

**GAMANIA DIGITAL ENTERTAINMENT CO.,
LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL
STATEMENTS AND INDEPENDENT
AUDITORS' REVIEW REPORT
MARCH 31, 2024 AND 2023**

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

INDEPENDENT AUDITORS' REVIEW REPORT

PWCR 24000020

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, 2024 and 2023, 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 material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

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, 2024 and 2023, and of its consolidated financial performance and its cash flows for the three months ended March 31, 2024 and 2023, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Yen, Yu-Fang

Yen, Yu-Fang

Lin, Yung-Chih

Lin, Yung-Chih

For and on behalf of PricewaterhouseCoopers, Taiwan

May 2, 2024

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, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	March 31, 2024		December 31, 2023		March 31, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 4,236,294	38	\$ 3,157,380	32	\$ 3,954,097	37
1136	Financial assets at amortised cost - current	6(7) and 8	47,785	-	88,977	1	157,194	1
1150	Notes receivable, net	6(2)	-	-	64	-	110	-
1170	Accounts receivable, net	6(2)	1,049,241	10	604,477	6	861,007	8
1180	Accounts receivable - related parties, net	7	17,221	-	14,146	-	21,973	-
1200	Other receivables	6(3)	402,925	4	655,171	7	486,067	5
1210	Other receivables - related parties	7	2,322	-	2,312	-	2,447	-
1220	Current income tax assets		177,538	2	172,397	2	23,869	-
130X	Inventories	6(4)	97,401	1	108,991	1	132,149	1
1410	Prepayments	6(5)	421,548	4	349,878	4	390,826	4
1470	Other current assets	8	153,269	1	110,298	1	177,065	2
11XX	Total current assets		<u>6,605,544</u>	<u>60</u>	<u>5,264,091</u>	<u>54</u>	<u>6,206,804</u>	<u>58</u>
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current		15,000	-	15,000	-	15,000	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)	113,902	1	112,874	1	116,586	1
1535	Financial assets at amortised cost - non-current	6(7) and 8	725	-	725	-	-	-
1550	Investments accounted for under equity method	6(8)	115,503	1	116,990	1	135,111	1
1600	Property, plant and equipment	6(9) and 8	2,845,522	25	2,836,467	29	2,805,210	26
1755	Right-of-use assets	6(10)	122,433	1	89,126	1	87,159	1
1780	Intangible assets	6(11)	975,616	9	1,076,891	11	1,224,131	11
1840	Deferred income tax assets		94,659	1	96,280	1	97,235	1
1900	Other non-current assets	6(12)	207,204	2	213,333	2	50,709	1
15XX	Total non-current assets		<u>4,490,564</u>	<u>40</u>	<u>4,557,686</u>	<u>46</u>	<u>4,531,141</u>	<u>42</u>
1XXX	Total assets		<u>\$ 11,096,108</u>	<u>100</u>	<u>\$ 9,821,777</u>	<u>100</u>	<u>\$ 10,737,945</u>	<u>100</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	March 31, 2024		December 31, 2023		March 31, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(13)	\$ 390,064	4	\$ 90,039	1	\$ 91,491	1
2130	Current contract liabilities	6(20)	388,146	3	327,607	3	336,536	3
2170	Accounts payable		853,801	8	613,883	6	659,287	6
2180	Accounts payable - related parties	7	2,117	-	2,486	-	1,316	-
2200	Other payables	6(14)	2,117,703	19	2,156,071	22	2,161,656	20
2220	Other payables - related parties	7	624,230	6	529,766	6	330,458	3
2230	Current income tax liabilities		163,130	1	22,274	-	262,526	3
2280	Current lease liabilities		37,278	-	33,440	-	27,779	-
2399	Other current liabilities		82,567	1	84,018	1	83,354	1
21XX	Total current liabilities		<u>4,659,036</u>	<u>42</u>	<u>3,859,584</u>	<u>39</u>	<u>3,954,403</u>	<u>37</u>
Non-current liabilities								
2570	Deferred income tax liabilities		100,465	1	97,884	1	83,299	1
2580	Lease liabilities - non-current		85,590	1	56,040	1	59,598	-
2600	Other non-current liabilities		19,642	-	21,578	-	20,141	-
25XX	Total non-current liabilities		<u>205,697</u>	<u>2</u>	<u>175,502</u>	<u>2</u>	<u>163,038</u>	<u>1</u>
2XXX	Total liabilities		<u>4,864,733</u>	<u>44</u>	<u>4,035,086</u>	<u>41</u>	<u>4,117,441</u>	<u>38</u>
Equity attributable to owners of parent								
	Share capital	6(16)						
3110	Common stock		1,754,936	16	1,754,936	18	1,754,936	16
	Capital surplus	6(17)						
3200	Capital surplus		1,349,501	12	1,349,316	14	1,349,578	12
	Retained earnings	6(18)						
3310	Legal reserve		611,649	5	611,649	6	488,103	5
3320	Special reserve		439,349	4	439,349	4	505,352	5
3350	Unappropriated retained earnings		2,076,291	19	1,672,578	17	2,524,412	24
	Other equity interest	6(19)						
3400	Other equity interest		(416,807)	(4)	(450,554)	(4)	(445,724)	(4)
31XX	Equity attributable to owners of the parent		<u>5,814,919</u>	<u>52</u>	<u>5,377,274</u>	<u>55</u>	<u>6,176,657</u>	<u>58</u>
36XX	Non-controlling interest	4(3)	<u>416,456</u>	<u>4</u>	<u>409,417</u>	<u>4</u>	<u>443,847</u>	<u>4</u>
3XXX	Total equity		<u>6,231,375</u>	<u>56</u>	<u>5,786,691</u>	<u>59</u>	<u>6,620,504</u>	<u>62</u>
	Significant contingent liabilities and unrecorded contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	Total liabilities and equity		<u>\$ 11,096,108</u>	<u>100</u>	<u>\$ 9,821,777</u>	<u>100</u>	<u>\$ 10,737,945</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, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)

Items	Notes	Three months ended March 31,				
		2024		2023		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(20) and 7	\$ 3,332,223	100	\$ 3,034,224	100
5000	Operating costs	6(4) and 7	(1,897,704)	(57)	(1,767,260)	(58)
5950	Gross profit		<u>1,434,519</u>	<u>43</u>	<u>1,266,964</u>	<u>42</u>
	Operating expenses	6(25) and 7				
6100	Selling expenses		(318,383)	(10)	(295,143)	(10)
6200	General and administrative expenses		(401,995)	(12)	(359,895)	(12)
6300	Research and development expenses		(179,190)	(5)	(160,031)	(5)
6450	Expected credit impairment loss	12(2)	(1,577)	-	(1,326)	-
6000	Total operating expenses		(901,145)	(27)	(816,395)	(27)
6900	Operating income		<u>533,374</u>	<u>16</u>	<u>450,569</u>	<u>15</u>
	Non-operating income and expenses					
7100	Interest income	6(21)	11,280	-	7,890	-
7010	Other income	6(22)	3,292	-	4,863	-
7020	Other gains and losses	6(23)	49	-	266	-
7050	Finance costs	6(24)	(1,128)	-	(1,061)	-
7060	Share of loss of associates and joint ventures accounted for under equity method	6(8)	(1,691)	-	(6,693)	-
7000	Total non-operating income and expenses		<u>11,802</u>	<u>-</u>	<u>5,265</u>	<u>-</u>
7900	Profit before income tax		<u>545,176</u>	<u>16</u>	<u>455,834</u>	<u>15</u>
7950	Income tax expense	6(26)	(139,756)	(4)	(120,143)	(4)
8200	Profit for the period		<u>\$ 405,420</u>	<u>12</u>	<u>\$ 335,691</u>	<u>11</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share data)

Items	Notes	Three months ended March 31,			
		2024		2023	
		AMOUNT	%	AMOUNT	%
Other comprehensive income, net					
Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised loss on investments in equity instruments at fair value through other comprehensive income	6(6)			
			(\$ 245)	-	(\$ 739) -
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss	6(19)			
			19	-	(49) -
8310	Other comprehensive loss that will not be reclassified to profit or loss				
			(226)	-	(788) -
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations				
			42,504	1	(5,142) -
8399	Income tax relating to the components of other comprehensive loss				
			(3,199)	-	868 -
8360	Other comprehensive income (loss) that will be reclassified to profit or loss				
			39,305	1	(4,274) -
8300	Total other comprehensive income (loss) for the period				
			\$ 39,079	1	(\$ 5,062) -
8500	Total comprehensive income for the period				
			\$ 444,499	13	\$ 330,629 11
Profit (loss) attributable to:					
8610	Owners of the parent				
			\$ 403,932	12	\$ 336,185 11
8620	Non-controlling interest				
			1,488	-	(494) -
			\$ 405,420	12	\$ 335,691 11
Comprehensive income (loss) attributable to:					
8710	Owners of the parent				
			\$ 437,679	13	\$ 329,810 11
8720	Non-controlling interest				
			6,820	-	819 -
			\$ 444,499	13	\$ 330,629 11
Earnings per share (in dollars)					
9750	Basic earnings per share	6(27)			
			\$ 2.31		\$ 1.92
9850	Diluted earnings per share				
			\$ 2.29		\$ 1.89

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, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent											Non-controlling interest	Total equity
	Capital Reserves				Retained Earnings			Other Equity Interest					
	Ordinary share	Additional paid-in capital	Treasury stock transactions	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised losses from financial assets measured at fair value through other comprehensive income	Total			
<u>2023</u>													
Balance at January 1, 2023	\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 95,087	\$ 488,103	\$ 505,352	\$ 2,188,227	(\$ 36,603)	(\$ 402,746)	\$ 5,852,032	\$ 436,930	\$ 6,288,962	
Profit for the period	-	-	-	-	-	-	336,185	-	-	336,185	(494)	335,691	
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-	(5,587)	(788)	(6,375)	1,313	(5,062)	
Total comprehensive income (loss)	-	-	-	-	-	-	336,185	(5,587)	(788)	329,810	819	330,629	
Change in ownership interest in subsidiaries	6(28)	-	-	(5,185)	-	-	-	-	-	(5,185)	6,098	913	
Balance at March 31, 2023	\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 89,902	\$ 488,103	\$ 505,352	\$ 2,524,412	(\$ 42,190)	(\$ 403,534)	\$ 6,176,657	\$ 443,847	\$ 6,620,504	
<u>2024</u>													
Balance at January 1, 2024	\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 89,640	\$ 611,649	\$ 439,349	\$ 1,672,578	(\$ 43,001)	(\$ 407,553)	\$ 5,377,274	\$ 409,417	\$ 5,786,691	
Profit for the period	-	-	-	-	-	-	403,932	-	-	403,932	1,488	405,420	
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-	33,973	(226)	33,747	5,332	39,079	
Total comprehensive income (loss)	-	-	-	-	-	-	403,932	33,973	(226)	437,679	6,820	444,499	
Share of profit of associates and joint ventures accounted for using equity method	6(8)	-	-	185	-	-	-	-	-	185	-	185	
Change in ownership interest in subsidiaries	6(29)	-	-	-	-	-	(219)	-	-	(219)	219	-	
Balance at March 31, 2024	\$ 1,754,936	\$ 886,975	\$ 372,701	\$ 89,825	\$ 611,649	\$ 439,349	\$ 2,076,291	(\$ 9,028)	(\$ 407,779)	\$ 5,814,919	\$ 416,456	\$ 6,231,375	

