in accordance with paragraph 2 of Article 38</u></p>	<p>the related party as a transaction counterparty.</p> <p>3. In the acquisition of real property or right to use assets from a related party, the information regarding the reasonableness of the proposed transaction terms shall be evaluated in accordance with Articles 14 and 15 hereof.</p> <p>4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.</p> <p>5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>6. The appraisal report obtained from a professional appraiser or opinions from a certified public accountant in accordance with the preceding paragraph.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>If the Company intends to enter into the following transactions with its subsidiaries or the subsidiaries in which the</p>	

Original Provisions	Provisions after Amendment	Description
<p><u>hereof. “Within one year” refers to one year from the actual date of the transaction. However, the calculation should exclude the amount which has already been submitted for approval by supervisors as well as the Board in accordance with these Procedures.</u></p> <p>If the Company intends to enter into the following transactions with its subsidiaries or the subsidiaries in which the Company holds, directly or indirectly, 100% of the issued shares or total capital, the chairman may be first authorized by the Board of Directors to make decisions at a certain amount before the transaction is submitted to the Board for approval at the next meeting immediately following the transactions.</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of the equipment or right to use assets for business purpose. 2. Acquisition or disposal of real property or right to use assets for business purpose. <p>If the Company has appointed Independent Directors in accordance with the law. When the acquisition or disposal of real property or right to use assets is reported to the Board of Directors for discussions in accordance with paragraph 1, the opinions expressed by the Independent Directors shall be taken into full consideration. If an independent director has</p>	<p>Company holds, directly or indirectly, 100% of the issued shares or total capital, the chairman may be first authorized by the Board of Directors to make decisions at a certain amount before the transaction is submitted to the Board for approval at the next meeting immediately following the transactions.</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of the equipment or right to use assets for business purpose. 2. Acquisition or disposal of real property or right to use assets for business purpose. <p>If the Company has appointed Independent Directors in accordance with the law. When the acquisition or disposal of real property or right to use assets is reported to the Board of Directors for discussions in accordance with paragraph 1, the opinions expressed by the Independent Directors shall be taken into full consideration. If an independent director has objections or qualified opinions, such objections or qualified opinions shall be stated in the minutes of the meeting of the Board.</p> <p>If the Company has set up an Audit Committee in accordance with the law, the matters that require the approval of supervisors in accordance with paragraph 1 shall be approved by more than one-half of the members of the Audit</p>	

Original Provisions	Provisions after Amendment	Description
<p>objections or qualified opinions, such objections or qualified opinions shall be stated in the minutes of the meeting of the Board.</p> <p>If the Company has set up an Audit Committee in accordance with the law, the matters that require the approval of supervisors in accordance with paragraph 1 shall be approved by more than one-half of the members of the Audit Committee subject to the resolution of the Board of Director. The provisions of Article 4, paragraphs 3 and 4 shall apply.</p>	<p>Committee subject to the resolution of the Board of Director. The provisions of Article 4, paragraphs 3 and 4 shall apply.</p> <p>If the Company or its subsidiaries conduct the transactions listed in paragraph 1 hereof, and the transaction amount reaches 10 percent or more of the Company’s total assets, the Company may not proceed to enter into a transaction contract or make a payment until the matters listed in paragraph 1 hereof have been approved by the shareholders’ meeting. However, this shall not apply to transactions between the Company and its subsidiaries, or between its subsidiaries.</p> <p>The amount of transactions described above and in paragraph 1 shall be calculated in accordance with paragraph 2 of Article 38 hereof. “Within one year” refers to one year from the actual date of the transaction. However, the calculation should exclude the amount which has already been submitted for approval by supervisors as well as the shareholders’ meeting and the Board in accordance with these Procedures.</p>	
<p>Article 38 Public Disclosure and Declaration</p> <p>A report on the relevant information about acquisition or disposal of assets by the Company shall be made in the prescribed format and based on the nature of the assets within</p>	<p>Article 38 Public Disclosure and Declaration</p> <p>A report on the relevant information about acquisition or disposal of assets by the Company shall be made in the prescribed format and based on the nature of the assets within</p>	<p>Revision of laws and regulations</p>

Original Provisions	Provisions after Amendment	Description
<p>two days from the day of occurrence of the fact on the MOPS, in case of:</p> <ol style="list-style-type: none"> 1. When the Company acquires or disposes of real property or right to use assets from a related party, or when the Company intends to acquire or dispose of any assets other than real property or right to use assets from a related party, the transaction amount reaches 20% of the paid-in capital of the Company, or 10% of the aggregate amount of assets of the Company, or NTD 300 million or more. However, trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities, investment and trust enterprises is excluded. 2. Merger, spin-off, acquisition, or transfer of shares. 3. Losses from derivatives trading reach the limits on aggregate losses or losses of individual contracts set out in these Procedures. 4. The trading counterparty of the equipment or right to use assets to be acquired or disposed of for business purposes is not a related party, and the transaction 	<p>two days from the day of occurrence of the fact on the MOPS, in case of:</p> <ol style="list-style-type: none"> 1. When the Company acquires or disposes of real property or right to use assets from a related party, or when the Company intends to acquire or dispose of any assets other than real property or right to use assets from a related party, the transaction amount reaches 20% of the paid-in capital of the Company, or 10% of the aggregate amount of assets of the Company, or NTD 300 million or more. However, trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities, investment and trust enterprises is excluded. 2. Merger, spin-off, acquisition, or transfer of shares. 3. Losses from derivatives trading reach the limits on aggregate losses or losses of individual contracts set out in these Procedures. 4. The trading counter party of the equipment or right to use assets to be acquired or disposed of for business purposes is not a related party, and the transaction 	

Original Provisions	Provisions after Amendment	Description
<p>amount complies with one of the following provisions:</p> <p>(1) A public company whose paid in capital is below NTD 10 billion, and the transaction amount reaches NTD 500 million or more.</p> <p>(2) A public company whose paid in capital is NTD 10 billion or more, and the transaction amount reaches NTD 1 billion or more.</p> <p>5. Where real property is acquired through an arrangement for commissioned construction on the self-owned land or rented land, joint construction and allocation of housing units, joint construction and allocation of ownership, or joint construction and separate sales, the trading counter party is not a related party, the amount of funds the Company expects to invest in the transaction is more than NTD 500 million.</p> <p>6. In a transaction of assets, or disposal of receivables by a financial institution or investments made in Mainland China other than any of those referred to in the preceding six subparagraphs, the transaction amount reaches twenty percent (20%) of</p>	<p>amount complies with one of the following provisions:</p> <p>(1) A public company whose paid in capital is below NTD 10 billion, and the transaction amount reaches NTD 500 million or more.</p> <p>(2) A public company whose paid in capital is NTD 10 billion or more, and the transaction amount reaches NTD 1 billion or more.</p> <p>5. Where real property is acquired through an arrangement for commissioned construction on the self-owned land or rented land, joint construction and allocation of housing units, joint construction and allocation of ownership, or joint construction and separate sales, the trading counter party is not a related party, the amount of funds the Company expects to invest in the transaction is more than NTD 500 million.</p> <p>6. In a transaction of assets, or disposal of receivables by a financial institution or investments made in Mainland China other than any of those referred to in the preceding six subparagraphs, the transaction amount reaches twenty percent (20%) of</p>	

Original Provisions	Provisions after Amendment	Description
<p>the Company's paid in capital or NTD 300 million. However, this shall not apply to the following circumstances:</p> <p>(1) <u>Purchase or sale of domestic government bonds.</u></p> <p>(2) The Company is engaged in the investment business, securities trading on securities exchanges or over-the-counter markets, or subscription, offering or <u>issuance of ordinary corporate bonds and general financial bonds not involving equity (excluding subordinated financial bonds) in the primary market</u>, or <u>subscription or repurchase of securities, investment and trust funds or futures trust funds</u>, or as an emerging stock company, a securities dealer instructs or recommends another securities dealer to subscribe securities in accordance with the regulations of Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase/resale agreements, or subscription or</p>	<p>the Company's paid in capital or NTD 300 million. However, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds or overseas government bonds with a rating no lower than the sovereign credit rating for Taiwan.</p> <p>(2) The Company is engaged in the investment business, securities trading on securities exchanges or over-the-counter markets, subscription or offering of overseas government bonds, or issuance of ordinary corporate bonds and general financial bonds not involving equity (excluding subordinated financial bonds) in the primary market, or subscription or repurchase of securities, investment and trust funds or futures trust funds, or subscription or sell back of exchange traded notes, or as an emerging stock company, a securities dealer instructs or recommends another securities dealer to subscribe securities in</p>	

