

**GAMANIA DIGITAL ENTERTAINMENT CO.,  
LTD. AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL  
STATEMENTS AND INDEPENDENT  
AUDITORS' REVIEW REPORT  
MARCH 31, 2022 AND 2021**

---

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

PWCR22000019

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

### ***Introduction***

We have reviewed the accompanying consolidated balance sheets of Gamania Digital Entertainment Co., Ltd. and subsidiaries (the “Group”) as at March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” 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 Statement of Auditing Standards No. 65, “Review of Financial Information Performed by the Independent Auditor of the Entity” in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Basis for Qualified Conclusion***

As explained in Notes 4(3)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. Those statements reflect total assets (including investments accounted for under equity method) amounting to \$869,220 thousand and \$2,229,540 thousand, constituting 8% and 22% of the consolidated total assets as at March 31, 2022 and 2021, respectively, total liabilities amounting to \$143,889 thousand and \$796,010 thousand, constituting 4% and 18% of the consolidated total liabilities as at March 31, 2022 and 2021, respectively, and the total comprehensive (loss) income (including share of profit (loss)

~2~

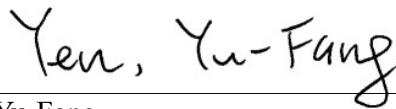
of associates and joint ventures accounted for under equity method) amounting to (\$100,232) thousand and \$92,597 thousand, constituting (19%) and 31% of the consolidated total comprehensive income for the three months then ended, respectively.

***Qualified Conclusion***

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for under equity method been reviewed by independent auditors as described in the Basis for qualified conclusion section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.



Lin, Yi-Fan



Yen, Yu-Fang

For and on behalf of PricewaterhouseCoopers, Taiwan

May 3, 2022

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

**GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2022, DECEMBER 31, 2021 AND MARCH 31, 2021**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of March 31, 2022 and 2021 are reviewed, not audited)

Assets	Notes	March 31, 2022		December 31, 2021		March 31, 2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Current assets</b>								
1100	Cash and cash equivalents	6(1)	\$ 4,333,125	42	\$ 3,418,896	36	\$ 2,665,613	26
1136	Financial assets at amortised cost - current	6(7) and 8	105,803	1	88,463	1	170,905	2
1150	Notes receivable, net	6(2)	1,242	-	752	-	445	-
1170	Accounts receivable, net	6(2)	862,633	8	876,123	9	1,131,823	11
1180	Accounts receivable - related parties, net	7	12,656	-	11,341	-	9,436	-
1200	Other receivables	6(3)	347,723	4	260,489	3	531,744	5
1210	Other receivables - related parties	7	2,758	-	2,214	-	695	-
1220	Current income tax assets		22,079	-	21,049	-	30,483	-
130X	Inventories	6(4)	113,478	1	122,582	1	142,350	2
1410	Prepayments	6(5)	338,601	3	352,026	4	526,707	5
1470	Other current assets	8	249,987	3	278,466	3	211,817	2
11XX	<b>Total current assets</b>		<u>6,390,085</u>	<u>62</u>	<u>5,432,401</u>	<u>57</u>	<u>5,422,018</u>	<u>53</u>
<b>Non-current assets</b>								
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)	170,108	2	198,626	2	189,075	2
1550	Investments accounted for under equity method	6(8)	138,910	1	121,309	1	191,373	2
1600	Property, plant and equipment	6(9) and 8	2,810,808	27	2,797,267	30	2,841,836	28
1755	Right-of-use assets	6(10)	89,141	1	95,538	1	61,485	1
1780	Intangible assets	6(11)	542,545	5	630,744	7	1,238,471	12
1840	Deferred income tax assets		121,330	1	139,523	1	162,891	2
1900	Other non-current assets	6(12)	67,709	1	57,107	1	46,026	-
15XX	<b>Total non-current assets</b>		<u>3,940,551</u>	<u>38</u>	<u>4,040,114</u>	<u>43</u>	<u>4,731,157</u>	<u>47</u>
1XXX	<b>Total assets</b>		<u>\$ 10,330,636</u>	<u>100</u>	<u>\$ 9,472,515</u>	<u>100</u>	<u>\$ 10,153,175</u>	<u>100</u>

(Continued)

**GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2022, DECEMBER 31, 2021 AND MARCH 31, 2021**  
(Expressed in thousands of New Taiwan dollars)  
(The balance sheets as of March 31, 2022 and 2021 are reviewed, not audited)

Liabilities and Equity	Notes	March 31, 2022		December 31, 2021		March 31, 2021		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>								
2100	Short-term borrowings	6(14)	\$ 151,920	2	\$ 100,164	1	\$ 298,905	3
2130	Current contract liabilities	6(22)	308,453	3	385,016	4	287,618	3
2150	Notes payable		-	-	-	-	1,211	-
2170	Accounts payable		606,745	6	626,998	7	601,106	6
2180	Accounts payable - related parties	7	1,484	-	7,187	-	1,437	-
2200	Other payables	6(15)	2,011,780	19	1,751,731	18	2,197,137	22
2220	Other payables - related parties	7	180,885	2	158,584	2	204,132	2
2230	Current income tax liabilities		384,871	4	225,187	2	306,038	3
2280	Current lease liabilities		28,116	-	29,663	-	28,947	-
2320	Long-term liabilities, current portion	6(16)	40,000	-	80,000	1	160,000	1
2399	Other current liabilities		74,778	1	94,764	1	74,458	1
21XX	<b>Total current liabilities</b>		<u>3,789,032</u>	<u>37</u>	<u>3,459,294</u>	<u>36</u>	<u>4,160,989</u>	<u>41</u>
<b>Non-current liabilities</b>								
2540	Long-term borrowings	6(16)	-	-	-	-	40,000	1
2570	Deferred income tax liabilities		71,879	1	66,398	1	67,266	1
2580	Lease liabilities - non-current		61,061	-	66,004	1	32,668	-
2600	Other non-current liabilities		33,044	-	28,766	-	31,292	-
25XX	<b>Total non-current liabilities</b>		<u>165,984</u>	<u>1</u>	<u>161,168</u>	<u>2</u>	<u>171,226</u>	<u>2</u>
2XXX	<b>Total liabilities</b>		<u>3,955,016</u>	<u>38</u>	<u>3,620,462</u>	<u>38</u>	<u>4,332,215</u>	<u>43</u>
<b>Equity attributable to owners of parent</b>								
	Share capital	6(18)						
3110	Common stock		1,754,936	17	1,754,936	18	1,754,936	17
	Capital surplus	6(19)						
3200	Capital surplus		1,340,321	14	1,335,163	14	1,345,128	14
	Retained earnings	6(20)						
3310	Legal reserve		378,451	4	378,451	4	264,787	2
3320	Special reserve		551,904	5	551,904	6	171,976	2
3350	Unappropriated retained earnings		2,413,828	23	1,893,337	20	2,300,606	22
	Other equity interest	6(21)						
3400	Other equity interest		( 511,612)	( 5)	( 505,352)	( 5)	( 545,910)	( 5)
31XX	<b>Equity attributable to owners of the parent</b>		<u>5,927,828</u>	<u>58</u>	<u>5,408,439</u>	<u>57</u>	<u>5,291,523</u>	<u>52</u>
36XX	<b>Non-controlling interest</b>	4(3)	<u>447,792</u>	<u>4</u>	<u>443,614</u>	<u>5</u>	<u>529,437</u>	<u>5</u>
3XXX	<b>Total equity</b>		<u>6,375,620</u>	<u>62</u>	<u>5,852,053</u>	<u>62</u>	<u>5,820,960</u>	<u>57</u>
	Significant contingent liabilities and unrecorded contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 10,330,636</u>	<u>100</u>	<u>\$ 9,472,515</u>	<u>100</u>	<u>\$ 10,153,175</u>	<u>100</u>

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
THREE MONTHS ENDED MARCH 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)  
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended March 31,				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(22) and 7	\$ 3,408,550	100	\$ 3,106,547	100
5000	Operating costs	6(4)(27) and 7	( 1,815,398)	( 53)	( 1,884,831)	( 61)
5950	Gross profit		<u>1,593,152</u>	<u>47</u>	<u>1,221,716</u>	<u>39</u>
	Operating expenses	6(27) and 7				
6100	Selling expenses		( 303,451)	( 9)	( 385,583)	( 12)
6200	General and administrative expenses		( 419,353)	( 12)	( 311,644)	( 10)
6300	Research and development expenses		( 84,213)	( 3)	( 89,775)	( 3)
6450	Expected credit impairment loss	12(2)	( 192)	-	( 4,621)	-
6000	Total operating expenses		( 807,209)	( 24)	( 791,623)	( 25)
6900	Operating income		<u>785,943</u>	<u>23</u>	<u>430,093</u>	<u>14</u>
	Non-operating income and expenses					
7100	Interest income	6(23)	807	-	803	-
7010	Other income	6(24)	3,294	-	4,603	-
7020	Other gains and losses	6(25)	( 64,574)	( 2)	6,939	-
7050	Finance costs	6(26)	( 1,232)	-	( 1,757)	-
7060	Share of loss of associates and joint ventures accounted for under equity method	6(8)	( 12,813)	-	( 14,895)	-
7000	Total non-operating income and expenses		( 74,518)	( 2)	( 4,307)	-
7900	<b>Profit before income tax</b>		711,425	21	425,786	14
7950	Income tax expense	6(28)	( 185,843)	( 6)	( 132,795)	( 4)
8200	<b>Profit for the period</b>		<u>\$ 525,582</u>	<u>15</u>	<u>\$ 292,991</u>	<u>10</u>

(Continued)

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
THREE MONTHS ENDED MARCH 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)  
(REVIEWED, NOT AUDITED)

Items	Notes	Three months ended March 31,			
		2022		2021	
		AMOUNT	%	AMOUNT	%
<b>Other comprehensive income, net</b>					
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
8316	Unrealised loss (gain) on investments in equity instruments at fair value through other comprehensive income	6(6)	(\$ 29,991) ( 1)	\$ 6,021	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss	6(21)	280 -	-	-
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		( 29,711) ( 1)	6,021	-
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
8361	Financial statements translation differences of foreign operations		30,091 1	1,849	-
8399	Income tax relating to the components of other comprehensive loss	6(28)	( 2,395) -	-	-
8360	Other comprehensive income that will be reclassified to profit or loss		27,696 1	1,849	-
8300	<b>Total other comprehensive (loss) income for the period</b>		(\$ 2,015) -	\$ 7,870	-
8500	<b>Total comprehensive income for the period</b>		\$ 523,567 15	\$ 300,861 10	
Profit (loss) attributable to:					
8610	Owners of the parent		\$ 521,425 15	\$ 308,878 11	
8620	Non-controlling interest		4,157 -	( 15,887) ( 1)	
			\$ 525,582 15	\$ 292,991 10	
Comprehensive income (loss) attributable to:					
8710	Owners of the parent		\$ 515,165 15	\$ 314,872 10	
8720	Non-controlling interest		8,402 -	( 14,011) -	
			\$ 523,567 15	\$ 300,861 10	
Earnings per share (in dollars) 6(29)					
9750	Basic earnings per share		\$ 2.97	\$ 1.76	
9850	Diluted earnings per share		\$ 2.92	\$ 1.74	

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
THREE MONTHS ENDED MARCH 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)  
(REVIEWED, NOT AUDITED)

	Equity attributable to owners of the parent											Non-controlling interest	Total equity
	Capital Reserves				Retained Earnings			Other Equity Interest					
	Notes	Common stock	Additional paid-in capital	Treasury stock transactions	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total		
<b>2021</b>													
		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 92,795	\$ 264,787	\$ 171,976	\$ 1,992,382	(\$ 107,968 )	(\$ 443,936 )	\$ 4,984,648	\$ 527,083	\$ 5,511,731
		-	-	-	-	-	-	308,878	-	-	308,878	( 15,887 )	292,991
		-	-	-	-	-	-	-	( 27 )	6,021	5,994	1,876	7,870
		-	-	-	-	-	-	308,878	( 27 )	6,021	314,872	( 14,011 )	300,861
	6(8)	-	-	-	1,074	-	-	-	-	-	1,074	-	1,074
	6(30)	-	-	-	( 8,417 )	-	-	( 654 )	-	-	( 9,071 )	16,365	7,294
		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 85,452	\$ 264,787	\$ 171,976	\$ 2,300,606	(\$ 107,995 )	(\$ 437,915 )	\$ 5,291,523	\$ 529,437	\$ 5,820,960
<b>2022</b>													
		\$ 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
		-	-	-	-	-	-	521,425	-	-	521,425	4,157	525,582
		-	-	-	-	-	-	-	23,451	( 29,711 )	( 6,260 )	4,245	( 2,015 )
		-	-	-	-	-	-	521,425	23,451	( 29,711 )	515,165	8,402	523,567
		-	-	-	5,158	-	-	( 934 )	-	-	4,224	( 4,224 )	-
		\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 80,645	\$ 378,451	\$ 551,904	\$ 2,413,828	(\$ 108,358 )	(\$ 403,254 )	\$ 5,927,828	\$ 447,792	\$ 6,375,620