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, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31,	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 545,176	\$ 455,834
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(9)(10)	46,004	41,018
Amortisation	6(11)	114,724	139,595
Expected credit impairment loss	12(2)	1,577	1,326
Interest expense	6(24)	1,128	1,061
Interest income	6(21)	(11,280)	(7,890)
Share of loss of subsidiaries and associates accounted for under equity method	6(8)	1,691	6,693
Loss on disposal of property, plant and equipment	6(23)	9	-
Gains arising from lease modifications	6(23)	(6)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		64	(99)
Accounts receivable		(445,557)	(75,883)
Accounts receivable - related parties		(3,075)	(1,322)
Other receivables		251,253	46,051
Other receivables - related parties		(10)	124
Inventories		11,590	(3,222)
Prepayments		(77,947)	(73,535)
Other current assets		2,590	26,428
Changes in operating liabilities			
Contract liabilities		60,539	(85,727)
Accounts payable		239,918	43,925
Accounts payable - related parties		(369)	(256)
Other payables		13,848	(153,118)
Other payables - related parties		94,464	(21,218)
Other current liabilities		(1,451)	30,020
Other non-current liabilities		(729)	(2,086)
Cash inflow generated from operations		844,151	367,719
Interest received		11,280	7,890
Interest paid		(1,128)	(1,061)
Income tax paid		(11,739)	(22,012)
Net cash provided by operating activities		<u>842,564</u>	<u>352,536</u>

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GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31,	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in financial assets as amortised cost		\$ -	(\$ 8,500)
Decrease in financial assets as amortised cost		41,192	-
Increase in other financial assets		(45,561)	(6,417)
Acquisition of investments accounted for under equity method	6(8)	-	(6,400)
Acquisition of property, plant and equipment	6(29)	(85,297)	(51,825)
Proceeds from disposal of property, plant and equipment		3	-
Increase in refundable deposits		-	(3,557)
Decrease in refundable deposits		1,117	-
Acquisition of intangible assets	6(29)	(6,192)	(57,304)
Decrease in other non-current assets		5,012	10,589
Net cash used in investing activities		(89,726)	(123,414)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(31)	298,336	508
Decrease in guarantee deposits received		(1,207)	-
Increase in guarantee deposits received		-	122
Payment of lease liabilities	6(31)	(9,291)	(8,129)
Increase in subsidiaries capital from non-controlling interest	6(28)	-	913
Net cash provided by (used in) financing activities		287,838	(6,586)
Effect of exchange rate changes on cash and cash equivalents		38,238	(5,758)
Net increase in cash and cash equivalents		1,078,914	216,778
Cash and cash equivalents at beginning of the period		3,157,380	3,737,319
Cash and cash equivalents at end of the period		\$ 4,236,294	\$ 3,954,097

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, 2024 AND 2023

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

1. HISTORY AND ORGANISATION

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

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

These consolidated financial statements were authorised for issuance by the Board of Directors on May 2, 2024.

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[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

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

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

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

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

None.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards 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
IFRS 18, ‘Presentation and disclosure in financial statements’	January 1, 2027
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

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

IFRS 18, ‘Presentation and disclosure in financial statements’

IFRS 18, ‘Presentation and disclosure in financial statements’ replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2023, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Accounting Standard 34, ‘Interim financial reporting’ that came into effect as endorsed by the FSC.

B. These consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under

the historical cost convention:

- (a) Financial assets at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

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

are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
Gamania Digital Entertainment Co., Ltd.	Gamania Holdings Ltd. (GH)	Holding company	100	100	100	
Gamania Digital Entertainment Co., Ltd.	Gamania Digital Entertainment (HK) Co., Ltd.	Software services	100	100	100	
Gamania Holdings Ltd. (GH)	Gamania International Holdings Ltd. (GIH)	Investment and holding company	100	100	100	
Gamania International Holdings Ltd. (GIH)	Gamania China Holdings Ltd.	Investment and holding company	98.85	98.85	98.85	
Gamania International Holdings Ltd. (GIH)	Joymabee Entertainment Co., Ltd.	Software services	100	100	100	
Gamania International Holdings Ltd. (GIH)	Achieve Made International Ltd. (AMI)	Investment and holding company	43.28	43.28	43.28	Note 1
Gamania International Holdings Ltd. (GIH)	HaPod Digital Technology Co., Ltd.	Software services and sales	100	100	100	
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Investment and holding company	100	100	100	
Gamania Sino Holdings Ltd.	Gamania Digital Entertainment (Beijing) Co., Ltd.	Research and development and sales of software	100	100	100	
Achieve Made International Ltd. (AMI)	Jollywiz Digital Technology Co., Ltd.	Supply of electronic information services	100	100	100	
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	Investment and holding company	100	100	100	
Jollywiz Digital Technology Co., Ltd.	Jollywiz International (HK) Co., Ltd.	Supply of electronic information services	100	100	100	
Jollywiz Digital Technology Co., Ltd.	Bjolly Co., Ltd. (Bjolly)	Supply of electronic information services	95.83	95.83	95.83	Note 2

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
Jollywiz Digital Technology Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	0.82	0.82	0.94	Notes 3 and 5
Cyber Look Properties Ltd.	Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	100	100	100	
Legion Technology (Shanghai) Co., Ltd.	Jollywiz Digital Business Co., Ltd.	Supply of electronic information services	100	100	100	
Gamania Digital Entertainment Co., Ltd.	Gamania Asia Investment Co., Ltd. (Gamania Asia)	Investment company	100	100	100	
Gamania Digital Entertainment Co., Ltd.	Ciirco Inc. (Ciirco)	Software services	99.90	99.90	99.90	
Gamania Digital Entertainment Co., Ltd.	VieFor Co., Ltd. (VieFor)	Publishing of magazines and periodicals	100	100	100	Note 9
Gamania Digital Entertainment Co., Ltd.	JollyBuy Digital Tech. Co., Ltd. (JollyBuy)	Supply of electronic information services	99.19	99.00	97.90	Notes 6 and 7
Gamania Digital Entertainment Co., Ltd.	Two Tigers Co., Ltd. (Two Tigers)	Animation production	51	51	51	
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	
Gamania Digital Entertainment Co., Ltd.	Indiland Co., Ltd. (Indiland)	Third party payment	100	100	100	
Gamania Digital Entertainment Co., Ltd.	We Backers Co., Ltd. (We Backers)	Crowd funding	93.38	93.38	93.38	
Gamania Digital Entertainment Co., Ltd.	BeanGo! Co., Ltd. (BeanGo!)	Software services	100	100	100	
Gamania Digital Entertainment Co., Ltd.	Coture New Media Co., Ltd. (Coture New Media)	Online media production	93.08	93.08	93.08	
Gamania Digital Entertainment Co., Ltd.	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	81.26	81.26	81.26	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)			Description
			March 31, 2024	December 31, 2023	March 31, 2023	
Gamania Digital Entertainment Co., Ltd.	NOWnews Network Co., Ltd. (NOWnews)	Broadcast and TV shows production	82.06	82.06	79.44	Notes 3 and 5
Gamania Digital Entertainment Co., Ltd.	Digicentre Company Limited (Digicentre)	Software services	67.48	67.48	67.48	
Gamania Digital Entertainment Co., Ltd.	Walkermedia Co., Ltd. (Walkermedia)	Digital media platforms and general advertising services	30	30	-	Notes 4 and 8
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	
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	Information software and supply of electronic information services	100	100	100	
Gash Point Co., Ltd.	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	6.22	6.22	6.22	
Gash Point Co., Ltd.	Conetter CoMarketing Co., Ltd. (Conetter)	Software services	79.98	79.98	79.98	
Gash Point (Hong Kong) Company Limited	GAMA PAY Co., Ltd. (GAMA PAY)	Electronic payment	8.38	8.38	8.38	
Gamania Asia Investment Co., Ltd	The China Post Co., Ltd.	Newspaper and magazine publishing	100	100	100	
Gamania Asia Investment Co., Ltd.	Bjolly Co., Ltd. (Bjolly)	Supply of electronic information services	4.17	4.17	4.17	Note 2
NOWnews Network Co., Ltd. (NOWnews)	Walkermedia Co., Ltd. (Walkermedia)	Digital media platforms and general advertising services	70	70	-	Notes 4 and 8
Digicentre Company Limited	Digicentre (HK) Company Limited	Software services	100	100	100	
Digicentre Company Limited	Hyperg Smart Security Technology Pte. Ltd. (Hyperg)	Software services	51	51	51	

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

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

Note 3: The Company and its subsidiary, Jollywiz Digital Technology Co., Ltd., held 82.06% and 0.82% equity interest in Nownews, respectively and had control over the investee, thus, the investee was included in the consolidated financial statements.

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

Note 5: On June 2, 2023 and December 22, 2023, the Company participated in the capital increase. The Company acquired 2.62% equity interest in NOWnews. Accordingly, the equity interest in Jollywiz Digital Technology Co., Ltd. decreased to 0.82%.

Note 6: The subsidiary, JollyBuy, increased capital by issuing new shares for cash in March 2024. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.19%.

Note 7: The subsidiary, JollyBuy, increased capital by issuing new shares for cash in June and November 2023. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership decreased by 1.1%.

Note 8: On June 30, 2023, the Board of Directors of the subsidiary, NOWnews Network Co., Ltd., resolved to acquire a 70% equity interest in Walkermidia Co., Ltd.

Note 9: The subsidiary, Fundation Digital Entertainment Co., Ltd., changed its name to VieFor Co., Ltd. on February 26, 2024.

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, 2024, December 31, 2023 and March 31, 2023, the non-controlling interest amounted to \$416,456, \$409,417 and \$443,847, 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, 2024		December 31, 2023		March 31, 2023		
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)	
AMI and subsidiaries	Taiwan and China	\$ 141,601	56.72%	\$ 141,054	56.72%	\$ 153,068	56.72%	Note

Name of subsidiary	Principal place of business	Non-controlling interest						Description
		March 31, 2024		December 31, 2023		March 31, 2023		
		Amount	Ownership (%)	Amount	Ownership (%)	Amount	Ownership (%)	
Digicentre Company Limited and subsidiaries	Taiwan, China and Singapore	\$ 132,649	32.52%	\$ 127,991	32.52%	\$ 131,169	32.52%	

Note: Registered location of AMI is British Virgin Islands.

