

**UserJoy Technology Co., Ltd. and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2023 and 2022 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
UserJoy Technology Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of UserJoy Technology Co., Ltd. and its subsidiaries (collectively, the "Group") as of June 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China". Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 11 to the consolidated financial statements, as of June 30, 2023 and 2022, the Group's investments accounted for the using the equity method were NT\$6,304 thousand and NT\$7,694 thousand, respectively, representing 0.32% and 0.39%, respectively, of the consolidated total assets; for the three months ended June 30, 2023 and 2022, the comprehensive loss from the investments were NT\$266 thousand and NT\$306 thousand, respectively, representing (0.35%) and (0.28%), respectively, of the consolidated comprehensive income; for the six months ended June 30, 2023 and 2022, the comprehensive loss from the investments were NT\$534 thousand and NT\$306 thousand, respectively, representing (0.37%) and (0.23%), respectively, of the consolidated comprehensive income. The amounts of investments were based on the investees' unreviewed financial statements.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the equity-method investees as described in the preceding paragraph been reviewed, nothing has come to our attention that caused 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 of June 30, 2023 and 2022, its consolidated financial performance for the three months ended June 30, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2023 and 2022 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chih-Yi, Chang and Yi-Min, Huang.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 10, 2023

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

	June 30, 2023		December 31, 2022		June 30, 2022	
	Amount	%	Amount	%	Amount	%
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 332,004	16	\$ 406,129	21	\$ 637,445	32
Financial assets at fair value through other comprehensive income - current (Note 7)	362,002	18	259,566	13	262,963	13
Financial assets at amortized cost - current (Notes 6 and 8)	894,047	45	851,051	44	630,200	32
Notes receivable (Note 9)	11	-	10	-	25	-
Trade receivables (Note 9)	142,855	7	166,039	9	207,025	10
Current tax assets (Note 4)	11,839	1	10,607	1	14,802	1
Other current assets	63,178	3	57,341	3	68,721	3
Total current assets	1,805,986	90	1,750,743	91	1,821,183	91
NON-CURRENT ASSETS						
Financial assets at amortized cost - non-current (Notes 6 and 8)	27,000	2	-	-	9,000	1
Investments accounted for using the equity method (Note 11)	6,304	-	6,838	1	7,694	-
Property, plant and equipment (Note 12)	101,049	5	100,980	5	97,386	5
Right-of-use assets (Note 13)	11,822	1	9,417	1	13,357	1
Other intangible assets (Note 14)	42,610	2	43,025	2	39,192	2
Deferred tax assets (Note 4)	2,320	-	2,840	-	4,540	-
Other non-current assets	3,649	-	3,526	-	3,503	-
Total non-current assets	194,754	10	166,626	9	175,674	9
TOTAL	\$ 2,000,740	100	\$ 1,917,369	100	\$ 1,995,857	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Trade payables	\$ 49,800	2	\$ 52,362	3	\$ 64,778	3
Trade payables to related parties (Note 25)	15	-	234	-	90	-
Other payables (Note 15)	454,312	23	262,387	14	460,283	23
Current tax liabilities (Note 4)	22,970	1	12,250	-	49,399	3
Lease liabilities - current (Note 13)	9,001	-	7,222	-	9,166	-
Other current liabilities	55,091	3	55,677	3	50,482	3
Total current liabilities	591,189	29	390,132	20	634,198	32
NON-CURRENT LIABILITIES						
Deferred tax liabilities (Note 4)	12,200	1	11,410	1	2,950	-
Lease liabilities - non-current (Note 13)	2,899	-	2,197	-	4,197	-
Net defined benefit liabilities non-current (Note 4)	1,552	-	596	-	3,174	-
Total non-current liabilities	16,651	1	14,203	1	10,321	-
Total liabilities	607,840	30	404,335	21	644,519	32
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 17)						
Share capital						
Ordinary shares	481,777	24	481,777	25	481,777	24
Share dividends to be distributed	24,089	1	-	-	-	-
Capital surplus						
Capital surplus - additional paid-in capital in excess of par - ordinary shares	290,991	15	290,991	15	290,991	15
Capital surplus - treasury stock transactions	6,119	-	6,119	-	6,119	-
Capital surplus - other	186	-	186	-	186	-
Retained earnings						
Legal reserve	296,545	15	264,005	14	264,005	13
Special reserve	5,452	-	5,452	-	5,452	-
Unappropriated earnings	265,964	14	453,527	24	286,801	15
Other equity						
Exchange differences on translation of the financial statement of foreign operations	(22,382)	(1)	(21,919)	(1)	(24,633)	(1)
Unrealized gain on financial assets at fair value through other comprehensive income	44,159	2	34,896	2	40,640	2
Total equity	1,392,900	70	1,513,034	79	1,351,338	68
TOTAL	\$ 2,000,740	100	\$ 1,917,369	100	\$ 1,995,857	100

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

(With Deloitte & Touche review report dated August 10, 2023)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Note 18)	\$ 312,856	100	\$ 427,270	100	\$ 694,133	100	\$ 835,726	100
OPERATING COSTS (Note 25)	<u>10,648</u>	<u>3</u>	<u>16,661</u>	<u>4</u>	<u>21,740</u>	<u>3</u>	<u>32,621</u>	<u>4</u>
GROSS PROFIT	<u>302,208</u>	<u>97</u>	<u>410,609</u>	<u>96</u>	<u>672,393</u>	<u>97</u>	<u>803,105</u>	<u>96</u>
OPERATING EXPENSES								
Selling and marketing expenses	99,993	32	161,756	38	272,763	39	400,602	48
General and administrative expenses	22,589	7	26,313	6	45,067	7	49,936	6
Research and development expenses	107,384	35	112,646	26	214,658	31	217,998	26
Expected credit loss (gain) (Note 9)	<u>118</u>	<u>-</u>	<u>(17,569)</u>	<u>(4)</u>	<u>612</u>	<u>-</u>	<u>(26,718)</u>	<u>(3)</u>
Total operating expenses	<u>230,084</u>	<u>74</u>	<u>283,146</u>	<u>66</u>	<u>533,100</u>	<u>77</u>	<u>641,818</u>	<u>77</u>
PROFIT FROM OPERATIONS	<u>72,124</u>	<u>23</u>	<u>127,463</u>	<u>30</u>	<u>139,293</u>	<u>20</u>	<u>161,287</u>	<u>19</u>
NON-OPERATING INCOME AND EXPENSES								
Share of profit of associates accounted for using the equity method (Note 11)	(266)	-	(306)	-	(534)	-	(482)	-
Interest income	11,920	4	2,634	-	18,125	3	4,254	-
Other income	863	-	45	-	1,299	-	888	-
Loss on disposal of property, plant and equipment	-	-	5	-	-	-	(186)	-
Foreign exchange gain (loss), net	6,386	2	16,411	4	1,993	-	38,563	5
Other expenses	(1)	-	(923)	-	(1)	-	(2,080)	-
Interest expense	<u>(82)</u>	<u>-</u>	<u>(85)</u>	<u>-</u>	<u>(164)</u>	<u>-</u>	<u>(153)</u>	<u>-</u>
Total non-operating income and expenses	<u>18,820</u>	<u>6</u>	<u>17,781</u>	<u>4</u>	<u>20,718</u>	<u>3</u>	<u>40,804</u>	<u>5</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	90,944	29	145,244	34	160,011	23	202,091	24
INCOME TAX EXPENSE (Notes 4 and 20)	<u>(10,945)</u>	<u>(4)</u>	<u>(30,303)</u>	<u>(7)</u>	<u>(21,968)</u>	<u>(4)</u>	<u>(43,413)</u>	<u>(5)</u>
NET PROFIT FOR THE PERIOD	<u>79,999</u>	<u>25</u>	<u>114,941</u>	<u>27</u>	<u>138,043</u>	<u>19</u>	<u>158,678</u>	<u>19</u>