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



GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)  
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31,	
		2022	2021
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 711,425	\$ 425,786
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(27)	39,976	40,401
Amortisation	6(11)(27)	39,174	186,849
Expected credit impairment loss	12(2)	192	4,621
Interest expense	6(26)	1,232	1,757
Interest income	6(23)	( 807 )	( 803 )
Share of loss of subsidiaries and associates accounted for under equity method	6(8)	12,813	14,895
(Gain) loss on disposal of property, plant and equipment	6(25)	( 1 )	44
Loss on disposal of investments	6(25)	379	-
Impairment loss on non-financial assets	6(13)(25)	74,542	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		( 490 )	4,088
Accounts receivable		13,091	( 190,439 )
Accounts receivable - related parties		( 1,315 )	3,909
Other receivables		( 87,027 )	( 274,898 )
Other receivables - related parties		( 863 )	1,947
Inventories		9,104	( 16,444 )
Prepayments		13,425	( 103,602 )
Other current assets		2,596	( 4,731 )
Other non-current assets		1,228	431
Changes in operating liabilities			
Contract liabilities		( 76,563 )	6,489
Accounts payable		( 20,253 )	100,923
Accounts payable - related parties		( 5,703 )	( 2,623 )
Other payables		301,829	215,758
Other payables - related parties		( 22,301 )	88,356
Other current liabilities		( 19,938 )	6,279
Other non-current liabilities		1,403	571
Cash inflow generated from operations		987,148	509,564
Interest received		807	803
Interest paid		( 1,232 )	( 1,757 )
Income tax paid		( 3,516 )	( 37,522 )
Net cash provided by operating activities		983,207	471,088

(Continued)

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
THREE MONTHS ENDED MARCH 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)  
(REVIEWED, NOT AUDITED)

	Notes	Three months ended March 31,	
		2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets as amortised cost		(\$ 17,340 )	(\$ 68,279 )
Decrease (increase) in other financial assets		25,883	( 106,640 )
Acquisition of investments accounted for under equity method		( 30,000 )	-
Acquisition of property, plant and equipment	6(31)	( 39,089 )	( 44,030 )
Proceeds from disposal of property, plant and equipment		67	-
Acquisition of intangible assets	6(31)	( 27,113 )	( 15,897 )
Increase in refundable deposits		( 11,830 )	( 1,369 )
Net cash used in investing activities		( 99,422 )	( 236,215 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(32)	48,849	72,586
Payment of lease liabilities	6(32)	( 8,224 )	( 7,805 )
Repayment of long-term debt	6(32)	( 40,000 )	( 40,000 )
Increase in guarantee deposits received		2,875	573
Increase in subsidiaries capital from non-controlling interest		-	7,294
Net cash provided by financing activities		3,500	32,648
Effect of exchange rate changes on cash and cash equivalents		26,944	491
Net increase in cash and cash equivalents		914,229	268,012
Cash and cash equivalents at beginning of the period		3,418,896	2,397,601
Cash and cash equivalents at end of the period		\$ 4,333,125	\$ 2,665,613

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

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2022 AND 2021

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

(REVIEWED, NOT AUDITED)

1. HISTORY AND ORGANISATION

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

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

These consolidated financial statements were authorised for issuance by the Board of Directors on May 3, 2022.

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”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022
Amendments to IAS 37, ‘Onerous contracts - cost of fulfilling a contract’	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

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

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

None.

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

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2021, 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 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' 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, 2021.

(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 other comprehensive income.
  - (b) 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 as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2022	December 31, 2021	March 31, 2021	
Gamania Digital Entertainment Co., Ltd.	Gamania Holdings Ltd. (GH)	Holding company	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)	Joymobee Entertainment Co., Ltd.	Software services	100	100	100	Notes 1 and 2
Gamania International Holdings Ltd. (GIH)	Achieve Made International Ltd. (AMI)	Investment and holding company	45.40	43.56	42.71	Notes 2, 3 and 12
Gamania International Holdings Ltd. (GIH)	HaPod Digital Technology Co., Ltd.	Software services and sales	100	100	100	Notes 1 and 2
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Investment and holding company	100	100	100	Notes 1 and 2
Gamania China Holdings Ltd.	Gamania Digital Entertainment (H.K.) Co., Ltd.	Software services and sales	100	100	100	Note 2
Gamania Sino Holdings Ltd.	Gamania Digital Entertainment (Beijing) Co., Ltd.	Design, 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	Note 2
Achieve Made International Ltd. (AMI)	Jollywiz International (HK) Co., Ltd.	Supply of electronic information services	-	-	93.43	Notes 2 and 4
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	Investment and holding company	100	100	100	Note 2
Jollywiz Digital Technology Co., Ltd.	Jollywiz International (HK) Co., Ltd.	Supply of electronic information services	100	100	6.57	Notes 2 and 4
Jollywiz Digital Technology Co., Ltd.	Bjolly Co., Ltd. (Bjolly)	Supply of electronic information services	95.83	95.83	95.83	Notes 2 and 5
Jollywiz Digital Technology Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	1.10	1.10	-	Notes 1, 2 and 6

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2022	December 31, 2021	March 31, 2021	
Bjolly Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	-	-	1.20	Notes 1, 2 and 6
Cyber Look Properties Ltd.	Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	100	100	100	Note 2
Legion Technology (Shanghai) Co., Ltd.	Jollywiz Digital Business Co., Ltd.	Supply of electronic information services	100	100	100	Note 2
Gamania Digital Entertainment Co., Ltd.	Gamania Asia Investment Co., Ltd. (Gamania Asia)	Investment company	100	100	100	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	Ciirco Inc. (Ciirco)	Software services	99.90	99.90	99.87	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	Fundation Digital Entertainment Co., Ltd. (Fundation)	Publishing of magazines and periodicals	100	100	100	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	JollyBuy Digital Tech. Co., Ltd. (JollyBuy)	Supply of electronic information services	97.67	97.23	96.37	Notes 1, 2 and 13
Gamania Digital Entertainment Co., Ltd.	Two Tigers Co., Ltd. (Two Tigers)	Animation production	51	51	51	Notes 1 and 2
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	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	Indiland Co., Ltd. (Indiland)	IP commodities authorisation	100	100	100	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	We Backers Co., Ltd. (We Backers)	Crowd funding	93.38	93.38	93.38	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	BeanGo! Co., Ltd. (BeanGo!)	Software services	100	100	10	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	MadSugr Digital Technology Co., Ltd. (MadSugr)	Software services and sales	-	-	51	Notes 2 and 10
Gamania Digital Entertainment Co., Ltd.	Coture New Media Co., Ltd. (Coture New Media)	Online media production	93.08	93.08	93.08	Notes 1 and 2
Gamania Digital Entertainment Co., Ltd.	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment services	69.73	69.73	59.64	Notes 7 and 8

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2022	December 31, 2021	March 31, 2021	
Gamania Digital Entertainment Co., Ltd.	Coco Digital Technology Co., Ltd. (Coco)	Software services and sales	-	-	100	Notes 1, 2 and 11
Gamania Digital Entertainment Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	78.97	78.97	78.72	Notes 1, 2 and 6
Gamania Digital Entertainment Co., Ltd.	Digicentre Company Limited (Digicentre)	Software services	67.48	67.48	67.48	Note 2
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	Notes 1 and 2
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	Information software and supply of electronic information services	100	100	100	Notes 1 and 2
Gash Point Co., Ltd.	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	9.04	9.04	12.05	Note 8
Gash Point Co., Ltd.	Conetter CoMarketing Co., Ltd. (Conetter)	Software services	79.98	79.98	79.98	Note 2
Gash Point (Hong Kong) Company Limited	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment services	12.19	12.19	16.25	Notes 7 and 8
MadSugr Digital Technologies Co., Ltd.	MadSugr Digital Technology (HK) Co., Ltd. (MadSugr HK)	Software services and sales	-	-	100	Notes 1, 2 and 9
Ciirco Inc.	Ciirco (HK) Co., Ltd. (Ciirco HK)	Software services	100	100	100	Notes 1 and 2
Gamania Asia Investment Co., Ltd	The China Post Co., Ltd.	Newspaper and magazine publishing	100	100	100	Notes 1 and 2
Gamania Asia Investment Co., Ltd.	Bjolly Co., Ltd. (Bjolly)	Supply of electronic information services	4.17	4.17	4.17	Notes 2 and 5
Digicentre Company Limited	Digicentre (HK) Company Limited	Software services	100	100	100	Note 2
Digicentre Company Limited	Hyperg Smart Security Technology Pte. Ltd. (Hyperg)	Software services	51	51	51	Note 2



- Note 1: The financial statements of the entity as of and for the three months ended March 31, 2022 were not reviewed by independent auditors as the entity did not meet the definition of a significant subsidiary.
- Note 2: The financial statements of the entity as of and for the three months ended March 31, 2021 were not reviewed by independent auditors as the entity did not meet the definition of a significant subsidiary.
- Note 3: 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 4: The Company's subsidiaries, Achieve Made International Ltd., sold all 93.43% equity interest held in Jollywiz International (HK) Co., Limited to the Company's subsidiary, Jollywiz Digital Technology Co., Ltd., on December 31, 2021 and still had control over the investee, thus, the investee was included in the consolidated financial statements.
- Note 5: 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 6: The Company's subsidiary, Bojllly, sold its 1.10% equity interest held in NOWnews to the Company's subsidiary, Jollywiz Digital Technology Co., Ltd., on December 31, 2021. Consequently, the Company and its subsidiary, Jollywiz Digital Technology Co., Ltd., held a 78.97% and 1.10% equity interest in Nownews, respectively and had control over the investee, thus, the investee was included in the consolidated financial statements.
- Note 7: On January 28, 2021, Gash Point (Hong Kong) Company Limited and the Company participated in the capital increase. Gash Point (Hong Kong) Company Limited acquired 16.25% equity interest in GAMA PAY.
- Note 8: On December 27, 2021, the company participated in the capital increase. The company acquired 10.09% equity interest in GAMA PAY. Consequently, the equity interest in GAMA PAY of Gash Point Co., Ltd. and Gash Point (Hong Kong) Company Limited decreased to 9.04% and 12.19%, respectively.
- Note 9: The liquidation of Madsugr HK was completed in June 2021.
- Note 10: The liquidation of Madsugr was completed in December 2021.
- Note 11: The liquidation of Coco was completed in July 2021.
- Note 12: The subsidiary, AMI, redeemed treasury shares without consideration in 2022. Therefore, the share ownership of the Group increased by 1.84%.
- Note 13: The subsidiary, JollyBuy, increased capital by issuing new shares for cash in March 2022. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.44%.

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

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

E. Significant restrictions: None.

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

As of March 31, 2022 December 31, 2021 and March 31, 2021, the non-controlling interest amounted to \$447,792, \$443,614 and \$529,437, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest						Description
		March 31, 2022		December 31, 2021		March 31, 2021		
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)	
AMI and subsidiaries	Taiwan and China	\$ 147,869	54.60%	\$ 150,809	56.44%	\$ 217,887	57.29%	Note
Digicentre Company Limited and subsidiaries	Taiwan, China and Singapore	133,337	32.52%	130,087	32.52%	136,060	32.52%	

Note: Registered location of AMI is British Virgin Islands.