Balance sheets

	AMI and subsidiaries		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 311,355	\$ 323,536	\$ 349,929
Non-current assets	47,534	47,581	48,292
Current liabilities	(106,347)	(119,404)	(124,788)
Total net assets	\$ 252,542	\$ 251,713	\$ 273,433

	Digicentre Company Limited and subsidiaries		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 458,498	\$ 441,984	\$ 405,464
Non-current assets	214,998	222,323	237,158
Current liabilities	(254,345)	(258,106)	(230,959)
Non-current liabilities	(29,581)	(32,037)	(35,081)
Total net assets	\$ 389,570	\$ 374,164	\$ 376,582

Statements of comprehensive income

	AMI and subsidiaries	
	Three months ended March 31,	
	2024	2023
Revenue	\$ 181,332	\$ 172,384
Profit (loss) before income tax	487	(4,339)
Income tax expense	(2,011)	-
Loss for the period	(1,524)	(4,339)
Other comprehensive (loss) income, net of tax	(8,329)	671
Total comprehensive loss for the period	(\$ 9,853)	(\$ 3,668)
Comprehensive (loss) income attributable to non-controlling interest	(\$ 3,605)	\$ 290
Dividends paid to non-controlling interest	\$ -	\$ -

<u>Digicentre Company Limited and subsidiaries</u>		
<u>Three months ended March 31,</u>		
	<u>2024</u>	<u>2023</u>
Revenue	\$ 369,605	\$ 320,157
Profit before income tax	19,723	16,525
Income tax expense	(5,416)	(4,905)
Profit for the period	14,307	11,620
Other comprehensive income (loss), net of tax	1,964	(420)
Total comprehensive income for the period	<u>\$ 16,271</u>	<u>\$ 11,200</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 5,592</u>	<u>\$ 4,197</u>
Dividends paid to non-controlling interest	<u>\$ -</u>	<u>\$ -</u>

Statements of cash flows

<u>AMI and subsidiaries</u>		
<u>Three months ended March 31,</u>		
	<u>2024</u>	<u>2023</u>
Net cash provided by operating activities	\$ 6,529	\$ 1,072
Net cash provided by (used in) investing activities	2,315	(4,084)
Net cash used in financing activities	(1,097)	(1,097)
Effect of exchange rate changes on cash and cash equivalents	(5,724)	1,874
Increase (decrease) in cash and cash equivalents	2,023	(2,235)
Cash and cash equivalents, beginning of period	97,469	101,662
Cash and cash equivalents, end of period	<u>\$ 99,492</u>	<u>\$ 99,427</u>

<u>Digicentre Company Limited and subsidiaries</u>		
<u>Three months ended March 31,</u>		
	<u>2024</u>	<u>2023</u>
Net cash (used in) provided by operating activities	(\$ 7,284)	\$ 12,266
Net cash used in investing activities	(4,747)	(2,539)
Net cash used in financing activities	(2,611)	(1,248)
Effect of exchange rate changes on cash and cash equivalents	2,093	(2,109)
(Decrease) increase in cash and cash equivalents	(12,549)	6,370
Cash and cash equivalents, beginning of period	195,065	151,119
Cash and cash equivalents, end of period	<u>\$ 182,516</u>	<u>\$ 157,489</u>

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant

market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

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

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

There was no significant change in the reporting period. Refer to Note 5 in the consolidated financial statements for the year ended December 31, 2023.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Cash on hand	\$ 1,743	\$ 1,762	\$ 2,772
Demand deposits and checking accounts	2,993,065	2,145,958	2,677,448
Cash equivalents - time deposits	<u>1,241,486</u>	<u>1,009,660</u>	<u>1,273,877</u>
	<u>\$ 4,236,294</u>	<u>\$ 3,157,380</u>	<u>\$ 3,954,097</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, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Notes receivable	<u>\$ -</u>	<u>\$ 64</u>	<u>\$ 110</u>
Accounts receivable	\$ 1,059,220	\$ 613,834	\$ 908,639
Less: Loss allowance	(9,979)	(9,357)	(47,632)
	<u>1,049,241</u>	<u>604,477</u>	<u>861,007</u>
Overdue receivables (shown as other non-current assets)	129,056	149,388	114,170
Less: Loss allowance	(129,056)	(149,388)	(114,170)
	<u>\$ 1,049,241</u>	<u>\$ 604,477</u>	<u>\$ 861,007</u>

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

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Not past due	\$ 963,942	\$ 577,301	\$ 840,084
Up to 30 days	80,181	19,559	18,304
31~60 days	5,217	3,014	2,643
61~90 days	2,059	3,346	1,632
91~120 days	240	3,387	281
Over 121 days	7,581	7,227	45,695
	<u>\$ 1,059,220</u>	<u>\$ 613,834</u>	<u>\$ 908,639</u>

The above ageing analysis was based on past due date.

B. As at March 31, 2024, December 31, 2023 and March 31, 2023, the Group has no notes receivable past due.

C. As at March 31, 2024, December 31, 2023, March 31, 2023 and January 1, 2023, the balances of receivables (including notes and overdue receivables) from contracts with customers amounted to \$1,188,276, \$763,286, \$1,022,919 and \$946,937, 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, 2024, December 31, 2023 and March 31, 2023, 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 \$0, \$64 and \$110, and accounts receivable was \$1,049,241, \$604,477 and \$861,007, respectively.

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

(3) Other receivables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Other receivables	\$ 409,313	\$ 660,566	\$ 489,159
Less: Loss allowance	(6,388)	(5,395)	(3,092)
	<u>\$ 402,925</u>	<u>\$ 655,171</u>	<u>\$ 486,067</u>

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

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Not past due	\$ 366,918	\$ 598,538	\$ 442,420
Up to 30 days	19,825	29,541	24,708
31 to 60 days	10,413	7,504	6,839
61 to 90 days	6,655	7,148	5,499
91 to 120 days	669	5,748	190
Over 121 days	4,833	12,087	9,503
	<u>\$ 409,313</u>	<u>\$ 660,566</u>	<u>\$ 489,159</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, 2024, December 31, 2023 and March 31, 2023, 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 \$402,925, \$655,172 and \$486,067, respectively.

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

(4) Inventories

	<u>March 31, 2024</u>		
	Cost	Allowance for obsolescence and market value decline	Book value
Merchandise inventory	<u>\$ 114,217</u>	<u>(\$ 16,816)</u>	<u>\$ 97,401</u>
	<u>December 31, 2023</u>		
	Cost	Allowance for obsolescence and market value decline	Book value
Merchandise inventory	<u>\$ 127,223</u>	<u>(\$ 18,232)</u>	<u>\$ 108,991</u>
	<u>December 31, 2022</u>		
	Cost	Allowance for obsolescence and market value decline	Book value
Merchandise inventory	<u>\$ 154,597</u>	<u>(\$ 22,448)</u>	<u>\$ 132,149</u>

Expenses and losses incurred on inventories for the period:

	<u>Three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Cost of goods sold	\$ 137,025	\$ 131,197
(Gain on reversal of) loss on decline in market value	<u>(1,606)</u>	<u>4,026</u>
	<u>\$ 135,419</u>	<u>\$ 135,223</u>

(5) Prepayments

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Prepayments to suppliers	\$ 235,067	\$ 159,665	\$ 222,703
Prepaid expenses	107,510	89,913	96,687
Excess business tax paid	78,079	94,902	69,215
Others	892	5,398	2,221
	<u>\$ 421,548</u>	<u>\$ 349,878</u>	<u>\$ 390,826</u>

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

<u>Items</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Non-current items:			
Equity instruments			
OTC stocks	\$ 78,376	\$ 78,376	\$ 78,376
Emerging stocks	20,546	20,546	20,546
Unlisted, non-OTC and non-emerging stocks	<u>425,894</u>	<u>425,894</u>	<u>425,894</u>
	524,816	524,816	524,816
Valuation adjustment	(<u>410,914</u>)	(<u>411,942</u>)	(<u>408,230</u>)
	<u>\$ 113,902</u>	<u>\$ 112,874</u>	<u>\$ 116,586</u>

- A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$113,902, \$112,874 and \$116,586 as at March 31, 2024, December 31, 2023 and March 31, 2023, 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:

	<u>Three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Change of fair value recognised in other comprehensive loss	<u>(\$ 245)</u>	<u>(\$ 739)</u>

- 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, 2024	December 31, 2023	March 31, 2023
Current items:			
Time deposit with maturity of more than three months	\$ 31,764	\$ 72,950	\$ 100,258
Demand deposits	16,021	16,027	56,936
	47,785	88,977	157,194
Non-current items:			
Demand deposits	725	725	-
	\$ 48,510	\$ 89,702	\$ 157,194

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

	Three months ended March 31,	
	2024	2023
Interest income	\$ 291	\$ 68

B. As at March 31, 2024, December 31, 2023 and March 31, 2023, 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 \$48,510, \$89,702 and \$157,194, 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

	2024	2023
At January 1	\$ 116,990	\$ 135,404
Addition of investments accounted for under equity method	-	6,400
Share of loss of investments accounted for under equity method	(1,691)	(6,693)
Changes in capital surplus	185	-
Changes in other equity items	19	-
At March 31	\$ 115,503	\$ 135,111

A. List of long-term investments:

Name of associates	March 31, 2024		December 31, 2023		March 31, 2023	
	Ownership percentage	Balance	Ownership percentage	Balance	Ownership percentage	Balance
Jsdway Digital Technology Co., Ltd. (Jsdway)	36.56	\$ 50,830	37.18	\$ 50,559	37.18	\$ 49,802
Hao-Ji Film Ltd. (Hao-Ji)	42.86	26,477	42.86	27,082	42.86	30,007
Chuang Meng Shr Ji Co., Ltd. (Chuang Meng Shr J.)	33.03	20,406	33.03	21,356	33.03	22,411
Walkermedia Co., Ltd. (Walkermedia) (Note 3)	30.00	-	30.00	-	30.00	3,330
Aotter Inc. (Aotter)	21.48	-	21.48	(133)	21.48	5,195
Taiwan e-sports Co., Ltd. (Taiwan e-sports)	29.54	-	29.54	-	29.54	2,932
Store Marais Co., Ltd. (Marais) (Note 1)	7.69	7,654	7.69	8,466	7.69	11,421
Pri-One Marketing Co., Ltd. (Pri-One)	30.00	4,155	30.00	3,509	30.00	3,613
Entron Technology Co., Ltd. (Note 1)	14.16	5,981	14.16	6,151	14.16	6,400
Gungho Gamania Co., Limited (Gungho Gamania)	49.00	-	49.00	-	49.00	-
Ju Shr Da Jiu (Shanghai) International Trading Co., Ltd. (Ju Shr Da Jiu) (Note 2)	30.00	-	30.00	-	30.00	-
Firedog creative Co., Ltd. (Note 2)	40.00	-	40.00	-	40.00	-
		<u>\$ 115,503</u>		<u>\$ 116,990</u>		<u>\$ 135,111</u>

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

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

Note 3: On June 30, 2023, the Group acquired a 70% equity interest in WalkerMedia, which became a subsidiary of the Group. The related information on business combination is provided in Note 6(30).

B. As of March 31, 2024, December 31, 2023 and March 31, 2023, the carrying amount of the Group's individually immaterial associates amounted to \$115,503, \$116,990 and \$135,111, respectively. The Group's share of the operating results are summarised below:

	Three months ended March 31,	
	2024	2023
Loss for the period	(\$ 1,691)	(\$ 6,693)
Other comprehensive income, net of tax	19	-
Total comprehensive loss	<u>(\$ 1,672)</u>	<u>(\$ 6,693)</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 36.56% equity interest. Given that the remaining 63.44% equity interest in Jsdway is held by other few investors and the number of votes of minority voting rights holders has exceeded the Group's votes as they acted together, this indicates that the Group has no current ability to direct the relevant activities of Jsdway. Accordingly, the Group has no control, but only has significant influence, over the investee.

