

**GAMANIA DIGITAL ENTERTAINMENT CO.,
LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL
STATEMENTS AND INDEPENDENT
AUDITORS' REVIEW REPORT
SEPTEMBER 30, 2023 AND 2022**

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

PWCR23000167

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 September 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine 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 nine months ended September 30, 2022

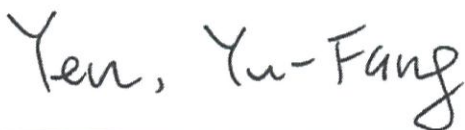
As explained in Notes 4(3)B. and 6(8), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for under equity method were not reviewed by independent auditors. Total assets of these subsidiaries (including the balance of certain investments accounted for under the equity method) amounted to NT\$1,148,842 thousand, constituting 11% of the consolidated total assets as at September 30, 2022, total liabilities amounted to NT\$162,108 thousand, constituting

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4% of the consolidated total liabilities as at September 30, 2022, and the total comprehensive loss (including share of profit (loss) of associates and joint ventures accounted for under equity method) amounted to (\$47,190) thousand and (\$268,727) thousand, constituting (8%) and (20%) of the consolidated total comprehensive income for the three months and nine months then ended, respectively.

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 nine months ended September 30, 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 nine months ended September 30, 2023 and 2022 do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2023 and 2022, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine 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

November 6, 2023

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
SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	September 30, 2023		December 31, 2022		September 30, 2022		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 3,565,828	35	\$ 3,737,319	36	\$ 4,599,407	42
1136	Financial assets at amortised cost - current	6(7) and 8	130,366	1	148,694	2	129,447	1
1150	Notes receivable, net	6(2)	35	-	11	-	2,363	-
1170	Accounts receivable, net	6(2)	622,295	6	785,366	8	1,005,926	9
1180	Accounts receivable - related parties, net	7	15,359	-	20,651	-	15,276	-
1200	Other receivables	6(3)	509,325	5	532,957	5	606,287	6
1210	Other receivables - related parties	7	2,286	-	2,571	-	2,401	-
1220	Current income tax assets		84,016	1	24,341	-	14,360	-
130X	Inventories	6(4)	109,616	1	128,927	1	147,854	2
1410	Prepayments	6(5)	370,568	4	321,577	3	354,873	3
1470	Other current assets	8	152,098	2	197,078	2	194,068	2
11XX	Total current assets		<u>5,561,792</u>	<u>55</u>	<u>5,899,492</u>	<u>57</u>	<u>7,063,262</u>	<u>65</u>
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current		15,000	-	15,000	-	15,000	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)	113,755	1	117,581	1	117,717	1
1550	Investments accounted for under equity method	6(8)	115,001	1	135,404	1	139,569	1
1600	Property, plant and equipment	6(9) and 8	2,807,897	28	2,812,438	27	2,800,068	26
1755	Right-of-use assets	6(10)	98,749	1	73,933	1	81,074	1
1780	Intangible assets	6(11)	1,179,118	11	1,178,390	11	531,008	5
1840	Deferred income tax assets		97,027	1	96,886	1	104,846	1
1900	Other non-current assets	6(12)	182,136	2	57,741	1	58,352	-
15XX	Total non-current assets		<u>4,608,683</u>	<u>45</u>	<u>4,487,373</u>	<u>43</u>	<u>3,847,634</u>	<u>35</u>
1XXX	Total assets		<u>\$ 10,170,475</u>	<u>100</u>	<u>\$ 10,386,865</u>	<u>100</u>	<u>\$ 10,910,896</u>	<u>100</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	September 30, 2023		December 31, 2022		September 30, 2022		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(14)	\$ 345,537	3	\$ 91,760	1	\$ 362,170	3
2130	Current contract liabilities	6(21)	328,098	3	379,934	4	341,896	3
2170	Accounts payable		681,646	7	615,362	6	914,773	9
2180	Accounts payable - related parties	7	1,240	-	1,572	-	1,635	-
2200	Other payables	6(15)	2,078,140	21	2,217,043	21	2,220,839	20
2220	Other payables - related parties	7	528,083	5	351,676	3	327,718	3
2230	Current income tax liabilities		60,964	1	158,773	2	206,556	2
2280	Current lease liabilities		34,702	-	26,385	-	27,132	-
2399	Other current liabilities		88,944	1	95,663	1	56,982	1
21XX	Total current liabilities		<u>4,147,354</u>	<u>41</u>	<u>3,938,168</u>	<u>38</u>	<u>4,459,701</u>	<u>41</u>
Non-current liabilities								
2570	Deferred income tax liabilities		83,117	1	89,912	1	73,333	1
2580	Lease liabilities - non-current		64,310	-	47,718	-	53,851	-
2600	Other non-current liabilities		21,229	-	22,105	-	28,795	-
25XX	Total non-current liabilities		<u>168,656</u>	<u>1</u>	<u>159,735</u>	<u>1</u>	<u>155,979</u>	<u>1</u>
2XXX	Total liabilities		<u>4,316,010</u>	<u>42</u>	<u>4,097,903</u>	<u>39</u>	<u>4,615,680</u>	<u>42</u>
Equity attributable to owners of parent								
Share capital								
3110	Common stock	6(17)	1,754,936	17	1,754,936	17	1,754,936	16
Capital surplus								
3200	Capital surplus	6(18)	1,349,462	14	1,354,763	13	1,338,925	12
Retained earnings								
3310	Legal reserve	6(19)	611,649	6	488,103	5	488,103	5
3320	Special reserve		439,349	4	505,352	5	505,352	5
3350	Unappropriated retained earnings		1,693,710	17	2,188,227	21	2,185,366	20
Other equity interest								
3400	Other equity interest	6(20)	(412,127)	(4)	(439,349)	(4)	(407,835)	(4)
31XX	Equity attributable to owners of the parent		<u>5,436,979</u>	<u>54</u>	<u>5,852,032</u>	<u>57</u>	<u>5,864,847</u>	<u>54</u>
36XX	Non-controlling interest	4(3)	<u>417,486</u>	<u>4</u>	<u>436,930</u>	<u>4</u>	<u>430,369</u>	<u>4</u>
3XXX	Total equity		<u>5,854,465</u>	<u>58</u>	<u>6,288,962</u>	<u>61</u>	<u>6,295,216</u>	<u>58</u>
Significant contingent liabilities and unrecorded contract commitments								
3X2X	Total liabilities and equity		<u>\$ 10,170,475</u>	<u>100</u>	<u>\$ 10,386,865</u>	<u>100</u>	<u>\$ 10,910,896</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
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)

Items	Notes	Three months ended September 30,				Nine months ended September 30,				
		2023		2022		2023		2022		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(21) and 7	\$ 2,672,068	100	\$ 3,400,803	100	\$ 7,791,900	100	\$ 9,234,253	100
5000	Operating costs	6(4) and 7	(1,583,569)	(59)	(1,948,236)	(57)	(4,676,710)	(60)	(5,234,424)	(56)
5950	Gross profit		<u>1,088,499</u>	<u>41</u>	<u>1,452,567</u>	<u>43</u>	<u>3,115,190</u>	<u>40</u>	<u>3,999,829</u>	<u>44</u>
	Operating expenses	6(26) and 7								
6100	Selling expenses		(307,669)	(12)	(332,126)	(10)	(933,566)	(12)	(950,114)	(10)
6200	General and administrative expenses		(345,232)	(13)	(333,984)	(10)	(951,845)	(12)	(990,298)	(11)
6300	Research and development expenses		(169,395)	(6)	(135,307)	(4)	(465,228)	(6)	(344,251)	(4)
6450	Expected credit impairment gain (loss)	12(2)	(384)	-	884	-	(3,487)	-	(337)	-
6000	Total operating expenses		<u>(822,680)</u>	<u>(31)</u>	<u>(800,533)</u>	<u>(24)</u>	<u>(2,354,126)</u>	<u>(30)</u>	<u>(2,285,000)</u>	<u>(25)</u>
6900	Operating income		<u>265,819</u>	<u>10</u>	<u>652,034</u>	<u>19</u>	<u>761,064</u>	<u>10</u>	<u>1,714,829</u>	<u>19</u>
	Non-operating income and expenses									
7100	Interest income	6(22)	9,941	-	7,132	1	34,299	-	10,022	-
7010	Other income	6(23)	2,925	-	6,207	-	12,347	-	14,979	-
7020	Other gains and losses	6(24)	(201)	-	2,168	-	513	-	(51,876)	(1)
7050	Finance costs	6(25)	(1,756)	-	(1,302)	-	(4,022)	-	(3,703)	-
7060	Share of loss of associates and joint ventures accounted for under equity method	6(8)	(5,313)	-	(941)	-	(24,188)	-	(26,687)	-
7000	Total non-operating income and expenses		<u>5,596</u>	<u>-</u>	<u>13,264</u>	<u>1</u>	<u>18,949</u>	<u>-</u>	<u>(57,265)</u>	<u>(1)</u>
7900	Profit before income tax		<u>271,415</u>	<u>10</u>	<u>665,298</u>	<u>20</u>	<u>780,013</u>	<u>10</u>	<u>1,657,564</u>	<u>18</u>
7950	Income tax expense	6(27)	(88,436)	(3)	(168,378)	(5)	(193,763)	(2)	(392,685)	(4)
8200	Profit for the period		<u>\$ 182,979</u>	<u>7</u>	<u>\$ 496,920</u>	<u>15</u>	<u>\$ 586,250</u>	<u>8</u>	<u>\$ 1,264,879</u>	<u>14</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)

Items	Notes	Three months ended September 30,				Nine months ended September 30,				
		2023		2022		2023		2022		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%	
Other comprehensive income										
Components of other comprehensive income that will not be reclassified to profit or loss										
8316	Unrealised gain (loss) on investments in equity instruments at fair value through other comprehensive income	6(6)								
			(\$ 9,240)	-	\$ 1,084	-	(\$ 5,357)	-	(\$ 54,216)	(1)
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(20)								
			-	-	-	-	(106)	-	273	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		(9,240)	-	1,084	-	(5,463)	-	(53,943)	(1)
Components of other comprehensive income that will be reclassified to profit or loss										
8361	Financial statements translation differences of foreign operations		33,660	1	89,964	2	45,096	-	162,244	2
8399	Income tax relating to the components of other comprehensive loss	6(27)	(2,496)	-	(4,769)	-	(3,096)	-	(10,417)	-
8360	Other comprehensive income that will be reclassified to profit or loss		31,164	1	85,195	2	42,000	-	151,827	2
8300	Total other comprehensive income for the period		<u>\$ 21,924</u>	<u>1</u>	<u>\$ 86,279</u>	<u>2</u>	<u>\$ 36,537</u>	<u>-</u>	<u>\$ 97,884</u>	<u>1</u>
8500	Total comprehensive income for the period		<u>\$ 204,903</u>	<u>8</u>	<u>\$ 583,199</u>	<u>17</u>	<u>\$ 622,787</u>	<u>8</u>	<u>\$ 1,362,763</u>	<u>15</u>
Profit (loss) attributable to:										
8610	Owners of the parent		\$ 186,485	7	\$ 492,708	15	\$ 589,785	8	\$ 1,262,161	14
8620	Non-controlling interest		(3,506)	-	4,212	-	(3,535)	-	2,718	-
			<u>\$ 182,979</u>	<u>7</u>	<u>\$ 496,920</u>	<u>15</u>	<u>\$ 586,250</u>	<u>8</u>	<u>\$ 1,264,879</u>	<u>14</u>
Comprehensive income attributable to:										
8710	Owners of the parent		\$ 202,904	8	\$ 570,619	17	\$ 617,007	8	\$ 1,335,238	15
8720	Non-controlling interest		1,999	-	12,580	-	5,780	-	27,525	-
			<u>\$ 204,903</u>	<u>8</u>	<u>\$ 583,199</u>	<u>17</u>	<u>\$ 622,787</u>	<u>8</u>	<u>\$ 1,362,763</u>	<u>15</u>
Earnings per share (in dollars)										
9750	Basic earnings per share		<u>\$ 1.06</u>		<u>\$ 2.81</u>		<u>\$ 3.36</u>		<u>\$ 7.19</u>	
9850	Diluted earnings per share		<u>\$ 1.06</u>		<u>\$ 2.76</u>		<u>\$ 3.33</u>		<u>\$ 7.05</u>	