#### Balance sheets

	AMI and subsidiaries		
	March 31, 2022	December 31, 2021	March 31, 2021
Current assets	\$ 335,453	\$ 350,772	\$ 607,576
Non-current assets	55,412	51,115	62,238
Current liabilities	( 108,117)	( 120,722)	( 268,920)
Total net assets	<u>\$ 282,748</u>	<u>\$ 281,165</u>	<u>\$ 400,894</u>

	Digicentre Company Limited and subsidiaries		
	March 31, 2022	December 31, 2021	March 31, 2021
Current assets	\$ 333,015	\$ 323,549	\$ 286,965
Non-current assets	275,949	257,479	249,695
Current liabilities	( 189,745)	( 186,235)	( 141,011)
Non-current liabilities	( 53,995)	( 40,868)	( 24,606)
Total net assets	<u>\$ 365,224</u>	<u>\$ 353,925</u>	<u>\$ 371,043</u>

Statements of comprehensive income

	AMI and subsidiaries	
	Three months ended March 31,	
	2022	2021
Revenue	\$ 129,920	\$ 209,476
Profit (loss) before income tax	695	( 20,051)
Income tax expense	-	-
Profit (loss) for the period	695	( 20,051)
Other comprehensive loss, net of tax	( 3,434)	( 2,994)
Total comprehensive loss for the period	(\$ 2,739)	(\$ 23,045)
Comprehensive loss attributable to non-controlling interest	(\$ 2,537)	(\$ 13,155)
Dividends paid to non-controlling interest	\$ -	\$ -

	Digicentre Company Limited and subsidiaries	
	Three months ended March 31,	
	2022	2021
Revenue	\$ 309,764	\$ 223,513
Profit before income tax	15,141	8,685
Income tax expense	( 4,651)	( 3,989)
Profit for the period	10,490	4,696
Other comprehensive income, net of tax	1,284	514
Total comprehensive income for the period	\$ 11,774	\$ 5,210
Comprehensive income attributable to non-controlling interest	\$ 3,866	\$ 1,758
Dividends paid to non-controlling interest	\$ -	\$ -

Statements of cash flows

	AMI and subsidiaries	
	Three months ended March 31,	
	2022	2021
Net cash provided by operating activities	\$ 690	\$ 9,449
Net cash (used in) provided by investing activities	( 190)	490
Net cash used in financing activities	( 1,123)	( 1,354)
Effect of exchange rate changes on cash and cash equivalents	( 3,862)	( 3,040)
(Decrease) increase in cash and cash equivalents	( 4,485)	5,545
Cash and cash equivalents, beginning of period	128,873	109,685
Cash and cash equivalents, end of period	\$ 124,388	\$ 115,230

<u>Digicentre Company Limited and subsidiaries</u>			
<u>Three months ended March 31,</u>			
	<u>2022</u>		<u>2021</u>
Net cash used in operating activities	(\$ 5,207)	(\$	12,282)
Net cash used in investing activities	( 8,763)	(	4,254)
Net cash provided by (used in) financing activities	14,947	(	36,936)
Effect of exchange rate changes on cash and cash equivalents	477		30
Decrease in cash and cash equivalents	1,454	(	53,442)
Cash and cash equivalents, beginning of period	121,214		134,743
Cash and cash equivalents, end of period	<u>\$ 122,668</u>	<u>\$</u>	<u>81,301</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. And, the related information is disclosed accordingly.

(5) Income tax

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

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

There was no significant change in the reporting period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2021.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Cash on hand and petty cash	\$ 2,256	\$ 2,017	\$ 3,234
Checking accounts and demand deposits	3,366,232	2,668,731	2,055,951
Cash equivalents - time deposits	964,637	748,148	606,428
	<u>\$ 4,333,125</u>	<u>\$ 3,418,896</u>	<u>\$ 2,665,613</u>

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

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

(2) Notes and accounts receivable

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Notes receivable	\$ 1,242	\$ 752	\$ 445
Accounts receivable	\$ 909,386	\$ 928,737	\$ 1,165,703
Less: Loss allowance	( 46,753)	( 52,614)	( 33,880)
	<u>862,633</u>	<u>876,123</u>	<u>1,131,823</u>
Overdue receivables (shown as other non-current assets)	113,534	106,343	106,709
Less: Loss allowance	( 113,534)	( 106,343)	( 106,709)
	<u>\$ 862,633</u>	<u>\$ 876,123</u>	<u>\$ 1,131,823</u>

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Not past due	\$ 835,085	\$ 811,458	\$ 1,025,584
Up to 30 days	16,091	12,989	48,251
31~60 days	8,612	12,776	10,770
61~90 days	734	14,414	10,788
91~120 days	130	9,084	9,363
Over 121 days	48,734	68,016	60,947
	<u>\$ 909,386</u>	<u>\$ 928,737</u>	<u>\$ 1,165,703</u>

The above ageing analysis was based on past due date.

B. As at March 31, 2022, December 31, 2021 and March 31, 2021, the Group has no notes receivable past due.

C. As at March 31, 2022, December 31, 2021, March 31, 2021 and January 1, 2021, the balances of receivables (including notes and overdue receivables) from contracts with customers amounted to \$1,024,162, \$1,035,832, \$1,272,857 and \$1,086,468, respectively.

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

E. As at March 31, 2022, December 31, 2021 and March 31, 2021, 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 \$1,242, \$752 and \$445, and accounts receivable was \$862,633, \$876,123 and \$1,131,823, respectively.

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

(3) Other receivables

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Other receivables	\$ 349,550	\$ 262,487	\$ 540,471
Less: Loss allowance	( 1,827)	( 1,998)	( 8,727)
	<u>\$ 347,723</u>	<u>\$ 260,489</u>	<u>\$ 531,744</u>

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Not past due	\$ 170,865	\$ 208,284	\$ 487,746
Up to 30 days	144,678	12,543	24,790
31 to 60 days	8,828	13,171	10,354
61 to 90 days	7,278	18,542	7,627
91 to 120 days	4,666	206	9
Over 121 days	13,235	9,741	9,945
	<u>\$ 349,550</u>	<u>\$ 262,487</u>	<u>\$ 540,471</u>

The above ageing analysis was based on past due date.

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

C. As at March 31, 2022, December 31, 2021 and March 31, 2021, 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 \$347,723, \$260,489 and \$531,744, respectively.

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

(4) Inventories

	<u>March 31, 2022</u>		
	<u>Cost</u>	<u>Allowance for obsolescence and market value decline</u>	<u>Book value</u>
Merchandise inventory	\$ 132,473	(\$ 18,995)	\$ 113,478
	<u>December 31, 2021</u>		
	<u>Cost</u>	<u>Allowance for obsolescence and market value decline</u>	<u>Book value</u>
Merchandise inventory	\$ 139,774	(\$ 17,192)	\$ 122,582

	<u>March 31, 2021</u>		
	Cost	Allowance for obsolescence and market value decline	Book value
Merchandise inventory	\$ 144,877	(\$ 2,527)	\$ 142,350

Expenses and losses incurred on inventories for the period:

	<u>Three months ended March 31,</u>	
	<u>2022</u>	<u>2021</u>
Cost of goods sold	\$ 93,185	\$ 190,236
Loss on decline in market value	1,803	100
	<u>\$ 94,988</u>	<u>\$ 190,336</u>

(5) Prepayments

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Prepayments to suppliers	\$ 213,182	\$ 223,562	\$ 376,341
Prepaid expenses	68,588	63,724	90,868
Excess business tax paid	54,062	60,676	56,242
Others	2,769	4,064	3,256
	<u>\$ 338,601</u>	<u>\$ 352,026</u>	<u>\$ 526,707</u>

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

<u>Items</u>	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Non-current items:			
Equity instruments			
OTC stocks	\$ 78,376	\$ 78,376	\$ 78,376
Emerging stocks	20,546	20,000	20,000
Unlisted, non-OTC and non-emerging stocks	481,541	481,542	538,190
	580,463	579,918	636,566
Valuation adjustment	( 410,355)	( 381,292)	( 447,491)
	<u>\$ 170,108</u>	<u>\$ 198,626</u>	<u>\$ 189,075</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 \$170,108, \$198,626 and \$189,075 as at March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

B. 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:

	Three months ended March 31,	
	2022	2021
Change of fair value recognised in other comprehensive income	(\$ 29,991)	\$ 6,021

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

(7) Financial assets at amortised cost

Items	March 31, 2022	December 31, 2021	March 31, 2021
Current items:			
Time deposit more than three months	\$ 105,803	\$ 88,463	\$ 170,905

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

	Three months ended March 31,	
	2022	2021
Interest income	\$ 120	\$ 98

B. As at March 31, 2022, December 31, 2021 and March 31, 2021, 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 \$105,803, \$88,463 and \$170,905, 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

	2022	2021
At January 1	\$ 121,309	\$ 205,090
Addition of investments accounted for under equity method	30,000	-
Share of loss of investments accounted for under equity method	( 12,813)	( 14,895)
Changes in capital surplus	-	1,074
Changes in other equity items	280	-
Effects of foreign exchange	134	104
At March 31	\$ 138,910	\$ 191,373



A. List of long-term investments:

Name of associates	March 31, 2022		December 31, 2021		March 31, 2021	
	Ownership percentage	Balance	Ownership percentage	Balance	Ownership percentage	Balance
Gungho Gamania Co., Limited (Gungho Gamania)	49.00	\$ 1,103	49.00	\$ 8,957	49.00	\$ 57,755
Jsdway Digital Technology Co., Ltd. (Jsdway)	37.18	48,988	37.18	47,899	37.18	47,295
Hao-Ji film Ltd. (Hao-Ji)	42.86	29,992	-	-	-	-
Chuang Meng Shr Ji Co., Ltd. (Chuang Meng Shr J.)	33.03	25,069	33.03	26,240	33.03	29,702
Walkermedia Co., Ltd. (Walkermedia)	30.00	9,665	30.00	11,006	30.00	17,177
Aotter Inc. (Aotter)	21.48	9,258	21.48	10,128	21.48	15,690
Fantasy Fish Digital Games Co., Ltd. (Fantasy Fish) (Note 1)	-	-	-	-	44.08	-
Taiwan e-sports Co., Ltd. (Taiwan e-sports)	29.54	1,598	29.54	5,383	29.54	11,203
Store Marais Co., Ltd. (Marais) (Note 2)	7.69	9,713	7.69	8,667	7.69	8,691
Pri-One Marketing Co., Ltd. (Pri-One)	30.00	2,743	30.00	2,538	30.00	3,369
4-Way Voice Cultural Co., Ltd. (4-Way Voice)	38.00	781	38.00	491	38.00	491
Ju Shr Da Jiu (Shanghai) International Trading Co., Ltd. (Ju Shr Da Jiu) (Note 3)	30.00	-	30.00	-	30.00	-
ACCI Group Limited (ACCI) (Note 2) (Note 3)	30.00	-	30.00	-	30.00	-
Firedog creative Co., Ltd. (Firedog) (Note 3)	30.00	-	40.00	-	40.00	-
		<u>\$ 138,910</u>		<u>\$ 121,309</u>		<u>\$ 191,373</u>

The investments accounted for under equity method are based on financial statements of investees as of and for the three months ended March 31, 2022 and 2021 which were not reviewed by independent auditors.

Note 1: The liquidation of Fantasy Fish was completed in June 2021.

Note 2: 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 3: All impairment losses derived from equity investments have been recognised based on the Company's assessment.