(Continued)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income (Note 17)	\$ (4,807)	(1)	\$ (1,682)	-	\$ 7,955	1	\$ (15,555)	(2)
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations (Note 17)	1,569	-	1,058	-	1,537	1	2,146	-
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income (Note 17)	(212)	-	(4,596)	(1)	1,308	-	(10,029)	(1)
Share of the other comprehensive income of associates accounted for using the equity method (Note 11)	-	-	-	-	-	-	665	-
Other comprehensive income for the period, net of income tax	(3,450)	(1)	(5,220)	(1)	10,800	2	(22,773)	(3)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	\$ 76,549	24	\$ 109,721	26	\$ 144,843	21	\$ 135,905	16
NET PROFIT								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 79,999	25	\$ 114,941	27	\$ 134,043	19	\$ 158,678	19
Non-controlling interests	-	-	-	-	-	-	-	-
	\$ 79,999	25	\$ 114,941	27	\$ 134,043	19	\$ 158,678	19
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 76,549	24	\$ 109,721	26	\$ 144,843	21	\$ 135,905	16
Non-controlling interests	-	-	-	-	-	-	-	-
	\$ 76,549	24	\$ 109,721	26	\$ 144,843	21	\$ 135,905	16
EARNINGS PER SHARE (Note 21)								
Basic	\$ 1.58		\$ 2.27		\$ 2.65		\$ 3.14	
Diluted	\$ 1.58		\$ 2.27		\$ 2.63		\$ 3.12	

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

(With Deloitte & Touche review report dated August 10, 2023)

(Concluded)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company									
	Share Capital	Dividends to Be Distributed	Shares Paid-in Capital	Capital Surplus			Legal Reserve	Retained Earnings		Total Equity
				Additional Paid-in Capital	Treasury Shares	Other		Special Reserve	Unappropriated Earnings	
			Par - Ordinary Shares	Shares	Transactions					
BALANCE AT JANUARY 1, 2022	\$ 481,777	\$ -	\$ 290,991	\$ 6,119	\$ -	\$ 186	\$ 234,808	\$ 7,787	\$ 395,782	\$ 1,456,320
Appropriation of 2021 earnings (Note 17)	-	-	-	-	-	-	29,107	-	(29,107)	-
Legal reserve	-	-	-	-	-	-	-	(2,335)	2,335	-
Special reserve	-	-	-	-	-	-	-	-	(240,887)	(240,887)
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	158,678	158,678
Net profit for the six months ended June 30, 2022	-	-	-	-	-	-	-	-	-	-
Other comprehensive (loss) income for the six months ended June 30, 2022, net of income tax	-	-	-	-	-	-	-	-	(25,584)	(25,584)
Total comprehensive income (loss) for the six months ended June 30, 2022	-	-	-	-	-	-	-	-	-	-
BALANCE AT JUNE 30, 2022	\$ 481,777	\$ -	\$ 290,991	\$ 6,119	\$ -	\$ 186	\$ 264,005	\$ 5,452	\$ 286,801	\$ 1,351,138
BALANCE AT JANUARY 1, 2023	\$ 481,777	\$ -	\$ 290,991	\$ 6,119	\$ -	\$ 186	\$ 264,005	\$ 5,452	\$ 453,527	\$ 1,511,004
Appropriation of 2022 earnings (Note 17)	-	-	-	-	-	-	32,540	-	(32,540)	-
Legal reserve	-	-	-	-	-	-	-	-	(264,977)	(264,977)
Cash dividends distributed by the Company	-	24,689	-	-	-	-	-	-	(24,689)	-
Share dividends distributed by the Company	-	-	-	-	-	-	-	-	134,043	134,043
Net profit for the six months ended June 30, 2023	-	-	-	-	-	-	-	-	-	-
Other comprehensive (loss) income for the six months ended June 30, 2023, net of income tax	-	-	-	-	-	-	-	-	9,263	9,263
Total comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	-	-	-	-	-	-
BALANCE AT JUNE 30, 2023	\$ 481,777	\$ 24,689	\$ 290,991	\$ 6,119	\$ -	\$ 186	\$ 296,545	\$ 5,452	\$ 265,864	\$ 1,391,900

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

(With Deloitte & Touche review report dated August 16, 2023)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 160,011	\$ 202,091
Adjustments for:		
Depreciation expense	8,664	7,782
Amortization expense	10,925	9,660
Expected credit loss recognized (reversed) on trade receivables	612	(26,718)
Interest expenses	164	153
Interest income	(18,125)	(4,254)
Net loss on foreign currency exchange	(2,137)	(5,179)
Share of profit of associates and joint ventures accounted for using the equity method	534	482
Loss on disposal of property, plant and equipment	-	186
Loss on lease modification	-	(40)
Changes in operating assets and liabilities		
Notes receivable	(1)	41
Trade receivables	22,572	89,980
Other current assets	(5,388)	(5,588)
Other non-current assets	40	(220)
Trade payable	(2,562)	19,858
Trade payable to related parties	(219)	90
Other payables	(73,052)	(105,724)
Other current liabilities	(586)	(11,716)
Net defined benefit liabilities	956	638
Cash used in operations	102,408	171,522
Income tax paid	(15,220)	(18,136)
Net cash generated from operating activities	87,188	153,386
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(91,036)	-
Purchase of financial assets at amortized cost	(128,707)	(172,300)
Proceeds from sale of financial assets at amortized cost	58,711	46,500
Purchase of investments accounted for using the equity method	-	(8,000)
Payments for property, plant and equipment	(3,039)	(3,794)
Refundable deposits	(163)	1,411
Payments for intangible assets	(10,605)	(13,630)
Interest received	17,676	5,420
Net cash used in investing activities	(157,163)	(144,393)

(Continued)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	\$ (5,863)	\$ (5,725)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>1,713</u>	<u>2,839</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(74,125)	6,107
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>406,129</u>	<u>631,338</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 332,004</u>	<u>\$ 637,445</u>

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

(With Deloitte & Touche review report dated August 10, 2023)

(Concluded)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

UserJoy Technology Co., Ltd., formerly known as Userjoy Technology Corporation, was incorporated on May 19, 1995 and officially changed its name to UserJoy Technology Co., Ltd. (the "Company") under the resolution approved by the shareholders in their meeting on October 15, 2004. The Company is mainly engaged in the design, research and development and sale of game software.