Original Provisions	Provisions after Amendment	Description
<p style="text-align: center;">redemption of the money market funds issued by domestic securities, investment and trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of the same type of the assets acquired from or disposed of with the same trading counter party within one year. 3. The cumulative transaction amount of the real property or right to use assets acquired or disposed of (cumulative amount, respectively) for the same development project within one year. 4. The cumulative transaction amount of the same securities acquired or disposed of (cumulative amount, respectively) within one year. <p>“Within one year” referred to in the preceding paragraph means one year from the actual date of the transaction. If the Company has obtained an appraisal report from a professional appraiser or opinions from a certified public accountant in accordance with these Procedures, it shall be exempt from such requirement.</p> <p>Public disclosure by subsidiaries:</p> <ol style="list-style-type: none"> 1. If a subsidiary who is not a Taiwan public company 	<p style="text-align: center;">accordance with the regulations of Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase/resale agreements, or subscription or redemption of the money market funds issued by domestic securities, investment and trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of the same type of the assets acquired from or disposed of with the same trading counter party within one year. 3. The cumulative transaction amount of the real property or right to use assets acquired or disposed of (cumulative amount, respectively) for the same development project within one year. 4. The cumulative transaction amount of the same securities acquired or disposed of (cumulative amount, respectively) within one year. <p>“Within one year” referred to in the preceding paragraph means one year from the actual date of the transaction. If the Company has obtained an appraisal report from a professional appraiser or</p>	

Original Provisions	Provisions after Amendment	Description
<p>acquires or disposes of assets reaching the threshold for public disclosure as stipulated in these Procedures, the Company shall make disclosure on behalf of the subsidiary.</p> <p>2. For purposes of determining whether or not disclosure is required from a subsidiary, “paid-in capital or aggregate amount of assets” refers to the paid-in capital or the aggregate amount of assets of the Company. The financial unit shall, on a monthly basis, distinguish between derivative product transactions conducted by the end of last month for trading purposes from those for non-trading purposes, and have the total amount of transactions not written off, net profit and loss estimated based on market prices, amount of margin paid, total amount of the transaction contract written off or closed, recognized profit and loss, etc. as well as monthly operating conditions entered into the MOPS by the tenth day of each month.</p> <p>When acquiring or disposing of assets, the Company shall keep all the relevant contracts, meeting minutes, memorandum books, appraisal reports and the</p>	<p>opinions from a certified public accountant in accordance with these Procedures, it shall be exempt from such requirement. Public disclosure by subsidiaries:</p> <p>1. If a subsidiary who is not a Taiwan public company acquires or disposes of assets reaching the threshold for public disclosure as stipulated in these Procedures, the Company shall make disclosure on behalf of the subsidiary.</p> <p>2. For purposes of determining whether or not disclosure is required from a subsidiary, “paid-in capital or aggregate amount of assets” refers to the paid-in capital or the aggregate amount of assets of the Company. The financial unit shall, on a monthly basis, distinguish between derivative product transactions conducted by the end of last month for trading purposes from those for non-trading purposes, and have the total amount of transactions not written off, net profit and loss estimated based on market prices, amount of margin paid, total amount of the transaction contract written off or closed, recognized profit and loss, etc. as well as monthly operating</p>	

Original Provisions	Provisions after Amendment	Description
<p>opinions from certified public accountants, attorneys, and securities underwriters at the Company's headquarters for at least five years unless otherwise set forth in other laws.</p>	<p>conditions entered into the MOPS by the tenth day of each month.</p> <p>When acquiring or disposing of assets, the Company shall keep all the relevant contracts, meeting minutes, memorandum books, appraisal reports and the opinions from certified public accountants, attorneys, and securities underwriters at the Company's headquarters for at least five years unless otherwise set forth in other laws.</p>	

Gamania Digital Entertainment Co., Ltd.

Articles of Association (Before Amendment)

Chapter I General Rules

Article 1: The Company is organized according to the Company Act, and is named Gamania Digital Entertainment Co., Ltd.

(English name: GAMANIA DIGITAL ENTERTAINMENT CO., LTD.)

Article 2: The Company's business is as follows:

1. Trading in all kinds of computer hardware and software.
2. Design, planning, trading, agency and distribution of industrial and commercial machinery and equipment.
3. Output of machinery and equipment across the plant.
4. General import and export trade. (Except for those that are subject to special approval)
5. Bidding and quotation for products on behalf of domestic and foreign manufacturers.
6. I401010 General Advertisement Service
7. J503020 TV program production.
8. J503030 Broadcast and television program distribution.
9. J503040 Broadcasting and TV advertising.
10. JZ99050 Intermediary services.
11. CC01050 Data storage and processing equipment manufacturing.
12. I301010 Information software services.
13. J303010 Magazine industry.
14. ZZ99999 All business items that are not prohibited or limited by law, except for those that are subject to special approval.

Article 2-1: If the Company needs to provide guarantees and make investments in other businesses, the total amount of investment shall not be limited to 40% of the paid-up share capital of the Company as set out in Article 13 of the Company Act.

Article 3: The Company is headquartered in Taipei City. If necessary, it will establish

subsidiaries or offices at home and abroad by the resolution of the Board of Directors.

Article 4: Deleted.

Chapter II Shares

Article 5: The total capital of the Company is NTD 2.5 billion, divided into 250 million shares at NTD 10 per share, which may be issued partially, including NTD 220 million, divided into 22 million shares of NTD 10 per share, which are reserved for the issuance of stock warrants, and unissued shares will be issued in such number and at such time as the Board of Directors may determine as necessary in the future.

Article 5-1: Transfer of shares to employees at an average price lower than the actual repurchase price by the Company shall be approved by votes of at least two-thirds of the shareholders representing more than half of the Company's outstanding shares which are present at the latest shareholders' meeting.

Stock warrants shall not be issued to employees at a subscription price lower than the closing price for the ordinary shares issued by a Japanese company unless approved by votes of at least two-thirds of the shareholders representing more than half of the Company's outstanding shares which are present at a shareholders' meeting.

Article 5-2: The treasury stocks bought by the Company in accordance with the Company Act may be transferred to (including) the employees under the control of or affiliated with the Company who meet the conditions of the transfer.

Stock warrants may be issued by the Company to (including) the employees under the control of or affiliated with the Company who meet the conditions of subscription.

When new shares are issued by the Company, the employees who subscribe new shares include those under the control of or affiliated with the Company who meet the conditions of subscription.

Targets to which the Company issues new shares that restrict employees' rights

include the employees under the control of or affiliated with the Company who meet the conditions of subscription.

Article 6: For transfer of shares, both parties shall fill in an application for transfer of shares, and the holder of shares shall apply to the Company for the transfer of names. The transfer of shares shall not become effective unless recorded in the Company's register of members.

Article 7: The Company shall issue registered shares only. They shall be issued according to law after being signed or sealed by three or more directors, numbered, and certified by the competent authority or the authorized registration authority. The shares issued by the Company are exempt from printing, but should be registered with the securities centralized storage institutions.

Article 7-1: The Company 's registered shares must be registered in the names of shareholders. If they are owners of legal persons, names of such legal persons shall be registered; the names of the shareholders, representatives, and domiciles shall be entered into the register of members; in the case of a share registered in the names of two or more holders, one of them shall be elected as a representative.

Article 8: The transfer of shares shall be suspended within 60 days prior to the date of each general meeting, or within 30 days prior to the date of an extraordinary meeting, or within 5 days before the record date when the Company decides to distribute dividends and bonuses or other benefits.

Chapter III Meetings of Shareholders

Article 9: The meetings of shareholders will be divided into general meetings and extraordinary meetings. A general meeting will be held at least once a year by the Board of Directors according to the law within six months after the end of each fiscal year. Extraordinary meetings may be called for as needed by law.

Article 10: When a shareholder is unable to attend the meeting for any reason, he/she shall issue a power of attorney issued by the Company, stating the scope of authorization and designating a proxy to attend on his/her behalf in accordance with the Company Act and the Rules Governing the Use of Proxies for Attendance

at Shareholder Meetings of Public Companies promulgated by the competent authorities.

Article 11: A shareholder shall be entitled to one vote for each share held, except for such circumstances as may be stipulated in Article 179 of the Company Act.

