

**GAMANIA DIGITAL ENTERTAINMENT CO.,  
LTD. AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL  
STATEMENTS AND INDEPENDENT  
AUDITORS' REVIEW REPORT  
MARCH 31, 2023 AND 2022**

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For the convenience of readers and for information purpose only, the auditors' review report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' review report and financial statements shall prevail.

## INDEPENDENT AUDITORS' REVIEW REPORT

PWCR 23000027

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

### ***Introduction***

We have reviewed the accompanying consolidated balance sheets of Gamania Digital Entertainment Co., Ltd. and subsidiaries (the "Group") as at March 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

### ***Scope of Review***

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Basis for qualified conclusion on the consolidated financial statements as of and for the three months ended March 31, 2022***

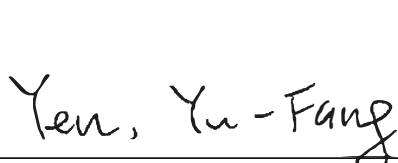
As explained in Notes 4(3)B. and 6(8), the financial statements of certain insignificant consolidated subsidiaries and the investments accounted for under equity method were not reviewed by independent auditors. Total assets of these subsidiaries amounted to NT\$869,220 thousand, constituting 8% of the consolidated total assets as at March 31, 2022, total liabilities amounted to NT\$143,889 thousand, constituting 4% of the consolidated total liabilities as at March 31, 2022, and the total comprehensive loss amounted to (NT\$100,232) thousand, constituting (19%) of the consolidated total comprehensive

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income for the three-month periods then ended.

***Unqualified conclusion and qualified conclusion***

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and investments accounted for under equity method been reviewed by independent auditors as described in the Basis for qualified conclusion on the consolidated financial statements as of and for the three months ended March 31, 2022 section above, based on our reviews, nothing has come to our attention that causes us to believe that the consolidated financial statements as of and for the three months ended March 31, 2023 and 2022 do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2023 and 2022, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.



Yen, Yu-Fang



Lin, Yung-Chih

For and on behalf of PricewaterhouseCoopers, Taiwan

May 10, 2023

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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**  
**MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

Assets	Notes	March 31, 2023		December 31, 2022		March 31, 2022		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Current assets</b>								
1100	Cash and cash equivalents	\$ 3,954,097	37	\$ 3,737,319	36	\$ 4,333,125	42	
1136	Financial assets at amortised cost - current	6(7) and 8						
		157,194	1	148,694	2	218,668	2	
1150	Notes receivable, net	6(2)		11	-	1,242	-	
1170	Accounts receivable, net	6(2)		785,366	8	862,633	9	
1180	Accounts receivable - related parties, net	7		20,651	-	12,656	-	
1200	Other receivables	6(3)		532,957	5	347,723	4	
1210	Other receivables - related parties	7		2,447	-	2,758	-	
1220	Current income tax assets			24,341	-	22,079	-	
130X	Inventories	6(4)		128,927	1	113,478	1	
1410	Prepayments	6(5)		321,577	3	338,602	3	
1470	Other current assets	8		197,078	2	137,121	1	
11XX	<b>Total current assets</b>			<u>5,899,492</u>	<u>57</u>	<u>6,390,085</u>	<u>62</u>	
<b>Non-current assets</b>								
1510	Financial assets at fair value through profit or loss - non-current			15,000	-	-	-	
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)		117,581	1	170,108	2	
1550	Investments accounted for under equity method	6(8)		135,404	1	138,910	1	
1600	Property, plant and equipment	6(9) and 8		2,812,438	27	2,810,808	27	
1755	Right-of-use assets	6(10)		73,933	1	89,141	1	
1780	Intangible assets	6(11)		1,178,390	11	542,545	5	
1840	Deferred income tax assets	6(28)		96,886	1	121,330	1	
1900	Other non-current assets	6(12)		57,741	1	67,709	1	
15XX	<b>Total non-current assets</b>			<u>4,487,373</u>	<u>43</u>	<u>3,940,551</u>	<u>38</u>	
1XXX	<b>Total assets</b>			<u>\$ 10,737,945</u>	<u>100</u>	<u>\$ 10,330,636</u>	<u>100</u>	

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**GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

Liabilities and Equity	Notes	March 31, 2023		December 31, 2022		March 31, 2022		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>								
2100	Short-term borrowings	6(14)	\$ 91,491	1	\$ 91,760	1	\$ 151,920	2
2130	Current contract liabilities	6(22)	294,207	3	379,934	4	308,453	3
2170	Accounts payable		659,287	6	615,362	6	606,745	6
2180	Accounts payable - related parties	7	1,316	-	1,572	-	1,484	-
2200	Other payables	6(15)	2,161,656	20	2,217,043	21	2,011,780	19
2220	Other payables - related parties	7	330,458	3	351,676	3	180,885	2
2230	Current income tax liabilities		262,526	3	158,773	2	384,871	4
2280	Current lease liabilities		27,779	-	26,385	-	28,116	-
2320	Long-term liabilities, current portion	6(16)	-	-	-	-	40,000	-
2399	Other current liabilities		125,683	1	95,663	1	74,778	1
21XX	<b>Total current liabilities</b>		<u>3,954,403</u>	<u>37</u>	<u>3,938,168</u>	<u>38</u>	<u>3,789,032</u>	<u>37</u>
<b>Non-current liabilities</b>								
2570	Deferred income tax liabilities	6(28)	83,299	1	89,912	1	71,879	1
2580	Lease liabilities - non-current		59,598	-	47,718	-	61,061	-
2600	Other non-current liabilities		20,141	-	22,105	-	33,044	-
25XX	<b>Total non-current liabilities</b>		<u>163,038</u>	<u>1</u>	<u>159,735</u>	<u>1</u>	<u>165,984</u>	<u>1</u>
2XXX	<b>Total liabilities</b>		<u>4,117,441</u>	<u>38</u>	<u>4,097,903</u>	<u>39</u>	<u>3,955,016</u>	<u>38</u>
<b>Equity attributable to owners of parent</b>								
Share capital								
3110	Common stock	6(18)	1,754,936	16	1,754,936	17	1,754,936	17
Capital surplus								
3200	Capital surplus	6(19)	1,349,578	12	1,354,763	13	1,340,321	14
Retained earnings								
3310	Legal reserve	6(20)	488,103	5	488,103	5	378,451	4
3320	Special reserve		505,352	5	505,352	5	551,904	5
3350	Unappropriated retained earnings		2,524,412	24	2,188,227	21	2,413,828	23
Other equity interest								
3400	Other equity interest	6(21)	(445,724)	(4)	(439,349)	(4)	(511,612)	(5)
31XX	<b>Equity attributable to owners of the parent</b>		<u>6,176,657</u>	<u>58</u>	<u>5,852,032</u>	<u>57</u>	<u>5,927,828</u>	<u>58</u>
36XX	<b>Non-controlling interest</b>	4(3)	<u>443,847</u>	<u>4</u>	<u>436,930</u>	<u>4</u>	<u>447,792</u>	<u>4</u>
3XXX	<b>Total equity</b>		<u>6,620,504</u>	<u>62</u>	<u>6,288,962</u>	<u>61</u>	<u>6,375,620</u>	<u>62</u>
Significant contingent liabilities and unrecorded contract commitments								
Significant events after the balance sheet date								
3X2X	<b>Total liabilities and equity</b>		<u>\$ 10,737,945</u>	<u>100</u>	<u>\$ 10,386,865</u>	<u>100</u>	<u>\$ 10,330,636</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  
THREE MONTHS ENDED MARCH 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)  
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended March 31,				
		2023		2022		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(22) and 7	\$ 3,034,224	100	\$ 3,408,550	100
5000	Operating costs	6(4)(27) and 7	( 1,767,260)	( 58)	( 1,815,398)	( 53)
5950	Gross profit		<u>1,266,964</u>	<u>42</u>	<u>1,593,152</u>	<u>47</u>
	Operating expenses	6(27) and 7				
6100	Selling expenses		( 295,143)	( 10)	( 303,451)	( 9)
6200	General and administrative expenses		( 359,895)	( 12)	( 389,502)	( 12)
6300	Research and development expenses		( 160,031)	( 5)	( 114,064)	( 3)
6450	Expected credit impairment loss	12(2)	( 1,326)	-	( 192)	-
6000	Total operating expenses		( 816,395)	( 27)	( 807,209)	( 24)
6900	Operating income		<u>450,569</u>	<u>15</u>	<u>785,943</u>	<u>23</u>
	Non-operating income and expenses					
7100	Interest income	6(23)	7,890	-	807	-
7010	Other income	6(24)	4,863	-	3,294	-
7020	Other gains and losses	6(25)	266	-	( 64,574)	( 2)
7050	Finance costs	6(26)	( 1,061)	-	( 1,232)	-
7060	Share of loss of associates and joint ventures accounted for under equity method	6(8)	( 6,693)	-	( 12,813)	-
7000	Total non-operating income and expenses		<u>5,265</u>	<u>-</u>	<u>( 74,518)</u>	<u>( 2)</u>
7900	<b>Profit before income tax</b>		<u>455,834</u>	<u>15</u>	<u>711,425</u>	<u>21</u>
7950	Income tax expense	6(28)	( 120,143)	( 4)	( 185,843)	( 6)
8200	<b>Profit for the period</b>		<u>\$ 335,691</u>	<u>11</u>	<u>\$ 525,582</u>	<u>15</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
THREE MONTHS ENDED MARCH 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)  
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended March 31,				
		2023		2022		
		AMOUNT	%	AMOUNT	%	
<b>Other comprehensive income, net</b>						
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>						
8316	Unrealised loss (gain) on investments in equity instruments at fair value through other comprehensive income	6(6)	(\$ 739)	-	(\$ 29,991)	( 1)
8320	Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss	6(21)	( 49)	-	280	-
8310	Other comprehensive loss that will not be reclassified to profit or loss		( 788)	-	( 29,711)	( 1)
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>						
8361	Financial statements translation differences of foreign operations		( 5,142)	-	30,091	1
8399	Income tax relating to the components of other comprehensive loss	6(28)	868	-	( 2,395)	-
8360	Other comprehensive income that will be reclassified to profit or loss		( 4,274)	-	27,696	1
8300	<b>Total other comprehensive loss for the period</b>		<b>(\$ 5,062)</b>	<b>-</b>	<b>(\$ 2,015)</b>	<b>-</b>
8500	<b>Total comprehensive income for the period</b>		<b>\$ 330,629</b>	<b>11</b>	<b>\$ 523,567</b>	<b>15</b>
Profit (loss) attributable to:						
8610	Owners of the parent		\$ 336,185	11	\$ 521,425	15
8620	Non-controlling interest		( 494)	-	4,157	-
			<u>\$ 335,691</u>	<u>11</u>	<u>\$ 525,582</u>	<u>15</u>
Comprehensive income (loss) attributable to:						
8710	Owners of the parent		\$ 329,810	11	\$ 515,165	15
8720	Non-controlling interest		819	-	8,402	-
			<u>\$ 330,629</u>	<u>11</u>	<u>\$ 523,567</u>	<u>15</u>
Earnings per share (in dollars)						
9750	Basic earnings per share	6(29)	\$ 1.92		\$ 2.97	
9850	Diluted earnings per share		\$ 1.89		\$ 2.92	

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  
THREE MONTHS ENDED MARCH 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)  
(REVIEWED, NOT AUDITED)

	Notes	Equity attributable to owners of the parent										Non-controlling interest	Total equity
		Capital Reserves				Retained Earnings			Other Equity Interest				
		Ordinary share	Additional paid-in capital	Treasury stock transactions	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised losses from financial assets measured at fair value through other comprehensive income	Total		
<u>2022</u>													
Balance at January 1, 2022		\$ 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
Profit for the period		-	-	-	-	-	-	521,425	-	-	521,425	4,157	525,582
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	23,451	( 29,711 )	( 6,260 )	4,245	( 2,015 )
Total comprehensive income (loss)		-	-	-	-	-	-	521,425	23,451	( 29,711 )	515,165	8,402	523,567
Change in ownership interest in subsidiaries	6(30)	-	-	-	5,158	-	-	( 934 )	-	-	4,224	( 4,224 )	-
Balance at March 31, 2022		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 80,645	\$ 378,451	\$ 551,904	\$ 2,413,828	(\$ 108,358 )	(\$ 403,254 )	\$ 5,927,828	\$ 447,792	\$ 6,375,620
<u>2023</u>													
Balance at January 1, 2023		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 95,087	\$ 488,103	\$ 505,352	\$ 2,188,227	(\$ 36,603 )	(\$ 402,746 )	\$ 5,852,032	\$ 436,930	\$ 6,288,962
Profit for the period		-	-	-	-	-	-	336,185	-	-	336,185	( 494 )	335,691
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	( 5,587 )	( 788 )	( 6,375 )	1,313	( 5,062 )
Total comprehensive income (loss)		-	-	-	-	-	-	336,185	( 5,587 )	( 788 )	329,810	819	330,629
Change in ownership interest in subsidiaries	6(30)	-	-	-	( 5,185 )	-	-	-	-	-	( 5,185 )	6,098	913
Balance at March 31, 2023		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 89,902	\$ 488,103	\$ 505,352	\$ 2,524,412	(\$ 42,190 )	(\$ 403,534 )	\$ 6,176,657	\$ 443,847	\$ 6,620,504