(9) Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Transportation equipment</u>	<u>Office equipment</u>	<u>Leasehold improvements</u>	<u>Other equipment</u>	<u>Unfinished construction and equipment under acceptance</u>	<u>Total</u>
<u>At January 1, 2024</u>									
Cost	\$ 2,246,082	\$ 592,135	\$ 416,181	\$ 1,223	\$ 119,064	\$ 46,471	\$ 49,579	\$ 7,385	\$ 3,478,120
Accumulated depreciation	-	(244,713)	(280,764)	(1,163)	(61,687)	(17,660)	(29,284)	-	(635,271)
Accumulated impairment	-	-	(6,382)	-	-	-	-	-	(6,382)
	<u>\$ 2,246,082</u>	<u>\$ 347,422</u>	<u>\$ 129,035</u>	<u>\$ 60</u>	<u>\$ 57,377</u>	<u>\$ 28,811</u>	<u>\$ 20,295</u>	<u>\$ 7,385</u>	<u>\$ 2,836,467</u>
<u>2024</u>									
Opening net book amount as at January 1	\$ 2,246,082	\$ 347,422	\$ 129,035	\$ 60	\$ 57,377	\$ 28,811	\$ 20,295	\$ 7,385	\$ 2,836,467
Additions	-	6,634	31,649	-	-	-	401	650	39,334
Reclassifications (Note)	-	6,277	-	-	-	-	-	-	6,277
Disposals	-	-	-	-	(12)	-	-	-	(12)
Depreciation charge	-	(11,953)	(14,130)	-	(5,355)	(2,285)	(2,904)	-	(36,627)
Net exchange differences	-	-	70	-	13	-	-	-	83
Closing net book amount as at March 31	<u>\$ 2,246,082</u>	<u>\$ 348,380</u>	<u>\$ 146,624</u>	<u>\$ 60</u>	<u>\$ 52,023</u>	<u>\$ 26,526</u>	<u>\$ 17,792</u>	<u>\$ 8,035</u>	<u>\$ 2,845,522</u>
<u>At March 31, 2024</u>									
Cost	\$ 2,246,082	\$ 598,175	\$ 425,463	\$ 1,237	\$ 99,379	\$ 43,543	\$ 46,654	\$ 8,035	\$ 3,468,568
Accumulated depreciation	-	(249,795)	(272,457)	(1,177)	(47,356)	(17,017)	(28,862)	-	(616,664)
Accumulated impairment	-	-	(6,382)	-	-	-	-	-	(6,382)
	<u>\$ 2,246,082</u>	<u>\$ 348,380</u>	<u>\$ 146,624</u>	<u>\$ 60</u>	<u>\$ 52,023</u>	<u>\$ 26,526</u>	<u>\$ 17,792</u>	<u>\$ 8,035</u>	<u>\$ 2,845,522</u>

Note: From prepaid expense transferred to property, plant and equipment.

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

- 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, 2024 and 2023, payments of lease commitments for short-term leases amounted to \$1,386 and \$1,978, respectively.
- C. The carrying amounts of right-of-use assets and the depreciation charge are as follows:

	Book value		
	March 31, 2024	December 31, 2023	March 31, 2023
Buildings	\$ 109,054	\$ 73,982	\$ 70,871
Land improvements	2,767	3,113	-
Transportation equipment (Business vehicles)	703	883	1,424
Machinery	9,909	11,148	14,864
	<u>\$ 122,433</u>	<u>\$ 89,126</u>	<u>\$ 87,159</u>

	Depreciation charge	
	Three months ended March 31,	
	2024	2023
Buildings	\$ 7,613	\$ 5,994
Land improvements	346	322
Transportation equipment (Business vehicles)	180	479
Machinery	1,238	1,239
	<u>\$ 9,377</u>	<u>\$ 8,034</u>

- D. For the three months ended March 31, 2024 and 2023, the additions to right-of-use assets were \$43,140 and \$21,519, respectively.
- E. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended March 31,	
	2024	2023
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 323	\$ 219
Expense on short-term lease contracts	\$ 1,386	\$ 1,978
Gain on lease modification	\$ 6	\$ -

- F. For the three months ended March 31, 2024 and 2023, the Group's total cash outflow for leases were \$11,000 and \$10,326, respectively.

(11) Intangible assets

	<u>License fees</u>	<u>Software</u>	<u>Other intangible assets</u>	<u>Trademark right</u>	<u>Customer relationship</u>	<u>Goodwill</u>	<u>Total</u>
<u>At January 1, 2024</u>							
Cost	\$ 1,346,939	\$ 106,660	\$ 97,413	\$ 10,090	\$ 198,531	\$ 393,975	\$ 2,153,608
Accumulated amortisation	(651,929)	(56,259)	(64,386)	-	(109,304)	-	(881,878)
Accumulated impairment	(44,250)	-	(1,055)	-	-	(149,534)	(194,839)
	<u>\$ 650,760</u>	<u>\$ 50,401</u>	<u>\$ 31,972</u>	<u>\$ 10,090</u>	<u>\$ 89,227</u>	<u>\$ 244,441</u>	<u>\$ 1,076,891</u>
<u>2024</u>							
Opening net book amount as at January 1	\$ 650,760	\$ 50,401	\$ 31,972	\$ 10,090	\$ 89,227	\$ 244,441	\$ 1,076,891
Additions	-	8,640	-	-	-	-	8,640
Amortisation charge	(92,331)	(15,733)	(2,824)	-	(3,836)	-	(114,724)
Net exchange differences	2,459	21	2,329	-	-	-	4,809
Closing net book amount as at March 31	<u>\$ 560,888</u>	<u>\$ 43,329</u>	<u>\$ 31,477</u>	<u>\$ 10,090</u>	<u>\$ 85,391</u>	<u>\$ 244,441</u>	<u>\$ 975,616</u>
<u>At March 31, 2024</u>							
Cost	\$ 1,320,951	\$ 107,220	\$ 96,748	\$ 10,090	\$ 199,743	\$ 395,969	\$ 2,130,721
Accumulated amortisation	(745,737)	(63,891)	(64,216)	-	(114,352)	-	(988,196)
Accumulated impairment	(14,326)	-	(1,055)	-	-	(151,528)	(166,909)
	<u>\$ 560,888</u>	<u>\$ 43,329</u>	<u>\$ 31,477</u>	<u>\$ 10,090</u>	<u>\$ 85,391</u>	<u>\$ 244,441</u>	<u>\$ 975,616</u>

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

Note: From prepaid expense transferred to intangible assets.

A. The details of amortisation are as follows:

	Three months ended March 31,	
	2024	2023
Operating costs	\$ 94,843	\$ 119,308
Selling expenses	5,040	5,354
General and administrative expenses	8,195	9,969
Research and development expenses	6,646	4,964
	<u>\$ 114,724</u>	<u>\$ 139,595</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, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Goodwill:			
NOWnews	\$ 197,055	\$ 197,055	\$ 197,055
Digicentre	141,149	141,149	141,149
AMI	19,711	18,914	18,757
GIH	28,595	27,438	27,210
Walkermedia (Note)	7,744	7,744	-
Others	1,715	1,675	1,667
	<u>395,969</u>	<u>393,975</u>	<u>385,838</u>
Less: Accumulated impairment	(<u>151,528</u>)	(<u>149,534</u>)	(<u>148,504</u>)
	<u>\$ 244,441</u>	<u>\$ 244,441</u>	<u>\$ 237,334</u>
Trademark:			
NOWnews	<u>\$ 10,090</u>	<u>\$ 10,090</u>	<u>\$ 10,090</u>

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

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, 2023 and 2022 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 and Digicentre, at December 31, 2023 and 2022. As the recoverable amount of NOWnews and Digicentre was higher than the carrying amount at December 31, 2023 and 2022, goodwill was not impaired. The main assumptions used in calculating value-in-use by external appraiser are set out below:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Growth rate	2.8%~4.7%	2.4%~6.4%
Discount rate	10.8%~13.3%	14.0%~14.2%

- (c) As of December 31, 2023 and 2022, 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, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Overdue receivables	\$ 129,056	\$ 149,388	\$ 114,170
Less: Loss allowance for overdue receivables	(129,056)	(149,388)	(114,170)
Refundable deposits	42,837	43,954	50,488
Prepayments for business facilities	-	6,277	-
Prepayments for intangible assets	156,359	156,359	-
Others	8,008	6,743	221
	<u>\$ 207,204</u>	<u>\$ 213,333</u>	<u>\$ 50,709</u>

(13) Short-term borrowings

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Bank borrowings			
Secured borrowings	\$ 40,064	\$ 40,039	\$ 91,491
Unsecured borrowings	350,000	50,000	-
	<u>\$ 390,064</u>	<u>\$ 90,039</u>	<u>\$ 91,491</u>
Credit lines	<u>\$ 3,096,809</u>	<u>\$ 3,231,809</u>	<u>\$ 3,511,295</u>
Interest rate range	<u>1.50%~2.82%</u>	<u>1.60%~2.82%</u>	<u>2.49%~5.60%</u>

(14) Other payables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Store-value received on behalf of others	\$ 910,851	\$ 864,144	\$ 846,345
Accrued service cost	551,489	610,485	422,456
Salary and annual bonus payable	160,930	235,459	95,364
Employees' compensation payable	143,934	78,653	262,638
Commission payable	69,310	60,305	103,862
Payable on business tax and withholding tax	113,045	69,106	147,808
Payable on equipment and intangible assets (Note)	111,022	154,537	137,228
Directors' and supervisors' remuneration payable	23,686	14,909	45,940
Others	33,436	68,473	100,015
	<u>\$ 2,117,703</u>	<u>\$ 2,156,071</u>	<u>\$ 2,161,656</u>

Note: The payment obligations of certain game license are to pay game developers license fees if the revenue reaches a certain amount within three years after the signing of the contract. The Group recognised the license fees and payable on intangible assets after assessing that the payment obligation is highly realisable on March 31, 2024.

(15) 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, 2024 and 2023 were \$174 and \$262, respectively.
- (c) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to \$1,116.

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, 2024 and 2023 were both 16%. Other than the monthly contributions, the Group has no further obligations.
- (c) Gamania Digital Entertainment (H.K.) Co., Ltd., Gash Point (Hong Kong) Company Limited, Gash Point (Japan) Co., Ltd., Gash Point Korea Co., Ltd., Joymobee Entertainment Co., Ltd., Hapod Digital Technology Co., Ltd., Jollywiz International (HK) Co., Ltd., Digicentre (HK) Company Limited and Hyperg Smart Security Technology Pte., Ltd. provide pension reserves annually for their employees in accordance with the local regulations.
- (d) The pension costs under the defined contribution pension plan of the Group for the three months ended March 31, 2024 and 2023 were \$12,938 and \$11,070, respectively.

(16) Common stock

As of March 31, 2024, 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.