Article 12: Unless otherwise provided for by the Act, a resolution shall be adopted at a meeting of shareholders at which the shareholders representing a majority of outstanding shares are present by a majority of the votes represented by the attending shareholders. A shareholder may also exercise voting rights electronically, and those who exercise voting rights in such way will be deemed present at the shareholders' meeting in person in accordance with the laws and regulations.

Chapter IV Directors

Article 13: The Company has 5-9 directors, including at least 3 Independent Directors, all of whom are elected through a shareholders' meeting by capable persons. They will serve for a term of three years, and may be re-elected following appointment. The total number of registered shares in the Company held by all the directors shall be subject to the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by the competent authority. The Company may take out insurance against the liability for damages to be assumed by the directors within the scope of business during their tenure in accordance with the law.

Article 13-1: Directors shall be elected by way of nomination of candidates as set out in Article 192-1 of Company Act. The nomination and announcement of directors shall be accepted in accordance with Taiwan's Company Act, Securities and Exchange Act and other relevant regulations. Directors whether independent or not shall be elected together to calculate the number of elected candidates.

Article 13-2: The Company will set up an Audit Committee in accordance with the provisions of Article 14-4 of the Securities and Exchange Act. The Audit Committee shall consist of all Independent Directors, who are responsible for the performance of

the duties set out in the Company Act, Securities and Exchange Act and other relevant regulations.

Article 14: The Board of Directors shall be composed of directors. More than two-thirds of directors present at a meeting of the Board of Directors shall elect one of their number to be chairman of the Board by the majority of votes of the directors, and one person can be selected as the vice chairman of the Board in the same way. The chairman of the Board acts on behalf of the Company. In case the chairman is on leave or cannot exercise his/her power and authority for any cause, the vice chairman shall act on his/her behalf in accordance with Article 208 of the Company Act.

Article 15: Meetings of the Board of Directors are convened and chaired by the Chairman of the Board. Except for the first meetings of the Board of Directors, in accordance with the provisions of Article 203, Paragraph 4 or Article 203-1, Paragraph 3 of the Company Act, meetings of the Board of Directors are convened by a majority of directors, and chaired in accordance with relevant regulations. Except as otherwise provided for by the Company Act, resolutions of the Board shall be approved by more than half of the votes of the Directors present at a Board meeting attended by at least two-thirds of all Directors. If a director is unable to attend the meeting for any reason, it shall issue a power of attorney in accordance with the provisions of Article 205 of the Company Act to appoint another director to attend the meeting on his/her behalf, provided that only one person shall be appointed. In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 16: The Board of Directors is authorized to determine the remuneration to all the directors based on the degree of participation in and contribution to the operation of the Company, and with reference to the generally-accepted industry standards.

Chapter V Managers

- Article 17: The Company may have a manager for whom the appointment, dismissal and remuneration shall be handled in accordance with the provisions of Article 29 of the Company Act.
- Article 17-1: The Company may authorize the Board of Directors appoint legal, accounting, business and technical consultants in light of business needs.

Chapter VI Accounting

- Article 18: The following documents shall be prepared by the Board of Directors after the end of each fiscal year: 1. Business Report; 2. Financial statements; and 3. Proposal for the distribution of earnings or allowance for losses which shall be submitted at general shareholders' meeting for ratification.
- Article 19: Deleted.
- Article 20: For pre-tax profits of the Company for the current period, 10% to 15% of the profits will be set aside to pay employee remuneration, and no more than 2% of profits will be set aside to pay remuneration to directors. The Company shall appropriate for write-off the loss carried forward, if applicable.
- Article 20-1: If there are surpluses in the Company's annual final accounts, taxes and previous losses shall be paid out of such surpluses first. 10% of them shall be set aside as statutory surplus reserves. However, this clause shall not apply if the statutory surplus reserves have reached the paid-in capital of the Company. In addition, special surplus reserves will be set aside in light of business needs and according to law, for surpluses (if any) and the undistributed earnings at the beginning of the period, the Board of Directors shall propose a statement for distribution of earnings, and submit it to the shareholders' meeting for resolution.
- The Company's dividend policy adopts the principle of sound balance, taking into account factors such as profitability, financial structure and the Company's future development, and at least 10% of the dividends distributed in the current year will be set aside to pay cash dividends.

Chapter VII Supplemental Provisions

Article 21: The matters not covered by the Articles of Association shall be dealt with in accordance with the provisions of the Company Act.

Article 22: These Articles were made effective as of May 26, 1995.
The 1st amendment hereto was made on March 9, 1998.
The 2nd amendment hereto was made on April 7, 1999.
The 3rd amendment hereto was made on September 20, 1999.
The 4th amendment hereto was made on October 8, 1999.
The 5th amendment hereto was made on March 24, 2000.
The 6th amendment hereto was made on July 28, 2000.
The 7th amendment hereto was made on May 22, 2001.
The 8th amendment hereto was made on January 31, 2002.
The 9th amendment hereto was made on June 3, 2002.
The 10th amendment hereto was made on April 28, 2003.
The 11th amendment hereto was made on April 29, 2004.
The 12th amendment hereto was made on June 14, 2005.
The 13th amendment hereto was made on June 14, 2006.
The 14th amendment hereto was made on June 13, 2007.
The 15th amendment hereto was made on June 13, 2008.
The 16th amendment hereto was made on June 10, 2009.
The 17th amendment hereto was made on June 9, 2010.
The 18th amendment hereto was made on June 19, 2013.
The 19th amendment hereto was made on June 16, 2016.
The 20th amendment hereto was made on June 8, 2017.
The 21st amendment hereto was made on June 13, 2018.
The 22nd amendment hereto was made on May 29, 2019.
The 23rd amendment hereto was made on June 17, 2020.

Gamania Digital Entertainment Co., Ltd.

Chairman of the Board: Liu, Po-Yuan

Gamania Digital Entertainment Co., Ltd.

Procedures for Acquisition or Disposal of Assets (Before Amendment)

Article 1 Purpose and Legal Basis:

These Procedures are formulated with a view to providing operating specifications and standards for acquisition or disposal of the assets of the Company and its subsidiaries. These Procedures are established in accordance with Article 36-1 of Securities and Exchange Act, and the Regulations Governing the Acquisition or Disposal of Assets of Public Companies promulgated by the Securities and Futures Bureau, Financial Supervisory Commission of the Republic of China (SFB).

Article 2 Scope:

1. Shares, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law.
9. Other major assets.

Article 3 The terms used in these Procedures are defined as follows:

1. Derivative Products: Transaction contracts, such as forward contracts, options contracts, futures contracts, leverage contracts, and swap contracts, the combination of the aforesaid contracts or compound contracts incorporating derivative products or structured products, whose value is derived from certain interest rates, prices for financial instruments, prices for commodities, foreign exchange rates, indexes for prices or fee rates, credit ratings or indexes or other variables.
 - (1) The term “forward contracts” referred to herein does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) agreements.
 - (2) Matters relating to transactions for guarantee deposit on securities shall be handled in accordance with the relevant provisions of these Procedures. However, trading of bonds under repurchase and resale agreements shall be

excluded from monthly public disclosure as well as monthly operating conditions in these Procedures.

2. Assets acquired or disposed of in connection with mergers, spin-offs, acquisitions or transfer of shares in accordance with the Law refer to the assets acquired or disposed through mergers, spin-offs or acquisitions conducted under the Mergers and Acquisition Act, Financial Holding Company Act, Financial Institutions Merger Act or other laws, or share transfer by the issuance of new shares as consideration conducted under the Paragraph 3 of Article 156 of Taiwan's Company Act) (hereinafter "Transfer of Shares").
3. Related party or subsidiary: As defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of Occurrence: Refers to date of contract signing, date of payment, date of consignment trade, date of transfer, dates of resolutions of the Board of Directors, or other date that can confirm the counterparty and transaction amount; whichever date is earlier; provided, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
6. Mainland China investment: Refers to investments in Mainland China approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
7. Within one year: Refers to one year from the date when assets are acquired or disposed of. The assets declared in accordance with regulations shall be excluded from calculation.
8. Latest financial statements: Refer to the financial statements verified, certified or audited by a certified public accountant in accordance with the law prior to the acquisition or disposal of the assets by the Company.
9. Investment professionals: Refer to financial holding companies, banks, insurance companies, bills finance companies, trust companies, securities dealers engaged in self-operated or underwriting business, futures traders engaged in self-operated business, securities investment trust enterprises, securities investment consulting enterprises and fund management companies which are established in accordance with the Law and supervised by the local financial authorities.
10. Stock exchange: Refers to the stock exchange in Taiwan, Taiwan Stock Exchange Corporation; foreign stock exchange refers to any securities trading market organized and managed by the securities authorities of the country.
11. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the

Regulations Governing Securities Trading on the Taipei Exchange; “foreign OTC venue” refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.