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
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent											
		Capital Reserves				Retained Earnings			Other Equity Interest		Total	Non-controlling interest	Total equity
		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			
<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		-	-	-	-	-	-	1,262,161	-	-	1,262,161	2,718	1,264,879
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	127,020	(53,943)	73,077	24,807	97,884
Total comprehensive income (loss)		-	-	-	-	-	-	1,262,161	127,020	(53,943)	1,335,238	27,525	1,362,763
Appropriations of 2021 retained earnings	6(19)												
Legal reserve		-	-	-	-	109,652	-	(109,652)	-	-	-	-	-
Reversal of special reserve		-	-	-	-	-	(46,552)	46,552	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	(877,468)	-	-	(877,468)	-	(877,468)
Change in ownership interest in subsidiaries	6(29)	-	-	-	3,762	-	-	(5,124)	-	-	(1,362)	(21,258)	(22,620)
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	-	(19,512)	(19,512)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	6(6)	-	-	-	-	-	-	(24,440)	-	24,440	-	-	-
Balance at September 30, 2022		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 79,249	\$ 488,103	\$ 505,352	\$ 2,185,366	(\$ 4,789)	(\$ 403,046)	\$ 5,864,847	\$ 430,369	\$ 6,295,216
<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 (loss) for the period		-	-	-	-	-	-	589,785	-	-	589,785	(3,535)	586,250
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	32,685	(5,463)	27,222	9,315	36,537
Total comprehensive income (loss)		-	-	-	-	-	-	589,785	32,685	(5,463)	617,007	5,780	622,787
Appropriations of 2022 retained earnings	6(19)												
Legal reserve		-	-	-	-	123,546	-	(123,546)	-	-	-	-	-
Reversal of special reserve		-	-	-	-	-	(66,003)	66,003	-	-	-	-	-
Cash dividends		-	-	-	-	-	-	(1,017,863)	-	-	(1,017,863)	-	(1,017,863)
Change in ownership interest in subsidiaries		-	-	-	(5,301)	-	-	(8,896)	-	-	(14,197)	12,976	(1,221)
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	-	(38,200)	(38,200)
Balance at September 30, 2023		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 89,786	\$ 611,649	\$ 439,349	\$ 1,693,710	(\$ 3,918)	(\$ 408,209)	\$ 5,436,979	\$ 417,486	\$ 5,854,465

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30,	
		2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 780,013	\$ 1,657,564
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(9)(10)	125,489	120,747
Amortisation	6(11)	362,559	110,610
Expected credit impairment loss	12(2)	3,487	337
Interest expense	6(25)	4,022	3,703
Interest income	6(22)	(34,299)	(10,222)
Share of loss of subsidiaries and associates accounted for under equity method	6(8)	24,188	26,687
Loss on disposal of property, plant and equipment	6(24)	-	22
Loss on disposal of investments	6(24)	-	387
Impairment loss on non-financial assets	6(13)	-	86,827
Gains arising from lease modifications	6(24)	(3)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(24)	(1,611)
Accounts receivable		162,719	(137,588)
Accounts receivable - related parties		5,292	3,935
Other receivables		21,667	(346,174)
Other receivables - related parties		285	(187)
Inventories		19,311	(25,272)
Prepayments		(52,946)	6,153
Other current assets		19,610	(14,441)
Changes in operating liabilities			
Contract liabilities		(52,026)	(43,120)
Accounts payable		65,390	287,775
Accounts payable - related parties		(332)	(5,552)
Other payables		(221,832)	480,939
Other payables - related parties		176,407	169,134
Other current liabilities		(7,002)	(37,781)
Other non-current liabilities		(1,962)	1,510
Cash inflow generated from operations		1,400,013	2,334,582
Interest received		34,299	10,022
Dividends received		746	622
Interest paid		(4,022)	(3,703)
Income tax paid		(361,279)	(373,432)
Net cash provided by operating activities		<u>1,069,757</u>	<u>1,968,091</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30,	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from disposal of financial assets at fair value	6(6)		
through other comprehensive income		\$ -	\$ 31,208
Acquisition of financial assets at fair value through profit or loss		-	(15,000)
Decrease (increase) in financial assets as amortised cost		18,328	(526)
Decrease in other financial assets		25,370	58,381
Acquisition of investments accounted for under equity method	6(8)	(6,400)	(44,770)
Acquisition of property, plant and equipment	6(30)	(99,830)	(109,108)
Proceeds from disposal of property, plant and equipment		148	83
Decrease (increase) in refundable deposits		10,051	(88)
Acquisition of intangible assets	6(30)	(263,605)	(94,184)
Increase in other non-current assets		(134,386)	(1,157)
Net cash used in investing activities		(450,324)	(175,161)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(32)	249,116	249,484
Repayment of long-term borrowings		-	(80,000)
Increase (decrease) in guarantee deposits received		1,086	(1,481)
Payment of lease liabilities	6(32)	(25,516)	(25,350)
Net cash used in acquiring subsidiaries		(4,366)	-
Cash dividends paid	6(19)	(1,017,863)	(877,468)
Decrease in subsidiaries capital from non-controlling interest	6(29)	913	-
Cash dividends paid to non-controlling interest		(38,200)	(18,597)
Acquisition of additional equity interest in subsidiaries		-	(14,704)
Net cash used in financing activities		(834,830)	(768,116)
Effect of exchange rate changes on cash and cash equivalents		43,906	155,697
Net (decrease) increase in cash and cash equivalents		(171,491)	1,180,511
Cash and cash equivalents at beginning of the period		3,737,319	3,418,896
Cash and cash equivalents at end of the period		\$ 3,565,828	\$ 4,599,407

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
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

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 November 6, 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:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 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

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	Effective date by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

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

(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:

<u>New Standards, Interpretations and Amendments</u>	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 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 21, ‘Lack of exchangeability’	January 1, 2025

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

4. SUMMARY OF MATERIAL 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
			September 30, 2023	December 31, 2022	September 30, 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	100	
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)	Joymabee Entertainment Co., Ltd.	Software services	100	100	100	Note 12
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 12
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Investment and holding company	100	100	100	Note 12
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	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			September 30, 2023	December 31, 2022	September 30, 2022	
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	0.86	0.94	0.99	Notes 3, 5 and 12
Cyber Look Properties Ltd.	Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	100	100	100	
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 12
Gamania Digital Entertainment Co., Ltd.	Ciirco Inc. (Ciirco)	Software services	99.90	99.90	99.90	Note 12
Gamania Digital Entertainment Co., Ltd.	Foundation Digital Entertainment Co., Ltd. (Foundation)	Publishing of magazines and periodicals	100	100	100	Note 12
Gamania Digital Entertainment Co., Ltd.	JollyBuy Digital Tech. Co., Ltd. (JollyBuy)	Supply of electronic information services	98.71	98.89	98.77	Notes 8, 9 and 12
Gamania Digital Entertainment Co., Ltd.	Two Tigers Co., Ltd. (Two Tigers)	Animation production	51	51	51	Note 12
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 12
Gamania Digital Entertainment Co., Ltd.	Indiland Co., Ltd. (Indiland)	Third party payment	100	100	100	Note 12
Gamania Digital Entertainment Co., Ltd.	We Backers Co., Ltd. (We Backers)	Crowd funding	93.38	93.38	93.38	Note 12
Gamania Digital Entertainment Co., Ltd.	BeanGo! Co., Ltd. (BeanGo!)	Software services	100	100	100	Note 12
Gamania Digital Entertainment Co., Ltd.	Coture New Media Co., Ltd. (Coture New Media)	Online media production	93.08	93.08	93.08	Note 12

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			September 30, 2023	December 31, 2022	September 30, 2022	
Gamania Digital Entertainment Co., Ltd.	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	81.26	81.26	72.74	Note 6
Gamania Digital Entertainment Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	81.16	79.44	80.27	Notes 3, 5 and 12
Gamania Digital Entertainment Co., Ltd.	Digicentre Company Limited (Digicentre)	Software services	67.48	67.48	67.48	
Gamania Digital Entertainment Co., Ltd.	Walkermedia Co., Ltd. (Walkermedia)	Digital media platforms and general advertising services	30	-	-	Notes 4 and 12
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 12
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	Information software and supply of electronic information services	100	100	100	Note 12
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 10 and 12
Gamania Asia Investment Co., Ltd	The China Post Co., Ltd.	Newspaper and magazine publishing	100	100	100	Note 12
Gamania Asia Investment Co., Ltd.	Bjolly Co., Ltd. (Bjolly)	Supply of electronic information services	4.17	4.17	4.17	Note 2
NOWnews Network Co., Ltd. (NOWnews)	Walkermedia Co., Ltd. (Walkermedia)	Digital media platforms and general advertising services	70	-	-	Notes 4, 11 and 12

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			September 30, 2023	December 31, 2022	September 30, 2022	
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 and its subsidiary, Jollywiz Digital Technology Co., Ltd., held 81.16% and 0.86% equity interest in Nownews, respectively and had control over the investee, thus, the investee was included in the consolidated financial statements.

Note 4: The Company and its subsidiary, NOWnews Network Co., Ltd. held a 30% and 70% equity interest in Walkermmedia Co., Ltd., respectively, and had control over the investee, thus, the investee was included in the consolidated financial statements.

Note 5: 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%. On June 2, 2023, the Company participated in the capital increase. The Company acquired 1.72% equity interest in NOWnews. Accordingly, the equity interest in Jollywiz Digital Technology Co., Ltd. decreased to 0.86%.

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: 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 9: The subsidiary, JollyBuy, increased capital by issuing new shares for cash in January 2023 and June 2023. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership decreased by 0.18%.

Note 10: The liquidation of Ciirco HK was completed in November 2022.

Note 11: On June 30, 2023, the Board of Directors of the subsidiary, NOWnews Network Co., Ltd., resolved to acquire a 70% equity interest in Walkermmedia Co., Ltd.

Note 12: The financial statements of the entity as of and for the nine months ended September 30, 2022 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 September 30, 2023, December 31, 2022 and September 30, 2022, the non-controlling interest amounted to \$417,486, \$436,930 and \$430,369, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest						Description
		September 30, 2023		December 31, 2022		September 30, 2022		
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)	
AMI and subsidiaries	Taiwan and China	\$ 150,961	56.72%	\$ 150,240	54.60%	\$ 145,090	54.60%	Note
Digicentre Company Limited and subsidiaries	Taiwan, China and Singapore	127,814	32.52%	129,583	32.52%	135,205	32.52%	

Note: Registered location of AMI is British Virgin Islands.