(17) 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.

(18) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the total capital stock balance, and appropriate or reverse for special reserve as required by the operating needs of the Company or regulations when necessary. The remainder, if any, to be retained or to be appropriated shall be proposed by the Board of Directors and resolved by the stockholders at the stockholders' meeting.
- B. The Company's dividend policy adopts the conservatism principle, with consideration of the Company's profit, financial structure and future development plans. At least 10% of the Company's distributable earnings as of the end of the period shall be appropriated as cash dividends.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.
- E. On June 20, 2023, the shareholders during their meeting resolved the proposal for the appropriations of 2022 retained earnings as follows:

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

- F. On March 6, 2024, the board of directors during its meeting resolved the proposal for the appropriations of 2023 retained earnings as follows:

	<u>Year ended December 31, 2023</u>	
	<u>Amount</u>	<u>Dividend per share (in dollars)</u>
Legal reserve appropriated	\$ 55,976	\$ -
Special reserve appropriated	11,205	-
Cash dividends distributed to shareholders	<u>575,619</u>	<u>3.28</u>
	<u>\$ 642,800</u>	<u>3.28</u>

As of May 2, 2024, the appropriations of 2023 earnings have not yet been resolved by the shareholders and have not yet been distributed.

- G. Information about the appropriations approved by the Board of Directors and resolved by the shareholders and appropriations of employees' compensation and directors' remuneration will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.
- H. For the information relating to employees' compensation and directors' and supervisors' remuneration, refer to Note 6(25).

(19) Other equity

	2024		
	Translation differences	Unrealised gain or loss on financial assets at fair value through other comprehensive income	Total
At January 1	(\$ 43,001)	(\$ 407,553)	(\$ 450,554)
Revaluation - Group	-	(245)	(245)
Revaluation - Associates	-	19	19
Currency translation differences:			
- Group	33,973	-	33,973
At March 31	<u>(\$ 9,028)</u>	<u>(\$ 407,779)</u>	<u>(\$ 416,807)</u>

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

(20) Operating revenue

	Three months ended March 31,	
	2024	2023
Revenue from contracts with customers	<u>\$ 3,332,223</u>	<u>\$ 3,034,224</u>

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:

Year ended March 31, 2024	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	<u>\$ 2,455,777</u>	<u>\$ 527,804</u>	<u>\$ 177,481</u>	<u>\$ 171,161</u>	<u>\$ 3,332,223</u>
Timing of revenue recognition					
At a point in time	\$ 2,218,591	\$ 260,970	\$ 177,481	\$ 171,161	\$ 2,828,203
Over time	237,186	266,834	-	-	504,020
	<u>\$ 2,455,777</u>	<u>\$ 527,804</u>	<u>\$ 177,481</u>	<u>\$ 171,161</u>	<u>\$ 3,332,223</u>

Year ended March 31, 2023	Online and mobile games revenue	Service revenue	Sales revenue	Revenue from stored-values	Total
Revenue from external customer contracts	\$ 2,312,666	\$ 415,888	\$ 157,494	\$ 148,176	\$ 3,034,224
Timing of revenue recognition					
At a point in time	\$ 2,043,429	\$ 215,848	\$ 157,494	\$ 148,176	\$ 2,564,947
Over time	269,237	200,040	-	-	469,277
	<u>\$ 2,312,666</u>	<u>\$ 415,888</u>	<u>\$ 157,494</u>	<u>\$ 148,176</u>	<u>\$ 3,034,224</u>

B. Contract liabilities

(a) The Group recognised contract liabilities related to the contract revenue from sales amounting to \$388,145, \$327,607, \$336,536 and \$379,934 as of March 31, 2024, December 31, 2023, March 31, 2023 and January 1, 2023, 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 year:

	Three months ended March 31,	
	2024	2023
Revenue from games	\$ 327,607	\$ 379,934

(21) Interest income

	Three months ended March 31,	
	2024	2023
Interest income from bank deposits	\$ 10,989	\$ 7,822
Interest income from financial assets at amortised cost	291	68
	<u>\$ 11,280</u>	<u>\$ 7,890</u>

(22) Other income

	Three months ended March 31,	
	2024	2023
Rental revenue	\$ 261	\$ 368
Other income	3,031	4,495
	<u>\$ 3,292</u>	<u>\$ 4,863</u>

(23) Other gains and losses

	Three months ended March 31,	
	2024	2023
Loss on disposal of property, plant and equipment	(\$ 9)	\$ -
Foreign exchange gain	3,064	979
Gains arising from lease modifications	6	-
Other losses	(3,012)	(713)
	<u>\$ 49</u>	<u>\$ 266</u>

(24) Finance costs

	Three months ended March 31,	
	2024	2023
Interest expense:		
Bank borrowings	\$ 805	\$ 842
Lease liability	323	219
	<u>\$ 1,128</u>	<u>\$ 1,061</u>

(25) Employee benefit, depreciation and amortisation expense

	Three months ended March 31,	
	2024	2023
Employee benefit expense		
Wages and salaries	\$ 335,065	\$ 304,202
Directors' remuneration	10,576	10,957
Labor and health insurance fees	25,135	15,288
Pension costs	13,112	11,332
Other personnel expenses	15,145	15,236
	<u>\$ 399,033</u>	<u>\$ 357,015</u>
Depreciation on property, plant and equipment (including right-of-use assets)	<u>\$ 46,004</u>	<u>\$ 41,018</u>
Amortisation expense	<u>\$ 114,724</u>	<u>\$ 139,595</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, 2024 and 2023, employees' compensation was accrued at \$61,435 and \$48,034, respectively; while directors' remuneration was accrued at \$8,776 and \$9,607, respectively. The aforementioned amounts were recognised in salary expenses.

- (b) For the three months ended March 31, 2024, 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 2023 amounted to \$67,500 and \$13,400 respectively, as resolved at the meeting of the Board of Directors. The difference in employees' compensation and directors' remuneration for 2023 amounting to \$1,120 and \$124, respectively, had been adjusted in the profit or loss for 2024.
- 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.

(26) Income tax

A. Components of income tax expense:

	Three months ended March 31,	
	2024	2023
Current tax:		
Current tax on profit for the period	\$ 138,303	\$ 129,268
Prior year income tax over estimation	450	-
Deferred tax:		
Origination and reversal of temporary differences	1,003	(9,125)
Income tax expense	<u>\$ 139,756</u>	<u>\$ 120,143</u>

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

	Latest Year Assessed by Tax Authority
The Company, Gash Point, NOWnews, Bjolly, Conetter, Ants' Power, Indiland, Gamania Asia, Ciirco, WeBackers, BeanGo!, VieFor (Note), GAMA PAY, Madsugr, Jollybuy, Jollywiz, The China Post, Walkermedia and Coture New Media	2022
Digicentre and Two Tigers	2021

Note: The subsidiary, Foundation Digital Entertainment Co., Ltd. (Foundation) changed its name to VieFor Co., Ltd. (VieFor) on February 26, 2024.

(27) Earnings per share

	<u>Three months ended March 31, 2024</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 403,932</u>	<u>175,494</u>	<u>\$ 2.31</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 403,932	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	<u>-</u>	<u>1,439</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 403,932</u>	<u>176,933</u>	<u>\$ 2.29</u>
	<u>Three months ended March 31, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 336,185</u>	<u>175,494</u>	<u>\$ 1.92</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 336,185	-	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation (Note)	<u>-</u>	<u>2,131</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 336,185</u>	<u>177,625</u>	<u>\$ 1.89</u>

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.

(28) 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, issued new shares for the three months ended March 31, 2024. However, the Group did not acquire additional shares proportionately to its interest, thus, the share ownership increased by 0.19%. The impact of the transaction attributed to owners of parent is as follows:

	<u>JollyBuy</u>
	<u>Three months ended</u>
	<u>March 31, 2024</u>
Increase in carrying amount of non-controlling interest	(\$ 219)
Retained earnings - changes in parent's ownership interest in subsidiary	(\$ 219)

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

	<u>JollyBuy</u>	<u>AMI</u>
	<u>Three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Cash	\$ 913	\$ -
Increase in carrying amount of non-controlling interest	(643)	(5,455)
Capital surplus - changes in parent's ownership interest in subsidiary	<u>\$ 270</u>	<u>(\$ 5,455)</u>

(29) Supplemental cash flow information

Investing activities with partial cash payments:

	Three months ended March 31,	
	2024	2023
Acquisition of property, plant and equipment	\$ 39,334	\$ 25,808
Add: Opening balance of other payables	64,773	35,478
Less: Ending balance of other payables	(18,810)	(9,461)
Cash paid during the period	<u>\$ 85,297</u>	<u>\$ 51,825</u>

	Three months ended March 31,	
	2024	2023
Acquisition of intangible assets	\$ 8,640	\$ 181,052
Add: Opening balance of other payables	89,764	4,019
Less: Ending balance of other payables	(92,212)	(127,767)
Cash paid during the period	<u>\$ 6,192</u>	<u>\$ 57,304</u>

(30) Business combinations

- A. The Company held a 30% equity interest in WalkerMedia Co., Ltd. and on June 30, 2023, the subsidiary, NOWnews, acquired a 70% equity interest in WalkerMedia for a cash consideration of \$11,152. Consequently, the Group obtained control over WalkerMedia as it held 87% equity interest. WalkerMedia is engaged in creating media content for food tourism.
- B. The following table summarises the consideration paid for WalkerMedia and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets at the acquisition date:

	June 30, 2023
Purchase consideration	
Cash	<u>\$ 11,152</u>
Fair value of equity interest in WalkerMedia held before the business combination	1,791
Non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets	<u>772</u>
	<u>13,715</u>

	<u>June 30, 2023</u>
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	6,786
Accounts receivable	2,259
Other receivables	1,393
Prepayments	332
Property, plant and equipment	436
Intangible assets	38
Right-of-use assets	60
Other non-current assets	60
Current contract liabilities	(190)
Accounts payable	(894)
Other payables	(3,964)
Other current liabilities	(282)
Lease liabilities	(63)
Total identifiable net assets	<u>5,971</u>
Goodwill	<u>\$ 7,744</u>

C. The operating revenue included in the consolidated statement of comprehensive income since June 30, 2023 contributed by WalkerMedia was \$0. WalkerMedia also contributed profit before income tax of \$0 over the same period. Had WalkerMedia been consolidated from January 1, 2023, the consolidated statement of comprehensive income would show operating revenue of \$3,036,999 and profit before income tax of \$451,571.