B. As of March 31, 2022, December 31, 2021 and March 31, 2021, the carrying amount of the Group's individually immaterial associates amounted to \$138,910, \$121,309 and \$191,373, respectively. The Group's share of the operating results are summarised below:

	Three months ended March 31,	
	2022	2021
Loss for the period	(\$ 12,813)	(\$ 14,895)
Other comprehensive income, net of tax	-	-
Total comprehensive loss	<u>(\$ 12,813)</u>	<u>(\$ 14,895)</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</u>	<u>Total</u>
<u>At January 1, 2022</u>									
Cost	\$ 2,246,082	\$ 536,582	\$ 429,755	\$ 1,226	\$ 92,428	\$ 36,134	\$ 44,122	\$ 8,091	\$ 3,394,420
Accumulated depreciation	-	( 168,055)	( 318,996)	( 1,166)	( 53,008)	( 30,890)	( 18,656)	-	( 590,771)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 368,527</u>	<u>\$ 104,377</u>	<u>\$ 60</u>	<u>\$ 39,420</u>	<u>\$ 5,244</u>	<u>\$ 25,466</u>	<u>\$ 8,091</u>	<u>\$ 2,797,267</u>
<u>2022</u>									
Opening net book amount as at January 1	\$ 2,246,082	\$ 368,527	\$ 104,377	\$ 60	\$ 39,420	\$ 5,244	\$ 25,466	\$ 8,091	\$ 2,797,267
Additions	-	5,530	26,910	-	5,010	5,452	2,198	240	45,340
Disposals	-	-	-	-	( 66)	-	-	-	( 66)
Transfer	-	-	-	-	-	-	2,385	( 2,385)	-
Depreciation charge	-	( 9,538)	( 14,638)	-	( 3,372)	( 1,512)	( 2,784)	-	( 31,844)
Net exchange differences	-	-	81	-	29	1	-	-	111
Closing net book amount as at March 31	<u>\$ 2,246,082</u>	<u>\$ 364,519</u>	<u>\$ 116,730</u>	<u>\$ 60</u>	<u>\$ 41,021</u>	<u>\$ 9,185</u>	<u>\$ 27,265</u>	<u>\$ 5,946</u>	<u>\$ 2,810,808</u>
<u>At March 31, 2022</u>									
Cost	\$ 2,246,082	\$ 542,086	\$ 437,841	\$ 1,269	\$ 94,943	\$ 19,133	\$ 48,584	\$ 5,946	\$ 3,395,884
Accumulated depreciation	-	( 177,567)	( 314,729)	( 1,209)	( 53,922)	( 9,948)	( 21,319)	-	( 578,694)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 364,519</u>	<u>\$ 116,730</u>	<u>\$ 60</u>	<u>\$ 41,021</u>	<u>\$ 9,185</u>	<u>\$ 27,265</u>	<u>\$ 5,946</u>	<u>\$ 2,810,808</u>

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Unfinished construction</u>	<u>Total</u>
<u>At January 1, 2021</u>									
Cost	\$ 2,246,082	\$ 517,870	\$ 480,246	\$ 1,226	\$ 101,019	\$ 35,564	\$ 61,201	\$ 9,372	\$ 3,452,580
Accumulated depreciation	-	( 133,590)	( 344,172)	( 1,166)	( 64,832)	( 22,877)	( 34,125)	-	( 600,762)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 384,280</u>	<u>\$ 129,692</u>	<u>\$ 60</u>	<u>\$ 36,187</u>	<u>\$ 12,687</u>	<u>\$ 27,076</u>	<u>\$ 9,372</u>	<u>\$ 2,845,436</u>
<u>2021</u>									
Opening net book amount as at January 1	\$ 2,246,082	\$ 384,280	\$ 129,692	\$ 60	\$ 36,187	\$ 12,687	\$ 27,076	\$ 9,372	\$ 2,845,436
Additions	-	659	19,362	-	4,444	-	966	3,849	29,280
Disposals	-	-	-	-	( 42)	-	( 2)	-	( 44)
Transfer	-	-	-	-	-	-	672	( 672)	-
Depreciation charge	-	( 8,672)	( 16,631)	-	( 3,700)	( 1,592)	( 2,239)	-	( 32,834)
Net exchange differences	-	-	( 2)	-	-	-	-	-	( 2)
Closing net book amount as at March 31	<u>\$ 2,246,082</u>	<u>\$ 376,267</u>	<u>\$ 132,421</u>	<u>\$ 60</u>	<u>\$ 36,889</u>	<u>\$ 11,095</u>	<u>\$ 26,473</u>	<u>\$ 12,549</u>	<u>\$ 2,841,836</u>
<u>At March 31, 2021</u>									
Cost	\$ 2,246,082	\$ 518,503	\$ 466,320	\$ 1,226	\$ 102,152	\$ 35,392	\$ 41,317	\$ 12,549	\$ 3,423,541
Accumulated depreciation	-	( 142,236)	( 327,517)	( 1,166)	( 65,263)	( 24,297)	( 14,844)	-	( 575,323)
Accumulated impairment	-	-	( 6,382)	-	-	-	-	-	( 6,382)
	<u>\$ 2,246,082</u>	<u>\$ 376,267</u>	<u>\$ 132,421</u>	<u>\$ 60</u>	<u>\$ 36,889</u>	<u>\$ 11,095</u>	<u>\$ 26,473</u>	<u>\$ 12,549</u>	<u>\$ 2,841,836</u>

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

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

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

(10) Leasing arrangements - lessee

- A. The Group leases various assets including buildings, parking lot, machinery and business vehicles. Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. Short-term leases with a lease term of 12 months or less comprise buildings and multifunction printers. For the three months ended March 31, 2022 and 2021, payments of lease commitments for short-term leases amounted to \$2,505 and \$944, respectively.
- C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	Book value		
	March 31, 2022	December 31, 2021	March 31, 2021
Buildings	\$ 65,885	\$ 71,379	\$ 49,247
Land improvements	1,287	1,609	2,932
Transportation equipment (Business vehicles)	2,152	1,494	2,442
Machinery	19,817	21,056	6,864
	<u>\$ 89,141</u>	<u>\$ 95,538</u>	<u>\$ 61,485</u>

	Depreciation charge	
	Three months ended March 31,	
	2022	2021
Buildings	\$ 6,216	\$ 5,948
Land improvements	322	131
Transportation equipment (Business vehicles)	355	593
Machinery	1,239	895
	<u>\$ 8,132</u>	<u>\$ 7,567</u>

- D. For the three months ended March 31, 2022 and 2021, the additions to right-of-use assets were \$1,686 and \$2,489, respectively.
- E. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended March 31,	
	2022	2021
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 213	\$ 126
Expense on short-term lease contracts	<u>\$ 2,505</u>	<u>\$ 944</u>

- F. For the three months ended March 31, 2022 and 2021, the Group's total cash outflow for leases were \$10,941 and \$8,875, respectively.

(11) Intangible assets

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

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

	<u>License fees</u>	<u>Software</u>	<u>Other intangible asset</u>	<u>Trademark right</u>	<u>Customer relationship</u>	<u>Goodwill</u>	<u>Total</u>
<u>At January 1, 2021</u>							
Cost	\$ 1,695,225	\$ 97,266	\$ 141,985	\$ 10,090	\$ 197,852	\$ 382,804	\$ 2,525,222
Accumulated amortisation	( 866,238)	( 57,164)	( 32,382)	-	( 55,924)	-	( 1,011,708)
Accumulated impairment	( 27,440)	-	-	-	-	( 74,411)	( 101,851)
	<u>\$ 801,547</u>	<u>\$ 40,102</u>	<u>\$ 109,603</u>	<u>\$ 10,090</u>	<u>\$ 141,928</u>	<u>\$ 308,393</u>	<u>\$ 1,411,663</u>
<u>2021</u>							
Opening net book amount as at January 1	\$ 801,547	\$ 40,102	\$ 109,603	\$ 10,090	\$ 141,928	\$ 308,393	\$ 1,411,663
Additions	-	12,293	-	-	-	-	12,293
Amortisation charge	( 167,944)	( 10,924)	( 3,314)	-	( 4,667)	-	( 186,849)
Net exchange differences	912	140	223	-	9	80	1,364
Closing net book amount as at March 31	<u>\$ 634,515</u>	<u>\$ 41,611</u>	<u>\$ 106,512</u>	<u>\$ 10,090</u>	<u>\$ 137,270</u>	<u>\$ 308,473</u>	<u>\$ 1,238,471</u>
<u>At March 31, 2021</u>							
Cost	\$ 1,631,453	\$ 100,940	\$ 142,235	\$ 10,090	\$ 196,500	\$ 382,889	\$ 2,464,107
Accumulated amortisation	( 979,819)	( 59,329)	( 35,723)	-	( 59,230)	-	( 1,134,101)
Accumulated impairment	( 17,119)	-	-	-	-	( 74,416)	( 91,535)
	<u>\$ 634,515</u>	<u>\$ 41,611</u>	<u>\$ 106,512</u>	<u>\$ 10,090</u>	<u>\$ 137,270</u>	<u>\$ 308,473</u>	<u>\$ 1,238,471</u>

A. The details of amortisation are as follows:

	Three months ended March 31,	
	2022	2021
Operating costs	\$ 24,855	\$ 174,235
Selling expenses	4,771	4,019
General and administrative expenses	5,290	5,486
Research and development expenses	4,258	3,109
	<u>\$ 39,174</u>	<u>\$ 186,849</u>

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

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Goodwill:			
NOWnews	\$ 197,055	\$ 197,055	\$ 197,055
Digicentre	141,149	141,149	141,149
AMI	17,633	17,050	17,578
GIH	25,579	24,735	25,499
Others	<u>1,610</u>	<u>1,583</u>	<u>1,608</u>
	383,026	381,572	382,889
Less: Accumulated impairment	( 147,477)	( 146,821)	( 74,416)
	<u>\$ 235,549</u>	<u>\$ 234,751</u>	<u>\$ 308,473</u>
Trademark:			
NOWnews	<u>\$ 10,090</u>	<u>\$ 10,090</u>	<u>\$ 10,090</u>

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

D. The Group's goodwill acquired in a business combination consisting of expected operating revenue growth from acquired companies and benefits from its potential customer relations. In accordance with IAS 36, goodwill acquired from business combination shall be tested for impairment every year and when there is any indication that it might have been impaired. The impairment testing on goodwill as of December 31, 2021 and 2020 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, 2021 and 2020. As the recoverable amount of NOWnews and AMI was lower than the carrying amount at December 31, 2021, goodwill was impaired. The main assumptions used in calculating value-in-use by external appraiser are set out below:

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Growth rate	2.5%~5.5%	3.2%~4.3%
Discount rate	13.2%~14.1%	13.9%~14.6%

- (c) As of December 31, 2021 and 2020, aside from NOWnews and Digicentre, the recoverable amounts of cash-generating units were calculated based on value-in-use. Because the recoverable amounts exceeded the carrying amount, goodwill was not impaired. The key assumptions used for value-in-use calculations take into consideration operating profit margin, growth rate and discount rate.
- (d) Management determined the budgeted operating profit margin based on past performance and their expectations of market development. The weighted average growth rates are consistent with the projection in industry reports. The discount rates were pre-tax and reflected specific risks relating to the relevant operating segments.

(12) Other non-current assets

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Overdue receivables	\$ 113,534	\$ 106,343	\$ 106,709
Less: Loss allowance for overdue receivables	( 113,534)	( 106,343)	( 106,709)
Refundable deposits	49,183	37,353	42,791
Others	18,526	19,754	3,235
	<u>\$ 67,709</u>	<u>\$ 57,107</u>	<u>\$ 46,026</u>

(13) Impairment of non-financial assets

The Group recognised impairment loss of \$74,542 and \$0 for the three months ended March 31, 2022 and 2021, respectively. Details of such loss are as follows:

	<u>Recognised in profit or loss</u>	
	<u>Three months ended March 31,</u>	
	<u>2022</u>	<u>2021</u>
Impairment loss - license fees	\$ 36,353	\$ -
Impairment loss - other intangible asset	38,189	-
	<u>\$ 74,542</u>	<u>\$ -</u>

The Group recognised impairment loss in the first quarter of 2022 as the recoverable amount of the present value of future cash flows of license fees and other intangible asset is less than the carrying amount.

(14) Short-term borrowings

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Bank borrowings			
Secured borrowings	\$ 151,920	\$ 100,164	\$ 96,372
Unsecured borrowings	-	-	202,533
	<u>\$ 151,920</u>	<u>\$ 100,164</u>	<u>\$ 298,905</u>
Credit lines	<u>\$ 3,331,669</u>	<u>\$ 3,009,279</u>	<u>\$ 3,356,569</u>
Interest rate range	<u>0.80%~5.80%</u>	<u>1.05%~5.80%</u>	<u>0.80%~5.80%</u>

(15) Other payables

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Store-value received on behalf of others	\$ 913,986	\$ 878,810	\$ 889,183
Electronic payment received on behalf of others	56,937	50,067	-
Payable on business tax and withholding tax	165,438	95,249	128,726
Commission payable	85,200	116,969	101,684
Salary and annual bonus payable	136,939	183,246	129,561
Employees' compensation payable	293,957	205,913	208,588
Payable on equipment and intangible assets (Note)	31,171	28,349	460,494
Directors' remuneration payable	50,024	34,219	33,030
Others	278,128	158,909	245,871
	<u>\$ 2,011,780</u>	<u>\$ 1,751,731</u>	<u>\$ 2,197,137</u>

Note: The payment obligations of certain game license are to pay game developers license fees if the revenue reaches a certain amount within two 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. In the fourth quarter of 2021, the payment conditions are confirmed settlement without paying, license fees and payables had been reversed.