Balance sheets

	AMI and subsidiaries		
	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$ 362,553	\$ 335,744	\$ 355,362
Non-current assets	45,236	67,718	49,726
Current liabilities	(138,340)	(123,067)	(131,894)
Total net assets	\$ 269,449	\$ 280,395	\$ 273,194

	Digicentre Company Limited and subsidiaries		
	September 30, 2023	December 31, 2022	September 30, 2022
Current assets	\$ 407,483	\$ 372,937	\$ 359,019
Non-current assets	232,891	244,862	265,532
Current liabilities	(235,609)	(213,561)	(205,159)
Non-current liabilities	(35,062)	(36,268)	(45,224)
Total net assets	\$ 369,703	\$ 367,970	\$ 374,168

Statements of comprehensive income

	<u>AMI and subsidiaries</u>	
	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Revenue	\$ 174,707	\$ 131,351
Loss before income tax	(5,044)	(5,902)
Income tax expense	(321)	-
Loss for the period	(5,365)	(5,902)
Other comprehensive loss, net of tax	(7,618)	(5,797)
Total comprehensive loss for the period	(\$ 12,983)	(\$ 11,699)
Comprehensive loss attributable to non-controlling interest	(\$ 3,297)	(\$ 7,820)
Dividends paid to non-controlling interest	\$ -	\$ -

	<u>AMI and subsidiaries</u>	
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Revenue	\$ 526,909	\$ 385,478
Loss before income tax	(11,011)	(13,896)
Income tax expense	(321)	-
Loss for the period	(11,332)	(13,896)
Other comprehensive loss, net of tax	(12,085)	(12,742)
Total comprehensive loss for the period	(\$ 23,417)	(\$ 26,638)
Comprehensive loss attributable to non-controlling	(\$ 5,231)	(\$ 17,501)
Dividends paid to non-controlling interest	\$ -	\$ -

	<u>Digicentre Company Limited and subsidiaries</u>	
	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Revenue	\$ 326,541	\$ 297,598
Profit before income tax	18,815	15,353
Income tax expense	(5,109)	(4,242)
Profit for the period	13,706	11,111
Other comprehensive income, net of tax	2,684	2,855
Total comprehensive income for the period	\$ 16,390	\$ 13,966
Comprehensive income attributable to non-controlling interest	\$ 5,771	\$ 4,894
Dividends paid to non-controlling interest	\$ -	\$ -

<u>Digicentre Company Limited and subsidiaries</u>		
<u>Nine months ended September 30,</u>		
	<u>2023</u>	<u>2022</u>
Revenue	\$ 948,978	\$ 898,414
Profit before income tax	54,801	45,437
Income tax expense	(15,196)	(13,540)
Profit for the period	39,605	31,897
Other comprehensive income, net of tax	2,795	5,699
Total comprehensive income for the period	<u>\$ 42,400</u>	<u>\$ 37,596</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 15,066</u>	<u>\$ 12,592</u>
Dividends paid to non-controlling interest	<u>\$ 11,575</u>	<u>\$ 5,402</u>

Statements of cash flows

<u>AMI and subsidiaries</u>		
<u>Nine months ended September 30,</u>		
	<u>2023</u>	<u>2022</u>
Net cash provided by operating activities	\$ 22,306	\$ 7,102
Net cash used in investing activities	(1,491)	(14,959)
Net cash (used in) provided by financing activities	(1,044)	6,655
Effect of exchange rate changes on cash and cash equivalents	(8,670)	(23,562)
Increase (decrease) in cash and cash equivalents	11,101	(24,764)
Cash and cash equivalents, beginning of period	101,662	128,873
Cash and cash equivalents, end of period	<u>\$ 112,763</u>	<u>\$ 104,109</u>

<u>Digicentre Company Limited and subsidiaries</u>		
<u>Nine months ended September 30,</u>		
	<u>2023</u>	<u>2022</u>
Net cash provided by operating activities	\$ 87,470	\$ 81,185
Net cash used in investing activities	(24,569)	(14,384)
Net cash used in financing activities	(38,719)	(44,027)
Effect of exchange rate changes on cash and cash equivalents	2,864	4,968
Increase in cash and cash equivalents	27,046	27,742
Cash and cash equivalents, beginning of period	151,119	121,214
Cash and cash equivalents, end of period	<u>\$ 178,165</u>	<u>\$ 148,956</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.

(6) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Cash on hand	\$ 1,949	\$ 2,337	\$ 2,166
Demand deposits and checking accounts	2,313,105	2,677,247	2,819,446
Cash equivalents - time deposits	<u>1,250,774</u>	<u>1,057,735</u>	<u>1,777,795</u>
	<u>\$ 3,565,828</u>	<u>\$ 3,737,319</u>	<u>\$ 4,599,407</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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Notes receivable	\$ 35	\$ 11	\$ 2,363
Accounts receivable	\$ 646,831	\$ 832,665	\$ 1,054,291
Less: Loss allowance	(24,536)	(47,299)	(48,365)
	<u>622,295</u>	<u>785,366</u>	<u>1,005,926</u>
Overdue receivables (shown as other non-current assets)	129,037	114,261	114,623
Less: Loss allowance	(129,037)	(114,261)	(114,623)
	<u>\$ 622,295</u>	<u>\$ 785,366</u>	<u>\$ 1,005,926</u>

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Not past due	\$ 564,924	\$ 760,730	\$ 966,698
Up to 30 days	23,467	19,759	23,622
31~60 days	13,130	2,622	14,754
61~90 days	7,219	2,914	673
91~120 days	7,347	169	1,010
Over 121 days	30,744	46,471	47,534
	<u>\$ 646,831</u>	<u>\$ 832,665</u>	<u>\$ 1,054,291</u>

The above ageing analysis was based on past due date.

- B. As at September 30, 2023, December 31, 2022 and September 30, 2022, the Group has no notes receivable past due.
- C. As at September 30, 2023, December 31, 2022, September 30, 2022 and January 1, 2022, the balances of receivables (including notes and overdue receivables) from contracts with customers amounted to \$775,903, \$946,937, \$1,171,277 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 September 30, 2023, December 31, 2022 and September 30, 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 \$35, \$11 and \$2,363, and accounts receivable was \$622,295, \$785,366 and \$1,005,926, respectively.
- F. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(3) Other receivables

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Other receivables	\$ 513,570	\$ 535,210	\$ 607,874
Less: Loss allowance	(4,245)	(2,253)	(1,587)
	<u>\$ 509,325</u>	<u>\$ 532,957</u>	<u>\$ 606,287</u>

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Not past due	\$ 466,146	\$ 481,424	\$ 377,028
Up to 30 days	18,933	17,165	202,155
31 to 60 days	8,555	5,779	7,067
61 to 90 days	5,976	9,165	11,302
91 to 120 days	644	9,853	1,567
Over 121 days	13,316	11,824	8,755
	<u>\$ 513,570</u>	<u>\$ 535,210</u>	<u>\$ 607,874</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 September 30, 2023, December 31, 2022 and September 30, 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 \$509,325, \$532,957 and \$606,287, respectively.

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

(4) Inventories

	<u>September 30, 2023</u>		
	<u>Cost</u>	<u>Allowance for obsolescence and market value decline</u>	<u>Book value</u>
Merchandise inventory	\$ 130,953	(\$ 21,337)	\$ 109,616
	<u>December 31, 2022</u>		
	<u>Cost</u>	<u>Allowance for obsolescence and market value decline</u>	<u>Book value</u>
Merchandise inventory	\$ 147,349	(\$ 18,422)	\$ 128,927

	<u>September 30, 2022</u>		
	<u>Cost</u>	<u>Allowance for obsolescence and market value decline</u>	<u>Book value</u>
Merchandise inventory	\$ 167,362	(\$ 19,508)	\$ 147,854

Expenses and losses incurred on inventories for the period:

	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Cost of goods sold	\$ 140,899	\$ 88,762
(Gain on reversal of) loss on decline in market value	(3,205)	1,505
	<u>\$ 137,694</u>	<u>\$ 90,267</u>

	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Cost of goods sold	\$ 403,913	\$ 269,664
Loss on decline in market value	2,915	2,316
	<u>\$ 406,828</u>	<u>\$ 271,980</u>

(5) Prepayments

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Prepayments to suppliers	\$ 188,898	\$ 166,891	\$ 200,289
Prepaid expenses	83,938	81,718	75,248
Excess business tax paid	88,826	68,859	59,691
Others	8,906	4,109	10,645
	<u>\$ 370,568</u>	<u>\$ 321,577</u>	<u>\$ 345,873</u>

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

<u>Items</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 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>425,894</u>
	524,816	524,816	524,816
Valuation adjustment	(411,061)	(407,235)	(407,099)
	<u>\$ 113,755</u>	<u>\$ 117,581</u>	<u>\$ 117,717</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 \$113,755, \$117,581 and \$117,717 as at September 30, 2023, December 31, 2022 and September 30, 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 September 30,</u>	
	<u>2023</u>	<u>2022</u>
Change of fair value recognised in other comprehensive income	(\$ 9,240)	\$ 1,084
Cumulative loss reclassified to retained earnings due to derecognition	\$ -	(\$ 24,440)
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Change of fair value recognised in other comprehensive income	(\$ 5,357)	(\$ 54,216)
Cumulative loss reclassified to retained earnings due to derecognition	\$ -	(\$ 24,440)

- 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

<u>Items</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Current items:			
Time deposit with maturity of more than three months	\$ 130,366	\$ 148,694	\$ 129,447

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

	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Interest income	\$ 745	\$ 62
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Interest income	\$ 885	\$ 255

- B. As at September 30, 2023, December 31, 2022 and September 30, 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 \$130,366, \$148,694 and \$129,447, 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

	<u>2023</u>	<u>2022</u>
At January 1	\$ 135,404	\$ 121,309
Addition of investments accounted for under equity method	6,400	44,770
Transformation of subsidiary from associate (Note)	(1,791)	-
Share of loss of investments accounted for under equity method	(24,188)	(26,687)
Earnings distribution of investments accounted for under equity method	(746)	(622)
Disposal of investments accounted for using equity method	-	(8)
Changes in other equity items	(106)	273
Effects of foreign exchange	<u>28</u>	<u>534</u>
At September 30	<u>\$ 115,001</u>	<u>\$ 139,569</u>

Note: On June 30, 2023, the Group acquired a 70% equity interest in WalkerMedia, which became a subsidiary of the Group. The related information of business combination is provided in Note 6(31).

A. List of long-term investments:

Name of associates	September 30, 2023		December 31, 2022		September 30, 2022	
	Ownership percentage	Balance	Ownership percentage	Balance	Ownership percentage	Balance
Jsdway Digital Technology Co., Ltd. (Jsdway)	37.18	\$ 50,402	37.18	\$ 49,485	37.18	\$ 50,978
Hao-Ji Film Ltd. (Hao-Ji)	42.86	26,886	42.86	30,021	42.86	29,987
Chuang Meng Shr Ji Co., Ltd. (Chuang Meng Shr J.)	33.03	22,162	33.03	22,984	33.03	23,668
Walkermedia Co., Ltd. (Walkermedia) (Note 4)	-	-	30.00	5,105	30.00	6,224
Aotter Inc. (Aotter)	21.48	1,217	21.48	6,045	21.48	6,200
Taiwan e-sports Co., Ltd. (Taiwan e-sports)	29.54	(6,182)	29.54	7,224	29.54	8,336
Store Marais Co., Ltd. (Marais) (Note 1)	7.69	10,882	7.69	11,192	7.69	11,182
Pri-One Marketing Co., Ltd. (Pri-One)	30.00	3,373	30.00	3,348	30.00	2,994
Entron Technology Co., Ltd. (Note 1)	14.16	6,261	-	-	-	-
Gungho Gamania Co., Limited (Gungho Gamania)	49.00	-	49.00	-	49.00	-
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 3)	-	-	-	-	30.00	-
Firedog creative Co., Ltd. (Note 2)	40.00	-	40.00	-	40.00	-
		<u>\$ 115,001</u>		<u>\$ 135,404</u>		<u>\$ 139,569</u>

The investments accounted for under equity method are based on financial statements of investees as of and for the nine months ended September 30, 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 ACCI was completed in December 2022.

Note 4: On June 30, 2023, the Group acquired a 70% equity interest in WalkerMedia, which became a subsidiary of the Group. The related information of business combination is provided in Note 6(31).