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



GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)  
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31,	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 455,834	\$ 711,425
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(9)(10)(27)	41,018	39,976
Amortisation	6(11)(27)	139,595	39,174
Expected credit impairment loss	12(2)	1,326	192
Interest expense	6(26)	1,061	1,232
Interest income	6(23)	( 7,890 )	( 807 )
Share of loss of subsidiaries and associates accounted for under equity method	6(8)	6,693	12,813
Loss on disposal of property, plant and equipment	6(25)	-	( 1 )
Loss on disposal of investments	6(25)	-	379
Impairment loss on non-financial assets	6(14)(26)	-	74,542
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 99 )	( 490 )
Accounts receivable		( 75,883 )	13,091
Accounts receivable - related parties		( 1,322 )	( 1,315 )
Other receivables		46,051	( 87,027 )
Other receivables - related parties		124	( 863 )
Inventories		( 3,222 )	9,104
Prepayments		( 73,535 )	13,425
Other current assets		26,428	2,596
Changes in operating liabilities			
Contract liabilities		( 85,727 )	( 76,563 )
Accounts payable		43,925	42,618
Accounts payable - related parties		( 256 )	( 5,703 )
Other payables		( 153,118 )	238,958
Other payables - related parties		( 21,218 )	( 22,301 )
Other current liabilities		30,020	( 19,938 )
Other non-current liabilities		( 2,086 )	1,403
Cash inflow generated from operations		367,719	985,920
Interest received		7,890	807
Interest paid		( 1,061 )	( 1,232 )
Income tax paid		( 22,012 )	( 3,516 )
Net cash provided by operating activities		<u>352,536</u>	<u>981,979</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)  
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31,	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets as amortised cost		(\$ 8,500 )	(\$ 17,340 )
(Increase) decrease in other financial assets		( 6,417 )	25,883
Acquisition of investments accounted for under equity method	6(8)	( 6,400 )	( 30,000 )
Acquisition of property, plant and equipment	6(31)	( 51,825 )	( 39,089 )
Proceeds from disposal of property, plant and equipment		-	67
Increase in refundable deposits		( 3,557 )	( 11,830 )
Acquisition of intangible assets	6(31)	( 57,304 )	( 27,113 )
Decrease in other non-current assets		10,589	1,228
Net cash used in investing activities		( 123,414 )	( 98,194 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		508	48,849
Repayment of long-term debt		-	( 40,000 )
Increase in guarantee deposits received	6(32)	122	2,875
Payment of lease liabilities	6(30)	( 8,129 )	( 8,224 )
Increase in subsidiaries capital from non-controlling interest		913	-
Net cash (used in) provided by financing activities		( 6,586 )	3,500
Effect of exchange rate changes on cash and cash equivalents		( 5,758 )	26,944
Net increase in cash and cash equivalents		216,778	914,229
Cash and cash equivalents at beginning of the period		3,737,319	3,418,896
Cash and cash equivalents at end of the period		\$ 3,954,097	\$ 4,333,125

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2023 AND 2022

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

(REVIEWED, NOT AUDITED)

1. HISTORY AND ORGANISATION

Gamania Digital Entertainment Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in software services of on-line game and sales of related merchandises.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on May 10, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as

endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2022, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Accounting Standard 34, ‘Interim financial reporting’ that came into effect as endorsed by the FSC.
- B. These consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2022.

##### (2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
  - (a) Financial assets at fair value through profit or loss.
  - (b) Financial assets at fair value through other comprehensive income.
  - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
Gamania Digital Entertainment Co., Ltd.	Gamania Holdings Ltd. (GH)	Holding company	100	100	100	
Gamania Digital Entertainment Co., Ltd.	Gamania Digital Entertainment (HK) Co., Ltd.	Software services	100	100	-	Note 11
Gamania Holdings Ltd. (GH)	Gamania International Holdings Ltd. (GIH)	Investment and holding company	100	100	100	
Gamania International Holdings Ltd. (GIH)	Gamania China Holdings Ltd.	Investment and holding company	98.85	98.85	98.85	
Gamania International Holdings Ltd. (GIH)	Joymobee Entertainment Co., Ltd.	Software services	100	100	100	Note 13
Gamania International Holdings Ltd. (GIH)	Achieve Made International Ltd. (AMI)	Investment and holding company	43.28	45.40	45.40	Notes 1 and 7
Gamania International Holdings Ltd. (GIH)	HaPod Digital Technology Co., Ltd.	Software services and sales	100	100	100	Note 13
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Investment and holding company	100	100	100	Note 13
Gamania China Holdings Ltd.	Gamania Digital Entertainment (H.K.) Co., Ltd.	Software services and sales	-	-	100	Note 11
Gamania Sino Holdings Ltd.	Gamania Digital Entertainment (Beijing) Co., Ltd.	Research and development and sales of software	100	100	100	
Achieve Made International Ltd. (AMI)	Jollywiz Digital Technology Co., Ltd.	Supply of electronic information services	100	100	100	
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	Investment and holding company	100	100	100	
Jollywiz Digital Technology Co., Ltd.	Jollywiz International (HK) Co., Ltd.	Supply of electronic information services	100	100	100	
Jollywiz Digital Technology Co., Ltd.	Bjolly Co., Ltd. (Bjolly)	Supply of electronic information services	95.83	95.83	95.83	Note 2
Jollywiz Digital Technology Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	0.94	0.94	1.10	Notes 3, 4 and 13
Cyber Look Properties Ltd.	Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	100	100	100	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
Legion Technology (Shanghai) Co., Ltd.	Jollywiz Digital Business Co., Ltd.	Supply of electronic information services	100	100	100	
Gamania Digital Entertainment Co., Ltd.	Gamania Asia Investment Co., Ltd. (Gamania Asia)	Investment company	100	100	100	Note 13
Gamania Digital Entertainment Co., Ltd.	Ciirco Inc. (Ciirco)	Software services	99.90	99.90	99.90	Note 13
Gamania Digital Entertainment Co., Ltd.	Foundation Digital Entertainment Co., Ltd. (Foundation)	Publishing of magazines and periodicals	100	100	100	Note 13
Gamania Digital Entertainment Co., Ltd.	JollyBuy Digital Tech. Co., Ltd. (JollyBuy)	Supply of electronic information services	97.9	98.89	97.67	Notes 9, 10 and 13
Gamania Digital Entertainment Co., Ltd.	Two Tigers Co., Ltd. (Two Tigers)	Animation production	51	51	51	Note 13
Gamania Digital Entertainment Co., Ltd.	Gash Point Co., Ltd. (Gash Point)	Information software and supply of electronic information services	90	90	90	
Gamania Digital Entertainment Co., Ltd.	Ants' Power Co., Ltd. (Ants' Power)	Customer service	100	100	100	Note 13
Gamania Digital Entertainment Co., Ltd.	Indiland Co., Ltd. (Indiland)	IP commodities authorisation	100	100	100	Note 13
Gamania Digital Entertainment Co., Ltd.	We Backers Co., Ltd. (We Backers)	Crowd funding	93.38	93.38	93.38	Note 13
Gamania Digital Entertainment Co., Ltd.	BeanGo! Co., Ltd. (BeanGo!)	Software services	100	100	100	Note 13
Gamania Digital Entertainment Co., Ltd.	MadSugr Digital Technology Co., Ltd. (MadSugr)	Software services and sales	-	-	-	Note 8
Gamania Digital Entertainment Co., Ltd.	Coture New Media Co., Ltd. (Coture New Media)	Online media production	93.08	93.08	93.08	Note 13
Gamania Digital Entertainment Co., Ltd.	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	81.26	81.26	69.73	Notes 5 and 6
Gamania Digital Entertainment Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	79.44	79.44	78.97	Notes 3, 4 and 13
Gamania Digital Entertainment Co., Ltd.	Digicentre Company Limited (Digicentre)	Software services	67.48	67.48	67.48	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
Gash Point Co., Ltd.	Gash Point (Hong Kong) Company Limited	Information software and supply of electronic information services	100	100	100	
Gash Point Co., Ltd.	Gash Point (Japan) Co., Ltd.	Information software and supply of electronic information services	100	100	100	Note 13
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	Information software and supply of electronic information services	100	100	100	Note 13
Gash Point Co., Ltd.	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	6.22	6.22	9.04	Note 6
Gash Point Co., Ltd.	Conetter CoMarketing Co., Ltd. (Conetter)	Software services	79.98	79.98	79.98	
Gash Point (Hong Kong) Company Limited	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	8.38	8.38	12.19	Note 6
Ciirco Inc.	Ciirco (HK) Co., Ltd. (Ciirco HK)	Software services	-	-	100	Notes 12 and 13
Gamania Asia Investment Co., Ltd	The China Post Co., Ltd.	Newspaper and magazine publishing	100	100	100	Note 13
Gamania Asia Investment Co., Ltd.	Bjolly Co., Ltd. (Bjolly)	Supply of electronic information services	4.17	4.17	4.17	Note 2
Digicentre Company Limited	Digicentre (HK) Company Limited	Software services	100	100	100	
Digicentre Company Limited	Hyperg Smart Security Technology Pte. Ltd. (Hyperg)	Software services	51	51	51	

Note 1: The equity held by the Group was less than 50%. However, as the Group held half of the seats in the Board of Directors, the investee was included in the consolidated financial statements.

Note 2: The Company's subsidiaries, Jollywiz Digital Technology Co., Ltd. and Gamania Asia, held a 95.83% and 4.17% equity interest in Bjolly, respectively, and had control over the investee, thus, the investee was included in the consolidated financial statements.

Note 3: The Company's subsidiary, Bjolly, sold its 1.10% equity interest held in NOWnews to the Company's subsidiary, Jollywiz Digital Technology Co., Ltd., on December 31, 2021. Consequently, the Company and its subsidiary, Jollywiz Digital Technology Co., Ltd.,



held 78.97% and 1.10% equity interest in Nownews, respectively and had control over the investee, thus, the investee was included in the consolidated financial statements.

Note 4: On May 9, 2022 and December 23, 2022, the Company participated in the capital increase. The Company acquired 0.47% equity interest in NOWnews. Accordingly, the equity interest in Jollywiz Digital Technology Co., Ltd. decreased to 0.94%.

Note 5: On June 30, 2022, the Company acquired 3.01% equity interest in GAMA PAY from GAMA PAY's original shareholders.

Note 6: On December 28, 2022, the Company participated in the capital increase. The Company acquired 8.52% equity interest in GAMA PAY. Consequently, the equity interest in GAMA PAY of Gash Point Co., Ltd. and Gash Point (Hong Kong) Company Limited on December 31, 2022 decreased to 6.22% and 8.38%, respectively.

Note 7: The subsidiary, AMI, issued ordinary shares without consideration in 2023. Therefore, the share ownership of the Group decreased by 2.12%.

Note 8: Madsugr was dissolved in December 2021. However, the liquidation of Madsugar has not yet been completed as of March 31, 2023.

Note 9: The subsidiary, JollyBuy, increased capital by issuing new shares for cash in November 2022. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.12%. The subsidiary, JollyBuy, redeemed treasury in August 2022. Therefore, the share ownership increased by 1.1%

Note 10: The subsidiary, JollyBuy, increased capital by issuing new shares for cash in January 2023. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.99%.

Note 11: On August 4, 2022, the Company's board of directors has approved to acquire all the shares of Gamania Digital Entertainment (HK) Co., Ltd., consisting of 25,500 thousand shares, from the subsidiary, Gamania China Holdings Ltd.

Note 12: The liquidation of Ciirco HK was completed in November 2022.

Note 13: The financial statements of the entity as of and for the three months ended March 31, 2023 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of March 31, 2023, December 31, 2022 and March 31, 2022, the non-controlling interest amounted to \$443,847, \$436,930 and \$447,792, respectively. The information on non-controlling

interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest						Description
		March 31, 2023		December 31, 2022		March 31, 2022		
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)	
AMI and subsidiaries	Taiwan and China	\$ 153,068	56.72%	\$ 150,240	54.60%	\$ 147,869	54.60%	Note
Digicentre Company Limited and subsidiaries	Taiwan, China and Singapore	131,169	32.52%	129,583	32.52%	133,337	32.52%	

Note: Registered location of AMI is British Virgin Islands.

#### Balance sheets

	AMI and subsidiaries		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	\$ 349,929	\$ 335,744	\$ 335,453
Non-current assets	48,292	67,718	55,412
Current liabilities	( 124,788)	( 123,067)	( 108,117)
Total net assets	\$ 273,433	\$ 280,395	\$ 282,748

	Digicentre Company Limited and subsidiaries		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	\$ 405,464	\$ 372,937	\$ 333,015
Non-current assets	237,158	244,862	275,949
Current liabilities	( 230,959)	( 213,561)	( 189,745)
Non-current liabilities	( 35,081)	( 36,268)	( 53,995)
Total net assets	\$ 376,582	\$ 367,970	\$ 365,224

#### Statements of comprehensive income

	AMI and subsidiaries	
	Three months ended March 31,	
	2023	2022
Revenue	\$ 172,384	\$ 129,920
(Loss) profit before income tax	( 4,339)	695
Income tax benefit	-	-
(Loss) profit for the period	( 4,339)	695
Other comprehensive income (loss), net of tax	671	( 3,434)
Total comprehensive loss for the period	(\$ 3,668)	(\$ 2,739)
Comprehensive income (loss) attributable to non-controlling interest	\$ 290	(\$ 2,537)
Dividends paid to non-controlling interest	\$ -	\$ -

<u>Digicentre Company Limited and subsidiaries</u>		
<u>Three months ended March 31,</u>		
	<u>2023</u>	<u>2022</u>
Revenue	\$ 320,157	\$ 309,764
Profit before income tax	16,525	15,141
Income tax expense	( 4,905)	( 4,651)
Profit for the period	11,620	10,490
Other comprehensive (loss) income, net of tax	( 420)	1,284
Total comprehensive income for the period	<u>\$ 11,200</u>	<u>\$ 11,774</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 4,197</u>	<u>\$ 3,866</u>
Dividends paid to non-controlling interest	<u>\$ -</u>	<u>\$ -</u>

Statements of cash flows

<u>AMI and subsidiaries</u>		
<u>Three months ended March 31,</u>		
	<u>2023</u>	<u>2022</u>
Net cash provided by operating activities	\$ 1,072	\$ 690
Net cash used in investing activities	( 4,084)	( 190)
Net cash used in financing activities	( 1,097)	( 1,123)
Effect of exchange rate changes on cash and cash equivalents	1,874	( 3,862)
Decrease in cash and cash equivalents	( 2,235)	( 4,485)
Cash and cash equivalents, beginning of period	101,662	128,873
Cash and cash equivalents, end of period	<u>\$ 99,427</u>	<u>\$ 124,388</u>

<u>Digicentre Company Limited and subsidiaries</u>		
<u>Three months ended March 31,</u>		
	<u>2023</u>	<u>2022</u>
Net cash provided by (used in) operating activities	\$ 12,266	(\$ 5,207)
Net cash used in investing activities	( 2,539)	( 8,763)
Net cash (used in) provided by financing activities	( 1,248)	14,947
Effect of exchange rate changes on cash and cash equivalents	( 2,109)	477
Increase in cash and cash equivalents	6,370	1,454
Cash and cash equivalents, beginning of period	151,119	121,214
Cash and cash equivalents, end of period	<u>\$ 157,489</u>	<u>\$ 122,668</u>

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

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

There was no significant change in the reporting period. Refer to Note 5 in the consolidated financial statements for the year ended December 31, 2022.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Cash on hand and petty cash	\$ 2,772	\$ 2,337	\$ 2,256
Checking accounts and demand deposits	2,677,448	2,677,247	3,366,232
Cash equivalents - time deposits	<u>1,273,877</u>	<u>1,057,735</u>	<u>964,637</u>
	<u>\$ 3,954,097</u>	<u>\$ 3,737,319</u>	<u>\$ 4,333,125</u>

A. The Group deals with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Details of the Group's cash and cash equivalents pledged to others as collateral that have been classified as financial assets (shown as 'other current assets') are provided in Note 8.