The Company's shares have been traded on the Taipei Exchange (TPEX) since April 18, 2008.

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on August 10, 2023.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies.

- b. The IFRSs in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
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 IASB
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024
Amendments to IAS 12 "International Tax Reform - Pillar Two Model Rules"	Note 3

- Note 1: Unless stated otherwise, the above IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.
- Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.
- Note 3: The requirement that the Group apply the exception and the requirement to disclose that fact are applied immediately upon issuance of the amendments and retrospectively in accordance with IAS 8. The remaining disclosure requirements apply for annual reporting periods beginning on or after January 1, 2023, but not for any interim period ending on or before December 31, 2023.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of other standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basic of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 10, Tables 3 and 4 the detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2022.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

3) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Regarding developing material accounting estimates, please refer to the critical accounting judgments and key sources of estimation uncertainty of the consolidated financial statements for the year ended December 31, 2022.

6. CASH AND CASH EQUIVALENTS

	June 30, 2023	December 31, 2022	June 30, 2022
Cash on hand	\$ 161	\$ 193	\$ 207
Checking accounts and cash in banks	207,737	243,706	436,686
Cash equivalents			
Investment with original maturities of 3 months or less	<u>124,106</u>	<u>162,230</u>	<u>200,552</u>
	<u>\$ 332,004</u>	<u>\$ 406,129</u>	<u>\$ 637,445</u>

As of June 30, 2023, December 31, 2022 and June 30, 2022, time deposits with original maturities of more than 3 months, which are classified as financial assets measured at amortized cost, were \$921,047 thousand, \$851,051 thousand and \$639,200 thousand respectively. Please refer to Note 8.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Current</u>			
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	\$ 189,568	\$ 181,613	\$ 187,661
Investments in debt instruments at FVTOCI	<u>172,434</u>	<u>77,953</u>	<u>75,302</u>
	<u>\$ 362,002</u>	<u>\$ 259,566</u>	<u>\$ 262,963</u>

a. Investments in equity instruments at FVTOCI

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Current</u>			
Domestic investments			
Listed shares and emerging market shares			
Ordinary shares - Taiwan Mobile Co., Ltd.	\$ 28,680	\$ 28,410	\$ 32,400
Ordinary shares - Fullerton Technology Co., Ltd.	5,426	4,937	5,018
Ordinary shares - WPG Holdings Limited.	20,130	17,701	20,277
Ordinary shares - Fun Yours Technology Co., Ltd.	98,208	93,821	87,644
Ordinary shares - Chunghwa Telecom Co., Ltd.	23,300	22,600	24,400
Preference shares - Bank of Kaohsiung Co., Ltd.	13,824	14,144	14,816
Unlisted shares			
Ordinary shares - 9SPlay Entertainment Technology Co., Ltd	<u>-</u>	<u>-</u>	<u>3,106</u>
	<u>\$ 189,568</u>	<u>\$ 181,613</u>	<u>\$ 187,661</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

b. Investments in debt instruments at FVTOCI

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Current</u>			
Foreign investments			
Corporate bonds - AT&T Corporate Bonds denominated in U.S. dollars	\$ 37,808	\$ 37,403	\$ 37,099
Corporate bonds - Ford Motor Corporate Bonds denominated in U.S. dollars	41,689	40,550	38,203
Corporate bonds - Amazon Corporate Bonds denominated in U.S. dollars	30,464	-	-
Corporate bonds - 3M Corporate Bonds denominated in U.S. dollars	31,397	-	-
Corporate bonds - Intel Corporate Bonds denominated in U.S. dollars	<u>31,076</u>	<u>-</u>	<u>-</u>
	<u>\$ 172,434</u>	<u>\$ 77,953</u>	<u>\$ 75,302</u>

- 1) In December 2020, the Group bought 10-year corporate bonds issued by Company AT&T with a coupon rate of 4.25% and an effective interest rate range of 0.92%-1.31%.
- 2) In December 2020, the Group bought 10-year corporate bonds issued by Company Ford with a coupon rate of 4.346% and an effective interest rate range of 2.75%-2.85%.
- 3) In May 2023, the Group bought 30-year corporate bonds issued by Amazon with a coupon rate of 4.95% and an effective interest rate range of 4.86%.
- 4) In May 2023, the Group bought 30-year corporate bonds issued by 3M with a coupon rate of 3.625% and an effective interest rate range of 5.39%.
- 5) In May 2023, the Group bought 30-year corporate bonds issued by Intel with a coupon rate of 4.8% and an effective interest rate range of 5.44%.

8. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months	<u>\$ 894,047</u>	<u>\$ 851,051</u>	<u>\$ 630,200</u> (Continued)

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Non-current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months	\$ 27,000	\$ -	\$ 9,000 (Concluded)

As of June 30, 2023, December 31, 2022 and June 30, 2022, the interest rate ranges of time deposits with original maturities of more than 3 months were 1.05%-4.99%, 0.765%-4.90% and 0.41%-2.10%.

9. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Notes receivable</u>			
Notes receivable	\$ 11	\$ 10	\$ 25
Less: Allowance for impairment loss	-	-	-
	\$ 11	\$ 10	\$ 25
<u>Accounts receivable</u>			
Accounts receivable	\$ 153,146	\$ 175,718	\$ 227,368
Less: Allowance for impairment loss	(10,291)	(9,679)	(20,343)
	\$ 142,855	\$ 166,039	\$ 207,025

The Group's average credit period of royalties and sales of games is 30 to 120 days. When determining the recoverability of accounts receivable, the Group considers the changes in credit quality of the accounts receivable from the original credit date to the balance sheet date. Allowance for bad debts is made with reference to the aging analysis, historical experience and the current financial situation of customers to estimate the amount that cannot be recovered.

The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available, or if such information is not available, the Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using the aging loss rate method and the individual customer assessment method prepared by reference to the past default records of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook.