Section I Procedures

Article 4 Establishment of the Procedures

These Procedures as well as any amendment thereto shall be established pursuant to Regulations Governing the Acquisition or Disposal of Assets of Public Companies, and shall be submitted to the Audit Committee at the general meeting for approval after being adopted by the Board of Directors. If any director raises an objection evidenced by records or a written statement, the Company shall submit the objection to the Audit Committee.

If the Company has appointed Independent Directors in accordance with the law, when the Procedures for Acquisition or Disposal of Assets are submitted to the Board of Directors for discussions in accordance with the preceding paragraph, the opinions expressed by the Independent Directors shall be taken into full consideration, and the specific opinions from such Independent Directors for consent or objection, and reasons for objection shall be stated in the minutes of the meeting.

If the Company has set up an Audit Committee in accordance with the law, the enactment of or amendment to the Procedures for Acquisition or Disposal of Assets shall be approved by more than one half of the members of the Audit Committee subject to the resolution of the Board of Directors.

If the enactment or amendment is not approved by more than one-half of the members of the audit committee as set forth in the preceding paragraph, no enactment or amendment may be made unless approved by more than two-thirds of all the directors, and the resolutions of the audit committee shall be stated in the meeting minutes of the Board of Directors.

The terms “all Audit Committee members” in paragraph 3 and “all directors” in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Section II Acquisition or Disposal of Assets

Article 5 Limits

1. Purchase Limits:

The Company invests in shares, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, real property and other negotiable securities approved by the Ministry of Finance, R.O.C. within the following limits:

- (1) Investment in real property and its right to use assets not for business purposes shall be limited to 100% of the paid-in capital of the Company.
- (2) The total value of the investment in securities shall be limited to 150% of the Company’s shareholders’ equity, and the investment in individual negotiable

securities shall be limited to 100% of the Company's shareholders' equity.

2. The total purchase amount and limit for the subsidiaries shall be determined in accordance with their respective internal procedures for acquisition or disposal of assets.

Article 6 Evaluation and Operating Procedures:

1. Evaluation Procedures

- (1) If the Company intends to acquire or dispose of assets, the undertaking unit shall report the reasons for the acquisition or disposal, the subject matter, counterparty, transfer price, conditions of payment, basis of price reference and other matters to the responsible unit for deliberation and approval.
- (2) Professional appraisers and their officers, certified public accountants, attorneys, or securities underwriters that provide the Company with appraisal reports or opinions shall meet the provisions of Article 5 of the Regulations Governing the Acquisition or Disposal of Assets of Public Companies.

2. Operating Procedures

In addition to these Procedures, the relevant operations for acquisition or disposal of assets should be handled in accordance with the relevant provisions of the Company's internal control manual.

Article 7 Decision Making and Authorization Level of Transaction Conditions

1. Price Determination Method and Reference Basis

- (1) For purchase and sales of the securities which are traded at centralized trading markets or over-the-counter markets, prices are subject to the share or bond price at the time.
- (2) For purchase and sales of the shares which are not traded at centralized trading markets or over-the-counter markets, the net value per share, profitability, the development potential of the shares in the future, etc. shall be taken into consideration with reference to transaction prices at the time.
- (3) For purchase and sales of the securities other than shares which are not traded at centralized trading markets or over-the-counter markets, the market interest rate at that time, the bond coupon rate, and the debtor's credit ratings shall be taken into account.
- (4) When the Company acquires or disposes of real property, the prices for the transaction shall be determined based on the publicly announced current value, appraised value and actual transaction price for adjacent real property.

2. Authorization Level

- (1) No long-term equity investment, investment in securities not for trading purposes or acquisition or disposal of real property is allowed unless approved by the Board of Directors, the chairman of the Board may be authorized by the Board of Directors to make a decision first (to the extent that the transaction amount is limited to NT \$ 50 million) before the

transaction is submitted to the Board for approval provided that the transaction amount is limited to NT \$ 100 million.

- (2) Investment in securities for trading purposes or acquisition or disposal of equipment shall be made by reporting level by level. A single transaction of more than NT \$ 100 million is only conducted after being approved by the Board of Directors, except to the extent that acquisition or disposal of bond funds is not limited by NT \$ 100 million; However, if the amount of a single transaction exceeds NT \$ 100 million, it must be reported to the Board of Directors for approval.
- (3) Acquisition or disposal of assets shall be resolved or approved or reported at the Company meetings (such as the meetings of the Board of Directors or shareholders' meetings) if required by Taiwan's Company Act or other relevant laws and regulations.

Article 8 Execution

The unit responsible for investments in securities is a financial unit or another unit, and the execution unit of real property or equipment is an asset use department, an administration department or another unit.

Article 9 Acquisition of Asset Valuation Reports

When the Company acquires or disposes of real property equipment or right to use assets, if the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD 300 million or more, the Company, except for transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of the facilities or right to use assets for business purpose, shall obtain an appraisal report prior to the Date of Occurrence from a professional appraiser (the matters recorded in the valuation report shall be done in accordance with the regulations of SFB), and shall further comply with the following provisions:

1. Where it is necessary to take a restrictive price, specified price or special price as a reference basis for the transaction price for a special reason, the transaction shall be submitted for approval in advance by the Board; the same procedure shall be followed for any subsequent changes to the terms and conditions of the transaction.
2. Where the transaction amount reaches NTD 1 billion or more, two or more professional appraisers shall be engaged to carry out the appraisal.
3. Where the appraisal results of a professional appraiser fall into any one of the following circumstances, except to the extent that the appraisal price is higher than the transaction amount in the acquisition of asset(s), or the appraisal price is lower than the transaction amount in the disposal of asset(s), a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by Taiwan's

Accounting Research and Development Foundation (Accounting Research and Development Foundation), and express specific opinions regarding the reason for the discrepancy and the appropriateness of the transaction price:

- (1) The discrepancy between the appraisal result and the transaction amount is twenty percent or more of the transaction amount.
 - (2) The discrepancy between the appraisal results of two or more professional appraisers is ten percent or more of the transaction amount.
4. The interval between the date when a report is issued by the professional appraiser and the date when the contract is entered into shall not exceed three months; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 10 Opinions of CPAs

1. For acquisition or disposal of securities, the most recent financial statements of the target company certified or reviewed by a certified public accountant shall be obtained prior to the Date of Occurrence to be used as a reference for determining the transaction price. If the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD 300 million, a certified public accountant shall, prior to the Date of Occurrence, be engaged to express opinions in respect of the reasonableness of the transaction price, if the certified public accountant needs professional reports, he shall acquire the same in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. However, if there is a public offer for the securities in the active market or unless otherwise provided for by the Financial Supervisory Commission, such limits do not apply.
2. Whenever the Company acquires or disposes of intangible assets or right to use assets or memberships, if the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD 300 million, except for transacting with a domestic government agency, a certified public accountant shall, prior to the Date of Occurrence, be engaged to express opinions in respect of the reasonableness of the transaction price in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

The transaction amount described in the preceding paragraph shall be calculated pursuant to paragraph 2 of Article 38 hereof. "Within one year" refers to one year from the actual date of the transaction. If the Company has obtained an appraisal report from a professional appraiser or opinions from a certified public accountant in accordance with these Procedures, it shall be exempt from such requirement.

Article 11 Certification Issued by a Court

A certification issued by a court may substitute for the appraisal report or opinions issued by the certified public accountant if the Company acquires or disposes of assets through judicial foreclosure.

Section III Transactions with Related Persons

Article 12 Acquisition of Real Property from a Related Party.

When the Company intends to acquire or dispose of assets from a related party, except for the necessary resolutions adopted, the reasonableness of the transaction terms appraised, and other relevant matters done in accordance with these Procedures, if transaction amount is more than 10% of the Company's total assets, the Company is also required to obtain an appraisal report from a professional appraiser or opinions from a certified public accountant in accordance with the preceding paragraph. The transaction amount in the preceding paragraph shall be calculated in accordance with Article 38 hereof.