(2) Notes and accounts receivable

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Notes receivable	\$ 110	\$ 11	\$ 1,242
Accounts receivable	\$ 908,639	\$ 832,665	\$ 909,386
Less: Loss allowance	<u>( 47,632)</u>	<u>( 47,299)</u>	<u>( 46,753)</u>
	<u>861,007</u>	<u>785,366</u>	<u>862,633</u>
Overdue receivables (shown as other non-current assets)	114,170	114,261	113,534
Less: Loss allowance	<u>( 114,170)</u>	<u>( 114,261)</u>	<u>( 113,534)</u>
	<u>\$ 861,007</u>	<u>\$ 785,366</u>	<u>\$ 862,633</u>

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Not past due	\$ 840,084	\$ 760,730	\$ 835,085
Up to 30 days	18,304	19,759	16,091
31~60 days	2,643	2,622	8,612
61~90 days	1,632	2,914	734
91~120 days	281	169	130
Over 121 days	45,695	46,471	48,734
	<u>\$ 908,639</u>	<u>\$ 832,665</u>	<u>\$ 909,386</u>

The above ageing analysis was based on past due date.

B. As at March 31, 2023, December 31, 2022 and March 31, 2022, the Group has no notes receivable past due.

C. As at March 31, 2023, December 31, 2022, March 31, 2022 and January 1, 2022, the balances of receivables (including notes and overdue receivables) from contracts with customers amounted to \$1,022,919, \$946,937, \$1,024,162 and \$1,035,832, respectively.

D. The Group does not hold any collateral. Further, the Group has no notes and accounts receivable pledged to others as collateral.

E. As at March 31, 2023, December 31, 2022 and March 31, 2022,, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was \$110, \$11 and \$1,242, and accounts receivable was \$861,007, \$785,366 and \$862,633, respectively.

F. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(3) Other receivables

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Other receivables	\$ 489,159	\$ 535,210	\$ 349,550
Less: Loss allowance	( 3,092)	( 2,253)	( 1,827)
	<u>\$ 486,067</u>	<u>\$ 532,957</u>	<u>\$ 347,723</u>

A. The ageing analysis of other receivables that were past due but not impaired is as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Not past due	\$ 442,420	\$ 481,424	\$ 170,865
Up to 30 days	24,708	17,165	144,678
31 to 60 days	6,839	5,779	8,828
61 to 90 days	5,499	9,165	7,278
91 to 120 days	190	9,853	4,666
Over 121 days	9,503	11,824	13,235
	<u>\$ 489,159</u>	<u>\$ 535,210</u>	<u>\$ 349,550</u>

The above ageing analysis was based on past due date.

B. The Group does not hold any collateral for other receivables. Further, the Group has no other receivables pledged to others as collateral.

C. As at March 31, 2023, December 31, 2022 and March 31, 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's other receivables was \$486,067, \$532,957 and \$347,723, respectively.

D. Information relating to credit risk of other receivables is provided in Note 12(2).

(4) Inventories

	March 31, 2023		
	Cost	Allowance for obsolescence and market value decline	Book value
Merchandise inventory	\$ 154,597	(\$ 22,448)	\$ 132,149
	December 31, 2022		
	Cost	Allowance for obsolescence and market value decline	Book value
Merchandise inventory	\$ 147,349	(\$ 18,422)	\$ 128,927
	March 31, 2022		
	Cost	Allowance for obsolescence and market value decline	Book value
Merchandise inventory	\$ 132,473	(\$ 18,995)	\$ 113,478

Expenses and losses incurred on inventories for the period:

	Three months ended March 31,	
	2023	2022
Cost of goods sold	\$ 131,197	\$ 93,185
Loss on decline in market value	4,026	1,803
	\$ 135,223	\$ 94,988

(5) Prepayments

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Prepayments to suppliers	\$ 222,703	\$ 166,891	\$ 213,182
Prepaid expenses	96,687	81,718	68,588
Excess business tax paid	69,215	68,859	54,062
Others	2,221	4,109	2,770
	<u>\$ 390,826</u>	<u>\$ 321,577</u>	<u>\$ 338,602</u>

(6) Financial assets at fair value through other comprehensive income

<u>Items</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Non-current items:			
Equity instruments			
OTC stocks	\$ 78,376	\$ 78,376	\$ 78,376
Emerging stocks	20,546	20,546	20,546
Unlisted, non-OTC and non-emerging stocks	<u>425,894</u>	<u>425,894</u>	<u>481,541</u>
	524,816	524,816	580,463
Valuation adjustment	( <u>408,230</u> )	( <u>407,235</u> )	( <u>410,355</u> )
	<u>\$ 116,586</u>	<u>\$ 117,581</u>	<u>\$ 170,108</u>

- A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$116,586, \$117,581 and \$170,108 as at March 31, 2023, December 31, 2022 and March 31, 2022, respectively.
- B. In 2022, in line with the Group's business development and resource allocation plan, the Group sold its 5.42% equity interest in Microprogram Information Co., Ltd. at fair value in the amount of \$31,208. The cumulative loss on disposal of Microprogram Information Co., Ltd. was \$24,440.
- C. Amounts recognised in profit or loss and other comprehensive income or loss in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>Three months ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Change of fair value recognised in other comprehensive income	(\$ <u>788</u> )	(\$ <u>29,711</u> )

- D. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(7) Financial assets at amortised cost

Items	March 31, 2023	December 31, 2022	March 31, 2022
Current items:			
Time deposit with maturity of more than three months	\$ 157,194	\$ 148,694	\$ 218,668

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

	Three months ended March 31,	
	2023	2022
Interest income	\$ 68	\$ 145

B. As at March 31, 2023, December 31, 2022 and March 31, 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortised cost held by the Group was \$157,194, \$148,694 and \$218,668, respectively.

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

D. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(8) Investments accounted for under equity method

	2023	2022
At January 1	\$ 135,404	\$ 121,309
Addition of investments accounted for under equity method	6,400	30,000
Share of loss of investments accounted for under equity method	( 6,693)	( 12,813)
Changes in other equity items	-	280
Effects of foreign exchange	-	134
At March 31	\$ 135,111	\$ 138,910

A. List of long-term investments:



Name of associates	March 31, 2023		December 31, 2022		March 31, 2022	
	Ownership percentage	Balance	Ownership percentage	Balance	Ownership percentage	Balance
Jsdway Digital Technology Co., Ltd. (Jsdway)	37.18	\$ 49,802	37.18	\$ 49,485	37.18	\$ 48,988
Hao-Ji film Ltd. (Hao-Ji)	42.86	30,007	42.86	30,021	42.86	29,992
Chuang Meng Shr Ji Co., Ltd. (Chuang Meng Shr J.)	33.03	22,411	33.03	22,984	33.03	25,069
Walkermedia Co., Ltd. (Walkermedia)	30.00	3,330	30.00	5,105	30.00	9,665
Aotter Inc. (Aotter)	21.48	5,195	21.48	6,045	21.48	9,258
Taiwan e-sports Co., Ltd. (Taiwan e-sports)	29.54	2,932	29.54	7,224	29.54	1,598
Store Marais Co., Ltd. (Marais) (Note 1)	7.69	11,421	7.69	11,192	7.69	9,713
Pri-One Marketing Co., Ltd. (Pri-One)	30.00	3,613	30.00	3,348	30.00	2,743
Entron Technology Co., Ltd.	14.16	6,400	-	-	-	-
4-Way Voice Cultural Co., Ltd. (4-Way Voice) (Note 3)	-	-	-	-	38.00	781
Gungho Gamania Co., Limited (Gungho Gamania)	49.00	-	49.00	-	49.00	1,103
Ju Shr Da Jiu (Shanghai) International Trading Co., Ltd. (Ju Shr Da Jiu) (Note 2)	30.00	-	30.00	-	30.00	-
ACCI Group Limited (ACCI) (Note 2) (Note 4)	-	-	-	-	30.00	-
Firedog creative Co., Ltd. (Note 2)	40.00	-	40.00	-	40.00	-
		<u>\$ 135,111</u>		<u>\$ 135,404</u>		<u>\$ 138,910</u>

The investments accounted for under equity method are based on financial statements of investees as of and for the three months ended March 31, 2023 and 2022 which were not reviewed by independent auditors.

Note 1: The Group has significant control as it has obtained majority of the board seats and, accordingly, the investment was accounted for under equity method.

Note 2: All impairment losses derived from equity investments have been recognised based on the Company's assessment.

Note 3: The liquidation of 4-Way Voice Cultural Co., Ltd. was completed in August 2022.

Note 4: The liquidation of ACCI was completed in December 2022.

B. As of March 31, 2023, December 31, 2022 and March 31, 2022, the carrying amount of the Group's individually immaterial associates amounted to \$135,111, \$135,404 and \$138,910, respectively. The Group's share of the operating results are summarised below:

	Three months ended March 31,	
	2023	2022
Loss for the period	(\$ 6,693)	(\$ 12,813)
Other comprehensive income, net of tax	-	-
Total comprehensive loss	<u>(\$ 6,693)</u>	<u>(\$ 12,813)</u>

C. There is no price in open market for associates of the Group, therefore, no fair value is applicable.

D. The Group is the single largest shareholder of Jsdway with a 37.18% equity interest. Given that the remaining 62.82% equity interest in Jsdway is held by other few investors and the number of votes of minority voting rights holders has exceeded the Group's votes as they acted together, this indicates that the Group has no current ability to direct the relevant activities of Jsdway. Accordingly, the Group has no control, but only has significant influence, over the investee.

(9) Property, plant and equipment

	Land	Buildings	Machinery	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction	Total
<u>At January 1, 2023</u>									
Cost	\$ 2,246,082	\$ 558,612	\$ 424,299	\$ 1,245	\$ 102,697	\$ 26,301	\$ 53,130	\$ 2,125	\$ 3,414,491
Accumulated depreciation	-	( 203,635)	( 296,269)	( 1,185)	( 55,681)	( 11,889)	( 27,012)	-	( 595,671)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 354,977</u>	<u>\$ 121,648</u>	<u>\$ 60</u>	<u>\$ 47,016</u>	<u>\$ 14,412</u>	<u>\$ 26,118</u>	<u>\$ 2,125</u>	<u>\$ 2,812,438</u>
<u>2023</u>									
Opening net book amount as at January 1	\$ 2,246,082	\$ 354,977	\$ 121,648	\$ 60	\$ 47,016	\$ 14,412	\$ 26,118	\$ 2,125	\$ 2,812,438
Additions	-	7,074	13,412	-	4,926	-	396	-	25,808
Depreciation charge	-	( 10,025)	( 14,342)	-	( 4,218)	( 1,305)	( 3,094)	-	( 32,984)
Net exchange differences	-	-	( 48)	-	( 2)	( 2)	-	-	( 52)
Closing net book amount as at March 31	<u>\$ 2,246,082</u>	<u>\$ 352,026</u>	<u>\$ 120,670</u>	<u>\$ 60</u>	<u>\$ 47,722</u>	<u>\$ 13,105</u>	<u>\$ 23,420</u>	<u>\$ 2,125</u>	<u>\$ 2,805,210</u>
<u>At March 31, 2023</u>									
Cost	\$ 2,246,082	\$ 565,271	\$ 410,293	\$ 1,249	\$ 103,970	\$ 26,253	\$ 51,468	\$ 2,125	\$ 3,406,711
Accumulated depreciation	-	( 213,245)	( 283,241)	( 1,189)	( 56,248)	( 13,148)	( 28,048)	-	( 595,119)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 352,026</u>	<u>\$ 120,670</u>	<u>\$ 60</u>	<u>\$ 47,722</u>	<u>\$ 13,105</u>	<u>\$ 23,420</u>	<u>\$ 2,125</u>	<u>\$ 2,805,210</u>

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Unfinished construction</u>	<u>Total</u>
<u>At January 1, 2022</u>									
Cost	\$ 2,246,082	\$ 536,582	\$ 429,755	\$ 1,226	\$ 92,428	\$ 36,134	\$ 44,122	\$ 8,091	\$ 3,394,420
Accumulated depreciation	-	( 168,055)	( 318,996)	( 1,166)	( 53,008)	( 30,890)	( 18,656)	-	( 590,771)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 368,527</u>	<u>\$ 104,377</u>	<u>\$ 60</u>	<u>\$ 39,420</u>	<u>\$ 5,244</u>	<u>\$ 25,466</u>	<u>\$ 8,091</u>	<u>\$ 2,797,267</u>
<u>2022</u>									
Opening net book amount as at January 1	\$ 2,246,082	\$ 368,527	\$ 104,377	\$ 60	\$ 39,420	\$ 5,244	\$ 25,466	\$ 8,091	\$ 2,797,267
Additions	-	5,530	26,910	-	5,010	5,452	2,198	240	45,340
Disposals	-	-	-	-	( 66)	-	-	-	( 66)
Transfers	-	-	-	-	-	-	2,385	( 2,385)	-
Depreciation charge	-	( 9,538)	( 14,638)	-	( 3,372)	( 1,512)	( 2,784)	-	( 31,844)
Net exchange differences	-	-	81	-	29	1	-	-	111
Closing net book amount as at March 31	<u>\$ 2,246,082</u>	<u>\$ 364,519</u>	<u>\$ 116,730</u>	<u>\$ 60</u>	<u>\$ 41,021</u>	<u>\$ 9,185</u>	<u>\$ 27,265</u>	<u>\$ 5,946</u>	<u>\$ 2,810,808</u>
<u>At March 31, 2022</u>									
Cost	\$ 2,246,082	\$ 542,086	\$ 437,841	\$ 1,269	\$ 94,943	\$ 19,133	\$ 48,584	\$ 5,946	\$ 3,395,884
Accumulated depreciation	-	( 177,567)	( 314,729)	( 1,209)	( 53,922)	( 9,948)	( 21,319)	-	( 578,694)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 364,519</u>	<u>\$ 116,730</u>	<u>\$ 60</u>	<u>\$ 41,021</u>	<u>\$ 9,185</u>	<u>\$ 27,265</u>	<u>\$ 5,946</u>	<u>\$ 2,810,808</u>