B. As of September 30, 2023, December 31, 2022 and September 30, 2022, the carrying amount of the Group's individually immaterial associates amounted to \$115,001, \$135,404 and \$139,569, respectively. The Group's share of the operating results are summarised below:

	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Loss for the period	(\$ 5,313)	(\$ 941)
Other comprehensive income (loss), net of tax	<u>-</u>	<u>-</u>
Total comprehensive loss	<u>(\$ 5,313)</u>	<u>(\$ 941)</u>
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Loss for the period	(\$ 24,188)	(\$ 26,687)
Other comprehensive (loss) income, net of tax	<u>(106)</u>	<u>273</u>
Total comprehensive loss	<u>(\$ 24,294)</u>	<u>(\$ 26,414)</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

	<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 and equipment under acceptance</u>	<u>Total</u>
<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	-	21,041	29,964	-	22,952	179	2,989	17,823	94,948
Acquired from business combinations	-	-	-	-	436	-	-	-	436
Disposals	-	-	(1)	-	(147)	-	-	-	(148)
Depreciation charge	-	(31,097)	(42,416)	-	(13,559)	(3,927)	(8,881)	-	(99,880)
Net exchange differences	-	-	101	-	3	(1)	-	-	103
Closing net book amount as at September 30	<u>\$ 2,246,082</u>	<u>\$ 344,921</u>	<u>\$ 109,296</u>	<u>\$ 60</u>	<u>\$ 56,701</u>	<u>\$ 10,663</u>	<u>\$ 20,226</u>	<u>\$ 19,948</u>	<u>\$ 2,807,897</u>
<u>At September 30, 2023</u>									
Cost	\$ 2,246,082	\$ 579,011	\$ 399,358	\$ 1,245	\$ 118,649	\$ 26,597	\$ 48,366	\$ 19,948	\$ 3,439,256
Accumulated depreciation	-	(234,090)	(283,680)	(1,185)	(61,948)	(15,934)	(28,140)	-	(624,977)
Accumulated impairment	-	-	(6,382)	-	-	-	-	-	(6,382)
	<u>\$ 2,246,082</u>	<u>\$ 344,921</u>	<u>\$ 109,296</u>	<u>\$ 60</u>	<u>\$ 56,701</u>	<u>\$ 10,663</u>	<u>\$ 20,226</u>	<u>\$ 19,948</u>	<u>\$ 2,807,897</u>

	Land	Buildings	Machinery	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction and equipment under acceptance	Total
<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	-	6,115	45,256	-	18,889	11,342	7,327	10,365	99,294
Disposals	-	-	-	-	(104)	-	-	-	(104)
Transfers	-	524	-	-	-	3,352	2,893	(6,769)	-
Depreciation charge	-	(28,565)	(44,154)	-	(11,099)	(4,222)	(8,742)	-	(96,782)
Net exchange differences	-	-	359	1	31	2	-	-	393
Closing net book amount as at September 30	<u>\$ 2,246,082</u>	<u>\$ 346,601</u>	<u>\$ 105,838</u>	<u>\$ 61</u>	<u>\$ 47,137</u>	<u>\$ 15,718</u>	<u>\$ 26,944</u>	<u>\$ 11,687</u>	<u>\$ 2,800,068</u>
<u>At September 30, 2022</u>									
Cost	\$ 2,246,082	\$ 543,144	\$ 405,411	\$ 1,262	\$ 100,098	\$ 26,493	\$ 51,334	\$ 11,687	\$ 3,385,511
Accumulated depreciation	-	(196,543)	(293,191)	(1,201)	(52,961)	(10,775)	(24,390)	-	(579,061)
Accumulated impairment	-	-	(6,382)	-	-	-	-	-	(6,382)
	<u>\$ 2,246,082</u>	<u>\$ 346,601</u>	<u>\$ 105,838</u>	<u>\$ 61</u>	<u>\$ 47,137</u>	<u>\$ 15,718</u>	<u>\$ 26,944</u>	<u>\$ 11,687</u>	<u>\$ 2,800,068</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 September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022, payments of lease commitments for short-term leases amounted to \$1,368, \$1,391, \$4,250 and \$4,300, respectively.
- C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	Book value		
	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Buildings	\$ 81,840	\$ 55,606	\$ 60,707
Land improvements	3,459	322	644
Transportation equipment (Business vehicles)	1,064	1,903	2,382
Machinery	12,386	16,102	17,341
	<u>\$ 98,749</u>	<u>\$ 73,933</u>	<u>\$ 81,074</u>

	Depreciation charge	
	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Buildings	\$ 7,768	\$ 5,517
Land improvements	346	322
Transportation equipment (Business vehicles)	181	479
Machinery	1,238	1,238
	<u>\$ 9,533</u>	<u>\$ 7,556</u>

	Depreciation charge	
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Buildings	\$ 20,039	\$ 17,915
Land improvements	1,014	966
Transportation equipment (Business vehicles)	840	1,369
Machinery	3,716	3,715
	<u>\$ 25,609</u>	<u>\$ 23,965</u>

- D. For the nine months ended September 30, 2023 and 2022, the additions to right-of-use assets were \$50,227 and \$10,605, respectively.

E. Information on profit or loss in relation to lease contracts is as follows:

	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ <u>161</u>	\$ <u>177</u>
Expense on short-term lease contracts	\$ <u>1,368</u>	\$ <u>1,391</u>
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ <u>533</u>	\$ <u>586</u>
Expense on short-term lease contracts	\$ <u>4,250</u>	\$ <u>4,300</u>

F. For the nine months ended September 30, 2023 and 2022, the Group's total cash outflow for leases were \$30,299 and \$30,236, 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	307,292	38,372	172	-	-	-	345,836
Acquired from business combinations	-	38	-	-	-	7,744	7,782
Reclassifications (Note)	-	4,286	-	-	-	-	4,286
Amortisation charge	(297,215)	(45,277)	(8,558)	-	(11,509)	-	(362,559)
Net exchange differences	3,927	500	1,043	-	-	(87)	5,383
Closing net book amount as at September 30	<u>\$ 744,020</u>	<u>\$ 50,558</u>	<u>\$ 36,415</u>	<u>\$ 10,090</u>	<u>\$ 93,064</u>	<u>\$ 244,971</u>	<u>\$ 1,179,118</u>
<u>At September 30, 2023</u>							
Cost	\$ 1,334,546	\$ 103,218	\$ 185,633	\$ 10,090	\$ 199,996	\$ 396,385	\$ 2,229,868
Accumulated amortisation	(543,775)	(52,660)	(60,180)	-	(106,932)	-	(763,547)
Accumulated impairment	(46,751)	-	(89,038)	-	-	(151,414)	(287,203)
	<u>\$ 744,020</u>	<u>\$ 50,558</u>	<u>\$ 36,415</u>	<u>\$ 10,090</u>	<u>\$ 93,064</u>	<u>\$ 244,971</u>	<u>\$ 1,179,118</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	7,714	46,350	38,103	-	-	-	92,167
Amortisation charge	(41,668)	(44,984)	(9,875)	-	(14,083)	-	(110,610)
Impairment loss (Note)	(36,353)	-	(50,474)	-	-	-	(86,827)
Net exchange differences	331	319	1,520	-	263	3,101	5,534
Closing net book amount as at September 30	<u>\$ 45,386</u>	<u>\$ 50,778</u>	<u>\$ 77,565</u>	<u>\$ 10,090</u>	<u>\$ 109,337</u>	<u>\$ 237,852</u>	<u>\$ 531,008</u>
<u>At September 30, 2022</u>							
Cost	\$ 275,081	\$ 93,359	\$ 217,006	\$ 10,090	\$ 198,105	\$ 387,498	\$ 1,181,139
Accumulated amortisation	(139,055)	(42,581)	(50,209)	-	(88,768)	-	(320,613)
Accumulated impairment	(90,640)	-	(89,232)	-	-	(149,646)	(329,518)
	<u>\$ 45,386</u>	<u>\$ 50,778</u>	<u>\$ 77,565</u>	<u>\$ 10,090</u>	<u>\$ 109,337</u>	<u>\$ 237,852</u>	<u>\$ 531,008</u>

Note: For impairment loss, refer to Note 6(13).

A. The details of amortisation are as follows:

	Three months ended September 30,	
	2023	2022
Operating costs	\$ 92,280	\$ 16,730
Selling expenses	616	4,288
General and administrative expenses	11,407	6,102
Research and development expenses	8,981	4,113
	<u>\$ 113,284</u>	<u>\$ 31,233</u>

	Nine months ended September 30,	
	2023	2022
Operating costs	\$ 303,375	\$ 65,924
Selling expenses	16,071	13,879
General and administrative expenses	27,702	18,529
Research and development expenses	15,411	12,278
	<u>\$ 362,559</u>	<u>\$ 110,610</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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Goodwill:			
NOWnews	\$ 197,055	\$ 197,055	\$ 197,055
Digicentre	141,149	141,149	141,149
AMI	19,878	18,917	19,557
GIH	28,837	27,442	28,030
Walkermedia (Note)	7,744	-	-
Others	1,722	1,675	1,707
	<u>396,385</u>	<u>386,238</u>	<u>387,498</u>
Less: Accumulated impairment	<u>(151,414)</u>	<u>(148,924)</u>	<u>(149,646)</u>
	<u>\$ 244,971</u>	<u>\$ 237,314</u>	<u>\$ 237,852</u>
Trademark:			
NOWnews	<u>\$ 10,090</u>	<u>\$ 10,090</u>	<u>\$ 10,090</u>

Note: On June 30, 2023, the Group acquired a 70% equity interest in WalkerMedia, which became a subsidiary of the Group. The related information of business combination is provided in Note 6(31).

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, 2023 and 2022. As the recoverable amount of NOWnews, Digicentre and AMI was higher than the carrying amount at December 31, 2023, goodwill was not impaired. As the recoverable amount of NOWnews and AMI was lower than the carrying amount at December 31, 2022, 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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Overdue receivables	\$ 129,037	\$ 114,261	\$ 114,623
Less: Loss allowance for overdue receivables	(129,037)	(114,261)	(114,623)
Refundable deposits	40,987	46,931	41,447
Prepayments for intangible assets	136,835	-	-
Others	4,314	10,810	16,905
	<u>\$ 182,136</u>	<u>\$ 57,741</u>	<u>\$ 58,352</u>

(13) Impairment of non-financial assets

The Group recognised impairment loss of \$0, \$12,285, \$0 and \$86,827 for the three months ended September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022, respectively. Details of such loss are as follows:

	<u>Recognised in profit or loss</u>	
	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Impairment loss - other intangible assets	<u>\$ -</u>	<u>\$ 12,285</u>
	<u>Recognised in profit or loss</u>	
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Impairment loss - license fees	<u>\$ -</u>	<u>\$ 36,353</u>
Impairment loss - other intangible assets	<u>-</u>	<u>50,474</u>
	<u>\$ -</u>	<u>\$ 86,827</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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Bank borrowings			
Secured borrowings	\$ 95,537	\$ 91,760	\$ 143,642
Unsecured borrowings	250,000	-	218,528
	<u>\$ 345,537</u>	<u>\$ 91,760</u>	<u>\$ 362,170</u>
Credit lines	<u>\$ 3,324,878</u>	<u>\$ 3,827,321</u>	<u>\$ 3,440,815</u>
Interest rate range	<u>1.60%~5.77%</u>	<u>1.275%~5.80%</u>	<u>1.275%~5.80%</u>

(15) Other payables

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Store-value received on behalf of others	\$ 828,242	\$ 844,245	\$ 863,795
Accrued service cost	510,047	521,529	563,128
Salary and annual bonus payable	216,373	216,391	195,428
Employees' compensation payable	106,920	207,929	201,968
Electronic payment received on behalf of others	34,616	109,778	75,114
Commission payable	78,117	97,332	120,042
Payable on business tax and withholding tax	108,785	89,496	136,821
Payable on equipment and intangible assets (Note)	116,846	39,497	16,518
Directors' and supervisors' remuneration payable	17,436	36,333	36,060
Others	60,758	54,513	11,965
	<u>\$ 2,078,140</u>	<u>\$ 2,217,043</u>	<u>\$ 2,220,839</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 September 30, 2023.