(31) Changes in liabilities from financing activities

In accordance with amendments to IAS 7, 'Disclosure initiative', movements for the three months ended March 31, 2024 and 2023 are as follows:

	<u>Short-term borrowings</u>	<u>Lease liabilities</u>	<u>Liabilities from financing activities-gross</u>
January 1, 2024	\$ 90,039	\$ 89,480	\$ 179,519
Changes in cash flow from financing activities	298,336	(9,291)	289,045
Impact of changes in foreign exchange rate	1,689	139	1,828
Changes in other non-cash items			
Increase in right-of-use assets	-	43,140	43,140
Termination of right-of-use assets	-	(600)	(600)
March 31, 2024	<u>\$ 390,064</u>	<u>\$ 122,868</u>	<u>\$ 512,932</u>

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

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

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

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

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

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

(3) Significant transactions and balances with related parties

A. Operating revenue

	Three months ended March 31,	
	2024	2023
Sales of goods:		
Associates	\$ 323	\$ 6
Other related parties	4,662	4,898
	<u>\$ 4,985</u>	<u>\$ 4,904</u>

	Three months ended March 31,	
	2024	2023
Sales of services:		
Associates	\$ 1,205	\$ 2,408
Other related parties	57,896	37,693
	<u>\$ 59,101</u>	<u>\$ 40,101</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,	
	2024	2023
Service costs:		
Associates	\$ -	\$ 10
Other related parties	1,641	1,382
	<u>\$ 1,641</u>	<u>\$ 1,392</u>

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

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

	Three months ended March 31,	
	2024	2023
Associates	\$ 4,294	\$ 4,410
Other related parties	6,311	6,477
	<u>\$ 10,605</u>	<u>\$ 10,887</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,	
	2024	2023
Other related party		
Gamania Cheer Up Foundation	\$ 10,000	\$ 4,000

The Group made donations in support of projects for caring and encouraging the youth which had been resolved by the Board of Directors.

E. Receivables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Accounts receivable:			
Associates	\$ 11,388	\$ 11,430	\$ 19,313
Other related parties	<u>5,833</u>	<u>2,716</u>	<u>2,660</u>
	<u>\$ 17,221</u>	<u>\$ 14,146</u>	<u>\$ 21,973</u>
Other receivables:			
Associates	\$ 2,235	\$ 2,234	\$ 2,385
Other related parties	<u>87</u>	<u>78</u>	<u>62</u>
	<u>\$ 2,322</u>	<u>\$ 2,312</u>	<u>\$ 2,447</u>

(a) Accounts receivable arise mainly from service revenue, advertising revenue and IDC services.

Accounts receivable were not pledged as collateral, not subject to interest and no allowance was provided on such receivables.

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

F. Payables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Accounts payable:			
Associates	\$ 1	\$ 1	\$ 1
Other related parties	<u>2,116</u>	<u>2,485</u>	<u>1,315</u>
	<u>\$ 2,117</u>	<u>\$ 2,486</u>	<u>\$ 1,316</u>
Other payables:			
Associates	\$ 2,948	\$ 3,806	\$ 2,862
Other related parties	<u>621,282</u>	<u>525,960</u>	<u>327,596</u>
	<u>\$ 624,230</u>	<u>\$ 529,766</u>	<u>\$ 330,458</u>

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

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

(4) Key management compensation

	<u>Three months ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Short-term employee benefits	\$ 53,900	\$ 47,546
Post-employment benefits	<u>27</u>	<u>108</u>
	<u>\$ 53,927</u>	<u>\$ 47,654</u>

8. PLEDGED ASSETS

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

<u>Pledged assets</u>	<u>Book value</u>			<u>Pledge purpose</u>
	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>	
Other current assets				
Demand deposits	\$ 153,127	\$ 107,566	\$ 176,161	Trusted electronic payment accounts
Financial assets at amortised cost-current				
Demand deposits	16,021	16,011	56,936	Performance bond of on-line game card's standard contracts / Performance bond of stickers and Guarantee for short-term borrowing facility
Time deposits	31,764	32,950	55,266	Guarantee for short-term borrowing facility / Credit card merchant and Performance of credit card service
Financial assets at amortised				
Demand deposits	725	725	-	Trusted electronic payment accounts
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	240,129	241,540	245,773	Short-term and long-term / Credit lines
	<u>\$ 2,687,848</u>	<u>\$ 2,644,874</u>	<u>\$ 2,780,218</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

Taking into consideration the long-term operational development of the subsidiary, Gash Point Co., Ltd., ("Gash Point"), the Company decided to collaborate with a strategic investor. On May 2, 2024, the Board of Directors resolved to sell its 16% equity interest in Gash Point to Wanwin International

Co., Ltd. in order to strengthen the Group's business transactions and cooperation with Wanwin International Co., Ltd. Based on mutual agreement and the independent accountant's fairness opinion, the consideration for this transaction was \$640,000. Gash Point plans to increase its capital and introduce the strategic investor after the completion of the equity transaction. As the Company is an original shareholder, the Company will decide whether the Company executes its preemptive right on the capital increase as resolved by the Board of Directors, depending on the actual situation. The Company's shareholding ratio in Gash Point decreased from 74% to 50% or less if the Board of Directors resolved not to execute the preemptive right. In the future, the Company continually holds certain shares in Gash Point to strengthen the cooperative relationship with Gash Point in order to maximize the market efficiency through mutual endeavors.

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, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets designated at fair value through profit or loss	\$ 15,000	\$ 15,000	\$ 15,000
Financial assets at fair value through other comprehensive income			
Designation of equity instruments	\$ 113,902	\$ 112,874	\$ 116,586
Financial assets at amortised cost			
Cash and cash equivalents	\$ 4,236,294	\$ 3,157,380	\$ 3,954,097
Financial assets at amortised cost	48,510	89,702	157,194
Notes receivable	-	64	110
Accounts receivable (including related parties)	1,066,462	618,623	882,980
Other receivables (including related parties)	405,247	657,483	488,514
Other financial assets	153,127	107,566	176,161
Guarantee deposits paid	42,837	43,954	50,488
	<u>\$ 5,952,477</u>	<u>\$ 4,674,772</u>	<u>\$ 5,709,544</u>

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 390,064	\$ 90,039	\$ 91,491
Accounts payable (including related parties)	855,918	616,369	660,603
Other payables (including related parties)	2,741,933	2,685,837	2,492,114
Guarantee deposits received	14,607	15,814	15,346
	<u>\$ 4,002,522</u>	<u>\$ 3,408,059</u>	<u>\$ 3,259,554</u>
Lease liability	<u>\$ 122,868</u>	<u>\$ 89,480</u>	<u>\$ 87,377</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:

(Foreign currency: Functional currency)	March 31, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 3,952	32.000	\$ 126,464
HKD:USD (Note)	11,294	0.128	46,260
RMB:USD (Note)	27,103	0.138	119,687
NTD:USD (Note)	47,715	0.031	47,715
EUR:USD (Note)	793	0.929	23,574
USD:HKD (Note)	3,032	7.826	97,026
<u>Non-monetary items</u>			
USD:NTD	12,679	32.000	405,721
KRW:NTD	1,267,417	0.024	30,418
JPY:NTD	129,953	0.212	27,550
HKD:NTD	129,538	4.089	529,681
<u>Financial liabilities</u>			
<u>Monetary items</u>			
HKD:USD (Note)	20,142	0.128	82,502
RMB:USD (Note)	10,619	0.138	46,894

December 31, 2023

(Foreign currency: Functional currency)	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 6,595	30.705	\$ 202,499
HKD:USD (Note)	47,099	0.128	185,110
RMB:USD (Note)	33,995	0.141	147,178
NTD:USD (Note)	48,004	0.033	48,004
JPY:USD (Note)	58,411	0.007	12,734
EUR:USD (Note)	970	0.904	26,925
USD:HKD (Note)	5,380	7.815	165,194
<u>Non-monetary items</u>			
USD:NTD	11,766	30.705	361,263
KRW:NTD	1,221,083	0.024	29,306
JPY:NTD	127,429	0.217	27,652
HKD:NTD	122,709	3.929	482,123
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	2,201	30.705	67,582
HKD:USD (Note)	12,587	0.128	49,470
RMB:USD (Note)	14,071	0.141	60,919
USD:HKD (Note)	583	7.815	17,901

March 31, 2023

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

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, 2024 and 2023 amounted to \$3,064 and \$979, respectively.

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

(Foreign currency: Functional currency)	Three months ended March 31, 2024		
	Sensitivity analysis		
	Extent of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
USD:NTD	1%	\$ 1,265	\$ -
HKD:USD (Note)	1%	463	-
RMB:USD (Note)	1%	1,197	-
NTD:USD (Note)	1%	477	-
EUR:USD (Note)	1%	236	-
USD:HKD (Note)	1%	970	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
HKD:USD (Note)	1%	825	-
RMB:USD (Note)	1%	469	-
(Foreign currency: Functional currency)	Three months ended March 31, 2023		
	Sensitivity analysis		
	Extent of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 4,156	\$ -
HKD:NTD	1%	2,335	-
HKD:USD (Note)	1%	2,198	-
RMB:USD (Note)	1%	704	-
NTD:USD (Note)	1%	306	-
USD:HKD (Note)	1%	2,717	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	3,270	-
RMB:USD (Note)	1%	802	-
USD:HKD (Note)	1%	430	-

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

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic companies. The prices of equity securities would change due to the change of the future value of investee companies. However, the Group has set stop-loss amounts for those assets; therefore, no material market risk is expected. If the prices of these equity securities had increased by 1% with all other variables held constant, post-tax profit for the three months ended March 31, 2024 would have increased/ decreased by \$150, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other comprehensive income or loss for the three months ended March 31, 2024 and 2023 would have increased by \$1,139 and \$1,166, 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, 2024 and 2023, the Group's borrowings at variable rate were denominated in NTD.
- ii. At March 31, 2024, December 31, 2023 and March 31, 2023, 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, 2024 and 2023 would have been \$2 and \$10 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, 2024, 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, 2024, December 31, 2023 and March 31, 2023, the provision matrix is as follows:

	March 31, 2024		
	Expected loss rate	Total book value	Loss allowance
Not past due	0.03%~5.86%	\$ 1,330,859	\$ 10,321
Up to 30 days	0.02%~8.65%	100,006	437
31 to 60 days	0.68%~17.75%	15,631	639
61 to 90 days	0.77%~30.01%	8,714	1,209
91 to 120 days	4.32%~65.76%	909	245
Over 121 days	43.42%~100%	12,414	3,516
		<u>\$ 1,468,533</u>	<u>\$ 16,367</u>
	December 31, 2023		
	Expected loss rate	Total book value	Loss allowance
Not past due	0.01%~1.87%	\$ 1,175,839	\$ 1,978
Up to 30 days	0.45%~6.87%	49,100	407
31 to 60 days	0.13%~34.34%	10,518	584
61 to 90 days	0.66%~19.36%	10,494	632
91 to 120 days	3.82%~88.99%	9,135	2,698
Over 121 days	1.91%~100%	19,314	8,453
		<u>\$ 1,274,400</u>	<u>\$ 14,752</u>

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

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:

	2024		
	Accounts receivable	Other receivables	Total
At January 1	\$ 158,745	\$ 5,395	\$ 164,140
Provision for impairment loss	793	784	1,577
Write-offs	(20,845)	-	(20,845)
Effect of exchange rate changes	342	209	551
At March 31	<u>\$ 139,035</u>	<u>\$ 6,388</u>	<u>\$ 145,423</u>
	2023		
	Accounts receivable	Other receivables	Total
At January 1	\$ 161,560	\$ 2,253	\$ 163,813
Provision for impairment loss	473	853	1,326
Effect of exchange rate changes	(231)	(14)	(245)
At March 31	<u>\$ 161,802</u>	<u>\$ 3,092</u>	<u>\$ 164,894</u>