A. The Group's property, plant and equipment are mainly owner-occupied.

B. No borrowing cost was capitalised as part of property, plant and equipment.

C. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(10) Leasing arrangements - lessee

- A. The Group leases various assets including buildings, parking lot, machinery and business vehicles. Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise buildings and multifunction printers. For the three months ended March 31, 2023 and 2022, payments of lease commitments for short-term leases amounted to \$1,978 and \$2,505, respectively.
- C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	Book value		
	March 31, 2023	December 31, 2022	March 31, 2022
Buildings	\$ 70,871	\$ 55,606	\$ 65,885
Land improvements	-	322	1,287
Transportation equipment (Business vehicles)	1,424	1,903	2,152
Machinery	14,864	16,102	19,817
	<u>\$ 87,159</u>	<u>\$ 73,933</u>	<u>\$ 89,141</u>

	Depreciation charge	
	Three months ended March 31,	
	2023	2022
Buildings	\$ 5,994	\$ 6,216
Land improvements	322	322
Transportation equipment (Business vehicles)	479	355
Machinery	1,239	1,239
	<u>\$ 8,034</u>	<u>\$ 8,132</u>

- D. For the three months ended March 31, 2023 and 2022, the additions to right-of-use assets were \$21,519 and \$1,686, respectively.
- E. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended March 31,	
	2023	2022
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	<u>\$ 219</u>	<u>\$ 213</u>
Expense on short-term lease contracts	<u>\$ 1,978</u>	<u>\$ 2,505</u>

- F. For the three months ended March 31, 2023 and 2022, the Group's total cash outflow for leases were \$10,326 and \$10,941, respectively.

(11) Intangible assets

	<u>License fees</u>	<u>Software</u>	<u>Other intangible assets</u>	<u>Trademark right</u>	<u>Customer relationship</u>	<u>Goodwill</u>	<u>Total</u>
<u>At January 1, 2023</u>							
Cost	\$ 1,140,099	\$ 98,023	\$ 179,132	\$ 10,090	\$ 197,132	\$ 386,238	\$ 2,010,714
Accumulated amortisation	( 363,452)	( 45,384)	( 50,005)	-	( 92,559)	-	( 551,400)
Accumulated impairment	( 46,631)	-	( 85,369)	-	-	( 148,924)	( 280,924)
	<u>\$ 730,016</u>	<u>\$ 52,639</u>	<u>\$ 43,758</u>	<u>\$ 10,090</u>	<u>\$ 104,573</u>	<u>\$ 237,314</u>	<u>\$ 1,178,390</u>
<u>2023</u>							
Opening net book amount as at January 1	\$ 730,016	\$ 52,639	\$ 43,758	\$ 10,090	\$ 104,573	\$ 237,314	\$ 1,178,390
Additions	173,358	7,522	172	-	-	-	181,052
Reclassifications (Note)	-	4,286	-	-	-	-	4,286
Amortisation charge	( 117,601)	( 15,290)	( 2,868)	-	( 3,836)	-	( 139,595)
Net exchange differences	110	( 26)	( 106)	-	-	20	( 2)
Closing net book amount as at March 31	<u>\$ 785,883</u>	<u>\$ 49,131</u>	<u>\$ 40,956</u>	<u>\$ 10,090</u>	<u>\$ 100,737</u>	<u>\$ 237,334</u>	<u>\$ 1,224,131</u>
<u>At March 31, 2023</u>							
Cost	\$ 1,205,878	\$ 108,529	\$ 178,309	\$ 10,090	\$ 198,292	\$ 385,838	\$ 2,086,936
Accumulated amortisation	( 373,384)	( 59,398)	( 52,693)	-	( 97,555)	-	( 583,030)
Accumulated impairment	( 46,611)	-	( 84,660)	-	-	( 148,504)	( 279,775)
	<u>\$ 785,883</u>	<u>\$ 49,131</u>	<u>\$ 40,956</u>	<u>\$ 10,090</u>	<u>\$ 100,737</u>	<u>\$ 237,334</u>	<u>\$ 1,224,131</u>

Note: From prepaid expense transferred to intangible assets.

	<u>License fees</u>	<u>Software</u>	<u>Other intangible assets</u>	<u>Trademark right</u>	<u>Customer relationship</u>	<u>Goodwill</u>	<u>Total</u>
<u>At January 1, 2022</u>							
Cost	\$ 1,617,093	\$ 89,531	\$ 165,930	\$ 10,090	\$ 195,700	\$ 381,572	\$ 2,459,916
Accumulated amortisation	( 1,425,861)	( 40,438)	( 38,264)	-	( 72,543)	-	( 1,577,106)
Accumulated impairment	( 75,870)	-	( 29,375)	-	-	( 146,821)	( 252,066)
	<u>\$ 115,362</u>	<u>\$ 49,093</u>	<u>\$ 98,291</u>	<u>\$ 10,090</u>	<u>\$ 123,157</u>	<u>\$ 234,751</u>	<u>\$ 630,744</u>
<u>2022</u>							
Opening net book amount as at January 1	\$ 115,362	\$ 49,093	\$ 98,291	\$ 10,090	\$ 123,157	\$ 234,751	\$ 630,744
Additions	7,065	6,660	9,959	-	-	-	23,684
Amortisation charge	( 18,853)	( 13,075)	( 2,590)	-	( 4,656)	-	( 39,174)
Impairment loss (Note)	( 36,353)	-	( 38,189)	-	-	-	( 74,542)
Net exchange differences	302	143	497	-	93	798	1,833
Closing net book amount as at March 31	<u>\$ 67,523</u>	<u>\$ 42,821</u>	<u>\$ 67,968</u>	<u>\$ 10,090</u>	<u>\$ 118,594</u>	<u>\$ 235,549</u>	<u>\$ 542,545</u>
<u>At March 31, 2022</u>							
Cost	\$ 503,916	\$ 89,588	\$ 178,378	\$ 10,090	\$ 195,181	\$ 383,026	\$ 1,360,179
Accumulated amortisation	( 323,437)	( 46,767)	( 41,159)	-	( 76,587)	-	( 487,950)
Accumulated impairment	( 112,956)	-	( 69,251)	-	-	( 147,477)	( 329,684)
	<u>\$ 67,523</u>	<u>\$ 42,821</u>	<u>\$ 67,968</u>	<u>\$ 10,090</u>	<u>\$ 118,594</u>	<u>\$ 235,549</u>	<u>\$ 542,545</u>

Note: For impairment loss, refer to Note 6(15).

A. The details of amortisation are as follows:

	Three months ended March 31,	
	2023	2022
Operating costs	\$ 119,308	\$ 24,855
Selling expenses	5,354	4,771
General and administrative expenses	9,969	5,290
Research and development expenses	4,964	4,258
	<u>\$ 139,595</u>	<u>\$ 39,174</u>

B. The Group acquired registered trademark from the acquisition of NOWnews. As the trademark is assessed to have indefinite useful life, it shall not be amortised but shall be tested for impairment annually.

C. Goodwill and trademark with an indefinite useful life are allocated to the Group's cash-generating units identified according to operating segment as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Goodwill:			
NOWnews	\$ 197,055	\$ 197,055	\$ 197,055
Digicentre	141,149	141,149	141,149
AMI	18,757	18,917	17,633
GIH	27,210	27,442	25,579
Others	1,667	1,675	1,610
	<u>385,838</u>	<u>386,238</u>	<u>383,026</u>
Less: Accumulated impairment	( 148,504)	( 148,924)	( 147,477)
	<u>\$ 237,334</u>	<u>\$ 237,314</u>	<u>\$ 235,549</u>
Trademark:			
NOWnews	<u>\$ 10,090</u>	<u>\$ 10,090</u>	<u>\$ 10,090</u>

Acquisition prices for business combination are calculated based on the price of acquisition and related direct costs. The amount of goodwill recognised is the difference of the acquisition price less the net fair value of identifiable assets acquired. The allocation period of acquisition price may not exceed one year after the acquisition.

D. The Group's goodwill acquired in a business combination consisting of expected operating revenue growth from acquired companies and benefits from its potential customer relations. In accordance with IAS 36, goodwill acquired from business combination shall be tested for impairment every year and when there is any indication that it might have been impaired. The impairment testing on goodwill as of December 31, 2022 and 2021 are as follows:



- (a) For the impairment testing of goodwill, goodwill acquired in a business combination is allocated to each of the cash-generating units that are expected to benefit from the synergies of the business combination. Each company may be a cash-generating unit which can generate independent cash flows. Thus, the impairment of goodwill is calculated based on the difference between the recoverable amount and carrying amount of net assets of each company.
- (b) The Group used value-in-use calculated by external appraiser to be the recoverable amount of subsidiaries, NOWnews, Digicentre and AMI, at December 31, 2022 and 2021. As the recoverable amount of NOWnews and AMI was lower than the carrying amount at December 31, 2022 and 2021, goodwill was not impaired. As the recoverable amount of NOWnews and AMI was lower than the carrying amount at December 31, 2021, goodwill was impaired. The main assumptions used in calculating value-in-use by external appraiser are set out below:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Growth rate	2.4%~6.4%	2.5%~5.5%
Discount rate	14.0%~14.2%	13.2%~14.1%

- (c) As of December 31, 2022 and 2021, aside from NOWnews, Digicentre and AMI, the recoverable amounts of cash-generating units were calculated based on value-in-use. Because the recoverable amounts exceeded the carrying amount, goodwill was not impaired. The key assumptions used for value-in-use calculations take into consideration operating profit margin, growth rate and discount rate.
- (d) Management determined the budgeted operating profit margin based on past performance and their expectations of market development. The weighted average growth rates are consistent with the projection in industry reports. The discount rates were pre-tax and reflected specific risks relating to the relevant operating segments.

(12) Other non-current assets

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Overdue receivables	\$ 114,170	\$ 114,261	\$ 113,534
Less: Loss allowance for overdue receivables	( 114,170)	( 114,261)	( 113,534)
Refundable deposits	50,488	46,931	49,183
Others	221	10,810	18,526
	<u>\$ 50,709</u>	<u>\$ 57,741</u>	<u>\$ 67,709</u>

(13) Impairment of non-financial assets

The Group recognised impairment loss of \$0 and \$74,542 for the three months ended March 31, 2023 and 2022, respectively. Details of such loss are as follows:

	Recognised in profit or loss	
	Three months ended March 31,	
	2023	2022
Impairment loss - license fees	\$ -	\$ 36,353
Impairment loss - other intangible assets	-	38,189
	<u>\$ -</u>	<u>\$ 74,542</u>

A. The Group implemented impairment testing on the recoverable amount of goodwill at the financial year-end date. Information on the determination of the recoverable amount is provided in Note 6(11).

B. The Group assesses the recoverable amounts of agency rights and other intangible assets annually, based on the expected future economic benefits arising from the use of the points generated from income and expenses and the expected future economic benefits. Due to the recoverable amounts being lower than the carrying amounts, impairment losses are recognized.

(14) Short-term borrowings

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Bank borrowings			
Secured borrowings	\$ 91,491	\$ 91,760	\$ 151,920
Credit lines	\$ 3,511,295	\$ 3,827,321	\$ 3,331,669
Interest rate range	<u>2.49%~5.60%</u>	<u>1.275%~5.80%</u>	<u>0.80%~5.80%</u>

(15) Other payables

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Store-value received on behalf of others	\$ 846,345	\$ 844,245	\$ 858,317
Accrued service cost	422,456	521,529	294,198
Salary and annual bonus payable	95,364	216,391	136,939
Employees' compensation payable	262,638	207,929	293,957
Electronic payment received on behalf of others	37,645	109,778	56,937
Commission payable	103,862	97,332	70,987
Payable on business tax and withholding tax	147,808	89,496	165,438
Payable on equipment and intangible assets (Note)	137,228	39,497	31,171
Directors' remuneration payable	45,940	36,333	50,024
Others	62,370	54,513	53,812
	<u>\$ 2,161,656</u>	<u>\$ 2,217,043</u>	<u>\$ 2,011,780</u>

Note: The payment obligations of certain game license are to pay game developers license fees if the revenue reaches a certain amount within three years after the signing of the contract. The

Group recognised the license fees and payable on intangible assets after assessing that the payment obligation is highly realisable on March 31, 2023.

(16) Long-term borrowings

March 31, 2023 and December 31, 2022: None.

Type of borrowings	Borrowing period and repayment term	Interest rate	Collateral	March 31, 2022
Long-term bank borrowings				
Secured borrowings	Borrowing period is March 20, 2015 ~ March 20, 2025; interest is payable monthly for the first three years; starting from the fourth year, principal and interest are payable quarterly in 28 installments	1.13%~1.70%	Land and Buildings and structures	\$ 40,000
Less: Current portion				( 40,000) \$ -

(17) Pensions

A. Defined benefit plan

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit before March in the following year.
- (b) The pension costs under the defined benefit pension plan of the Company for the three months ended March 31, 2023 and 2022 were \$262 and \$198, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to \$872.