(16) 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 September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022 were \$238, \$197, \$712 and \$593, 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 nine months ended September 30, 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 September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022 were \$10,812, \$11,369, \$35,625 and \$33,648, respectively.

(17) Common stock

As of September 30, 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.

(18) 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.

(19) 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:

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

F. On June 20, 2023, the shareholders during its meeting resolved the proposal for the appropriations of 2022 retained earnings as follows:

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

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(26).

(20) 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	-	(5,357)	(5,357)
Revaluation - Associates	-	(106)	(106)
Currency translation differences:			
- Group	32,685	-	32,685
At September 30	(\$ 3,918)	(\$ 408,209)	(\$ 412,127)

	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	-	(54,216)	(54,216)
Revaluation - Associates	-	273	273
Revaluation transferred to retained earnings - Group	-	24,440	24,440
Currency translation differences:			
- Group	127,020	-	127,020
At September 30	(\$ 4,789)	(\$ 403,046)	(\$ 407,835)

(21) Operating revenue

	Three months ended September 30,	
	2023	2022
Revenue from contracts with customers	\$ 2,672,068	\$ 3,400,803
	Nine months ended September 30,	
	2023	2022
Revenue from contracts with customers	\$ 7,791,900	\$ 9,234,253

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 September 30, 2023	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	<u>\$ 1,970,784</u>	<u>\$ 396,494</u>	<u>\$ 182,591</u>	<u>\$ 122,199</u>	<u>\$ 2,672,068</u>
Timing of revenue recognition					
At a point in time	\$ 1,798,875	\$ 118,720	\$ 182,591	\$ 122,199	\$ 2,222,385
Over time	<u>171,909</u>	<u>277,774</u>	<u>-</u>	<u>-</u>	<u>449,683</u>
	<u>\$ 1,970,784</u>	<u>\$ 396,494</u>	<u>\$ 182,591</u>	<u>\$ 122,199</u>	<u>\$ 2,672,068</u>
Three months ended September 30, 2022	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	<u>\$ 2,756,715</u>	<u>\$ 358,228</u>	<u>\$ 127,383</u>	<u>\$ 158,477</u>	<u>\$ 3,400,803</u>
Timing of revenue recognition					
At a point in time	\$ 2,528,551	\$ 151,346	\$ 127,383	\$ 158,477	\$ 2,965,757
Over time	<u>228,164</u>	<u>206,882</u>	<u>-</u>	<u>-</u>	<u>435,046</u>
	<u>\$ 2,756,715</u>	<u>\$ 358,228</u>	<u>\$ 127,383</u>	<u>\$ 158,477</u>	<u>\$ 3,400,803</u>
Nine months ended September 30, 2023	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	<u>\$ 5,665,546</u>	<u>\$ 1,274,175</u>	<u>\$ 509,720</u>	<u>\$ 342,459</u>	<u>\$ 7,791,900</u>
Timing of revenue recognition					
At a point in time	\$ 5,114,487	\$ 483,786	\$ 509,720	\$ 342,459	\$ 6,450,452
Over time	<u>551,059</u>	<u>790,389</u>	<u>-</u>	<u>-</u>	<u>1,341,448</u>
	<u>\$ 5,665,546</u>	<u>\$ 1,274,175</u>	<u>\$ 509,720</u>	<u>\$ 342,459</u>	<u>\$ 7,791,900</u>
Nine months ended September 30, 2022	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	<u>\$ 7,513,540</u>	<u>\$ 1,030,477</u>	<u>\$ 371,888</u>	<u>\$ 318,348</u>	<u>\$ 9,234,253</u>
Timing of revenue recognition					
At a point in time	\$ 6,811,867	\$ 440,609	\$ 371,888	\$ 318,348	\$ 7,942,712
Over time	<u>701,673</u>	<u>589,868</u>	<u>-</u>	<u>-</u>	<u>1,291,541</u>
	<u>\$ 7,513,540</u>	<u>\$ 1,030,477</u>	<u>\$ 371,888</u>	<u>\$ 318,348</u>	<u>\$ 9,234,253</u>

B. Contract liabilities

(a) The Group recognised contract liabilities related to the contract revenue from sales amounting to \$328,098, \$379,934, \$341,896 and \$385,016 as of September 30, 2023, December 31, 2022, September 30, 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 September 30,	
	2023	2022
Revenue from games	\$ -	\$ -

	Nine months ended September 30,	
	2023	2022
Revenue from games	\$ 379,934	\$ 385,016

(22) Interest income

	Three months ended September 30,	
	2023	2022
Interest income from bank deposits	\$ 9,196	\$ 7,070
Interest income from financial assets at amortised cost	745	62
	\$ 9,941	\$ 7,132

	Nine months ended September 30,	
	2023	2022
Interest income from bank deposits	\$ 33,414	\$ 9,767
Interest income from financial assets at amortised cost	885	255
	\$ 34,299	\$ 10,022

(23) Other income

	Three months ended September 30,	
	2023	2022
Rental revenue	\$ 382	\$ 277
Other income	2,543	5,930
	\$ 2,925	\$ 6,207

	Nine months ended September 30,	
	2023	2022
Rental revenue	\$ 1,035	\$ 921
Other income	11,312	14,058
	\$ 12,347	\$ 14,979

(24) Other gains and losses

	Three months ended September 30,	
	2023	2022
Gain on disposal of property, plant and equipment	\$ 1	\$ 3
Loss on disposal of investments	-	(8)
Foreign exchange gain	4,932	18,110
Gains arising from lease modifications	3	-
Impairment loss	-	(12,285)
Other losses	(5,137)	(3,652)
	<u>(\$ 201)</u>	<u>\$ 2,168</u>

	Nine months ended September 30,	
	2023	2022
Loss on disposal of property, plant and equipment	\$ -	(\$ 22)
Loss on disposal of investments	-	(387)
Foreign exchange gain	6,742	40,164
Gains arising from lease modifications	3	-
Impairment loss	-	(86,827)
Other losses	(6,232)	(4,804)
	<u>\$ 513</u>	<u>(\$ 51,876)</u>

(25) Finance costs

	Three months ended September 30,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 1,595	\$ 1,125
Lease liability	161	177
	<u>\$ 1,756</u>	<u>\$ 1,302</u>

	Nine months ended September 30,	
	2023	2022
Interest expense:		
Bank borrowings	\$ 3,489	\$ 3,117
Lease liability	533	586
	<u>\$ 4,022</u>	<u>\$ 3,703</u>

(26) Employee benefit, depreciation and amortisation expense

	Three months ended September 30,	
	2023	2022
Employee benefit expense		
Wages and salaries	\$ 299,659	\$ 324,782
Directors' remuneration	6,720	14,931
Labor and health insurance fees	18,491	22,837
Pension costs	11,050	11,566
Other personnel expenses	12,845	10,857
	<u>\$ 348,765</u>	<u>\$ 384,973</u>
Depreciation on property, plant and equipment (including right-of-use assets)	<u>\$ 43,067</u>	<u>\$ 39,710</u>
Amortisation expense	<u>\$ 113,284</u>	<u>\$ 31,233</u>
	Nine months ended September 30,	
	2023	2022
Employee benefit expense		
Wages and salaries	\$ 875,153	\$ 916,178
Directors' remuneration	20,358	38,491
Labor and health insurance fees	48,995	66,091
Pension costs	36,337	34,241
Other personnel expenses	33,840	34,499
	<u>\$ 1,014,683</u>	<u>\$ 1,089,500</u>
Depreciation on property, plant and equipment (including right-of-use assets)	<u>\$ 125,489</u>	<u>\$ 120,747</u>
Amortisation expense	<u>\$ 362,559</u>	<u>\$ 110,610</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 September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022, employees' compensation was accrued at \$27,598, \$67,271, \$79,014 and \$171,572, respectively; while directors' remuneration was accrued at \$5,520, \$14,931, \$15,803 and \$38,491, respectively. The aforementioned amounts were recognised in salary expenses.

(b) For the nine months ended September 30, 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 \$0 and \$14, respectively, had been adjusted in the profit or loss for 2023.

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.

(27) Income tax

A. Components of income tax expense:

(a) Components of income tax expense:

	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Current tax:		
Current tax on profit for the period	\$ 91,637	\$ 163,418
Prior year income tax under estimation	-	150
Deferred tax:		
Origination and reversal of temporary differences	(3,201)	4,810
Income tax expense	<u>\$ 88,436</u>	<u>\$ 168,378</u>
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Current tax:		
Current tax on profit for the period	\$ 197,122	\$ 373,420
Tax on undistributed earnings	-	7,798
Prior year income tax under (over) estimation	2,709	(19,728)
Deferred tax:		
Origination and reversal of temporary differences	(6,068)	31,195
Income tax expense	<u>\$ 193,763</u>	<u>\$ 392,685</u>

(b) The income tax credit relating to components of other comprehensive income is as follows:

	<u>Three months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Currency translation differences	(\$ 3,696)	\$ 4,769
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2022</u>
Currency translation differences	(\$ 3,096)	\$ 10,417

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, Digicentre, Gash Point, NOWnews, Bjolly, Two Tigers, Ants' Power, Indiland, Gamania Asia, Ciirco, WeBackers, BeanGo!, Foundation, GAMA PAY, Madsugr, Jollybuy, Jollywiz, The China Post, Walkermmedia and Coture New Media	2021
Conetter CoMarketing	2020

(28) Earnings per share

	Three months ended September 30, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 186,485	175,494	\$ 1.06
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 186,485	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	-	1,195	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 186,485	176,689	\$ 1.06

Three months ended September 30, 2022			
	<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	\$ 492,708	175,494	\$ 2.81
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 492,708	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	-	2,953	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 492,708	178,447	\$ 2.76
Nine months ended September 30, 2023			
	<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	\$ 589,785	175,494	\$ 3.36
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 589,785	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	-	1,682	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 589,785	177,176	\$ 3.33

Nine months ended September 30, 2022			
	<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	\$ 1,262,161	175,494	\$ 7.19
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 1,262,161	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	-	3,631	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 1,262,161	179,125	\$ 7.05

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.