For the three months ended March 31, 2024 and 2023, the provision for impairment loss arising from customers' contracts were \$1,577 and \$1,326, 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, 2024</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 year(s)</u>	<u>Over 3 years</u>
Short-term borrowings	\$ 391,155	\$ -	\$ -
Accounts payable	853,801	-	-
Accounts payable - related parties	2,117	-	-
Other payables	2,117,103	-	-
Other payables - related parties	624,230	-	-
Lease liabilities	44,220	58,221	24,309
<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 year(s)</u>	<u>Over 3 years</u>
Short-term borrowings	\$ 90,123	\$ -	\$ -
Accounts payable	613,883	-	-
Accounts payable - related parties	2,486	-	-
Other payables	2,156,071	-	-
Other payables - related parties	529,766	-	-
Lease liabilities	36,041	45,153	10,583
<u>March 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 3 year(s)</u>	<u>Over 3 years</u>
Short-term borrowings	\$ 91,491	\$ -	\$ -
Accounts payable	659,287	-	-
Accounts payable - related parties	1,316	-	-
Other payables	2,161,656	-	-
Other payables - related parties	330,458	-	-
Lease liabilities	29,872	46,091	13,631

(3) Fair value information

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

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

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

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

B. Financial instruments not measured at fair value

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

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

<u>March 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss - TV shows production investing sharing agreement	\$ -	\$ -	\$ 15,000	\$ 15,000
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	\$ 55,531	\$ -	\$ 58,371	\$ 113,902
<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss - TV shows production investing sharing agreement	\$ -	\$ -	\$ 15,000	\$ 15,000
Financial assets at fair value through other comprehensive income - non-current				
Equity securities	\$ 55,776	\$ -	\$ 57,098	\$ 112,874

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

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

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

E. For the three months ended March 31, 2024 and 2023, 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, 2024 and 2023:

	Equity securities	
	2024	2023
At January 1	\$ 72,098	\$ 72,103
Effects of foreign exchange	1,273	(255)
At March 31	<u>\$ 73,371</u>	<u>\$ 71,848</u>

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

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

	Fair value at March 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instruments					
Unlisted and non- OTC shares	\$ 58,370	Net asset value	Not applicable	Not applicable	Not applicable
TV shows production investing sharing agreement	15,000	Discounted cash flow method	Weighted average cost of capital	13.58% (13.58%)	The higher the weighted average cost of capital, the lower the fair value

	<u>Fair value at December 31, 2023</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 57,098	Net asset value	Not applicable	Not applicable	Not applicable
TV shows production investing sharing agreement	15,000	Discounted cash flow method	Weighted average cost of capital	12.86% (12.86%)	The higher the weighted average cost of capital, the lower the fair value
	<u>Fair value at March 31, 2023</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Range (weighted average)</u>	<u>Relationship of inputs to fair value</u>
Non-derivative equity instruments					
Unlisted and non-OTC shares	\$ 56,848	Market comparable companies	Enterprise value to operating income multiple Discount for lack of marketability	28.21~45.33 (28.21) 25% (25%)	The higher the multiple, the higher the fair value The higher the discount for lack of marketability, the lower the fair value
TV shows production investing sharing agreement	15,000	Discounted cash flow method	Weighted average cost of capital	13.24% (13.24%)	The higher the weighted average cost of capital, the lower the fair value

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, 2024			
				Recognised in profit or loss		Recognised in other comprehensive income	
				Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change					
Financial assets							
Equity instruments	Weighted average cost of capital	±1%	\$ 150	(\$ 150)	\$ -	\$ -	-
				December 31, 2023			
				Recognised in profit or loss		Recognised in other comprehensive income	
				Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change					
Financial assets							
Equity instruments	Weighted average cost of capital	±1%	\$ 150	(\$ 150)	\$ -	\$ -	-
				March 31, 2023			
				Recognised in profit or loss		Recognised in other comprehensive income	
				Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change					
Financial assets							
Equity instruments	Discount for lack of marketability	±1%	\$ -	\$ -	\$ 269	(\$ 269)	
	Weighted average cost of capital	±1%	150	(150)	-	-	

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: Refer to table 1.

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

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Refer to table 7.

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

(4) Major shareholders information

Major shareholders information: Refer to table 8.

14. OPERATING SEGMENT INFORMATION

(1) General information

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

(2) Assessment of segment information

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

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

The segment information on reportable segments provided to the chief operating decision-maker for the three months ended March 31, 2024 and 2023 is as follows:

Three months ended March 31, 2024

	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>	
Revenue from external customers	\$ 2,456,395	\$ 243,048	\$ 171,637	\$ 461,143	\$ 3,332,223	
Inter-segment revenue	37,308	126,557	144,368	92,517	400,750	Note
Segment operating profit	505,796	19,264	33,432	(25,118)	533,374	
Segment profit (loss), net of tax	421,754	14,307	21,338	(51,979)	405,420	

Three months ended March 31, 2023

	<u>Game</u>	<u>Commerce</u>	<u>Payment</u>	<u>Others</u>	<u>Total</u>	
Revenue from external customers	\$ 2,316,173	\$ 223,398	\$ 149,972	\$ 344,681	\$ 3,034,224	
Inter-segment revenue	41,287	96,760	186,600	175,083	499,730	Note
Segment operating profit	441,293	16,401	13,777	(20,902)	450,569	
Segment profit (loss), net of tax	369,754	11,620	1,422	(47,105)	335,691	

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

(4) Reconciliation information of segment profit (loss)

The segment reports provided to the chief operating decision-maker are measured in a manner consistent with that used for the statement of comprehensive income. There is no difference between the presentation of segment report and income statement and accordingly, no reconciliation is required to be disclosed. The reportable segments of the Group are based on different companies. The reconciliation with Note 6(20) operating revenue is as follows:

	Three months ended March 31, 2024				
	Game	Commerce	Payment	Others	Total
Online and mobile games revenue	\$ 2,455,777	\$ -	\$ -	\$ -	\$ 2,455,777
Service revenue	618	243,048	476	283,662	527,804
Sales revenue	-	-	-	177,481	177,481
Revenue from stored-values	-	-	171,161	-	171,161
	<u>\$ 2,456,395</u>	<u>\$ 243,048</u>	<u>\$ 171,637</u>	<u>\$ 461,143</u>	<u>\$ 3,332,223</u>

	Three months ended March 31, 2023				
	Game	Commerce	Payment	Others	Total
Online and mobile games revenue	\$ 2,312,666	\$ -	\$ -	\$ -	\$ 2,312,666
Service revenue	3,507	223,398	1,796	187,187	415,888
Sales revenue	-	-	-	157,494	157,494
Revenue from stored-values	-	-	148,176	-	148,176
	<u>\$ 2,316,173</u>	<u>\$ 223,398</u>	<u>\$ 149,972</u>	<u>\$ 344,681</u>	<u>\$ 3,034,224</u>

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Provision of endorsements and guarantees to others

Three months ended March 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		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, 2024	Outstanding endorsement/ guarantee amount at March 31, 2024	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary (Note 5)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 5)	Provision of endorsements/ guarantees to the party in Mainland China (Note 5)	Footnote
		Company name													
0	The Company	JollyBuy Digital Technology Co., Ltd.		2	\$ 581,492	\$ 30,000	\$ 30,000	\$ -	\$ -	0.52	\$ 5,814,919	Y	N	N	Note 3
1	Jollywiz Digital Technology Co., Ltd.	Jollywiz Digital Business Co., Ltd.		4	91,123	21,258	21,258	-	-	9.32	91,123	N	N	Y	Note 4

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

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

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

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

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

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

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

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

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

March 31, 2024

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, 2024				Footnote
				Number of shares (in thousands)	Book value	Percentage	Market value (Note 2)	
The Company	XPEC Entertainment Inc. - stock	None	Financial assets at fair value through other comprehensive income - non-current	4,907	\$ 26,941	2.68	\$ 26,941	
The Company	Pili International Multimedia Co., Ltd. - stock	Other related parties	Financial assets at fair value through other comprehensive income - non-current	1,958	45,524	3.82	45,524	
Gamania Asia Investment Co., Ltd.	One Production Film Co., Ltd. - stock	None	Financial assets at fair value through other comprehensive income - non-current	420	10,008	1.76	10,008	
Gamania Asia Investment Co., Ltd.	Gokube Inc. - stock	None	Financial assets at fair value through other comprehensive income - non-current	400	-	1.77	-	
Gamania International Holdings Ltd.	Vantage Metro Limited - stock	None	Financial assets at fair value through other comprehensive income - non-current	192	31,429	2.59	31,429	

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, 2024

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction			Differences in transaction terms compared to third party transactions			Notes/accounts receivable (payable)		Footnote
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
Gash Point Co., Ltd.	The Company	Parent company	Service revenue	\$ 101,949	44.71	Note	Note	Note	\$ 51,891	6.69		

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

Gamania Digital Entertainment Co., Ltd. and Subsidiaries
 Receivables from related parties in excess of \$100 million or 20% of capital
 Three months ended March 31, 2024

Table 4

Expressed in thousands of NTD
 (Except as otherwise indicated)

Name of creditor	Transaction parties	Relationship	Balance as of March 31, 2024	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	\$ 1,322,354	-	\$ -	-	\$ 532,573	\$ 392	Note 2

Note 1: The subsequent collections represent collections from the balance sheet date to April 22, 2024.

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

Gamania Digital Entertainment Co., Ltd. and Subsidiaries
Significant inter-company transactions during the reporting period
Three months ended March 31, 2024

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	Gash Point Co., Ltd.	1	Accounts receivable	\$ 1,322,354	Note 5	11.94
1	Gamania Digital Entertainment (H.K.) Co., Ltd.	Gash Point (HK) Co., Ltd.	3	Accounts receivable	81,840	Note 5	0.74
2	Gash Point Co., Ltd.	The Company	2	Accounts receivable	51,891	Note 5	0.47
2	Gash Point Co., Ltd.	The Company	2	Sales of services	101,949	Note 5	3.06
3	Ants' Power Co., Ltd.	The Company	2	Operating revenue	31,584	Note 5	0.95
3	Ants' Power Co., Ltd.	The Company	2	Accounts receivable	31,660	Note 5	0.29
5	Digicentre Company Limited	The Company	2	Accounts receivable	51,303	Note 5	0.46
5	Digicentre Company Limited	The Company	2	Operating revenue	82,900	Note 5	2.49
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Accounts receivable	32,347	Note 5	0.29
5	Digicentre Company Limited	Digicentre (HK) Company Limited	3	Operating revenue	32,211	Note 5	0.97
5	Digicentre Company Limited	GAMA PAY Co., Ltd.	3	Operating revenue	18,730	Note 5	0.56
5	Digicentre Company Limited	Gash Point Co., Ltd.	3	Operating revenue	13,863	Note 5	0.42
6	Conetter CoMarketing Co., Ltd.	The Company	2	Accounts receivable	42,409	Notes 4 and 5	0.38
6	Conetter CoMarketing Co., Ltd.	The Company	2	Sales of services	30,563	Notes 4 and 5	0.92
7	Coture New Media Co., Ltd.	The Company	2	Accounts receivable	54,516	Notes 4 and 5	0.49
8	Hyperg Smart Security Technology Pte. Ltd.	Digicentre Company Limited	3	Accounts receivable	19,887	Note 5	0.18