When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 13 Materials Submitted at the Meetings of the Board

When the Company acquires or disposes of real property or right to use assets from a related party, or when the Company intends to acquire or dispose of any assets other than real property or right to use assets from a related party, the transaction amount reaches 20% of the paid-in capital of the Company, or 10% of the aggregate amount of assets of the Company, or NTD 300 million or more. Except for trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities, investment and trust enterprises, the following materials shall be submitted for approval firstly by the Board of Directors and Audit Committee before any transaction agreement is signed or any payment is made:

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
2. The reason for choosing the related party as a transaction counterparty.
3. In the acquisition of real property or right to use assets from a related party, the information regarding the reasonableness of the proposed transaction terms shall be evaluated in accordance with Articles 14 and 15 hereof.
4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
6. The appraisal report obtained from a professional appraiser or opinions from a certified public accountant in accordance with the preceding paragraph.
7. Restrictive covenants and other important stipulations associated with the transaction.

The amount of transactions described above shall be calculated in accordance with

paragraph 2 of Article 38 hereof. "Within one year" refers to one year from the actual date of the transaction. However, the calculation should exclude the amount which has already been submitted for approval by supervisors as well as the Board in accordance with these Procedures.

If the Company intends to enter into the following transactions with its subsidiaries or the subsidiaries in which the Company holds, directly or indirectly, 100% of the issued shares or total capital, the chairman may be first authorized by the Board of Directors to make decisions at a certain amount before the transaction is submitted to the Board for approval at the next meeting immediately following the transactions.

1. Acquisition or disposal of the equipment or right to use assets for business purpose.
2. Acquisition or disposal of real property or right to use assets for business purpose. If the Company has appointed Independent Directors in accordance with the law. When the acquisition or disposal of real property or right to use assets is reported to the Board of Directors for discussions in accordance with paragraph 1, the opinions expressed by the Independent Directors shall be taken into full consideration. If an independent director has objections or qualified opinions, such objections or qualified opinions shall be stated in the minutes of the meeting of the Board.

If the Company has set up an Audit Committee in accordance with the law, the matters that require the approval of supervisors in accordance with paragraph 1 shall be approved by more than one-half of the members of the Audit Committee subject to the resolution of the Board of Director. The provisions of Article 4, paragraphs 3 and 4 shall apply.

Article 14 Evaluation of the Reasonableness of the Transaction Costs

In acquisition of real property or right to use assets from a related party, the reasonableness of the transaction costs shall be evaluated by the following means:

1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction

counterparties.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

In acquiring real property or right to use assets from a related party, the Company shall appraise the cost of the real property or right to use assets in accordance with the provisions of the paragraphs 1 and 2 of this Article, and shall also engage a certified public accountant to check the appraisal and express specific opinions.

Where the acquisition of real property or right to use assets from a related party falls into one of the following circumstances, the real property or right to use assets shall be acquired in accordance with Article 13 hereof, without regard to the preceding three paragraphs:

1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.
3. The real property is acquired by entering into a joint development contract with the related party, or engaging others to build on its own land, engaging others to build on rented land or engaging related parties to build real property.
4. The Company acquires the real property or its right-to-use assets for business purposes from its subsidiaries, or the subsidiary in which the Company holds, directly or indirectly, 100% of the issued shares or total capital.

Article 15

If the costs appraised in accordance with Article 14 (1) and (2) are both lower than transaction prices, transaction amount shall be calculated pursuant to Article 16.

However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the

construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

- (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
 - (3) In accordance with standard property leasing market practices, for other floors of the same property leased by unrelated parties within the preceding year, there shall be similar transaction terms after calculation of reasonable price discrepancies among floors.
2. The evidence produced by the Company proves that in the acquisition of real property from a related party or acquisition of the right to use real property by lease, the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.
- Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Article 16

When real property is acquired from a related party, if the costs appraised in accordance with Articles 14 and 15 hereof are both lower than transaction prices, the following matters shall be addressed:

1. Special surplus reserves shall be set aside in accordance with the regulations against the difference between the transaction price and the appraised costs for real property, and may not be distributed or used for capital increase or issuance of bonus shares. If the special surplus reserves set aside by the invested company are recognized by the Company by employing the equity method, the Company shall also make a provision for special surplus reserves pro rata to the shareholding against the amount set aside.
2. The Audit Committee shall comply with the provisions of Article 218 of Taiwan's Company Act.
3. The actions taken pursuant to paragraphs 1 and 2 of this Article shall be reported at a general meeting, and the details of the transaction shall be disclosed in the

annual report and the prospectus.

If the Company makes a provision for special surplus reserves in accordance with the preceding paragraph, it shall purchase the assets for which losses from falling prices have been recognized or which have been disposed of or which have been appropriately compensated or restored the status quo ante at a high price, or if there is other evidence indicating that the transaction is reasonable, the special surplus reserves may not be used unless with the consent of the Securities and Futures Bureau.

If there is other evidence indicating that the acquisition of real property from a related party is not consistent with the business practice, such acquisition shall be subject to the preceding two paragraphs of this Article.

Article 17 Transaction Type

1. The Company is engaged in the following derivative product transactions:
Forward contracts, options, futures and other transactions approved by the chairman of the Board.
2. For effective risk control and mitigation of risks, the Company's subsidiaries shall keep out of derivative financial commodity operations.

Article 18 Strategies for Business or Mitigation of Risks

The Company is engaged in derivative product transactions with a view to avoiding risks. Therefore, choices of trading commodities focus on avoiding risks arising from business operations. Before trading, it is necessary to determine whether the nature of trading is "transactional" (non-hedging transactions for trading purposes) or "non-transactional" (non-trading hedging transactions) to serve as the basis for accounting.

Article 19 Division of Powers and Responsibilities

The Company puts the following units in charge of derivative commodities operations based on the nature of their work.

1. Financial unit:
 - (1) Responsible for formulating operation strategies for derivative commodities other than commodity futures.
 - (2) Conduct transactions within the scope of authorization.
2. Legal unit: Responsible for review of non-finalized transaction contracts.
3. Accounting unit: Responsible for accounting treatment of and preparation of accounting statements for derivative product transactions
4. Audit unit: Get to know the appropriateness of internal control such as the division of powers and responsibilities, operation procedures, etc., and check the compliance of the transaction department with these Procedures.

Article 20 Essentials of Performance Evaluation

1. Non-trading:
 - (1) Based on the types of commodities traded, the financial unit uses the realized net profits and losses as the basis of performance evaluation after the closing date of each trading contract.

- (2) Comparison and regular review of the profit and loss performance against the transaction goals, with the results of comparison and review submitted to the senior executive of the financial unit for review.
2. Trading:
 - (1) Realized targets: The financial unit uses the actual profits and losses as the basis for performance evaluation.
 - (2) Unrealized targets: The daily closing price is used to liquidate the net profit and loss and the total amount of the open position day by day as a reference for performance evaluation.
3. By reference to the performance report on profits and losses for each period, the financial unit periodically reviews whether the operation performance conforms to the established business strategy and the risks undertaken are permitted by the standard measures.
4. The financial unit evaluates the positions held by transactional trading at least once a week; non-trading transactions are evaluated at least once every half a month, with the evaluation report sent to the senior executive of the financial unit for review.
5. The senior executive of the financial unit should pay attention to the supervision and control over the risks of derivative product transactions at all times, and periodically assess whether or not the risk management measures currently taken are appropriate and in accordance with these Procedures.
6. The senior executive of the financial unit supervises transactions and the profits and losses therefrom. If any abnormal circumstances are found, the necessary countermeasures shall be taken, and such circumstances shall be reported to the Board of Directors immediately. If the Company has appointed Independent Directors, the Board of Directors shall have Independent Directors attend the meeting convened for such circumstances and express their opinions.

Article 21 Total Contract Amount and Upper Limit on Losses

1. Non-trading transactions: For actual business needs of the Company. In the case of cross-hedging, the total profits and losses of the hedging instrument and subject matter must be taken into consideration at the same time. If the total contract amount of the hedging instrument and subject matter has lost more than 3% due to market changes, countermeasures should be proposed for approval of the chairman of the Board.
2. Trading transactions: The total amount is limited to 10% of the Company 's net worth. After the transaction, if the amount of an individual contract has lost more than 5% or total contract amount has lost more than 3% due to market changes, countermeasures should be proposed for approval by the chairman of the Board.

Article 22 Scope of Authorization

1. If the Company is engaged in derivative product transactions for trading

(investment) purposes, no such transaction may proceed unless submitted to the chairman of the Board for approval.