The Group writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's aging loss rate method and the individual customer assessment method:

June 30, 2023

Group A

	0 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	25%	100%	
Gross carrying amount	\$ 111,202	\$ 1,062	\$ 369	\$ 112,633
Loss allowance (lifetime ECLs)	-	(46)	(367)	(413)
Loss allowance (individual customer ECLs)	(1)	-	(2)	(3)
Amortized cost	<u>\$ 111,201</u>	<u>\$ 1,016</u>	<u>\$ -</u>	<u>\$ 112,217</u>

Group B

	0 to 180 Days	181 to 270 Days	271 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	5%	20%	50%-100%	
Gross carrying amount	\$ 26,973	\$ 2,127	\$ 2,069	\$ 9,355	\$ 40,524
Loss allowance (lifetime ECLs)	-	(106)	(414)	-	(520)
Loss allowance (individual customer ECLs)	-	-	-	(9,355)	(9,355)
Amortized cost	<u>\$ 26,973</u>	<u>\$ 2,021</u>	<u>\$ 1,655</u>	<u>\$ -</u>	<u>\$ 30,649</u>

December 31, 2022Group A

	0 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	25%	100%	
Gross carrying amount	\$ 114,277	\$ 1,496	\$ 39	\$ 115,812
Loss allowance (lifetime ECLs)	-	(163)	(38)	(201)
Loss allowance (individual customer ECLs)	<u>(2)</u>	<u>-</u>	<u>(1)</u>	<u>(3)</u>
Amortized cost	<u>\$ 114,275</u>	<u>\$ 1,333</u>	<u>\$ -</u>	<u>\$ 115,608</u>

Group B

	0 to 180 Days	181 to 270 Days	271 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	5%	20%	50%-100%	
Gross carrying amount	\$ 48,164	\$ 2,397	\$ -	\$ 9,355	\$ 59,916
Loss allowance (lifetime ECLs)	-	(120)	-	-	(120)
Loss allowance (individual customer ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,355)</u>	<u>(9,355)</u>
Amortized cost	<u>\$ 48,164</u>	<u>\$ 2,277</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,441</u>

June 30, 2022Group A

	0 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	25%	100%	
Gross carrying amount	\$ 158,657	\$ 1,160	\$ 667	\$ 160,484
Loss allowance (lifetime ECLs)	-	(290)	(442)	(732)
Loss allowance (individual customer ECLs)	<u>-</u>	<u>(1)</u>	<u>(225)</u>	<u>(226)</u>
Amortized cost	<u>\$ 158,657</u>	<u>\$ 869</u>	<u>\$ -</u>	<u>\$ 159,526</u>

Group B

	0 to 180 Days	181 to 270 Days	271 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	5%	20%	50%-100%	
Gross carrying amount	\$ 25,853	\$ 1,649	\$ 16,928	\$ 22,479	\$ 66,909
Loss allowance (lifetime ECLs)	-	(82)	(3,386)	(6,562)	(10,030)
Loss allowance (individual customer ECLs)	-	-	-	(9,355)	(9,355)
Amortized cost	<u>\$ 25,853</u>	<u>\$ 1,567</u>	<u>\$ 13,542</u>	<u>\$ 6,562</u>	<u>\$ 47,524</u>

The above is an aging analysis based on the original credit.

The movements of the loss allowance of trade receivables were as follows:

	For the Six Months Ended June 30	
	2023	2022
Balance at January 1	\$ 9,679	\$ 48,588
Add: Net remeasurement of loss allowance	612	(26,718)
Less: Amounts written off	-	(1,527)
Balance at June 30	<u>\$ 10,291</u>	<u>\$ 20,343</u>

Compared to January 1, 2023 and 2022, the decrease in new trade receivables amounted to \$22,572 thousand and \$91,507 thousand on June 30, 2023 and 2022, respectively. Changes in the amounts of the overdue accounts receivable resulted in an increase in the loss allowance of \$612 thousand and a decrease in the loss allowance of \$26,718 thousand on June 30, 2023 and 2022, respectively.

10. SUBSIDIARIES

Investor	Investee	Main Business	Percentage of Ownership (%)		
			June 30, 2023	December 31, 2022	June 30, 2022
UserJoy Technology Co., Ltd.	UserJoy Technology Co., Ltd. (Samoa)	Investment holding	100.00	100.00	100.00
UserJoy Technology Co., Ltd.	Richland Investments Limited	Investment holding	11.49	11.49	11.49
UserJoy Technology Co., Ltd.	UserJoy Japan Co., Ltd.	Sale of game software	100.00	100.00	100.00
UserJoy Technology Co., Ltd.	UserJoy Hong Kong Co., Ltd.	Sale of game software	100.00	100.00	100.00
UserJoy Technology Co., Ltd.	Richland Investments Limited	Investment holding	88.51	88.51	88.51
Richland Investments Limited	Beijing Airship Software Co., Ltd.	Game software research and development and production	100.00	100.00	100.00

11. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name of Associate	June 30, 2023		December 31, 2022		June 30, 2022	
	Carrying Amount	Ownership Percentage (%)	Carrying Amount	Ownership Percentage (%)	Carrying Amount	Ownership Percentage (%)
<u>Associates that are not individually material</u>						
PT. Userjoy Technology	\$ -	-	\$ -	-	\$ -	-
Mojoy Corporation	<u>6,304</u>	40	<u>6,838</u>	40	<u>7,694</u>	40
	<u>\$ 6,304</u>		<u>\$ 6,838</u>		<u>\$ 7,694</u>	

In May 2022, the Group acquired 40% of the shares of Mojoy Corporation with cash of \$8,000 thousand.

PT. Userjoy Technology completed the process of liquidation on May 12, 2023.

Summary of the information about associates that are not individually material

	For the Six Months Ended June 30	
	2023	2022
Share of the subsidiaries		
Net losses from continuing operations	\$ (534)	\$ (482)
Other comprehensive income	<u>-</u>	<u>665</u>
Total comprehensive (loss) income	<u>\$ (534)</u>	<u>\$ 183</u>

12. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and Improvements	Office Equipment	Total
<u>Cost</u>				
Balance at January 1, 2023	\$ 58,914	\$ 40,098	\$ 35,680	\$ 134,692
Additions	-	-	3,039	3,039
Effects of foreign currency exchange differences	<u>-</u>	<u>-</u>	<u>(620)</u>	<u>(620)</u>
Balance at June 30, 2023	<u>\$ 58,914</u>	<u>\$ 40,098</u>	<u>\$ 38,099</u>	<u>\$ 137,111</u>

(Continued)

	Land	Buildings and Improvements	Office Equipment	Total
<u>Accumulated depreciation and impairment</u>				
Balance at January 1, 2023	\$ -	\$ 14,363	\$ 19,349	\$ 33,712
Depreciation expense	-	380	2,508	2,888
Effects of foreign currency exchange differences	-	1	(539)	(538)
Balance at June 30, 2023	<u>\$ -</u>	<u>\$ 14,744</u>	<u>\$ 21,318</u>	<u>\$ 36,062</u>
Carrying amount at June 30, 2023	<u>\$ 58,914</u>	<u>\$ 25,354</u>	<u>\$ 16,781</u>	<u>\$ 101,049</u>
Carrying amount at January 1, 2023	<u>\$ 58,914</u>	<u>\$ 25,735</u>	<u>\$ 16,331</u>	<u>\$ 100,980</u>
<u>Cost</u>				
Balance at January 1, 2022	\$ 58,914	\$ 40,098	\$ 26,849	\$ 125,861
Additions	-	-	3,794	3,794
Disposals	-	-	(711)	(711)
Effects of foreign currency exchange differences	-	-	(665)	(665)
Balance at June 30, 2022	<u>\$ 58,914</u>	<u>\$ 40,098</u>	<u>\$ 29,267</u>	<u>\$ 128,279</u>
<u>Accumulated depreciation and impairment</u>				
Balance at January 1, 2022	\$ -	\$ 13,603	\$ 16,232	\$ 29,835
Depreciation expense	-	380	1,864	2,244
Disposals	-	-	(525)	(525)
Effects of foreign currency exchange differences	-	-	(661)	(661)
Balance at June 30, 2022	<u>\$ -</u>	<u>\$ 13,983</u>	<u>\$ 16,910</u>	<u>\$ 30,893</u>
Carrying amount at June 30, 2022	<u>\$ 58,914</u>	<u>\$ 26,115</u>	<u>\$ 12,357</u>	<u>\$ 97,386</u>