## B. Defined contribution plan

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) Gamania Digital Entertainment (Beijing) Co., Ltd., Legion Technology (Shanghai) Co., Ltd. and Jollywiz Digital Business Co., Ltd. have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on a certain percentage of employees’ monthly salaries and wages. The contribution percentage for the three months ended March 31, 2023 and 2022 were both 20%~22%. Other than the monthly contributions, the Group has no further obligations.
- (c) Gamania Digital Entertainment (H.K.) Co., Ltd., Gash Point (Hong Kong) Company Limited, Gash Point (Japan) Co., Ltd., Gash Point Korea Co., Ltd., Joymobee Entertainment Co., Ltd., Hapod Digital Technology Co., Ltd., Jollywiz International (HK) Co., Ltd., Digicentre (HK) Company Limited and Hyperg Smart Security Technology Pte., Ltd. provide pension reserves annually for their employees in accordance with the local regulations.
- (d) The pension costs under the defined contribution pension plan of the Group For the three months ended March 31, 2023 and 2022 were \$11,070 and \$10,925, respectively.

## (18) Common stock

As of March 31, 2023, the Company’s authorised capital was \$2,500,000, consisting of 250 million shares of ordinary stock (including 12 million shares reserved for employee stock options), and the paid-in capital was \$1,754,936 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

## (19) Capital surplus

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

B. When it is resolved by the shareholders at their shareholders' meeting, legal reserve and whole or part of capital reserve arising from the following items can be used to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit:

- (a) Paid-in capital in excess of par value on issuance of common stocks; and
- (b) Donations.

(20) Unappropriated retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the total capital stock balance, and appropriate or reverse for special reserve as required by the operating needs of the Company or regulations when necessary. The remainder, if any, to be retained or to be appropriated shall be proposed by the Board of Directors and resolved by the stockholders at the stockholders' meeting.
- B. The Company's dividend policy adopts the conservatism principle, with consideration of the Company's profit, financial structure and future development plans. At least 10% of the Company's distributable earnings as of the end of the period shall be appropriated as cash dividends.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.  
  
(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

E. On June 16, 2022, the shareholders during their meeting approved the appropriations of 2021 retained earnings as follows:

	Year ended December 31, 2021	
	Amount	Dividend per share (in dollars)
Legal reserve appropriated	\$ 109,652	\$ -
Reversal of special reserve	( 46,552)	-
Cash dividends distributed to shareholders	877,468	5.0
	<u>\$ 940,568</u>	<u>\$ 5.0</u>

F. On March 9, 2023, the board of directors during its meeting resolved the proposal for the appropriations of 2022 retained earnings as follows:

	Year ended December 31, 2022	
	Amount	Dividend per share (in dollars)
Legal reserve appropriated	\$ 123,546	\$ -
Reversal of special reserve	( 66,003)	-
Cash dividends distributed to shareholders	1,017,863	5.8
	<u>\$ 1,075,406</u>	<u>\$ 5.8</u>

As of May 10, 2023, the appropriations of 2022 earnings have not yet been resolved by the shareholders and have not yet been distributed.

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

H. For the information relating to employees' compensation and directors' and supervisors remuneration, refer to Note 6(27).

(21) Other equity

	2023		
	Translation differences	Unrealised gain or loss on financial assets at fair value through other comprehensive income	Total
At January 1	(\$ 36,603)	(\$ 402,746)	(\$ 439,349)
Revaluation - Group	-	( 739)	( 739)
Revaluation - Associates	-	( 49)	( 49)
Currency translation differences:			
- Group	( 5,587)	-	( 5,587)
At March 31	<u>(\$ 42,190)</u>	<u>(\$ 403,534)</u>	<u>(\$ 445,724)</u>

	2022		
	Translation differences	Unrealised gain or loss on financial assets at fair value through other comprehensive income	Total
At January 1	(\$ 131,809)	(\$ 373,543)	(\$ 505,352)
Revaluation - Group	-	( 29,991)	( 29,991)
Revaluation - Associates	-	280	280
Currency translation differences:			
- Group	23,451	-	23,451
At March 31	(\$ 108,358)	(\$ 403,254)	(\$ 511,612)

(22) Operating revenue

	Three months ended March 31,	
	2023	2022
Revenue from contracts with customers	\$ 3,034,224	\$ 3,408,550

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of games, goods and services over time and at a point in time in the following major types:

Three months ended March 31, 2023	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	\$ 2,312,666	\$ 452,340	\$ 157,494	\$ 111,724	\$ 3,034,224
Timing of revenue recognition					
At a point in time	\$ 2,043,429	\$ 215,848	\$ 157,494	\$ 111,724	\$ 2,528,495
Over time	269,237	236,492	-	-	505,729
	\$ 2,312,666	\$ 452,340	\$ 157,494	\$ 111,724	\$ 3,034,224
Three months ended March 31, 2022	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	\$ 2,903,204	\$ 302,532	\$ 130,856	\$ 71,958	\$ 3,408,550
Timing of revenue recognition					
At a point in time	\$ 2,654,417	\$ 135,201	\$ 130,856	\$ 71,958	\$ 2,992,432
Over time	248,787	167,331	-	-	416,118
	\$ 2,903,204	\$ 302,532	\$ 130,856	\$ 71,958	\$ 3,408,550

B. Contract liabilities

(a) The Group recognised contract liabilities related to the contract revenue from sales amounting to \$294,207, \$379,934, \$308,453 and \$385,016 as of March 31, 2023, December 31, 2022, March 31, 2022, and January 1, 2022, respectively. The Group's contract liabilities are mainly deferred revenue from points stored but unused or unconsumed in the online game or mobile game, and are amortised as revenue over the period of the services or the estimated useful period of the virtual items when they are actually used.

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

	Three months ended March 31,	
	2023	2022
Revenue from games	\$ 379,934	\$ 385,016

(23) Interest income

	Three months ended March 31,	
	2023	2022
Interest income from bank deposits	\$ 7,822	\$ 662
Interest income from financial assets at amortised cost	68	145
	\$ 7,890	\$ 807

(24) Other income

	Three months ended March 31,	
	2023	2022
Rental revenue	\$ 368	\$ 368
Other income	4,495	2,926
	\$ 4,863	\$ 3,294

(25) Other gains and losses

	Three months ended March 31,	
	2023	2022
Gain on disposal of property, plant and equipment	\$ -	\$ 1
Loss on disposal of investments	-	( 379)
Foreign exchange gain	979	10,787
Impairment loss	-	( 74,542)
Other losses	( 713)	( 441)
	\$ 266	(\$ 64,574)



(26) Finance costs

	Three months ended March 31,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 842	\$ 1,019
Lease liability	219	213
	<u>\$ 1,061</u>	<u>\$ 1,232</u>

(27) Employee benefit, depreciation and amortisation expense

	Three months ended March 31,	
	2023	2022
Employee benefit expense		
Wages and salaries	\$ 304,202	\$ 323,649
Directors' remuneration	10,957	17,205
Labor and health insurance fees	15,288	22,184
Pension costs	11,332	11,123
Other personnel expenses	9,868	11,670
	<u>\$ 351,647</u>	<u>\$ 385,831</u>
Depreciation on property, plant and equipment (including right-of-use assets)	<u>\$ 41,018</u>	<u>\$ 39,976</u>
Amortisation expense	<u>\$ 139,595</u>	<u>\$ 39,174</u>

- A. According to the Articles of Incorporation of the Company, the profit before tax before deduction of employees' compensation and directors' remuneration of the Company, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 10%~15% for employees' compensation and shall not be higher than 2% for directors' remuneration. However, where the Company has accumulated losses, the Company shall first use any profit to cover such losses.
- B. (a) For the three months ended March 31, 2023 and 2022, employees' compensation was accrued at \$48,034 and \$79,027, respectively; while directors' remuneration was accrued at \$9,607 and \$17,155, respectively. The aforementioned amounts were recognised in salary expenses.
- (b) For the three months ended March 31, 2023, the employees' compensation and directors' remuneration were estimated and accrued based on the Company's Articles of Incorporation of distributable profit of current year as of the end of reporting period. Employees' compensation and directors' remuneration for 2022 amounted to \$173,572 and \$34,700, respectively, as resolved at the meeting of the Board of Directors. The difference in employees' compensation and directors' remuneration for 2022 amounting to \$14 had been adjusted in the profit or loss for 2023. However, as May 10, 2023, employees' compensation and directors' remuneration for 2021 have not yet been distributed.

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

(28) Income tax

A. Components of income tax expense:

	Three months ended March 31,	
	2023	2022
Current tax:		
Current tax on profit for the period	\$ 129,268	\$ 161,190
Prior year income tax underestimation	-	979
Deferred tax:		
Origination and reversal of temporary differences	( 9,125)	23,674
Income tax expense	<u>\$ 120,143</u>	<u>\$ 185,843</u>

B. The Company's and its domestic subsidiaries' assessed and approved income tax returns are as follows:

	Latest Year Assessed by Tax Authority
The Company, Gash Point, NOWnews, Bjolly, Two Tigers, Ants' Power, Indiland, Gamania Asia, Ciirco, WeBackers, Foundation, GAMA PAY, Madsugr, Jollybuy, Jollywiz	2021
Digicentre, Coture New Media, BeanGo!, Coco, Conetter CoMarketing	2020

(29) Earnings per share

	<u>Three months ended March 31, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 336,185</u>	<u>175,494</u>	<u>\$ 1.92</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 336,185	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	<u>-</u>	<u>2,131</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 336,185</u>	<u>177,625</u>	<u>\$ 1.89</u>
	<u>Three months ended March 31, 2022</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 521,425</u>	<u>175,494</u>	<u>\$ 2.97</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 521,425	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	<u>-</u>	<u>3,213</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 521,425</u>	<u>178,707</u>	<u>\$ 2.92</u>

Note: Effective January 1, 2008, as employees' compensation could be distributed in the form of stock, the diluted EPS computation shall include those estimated shares that would increase from employees' stock compensation issuance in the weighted-average number of common shares outstanding during the reporting period, taking into account the dilutive effects of stock compensation on potential common shares; whereas, basic EPS shall be calculated based on the weighted-average number of common shares outstanding during the reporting period that include the shares of employees' stock compensation for the appropriation of prior year earnings, which have already been resolved at the shareholders' meeting held in the reporting period. Since capitalisation of employees' compensation no longer belongs to distribution of stock dividends (or retained earnings and capital reserve capitalised), the calculation of basic EPS and diluted EPS for all periods presented shall not be adjusted retroactively.

(30) Transactions with non-controlling interest

The Group did not subscribe to the capital increase raised by a subsidiary proportionally to its interest in the subsidiary.

A. The subsidiary, AMI, issued ordinary shares without consideration for the three months ended March 31, 2023. Therefore, the share ownership of the Group decreased by 2.12%. The subsidiary, JollyBuy, issued new shares for the three months ended March 31, 2023. The impact of the transaction attributed to owners of parent is as follows:

	<u>JollyBuy</u>	<u>AMI</u>
	<u>Three months ended March 31,</u>	
	<u>2023</u>	<u>2023</u>
Cash	\$ 913	\$ -
Increase in carrying amount of non-controlling interest	( 643)	( 5,455)
Retained earnings - changes in parent's ownership interest in subsidiary	<u>\$ -</u>	<u>\$ -</u>
Capital surplus - changes in parent's ownership interest in subsidiary	<u>\$ 270</u>	<u>(\$ 5,455)</u>

B. The subsidiary, JollyBuy, increased capital by issuing new shares for cash for the three months ended March 31, 2022. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.44%. The impact of the transaction attributed to owners of parent is as follows:

	<u>Three months ended</u>
	<u>March 31, 2023</u>
Cash	\$ -
Increase in carrying amount of non-controlling interest	( 934)
Retained earnings - changes in parent's ownership interest in subsidiary	<u>(\$ 934)</u>

C. The subsidiary, AMI, redeemed treasury shares without consideration for the three months ended March 31, 2022. Therefore, the share ownership of the Group increased by 1.84%, the carrying amount of non-controlling interest decreased by \$5,158 and capital surplus - changes in parent's ownership interest in subsidiary increased by \$5,158.

(31) Supplemental cash flow information

Investing activities with partial cash payments:

	Three months ended March 31,	
	2023	2022
Acquisition of property, plant and equipment	\$ 25,808	\$ 45,340
Add: Opening balance of other payables	35,478	22,484
Less: Ending balance of other payables	( 9,461)	( 28,735)
Cash paid during the period	<u>\$ 51,825</u>	<u>\$ 39,089</u>

	Three months ended March 31,	
	2023	2022
Acquisition of intangible assets	\$ 181,052	\$ 23,684
Add: Opening balance of other payables	4,019	5,865
Less: Ending balance of other payables	( 127,767)	( 2,436)
Cash paid during the period	<u>\$ 57,304</u>	<u>\$ 27,113</u>

(32) Changes in liabilities from financing activities

In accordance with amendments to IAS 7, 'Disclosure initiative', movements for the three months ended March 31, 2023 and 2022 are as follows:

	Short-term borrowings	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
January 1, 2023	\$ 91,760	\$ -	\$ 74,103	\$ 165,863
Changes in cash flow from financing activities	508	-	( 8,129)	( 7,621)
Impact of changes in foreign exchange rate	( 777)	-	( 116)	( 893)
Changes in other non-cash items				
Increase in right-of-use assets	-	-	21,519	21,519
March 31, 2023	<u>\$ 91,491</u>	<u>\$ -</u>	<u>\$ 87,377</u>	<u>\$ 178,868</u>

	Short-term borrowings	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
January 1, 2022	\$ 100,164	\$ 80,000	\$ 95,667	\$ 275,831
Changes in cash flow from financing activities	48,849	( 40,000)	( 8,224)	625
Impact of changes in foreign exchange rate	2,907	-	48	2,955
Changes in other non-cash items				
Increase in right-of-use assets	-	-	1,686	1,686
March 31, 2022	<u>\$ 151,920</u>	<u>\$ 40,000</u>	<u>\$ 89,177</u>	<u>\$ 281,097</u>

Note: Including long-term loans due within one year or one business cycle.

## 7. RELATED PARTY TRANSACTIONS

### (1) Parent and ultimate controlling party

As the Company's shares are widely held, the Company has no ultimate parent company and ultimate controlling party.