(29) 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 subsidiaries, JollyBuy and NOWnews, issued new shares for the six months ended June 30, 2023. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.18% and 1.64%, respectively. The impact of the transaction

attributed to owners of parent is as follows:

	<u>JollyBuy</u>	<u>AMI</u>
	<u>Nine months ended September 30,</u>	
	<u>2023</u>	<u>2023</u>
Cash	\$ 913	\$ -
Increase in carrying amount of non-controlling interest	(1,011)	(5,271)
Capital surplus - changes in parent's ownership interest in subsidiary	(\$ 98)	(\$ 5,271)
	<u>NOWnews</u>	
	<u>Nine months ended</u>	
	<u>September 30, 2023</u>	
Cash	\$ -	
Increase in carrying amount of non-controlling interest	(8,896)	
Retained earnings - changes in parent's ownership interest in subsidiary	(\$ 8,896)	

- B. The liquidation of the subsidiary, MadSugr, was completed in the second quarter of 2023, which resulted in a decrease in the carrying amount of non-controlling interest by \$2,983.
- C. The subsidiaries, JollyBuy, NOWnews and GAMA PAY, increased capital by issuing new shares for cash for the nine months ended September 30, 2022. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.44%, 0.30% and 3.01%. The Company acquired all the shares of Gamania Digital Entertainment (HK) Co., Ltd. from the subsidiary, Gamania China Holdings Ltd. The impact of the transaction attributed to owners of parent is as follows:

	<u>Jolly Buy</u>	<u>NOWnews</u>
	<u>Nine months ended September 30,</u>	
	<u>2022</u>	<u>2022</u>
Cash	\$ -	\$ -
Increase in carrying amount of non-controlling interest	934	865
Retained earnings - changes in parent's ownership interest in subsidiary	\$ 934	\$ 865

	GIH	GAMA PAY
	Nine months ended September 30,	
	2022	2022
Cash	\$ -	(\$ 13,789)
Increase in carrying amount of non-controlling interest	3,958	12,485
Retained earnings - changes in parent's ownership interest in subsidiary	(\$ 2,021)	(\$ 1,304)
Capital surplus - changes in parent's ownership interest in subsidiary	(\$ 1,937)	\$ -

D. 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.

E. The subsidiary, JollyBuy, redeemed treasury shares with \$915 for the nine months ended September 30, 2022. Therefore, the share ownership of the Group increased by 1.1%, the carrying amount of non-controlling interest decreased by \$1,456 and capital surplus - changes in parent's ownership interest in subsidiary increased by \$541.

(30) Supplemental cash flow information

Investing activities with partial cash payments:

	Nine months ended September 30,	
	2023	2022
Acquisition of property, plant and equipment	\$ 94,948	\$ 99,294
Add: Opening balance of other payables	35,478	22,484
Less: Ending balance of other payables	(30,596)	(12,670)
Cash paid during the period	\$ 99,830	\$ 109,108

	Nine months ended September 30,	
	2023	2022
Acquisition of intangible assets	\$ 345,836	\$ 92,167
Add: Opening balance of other payables	4,019	5,865
Less: Ending balance of other payables	(86,250)	(3,848)
Cash paid during the period	\$ 263,605	\$ 94,184

(31) Business combinations

A. The Company held a 30% equity interest in WalkerMedia Co., Ltd. and on June 30, 2023, the subsidiary, NOWnews, acquired a 70% equity interest in WalkerMedia for a cash consideration of \$11,152. Consequently, the Group obtained control over WalkerMedia as it held 87% equity interest. WalkerMedia is engaged in creating media content for food tourism.

B. The following table summarises the consideration paid for WalkerMedia and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets at the acquisition date:

	<u>June 30, 2023</u>
Purchase consideration	
Cash	\$ 11,152
Fair value of equity interest in WalkerMedia held before the business combination	1,791
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	<u>772</u>
	<u>13,715</u>
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	6,786
Accounts receivable	2,259
Other receivables	1,393
Prepayments	332
Property, plant and equipment	436
Intangible assets	38
Right-of-use assets	60
Other non-current assets	60
Current contract liabilities	(190)
Accounts payable	(894)
Other payables	(3,964)
Other current liabilities	(282)
Lease liabilities	(63)
Total identifiable net assets	<u>5,971</u>
Goodwill	<u>\$ 7,744</u>

C. The operating revenue included in the consolidated statement of comprehensive income since June 30, 2023 contributed by WalkerMedia was \$0. WalkerMedia also contributed profit before income tax of \$0 over the same period. Had WalkerMedia been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of \$7,803,726 and profit before income tax of \$771,443.

(32) Changes in liabilities from financing activities

In accordance with amendments to IAS 7, 'Disclosure initiative', movements for the nine months ended September 30, 2023 and 2022 are as follows:

	Short-term borrowings	Lease liabilities	Liabilities from financing activities-gross
January 1, 2023	\$ 91,760	\$ 74,103	\$ 165,863
Changes in cash flow from financing activities	249,116	(25,516)	223,600
Business combinations	-	63	63
Impact of changes in foreign exchange rate	4,661	198	4,859
Changes in other non-cash items			
Increase in right-of-use assets	-	50,227	50,227
Termination of right-of-use assets	-	(63)	(63)
September 30, 2023	<u>\$ 345,537</u>	<u>\$ 99,012</u>	<u>\$ 444,549</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	249,484	(80,000)	(25,350)	144,134
Impact of changes in foreign exchange rate	12,522	-	642	13,164
Changes in other non-cash items				
Increase in right-of-use assets	-	-	10,605	10,605
Termination of right-of-use assets	-	-	(581)	(581)
September 30, 2022	<u>\$ 362,170</u>	<u>\$ -</u>	<u>\$ 80,983</u>	<u>\$ 443,153</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.	"
Store Marais Co., Ltd.	"
Gamania Cheer Up Foundation	Other related party
Wanwin International Co., Ltd.	"

Names of related parties	Relationship with the Company
Simsense Technology Sdn. Bhd.	Other related party
Dapili International Marketing Co., Ltd.	"
Mercuries Life Insurance Inc.	"

Note: On June 30, 2023, the subsidiary, NOWnews, acquired a 70% equity interest in WalkerMedia, which became a subsidiary of the Group. The disclosures include related party transactions until June 29, 2023.

(3) Significant transactions and balances with related parties

A. Operating revenue

	Three months ended September 30,	
	2023	2022
Sales of goods:		
Associates	\$ -	\$ 29
Other related parties	3,677	2,435
	<u>\$ 3,677</u>	<u>\$ 2,464</u>
Sales of goods:		
Associates	\$ 2,295	\$ 3,042
Other related parties	47,117	36,928
	<u>\$ 49,412</u>	<u>\$ 39,970</u>
	Nine months ended September 30,	
	2023	2022
Sales of goods:		
Associates	\$ 6	\$ 235
Other related parties	13,133	20,032
	<u>\$ 13,139</u>	<u>\$ 20,267</u>
Sales of services:		
Associates	\$ 6,309	\$ 8,822
Other related parties	132,061	82,827
	<u>\$ 138,370</u>	<u>\$ 91,649</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 September 30,	
	2023	2022
Service costs:		
Associates	\$ -	\$ -
Other related parties	1,318	1,655
	<u>\$ 1,318</u>	<u>\$ 1,655</u>
	Nine months ended September 30,	
	2023	2022
Service costs:		
Associates	\$ 10	\$ -
Other related parties	4,258	3,124
	<u>\$ 4,268</u>	<u>\$ 3,124</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 September 30,	
	2023	2022
Associates	\$ 6,668	\$ 4,824
Other related parties	6,459	6,920
	<u>\$ 13,127</u>	<u>\$ 11,744</u>
	Nine months ended September 30,	
	2023	2022
Associates	\$ 22,670	\$ 12,270
Other related parties	19,508	22,070
	<u>\$ 42,178</u>	<u>\$ 34,340</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 September 30,	
	2023	2022
Other related party		
Gmania Cheer Up Foundation	\$ 5,000	\$ -
	<u>\$ 5,000</u>	<u>\$ -</u>
	Nine months ended September 30,	
	2023	2022
Other related party		
Gmania Cheer Up Foundation	\$ 14,000	\$ 9,000
	<u>\$ 14,000</u>	<u>\$ 9,000</u>

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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Accounts receivable:			
Associates	\$ 11,076	\$ 17,093	\$ 14,683
Other related parties	<u>4,283</u>	<u>3,558</u>	<u>593</u>
	<u>\$ 15,359</u>	<u>\$ 20,651</u>	<u>\$ 15,276</u>
Other receivables:			
Associates	\$ 2,235	\$ 2,539	\$ 2,367
Other related parties	<u>51</u>	<u>32</u>	<u>34</u>
	<u>\$ 2,286</u>	<u>\$ 2,571</u>	<u>\$ 2,401</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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Accounts payable:			
Associates	\$ 1	\$ 1	\$ 348
Other related parties	<u>1,239</u>	<u>1,571</u>	<u>1,287</u>
	<u>\$ 1,240</u>	<u>\$ 1,572</u>	<u>\$ 1,635</u>
Other payables:			
Associates	\$ 5,994	\$ 5,441	\$ 2,120
Other related parties	<u>522,089</u>	<u>346,235</u>	<u>325,598</u>
	<u>\$ 528,083</u>	<u>\$ 351,676</u>	<u>\$ 327,718</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 September 30,</u>	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	\$ 28,950	\$ 70,786
Post-employment benefits	<u>27</u>	<u>27</u>
	<u>\$ 28,977</u>	<u>\$ 70,813</u>

	Nine months ended September 30,	
	2023	2022
Short-term employee benefits	\$ 83,865	\$ 161,085
Post-employment benefits	81	81
	<u>\$ 83,946</u>	<u>\$ 161,166</u>

8. PLEGGED ASSETS

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

Pledged assets	Book value			Pledge purpose
	September 30, 2023	December 31, 2022	September 30, 2022	
Other current assets				
Demand deposits	\$ 144,374	\$ 169,744	\$ 169,684	Trusted electronic payment accounts
Time deposits	-	-	20,858	Guarantee for short-term borrowing facility
Financial assets at amortised cost-current				
Demand deposits	30,000	26,936		- Performance bond of on-line game card's standard contracts, performance bond of stickers, guarantee for short-term borrowing facility and performance bond of stickers
Time deposits	100,366	60,234	89,447	Guarantee for short-term borrowing facility / 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	242,951	247,184	248,595	Short-term and long-term / Credit lines
	<u>\$ 2,763,773</u>	<u>\$ 2,750,180</u>	<u>\$ 2,774,666</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

None.

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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 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	\$ 15,000
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	\$ 113,755	\$ 117,581	\$ 117,717
Financial assets at amortised cost			
Cash and cash equivalents	\$ 3,565,828	\$ 3,737,319	\$ 4,599,407
Financial assets at amortised cost	130,366	148,694	129,447
Notes receivable	35	11	2,363
Accounts receivable (including related parties)	637,654	806,017	1,021,202
Other receivables (including related parties)	511,611	535,528	608,688
Other financial assets	144,374	169,744	169,684
Guarantee deposits paid	40,987	46,931	41,447
	<u>\$ 5,030,855</u>	<u>\$ 5,444,244</u>	<u>\$ 6,572,238</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 345,537	\$ 91,760	\$ 362,170
Accounts payable (including related parties)	682,886	616,934	916,408
Other payables (including related parties)	2,606,223	2,568,719	2,548,557
Guarantee deposits received	16,310	15,224	15,483
	<u>\$ 3,650,956</u>	<u>\$ 3,292,637</u>	<u>\$ 3,842,618</u>
Lease liability	<u>\$ 99,012</u>	<u>\$ 74,103</u>	<u>\$ 80,893</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:

September 30, 2023

(Foreign currency: Functional currency)	Foreign currency		Book value
	amount	Exchange rate	(NTD)
	(in thousands)		
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 2,852	32.270	\$ 92,034
HKD:NTD	2,837	4.123	11,697
JPY:NTD	53,786	0.216	11,618
HKD:USD (Note)	58,149	0.128	240,188
RMB:USD (Note)	50,063	0.137	221,328
NTD:USD (Note)	40,246	0.031	40,246
JPY:USD (Note)	78,627	0.007	17,761
EUR:USD (Note)	514	0.952	15,791
USD:HKD (Note)	7,776	7.827	250,937
<u>Non-monetary items</u>			
USD:NTD	11,431	32.270	368,865
KRW:NTD	1,180,167	0.024	28,324
JPY:NTD	124,917	0.216	26,982
HKD:NTD	119,223	4.123	491,555
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	4,515	32.270	145,699
HKD:USD (Note)	18,170	0.128	75,052
RMB:USD (Note)	17,435	0.137	77,080
USD:HKD (Note)	566	7.827	18,265

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

(Foreign currency: Functional currency)	September 30, 2022		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 12,111	31.750	\$ 384,524
HKD:NTD	23,203	4.044	93,833
HKD:USD (Note)	122,059	0.127	492,172
RMB:USD (Note)	24,500	0.141	109,680
NTD:USD (Note)	14,213	0.031	14,213
USD:HKD (Note)	11,103	7.851	352,514
<u>Non-monetary items</u>			
USD:NTD	36,267	31.750	1,151,467
KRW:NTD	1,024,045	0.022	22,529
JPY:NTD	115,932	0.220	25,505
HKD:USD	83,508	4.044	337,706
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	22,322	31.750	708,724
JPY:NTD	20,082	0.220	4,418
HKD:USD (Note)	8,142	0.127	32,831
RMB:USD (Note)	21,116	0.141	94,531
USD:HKD (Note)	3,491	7.851	110,837

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 September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022 amounted to \$4,932, \$18,110, \$6,742 and \$40,164, respectively.