(Concluded)

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	50 years
Engineering system	3-15 years
Office equipment	3-6 years

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Carrying amount</u>			
Buildings	<u>\$ 11,822</u>	<u>\$ 9,417</u>	<u>\$ 13,357</u>
	For the Three Months Ended June 30	For the Six Months Ended June 30	
	2023	2022	2023
			2022
Additions to right-of-use assets		<u>\$ 8,287</u>	<u>\$ 11,280</u>
Depreciation charge for right-of-use assets			
Buildings	<u>\$ 2,877</u>	<u>\$ 2,730</u>	<u>\$ 5,776</u>
			<u>\$ 5,538</u>

b. Lease liabilities

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Carrying amount</u>			
Current	<u>\$ 9,001</u>	<u>\$ 7,222</u>	<u>\$ 9,166</u>
Non-current	<u>\$ 2,899</u>	<u>\$ 2,197</u>	<u>\$ 4,197</u>

Range of discount rates for lease liabilities were as follows:

	June 30, 2023	December 31, 2022	June 30, 2022
Buildings	1.47%-2.84%	1.47%-2.59%	1.47%-2.58%

c. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Expenses relating to short-term leases	<u>\$ 281</u>	<u>\$ 339</u>	<u>\$ 595</u>	<u>\$ 935</u>
Expenses relating to low-value asset leases	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ 30</u>	<u>\$ 30</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 3</u>	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 2</u>
Total cash outflow for leases			<u>\$ (6,495)</u>	<u>\$ (6,692)</u>

14. OTHER INTANGIBLE ASSETS

	Trademark Right	Computer Software Costs	Total
<u>Cost</u>			
Balance at January 1, 2023	\$ 296	\$ 192,730	\$ 193,026
Additions	-	10,605	10,605
Disposals	-	(4,095)	(4,095)
Effects of foreign currency exchange differences	(22)	(2,165)	(2,187)
Balance at June 30, 2023	<u>\$ 274</u>	<u>\$ 197,075</u>	<u>\$ 197,349</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 296	\$ 149,705	\$ 150,001
Depreciation expense	-	10,925	10,925
Disposals	-	(4,095)	(4,095)
Effects of foreign currency exchange differences	(22)	(2,070)	(2,092)
Balance at June 30, 2023	<u>\$ 274</u>	<u>\$ 154,465</u>	<u>\$ 154,739</u>
Carrying amount at June 30, 2023	<u>\$ -</u>	<u>\$ 42,610</u>	<u>\$ 42,610</u>
Carrying amount at January 1, 2023	<u>\$ -</u>	<u>\$ 43,025</u>	<u>\$ 43,025</u>
<u>Cost</u>			
Balance at January 1, 2022	\$ 342	\$ 165,644	\$ 165,986
Additions	-	13,630	13,630
Disposals	(33)	-	(33)
Effects of foreign currency exchange differences	(31)	(2,647)	(2,678)
Balance at June 30, 2022	<u>\$ 278</u>	<u>\$ 176,627</u>	<u>\$ 176,905</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2022	\$ 306	\$ 130,309	\$ 130,615
Depreciation expense	33	9,627	9,660
Disposals	(33)	-	(33)
Effects of foreign currency exchange differences	(28)	(2,501)	(2,529)
Balance at June 30, 2022	<u>\$ 278</u>	<u>\$ 137,435</u>	<u>\$ 137,713</u>
Carrying amount at June 30, 2022	<u>\$ -</u>	<u>\$ 39,192</u>	<u>\$ 39,192</u>

Other intangible assets stated above are amortized on a straight-line basis over their estimated useful lives as follows:

Trademark right	10 years
Computer software	1-10 years

15. OTHER PAYABLES

	June 30, 2023	December 31, 2022	June 30, 2022
Payable for salaries	\$ 64,935	\$ 87,813	\$ 26,527
Payable for compensation of employees	31,318	21,034	28,881
Payable for value added tax	4,149	5,494	2,595
Payable for remuneration of directors and supervisors	5,921	4,207	5,776
Payable for advertisements	21,601	34,877	36,647
Payable for commissions	-	25,750	28,456
Payable for dividends	265,007	30	240,917
Others	<u>61,381</u>	<u>83,182</u>	<u>90,484</u>
	<u>\$ 454,312</u>	<u>\$ 262,387</u>	<u>\$ 460,283</u>

16. RETIREMENT BENEFIT PLANS

The pension expenses of defined benefit plans were calculated based on the actuarially determined pension cost rates on December 31, 2022 and 2021 respectively, and were listed by the following categories as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Marketing expenses	\$ (2)	\$ -	\$ (4)	\$ -
General and administrative expenses	-	-	-	-
Research and development expenses	<u>(9)</u>	<u>(2)</u>	<u>(18)</u>	<u>(4)</u>
	<u>\$ (11)</u>	<u>\$ (2)</u>	<u>\$ (22)</u>	<u>\$ (4)</u>

17. EQUITY

a. Share capital

Ordinary shares

	June 30, 2023	December 31, 2022	June 30, 2022
Number of authorized shares (in thousands of shares)	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Amount of authorized shares	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 800,000</u>
Number of issued and fully paid shares (in thousands of shares)	<u>48,177</u>	<u>48,177</u>	<u>48,177</u>
Amount of issued shares	<u>\$ 481,777</u>	<u>\$ 481,777</u>	<u>\$ 481,777</u>
Number of share dividends to be distributed (in thousands of shares)	<u>2,409</u>	<u>-</u>	<u>-</u>
Amount of share dividends to be distributed	<u>\$ 24,089</u>	<u>\$ -</u>	<u>\$ -</u>

As of June 30, 2023, December 31, 2022 and June 30, 2022, the Company's paid-in capital was \$481,777 thousand, consisting of 48,177 thousand shares of ordinary shares with a par value of \$10. The holder of each share has the right to dividends and to vote.