2. If the Company is engaged in derivative product transactions for non-trading (hedging) purposes, the transaction shall be conducted within the scope of authorization: <calculated based on the total transaction amount, instead of the amount of deposit>
 - (1) Board of Directors: The total daily amount is more than US \$ 1 million, and the cumulative net position is more than US \$ 3 million.
 - (2) Report to the Board at the next meeting immediately following the transaction after approval by the chairman of the Board: The total daily amount is less than US \$ 1 million (inclusive), and the cumulative net position is US \$ 3 million (inclusive) or less.
 - (3) Chairman of the Board: The total daily amount is less than US \$ 300,000 (inclusive) and the cumulative net position is less than US \$ 1.3 million (inclusive).

Article 23 Job Description

1. Transaction personnel shall conduct transactions within the scope of authorization.
2. Non-finalized transaction contracts shall be countersigned by the legal unit.
3. Transaction personnel will confirm and indicate the details of the trade ticket for each transaction, and submit the same to their supervisors for approval.
4. Transaction information is transferred to the closing personnel for confirmation and closing.
5. Deal tickets and monthly statements are transferred to the accounting staff for preparing financial statements.
6. The financial unit prepares periodical performance reports on profits and losses based on the actual profits and losses, conducts a review and reports to the senior executive of the financial unit and the chairman of the Board.

Article 24 Risk Management

1. Credit risks: After banks and legal brokers are selected by counterparties for frequent business dealings, a transaction limit is set in advance for each financial institution under the control of the head of the financial unit. It is inadvisable to excessively focus on a few financial institutions. The transaction limit for each financial institution can be flexibly adjusted in light of changes in market conditions.
2. Market risks: limited to transactions in open centralized market and store market.
3. Liquidity risks: Priorities given to the products with longer trading time, high liquidity and relatively stable market prices.
4. Operational risks: Strict compliance with the authorized limits and operating procedures set by the Company shall be included in internal audits to avoid operational risks; Traders engaged in derivative products transactions shall not

concurrently serve as operators responsible for confirmation and closing; Closing personnel are required to keep track of and notify traders of the transactions due within one week to ensure smooth closing.

5. Legal risks: The non-finalized transaction contracts must be countersigned by the legal unit.
6. Cash flow risks: The head of the financial unit prudently evaluates the risks of future changes in cash flows of monetary financial products. In the selection of products, it is necessary to simultaneously assess the cash flow risks and the relative market price risks, so as to minimize the overall risks for the Company.

Traders of the financial unit engaged in derivative products transactions shall not concurrently serve as operators responsible for confirmation and closing; other personnel not from the financial unit shall not engage in derivative products transactions unless authorized by the chairman of the Board, and shall report to the Board at the next meeting immediately following the transaction.

The risk measurement, supervision and control personnel shall be in different departments from the those described in the preceding paragraph, and shall report to the Board of Directors.

Article 25 Memorandum Books

The Company shall establish a memorandum book for derivative commodity transactions, and keep records of the type and amount of derivative commodity transactions, the date when such transactions are adopted by the Board of Directors, and the matters to be prudently evaluated in accordance with paragraphs 3, 4 and 5 of Article 20 hereof for future reference.

Article 26 Internal Control

1. Confirm that each transaction has been approved by the responsible supervisor.
2. The transaction unit determines the transaction process, including the negotiation with counterparties on transactions, and deal confirmation process.
3. Non-finalized contracts shall be countersigned by the legal unit.
4. The documented transaction process is handed over to the accounting unit and the audit office for reference.
5. An operator places an order through a pre-approved broker.
6. After the transaction, the broker will transfer deal tickets to the head of the trading unit.
7. The supervisor of the trading unit checks the transaction details with the operator.
8. The head of the trading unit signs and returns deal tickets to the broker.
9. The accounting unit confirms the legitimacy and rationality of the transaction data from external sources before bookkeeping.
10. Each unit checks the correctness of data.
11. Confirm that the trading in transactional commodities is within the upper limit.
12. The audit office checks operation procedures at irregular intervals by dawn raids.

Article 27 Accounting Treatment

The accounting treatment of derivative products transactions is handled in accordance with the generally accepted accounting principles and other relevant laws and regulations.

Article 28 Internal Audit

Internal auditors shall evaluate the appropriateness of internal control over derivative product transactions on a regular basis, and check the compliance of these Procedures by the trading department, and analyze the trading cycle on a monthly basis to prepare an audit report which shall be submitted to the Board of Directors. Should there be any material breach found, a written notice shall be sent to the Audit Committee.

If the Company has appointed Independent Directors in accordance with the law, Independent Directors shall also be notified in writing of the matters for which a notice shall be given to supervisors in accordance with the preceding paragraph.

If the Company has set up an Audit Committee in accordance with the law, the provisions of paragraph 1 applicable for supervisors also apply to the Audit Committee.

Article 29 Declaration

Audit unit shall submit the audit report to and report on the annual audit of internal audit and annual check plan to the competent authorities by the end of February of the following year, and report the improvements in abnormalities to SFB for reference at the latest by the end of May of the following year.

Article 30 Expert Opinions

Prior to convening the meeting of the Board to resolve on mergers, spin-off, acquisitions or transfer of shares, the Company shall engage a certified public accountant, attorney, or securities underwriter to offer opinions on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to the Members, and submit such opinions to the Board for deliberation and approval. However, for the mergers of the Company with its subsidiary in which it holds, directly or indirectly, 100% of the issued shares or total capital, or the mergers between the subsidiaries in which it holds, directly or indirectly, 100% of the issued shares or total capital, it is unnecessary to obtain opinions from the aforesaid experts.

Article 31 General Meetings

The company engaged in mergers, spin-offs or acquisitions shall prepare and submit a report to the Members detailing the significant contents of a merger, spin-off, or acquisition and the relevant matters before a general meeting is held, together with the expert opinions referred to in the preceding Article and the notice of the general meeting as reference for the Members to determine whether or not to approve the merger, spin-off, or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

Where the shareholders meeting of any one of the companies participating in a merger,

demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

Article 32 Board Meetings on the Same Day

1. A company who participates in a merger, spin-off, or acquisition shall convene the meeting of the Board and general meeting on the same day to resolve the matters relevant to the merger, spin-off, or acquisition, unless otherwise specified by other laws or approved by SFB in advance under extraordinary circumstances.
2. A company who participates in the transfer of shares shall convene the meeting of the Board on the same day when the shares are transferred, unless otherwise specified by other laws or approved by SFB in advance under extraordinary circumstances.
3. When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:
 - (1) Basic personnel information: including the title, name, and identity card number (or the passport number, if he/she is a foreigner) of every person participating in the Company's plan for a merger, spin-off, acquisition, or transfer of shares or executing such plan prior to public disclosure of the information.
 - (2) Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a board of directors meeting.
 - (3) Significant books and meeting minutes: Including a plan for a merger, spin-off, acquisition, or transfer of shares, letters of intent or memorandums, important contracts and meeting minutes of the Board of Directors.
4. The information in subparagraphs 1 and 2 of the preceding paragraph shall be reported to the Internet Information System for review in the prescribed format within two days from the day when the Board of Directors passes the resolution.

If a company participating in a merger, spin-off, acquisition, or transfer of shares is not a listed company or has no shares traded at over-the-counter markets, it shall enter into an agreement with a listed company or a company with shares traded at over-the-counter markets, and conduct the merger, spin-off, or acquisition in accordance with paragraphs 3 and 4 of this Article.

Article 33 Confidentiality

Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not

disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

Article 34 Share Exchange Ratios and Purchase Prices

No changes may be made to share exchange ratios or purchase prices for mergers, spin-off, acquisitions or transfer of shares unless the following events occur, and conditions of changes shall be specified in the contracts for mergers, spin-off, acquisitions or transfer of shares:

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
2. An action, such as a disposal of major assets, that affects the company's financial operations.
3. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company buys back treasury stock.
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 35 Matters to be Specified in Contracts

In case of mergers, spin-off, acquisitions or transfer of shares, except for the rights and obligations of the companies engaged in mergers, spin-off, acquisitions or transfer of shares, the following matters shall be specified in the contracts therefor:

1. Handling of breach of contract.
2. Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.
3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.
4. The manner of handling changes in the number of participating entities or companies.
5. Preliminary progress schedule for plan execution, and anticipated completion date.
6. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.

Article 36 Change Plans

If any company that participates in a merger, spin-off, acquisition, or transfer of shares

intends further to carry out another merger, spin-off, acquisition, or share transfer with another company after public disclosure of the information, the Company shall carry out anew the procedures or legal actions that were originally required for the former merger, spin-off, acquisition, or transfer of shares, and may be exempted from calling another general meeting to resolve on the matter anew; except to the extent that the number of participating companies is decreased and the general meeting has resolved on authorizing the Board to alter the limits of authority.