(16) Long-term borrowings

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

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>December 31, 2021</u>
Long-term bank borrowings				
Secured borrowings	Borrowing period is March 20, 2015 ~ March 20, 2025; interest is payable monthly for the first three years; starting from the fourth year, principal and interest are payable quarterly in 28 installments	1.13%~1.70%	Land and Buildings and structures	\$ 80,000
Less: Current portion				( 80,000)
				<u>\$ -</u>

<u>Type of borrowings</u>	<u>Borrowing period and repayment term</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>March 31, 2021</u>
Long-term bank borrowings				
Secured borrowings	Borrowing period is March 20, 2015 ~ March 20, 2025; interest is payable monthly for the first three years; starting from the fourth year, principal and interest are payable quarterly in 28 installments	1.13%~1.70%	Land and Buildings and structures	\$ 200,000
Less: Current portion				( 160,000)
				<u>\$ 40,000</u>

(17) Pensions

A. Defined benefit plan

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit before March in the following year.
- (b) The pension costs under the defined benefit pension plan of the Company for the three months ended March 31, 2022 and 2021 were \$198 and \$210, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2023 amount to \$1,057.

B. Defined contribution plan

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) Gamania Digital Entertainment (Beijing) Co., Ltd., Legion Technology (Shanghai) Co., Ltd. and Jollywiz Digital Business Co., Ltd. have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on a certain percentage of employees' monthly salaries and wages. The contribution percentage for the three months ended March 31, 2022 and 2021 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., Ciirco (HK) Co., Ltd., Digicentre (HK) Company Limited and Hyperg Smart Security Technology Pte., Ltd. provide pension reserves annually for their employees in accordance with the local regulations.

- (d) The pension costs under the defined contribution pension plan of the Group for the three months ended March 31, 2022 and 2021 were \$10,925 and \$10,121, respectively.

(18) Common stock

As of March 31, 2022, the Company's authorised capital was \$2,500,000, consisting of 250 million shares of ordinary stock (including 12 million shares reserved for employee stock options), and the paid-in capital was \$1,754,936 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

(19) Capital surplus

- A. Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.
- B. When it is resolved by the shareholders at their shareholders' meeting, legal reserve and whole or part of capital reserve arising from the following items can be used to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit:
- (a) Paid-in capital in excess of par value on issuance of common stocks; and
  - (b) Donations.

(20) Unappropriated retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the total capital stock balance, and appropriate or reverse for special reserve as required by the operating needs of the Company or regulations when necessary. The remainder, if any, to be retained or to be appropriated shall be proposed by the Board of Directors and resolved by the stockholders at the stockholders' meeting.
- B. The Company's dividend policy adopts the conservatism principle, with consideration of the Company's profit, financial structure and future development plans. At least 10% of the Company's distributable earnings as of the end of the period shall be appropriated as cash dividends.

- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.
- E. On August 5, 2021, the shareholders during their meeting resolved the 2020 appropriations of retained earnings as follows:

	<u>Year ended December 31, 2020</u>	
	<u>Amount</u>	<u>Dividend per share (in dollars)</u>
Legal reserve appropriated	\$ 113,664	\$ -
Special reserve appropriated	379,928	-
Cash dividends distributed to shareholders	<u>701,974</u>	<u>4.0</u>
	<u>\$ 1,195,566</u>	<u>\$ 4.0</u>

- F. On March 10, 2022, the board of directors during its meeting proposed 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>

As of May 3, 2022, the appropriations of 2021 earnings have not yet been resolved by the shareholders and have not yet been distributed.

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

(21) Other equity

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

	2021		
	Translation differences	Unrealised gain or loss on financial assets at fair value through other comprehensive income	Total
At January 1	(\$ 107,968)	(\$ 443,936)	(\$ 551,904)
Revaluation - Group	-	6,021	6,021
Currency translation differences:			
- Group	( 27)	-	( 27)
At March 31	(\$ 107,995)	(\$ 437,915)	(\$ 545,910)

(22) Operating revenue

	Three months ended March 31,	
	2022	2021
Revenue from contracts with customers	\$ 3,408,550	\$ 3,106,547

A. Disaggregation of revenue from contracts with customers

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

Three months ended March 31, 2022	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	\$ 2,903,204	\$ 293,257	\$ 130,856	\$ 81,233	\$ 3,408,550
Timing of revenue recognition					
At a point in time	\$ 2,654,417	\$ 135,201	\$ 130,856	\$ 81,233	\$ 3,001,707
Over time	248,787	158,056	-	-	406,843
	\$ 2,903,204	\$ 293,257	\$ 130,856	\$ 81,233	\$ 3,408,550

Three months ended March 31, 2021	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	\$ 2,481,795	\$ 340,758	\$ 204,037	\$ 79,957	\$ 3,106,547
Timing of revenue recognition					
At a point in time	\$ 2,352,554	\$ 165,102	\$ 204,037	\$ 79,957	\$ 2,801,650
Over time	129,241	175,656	-	-	304,897
	<u>\$ 2,481,795</u>	<u>\$ 340,758</u>	<u>\$ 204,037</u>	<u>\$ 79,957</u>	<u>\$ 3,106,547</u>

#### B. Contract liabilities

(a) The Group recognised contract liabilities related to the contract revenue from sales amounting to \$308,453, \$385,016, \$287,618 and \$281,129 as of March 31, 2022, December 31, 2021, March 31, 2021, and January 1, 2021, respectively. The Group's contract liabilities are mainly deferred revenue from points stored but unused or unconsumed in the online game or mobile game, and are amortised as revenue over the period of the services or the estimated useful period of the virtual items when they are actually used.

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

	Three months ended March 31,	
	2022	2021
Revenue from games	\$ 385,016	\$ 281,129

#### (23) Interest income

	Three months ended March 31,	
	2022	2021
Interest income from bank deposits	\$ 687	\$ 705
Interest income from financial assets at amortised cost	120	98
	<u>\$ 807</u>	<u>\$ 803</u>

#### (24) Other income

	Three months ended March 31,	
	2022	2021
Rental revenue	\$ 368	\$ 476
Other income	2,926	4,127
	<u>\$ 3,294</u>	<u>\$ 4,603</u>



(25) Other gains and losses

	Three months ended March 31,	
	2022	2021
Gain (loss) on disposal of property, plant and equipment	\$ 1	(\$ 44)
Loss on disposal of investments	( 379)	-
Foreign exchange gain	10,787	8,417
Impairment loss	( 74,542)	-
Other losses	( 441)	( 1,434)
	<u>(\$ 64,574)</u>	<u>\$ 6,939</u>

(26) Finance costs

	Three months ended March 31,	
	2022	2021
Interest expense:		
Bank borrowings	\$ 1,019	\$ 1,631
Lease liability	213	126
	<u>\$ 1,232</u>	<u>\$ 1,757</u>

(27) Employee benefit, depreciation and amortisation expense

	Three months ended March 31,	
	2022	2021
Employee benefit expense		
Wages and salaries	\$ 323,649	\$ 265,673
Directors' remuneration	17,205	10,285
Labor and health insurance fees	22,184	17,677
Pension costs	11,123	10,331
Other personnel expenses	11,670	10,718
	<u>\$ 385,831</u>	<u>\$ 314,684</u>
Depreciation on property, plant and equipment (including right-of-use assets)	<u>\$ 39,976</u>	<u>\$ 40,401</u>
Amortisation expense	<u>\$ 39,174</u>	<u>\$ 186,849</u>

A. According to the Articles of Incorporation of the Company, the profit before tax before deduction of employees' compensation and directors' remuneration of the Company, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be 10%~15% for employees' compensation and shall not be higher than 2% for directors' remuneration. However, where the Company has accumulated losses, the Company shall first use any profit to cover such losses.

B. (a) For the three months ended March 31, 2022 and 2021, employees' compensation was accrued at \$79,027 and \$44,374, respectively; while directors' remuneration was accrued at \$17,155 and \$10,225, respectively. The aforementioned amounts were recognised in salary expenses.

(b) For the three months ended March 31, 2022, 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 2021 amounted to \$163,299 and \$32,000, respectively, as resolved at the meeting of the Board of Directors. The difference in employees' compensation and directors' remuneration for 2021 amounting to \$2,020 and \$1,064, respectively, had been adjusted in the profit or loss for 2022. However, as of May 3, 2022, employees' compensation and directors' remuneration for 2021 have not yet been distributed.

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

(28) Income tax

A. Components of income tax expense:

	<u>Three months ended March 31,</u>	
	<u>2022</u>	<u>2021</u>
Current tax:		
Current tax on profit for the period	\$ 161,190	\$ 129,615
Prior year income tax underestimation	979	-
Deferred tax:		
Origination and reversal of temporary differences	23,674	3,180
Income tax expense	<u>\$ 185,843</u>	<u>\$ 132,795</u>

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

	<u>Latest Year Assessed by Tax Authority</u>
Conetter CoMarketing, Jollywiz	2019
The Company, Digicentre, Gash Point, NOWnews, Bjolly, Two Tigers, Ants' Power, Indiland, Gamania Asia, Ciirco, Coture New Media, WeBackers, BeanGo!, Fundation, GAMA PAY, Madsugr, Jollybuy, Coco	2020



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

(30) Transactions with non-controlling interest

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

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

	Three months ended March 31, 2022
Cash	\$ -
Increase in carrying amount of non-controlling interest	( 934)
Retained earnings - changes in parent's ownership interest in subsidiary	(\$ 934)

B. 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.

C. The subsidiaries, GAMAPAY, Ciirco and NOWnews, increased capital by issuing new shares for cash for the three months ended March 31, 2021. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 4.01%, 0.03%, and 0.19%, respectively. The impact of the transaction attributed to owners of parent is as follows:

	Three months ended March 31, 2021
	<u>GAMA PAY</u>
Cash	\$ -
Increase in carrying amount of non-controlling interest	( 8,417)
Capital surplus - changes in parent's ownership interest in subsidiary	<u>(\$ 8,417)</u>

	<u>Three months ended March 31, 2021</u>	
	<u>Ciirco</u>	<u>NOWnews</u>
Cash	\$ -	\$ 7,294
Increase in carrying amount of non-controlling interest	( 11)	( 7,937)
Decrease in unappropriated retained earnings	<u>(\$ 11)</u>	<u>(\$ 643)</u>

(31) Supplemental cash flow information

Investing activities with partial cash payments:

	<u>Three months ended March 31,</u>	
	<u>2022</u>	<u>2021</u>
Acquisition of property, plant and equipment	\$ 45,340	\$ 29,280
Add: Opening balance of other payables	22,484	24,590
Less: Ending balance of other payables	( 28,735)	( 9,840)
Cash paid during the period	<u>\$ 39,089</u>	<u>\$ 44,030</u>

	<u>Three months ended March 31,</u>	
	<u>2022</u>	<u>2021</u>
Acquisition of intangible assets	\$ 23,684	\$ 12,293
Add: Opening balance of other payables	5,865	454,258
Less: Ending balance of other payables	( 2,436)	( 450,654)
Cash paid during the period	<u>\$ 27,113</u>	<u>\$ 15,897</u>

(32) Changes in liabilities from financing activities

In accordance with amendments to IAS 7, 'Disclosure initiative', movements for the three months ended March 31, 2022 and 2021 are as follows:

	Short-term borrowings	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
January 1, 2022	\$ 100,164	\$ 80,000	\$ 95,667	\$ 275,831
Changes in cash flow from financing activities	48,849	( 40,000)	( 8,224)	625
Impact of changes in foreign exchange rate	2,907	-	48	2,955
Changes in other non-cash items				
Increase in right-of-use assets	-	-	1,686	1,686
March 31, 2022	<u>\$ 151,920</u>	<u>\$ 40,000</u>	<u>\$ 89,177</u>	<u>\$ 281,097</u>
	Short-term borrowings	Long-term borrowings (Note)	Lease liabilities	Liabilities from financing activities-gross
January 1, 2021	\$ 226,148	\$ 240,000	\$ 66,919	\$ 533,067
Changes in cash flow from financing activities	72,586	( 40,000)	( 7,805)	24,781
Impact of changes in foreign exchange rate	171	-	12	183
Changes in other non-cash items				
Increase in right-of-use assets	-	-	2,489	2,489
March 31, 2021	<u>\$ 298,905</u>	<u>\$ 200,000</u>	<u>\$ 61,615</u>	<u>\$ 560,520</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

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Pri-One Marketing Co., Ltd.	Associate
GungHo Gamania Co., Limited	"
Jsdway Digital Technology Co., Ltd. (Jsdway)	"
Aotter Inc.	"
Walker Media Co., Ltd.	"
Store Marais Co., Ltd.	"

Names of related parties	Relationship with the Company
Gamania Cheer Up Foundation	Other related party
Wanwin International Co., Ltd.	"
Simsense Technology Sdn. Bhd.	"

(3) Significant transactions and balances with related parties

A. Operating revenue

	Three months ended March 31,	
	2022	2021
Sales of goods:		
Associates	\$ 80	\$ 266
Other related parties	7,960	6,537
	<u>\$ 8,040</u>	<u>\$ 6,803</u>
Sales of services:		
Associates	\$ 2,944	\$ 5,100
Other related parties	15,968	22,419
	<u>\$ 18,912</u>	<u>\$ 27,519</u>

(a) Sales of goods are on-line games revenue generated from game cards sold by associates and sales revenue of server room equipment in accordance with mutual agreements. The online games revenue has no similar transactions to compare with, and the payment term is the same with non-related parties.