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, 2024

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, 2024			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at March 31, 2024	Balance as at December 31, 2023	Number of shares	Percentage	Book value			
The Company	Gamania Holdings Ltd.	Cayman Islands	Holding company	\$ 1,541,576	\$ 1,541,576	20,100,000	100.00	\$ 73,828	\$ 8,282	\$ 11,028	
The Company	Gamania Digital Entertainment (H.K.) Co., Ltd.	Hong Kong	Software services and sales	219,952	219,952	25,500,000	100.00	529,681	27,457	27,457	
The Company	Gamania Asia Investment Co., Ltd.	Taiwan	Investment company	239,549	239,549	18,900,000	100.00	95,217	831	831	
The Company	VieFor Co., Ltd. (Former: Foundation Digital Entertainment Co., Ltd.)	Taiwan	Publishing of magazines and periodicals	220,000	220,000	316,522	100.00	-	-	-	
The Company	Jollybuy Digital Tech. Co., Ltd.	Taiwan	Supply of electronic information services	720,000	690,000	16,167,568	99.19	42,226 (	25,952) (	25,694)	
The Company	Digicentre Company Limited	Taiwan	Software services	302,637	302,637	16,016,000	67.48	379,607	15,181	9,522	
The Company	Two Tigers Co. Ltd.	Taiwan	Animation production	6,269	6,269	626,892	51.00	5,938 (	34) (	17)	
The Company	Gash Point Co., Ltd.	Taiwan	Information software and supply of electronic information services	169,000	169,000	13,500,000	90.00	458,391	58,852	52,967	
The Company	Indiland Co., Ltd.	Taiwan	Third-party payment	69,000	69,000	2,950,000	100.00	5,074 (	1,644) (	1,644)	
The Company	Ants' Power Co., Ltd.	Taiwan	Customer services	10,000	10,000	1,000,000	100.00	88,518	9,555	9,555	
The Company	Chuang Meng Shr Ji Co., Ltd.	Taiwan	Venture Capital Industry	57,000	57,000	3,996,774	33.03	20,406 (	1,936) (	949)	
The Company	WeBackers Co., Ltd.	Taiwan	Crowd funding	51,040	51,040	373,529	93.38	206	-	-	
The Company	Coture New Media Co., Ltd.	Taiwan	Producing TV programs and general advertising services	203,500	203,500	1,314,699	93.08	2,323 (	359) (	365)	
The Company	GAMAY PAY Co., Ltd.	Taiwan	Electronical payment	1,103,018	1,103,018	44,694,406	81.26	276,766 (	38,666) (	31,429)	
The Company	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	615,342	615,342	51,519,527	82.06	117,619 (	31,413) (	29,198)	
The Company	BeanGo! Co., Ltd.	Taiwan	Communication software	214,000	214,000	400,000	100.00	7,713	-	-	
The Company	Ciirco Inc.	Taiwan	Sales and research and development of software services	229,400	229,400	1,698,234	99.90	22,137	51	51	
The Company	Hao-Ji film Ltd.	Taiwan	TV shows production	30,000	30,000	3,000,000	42.86	26,477	669 (	605)	
The Company	Walkermedia Co., Ltd.	Taiwan	Newspaper and magazine publishing	34,500	34,500	3,450,000	30.00	2,603 (	4,139) (	1,242)	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries
Information on investee companies (not including investees in Mainland China)
Three months ended March 31, 2024

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, 2024			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at March 31, 2024	Balance as at December 31, 2023	Number of shares	Percentage	Book value			
The Company	Entron Technology Co., Ltd.	Taiwan	Development of system platform	\$ 6,400	\$ 6,400	400,000	14.16	\$ 5,981	(\$ 1,203)	(\$ 170)	
Jollybuy Digital Technology Co., Ltd.	Store Marais Co., Ltd.	Taiwan	Retail Sale No Storefor.net	10,000	10,000	230,769	7.69	7,654	14,779	(812)	
NOWnews Network Co., Ltd.	Walkermedia Co., Ltd.	Taiwan	Newspaper and magazine publishing	11,152	21,652	8,050,000	70.00	13,047	(4,139)	(2,897)	
Digicentre Company Limited	Digicentre (HK) Company Limited	Hong Kong	Software services	1,230	1,230	300,000	100.00	35,743	(6,427)	(6,427)	
Digicentre Company Limited	Hyperg Smart Security Technology Pte. Ltd.	Singapore	Software services	32,000	32,000	1,000,000	51.00	9,194	(1,783)	(909)	
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	4,155	2,153	646	
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	36.56	50,830	(210)	66	
Gamania Asia Investment Co., Ltd.	Taiwan e-sports Co., Ltd.	Taiwan	E-sports	63,702	63,702	2,067,867	29.54	-	(45,739)	-	
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	18	-	-	
Gamania Asia Investment Co., Ltd.	Aotter Inc.	Taiwan	Research and development of internet-related technology	25,000	25,000	170,473	21.48	-	(129)	133	
Gash Point Co., Ltd.	Gash Point (Hong Kong) Co., Ltd.	Hong Kong	Information software and supply of electronic information services	14,578	14,578	750,000	100.00	331,893	15,584	14,026	
Gash Point Co., Ltd.	Gash Point (Japan) Co., Ltd.	Japan	Information software and supply of electronic information services	29,610	29,610	600	100.00	27,550	625	562	
Gash Point Co., Ltd.	Gash Point Korea Co., Ltd.	South Korea	Sales and research and development of software	11,662	11,662	138,268	100.00	30,418	1,112	1,000	
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	70,683	3,562	2,564	

Gamania Digital Entertainment Co., Ltd. and Subsidiaries
Information on investee companies (not including investees in Mainland China)
Three months ended March 31, 2024

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, 2024			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Footnote
				Balance as at March 31, 2024	Balance as at December 31, 2023	Number of shares	Percentage	Book value			
Gash Point Co., Ltd.	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	\$ 150,000	\$ 150,000	4,972,098	6.22	\$ 21,185	(\$ 38,666)	(\$ 2,165)	
Gash Point (Hong Kong) Company Limited	GAMA PAY Co., Ltd.	Taiwan	Electronic payment	130,000	130,000	6,703,125	8.38	28,538	(38,666)	(2,916)	
Gamania Holdings Ltd.	Gamania International Holdings Ltd.	Cayman Islands	Investment and holding company	1,461,521	1,461,521	50,400,000	100.00	148,656	8,128	8,128	
Gamania International Holdings Ltd.	Gamania China Holdings Ltd.	Cayman Islands	Investment and holding company	845,935	845,935	33,497,476	98.85	3,665	97	96	
Gamania International Holdings Ltd.	Joymobee Entertainment Co., Ltd.	Hong Kong	Design and research and development of software	126,400	126,400	30,701,775	100.00	2,281	31	31	
Gamania International Holdings Ltd.	Firedog Creative Co., Ltd.	Hong Kong	Design and research and development of software	10,141	10,141	992,000	40.00	-	-	-	
Gamania International Holdings Ltd.	Achieve Made International Ltd.	British Virgin Islands	Investment and holding company	222,483	222,483	7,383,711	43.28	92,051	(1,524)	(660)	
Gamania International Holdings Ltd.	HaPod Digital Technology Co., Ltd.	Hong Kong	Software services and sales	70,400	70,400	2,200,000	100.00	14,335	8,723	8,723	
Gamania International Holdings Ltd.	GungHo Gamania Co., Limited	Hong Kong	Operations of mobile games	274,400	274,400	343	49.00	-	(2,135)	-	
Achieve Made International Ltd.	Jollywiz Digital Technology Co., Ltd.	Taiwan	Supply of electronic information services	659,000	659,000	26,145,712	100.00	98,596	(1,339)	(580)	
Jollywiz Digital Technology Co., Ltd.	Bjolly Co., Ltd.	Taiwan	Supply of electronic information services	25,000	25,000	1,045,455	95.83	183	-	-	
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	British Virgin Islands	Investment and holding company	156,800	156,800	4,900,000	100.00	18,766	8,045	3,482	
Jollywiz Digital Technology Co., Ltd.	Jollywiz International (HK) Co., Ltd.	Hong Kong	Supply of electronic information services	32,925	32,925	39,600,000	100.00	3,921	-	-	
Jollywiz Digital Technology Co., Ltd.	NOWnews Network Co., Ltd.	Taiwan	Broadcast and TV shows services	10,000	10,000	515,000	0.82	9,540	(31,413)	(110)	
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Cayman Islands	Investment and holding company	1,264,640	1,264,640	39,520,000	100.00	(2,835)	96	95	

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

Gamania Digital Entertainment Co., Ltd. and Subsidiaries
Information on investments in Mainland China
Three months ended March 31, 2024

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, 2024	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	Net income of investee for the three months ended March 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the three months ended March 31, 2024	Book value of investments in Mainland China as of March 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2024	Footnote (Note 2)
					Remitted to Mainland China	Remitted back to Taiwan							
Gamania Digital Entertainment (Beijing) Co., Ltd.	Design and sales of software	\$ 1,129,600	2	\$ 827,840	\$ -	\$ -	\$ 827,840	\$ 98	98.85	\$ 97	(\$ 4,184)	\$ -	Notes 3 and 4
Legion Technology (Shanghai) Co., Ltd.	Supply of electronic information services	126,400	2	126,400	-	-	126,400	8,116	43.28	3,513	18,472	-	Notes 3 and 5
Jollywiz Digital Business Co., Ltd.	Supply of electronic information services	22,040	2	-	-	-	-	7,167	43.28	3,102	2,958	-	Notes 3 and 5

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

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

Note 2: The accumulated remittance as of January 1, 2024, remitted or collected this period, accumulated as of March 31, 2024 was translated into New Taiwan dollars at the average exchange rate of NTD32.00 to US\$1 and NTD4.408 to RMB\$1 at the balance sheet date.

Note 3: The investment loss of the investee company for the three months ended March 31, 2024 was recognised based on their financial statements for the corresponding period, which were reviewed by R.O.C. parent company's CPA.

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

Note 5: It was invested through Cyber Look Properties Limited invested.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2024	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)	\$ 827,840	\$ 1,337,998	\$ 3,738,825	
Jollywiz Digital Technology Co., Ltd.	126,400	126,400	136,685	

Note: The total investment amount approved by the Investment Commission, MOEA, was USD41,812 thousand based on 32.00 spot exchange rate at March 31, 2024.

Gamania Digital Entertainment Co., Ltd. and Subsidiaries

Major shareholders information

March 31, 2024

Table 8

Name of major shareholders	Shares	Number of shares held	Ownership (%)
Liu Po Yuan		17,491,305	9.96%
Wanwin International Co., Ltd.		15,186,000	8.65%
Joy Develop Co., Ltd. Taiwan Branch		14,883,000	8.48%
Shiang Sheng Invesement Ltd.		13,600,000	7.74%

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

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