Article 37 Miscellaneous

Where any of the companies participating in a merger, spin-off, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with the non-public company, and be engaged in the merger, spin-off, acquisition, or transfer of shares in accordance with Articles 31, 33 and 36 hereof.

Article 38 Public Disclosure and Declaration

A report on the relevant information about acquisition or disposal of assets by the Company shall be made in the prescribed format and based on the nature of the assets within two days from the day of occurrence of the fact on the MOPS, in case of:

1. When the Company acquires or disposes of real property or right to use assets from a related party, or when the Company intends to acquire or dispose of any assets other than real property or right to use assets from a related party, the transaction amount reaches 20% of the paid-in capital of the Company, or 10% of the aggregate amount of assets of the Company, or NTD 300 million or more. However, trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities, investment and trust enterprises is excluded.
2. Merger, spin-off, acquisition, or transfer of shares.
3. Losses from derivatives trading reach the limits on aggregate losses or losses of individual contracts set out in these Procedures.
4. The trading counterparty of the equipment or right to use assets to be acquired or disposed of for business purposes is not a related party, and the transaction amount complies with one of the following provisions:
 - (1) A public company whose paid in capital is below NTD 10 billion, and the transaction amount reaches NTD 500 million or more.
 - (2) A public company whose paid in capital is NTD 10 billion or more, and the transaction amount reaches NTD 1 billion or more.
5. Where real property is acquired through an arrangement for commissioned construction on the self-owned land or rented land, joint construction and allocation of housing units, joint construction and allocation of ownership, or joint construction and separate sales, the trading counter party is not a related party, the amount of funds the Company expects to invest in the transaction is more than NTD 500 million.

6. In a transaction of assets, or disposal of receivables by a financial institution or investments made in Mainland China other than any of those referred to in the preceding six subparagraphs, the transaction amount reaches twenty percent (20%) of the Company's paid in capital or NTD 300 million. However, this shall not apply to the following circumstances:
 - (1) Purchase or sale of domestic government bonds.
 - (2) The Company is engaged in the investment business, securities trading on securities exchanges or over-the-counter markets, or subscription, offering or issuance of ordinary corporate bonds and general financial bonds not involving equity (excluding subordinated financial bonds) in the primary market, or subscription or repurchase of securities, investment and trust funds or futures trust funds, or as an emerging stock company, a securities dealer instructs or recommends another securities dealer to subscribe securities in accordance with the regulations of Taipei Exchange.
 - (3) Trading of bonds under repurchase/resale agreements, or subscription or redemption of the money market funds issued by domestic securities, investment and trust enterprises.

The amount of transactions above shall be calculated as follows:

1. The amount of any individual transaction.
2. The cumulative transaction amount of the same type of the assets acquired from or disposed of with the same trading counter party within one year.
3. The cumulative transaction amount of the real property or right to use assets acquired or disposed of (cumulative amount, respectively) for the same development project within one year.
4. The cumulative transaction amount of the same securities acquired or disposed of (cumulative amount, respectively) within one year.

“Within one year” referred to in the preceding paragraph means one year from the actual date of the transaction. If the Company has obtained an appraisal report from a professional appraiser or opinions from a certified public accountant in accordance with these Procedures, it shall be exempt from such requirement.

Public disclosure by subsidiaries:

- (1) If a subsidiary who is not a Taiwan public company acquires or disposes of assets reaching the threshold for public disclosure as stipulated in these Procedures, the Company shall make disclosure on behalf of the subsidiary.
- (2) For purposes of determining whether or not disclosure is required from a subsidiary, "paid-in capital or aggregate amount of assets" refers to the paid-in capital or the aggregate amount of assets of the Company.

The financial unit shall, on a monthly basis, distinguish between derivative product transactions conducted by the end of last month for trading purposes from those for non-trading purposes, and have the total amount of transactions not

written off, net profit and loss estimated based on market prices, amount of margin paid, total amount of the transaction contract written off or closed, recognized profit and loss, etc. as well as monthly operating conditions entered into the MOPS by the tenth day of each month.

When acquiring or disposing of assets, the Company shall keep all the relevant contracts, meeting minutes, memorandum books, appraisal reports and the opinions from certified public accountants, attorneys, and securities underwriters at the Company's headquarters for at least five years unless otherwise set forth in other laws.

Article 39 Updated Public Disclosure

After a public disclosure is made pursuant to Article 38 hereof, a report on the relevant information shall be made within two days from the day of occurrence of the fact on the MOPS, in case of:

1. Changes to, termination, or rescission of a contract signed in regard to the original transaction.
2. The merger, spin-off, acquisition, or transfer of shares not completed by the scheduled date set forth in the contract.
3. Amendments to or changes in the report previously made to the information reporting website.

Article 40 Miscellaneous

1. When the Company at the time of public announcement is required to correct any omission made in an item required by these Procedures to be publicly announced, all the items shall be publicly announced and reported again within two days from the date when such omission is found.
2. If acquisition or disposal of assets reaches the threshold for public disclosure as stipulated in Article 39, and the transaction counterparty shares substantive relationship with the Company, the contents of public announcement shall be disclosed in the notes to financial statements and reported at a general meeting.
3. 10% of the aggregate amount of assets set forth in these Procedures shall be calculated based on the aggregate amount of assets shown in the latest individual financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
4. If the shares of the Company has no face value or the face value per share is less than NT\$10, the amount of paid-in capital shall be calculated based on 10% of the equity attributable to owners of the parent as set forth in Articles 9, 10, 13 and 38 if the paid-in capital reaches 20% of the transaction amount; or based on equity attributable to owners of the parent equivalent to NT\$20 billion in accordance with the Regulations Governing the Acquisition or Disposal of Assets of Public Companies if the paid-in capital reaches NT\$ 10 billion of the transaction amount.
5. If there is misrepresentation or nondisclosure in opinions from a professional

appraiser or certified public accountant engaged pursuant to Articles 10 and 11 of these Procedures, the Company, professional appraiser or certified public accountant shall be held liable in accordance with the law.

6. A subsidiary of the Company which is a Taiwan public company shall adopt and establish the Procedures for Acquisition or Disposal of Assets in accordance with the Regulations Governing the Acquisition or Disposal of Assets of Public Companies; A subsidiary of the Company which is not a Taiwan public company shall adopt or establish the Procedures for Acquisition or Disposal of Assets with reference to these Procedures.
7. The Company shall exercise control over acquisition or disposal of assets by its subsidiaries in accordance with these Procedures.

Article 41 If there are any matters not covered herein, amendments may be made in due time according to regulations.

Gamania Digital Entertainment Co., Ltd.
Rules of Procedure for Shareholders' Meetings

- I. The Rules of Procedure for Shareholders' Meetings, except as otherwise provided for by laws, regulations, or the articles of association, shall be as specified in these Rules.
- II. For shareholders' meetings, the Company shall have a visitors' book for the attending shareholders to sign in, or the attending shareholders shall issue the sign-in cards instead. The number of shares held by the shareholders attending the meeting shall be calculated in accordance with the records of the visitors' book or attendance cards submitted by the shareholders.
- III. 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.
- IV. A shareholders' meeting shall be convened at the place where the Company is located or at such places convenient for attendance by shareholders and suitable for convention. The meeting shall not begin earlier than 9:00 a.m or later than 3:00 p.m.
- V. If a shareholders' meeting is convened by the Board of Directors, the Chairman of the Board of Directors will be the chairperson of the meeting. In case the Chairman of the Board of Directors is on leave or absent or can not exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case there is no vice chairman, or the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman of the board of directors shall designate one of the managing directors, or where there is no managing directors, one of the directors to act on his behalf. In the absence of such a designation, the managing directors or the directors shall elect from among themselves an acting chairman of the board of directors.

If a shareholders' meeting is convened by any person entitled to convene the meeting other than a member of the Board, such person shall preside at the meeting.

The Company may appoint the designated counsel, CPA or other related persons to attend the meeting.

- VI. A shareholders' meeting shall, unless otherwise provided for in laws and regulations, be convened by the Board of Directors. The Company shall prepare and upload to the Market Observation Post System (MOPS) the electronic versions of the meeting notice, proxy form, the relevant proposals for ratification, matters for resolution, election or dismissal of

directors and other matters on the meeting agenda, and the explanatory materials relating thereto 30 days before a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting. The electronic versions of the shareholders' meeting handbook and supplementary materials for the meeting shall be uploaded to the Market Observation Post System (MOPS) 21 days before a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting. Fifteen days prior to the shareholders' meeting, the Meeting Handbook and supplementary materials for the meeting shall be properly prepared and be available for retrieval by shareholders at any time and they shall be displayed at the Company and the professional shareholder service agent authorized by the Company and be distributed on the floor of the shareholders' meeting.