On June 28, 2023, the Company's shareholders held a meeting and resolved to transfer \$24,089 thousand of unappropriated earnings to the ordinary shares, which consisted of 2,409 thousand ordinary shares with a par value of \$10. Moreover, the board of directors resolved the ex-rights (ex-dividend) record date as August 2, 2023. In addition, the legal process of the transfer of earnings to ordinary shares has not been completed; therefore, the share dividends to be distributed are listed in the Company's unappropriated earnings.

b. Capital surplus

	June 30, 2023	December 31, 2022	June 30, 2022
May be used to offset a deficit, distributed as cash dividends or transferred to share capital (Note)			
Issuance of ordinary shares	\$ 290,991	\$ 290,991	\$ 290,991
Treasury share transactions	6,119	6,119	6,119
Expired employee share options	178	178	178
<u>May only be used to offset a deficit</u>			
Dividends expired	<u>8</u>	<u>8</u>	<u>8</u>
	<u>\$ 297,296</u>	<u>\$ 297,296</u>	<u>\$ 297,296</u>

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividend policy

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors after the amendment, refer to compensation of employees and remuneration of directors and supervisors in Note 19-c.

The Company is currently in the growth phase. Thus, considering the future funding needs and long-term financial planning, the Company would distribute more than 50% of the distributable earnings as dividends, including more than 10% as cash dividends. However, the actual distribution could be amended based on the current financial performance and the future financial plan.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the special reserve is only appropriated from the prior unappropriated earnings.

The appropriations of earnings for 2022 and 2021 that were resolved by the shareholders in their meetings on June 28, 2023 and June 29, 2022, respectively were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2022	2021	2022	2021
Legal reserve	\$ 32,540	\$ 29,107	\$ -	\$ -
Special reserve	-	(2,335)	-	-
Cash dividends	264,977	240,887	5.50	5.00
Share dividends	24,089	-	0.50	-

d. Special reserve

	For the Six Months Ended June 30	
	2023	2022
Balance at January 1	\$ 5,452	\$ 7,787
Appropriations in respect of Debits to other equity items	-	(2,335)
Balance at June 30	<u>\$ 5,452</u>	<u>\$ 5,452</u>

On the first time adoption of IFRSs, the Company transferred \$5,452 thousand of cumulative translation exchange differences on translating the financial statements of foreign operations to retained earnings. Meanwhile, the Company appropriated the same amounts to the special reserve.

e. Other equity items

1) Exchange differences on the translation of the financial statements of foreign operations

	For the Six Months Ended June 30	
	2023	2022
Balance at January 1	\$ (23,919)	\$ (27,444)
Recognized for the year		
Exchange differences on the translation of foreign operations	1,537	2,146
Share from associates accounted for using the equity method	-	665
Balance at June 30	<u>\$ (22,382)</u>	<u>\$ (24,633)</u>

2) Unrealized valuation gain (loss) on financial assets at FVTOCI

	For the Six Months Ended June 30	
	2023	2022
Balance at January 1	\$ 34,896	\$ 66,224
Recognized for the year		
Unrealized gain (loss) - equity instruments	7,955	(15,555)
Unrealized gain (loss) - debt instruments	<u>1,308</u>	<u>(10,029)</u>
Balance at June 30	<u>\$ 44,159</u>	<u>\$ 40,640</u>

18. OPERATING REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Online games revenue	\$ 277,247	\$ 398,187	\$ 617,319	\$ 785,730
Royalty revenue	32,931	26,190	65,560	45,657
Other revenue	<u>2,678</u>	<u>2,893</u>	<u>11,254</u>	<u>4,339</u>
	<u>\$ 312,856</u>	<u>\$ 427,270</u>	<u>\$ 694,133</u>	<u>\$ 835,726</u>

19. NET PROFIT FROM CONTINUING OPERATIONS

a. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Property, plant and equipment	\$ 1,469	\$ 1,162	\$ 2,888	\$ 2,244
Right-of-use assets	2,877	2,730	5,776	5,538
Investment properties	<u>6,278</u>	<u>5,639</u>	<u>10,925</u>	<u>9,660</u>
	<u>\$ 10,624</u>	<u>\$ 9,531</u>	<u>\$ 19,589</u>	<u>\$ 17,442</u>
An analysis of depreciation by function				
Operating costs	\$ -	\$ -	\$ -	\$ -
Operating expenses	<u>4,346</u>	<u>3,892</u>	<u>8,664</u>	<u>7,782</u>
	<u>\$ 4,346</u>	<u>\$ 3,892</u>	<u>\$ 8,664</u>	<u>\$ 7,782</u>
An analysis of amortization by function				
Operating costs	\$ 1,661	\$ 1,059	\$ 2,178	\$ 2,130
Operating expenses	<u>4,617</u>	<u>4,580</u>	<u>8,747</u>	<u>7,530</u>
	<u>\$ 6,278</u>	<u>\$ 5,639</u>	<u>\$ 10,925</u>	<u>\$ 9,660</u>

b. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Short-term employment benefits	\$ 128,183	\$ 131,805	\$ 260,371	\$ 245,806
Post-employment benefits				
Defined contribution plan	5,000	4,775	9,962	9,375
Defined benefit plans	(11)	(2)	(22)	(4)
Other long term employee benefits	<u>611</u>	<u>766</u>	<u>1,360</u>	<u>1,491</u>
Total employee benefits expense	<u>\$ 133,783</u>	<u>\$ 137,344</u>	<u>\$ 271,671</u>	<u>\$ 256,668</u>
An analysis of employee benefits expense by function				
Operating costs	\$ -	\$ -	\$ -	\$ -
Operating expenses	<u>133,783</u>	<u>137,344</u>	<u>271,671</u>	<u>256,668</u>
	<u>\$ 133,783</u>	<u>\$ 137,344</u>	<u>\$ 271,671</u>	<u>\$ 256,668</u>

c. Compensation of employees and remuneration of directors and supervisors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors and supervisors at rates of no less than 3% and no higher than 15%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. The compensation of employees and the remuneration of directors and supervisors for the six months ended June 30, 2023 and 2022 are as follows:

Accrual rate

	For the Six Months Ended June 30	
	2023	2022
Compensation of employees	6%	5%
Remuneration of directors and supervisors	1%	1%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Compensation of employees	<u>\$ 5,851</u>	<u>\$ 7,704</u>	<u>\$ 10,284</u>	<u>\$ 10,646</u>
Remuneration of directors and supervisors	<u>\$ 975</u>	<u>\$ 1,541</u>	<u>\$ 1,714</u>	<u>\$ 2,129</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations of employees' compensation and remuneration of directors and supervisors for 2022 and 2021 that were resolved by the board of directors on March 23, 2023 and March 24, 2022, respectively, are as shown below:

	For the Year Ended December 31	
	2022	2021
	Cash	Cash
Compensation of employees	\$ 21,034	\$ 18,235
Remuneration of directors and supervisors	4,207	3,647

There is no difference between the actual amounts of compensation of employees and remuneration of directors and supervisors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors for 2023 and 2022 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

d. Gains or losses on foreign currency exchange

	For the Six Months Ended June 30	
	2023	2022
Foreign exchange gains	\$ 2,003	\$ 38,570
Foreign exchange losses	(10)	(7)
Net gains or losses	<u>\$ 1,993</u>	<u>\$ 38,563</u>

20. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Current tax				
In respect of the current period	\$ 17,659	\$ 26,305	\$ 32,692	\$ 32,814
Income tax on unappropriated earnings	190	1,170	190	1,170
Adjustments for prior period	(8,224)	(322)	(8,224)	(1)
Deferred tax				
In respect of the current period	<u>1,320</u>	<u>3,150</u>	<u>1,310</u>	<u>9,430</u>
Income tax expense recognized in profit or loss	<u>\$ 10,945</u>	<u>\$ 30,303</u>	<u>\$ 25,968</u>	<u>\$ 43,413</u>

b. Income tax assessments

The income tax returns through 2021, have been assessed by the tax authorities.