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

Nine months ended September 30, 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%	\$ 920	\$ -
HKD:NTD	1%	117	-
JPY:NTD	1%	116	-
HKD:USD (Note)	1%	2,402	-
RMB:USD (Note)	1%	2,213	-
NTD:USD (Note)	1%	402	-
JPY:USD (Note)	1%	178	-
EUR:USD (Note)	1%	158	-
USD:HKD (Note)	1%	2,509	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	1,457	-
HKD:USD (Note)	1%	751	-
RMB:USD (Note)	1%	771	-
USD:HKD (Note)	1%	183	-
Nine months ended September 30, 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%	\$ 3,845	\$ -
HKD:NTD	1%	938	-
HKD:USD (Note)	1%	4,922	-
RMB:USD (Note)	1%	1,097	-
NTD:USD (Note)	1%	142	-
USD:HKD (Note)	1%	3,525	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	7,087	-
HKD:USD (Note)	1%	328	-
RMB:USD (Note)	1%	945	-
USD:HKD (Note)	1%	1,108	-

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 nine months ended September 30, 2023 and 2022 would have increased/decreased by \$150 and \$150, respectively, 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 nine months ended September 30, 2023 and 2022 would have increased by \$1,138 and \$1,177, 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 nine months ended September 30, 2023 and 2022, the Group's borrowings at variable rate were denominated in NTD.
- ii. At September 30, 2023, December 31, 2022 and September 30, 2022, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the nine months ended September 30, 2023 and 2022 would have been \$25 and \$25 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 September 30, 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 September 30, 2023, December 31, 2022 and September 30, 2022, the provision matrix is as follows:

	September 30, 2023		
	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0.03%~2.18%	\$ 1,031,070	\$ 298
Up to 30 days	0.69%~6.87%	42,400	420
31 to 60 days	0.70%~0.81%	21,685	66
61 to 90 days	1.14%~22.67%	13,195	714
91 to 120 days	1.22%~37.71%	7,991	345
Over 121 days	72.24%~100%	44,060	26,938
		<u>\$ 1,160,401</u>	<u>\$ 28,781</u>

	December 31, 2022		
	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
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>

	September 30, 2022		
	<u>Expected loss rate</u>	<u>Total book value</u>	<u>Loss allowance</u>
Not past due	0.01%~2.99%	\$ 1,343,726	\$ 202
Up to 30 days	0.10%~11.68%	225,777	109
31 to 60 days	0.06%~15.05%	21,821	256
61 to 90 days	0.00%~0.00%	11,975	-
91 to 120 days	25.51%~53.47%	2,577	716
Over 121 days	57.03%~100%	56,289	48,669
		<u>\$ 1,662,165</u>	<u>\$ 49,952</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		
	<u>Accounts receivable</u>	<u>Other receivables</u>	<u>Total</u>
At January 1	\$ 161,560	\$ 2,253	\$ 163,813
Provision for impairment loss	1,585	1,902	3,487
Write-offs	(10,635)	-	(10,635)
Effect of business combinations	37	-	37
Effect of exchange rate changes	1,026	90	1,116
At September 30	<u>\$ 153,573</u>	<u>\$ 4,245</u>	<u>\$ 157,818</u>

	2022		
	Accounts receivable	Other receivables	Total
At January 1	\$ 158,957	\$ 1,998	\$ 160,955
(Reversal of provision for impairment loss	(85)	422	337
Write-offs	(47)	(1,072)	(1,119)
Effect of exchange rate changes	4,163	239	4,402
At September 30	<u>\$ 162,988</u>	<u>\$ 1,587</u>	<u>\$ 164,575</u>

For provisioned loss for the three months ended September 30, 2023 and 2022 and nine months ended September 30, 2023 and 2022, the (reversal of) impairment for losses arising from customers' contracts were \$384, (\$884), \$3,487 and \$337, 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

September 30, 2023	Less than 1 year	Between 1 and 3 year(s)	Over 3 years
Short-term borrowings	\$ 345,537	\$ -	\$ -
Accounts payable	681,646	-	-
Accounts payable - related parties	1,240	-	-
Other payables	2,078,140	-	-
Other payables - related parties	528,083	-	-
Lease liabilities	37,973	49,716	12,926
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

September 30, 2022	Less than 1 year	Between 1 and 3 year(s)	Over 3 years
Short-term borrowings	\$ 362,170	\$ -	\$ -
Accounts payable	914,773	-	-
Accounts payable - related parties	1,635	-	-
Other payables	2,220,839	-	-
Other payables - related parties	327,718	-	-
Lease liabilities	31,345	47,253	9,715

(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), 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>September 30, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<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	\$ 55,121	\$ -	\$ 58,634	\$ 113,755
<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<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>September 30, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ -	\$ -	\$ 15,000	\$ 15,000
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	\$ 59,593	\$ -	\$ 58,124	\$ 117,717

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 nine months ended September 30, 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 nine months ended September 30, 2023 and 2022:

	Equity securities	
	2023	2022
At January 1	\$ 72,103	\$ 87,917
Acquired during the period	-	15,000
Disposals during the period	-	(31,208)
Loss recognised in other comprehensive income	(3,394)	(3,923)
Effects of foreign exchange	4,925	5,338
At September 30	\$ 73,634	\$ 73,124

- 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 September 30, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 58,634	Market comparable companies	Enterprise value to operating income ratio multiple	33.35% (33.35%)	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	12.64% (12.64%)	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 September 30, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 58,124	Market comparable companies	Enterprise value to operating income ratio multiple	29.24~34.37 (29.24)	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	13.62%	The higher the weighted average cost of capital, 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:

			September 30, 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	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	Discount for lack of marketability	±1%	\$ -	\$ -	\$ 269	(\$ 269)
	Weighted average cost of capital	±1%	150	(150)	-	-

			September 30, 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)	-	-

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 nine months ended September 30, 2023 and 2022 is as follows:

Nine months ended September 30, 2023

	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>	
Revenue from external customers	\$ 5,670,004	\$ 661,879	\$ 345,347	\$ 1,114,670	\$ 7,791,900	
Inter-segment revenue	122,589	287,100	486,950	350,599	1,247,238	Note
Segment operating profit	757,581	51,071	22,734	(70,322)	761,064	
Segment profit (loss), net of tax	699,099	39,605	(3,016)	(149,438)	586,250	

Nine months ended September 30, 2022

	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>	
Revenue from external customers	\$ 7,544,214	\$ 607,151	\$ 292,600	\$ 790,288	\$ 9,234,253	
Inter-segment revenue	147,888	291,263	646,295	360,729	1,446,175	Note
Segment operating profit	1,639,656	42,397	67,828	(35,052)	1,714,829	
Segment profit (loss), net of tax	1,230,947	31,897	24,237	(22,202)	1,264,879	

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(21) operating revenue is as follows:

	Nine months ended September 30, 2023				
	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>
Online and mobile games revenue	\$ 5,665,546	\$ -	\$ -	\$ -	\$ 5,665,546
Service revenue	4,458	661,879	2,888	604,950	1,274,175
Sales revenue	-	-	-	509,720	509,720
Revenue from stored-values	-	-	342,459	-	342,459
	<u>\$ 5,670,004</u>	<u>\$ 661,879</u>	<u>\$ 345,347</u>	<u>\$ 1,114,670</u>	<u>\$ 7,791,900</u>

	Nine months ended September 30, 2022				
	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>
Online and mobile games revenue	\$ 7,513,540	\$ -	\$ -	\$ -	\$ 7,513,540
Service revenue	30,674	607,151	2,331	418,400	1,058,556
Sales revenue	-	-	-	371,888	371,888
Revenue from stored-values	-	-	290,269	-	290,269
	<u>\$ 7,544,214</u>	<u>\$ 607,151</u>	<u>\$ 292,600</u>	<u>\$ 790,288</u>	<u>\$ 9,234,253</u>

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Provision of endorsements and guarantees to others

Nine months ended September 30, 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 September 30, 2023	Outstanding endorsement/ guarantee amount at September 30, 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
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	The Company	HaPod Digital Technology Co., Ltd.	2	\$ 543,698	\$ 70,990	\$ 70,990	\$ 32,268	\$ 32,268	1.31	\$ 5,436,979	Y	N	N	Note 3
0	The Company	JollyBuy Digital Technology Co., Ltd.	2	543,698	30,000	30,000	-	-	0.55	5,436,979	Y	N	N	Note 3
1	Jollywiz Digital Technology Co., Ltd.	Jollywiz Digital Business Co., Ltd.	4	97,750	26,685	26,521	21,217	11,456	10.85	97,750	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)

September 30, 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 September 30, 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	45,817	3.82	45,817	
Gamania Asia Investment Co., Ltd.	One Production Film Co., Ltd. - stock	None	Financial assets at fair value through other comprehensive income - non-current	420	9,303	1.76	9,303	
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	31,694	2.59	31,694	

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
Nine months ended September 30, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance		
Gash Point Co., Ltd.	The Company	Parent company	Service revenue	\$ 262,855	45.23	Note	Note	Note	\$ 26,144	5.17	
Conetter CoMarketing Co., Ltd.	The Company	Parent company	Service revenue	121,669	19.92	Note	Note	Note	28,252	31.81	
Digicentre Company Limited	The Company	Parent company	Sales revenue	206,641	33.91	Note	Note	Note	40,045	28.72	
Coture New Media Co., Ltd.	The Company	Parent company	Service revenue	133,333	99.79	Note	Note	Note	57,000	100.00	
Digicentre Company Limited	Digicentre (HK) Company Limited	Subsisiary	Sales revenue	102,963	16.89	Note	Note	Note	22,714	16.29	

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
 Nine months ended September 30, 2023

Table 4

Expressed in thousands of NTD
 (Except as otherwise indicated)

Name of creditor	Transaction parties	Relationship	Balance as of September 30, 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	\$ 766,852	-	\$ -	-	\$ 241,823	\$ 159	Note 2