(b) Sales of services are generated from a certain percentage of value-added services provided to related parties, customer services, production of advertisements, and providing IDC service that are in accordance with mutual agreements.

B. Operating costs

	Three months ended March 31,	
	2022	2021
Service costs:		
Other related parties	\$ 1,372	\$ 2,004

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

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

	Three months ended March 31,	
	2022	2021
Associates	\$ 2,930	\$ 4,798
Other related parties	9,089	7,037
	<u>\$ 12,019</u>	<u>\$ 11,835</u>

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

D. Donation (shown in general and administrative expenses)

	Three months ended March 31,	
	2022	2021
Other related party		
Gamania Cheer Up Foundation	\$ 4,000	\$ 3,500

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

	March 31, 2022	December 31, 2021	March 31, 2021
Accounts receivable:			
Associates	\$ 10,194	\$ 8,230	\$ 3,932
Other related parties	2,462	3,111	5,504
	<u>\$ 12,656</u>	<u>\$ 11,341</u>	<u>\$ 9,436</u>
Other receivables:			
Associates	\$ 2,727	\$ 2,182	\$ 612
Other related parties	31	32	83
	<u>\$ 2,758</u>	<u>\$ 2,214</u>	<u>\$ 695</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

	March 31, 2022	December 31, 2021	March 31, 2021
Accounts payable:			
Other related parties	\$ 1,484	\$ 7,187	\$ 1,437
Other payables:			
Associates	\$ 2,046	\$ 5,863	\$ 4,203
Other related parties	178,839	152,721	199,929
	<u>\$ 180,885</u>	<u>\$ 158,584</u>	<u>\$ 204,132</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

	Three months ended March 31,	
	2022	2021
Short-term employee benefits	\$ 68,080	\$ 43,685
Post-employment benefits	27	81
	<u>\$ 68,107</u>	<u>\$ 43,766</u>

8. PLEGGED ASSETS

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

Pledged assets	Book value			Pledge purpose
	March 31, 2022	December 31, 2021	March 31, 2021	
Other current assets				
Demand deposits	\$ 202,182	\$ 228,065	\$ 188,281	Guarantee for short-term borrowing facility, performance bond of on-line game card's standard contracts, trusted electronic payment accounts, trust performance bond for E-commerce service and performance bond of stickers
Time deposits	-	-	10,000	Guarantee for short-term borrowing facility
Financial assets at amortised cost-current				
Time deposits	82,312	62,319	72,382	Guarantee for short-term borrowing facility and credit card merchant
Property, plant and equipment				
Land	2,246,082	2,246,082	2,246,082	Short-term and long-term loans / Credit lines
Buildings and structures	251,418	252,829	257,062	Short-term and long-term loans / Credit lines
	<u>\$ 2,781,994</u>	<u>\$ 2,789,295</u>	<u>\$ 2,773,807</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

The Group contracted the use of cable lines, T1 and T3, with rental charges based on utilisation. In

addition, the Group contracted with several on-line game vendors and will pay royalty based on actual usage.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On May 3, 2022, the Company's board of directors has approved the following significant events:

To enhance Group managerial synergy, the Company plans to acquire 2,408 thousand shares from the original shareholders of GAMA PAY and the total consideration amounted to \$13,789. The Company's shareholding ratio in GAMA PAY will increase to 72.7%, equivalent to 5,816 thousand shares, when the acquisition is completed.

12. OTHERS

(1) Capital risk management

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

(2) Financial instruments

A. Financial instruments by category

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
<u>Financial assets</u>			
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	\$ 170,108	\$ 198,626	\$ 189,075
Financial assets at amortised cost			
Cash and cash equivalents	\$ 4,333,125	\$ 3,418,896	\$ 2,665,613
Financial assets at amortised cost	105,803	88,463	170,905
Notes receivable	1,242	752	445
Accounts receivable (including related parties)	875,289	887,464	1,141,259
Other receivables (including related parties)	350,481	262,703	532,439
Other financial assets	202,182	228,065	198,281
Guarantee deposits paid	49,183	37,353	42,791
	<u>\$ 5,917,305</u>	<u>\$ 4,923,696</u>	<u>\$ 4,751,733</u>

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 151,920	\$ 100,164	\$ 298,905
Notes payable	-	-	1,211
Accounts payable (including related parties)	608,229	634,185	602,543
Other payables (including related parties)	2,192,665	1,910,315	2,401,269
Long-term borrowings (including current portion)	40,000	80,000	200,000
Guarantee deposits received	19,839	16,964	13,198
	<u>\$ 3,012,653</u>	<u>\$ 2,741,628</u>	<u>\$ 3,517,126</u>
Lease liability	<u>\$ 89,177</u>	<u>\$ 95,667</u>	<u>\$ 61,615</u>

#### B. Financial risk management policies

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

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

##### (a) Market risk

###### Foreign exchange risk

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

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

	December 31, 2021		
(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 25,302	27.68	\$ 700,395
HKD:NTD	28,600	3.549	101,501
HKD:USD (Note)	144,859	0.1282	514,043
USD:HKD (Note)	8,597	7.7994	237,966
<u>Non-monetary items</u>			
USD:NTD	33,421	27.68	925,087
KRW:NTD	886,842	0.0235	20,841
JPY:NTD	112,163	0.2405	26,975
HKD:USD (Note)	62,827	0.1282	222,947
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	10,229	27.68	283,139
HKD:USD	8,022	3.549	28,470
USD:HKD (Note)	1,290	7.7994	35,707

	March 31, 2021		
(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 18,467	28.535	\$ 526,956
HKD:NTD	33,145	3.670	121,642
HKD:USD (Note)	141,476	0.129	520,775
RMB:USD (Note)	9,310	0.152	40,380
MYR:USD (Note)	5,097	0.230	33,452
USD:HKD (Note)	10,686	7.775	304,917
<u>Non-monetary items</u>			
USD:NTD	35,198	28.535	1,004,384
KRW:NTD	795,200	0.025	19,880
JPY:NTD	109,969	0.258	28,372
HKD:USD (Note)	105,041	0.129	386,657
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	26,401	28.535	753,353
HKD:NTD	4,562	3.670	16,743
HKD:USD (Note)	28,689	0.129	105,605
USD:HKD (Note)	3,638	7.775	103,808

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

- iv. The total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2022 and 2021 amounted to \$10,787 and \$8,417, respectively.

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

Three months ended March 31, 2022			
Sensitivity analysis			
(Foreign currency: Functional currency)	Extent of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
USD:NTD	1%	\$ 5,354	\$ -
HKD:NTD	1%	1,494	-
HKD:USD (Note)	1%	6,683	-
RMB:USD	1%	351	-
MYR:USD	1%	173	-
NTD:USD	1%	110	-
USD:HKD (Note)	1%	2,108	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	4,227	-
HKD:NTD	1%	756	-
HKD:USD (Note)	1%	715	-
USD:HKD (Note)	1%	345	-
Three months ended March 31, 2021			
Sensitivity analysis			
(Foreign currency: Functional currency)	Extent of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 5,270	\$ -
HKD:NTD	1%	1,216	-
HKD:USD (Note)	1%	5,208	-
RMB:USD (Note)	1%	404	-
MYR:USD	1%	335	-
USD:HKD (Note)	1%	3,049	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	7,534	-
HKD:NTD	1%	167	-
HKD:USD (Note)	1%	1,056	-
USD:HKD (Note)	1%	1,038	-

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 for the three months ended March 31, 2022 and 2021, other comprehensive income or loss would have increased by \$1,701 and \$1,891, respectively, because equity investment is classified as financial asset at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises from borrowings issued at variable rates and expose the Group to cash flow interest rate risk. The interest rates for short-term borrowings of the Group are mainly floating rate and for long-term borrowings are fixed and variable rates. During the three months ended March 31, 2022 and 2021, the Group's borrowings at variable rate were denominated in NTD.
- ii. At March 31, 2022, December 31, 2021 and March 31, 2021, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the three months ended March 31, 2022 and 2021 would have been \$8 and \$13 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms and the contract cash flows of debt instruments stated at amortised cost.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The internal risk control management evaluates the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on ratings from accounting and administration departments in accordance with limits set



by the Board of Directors. The utilisation of credit limits is regularly monitored. Credit risk mainly arose from debt instruments stated at amortised cost and receivables generated from operating activity. Only banks and financial institutions with optimal credit ratings are accepted.

- iii. The Group adopts assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition. When the payment is past due 30 days based on the contract terms, there is a significant increase in credit risk on financial assets since initial recognition.
- iv. In line with credit risk management procedure, the default occurs when the Group expects that payments cannot be collected and reclassified as overdue receivables.
- v. The Group classifies customer's accounts receivable and contract assets in accordance with product types. The Group applies the simplified approach using the provision matrix to estimate expected credit loss.
- vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On March 31, 2022, the Group has no written-off financial assets that are still under recourse procedures.
- vii. The Group uses the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable and other receivables. On March 31, 2022, December 31, 2021 and March 31, 2021, the provision matrix is as follows:

	March 31, 2022		
	Expected loss rate	Total book value	Loss allowance
Not past due	0.03%~0.80%	\$ 1,005,950	\$ 451
Up to 30 days	0.05%~4.21%	160,769	587
31 to 60 days	1.00%~10.00%	17,440	713
61 to 90 days	10.00%~25.00%	8,012	403
91 to 120 days	0.00%~0.00%	4,796	-
Over 121 days	34.68%~100%	61,969	46,426
		<u>\$ 1,258,936</u>	<u>\$ 48,580</u>
	December 31, 2021		
	Expected loss rate	Total book value	Loss allowance
Not past due	0.03%~6.76%	\$ 1,019,743	\$ 4,633
Up to 30 days	0.10%~25.71%	25,532	173
31 to 60 days	1.00%~30%	25,947	323
61 to 90 days	5.48%~38.87%	32,956	2,224
91 to 120 days	22.62%~55.52%	9,289	2,101
Over 121 days	58.05%~100%	77,757	45,158
		<u>\$ 1,191,224</u>	<u>\$ 54,612</u>

		March 31, 2021	
	Expected loss rate	Total book value	Loss allowance
Not past due	0.02%~0.97%	\$ 1,513,330	\$ 2,567
Up to 30 days	0.10%~1.00%	73,041	124
31 to 60 days	0.30%~4.51%	21,124	953
61 to 90 days	4.61%~12.68%	18,415	872
91 to 120 days	31.81%~60.00%	9,372	2,981
Over 121 days	49.48%~100.00%	70,892	35,110
		<u>\$ 1,706,174</u>	<u>\$ 42,607</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:

	2022		
	Accounts receivable	Other receivables	Total
At January 1	\$ 158,957	\$ 1,998	\$ 160,955
Provision for (reversal of) impairment loss	399 (	207)	192
Write-off	( 47) (	19) (	66)
Effect of exchange rate changes	978	55	1,033
At March 31	<u>\$ 160,287</u>	<u>\$ 1,827</u>	<u>\$ 162,114</u>
	2021		
	Accounts receivable	Other receivables	Total
At January 1	\$ 137,244	\$ 7,403	\$ 144,647
Provision for impairment loss	3,307	1,314	4,621
Effect of exchange rate changes	38	10	48
At March 31	<u>\$ 140,589</u>	<u>\$ 8,727</u>	<u>\$ 149,316</u>

For provisioned loss for the three months ended March 31, 2022 and 2021, the impairment losses arising from customers' contracts were \$192 and \$4,621, 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

<u>March 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 years</u>	<u>Over 3 years</u>
Short-term borrowings	\$ 151,920	\$ -	\$ -
Accounts payable	606,745	-	-
Accounts payable - related parties	1,484	-	-
Other payables	2,011,780	-	-
Other payables - related parties	180,885	-	-
Lease liabilities	30,378	40,599	21,652
Long-term borrowings (including current portion)	40,140	-	-
<u>December 31, 2021</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 years</u>	<u>Over 3 years</u>
Short-term borrowings	\$ 100,164	\$ -	\$ -
Accounts payable	626,998	-	-
Accounts payable - related parties	7,187	-	-
Other payables	1,751,731	-	-
Other payables - related parties	158,584	-	-
Lease liabilities	30,686	40,716	26,303
Long-term borrowings (including current portion)	80,420	-	-
<u>March 31, 2021</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 years</u>	<u>Over 3 years</u>
Short-term borrowings	\$ 298,905	\$ -	\$ -
Notes payable	1,211	-	-
Accounts payable	601,106	-	-
Accounts payable - related parties	1,437	-	-
Other payables	2,197,137	-	-
Other payables - related parties	204,132	-	-
Lease liabilities	30,127	25,067	8,272
Long-term borrowings (including current portion)	161,960	40,140	-

(3) Fair value information

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

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

value of the Group's investment in listed, OTC and emerging stocks is included in Level 1.