The cause(s) or subject(s) of a meeting to be convened shall be indicated in the individual notice and announcement; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior consent from the recipient(s) thereof.

The following matters shall be set out in the notice of the reasons for convening a shareholders' meeting, and shall not be proposed as ad hoc motions; the main contents of the following matters shall be placed on the website designated by the securities competent authority or the Company, with the website address stated in the notice: Election or dismissal of directors; amendments to the Articles of Association; reduction of capital, applying for the cessation of its status as a public company; discharge of directors from non-compete clauses; capital increase out of earnings or reserves; dissolution, merger or spin-off of the Company; or any matter under Article 185-1 of the Company Act.

Shareholder(s) holding one percent or more of the total number of outstanding shares may propose to the Company a proposal for discussion at a general shareholders' meeting. Where a proposal contains more than one matter, such proposal shall not be included in the agenda. The Board of Directors shall include the proposals put forward by shareholders for urging the Company to promote the public interest or to fulfill its social responsibilities in the agenda. In addition, if any subparagraph of Article 172-1, paragraph 4 of the Company Act applies to a proposal put forward by a shareholder, the BOD may exclude it from the agenda. Prior to the date on which share transfer is suspended before the convention of a general shareholders' meeting, the Company shall give a public notice announcing the place and the period for shareholders to submit proposals to be discussed at the general shareholders' meeting in writing or in electronic form; and the period for accepting such proposals shall

not be less than ten (10) days. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words; any one exceeding the limit will not be included in the agenda. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the general shareholders' meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal.

VII. The Company shall have the entire sign-in process, the process of a general shareholders' meeting, and the voting and count of votes tape-recorded or videotaped from the time of accepting the registration for attendance by shareholders.

These tapes shall be preserved for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with Article 189 of the Company Act, the minutes of the shareholders' meeting involved shall be kept by the company until the legal proceedings of the foregoing lawsuit have been concluded.

VIII. The attendance in shareholders' meetings shall be calculated by the number of shares represented.

When the start time of the meeting is due, the chairperson shall call the meeting to order. When the total number of outstanding shares represented falls short of a majority, however, the chairperson may announce that the meeting will be postponed. Such postponement is limited twice only and the time involved in the postponements combined may not exceed one hour. If after two postponements, the number of shares represented by the attending shareholders has not constituted more than one-third of outstanding shares, a tentative resolution may be passed in accordance with paragraph 1 of Article 175 of the Company Act. Before the meeting is completed, if the number of shares represented by attending shareholders already reaches a majority of the total outstanding shares, the chairperson may bring forth a tentative resolution made to be voted on again as required by Article 174 of the Company Act.

IX. The agenda of a shareholders' meeting shall be set by the Board of Directors, and relevant motions (including ad hoc motions and amendments to the original motions) should be voted on a case-by-case basis if the meeting is convened by the Board of Directors. Unless otherwise resolved at the meeting, the meeting shall proceed in accordance with the agenda. The above provision applies mutatis mutandis to the cases where the meeting is convened by any person, other than a member of the Board of Directors, who is entitled to convene such meeting.

Unless otherwise resolved at the shareholders' meeting, the chairman may not announce adjournment of the meeting before all the discussions (including ad hoc motions) listed in the agenda are resolved. The shareholders cannot designate any other person as chairman and continue a shareholders' meeting in the same or other place after the meeting is adjourned; However, in the event that the chairman adjourns a shareholders' meeting in violation of these Procedural Procedures, one person shall be elected as chairman to continue the meeting by a majority of votes represented by the shareholders attending the meeting.

- X. Before an attending shareholder speaks, it is required to first complete the speech note specifying highlights of his/her speech, the shareholder's account number (or the Attendance ID number) and name. The chairperson will decide the sequential order by which he/she may speak.

When an attending shareholder only presents the speech note without speaking, it is considered that the shareholder has not spoken. When the information provided in the speech differs from that in the speech note, the actual speech delivered shall prevail.

While an attending shareholder speaks, unless having obtained permissions from the chairperson and the speaking shareholder, other shareholders may not speak and interfere with the speech. The chairperson shall stop any violator.

Unless otherwise permitted by the chairman, each shareholder shall not speak more than twice concerning the same item, and each speech shall not last more than 5 minutes. In case the speech of any shareholder violates the preceding paragraph or exceeds the scope of the agenda, the chairman may stop the speech of such shareholder.

When an institutional shareholder sends more than two people to attend a shareholders' meeting, for the same proposal, only one of them may speak.

After an attending shareholder has spoken, the chairperson may reply in person or designate someone to reply.

- XI. The chairman may announce to end the discussion of any resolution and put it to the vote if he/she deems it appropriate, and reserve adequate voting time.
- XII. Scrutineers and vote counters for proposals put to the vote are to be assigned by the chairperson. The scrutineers, however, shall be shareholders.
- The results of voting shall be reported on the spot and placed on record.

- XIII. When a meeting is in progress, the chairperson may announce a break if appropriate. If a

force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

Except as otherwise specified in the Company Act or in the Articles of Association of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the shareholders' meeting.

When voting, it is considered that a proposal is approved if no dissenting opinions are raised upon inquiries from the chairperson. The power shall be identical to that having been voted on. Besides the proposals included in the agenda, other proposals introduced on one proposal or an amendment or alternative to an existing proposal introduced by shareholders shall be supported by other shareholders. The shares held by the proposer along with the endorser(s) combined shall account for 1% of all voting rights of outstanding shares.

- XV. When there is an amendment or an alternative to one proposal, the chairperson shall decide the sequential order it is voted on along with the original proposal. If one of them has been approved, the other proposals are considered to have been vetoed; no additional voting is required.

- XVI. Election of directors and appointment date set out in the notice of the reasons for convening a shareholders' meeting shall be subject to the applicable election rules adopted by the Company, and the voting results shall be announced on-site immediately. The appointment date shall not be changed by ad hoc motions or otherwise at the said shareholders' meeting.

- XVII. The matters resolved at a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairperson of the meeting and a copy shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The distribution of the meeting minutes in the foregoing paragraph may be announced as indicated in the MOPS. The meeting minutes shall accurately record the year, month, date, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results ((including statistical weight), and shall be retained for the duration of the existence of the Company; if directors are selected, the number of votes for each candidate should be disclosed. The meeting minutes

shall be retained for the duration of the existence of the Company.

XVIII. On the day of a shareholder's meeting, the Company shall explicitly disclose the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies at the place of the meeting.

XIX. The persons transacting affairs of the meeting shall wear identification cards or badges.

The chairman may direct inspectors (or security guards) to assist in keeping order at the meeting venue. Such inspectors or security guards shall wear badges marked with "Inspectors" for identification purpose to assist in keeping order at the meeting venue. Shareholders who violate the Rules of Procedure and do not obey correction by the chairperson and do not stop interfering with the meeting may be asked to leave the venue by the inspector or security guard as instructed by the chairperson.

XX. These Rules and any amendments hereto, shall be implemented as soon as adopted at the general meeting.

XXI. These Rules of Procedure were prepared on June 14, 2006.

The first amendment hereto was made on June 22, 2012

The second amendment hereto was made on June 17, 2020

Gamania Digital Entertainment Co., Ltd.
Shareholding by Directors

April 18, 2022

Position	Name	Number of shares held	% of shareholding
Chairman	Liu, Po-Yuan	17,491,305	9.97
Director	Representative of Wanin International: Hsiao, Cheng-Hao	15,101,000	8.60
Director	Lin, Hsien-Ming	0	-
Director	Representative of CLOUD COPIOUS INVESTMETN LIMITED: Chen, Shih-Ying	1,005	-
Independent Director	Sheng, Bao-Si	0	-
Independent Director	Lin, Ruei-Yi	0	-
Independent Director	Chen, Kuan-Pai	0	-
Number and percentage of shares held by all the directors (excluding Independent Directors)		32,593,310	18.57

Explanation:

1. The paid-in capital of the Company is NTD 1,754,935,730, and 175,493,573 shares have been issued.
2. As is required by Article 26 of the Securities and Exchange Act, the minimum number of shares that shall be held by all directors is 10,529,615.

Other Information: No proposals for the current general shareholders' meeting of 2022 have been received from any shareholder.