### (2) Names of related parties and relationship with the Company

Names of related parties	Relationship with the Company
Pri-One Marketing Co., Ltd.	Associate
GungHo Gamania Co., Limited	"
Jsdway Digital Technology Co., Ltd. (Jsdway)	"
Aotter Inc.	"
Walker Media Co., Ltd.	"
Store Marais Co., Ltd.	"
Gamania Cheer Up Foundation	Other related party
Wanwin International Co., Ltd.	"
Simsense Technology Sdn. Bhd.	"
Dapili International Marketing Co., Ltd.	"

### (3) Significant transactions and balances with related parties

#### A. Operating revenue

	Three months ended March 31,	
	2023	2022
Sales of goods:		
Associates	\$ 6	\$ 80
Other related parties	4,898	7,960
	<u>\$ 4,904</u>	<u>\$ 8,040</u>

	Three months ended March 31,	
	2023	2022
Sales of services:		
Associates	\$ 2,408	\$ 2,944
Other related parties	37,693	15,968
	<u>\$ 40,101</u>	<u>\$ 18,912</u>

- (a) Sales of goods are on-line games revenue generated from game cards sold by associates and sales revenue of server room equipment in accordance with mutual agreements. The online games revenue has no similar transactions to compare with, and the payment term is the same with non-related parties.
- (b) Sales of services are generated from a certain percentage of value-added services provided to related parties, customer services, production of advertisements, and providing IDC service that are in accordance with mutual agreements.

**B. Operating costs**

	Three months ended March 31,	
	2023	2022
Service costs:		
Associates	\$ 10	\$ -
Other related parties	1,382	1,372
	<u>\$ 1,392</u>	<u>\$ 1,372</u>

Service costs arise from the sales of services. All abovementioned costs are based on mutual agreement.

**C. Operating expense (shown in selling expenses and general and administrative expenses)**

	Three months ended March 31,	
	2023	2022
Associates	\$ 4,410	\$ 2,930
Other related parties	10,477	9,089
	<u>\$ 14,887</u>	<u>\$ 12,019</u>

The above includes expenses paid to associates and other related parties for the Company's advertisements and game development, which were based on mutual agreements.

**D. Donation (shown in general and administrative expenses)**

	Three months ended March 31,	
	2023	2022
Other related party		
Gamania Cheer Up Foundation	\$ 4,000	\$ 4,000

The Group made donations in support of projects for caring and encouraging the youth which had

been resolved by the Board of Directors.

E. Receivables

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Accounts receivable:			
Associates	\$ 19,313	\$ 17,093	\$ 10,194
Other related parties	<u>2,660</u>	<u>3,558</u>	<u>2,462</u>
	<u>\$ 21,973</u>	<u>\$ 20,651</u>	<u>\$ 12,656</u>
Other receivables:			
Associates	\$ 2,385	\$ 2,539	\$ 2,727
Other related parties	<u>62</u>	<u>32</u>	<u>31</u>
	<u>\$ 2,447</u>	<u>\$ 2,571</u>	<u>\$ 2,758</u>

(a) Accounts receivable arise mainly from service revenue, advertising revenue and IDC services. Accounts receivable are not pledged as collateral, not subject to interest and no allowance was provided on such receivables.

(b) Other receivables arise mainly from rent receivable from associates and payments on behalf of others.

F. Payables

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Accounts payable:			
Associates	\$ 1	\$ 1	\$ -
Other related parties	<u>1,315</u>	<u>1,571</u>	<u>1,484</u>
	<u>\$ 1,316</u>	<u>\$ 1,572</u>	<u>\$ 1,484</u>
Other payables:			
Associates	\$ 2,862	\$ 5,441	\$ 2,046
Other related parties	<u>327,596</u>	<u>346,235</u>	<u>178,839</u>
	<u>\$ 330,458</u>	<u>\$ 351,676</u>	<u>\$ 180,885</u>

(a) Accounts payable are payables for costs relating to service revenue and are due 60 days after the purchase. The payables do not bear interest.

(b) Other payables are receipts under custody arising from value-added services provided to related parties, less a certain percentage of service revenue, and payables for mobile games development and advertisements.

(4) Key management compensation

	<u>Three months ended March 31,</u>	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	\$ 47,546	\$ 68,080
Post-employment benefits	<u>108</u>	<u>27</u>
	<u>\$ 47,654</u>	<u>\$ 68,107</u>



## 8. PLEGGED ASSETS

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

<u>Pledged assets</u>	<u>Book value</u>			<u>Pledge purpose</u>
	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>	
Other current assets				
Demand deposits	\$ 176,161	\$ 169,744	\$ 130,826	Trusted electronic payment accounts
Financial assets at amortised cost-current				
Demand deposits	56,936	26,936	71,356	Performance bond of no-line game card's standard contracts, performance bond of stickers, guarantee for short-term borrowing facility
Time deposits	55,266	60,234	82,312	Guarantee for short-term borrowing facility and credit card merchant
Property, plant and equipment				
Land	2,246,082	2,246,082	2,246,082	Short-term and long-term loans / Credit lines
Buildings and structures	245,773	247,184	251,418	Short-term and long-term / Credit lines
	<u>\$ 2,780,218</u>	<u>\$ 2,750,180</u>	<u>\$ 2,781,994</u>	

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

### (1) Contingencies

None.

### (2) Commitments

The Group contracted the use of cable lines, T1 and T3, with rental charges based on utilisation. In addition, the Group contracted with several on-line game vendors and will pay royalty based on actual usage.

## 10. SIGNIFICANT DISASTER LOSS

None.

## 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On May 10, 2023, the Company's board of directors has resolved to increase the capital of its subsidiary, jollybuy, up to a maximum of \$80,000.

## 12. OTHERS

### (1) Capital risk management

The Group's principal objectives when managing capital are to maintain an integrity credit rating and a good capital structure to support operations and maximise stockholders' equity. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders.

### (2) Financial instruments

#### A. Financial instruments by category

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets designated at fair value through profit or loss	\$ 15,000	\$ 15,000	\$ -
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	\$ 116,586	\$ 117,581	\$ 170,108
Financial assets at amortised cost			
Cash and cash equivalents	\$ 3,954,097	\$ 3,737,319	\$ 4,333,125
Financial assets at amortised cost	157,194	148,694	218,668
Notes receivable	110	11	1,242
Accounts receivable (including related parties)	882,980	806,017	875,289
Other receivables (including related parties)	488,514	535,528	350,481
Other financial assets	176,161	169,744	130,826
Guarantee deposits paid	50,488	46,931	49,183
	<u>\$ 5,709,544</u>	<u>\$ 5,444,244</u>	<u>\$ 5,958,814</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 91,491	\$ 91,760	\$ 151,920
Accounts payable (including related parties)	660,603	616,934	608,229
Other payables (including related parties)	2,492,114	2,568,719	2,192,665
Long-term borrowings (including current portion)	-	-	40,000
Guarantee deposits received	15,346	15,224	19,839
	<u>\$ 3,259,554</u>	<u>\$ 3,292,637</u>	<u>\$ 3,012,653</u>
Lease liability	<u>\$ 87,377</u>	<u>\$ 74,103</u>	<u>\$ 89,177</u>

## B. Financial risk management policies

The Group's activities expose it to a variety of financial risks, including market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management program considers the effect of economic environment, competition and market value risk. The Group attains to the best risk position, holds appropriate liquidity position and centers on management of all the market risks. To reach the objective of risk management, the Group's hedged activities are focused on the market value risk and the cash flow risk.

## C. Significant financial risks and degrees of financial risks

### (a) Market risk

#### Foreign exchange risk

- i. Each of the entities in the Group operates in different countries and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, the Group set the natural hedging as principle. Foreign exchange risk arises when future commercial transactions, recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.
- iii. The Group's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies of each entity in the Group whose values would be materially affected by the exchange rate fluctuations is as follows:

	March 31, 2023		
(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 13,647	30.450	\$ 415,551
HKD:NTD	60,189	3.879	233,473
HKD:USD (Note)	56,841	0.127	219,813
RMB:USD (Note)	15,835	0.146	70,398
NTD:USD (Note)	30,594	0.033	30,594
USD:HKD (Note)	8,923	7.850	271,707
<u>Non-monetary items</u>			
USD:NTD	10,110	30.450	307,850
KRW:NTD	1,075,875	0.024	25,821
JPY:NTD	121,306	0.229	27,755
HKD:NTD	111,032	3.879	430,693
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	10,738	30.450	326,972
HKD:USD (Note)	4,981	0.128	19,414
RMB:USD (Note)	18,031	0.146	80,160
USD:HKD (Note)	1,413	7.850	43,026

December 31, 2022			
(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 14,158	30.710	\$ 434,792
HKD:NTD	8,497	3.938	33,461
HKD:USD (Note)	56,247	0.128	221,100
RMB:USD (Note)	23,382	0.144	103,401
NTD:USD (Note)	57,113	0.033	57,113
USD:HKD (Note)	8,882	7.798	272,753
<u>Non-monetary items</u>			
USD:NTD	9,991	30.710	306,835
KRW:NTD	1,036,960	0.025	25,924
JPY:NTD	118,754	0.232	27,551
HKD:NTD	91,375	3.938	359,835
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	13,730	30.710	421,648
RMB:USD (Note)	19,299	0.144	85,344
USD:HKD (Note)	941	7.798	28,897

	March 31, 2022		
(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 18,703	28.625	\$ 535,373
HKD:NTD	40,859	3.656	149,381
HKD:USD (Note)	182,402	0.128	668,321
RMB:USD (Note)	7,816	0.157	35,126
MYR:USD (Note)	2,652	0.228	17,308
NTD:USD (Note)	10,966	0.035	10,966
USD:HKD (Note)	7,813	7.380	210,805
<u>Non-monetary items</u>			
USD:NTD	34,345	28.625	983,133
KRW:NTD	915,569	0.024	21,974
JPY:NTD	113,022	0.235	26,560
HKD:USD (Note)	83,903	0.128	307,420
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	14,766	28.625	422,677
HKD:NTD	20,677	3.656	75,595
HKD:USD (Note)	19,510	0.128	71,485
USD:HKD (Note)	1,277	7.380	34,455

Note: Considering the functional currency of certain consolidated entities was not NTD, they should be considered when disclosed.

- iv. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2023 and 2022 amounted to \$979 and \$10,787, respectively.

Analysis of foreign currency market risk arising from significant foreign exchange rate fluctuations is as follows:

Three months ended March 31, 2023			
Sensitivity analysis			
(Foreign currency: Functional currency)	Extent of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
USD:NTD	1%	\$ 4,156	\$ -
HKD:NTD	1%	2,335	-
HKD:USD (Note)	1%	2,198	-
RMB:USD (Note)	1%	704	-
NTD:USD (Note)	1%	306	-
USD:HKD (Note)	1%	2,717	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	3,270	-
RMB:USD (Note)	1%	802	-
USD:HKD (Note)	1%	430	-
Three months ended March 31, 2022			
Sensitivity analysis			
(Foreign currency: Functional currency)	Extent of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 5,354	\$ -
HKD:NTD	1%	1,494	-
HKD:USD (Note)	1%	6,683	-
RMB:USD	1%	351	-
MYR:USD	1%	173	-
NTD:USD	1%	110	-
USD:HKD (Note)	1%	2,108	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	4,227	-
HKD:NTD	1%	756	-
HKD:USD (Note)	1%	715	-
USD:HKD (Note)	1%	345	-

Note: Considering the functional currency of certain consolidated entities was not NTD, they should be considered when disclosed.

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. However, the Group has set stop-loss amounts for those assets; therefore, no material market risk is expected. If the prices of these equity securities had increased by 1% with all other variables held constant, post-tax profit for the three months ended March 31, 2023 would have increased/ decreased by \$150, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other comprehensive income or loss for the three months ended March 31, 2023 and 2022 would have increased by \$1,166 and \$1,701, respectively, because equity investment is classified as financial asset at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises from borrowings issued at variable rates and expose the Group to cash flow interest rate risk. The interest rates for short-term borrowings of the Group are mainly floating rate and for long-term borrowings are fixed and variable rates. During the three months ended March 31, 2023 and 2022, the Group's borrowings at variable rate were denominated in NTD.
- ii. At March 31, 2023, December 31, 2022 and March 31, 2022, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the three months ended March 31, 2023 and 2022 would have been \$10 and \$8 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms and the contract cash flows of debt instruments stated at amortised cost.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The internal risk control



management evaluates the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on ratings from accounting and administration departments in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. Credit risk mainly arose from debt instruments stated at amortised cost and receivables generated from operating activity. Only banks and financial institutions with optimal credit ratings are accepted.

- iii. The Group adopts assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. When the payment is past due 30 days based on the contract terms, there is a significant increase in credit risk on financial assets since initial recognition.
- iv. In line with credit risk management procedure, the default occurs when the Group expects that payments cannot be collected and reclassified as overdue receivables.
- v. The Group classifies customer's accounts receivable and contract assets in accordance with product types. The Group applies the simplified approach using the provision matrix to estimate expected credit loss.
- vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On March 31, 2023, the Group has no written-off financial assets that are still under recourse procedures.
- vii. The Group uses the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable and other receivables. On March 31, 2023, December 31, 2022 and March 31, 2022, the provision matrix is as follows:

	March 31, 2023		
	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0.05%~0.56%	\$ 1,282,504	\$ 2,171
Up to 30 days	0.39%~2.68%	43,012	301
31 to 60 days	1.29%~20.95%	9,482	464
61 to 90 days	1.86%~23.58%	7,131	677
91 to 120 days	23.29%~60.29%	471	199
Over 121 days	70.75%~100%	55,198	46,912
		<u>\$ 1,397,798</u>	<u>\$ 50,724</u>

December 31, 2022			
	Expected loss rate	Total book value	Loss allowance
Not past due	0.07%~2.10%	\$ 1,242,154	\$ 1,251
Up to 30 days	0.10%~7.89%	36,924	119
31 to 60 days	1.00%~9.20%	8,401	287
61 to 90 days	2.99%~12.28%	12,079	382
91 to 120 days	8.56%~60.44%	10,022	901
Over 121 days	68.36%~100%	58,295	46,612
		<u>\$ 1,367,875</u>	<u>\$ 49,552</u>

March 31, 2022			
	Expected loss rate	Total book value	Loss allowance
Not past due	0.03%~0.80%	\$ 1,005,950	\$ 451
Up to 30 days	0.05%~4.21%	160,769	587
31 to 60 days	1.00%~10.00%	17,440	713
61 to 90 days	10.00%~25.00%	8,012	403
91 to 120 days	0.00%~0.00%	4,796	-
Over 121 days	34.68%~100%	61,969	46,426
		<u>\$ 1,258,936</u>	<u>\$ 48,580</u>

Note: The above does not include overdue receivables. All the overdue receivables had been provided with loss allowance.

- viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable (including overdue receivables) and other receivables are as follows:

2023			
	Accounts receivable	Other receivables	Total
At January 1	\$ 161,560	\$ 2,253	\$ 163,813
Provision for impairment loss	473	853	1,326
Effect of exchange rate changes	( 231)	( 14)	( 245)
At March 31	<u>\$ 161,802</u>	<u>\$ 3,092</u>	<u>\$ 164,894</u>
2022			
	Accounts receivable	Other receivables	Total
At January 1	\$ 158,957	\$ 1,998	\$ 160,955
Provision for (reversal of) impairment loss	399 (	207)	192
Write-offs	( 47) (	19) (	66)
Effect of exchange rate changes	978	55	1,033
At March 31	<u>\$ 160,287</u>	<u>\$ 1,827</u>	<u>\$ 162,114</u>

For provisioned loss for the three months ended March 31, 2023 and 2022, the impairment for losses arising from customers' contracts were \$1,326 and \$192, respectively.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by the capital management department. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs.
- ii. The table below is the Group's non-derivative financial liabilities which is presented based on the remaining period at the balance sheet date to the contract maturity date and undiscounted maturity amount based on the maturity date:

Non-derivative financial liabilities

March 31, 2023	Less than 1 year	Between 1 and 3 year(s)	Over 3 years
Short-term borrowings	\$ 91,491	\$ -	\$ -
Accounts payable	659,287	-	-
Accounts payable - related parties	1,316	-	-
Other payables	2,161,656	-	-
Other payables - related parties	330,458	-	-
Lease liabilities	29,872	46,091	13,631
December 31, 2022	Less than 1 year	Between 1 and 3 year(s)	Over 3 years
Short-term borrowings	\$ 91,760	\$ -	\$ -
Accounts payable	615,362	-	-
Accounts payable - related parties	1,572	-	-
Other payables	2,217,043	-	-
Other payables - related parties	351,676	-	-
Lease liabilities	29,872	46,091	13,631
March 31, 2022	Less than 1 year	Between 1 and 3 year(s)	Over 3 years
Short-term borrowings	\$ 151,920	\$ -	\$ -
Accounts payable	606,745	-	-
Accounts payable - related parties	1,484	-	-
Other payables	2,011,780	-	-
Other payables - related parties	180,885	-	-
Lease liabilities	30,378	40,599	21,652
Long-term borrowings (including current portion)	40,140	-	-

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed, OTC and emerging stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in listed and OTC stocks of private placement is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable (including related parties), other receivables (including related parties), other current assets, guarantee deposits paid, notes payable, accounts payable (including related parties) and other payables (including related parties), lease liabilities and guarantee deposits received, are approximate to the fair values.

C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

<u>March 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss - TV shows production investing sharing agreement	\$ -	\$ -	\$ 15,000	\$ 15,000
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	\$ 59,738	\$ -	\$ 56,848	\$ 116,586

<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss - TV shows production investing sharing agreement	\$ -	\$ -	\$ 15,000	\$ 15,000
Financial assets at fair value through other comprehensive income - non-current Equity securities	\$ 60,478	\$ -	\$ 57,103	\$ 117,581
<u>March 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income - non-current Equity securities	\$ 83,128	\$ -	\$ 86,980	\$ 170,108

D. The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Open-end fund</u>	<u>Listed (OTC) and emerging stocks</u>
Market quoted price	Net asset value	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
- (c) For highly complex financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Notes 12(3) H and I.

- (d) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- E. For the three months ended March 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the three months ended March 31, 2023 and 2022:

	Equity securities	
	2023	2022
At January 1	\$ 72,103	\$ 87,917
Loss recognised in other comprehensive income	- (	1,865)
Effects of foreign exchange	( 255)	928
At March 31	<u>\$ 71,848</u>	<u>\$ 86,980</u>

- G. Treasury department is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 56,848	Market comparable companies	Enterprise value to operating income ratio multiple	28.21~45.33 (28.21)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value
TV shows production investing sharing agreement	15,000	Discounted cash flow method	Weighted average cost of capital	13.24% (13.24%)	The higher the weighted average cost of capital, the lower the fair value

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 57,103	Market comparable companies	Enterprise value to operating income ratio multiple	28.21~34.37 (28.21)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value
TV shows production investing sharing agreement	15,000	Discounted cash flow method	Weighted average cost of capital	13.26% (13.26%)	The higher the weighted average cost of capital, the lower the fair value
	Fair value at March 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 86,980	Market comparable companies	Enterprise value to operating income ratio multiple	35.00~43.78 (39.02)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value



- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets categorised within Level 3 if the inputs used to valuation models have changed:

		March 31, 2023						
				Recognised in profit or loss		Recognised in other comprehensive income		
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change	
Financial assets								
Equity instruments	Enterprise value to operating income ratio multiple	±1%	\$	-	\$	-	\$	-
	Discount for lack of marketability	±1%		-	-	269	( 269)	
	Weighted average cost of capital	±1%		150	( 150)	-	-	
		December 31, 2022						
				Recognised in profit or loss		Recognised in other comprehensive income		
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change	
Financial assets								
Equity instruments	Enterprise value to operating income ratio multiple	±1%	\$	-	\$	-	\$	-
	Discount for lack of marketability	±1%		-	-	269	( 269)	
	Weighted average cost of capital	±1%		150	( 150)	-	-	

				March 31, 2022			
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instruments	Enterprise value to operating income ratio multiple	±1%	\$	-	\$	-	\$ 319 (\$ 319)
	Discount for lack of marketability	±1%		-		-	589 ( 589)

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: Refer to table 1.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 2.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: None.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 3.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 4.
- I. Trading in derivative instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Refer to table 5.

#### (2) Information on investees

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

#### (3) Information on investments in Mainland China

- A. Basic information: Refer to table 7.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Major shareholders information

Major shareholders information: Refer to table 8.

14. OPERATING SEGMENT INFORMATION

(1) General information

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker which are used to make strategic decisions.

(2) Assessment of segment information

The chief operating decision-maker assesses the performance of the operating segments based on net income or loss of the reporting period.

(3) Information on segment profit (loss), assets and liabilities

The segment information on reportable segments provided to the chief operating decision-maker for the three months ended March 31, 2023 and 2022 is as follows:

Three months ended March 31, 2023

	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>	
Revenue from external customers	\$ 2,316,173	\$ 223,398	\$ 113,520	\$ 381,133	\$ 3,034,224	
Inter-segment revenue	41,287	96,760	223,052	138,631	499,730	Note
Segment operating profit	441,293	16,401	13,777	( 20,902)	450,569	
Segment profit (loss), net of tax	369,754	11,620	1,422	( 47,105)	335,691	

Three months ended March 31, 2022

	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>	
Revenue from external customers	\$ 2,910,308	\$ 208,502	\$ 72,675	\$ 217,065	\$ 3,408,550	
Inter-segment revenue	54,430	101,263	231,991	167,738	555,422	Note
Segment operating profit	733,193	14,382	41,742	( 3,374)	785,943	
Segment profit (loss), net of tax	529,243	10,490	23,644	( 37,795)	525,582	

Note: The transaction had been eliminated in the consolidated financial statements.

(4) Reconciliation information of segment profit (loss)

The segment reports provided to the chief operating decision-maker are measured in a manner consistent with that used for the statement of comprehensive income. There is no difference between the presentation of segment report and income statement and accordingly, no reconciliation is required to be disclosed. The reportable segments of the Group are based on different companies. The reconciliation with Note 6(22) operating revenue is as follows:

	Three months ended March 31, 2023				
	Game	Commerce	Payment	Others	Total
Online and mobile games revenue	\$ 2,312,666	\$ -	\$ -	\$ -	\$ 2,312,666
Service revenue	3,507	223,398	1,796	223,639	452,340
Sales revenue	-	-	-	157,494	157,494
Revenue from stored-values	-	-	111,724	-	111,724
	<u>\$ 2,316,173</u>	<u>\$ 223,398</u>	<u>\$ 113,520</u>	<u>\$ 381,133</u>	<u>\$ 3,034,224</u>

	Three months ended March 31, 2022				
	Game	Commerce	Payment	Others	Total
Online and mobile games revenue	\$ 2,903,204	\$ -	\$ -	\$ -	\$ 2,903,204
Service revenue	7,104	208,502	717	86,209	302,532
Sales revenue	-	-	-	130,856	130,856
Revenue from stored-values	-	-	71,958	-	71,958
	<u>\$ 2,910,308</u>	<u>\$ 208,502</u>	<u>\$ 72,675</u>	<u>\$ 217,065</u>	<u>\$ 3,408,550</u>

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Provision of endorsements and guarantees to others

Three months ended March 31, 2023

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of March 31, 2023	Outstanding endorsement/ guarantee amount at March 31, 2023	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary (Note 5)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 5)	Provision of endorsements/ guarantees to the party in Mainland China (Note 5)	Footnote
		Relationship with the endorser/ guarantor (Note 2)	Company name											
0	The Company	HaPod Digital Technology Co., Ltd.	2	\$ 617,666	\$ 67,056	\$ 66,999	\$ 30,454	\$ 30,454	1.14	\$ 6,176,657	Y	N	N	Note 3
0	The Company	JollyBuy Digital Technology Co., Ltd.	2	617,666	30,000	30,000	-	-	0.51	6,176,657	Y	N	N	Note 3
1	Jollywiz Digital Technology Co., Ltd.	Jollywiz Digital Business Co., Ltd.	4	101,682	26,685	26,593	21,274	10,810	10.46	101,682	N	N	Y	Note 4

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The company in which the endorser/guarantor parent company directly and indirectly owns more than 50% of the voting shares.
- (3) The company that directly or indirectly owns more than 50% of the voting shares of the endorser/guarantor parent company.
- (4) The endorsed/guaranteed parent company directly or indirectly owns more than 90% voting shares of the endorser/guarantor subsidiary.
- (5) Mutual guarantee of the trade as required by the construction contract.
- (6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) A joint and several guarantee for the performance of the pre-sale house sales contract between the industry and the consumer protection law.

Note 3: The total amount of the Company's external endorsement guarantee shall not exceed 100% of the net assets of the Company's latest financial statements. The limit of the endorsement guarantee for the same enterprise shall not exceed 10% of the net assets of the Company's latest financial statements, and shall not exceed the paid in capital of the endorsement guarantee company.

Note 4: The limit on total endorsements is 40% of the endorser's/guarantor's net assets, and limit on endorsements to the same party is 40% of the endorser's/guarantor's net assets.

Note 5: Y means provision of endorsements / guarantees by parent company to subsidiary, provision of endorsements / guarantees by subsidiary to parent company or provision of endorsements / guarantees to the party in Mainland China.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

March 31, 2023

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

Securities held by	Type of marketable securities (Note 1)	Relationship with the security holders	General ledger account	As of March 31, 2023				Footnote
				Number of shares (in thousands)	Book value	Percentage	Market value (Note 2)	
The Company	XPEC Entertainment Inc. - stock	None	Financial assets at fair value through other comprehensive income - non-current	4,907	\$ 26,941	2.68	\$ 26,941	
The Company	Pili International Multimedia Co., Ltd. - stock	Other related parties	Financial assets at fair value through other comprehensive income - non-current	1,958	49,538	3.82	49,538	
Gamania Asia Investment Co., Ltd.	One Production Film Co., Ltd. - stock	None	Financial assets at fair value through other comprehensive income - non-current	420	10,201	1.76	10,201	
Gamania Asia Investment Co., Ltd.	Gokube Inc. - stock	None	Financial assets at fair value through other comprehensive income - non-current	400	-	1.77	-	
Gamania International Holdings Ltd.	Vantage Metro Limited - stock	None	Financial assets at fair value through other comprehensive income - non-current	192	29,906	2.59	29,906	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9, 'Financial instruments'.

Note 2: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Purchases or sales of goods from or to related parties in excess of \$100 million or 20% of capital  
Three months ended March 31, 2023

Table 3

Expressed in thousands of NTD  
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts		
Gash Point Co., Ltd.	The Company	Parent company	Service revenue	\$ 144,028	55.44	Note	Note	Note	\$ 57,875	7.28		

Note: The aforementioned purchase term is based on the product types, market competition and other transaction terms, there is no similar transaction to compare with for the transaction price and credit term with related parties.



Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
 Receivables from related parties in excess of \$100 million or 20% of capital  
 Three months ended March 31, 2023

Table 4

Expressed in thousands of NTD  
 (Except as otherwise indicated)

Name of creditor	Transaction parties	Relationship	Balance as of March 31, 2023	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 1)	Allowance for doubtful accounts	Footnote
					Amount	Action adopted for overdue accounts			
The Company	Gash Point Co., Ltd.	Subsidiary	\$ 971,965	-	\$ -	-	\$ 494,363	\$ 39	Note 2

Note 1: The subsequent collections represent collections from the balance sheet date to April 25, 2023.