Note 1: The subsequent collections represent collections from the balance sheet date to October 26, 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
Nine months ended September 30, 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	Revenue from royalties	\$ 30,941	Notes 4 and 5	0.40
0	The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	1	Sales of services	28,940	Notes 4 and 5	0.37
0	The Company	Gash Point Co., Ltd.	1	Accounts receivable	766,852	Note 5	7.54
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	The Company	2	Accounts receivable	16,594	Note 5	0.16
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	Gash Point (HK) Co., Ltd.	3	Accounts receivable	92,159	Note 5	0.91
2	Gash Point Co., Ltd.	The Company	2	Accounts receivable	26,144	Note 5	0.26
2	Gash Point Co., Ltd.	The Company	2	Sales of services	262,855	Note 5	3.37
3	Ants' Power Co., Ltd.	The Company	2	Operating revenue	93,799	Note 5	1.20
3	Ants' Power Co., Ltd.	The Company	2	Accounts receivable	34,452	Note 5	0.34
4	Gash Point (HK) Co., Ltd.	Gash Point Co., Ltd.	3	Other receivables	40,995	Note 5	0.40
5	Digicentre Company Limited	The Company	2	Accounts receivable	40,045	Note 5	0.39
5	Digicentre Company Limited	The Company	2	Operating revenue	206,641	Note 5	2.65
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Accounts receivable	22,714	Note 5	0.22
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Operating revenue	102,963	Note 5	1.32
5	Digicentre Company Limited	GAMA PAY Co., Ltd.	3	Operating revenue	27,520	Note 5	0.35
5	Digicentre Company Limited	Gash Point Co., Ltd.	3	Operating revenue	23,840	Note 5	0.31
6	Conetter CoMarketing Co., Ltd.	The Company	2	Accounts receivable	28,252	Notes 4 and 5	0.28
6	Conetter CoMarketing Co., Ltd.	The Company	2	Sales of services	121,669	Notes 4 and 5	1.56
7	Coture New Media Co., Ltd.	The Company	2	Accounts receivable	57,000	Notes 4 and 5	0.56
7	Coture New Media Co., Ltd.	The Company	2	Sales of services	133,333	Notes 4 and 5	1.71
8	Hyperg Smart Security Technology Pte. Ltd.	Digicentre Company Limited	3	Sales of services	20,051	Note 5	0.26
9	Digicentre (HK) Company Limited	Digicentre Company Limited	3	Sales of services	20,705	Note 5	0.27

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)
Nine months ended September 30, 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 September 30, 2023			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Percentage	Book value			
The Company	Gamania Holdings Ltd.	Cayman Islands	Holding company	\$ 1,558,267	\$ 1,558,267	20,100,000	100.00	\$ 74,206	(\$ 10,976)	(\$ 6,297)	
The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	Hong Kong	Software services and sales	221,808	221,808	25,500,000	100.00	491,555	109,744	109,744	
The Company	Gamania Asia Investment Co., Ltd.	Taiwan	Investment company	239,549	239,549	18,900,000	100.00	88,321	(16,506)	(16,506)	
The Company	Fundation Digital Entertainment Co., Ltd.	Taiwan	Publishing of magazines and periodicals	220,000	220,000	316,522	100.00	-	(20)	(20)	
The Company	Jollybuy Digital Tech. Co., Ltd.	Taiwan	Supply of electronic information services	660,000	620,000	10,167,568	98.71	34,113	(69,234)	(67,969)	
The Company	Digicentre Company Limited	Taiwan	Software services	302,637	302,637	16,016,000	67.48	363,435	43,540	27,267	
The Company	Two Tigers Co. Ltd.	Taiwan	Animation production	6,269	6,269	626,892	51.00	5,939	27	14	
The Company	Gash Point Co., Ltd.	Taiwan	Information software and supply of electronic information services	169,000	169,000	13,500,000	90.00	376,877	120,433	108,389	
The Company	Indiland Co., Ltd.	Taiwan	Third-party payment	69,000	69,000	2,950,000	100.00	7,964	(7,370)	(7,370)	
The Company	Ants' Power Co., Ltd.	Taiwan	Customer services	10,000	10,000	1,000,000	100.00	66,627	23,657	23,657	
The Company	Chuang Meng Shr Ji Co., Ltd.	Taiwan	Venture Capital Industry	57,000	57,000	3,996,774	33.03	22,162	(2,790)	(822)	
The Company	WeBackers Co., Ltd.	Taiwan	Crowd funding	51,040	51,040	373,529	93.38	184	(28)	(26)	
The Company	Coture New Media Co., Ltd.	Taiwan	Producing TV programs and general advertising services	203,500	203,500	1,314,699	93.08	6,206	(569)	(530)	
The Company	GAMAY PAY Co., Ltd.	Taiwan	Electronical payment	1,103,018	1,103,018	65,010,045	81.26	333,951	(118,474)	(96,314)	
The Company	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	585,342	535,342	48,519,527	81.16	152,494	(73,551)	(69,347)	
The Company	BeanGo! Co., Ltd.	Taiwan	Communication software	214,000	214,000	400,000	100.00	7,686	(18)	(18)	
The Company	Ciirco Inc.	Taiwan	Sales and research and development of software services	229,400	229,400	8,990,649	99.90	22,007	31	31	
The Company	Hao-Ji film Ltd.	Taiwan	TV shows production	30,000	30,000	3,000,000	42.86	26,886	(6,007)	(3,135)	
The Company	Walkermedia Co., Ltd.	Taiwan	Newspaper and magazine publishing	34,500	30,000	3,450,000	30.00	5,269	(14,453)	(4,336)	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries
Information on investee companies (not including investees in Mainland China)
Nine months ended September 30, 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 September 30, 2023			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Percentage	Book value			
The Company	Entron Technology Co., Ltd.	Taiwan	Development of system platform	\$ 6,400	\$ -	400,000	14.16	\$ 6,261	(\$ 984)	(\$ 139)	
Jollybuy Digital Technology Co., Ltd.	Store Marais Co., Ltd.	Taiwan	Retail Sale No Storefor.net	10,000	10,000	230,769	7.69	10,882	14,779	(311)	
NOWnews Network Co., Ltd. (NOWnews)	Walkermedia Co., Ltd. (Walkermedia)	Taiwan	Newspaper and magazine publishing	21,652	-	8,050,000	70.00	19,266	(14,453)	(2,386)	
Digicentre Company Limited	Digicentre (HK) Company Limited	Hong Kong	Software services	1,240	1,240	300,000	100.00	48,782	7,822	7,822	
Digicentre Company Limited	Hyperg Smart Security Technology Pte. Ltd.	Singapore	Software services	32,270	32,270	1,000,000	51.00	11,701	(8,031)	(4,096)	
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	3,373	2,763	829	
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	50,402	2,522	938	
Gamania Asia Investment Co., Ltd.	Taiwan e-sports Co., Ltd.	Taiwan	E-sports	63,702	63,702	2,067,867	29.54	(6,182)	(45,381)	(13,406)	
Gamania Asia Investment Co., Ltd.	The China Post Co., Ltd.	Taiwan	Newspaper and magazine publishing	1	1	500,000	100.00	-	(8)	(8)	
Gamania Asia Investment Co., Ltd.	Bjolly Co., Ltd.	Taiwan	Supply of electronic information services	5,000	5,000	45,455	4.17	19	(19)	(1)	
Gamania Asia Investment Co., Ltd.	Aotter Inc.	Taiwan	Research and development of internet-related technology	25,000	25,000	170,473	21.48	1,217	(22,478)	(4,828)	
Gash Point Co., Ltd.	Gash Point (Hong Kong) Co., Ltd.	Hong Kong	Information software and supply of electronic information services	14,701	14,701	750,000	100.00	294,659	60,262	54,236	
Gash Point Co., Ltd.	Gash Point (Japan) Co., Ltd.	Japan	Information software and supply of electronic information services	30,268	30,268	600	100.00	26,982	1,401	1,261	
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	South Korea	Sales and research and development of software	11,662	11,662	138,268	100.00	28,324	3,033	2,730	
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	64,648	18,571	13,368	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries
Information on investee companies (not including investees in Mainland China)
Nine months ended September 30, 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 September 30, 2023			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Percentage	Book value			
Gash Point Co., Ltd.	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	\$ 150,000	\$ 150,000	4,972,098	6.22	\$ 25,561	(\$ 118,474)	(\$ 6,632)	
Gash Point (Hong Kong) Company Limited	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	130,000	130,000	6,703,125	8.38	34,433	(118,474)	(8,934)	
Gamania Holdings Ltd.	Gamania International Holdings Ltd.	Cayman Islands	Investment and holding company	1,447,854	1,477,854	50,400,000	100.00	102,349	(10,990)	(10,990)	
Gamania International Holdings Ltd.	Gamania China Holdings Ltd.	Cayman Islands	Investment and holding company	853,055	853,055	33,497,476	98.85	3,929	(1,801)	(1,780)	
Gamania International Holdings Ltd.	Joymobee Entertainment Co., Ltd.	Hong Kong	Design and research and development of software	127,467	127,467	30,701,775	100.00	2,526	(2,721)	(2,721)	
Gamania International Holdings Ltd.	Firedog Creative Co., Ltd.	Hong Kong	Design and research and development of software	10,225	10,225	992,000	40.00	-	-	-	
Gamania International Holdings Ltd.	Achieve Made International Ltd.	British Virgin Islands	Investment and holding company	224,360	224,360	7,383,711	43.28	99,196	(11,331)	(4,904)	
Gamania International Holdings Ltd.	HaPod Digital Technology Co., Ltd.	Hong Kong	Software services and sales	70,994	70,994	2,200,000	100.00	(39,639)	(1,177)	(1,177)	
Gamania International Holdings Ltd.	GungHo Gamania Co., Limited	Hong Kong	Operations of mobile games	276,715	276,715	343	49.00	-	(2,102)	-	
Achieve Made International Ltd.	Jollywiz Digital Technology Co., Ltd.	Taiwan	Supply of electronic information services	659,540	659,540	26,145,712	100.00	110,946	(11,021)	(5,004)	
Jollywiz Digital Technology Co., Ltd.	Bjolly Co., Ltd.	Taiwan	Supply of electronic information services	25,000	25,000	1,045,455	95.83	196	(19)	(8)	
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	British Virgin Islands	Investment and holding company	158,123	158,123	4,900,000	100.00	16,865	(21,382)	(9,707)	
Jollywiz Digital Technology Co., Ltd.	Jollywiz International (HK) Co., Ltd.	Hong Kong	Supply of electronic information services	33,125	33,125	39,600,000	100.00	4,139	46	21	
Jollywiz Digital Technology Co., Ltd.	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	10,000	10,000	515,000	0.86	9,813	(73,551)	(285)	
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Cayman Islands	Investment and holding company	1,275,310	1,275,310	39,520,000	100.00	(2,786)	(1,739)	(1,719)	

Note : Initial investment amount is translated to NTD at the spot rate at the period end.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Information on investments in Mainland China

Nine months ended September 30, 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 nine months ended September 30, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2023	Net income of investee for the nine months ended September 30, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the nine months ended September 30, 2023	Book value of investments in Mainland China as of September 30, 2023	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2023	Footnote (Note 2)
					Remitted to Mainland China	Remitted back to Taiwan							
Gamania Digital Entertainment (Beijing) Co., Ltd.	Design and sales of software	\$ 1,139,131	2	\$ 834,825	\$ -	\$ -	\$ 834,825	(\$ 1,589)	98.85	(\$ 1,570)	(\$ 4,354)	\$ -	Notes 3 and 4
Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	127,467	2	127,467	-	-	127,467	21,458	43.28	9,287	15,760	-	Notes 3 and 6
Jollywiz Digital Business Co., Ltd.	Supply of electronic information services	22,075	2	-	-	-	-	20,086	43.28	8,693	871	-	Notes 3 and 6

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 September 30, 2023 was translated into New Taiwan dollars at the average exchange rate of NTD32.27 to US\$1 and NTD4.415 to RMB\$1 at the balance sheet date.

Note 3: The investment loss of the investee company for the nine months ended September 30, 2023 was recognised based on their financial statements for the corresponding period, which were reviewed by R.O.C. parent company's CPA.

Note 4: It was invested through Gamania Sino Holdings Ltd invested.

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

Note 6: It was invested through Cyber Look Properties Limited invested.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 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)	\$ 834,825	\$ 1,349,287	\$ 3,512,679	
Jollywiz Digital Technology Co., Ltd.	127,467	127,467	146,624	

Note: The total investment amount approved by the Investment Commission, MOEA, was USD41,812 thousand or \$1,349,287 based on 32.27 spot exchange rate at September 30, 2023.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Major shareholders information

September 30, 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		14,883,000	8.48%
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.