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

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

B. Financial instruments not measured at fair value

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

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

<u>March 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	<u>\$ 83,128</u>	<u>\$ -</u>	<u>\$ 86,980</u>	<u>\$ 170,108</u>
<u>December 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	<u>\$ 110,709</u>	<u>\$ -</u>	<u>\$ 87,917</u>	<u>\$ 198,626</u>
<u>March 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	<u>\$ 58,777</u>	<u>\$ -</u>	<u>\$ 130,298</u>	<u>\$ 189,075</u>

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:

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

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
- (c) For highly complex financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Notes 12(3) H and I.
- (d) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

E. For the three months ended March 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the three months ended March 31, 2022 and 2021:

	Equity securities	
	2022	2021
At January 1	\$ 87,917	\$ 125,991
(Loss) gain recognised in other comprehensive income	( 1,865)	4,206
Effects of foreign exchange	928	101
At March 31	\$ 86,980	\$ 130,298

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

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

	Fair value at March 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 86,980	Market comparable companies	Enterprise value to operating income ratio multiple	35.00~43.78 (39.02)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 87,917	Market comparable companies	Enterprise value to operating income ratio multiple	32.36~52.19 (41.16)	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
	Fair value at March 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 130,298	Market comparable companies	Enterprise value to operating income ratio multiple	35.01~39.60 (37.84)	The higher the multiple, the higher the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value

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

				March 31, 2022			
				Recognised in profit or loss		Recognised in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instruments	Enterprise value to operating income ratio multiple	±1%	\$	-	-	\$ 319	(\$ 319)
	Discount for lack of marketability	±1%		-	-	589	( 589)
				December 31, 2021			
				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%	\$	-	-	\$ 338	(\$ 338)
	Discount for lack of marketability	±1%		-	-	607	( 607)



				March 31, 2021			
				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%	\$ -	\$ -	\$ 435	(\$ 435)	
	Discount for lack of marketability	±1%	-	-	790	( 790)	

(4) Other matters

In response to the impact of the novel coronavirus, the Group has activated relevant response mechanisms, and all offices have adopted high-standard epidemic prevention measures. The Group maintains normal operations and adopts different methods in response to government regulations, such as a comprehensive working from home model, the use of group A and B obtaining approval before entering the office, etc. In order to reduce physical contact and avoid the possibility of cross infection, meetings are conducted online as much as possible and employees are required to report their health status on a routine basis. So far, the Group has resumed normal work mode and Covid 19 has no significant impact on the overall operations and financial situation of the Group.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others: Please refer to table 1.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 2.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: 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: Please refer to table 3.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 4.

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to table 5.

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 7.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Major shareholders information

Major shareholders information: Please refer to table 8.

14. OPERATING SEGMENT INFORMATION

(1) General information

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

(2) Assessment of segment information

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

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

The segment information on reportable segments provided to the chief operating decision-maker for the three months ended March 31, 2022 and 2021 is as follows:

Three months ended March 31, 2022

	Gamania Digital Entertainment Co., Ltd.	Gash Point Company Limited and Gash Point (Hong Kong) Company Limited	Others	Total	
Revenue from external customers	\$ 2,586,447	\$ 73,273	\$ 748,830	\$ 3,408,550	
Inter-segment revenue	54,272	228,694	272,455	555,421	Note 1
Segment operating profit	641,186	87,758	56,999	785,943	
Segment profit (loss), net of tax	521,425	96,777	(92,620)	525,582	
Segment profit (loss) includes:					
Depreciation and amortisation	(61,109)	(3,833)	(14,208)	(79,150)	
Income tax expense	(134,499)	(24,126)	(27,218)	(185,843)	
Investment income (loss) accounted for under equity method	45,117	27,334	(85,264)	(12,813)	Note 2

Three months ended March 31, 2021

	Gash Point Company Limited and Gash Point (Hong Kong) Company Limited		Others	Total
	Gamania Digital Entertainment Co., Ltd.			
Revenue from external customers	\$ 2,087,434	\$ 71,515	\$ 947,598	\$ 3,106,547
Inter-segment revenue	68,259	192,896	181,744	442,899
Segment operating profit	351,902	48,516	29,675	430,093
Segment profit (loss), net of tax	308,878	47,317	(63,204)	292,991
Segment profit (loss) includes:				
Depreciation and amortisation	(194,501)	(4,300)	(28,449)	(227,250)
Income tax expense	(89,501)	(13,230)	(30,064)	(132,795)
Investment income (loss) accounted for under equity method	33,276	3,855	(52,026)	14,895

Note 1: The transaction had been eliminated in the consolidated financial statements.

Note 2: The inter-segment investment income or loss had been eliminated.

(4) Reconciliation information of segment profit (loss)

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

	Three months ended March 31, 2022			
	Gamania Digital Entertainment Co., Ltd.	Gash Point and Gash Point (Hong Kong) Company Limited	Others	Total
Online and mobile games revenue	\$ 2,580,595	\$ -	\$ 322,609	\$ 2,903,204
Service revenue	5,852	-	287,405	293,257
Sales revenue	-	-	130,856	130,856
Revenue from stored-values	-	73,273	7,960	81,233
	<u>\$ 2,586,447</u>	<u>\$ 73,273</u>	<u>\$ 748,830</u>	<u>\$ 3,408,550</u>

	Three months ended March 31, 2021			
	Gamania Digital Entertainment Co., Ltd.	Gash Point and Gash Point (Hong Kong) Company Limited	Others	Total
Online and mobile games revenue	\$ 2,080,466	\$ -	\$ 401,329	\$ 2,481,795
Service revenue	6,968	-	333,790	340,758
Sales revenue	-	-	204,037	204,037
Revenue from stored-values	-	71,515	8,442	79,957
	<u>\$ 2,087,434</u>	<u>\$ 71,515</u>	<u>\$ 947,598</u>	<u>\$ 3,106,547</u>

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Provision of endorsements and guarantees to others

Three months ended March 31, 2022

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed Company name	Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of March 31, 2022	Outstanding endorsement/ guarantee amount at March 31, 2022	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
0	The Company	HaPod Digital Technology Co., Ltd.	2	\$ 592,783	\$ 42,933	\$ 42,933	\$ 42,933	\$ 42,933	0.72	\$ 5,927,828	Y	N	N	Note3
0	The Company	JollyBuy Digital Technology Co., Ltd.	2	592,783	30,000	30,000	15,000	15,000	0.51	5,927,828	Y	N	N	Note3
1	Jollywiz Digital Technology Co., Ltd.	Jollywiz Digital Business Co., Ltd.	3	88,903	31,585	31,585	27,073	8,122	14.21	88,903	N	N	Y	Note4
2	Achieve Made International (BVI)	Jollywiz Digital Technology Co., Ltd.	3	102,299	18,000	18,000	18,000	18,000	7.04	102,299	N	N	N	Note4

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 six categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.
- (4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% 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.

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

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

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

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

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

March 31, 2022

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

Securities held by	Type of marketable securities (Note 1)	Relationship with the security holders	General ledger account	As of March 31, 2022				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	Microprogram Information Co., Ltd. - stock	None	Financial assets at fair value through other comprehensive income - non-current	1,739	31,924	5.26	31,924	
The Company	Pili International Multimedia Co., Ltd. - stock	None	Financial assets at fair value through other comprehensive income - non-current	1,958	72,642	3.82	72,642	
Gamania Asia Investment Co., Ltd.	One Production Film Co., Ltd. - stock	None	Financial assets at fair value through other comprehensive income - non-current	420	10,487	3.54	10,487	
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	28,114	2.59	28,114	

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

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

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Purchases or sales of goods from or to related parties in excess of \$100 million or 20% of capital  
Three months ended March 31, 2022

Table 3

Expressed in thousands of NTD  
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts	
Gash Point Co., Ltd.	The Company	Parent company	Service revenue	\$ 144,767	66.76	Note	Note	Note	\$ 49,540	7.56	

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  
March 31, 2022

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

Name of creditor	Transaction parties	Relationship	Balance as of March 31, 2022	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	\$ 1,047,640	-	\$ -	-	\$ 532,615	\$ 68	Note 2
The Company	GASH POINT (HK) Co., Ltd.	Subsidiary	103,935	-	-	-	70,918	-	Note 2
Gamania Digital Entertainment (H.K.) Co., Ltd.	GASH POINT (HK) Co., Ltd.	Fellow subsidiary	132,732	-	-	-	148	-	Note 2

Note 1: The subsequent collections represent collections from the balance sheet date to April 26, 2022.

Note 2: Receivables from selling game cards through the subsidiary and fellow subsidiary.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Significant inter-company transactions during the reporting period  
Three months ended March 31, 2022

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	1	Accounts receivable	\$ 40,325	Note 4	0.39
0	The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	1	Revenue from royalties	25,216	Note 4	0.74
0	The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	1	Sales of services	11,985	Note 4	0.35
0	The Company	Gash Point Co., Ltd.	1	Accounts receivable	1,047,640	Note 5	10.13
0	The Company	Gash Point (HK) Co., Ltd.	1	Accounts receivable	103,935	Note 5	1.01
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	The Company	2	Accounts receivable	75,593	Note 5	0.73
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	Gash Point Co., Ltd.	3	Accounts receivable	28,406	Note 5	0.27
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	Gash Point (HK) Co., Ltd.	3	Accounts receivable	132,732	Note 5	1.28
2	Gash Point Co., Ltd.	The Company	2	Accounts receivable	49,540	Note 5	0.48
2	Gash Point Co., Ltd.	The Company	2	Sales of services	144,767	Note 5	4.25
2	Gash Point Co., Ltd.	GAMA PAY Co., Ltd.	3	Other receivables	19,953	Note 5	0.19
2	Gash Point Co., Ltd.	GAMA PAY Co., Ltd.	3	Refundable deposits	10,000	Note 5	0.10
3	Ants' Power Co., Ltd.	The Company	2	Operating revenue	26,584	Note 5	0.78
3	Ants' Power Co., Ltd.	The Company	2	Accounts receivable	32,165	Note 5	0.31
4	GASH POINT (HK) Co., Ltd.	Gash Point Co., Ltd.	3	Other receivables	11,633	Note 5	0.11
5	Digicentre Company Limited	The Company	2	Accounts receivable	26,963	Note 5	0.26
5	Digicentre Company Limited	The Company	2	Operating revenue	75,573	Note 5	2.22

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Significant inter-company transactions during the reporting period  
Three months ended March 31, 2022

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	
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Accounts receivable	\$ 41,932	Note 5	0.41
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Operating revenue	38,332	Note 5	1.12
6	Conetter CoMarketing Co., Ltd.	The Company	2	Accounts receivable	17,008	Note 4	0.16
6	Conetter CoMarketing Co., Ltd.	The Company	2	Sales of services	39,778	Note 4	1.17

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

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

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

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

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

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

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

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Information on investee companies (not including investees in Mainland China)  
Three months ended March 31, 2022