Note 2: Represents receivables for selling game cards through the subsidiary.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Significant inter-company transactions during the reporting period  
Three months ended March 31, 2023

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	1	Accounts receivable	\$ 15,574	Notes 4 and 5	0.15
0	The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	1	Revenue from royalties	10,647	Notes 4 and 5	0.35
0	The Company	Gash Point Co., Ltd.	1	Accounts receivable	971,965	Note 5	9.05
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	The Company	2	Accounts receivable	19,690	Note 5	0.18
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	Gash Point Co., Ltd.	3	Accounts receivable	94,420	Note 5	0.88
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	Gash Point (HK) Co., Ltd.	3	Accounts receivable	12,562	Note 5	0.12
2	Gash Point Co., Ltd.	The Company	2	Accounts receivable	57,875	Note 5	0.54
2	Gash Point Co., Ltd.	The Company	2	Sales of services	144,028	Note 5	4.75
3	Ants' Power Co., Ltd.	The Company	2	Operating revenue	30,839	Note 5	1.02
3	Ants' Power Co., Ltd.	The Company	2	Accounts receivable	30,975	Note 5	0.29
4	Gash Point (HK) Co., Ltd.	Gash Point Co., Ltd.	3	Other receivables	30,730	Note 5	0.29
5	Digicentre Company Limited	The Company	2	Accounts receivable	46,590	Note 5	0.43
5	Digicentre Company Limited	The Company	2	Operating revenue	67,033	Note 5	2.21
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Accounts receivable	37,011	Note 5	0.34
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Operating revenue	35,899	Note 5	1.18
5	Digicentre Company Limited	GAMA PAY Co., Ltd.	3	Operating revenue	13,377	Note 5	0.44

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
 Significant inter-company transactions during the reporting period  
 Three months ended March 31, 2023

Table 5

Expressed in thousands of NTD  
 (Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
6	Conetter CoMarketing Co., Ltd.	The Company	2	Sales of services	\$ 13,276	Notes 4 and 5	0.44

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories ; fill in the number of category each case belongs to (if transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction):

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: There is no similar transaction to compare with. It will follow the agreed price and transaction terms.

Note 5: The disclosure standard reaches above \$10,000 for the transaction amount.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Information on investee companies (not including investees in Mainland China)  
Three months ended March 31, 2023

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Company	Name of investee	Location	Main business activities	Original investment cost (Note 1)		Shares held as at March 31, 2023			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at March 31, 2023	Balance as at December 31, 2022	Number of shares	Percentage	Book value			
The Company	Gamania Holdings Ltd.	Cayman Islands	Holding company	\$ 1,540,258	\$ 1,540,258	20,100,000	100.00	\$ 73,952	(\$ 4,587)	(\$ 4,511)	
The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	Hong Kong	Software services and sales	209,298	209,298	25,500,000	100.00	430,693	76,221	76,221	
The Company	Gamania Asia Investment Co., Ltd.	Taiwan	Investment company	239,549	239,549	18,900,000	100.00	101,181	( 4,600)	( 4,600)	
The Company	Fundation Digital Entertainment Co., Ltd.	Taiwan	Publishing of magazines and periodicals	220,000	220,000	316,522	100.00	-	( 10)	( 10)	
The Company	Jollybuy Digital Tech. Co., Ltd.	Taiwan	Supply of electronic information services	620,000	620,000	32,600,000	97.90	41,134	( 21,774)	( 21,316)	
The Company	Digicentre Company Limited	Taiwan	Software services	302,637	302,637	16,016,000	67.48	366,311	13,326	8,288	
The Company	Two Tigers Co. Ltd.	Taiwan	Animation production	6,269	6,269	626,892	51.00	5,920	( 10)	( 5)	
The Company	Gash Point Co., Ltd.	Taiwan	Information software and supply of electronic information services	169,000	169,000	13,500,000	90.00	479,747	55,240	49,716	
The Company	Indiland Co., Ltd.	Taiwan	Third-party payment	69,000	69,000	2,950,000	100.00	12,924	( 2,409)	( 2,409)	
The Company	Ants' Power Co., Ltd.	Taiwan	Customer services	10,000	10,000	1,000,000	100.00	74,344	5,648	5,648	
The Company	Chuang Meng Shr Ji Co., Ltd.	Taiwan	Venture Capital Industry	57,000	57,000	3,996,774	33.03	22,411	( 1,737)	( 574)	
The Company	WeBackers Co., Ltd.	Taiwan	Crowd funding	51,040	51,040	373,529	93.38	203	( 8)	( 7)	
The Company	Coture New Media Co., Ltd.	Taiwan	Producing TV programs and general advertising services	203,500	203,500	1,314,699	93.08	6,716	( 22)	( 21)	
The Company	MadSugr Digital Technology Co., Ltd.	Taiwan	Information software and supply of electronic information services	45,900	45,900	4,590,000	51.00	3,131	-	-	
The Company	GAMAY PAY Co., Ltd.	Taiwan	Electronical payment	1,103,018	1,103,018	65,010,045	81.26	385,034	( 55,096)	( 44,812)	
The Company	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	535,342	535,342	43,519,527	79.44	162,448	( 18,538)	( 18,289)	
The Company	BeanGo! Co., Ltd.	Taiwan	Communication software	214,000	214,000	400,000	100.00	7,697	( 8)	( 8)	
The Company	Ciirco Inc.	Taiwan	Sales and research and development of software services	229,400	229,400	8,990,649	99.90	21,966	( 10)	( 10)	
The Company	Hao-Ji film Ltd.	Taiwan	TV shows production	30,000	30,000	3,000,000	42.86	30,007	( 40)	( 14)	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Information on investee companies (not including investees in Mainland China)  
Three months ended March 31, 2023

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Company	Name of investee	Location	Main business activities	Original investment cost (Note 1)		Shares held as at March 31, 2023			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at March 31, 2023	Balance as at December 31, 2022	Number of shares	Percentage	Book value			
The Company	Walkermedia Co., Ltd.	Taiwan	Newspaper and magazine publishing	\$ 30,000	\$ 30,000	3,000,000	30.00	\$ 3,330	(\$ 5,916)	(\$ 1,775)	
The Company	Entron Technology Co., Ltd.	Taiwan	Development of system platform	6,400	-	400,000	14.16	6,400	-	-	
Jollybuy Digital Technology Co., Ltd.	Store Marais Co., Ltd.	Taiwan	Online retail of other	10,000	10,000	230,769	7.69	11,421	15,886	229	
Digicentre Company Limited	Digicentre (HK) Company Limited	Hong Kong	Software services	1,170	1,170	300,000	100.00	41,389	3,048	3,048	
Digicentre Company Limited	Hyperg Smart Security Technology Pte. Ltd.	Singapore	Software services	30,450	30,450	1,000,000	51.00	13,426	( 3,482)	( 1,776)	
Gamania Asia Investment Co., Ltd.	Pri-One Commercial Production Co., Ltd.	Taiwan	Sales and research and development of software	1,500	1,500	150,000	30.00	3,613	883	265	
Gamania Asia Investment Co., Ltd.	Jsdway Digital Technology Co., Ltd.	Taiwan	Software information and supply of electronic services	55,125	55,125	5,250,000	37.18	49,802	852	318	
Gamania Asia Investment Co., Ltd.	Taiwan e-sports Co., Ltd.	Taiwan	E-sports	63,702	63,702	2,067,867	29.54	2,932	( 14,528)	( 4,292)	
Gamania Asia Investment Co., Ltd.	The China Post Co., Ltd.	Taiwan	Newspaper and magazine publishing	1	1	500,000	100.00	-	( 4)	( 4)	
Gamania Asia Investment Co., Ltd.	Bjolly Co., Ltd.	Taiwan	Supply of electronic information services	5,000	5,000	45,455	4.17	19	( 20)	( 1)	
Gamania Asia Investment Co., Ltd.	Aotter Inc.	Taiwan	Research and development of internet-related technology	25,000	25,000	170,473	21.48	5,195	( 3,956)	( 850)	
Gash Point Co., Ltd.	Gash Point (Hong Kong) Co., Ltd.	Hong Kong	Information software and supply of electronic information services	13,871	13,871	750,000	100.00	233,898	13,047	11,742	
Gash Point Co., Ltd.	Gash Point (Japan) Co., Ltd.	Japan	Information software and supply of electronic information services	32,032	32,032	600	100.00	27,755	633	569	
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	South Korea	Information software and supply of electronic information services	11,662	11,662	138,268	100.00	25,821	967	870	
Gash Point Co., Ltd.	Conetter CoMarketing Co., Ltd.	Taiwan	Information software and supply of electronic information services	29,250	29,250	2,625,000	79.98	83,766	5,388	3,878	
Gash Point Co., Ltd.	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	150,000	150,000	4,972,098	6.22	29,471	( 55,096)	( 3,084)	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Information on investee companies (not including investees in Mainland China)  
Three months ended March 31, 2023

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Company	Name of investee	Location	Main business activities	Original investment cost (Note 1)		Shares held as at March 31, 2023			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at March 31, 2023	Balance as at December 31, 2022	Number of shares	Percentage	Book value			
Gash Point (Hong Kong) Company Limited	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	\$ 130,000	\$ 130,000	6,703,125	8.38	\$ 39,701	(\$ 55,096)	\$ 4,155	
Gamania Holdings Ltd.	Gamania International Holdings Ltd.	Cayman Islands	Investment and holding company	1,465,630	1,465,630	50,400,000	100.00	108,003	( 4,570)	( 4,570)	
Gamania International Holdings Ltd.	Gamania China Holdings Ltd.	Cayman Islands	Investment and holding company	804,536	804,536	33,497,476	98.85	4,633	( 613)	( 606)	
Gamania International Holdings Ltd.	Joymobee Entertainment Co., Ltd.	Hong Kong	Design and research and development of software	120,278	120,278	30,701,775	100.00	3,550	( 1,497)	( 1,497)	
Gamania International Holdings Ltd.	Firedog Creative Co., Ltd.	Hong Kong	Design and research and development of software	9,620	9,620	992,000	40.00	-	-	-	
Gamania International Holdings Ltd.	Achieve Made International Ltd.	British Virgin Islands	Investment and holding company	211,706	211,706	7,383,711	43.28	101,969	( 4,338)	( 1,877)	
Gamania International Holdings Ltd.	HaPod Digital Technology Co., Ltd.	Hong Kong	Software services and sales	66,990	66,990	2,200,000	100.00	( 36,640)	( 393)	( 393)	
Gamania International Holdings Ltd.	GungHo Gamania Co., Limited	Hong Kong	Operations of mobile games	261,109	261,109	343	49.00	-	( 2,065)	-	
Achieve Made International Ltd.	Jollywiz Digital Technology Co., Ltd.	Taiwan	Supply of electronic information services	655,900	655,900	29,945,712	100.00	113,551	( 4,239)	( 1,924)	
Jollywiz Digital Technology Co., Ltd.	Bjolly Co., Ltd.	Taiwan	Supply of electronic information services	25,000	25,000	1,045,455	95.83	195	( 20)	( 9)	
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	British Virgin Islands	Investment and holding company	149,205	149,205	4,900,000	100.00	8,201	( 2,413)	( 1,096)	
Jollywiz Digital Technology Co., Ltd.	Jollywiz International (HK) Co., Ltd.	Hong Kong	Supply of electronic information services	31,781	31,781	39,600,000	100.00	3,934	( 18)	( 8)	
Jollywiz Digital Technology Co., Ltd.	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	10,000	10,000	515,000	0.94	9,987	( 18,538)	( 75)	
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Cayman Islands	Investment and holding company	1,203,384	1,203,384	39,520,000	100.00	( 1,753)	( 612)	( 605)	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Information on investments in Mainland China

Three months ended March 31, 2023

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note1)	Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023	Net income of investee for the three months ended March 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2023	Book value of investments in Mainland China as of March 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2023	Footnote (Note 2)
					Remitted to Mainland China	Remitted back to Taiwan							
Gamania Digital Entertainment (Beijing) Co., Ltd.	Design and sales of software	\$ 1,074,885	2	\$ 787,742	\$ -	\$ -	\$ 787,742	(\$ 588)	98.85	(\$ 581)	(\$ 3,366)	\$ -	Notes 3 and 5
MoNoKos Studio Technology Co., Ltd.	Research and development of software	-	2	-	-	-	-	-	-	-	-	-	Notes 4 and 6
Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	120,278	2	120,278	-	-	120,278	2,479	43.28	1,073	7,516	-	Notes 3 and 7
Jollywiz Digital Business Co., Ltd.	Supply of electronic information services	22,155	2	-	-	-	-	2,023	43.28	876	(7,024)	-	Notes 3 and 7

Note 1: The methods for engaging in investment in Mainland China include the following:

- (1) Direct investment in Mainland China.
- (2) Indirectly investment in Mainland China through companies registered in a third region.
- (3) Other methods.

Note 2: The accumulated remittance as of January 1, 2023, remitted or collected this period, accumulated as of March 31, 2023 was translated into New Taiwan dollars at the average exchange rate of NTD30.45 to US\$1 and NTD4.431 to RMB\$1 at the balance sheet date.

Note 3: The investment loss of the investee company for the three months ended March 31, 2023 was recognised based on their financial statements for the corresponding period, which were audited by R.O.C. parent company's CPA.

Note 4: MoNoKos Studio Technology Co., Ltd. completed liquidation proceedings on September 22, 2013. The investment amount has not been remitted back to Taiwan as of March 31, 2023.

Note 5: It was invested through Gamania Sino Holdings Ltd invested.

Note 6: It was invested through Gamania Holdings Ltd. invested.

Note 7: It was invested through Cyber Look Properties Limited invested.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
The Company (Note)	\$ 787,742	\$ 1,273,188	\$ 3,705,994
Jollywiz Digital Technology Co., Ltd.	120,278	120,278	150,067

Note: The total investment amount approved by the Investment Commission, MOEA, was USD41,812 thousand or \$1,273,188 based on 30.45 spot exchange rate at March 31, 2023.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Major shareholders information

March 31, 2023

Table 8

Name of major shareholders	Shares	Number of shares held	Ownership (%)
Liu Po Yuan		17,491,305	9.96%
Wanwin International Co., Ltd.		15,101,000	8.60%
Joy Develop Co., Ltd. Taiwan Branch		14,971,000	8.53%
Shiang Sheng Invesement Ltd.		13,600,000	7.74%

Note 1: The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may differ from the actual number of shares issued in dematerialised form because of a different calculation basis.

Note 2: If the aforementioned data contains shares which were held in trust by the shareholders, the data disclosed represents the settlor's separate account for the fund set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10% in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and the trust assets which can be allocated. For the information of reported share equity of insider, please refer to Market Observation Post System.