

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

**Consolidated Financial Statements for the
Six Months Ended June 30, 2025 and 2024 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, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, 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 12 to the consolidated financial statements, as of June 30, 2025 and 2024, the Group's investments accounted for the using the equity method were NT\$4,428 thousand and NT\$4,742 thousand, respectively, representing 0.18% and 0.19%, respectively, of the consolidated total assets; for the three months ended June 30, 2025 and 2024, the comprehensive loss from the investments were NT\$462 thousand and NT\$303 thousand, respectively, representing 3.79% and (0.45%), respectively, of the consolidated comprehensive income; for the six months ended June 30, 2025 and 2024, the comprehensive loss from the investments were NT\$884 thousand and NT\$984 thousand, respectively, representing (1.59%) and (0.67%), 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, 2025 and 2024, its consolidated financial performance for the three months ended June 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2025 and 2024 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 Shih-Hsuan, Peng.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 13, 2025

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)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 540,122	22	\$ 361,013	16	\$ 846,184	35
Financial assets at fair value through other comprehensive income - current (Note 8)	401,577	17	393,478	17	390,712	16
Financial assets at amortized cost - current (Notes 6 and 9)	494,850	20	620,150	26	250,475	10
Notes receivable (Note 10)	5	-	4	-	12	-
Trade receivables (Note 10)	166,502	7	170,944	7	149,957	6
Current tax assets (Note 4)	29,698	1	26,908	1	31,464	1
Other current assets (Note 17)	46,420	2	46,152	2	45,765	2
Total current assets	1,679,174	69	1,618,649	69	1,714,569	70
NON-CURRENT ASSETS						
Financial assets at amortized cost - non-current (Notes 6 and 9)	36,000	2	36,000	1	36,000	2
Investments accounted for using the equity method (Note 12)	4,428	-	5,311	-	4,742	-
Property, plant and equipment (Notes 14 and 30)	632,165	26	633,699	27	636,275	26
Right-of-use assets (Note 15)	12,783	1	16,592	1	13,613	1
Other intangible assets (Note 16)	56,366	2	38,660	2	24,183	1
Deferred tax assets (Note 4)	2,300	-	2,500	-	2,260	-
Other non-current assets (Note 17)	5,255	-	4,696	-	3,767	-
Total non-current assets	749,297	31	737,458	31	720,840	30
TOTAL	\$ 2,428,471	100	\$ 2,356,107	100	\$ 2,435,409	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Trade payables	\$ 47,242	2	\$ 36,287	2	\$ 40,541	2
Other payables (Note 19)	418,266	17	215,020	9	414,509	17
Current tax liabilities (Note 4)	18,195	1	15,418	1	24,682	1
Lease liabilities - current (Note 15)	11,511	-	11,581	-	9,284	-
Current portion of long-term borrowings (Notes 18 and 29)	19,000	1	19,000	1	19,000	1
Other current liabilities	89,676	4	59,432	2	67,306	3
Total current liabilities	603,890	25	356,738	15	575,322	24
NON-CURRENT LIABILITIES						
Financial liabilities at fair value through profit or loss - non-current (Note 7)	14,080	1	-	-	-	-
Long-term borrowings (Notes 18 and 29)	335,667	14	345,167	15	354,667	14
Deferred tax liabilities (Note 4)	7,020	-	20,580	1	18,250	1
Lease liabilities - non-current (Note 15)	1,517	-	5,236	-	4,222	-
Net defined benefit liabilities non-current (Note 4)	-	-	-	-	439	-
Other non-current liabilities	-	-	-	-	1,919	-
Total non-current liabilities	358,284	15	370,983	16	379,497	15
Total liabilities	962,174	40	727,721	31	954,819	39
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)						
Share capital						
Ordinary shares	531,159	22	531,159	22	505,866	21
Share dividends to be distributed	53,116	2	-	-	25,293	1
Capital surplus						
Capital surplus - additional paid-in capital in excess of par - ordinary shares	290,991	12	290,991	13	290,991	12
Capital surplus - treasury stock transactions	6,119	-	6,119	-	6,119	-
Capital surplus - other	1,263	-	1,263	-	198	-
Retained earnings						
Legal reserve	348,961	14	318,817	14	318,817	13
Special reserve	5,452	-	5,452	-	5,452	-
Unappropriated earnings	141,464	6	406,166	17	259,847	11
Other equity						
Exchange differences on translation of the financial statement of foreign operations	(26,370)	(1)	(19,495)	(1)	(18,923)	(1)
Unrealized gain on financial assets at fair value through other comprehensive income	114,142	5	87,914	4	86,930	4
Total equity	1,466,297	60	1,628,386	69	1,480,590	61
TOTAL	\$ 2,428,471	100	\$ 2,356,107	100	\$ 2,435,409	100