21. EARNINGS PER SHARE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Net profit for the period (in thousands)				
Earnings used in the computation of basic earnings per share	\$ 79,999	\$ 114,941	\$ 134,043	\$ 158,678
Shares (in thousands)				
Weighted average number of ordinary shares used in the computation of basic earnings per share	50,586	50,586	50,586	50,586
Effect of potentially dilutive ordinary shares compensation of employees	65	101	239	336
Weighted average number of ordinary shares used in the computation of diluted earnings per share	50,651	50,687	50,825	50,922
Earnings per share (in dollars)				
Basic earnings per share	\$ 1.58	\$ 2.27	\$ 2.65	\$ 3.14
Diluted earnings per share	\$ 1.58	\$ 2.27	\$ 2.63	\$ 3.12

When the company calculates the earnings per share, the impact of the free allotment has been adjusted retrospectively. The base date of the free allotment is August 2, 2023. Due to retrospective adjustments, the changes in basic and diluted earnings per share for the three months and six months ended June 30, 2022 are as follows:

Unit: NTS Per Share

	Before Retrospective Adjustment		After Retrospective Adjustment	
	For the Three Months Ended June 30, 2022	For the Six Months Ended June 30, 2022	For the Three Months Ended June 30, 2022	For the Six Months Ended June 30, 2022
Basic earnings per share	\$ 2.39	\$ 3.29	\$ 2.27	\$ 3.14
Diluted earnings per share	\$ 2.38	\$ 3.27	\$ 2.27	\$ 3.12

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

22. NON-CASH TRANSACTIONS

In addition to those disclosed in other notes, the Group entered into the following non-cash investing and financing activities which were not reflected in the consolidated statements of cash flows for the six months ended June 30, 2023 and 2022:

	For the Six Months Ended June 30	
	2023	2022
Unaffected cash flows from investing and financing activities		
Exchange differences on translation of the financial statements of foreign operations	\$ 1,537	\$ 2,811
Unrealized valuation gain/(loss) on financial assets at fair value through other comprehensive income	\$ 9,263	\$ (25,584)

23. CAPITAL MANAGEMENT

The Group's capital management objective is to ensure that it has the necessary financial resources and operational plan to meet the requirements for working capital, capital expenditures, research and development expenses, debt repayments and dividends spending in the next 12 months.

24. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed securities in the ROC	\$ 189,568	\$ -	\$ -	\$ 189,568
Investments in debt instruments				
Foreign corporate bonds	<u>172,434</u>	<u>-</u>	<u>-</u>	<u>172,434</u>
	<u>\$ 362,002</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 362,002</u>

December 31, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed securities in the ROC	\$ 181,613	\$ -	\$ -	\$ 181,613
Investments in debt instruments				
Foreign corporate bonds	<u>77,953</u>	<u>-</u>	<u>-</u>	<u>77,953</u>
	<u>\$ 259,566</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,566</u>

June 30, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed securities in the ROC	\$ 184,555	\$ -	\$ -	\$ 184,555
Unlisted shares	-	-	3,106	3,106
Investments in debt instruments				
Foreign corporate bonds	<u>75,302</u>	<u>-</u>	<u>-</u>	<u>75,302</u>
	<u>\$ 259,857</u>	<u>\$ -</u>	<u>\$ 3,106</u>	<u>\$ 262,963</u>

2) There were no transfers between Levels 1 and 2 for the six months ended June 30, 2023 and 2022.

b. Categories of financial instruments

	June 30, 2023	December 31, 2022	June 30, 2022
<u>Financial assets</u>			
Financial assets at FVTOCI - current			
Equity instruments	\$ 189,568	\$ 181,613	\$ 187,661
Debt instruments	172,434	77,953	75,302
Financial assets at amortized cost (1)	1,372,493	1,426,643	1,487,200
<u>Financial liabilities</u>			
Financial liabilities at amortized cost (2)	504,127	314,983	525,151

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable and trade receivables, and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise trade payables to relate and unrelated parties and other payables.

c. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, notes receivable and trade receivables, and trade and other payables. The Group's corporate treasury function provides services to the business, and monitors and manages the financial risks relating to the operations of the Group. These risks include market risk, credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

a) Foreign currency risk

The Group has foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilizing foreign exchange forward contracts.

Sensitivity analysis

The Group is mainly exposed to the Renminbi, Japanese yen and U.S. dollar.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e. functional currency) against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates.

	U.S. Dollar Impact	
	For the Six Months Ended	
	June 30	
	2023	2022
Profit or loss	\$ 4,035	\$ 6,844
	Renminbi Impact	
	For the Six Months Ended	
	June 30	
	2023	2022
Profit or loss	\$ 1,576	\$ 1,113
	Japanese Yen Impact	
	For the Six Months Ended	
	June 30	
	2023	2022
Profit or loss	\$ 589	\$ 530

b) Interest rate risk

The Group is exposed to interest rate risk because of time deposits at both fixed and floating interest rates.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In this regard, the management believes the Group's credit risk was significantly reduced.

3) Liquidity risk

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

June 30, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Non-derivative financial liabilities				
Lease liabilities	\$ 763	\$ 1,715	\$ 6,523	\$ 2,899

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 9,309	\$ 2,928	\$ -	\$ -	\$ -	\$ -

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Non-derivative financial liabilities				
Lease liabilities	\$ 646	\$ 1,405	\$ 5,171	\$ 2,197

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 7,643	\$ 2,213	\$ -	\$ -	\$ -	\$ -

June 30, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Non-derivative financial liabilities				
Lease liabilities	\$ 847	\$ 1,712	\$ 6,607	\$ 4,197

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 9,366	\$ 4,238	\$ -	\$ -	\$ -	\$ -

25. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

Related Party Name	Related Party Category
Fun Yours Technology Co., Ltd.	Substantive related party

b. Details of transactions between the Company and other related parties are disclosed as follows:

1) Operating costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Fun Yours Technology Co., Ltd.	\$ 1,432	\$ 141	\$ 1,814	\$ 1,334

2) Payables to related parties

Line Item	Related Party Category/Name	June 30, 2023	December 31, 2022	June 30, 2022
Trade payables	Fun Yours Technology Co., Ltd.	\$ 15	\$ 234	\$ 90

c. Remuneration of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2023	2022	2023	2022
Short-term employee benefits	\$ 2,192	\$ 2,295	\$ 5,025	\$ 4,518

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the performance of individuals and market trends.

26. OTHER ITEMS

The Group's operations have not been affected by the COVID-19 pandemic.

27. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities dominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

June 30, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 15,512	31.14	\$ 483,044
Renminbi	38,696	4.2820	165,696
Japanese yen	309,102	0.2150	66,457

Financial liabilities

Monetary items			
U.S. dollar	2,553	31.14	79,500
Renminbi	1,889	4.2820	8,089

December 31, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 18,871	30.71	\$ 579,528
Renminbi	43,316	4.4080	190,937
Japanese yen	162,838	0.2324	37,844

Financial liabilities

Monetary items			
U.S. dollar	1,126	30.71	34,579
Renminbi	1,308	4.4080	5,766

June 30, 2022

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 24,994	29.72	\$ 742,822
Renminbi	27,178	4.439	120,643
Japanese yen	267,367	0.2182	58,339
<u>Financial liabilities</u>			
Monetary items			
U.S. dollar	1,967	29.72	58,459
Renminbi	2,106	4.439	9,349

28. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and b. information on investees:

- 1) Financing provided to others (None)
- 2) Endorsements/guarantees provided (None)
- 3) Marketable securities held (Table 1)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
- 9) Trading in derivative instrument (None)
- 10) Intercompany relationships and significant intercompany transactions (Table 2)
- 11) Information on investees (Table 3)

b. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 4)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 4):
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.
- c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 5)

29. SEGMENT INFORMATION

The Group only has a single operating segment, which is mainly engaged in the design, research and development and sales of game software. Therefore, no other segments were required to be disclosed.

The Group evaluates segment performance based on its operating profit. Please refer to the consolidated statements of comprehensive income for the relevant figures.

TABLE 1

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

JUNE 30, 2023

(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2023			Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	
Userjoy Technology Co., Ltd.	Shangha Fullerton Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	272,000	\$ 5,426	0.24	\$ 5,426
	WPG Holdings Limited.	-		368,000	26,130	0.02	26,130
	Taiwan Mobile Co., Ltd.	-		300,000	28,680	0.01	28,680
	Fan Yous Technology Co., Ltd.	Substantive related party		2,249,902	98,208	11.93	98,208
	Chungwa Telecom Co., Ltd.	-		200,000	23,300	-	23,300
	95Play Entertainment Technology Co., Ltd.	-		602,031	-	2.22	-
	Bank Of Kaohsiung Co., Ltd.	-		640,000	13,824	0.05	13,824
	Bonds	-	Financial assets at fair value through profit or loss - current	1,252,000	37,808	-	37,808
	AT&T Corporate Bonds denominated in U.S. dollars	-		1,386,000	41,689	-	41,689
	Ford Motor Corporate Bonds denominated in U.S. dollars	-		967,000	30,464	-	30,464
	Amazon Corporate Bonds denominated in U.S. dollars	-		1,305,000	31,397	-	31,397
	3M Corporate Bonds denominated in U.S. dollars	-		1,071,000	31,076	-	31,076

Note: Amounts stated are the original investment amounts.

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEE OVER WHICH THE GROUP EXERCISES SIGNIFICANT INFLUENCE FOR THE SIX MONTHS ENDED JUNE 30, 2023

Information of investees that Userjoy Technology Co., Ltd. has controlling power or significant influence was as follows (in thousands of New Taiwan dollars, U.S. dollars and Hong Kong dollars):

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2023			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				June 30, 2023	December 31, 2022	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Userjoy Technology Co., Ltd.	Userjoy Technology Co., Ltd. (Samoa)	Samoa Islands	Investment holding	\$ 31,660 (US\$ 1,340,900)	\$ 51,060 (US\$ 1,509,000)	(US\$ 1,369,860 (Note 1))	100.00	\$ 4,804	\$ (15)	\$ (35)	
	Rockland Investments Limited	"	"	6,404 (US\$ 193,800)	6,404 (US\$ 193,800)	(US\$ 193,800 (Note 1))	11.49	623	(40)	(5)	
	Userjoy Japan Co., Ltd.	Japan	Sales of computer games software	51,656 (JPY 177,773,800)	51,656 (JPY 177,773,800)	19,177	100.00	(17,345)	(8,560)	(8,566)	
	Userjoy Hong Kong Co., Ltd.	Hong Kong	"	26,496 (HK\$ 6,240,000)	26,496 (HK\$ 6,240,000)	(HK\$ 6,240,000 (Note 1))	100.00	31,882	3,849	3,849	
	PT. Userjoy Technology	Indonesia	"	"	1,565 (IDR 573,300,000)	"	"	(Note 3)	-	-	
	Majoy Corporation	Taiwan	The platform of NFT	8,000	8,000	860,000	40.00	6,104	(1,316)	(334)	
Userjoy Technology Co., Ltd. (Samoa)	Rockland Investments Limited	Samoa Islands	Investment holding	48,726 (US\$ 1,492,200)	48,726 (US\$ 1,492,200)	(US\$ 1,492,200 (Note 1))	88.51	(US\$ 154,190)	(40)	(35)	
									1,374	1,189	

Note 1: Amounts stated are the original investment amounts.

Note 2: For information on investments in mainland China please see Table 4.

Note 3: PT. Userjoy Technology completed its process of liquidation on May 12, 2023.

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2023
(In Thousands of U.S. Dollars and Renminbi)

1. The names of investee companies in mainland China, main businesses and products, total amount of paid-in capital, investment type, investment flows, percentage of ownership in investment, investment gain or loss, carrying amount, accumulated inward remittance of earnings and upper limit on investment in mainland China were as follows:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from January 1, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from June 30, 2023	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of June 30, 2023	Accumulated Repatriation of Investment Income as of June 30, 2023
					Outward	Inward						
Beijing Aiship Software Co., Ltd.	Design, research and development of the game software	US\$ 1,640,000	Investing in companies in mainland China through Richland	\$ 53,115 (US\$ 1,693,000)	\$ -	\$ -	\$ 53,115 (US\$ 1,693,000)	\$ (40) (US\$ 1,334)	100.00	\$ (40) (US\$ 1,334)	\$ 5,416 (US\$ 173,025)	\$ -

2. The upper limit on investment in mainland China

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2022 (NTS and US\$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (NTS and US\$ in Thousands)	Upper Limit on the Amount of Investments Solicited by the Investment Commission, MOEA (Note 2)
\$53,115 (US\$1,640,000)	\$85,977 (US\$2,621,250)	\$815,740

Note 1: Investment gains and losses in the current period are recognized based on the financial statements reviewed by the attestation Certified Public Accountant of Userjoy Technology Co., Ltd. in Taiwan.

Note 2: Upper limit on the amount of investments is based on (96) the Taiwan Ministry of Finance regulation (1) of the number 866130.

TABLE 5**USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES****INFORMATION OF MAJOR SHAREHOLDERS
JUNE 30, 2023**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership
Cyun Wei Investment Co Ltd.	2,864,386	5.94

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (included treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers their shareholdings to the trust, the above information will be disclosed by the individual trustee who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Securities and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to the Market Observation Post System.