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Company	Name of investee	Location	Main business activities	Original investment cost (Note 1)		Shares held as at March 31, 2022			Investment income		Footnote
				Balance as at March 31, 2022	Balance as at December 31, 2021	Number of shares	Percentage	Book value	Income (loss) incurred by the investee	(loss) recognised by the Company	
The Company	Gamania Holdings Ltd.	Cayman Islands	Holding company	\$ 2,254,473	\$ 2,254,473	46,278,315	100.00	\$ 834,533	\$ 36,955	\$ 38,058	
The Company	Gamania Asia Investment Co., Ltd.	Taiwan	Investment company	239,549	239,549	18,900,000	100.00	117,249 (	2,909) (	2,909)	
The Company	Foundation Digital Entertainment Co., Ltd.	Taiwan	Publishing of magazines and periodicals	220,000	220,000	316,522	100.00	- (	10) (	10)	
The Company	Jollybuy Digital Tech. Co., Ltd.	Taiwan	Supply of electronic information services	587,000	540,000	29,300,000	97.67	80,039 (	16,139) (	15,703)	
The Company	Digicentre Company Limited	Taiwan	Software services	302,637	302,637	16,016,000	67.48	347,864	11,652	7,158	
The Company	Two Tigers Co. Ltd.	Taiwan	Animation production	6,269	6,269	626,892	51.00	9,774 (	51) (	26)	
The Company	Gash Point Co., Ltd.	Taiwan	Information software and supply of electronic information services	169,000	169,000	13,500,000	90.00	366,070	70,199	63,179	
The Company	Indiland Co., Ltd.	Taiwan	IP Commodities authorisation	60,000	60,000	2,050,000	100.00	16,094 (	2,177) (	2,177)	
The Company	Ants' Power Co., Ltd.	Taiwan	Customer services	10,000	10,000	1,000,000	100.00	86,047	8,226	8,226	
The Company	Chuang Meng Shr Ji Co., Ltd.	Taiwan	Venture Capital Industry	57,000	57,000	3,996,774	33.03	25,069 (	3,547) (	1,172)	
The Company	WeBackers Co., Ltd.	Taiwan	Crowd funding	51,040	51,040	373,529	93.38	189 (	8) (	7)	
The Company	Coture New Media Co., Ltd.	Taiwan	Producing TV programs and general advertising services	203,500	203,500	1,314,699	93.08	6,633	-	-	
The Company	MadSugr Digital Technology Co., Ltd.	Taiwan	Information software and supply of electronic information services	45,900	45,900	4,590,000	51.00	3,143	24	12	
The Company	GAMAY PAY Co., Ltd.	Taiwan	Electronical payment	839,229	839,229	55,785,716	69.73	319,213 (	44,649) (	31,134)	
The Company	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	494,303	494,303	36,948,148	78.97	171,689 (	17,713) (	17,751)	
The Company	BeanGo! Co., Ltd.	Taiwan	Communication software	214,000	214,000	400,000	100.00	7,732 (	8) (	8)	
The Company	Ciirco Inc.	Taiwan	Sales and research and development of software services	229,400	229,400	8,990,649	99.90	22,068 (	10) (	10)	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Information on investee companies (not including investees in Mainland China)  
Three months ended March 31, 2022

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Company	Name of investee	Location	Main business activities	Original investment cost (Note 1)		Shares held as at March 31, 2022			Investment income		Footnote
				Balance as at March 31, 2022	Balance as at December 31, 2021	Number of shares	Percentage	Book value	Income (loss) incurred by the investee	(loss) recognised by the Company	
The Company	4-Way Voice Cultural Co., Ltd.	Taiwan	Newspaper and magazine publishing	\$ 1,900	\$ 1,900	190,000	38.00	\$ 781	\$ 762	\$ 290	
The Company	Hao-Ji film Ltd.	Taiwan	TV shows production	30,000	-	3,000,000	42.86	29,992 (	37) (	8)	
The Company	Walkermedia Co., Ltd.	Taiwan	Publishing of magazines and general advertising services	30,000	30,000	3,000,000	30.00	9,665 (	4,467) (	1,340)	
Jollybuy Digital Technology Co., Ltd.	Store Marais Co., Ltd.	Taiwan	Online retail of other home accessories	10,000	10,000	125,000	7.69	9,713	13,610	1,047	
Digicentre Company Limited	Digicentre (HK) Company Limited	Hong Kong	Software services	1,097	1,097	300,000	100.00	33,256	3,765	2,541	
Digicentre Company Limited	Hyperg Smart Security Technology Pte. Ltd.	Singapore	Software services	28,625	28,625	1,000,000	51.00	22,466 (	2,370) (	816)	
Ciirco Inc.	Ciirco (HK) Co., Ltd.	Hong Kong	Software services	50,094	50,094	1,750,000	100.00	1,303	-	-	
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	2,743	684	205	
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	48,988	2,177	809	
Gamania Asia Investment Co., Ltd.	Taiwan e-sports Co., Ltd.	Taiwan	E-sports	48,931	48,931	2,658,687	29.54	1,598 (	12,815) (	3,786)	
Gamania Asia Investment Co., Ltd.	The China Post Co., Ltd.	Taiwan	Newspaper and magazine publishing	1	1	500,000	100.00	-	-	-	
Gamania Asia Investment Co., Ltd.	Bjolly Co., Ltd.	Taiwan	Supply of electronic information services	5,000	5,000	45,455	4.17	20	6,424	268	
Gamania Asia Investment Co., Ltd.	Aotter Inc.	Taiwan	Research and development of internet-related technology	25,000	25,000	170,473	21.48	9,258 (	4,052) (	870)	
Gash Point Co., Ltd.	Gash Point (Japan) Co., Ltd.	Japan	Information software and supply of electronic information services	32,942	32,942	600	100.00	26,560	172	172	
Gash Point Co., Ltd.	Gash Point (Hong Kong) Co., Ltd.	Hong Kong	Information software and supply of electronic information services	13,040	13,040	750,000	100.00	147,297	25,856	25,856	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Information on investee companies (not including investees in Mainland China)  
Three months ended March 31, 2022

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Company	Name of investee	Location	Main business activities	Original investment cost (Note 1)		Shares held as at March 31, 2022			Investment income		Footnote
				Balance as at March 31, 2022	Balance as at December 31, 2021	Number of shares	Percentage	Book value	Income (loss) incurred by the investee	(loss) recognised by the Company	
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	South Korea	Design and sale of software	\$ 11,662	\$ 11,662	138,268	100.00	\$ 21,974	\$ 856	\$ 856	
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	70,611	11,512	9,207	
Gash Point Co., Ltd.	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	150,000	150,000	7,232,142	9.04	41,384	( 44,649)	( 4,036)	
Gash Point (Hong Kong) Company Limited	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	130,000	130,000	9,750,000	12.19	55,804	( 44,649)	( 5,443)	
Gamania Holdings Ltd.	Gamania International Holdings Ltd.	Cayman Islands	Investment and holding company	2,205,094	2,205,094	77,281,128	100.00	839,933	36,955	36,955	
Gamania International Holdings Ltd.	Gamania China Holdings Ltd.	Cayman Islands	Investment and holding company	954,714	954,714	40,416,628	98.85	304,980	77,416	76,526	
Gamania International Holdings Ltd.	Joymobee Entertainment Co., Ltd.	Hong Kong	Design and research and development of software	113,069	113,069	30,701,775	100.00	7,021	( 820)	( 820)	
Gamania International Holdings Ltd.	Firedog Creative Co., Ltd.	Hong Kong	Design and research and development of software	9,067	9,067	992,000	40.00	-	-	-	
Gamania International Holdings Ltd.	Achieve Made International Ltd.	British Virgin Islands	Investment and holding company	199,018	199,018	7,297,649	45.40	112,610	( 392)	( 550)	
Gamania International Holdings Ltd.	ACCI Group Limited	Hong Kong	Sales of agricultural products	1,371	1,371	375,000	30.00	-	-	-	
Gamania International Holdings Ltd.	HaPod Digital Technology Co., Ltd.	Hong Kong	Software services and sales	62,975	62,975	2,200,000	100.00	( 46,275)	( 30,513)	( 30,513)	
Gamania International Holdings Ltd.	GungHo Gamania Co., Limited	Hong Kong	Operations of mobile games	245,459	245,459	343	49.00	1,103	( 16,302)	( 7,988)	
Achieve Made International Ltd.	Jollywiz Digital Technology Co., Ltd.	Taiwan	Supply of electronic information services	652,250	650,720	26,145,712	100.00	100,905	( 143)	( 65)	
Jollywiz Digital Technology Co., Ltd.	Bjolly Co., Ltd.	Taiwan	Supply of electronic information services	25,000	25,000	1,045,455	95.83	208	6,424	2,795	
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	British Virgin Islands	Investment and holding company	135,632	135,632	4,900,000	100.00	( 2,498)	4,153	1,885	
Jollywiz Digital Technology Co., Ltd.	Jollywiz International (HK) Co., Ltd.	Hong Kong	Supply of electronic information services	30,433	30,433	39,600,000	100.00	3,805	-	-	
Jollywiz Digital Technology Co., Ltd.	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	10,000	10,000	515,000	1.10	384	( 17,713)	( 195)	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries  
Information on investee companies (not including investees in Mainland China)  
Three months ended March 31, 2022

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Company	Name of investee	Location	Main business activities	Original investment cost (Note 1)		Shares held as at March 31, 2022			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at March 31, 2022	Balance as at December 31, 2021	Number of shares	Percentage	Book value			
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Cayman Islands	Investment and holding company	\$ 1,131,260	\$ 1,131,260	39,520,000	100.00	(\$ 2,007)	\$ 298	\$ 295	
Gamania China Holdings Ltd.	Gamania Digital Entertainment (H.K.) Co., Ltd.	Hong Kong	Software services and sales	93,228	93,228	25,500,000	100.00	300,399	77,149	76,262	

Note 1: 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

Three months ended March 31, 2022

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2022	Net loss of investee for the three months ended March 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2022	Book value of investments in Mainland China as of March 31, 2022	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2022	Footnote (Note 2)
					Remitted to Mainland China	Remitted back to Taiwan							
Gamania Digital Entertainment (Beijing) Co., Ltd.	Design and sales of software	\$ 1,010,463	2	\$ 740,529	\$ -	\$ -	\$ 740,529	\$ 298	98.85	\$ 295	(\$ 3,894)	\$ -	Notes 3 and 6
MoNoKos Studio Technology Co., Ltd.	Research and development of software	-	2	42,938	-	-	42,938	-	-	-	-	-	Notes 4 and 7
Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	113,069	2	113,069	-	-	113,069	4,155	45.40	1,886	( 2,885)	-	Notes 3 and 8
Jollywiz Digital Business Co., Ltd.	Supply of electronic information services	22,530	2	-	-	-	-	5,875	45.40	2,667	( 18,105)	-	Notes 3 and 8
Ju Shr Da Jiu (Shanghai) International Trading Co., Ltd.	Sales of agricultural products	14,313	2	-	-	-	-	-	38.66	-	-	-	Notes 5 and 9

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, 2022, remitted or collected this year, accumulated as of March 31, 2022 was translated into New Taiwan dollars at the average exchange rate of NTD28.63 to US\$1 and NTD4.506 to RMB\$1 at the balance sheet date.

Note 3: The investment loss of the investee company for the three months ended March 31, 2022 was recognised based on their financial statements for the corresponding period, which were reviewed by R.O.C. parent company's CPA.

Note 4: MoNokos Studio Technology Co., Ltd. completed liquidation proceedings on September 22, 2013. However, the investment amount has not yet been remitted back to Taiwan as of March 31, 2022.

Note 5: Investment income or losses are recognised based on unaudited financial statements.

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

Note 7: It was invested through Gamania Holdings Ltd. invested.

Note 8: It was invested through Cyber Look Properties Limited invested.

Note 9: It was invested through ACCI Group Limited and Gamania Digital Entertainment (H.K.) Co., Ltd. invested.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2022	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)	\$ 783,466	\$ 1,314,260	\$ 3,825,372
Jollywiz Digital Technology Co., Ltd.	113,069	113,069	133,355

Note: The total investment amount approved by the Investment Commission, MOEA, was USD45,913 thousand or \$1,314,260 based on 28.63 spot exchange rate at March 31, 2022.



Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Major shareholders information

March 31, 2022

Table 8

Name of major shareholders	Shares	Number of shares held	Ownership (%)
Liu Bo Yuan		17,491,305	9.96%
Wanwin International Co., Ltd.		15,101,000	8.60%
Shiang Sheng Invesement Ltd.		13,600,000	7.74%
Joy Develop Co., Ltd. Taiwan Branch		9,882,000	5.63%

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.