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

(With Deloitte & Touche review report dated August 13, 2025)

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			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Note 22)	\$ 284,464	100	\$ 316,298	100	\$ 630,497	100	\$ 697,807	100
OPERATING COSTS	<u>7,976</u>	<u>3</u>	<u>13,655</u>	<u>4</u>	<u>33,466</u>	<u>5</u>	<u>20,986</u>	<u>3</u>
GROSS PROFIT	<u>276,488</u>	<u>97</u>	<u>302,643</u>	<u>96</u>	<u>597,031</u>	<u>95</u>	<u>676,821</u>	<u>97</u>
OPERATING EXPENSES								
Selling and marketing expenses	125,220	44	130,347	41	267,518	43	298,745	43
General and administrative expenses	27,518	10	24,823	8	52,302	8	49,251	7
Research and development expenses	103,549	36	103,571	33	209,172	33	210,864	30
Expected credit reversal gains (Note 10)	<u>(12)</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>(6)</u>	<u>-</u>	<u>(5)</u>	<u>-</u>
Total operating expenses	<u>256,275</u>	<u>90</u>	<u>258,731</u>	<u>82</u>	<u>528,986</u>	<u>84</u>	<u>558,855</u>	<u>80</u>
PROFIT FROM OPERATIONS	<u>20,213</u>	<u>7</u>	<u>43,912</u>	<u>14</u>	<u>68,045</u>	<u>11</u>	<u>117,966</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES								
Share of profit of associates accounted for using the equity method (Note 12)	(462)	-	(303)	-	(884)	-	(984)	-
Interest income	8,967	3	9,975	3	17,859	3	19,054	3
Other income	1,094	-	3,497	1	1,562	-	5,224	1
Foreign exchange (loss) gain, net	(80,577)	(28)	7,251	2	(68,592)	(11)	35,842	5
Other expense	(374)	-	(1)	-	(795)	-	(1)	-
Interest expense	<u>(1,931)</u>	<u>(1)</u>	<u>(2,004)</u>	<u>-</u>	<u>(3,901)</u>	<u>(1)</u>	<u>(2,989)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(73,283)</u>	<u>(26)</u>	<u>18,415</u>	<u>6</u>	<u>(54,751)</u>	<u>(9)</u>	<u>56,146</u>	<u>8</u>
(LOSS) PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	(53,070)	(19)	62,327	20	13,294	2	174,112	25
INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 24)	<u>24,853</u>	<u>9</u>	<u>(2,405)</u>	<u>(1)</u>	<u>11,261</u>	<u>2</u>	<u>(25,442)</u>	<u>(4)</u>
NET (LOSS) PROFIT FOR THE PERIOD	<u>(28,217)</u>	<u>(10)</u>	<u>59,922</u>	<u>19</u>	<u>24,555</u>	<u>4</u>	<u>148,670</u>	<u>21</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain on investments in equity instruments at fair value through other comprehensive income (Note 21)	21,755	8	8,860	3	34,886	6	1,715	-

(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			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations (Note 21)	\$ (6,555)	(2)	\$ 1,809	-	\$ (6,875)	(1)	\$ 4,082	1
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income (Note 21)	811	-	(3,192)	(1)	3,120	-	(6,760)	(1)
Other comprehensive income for the period, net of income tax	16,011	6	7,477	2	31,131	5	(963)	-
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	<u>\$ (12,206)</u>	<u>(4)</u>	<u>\$ 67,399</u>	<u>21</u>	<u>\$ 55,686</u>	<u>9</u>	<u>\$ 147,707</u>	<u>21</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ (28,217)	(10)	\$ 59,922	19	\$ 24,555	4	\$ 148,670	21
Non-controlling interests	-	-	-	-	-	-	-	-
	<u>\$ (28,217)</u>	<u>(10)</u>	<u>\$ 59,922</u>	<u>19</u>	<u>\$ 24,555</u>	<u>4</u>	<u>\$ 148,670</u>	<u>21</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ (12,206)	(4)	\$ 67,399	21	\$ 55,686	9	\$ 147,707	21
Non-controlling interests	-	-	-	-	-	-	-	-
	<u>\$ (12,206)</u>	<u>(4)</u>	<u>\$ 67,399</u>	<u>21</u>	<u>\$ 55,686</u>	<u>9</u>	<u>\$ 147,707</u>	<u>21</u>
(LOSS) EARNINGS PER SHARE (Note 25)								
Basic	<u>\$ (0.48)</u>		<u>\$ 1.03</u>		<u>\$ 0.42</u>		<u>\$ 2.54</u>	
Diluted	<u>\$ (0.48)</u>		<u>\$ 1.02</u>		<u>\$ 0.42</u>		<u>\$ 2.54</u>	

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

(With Deloitte & Touche review report dated August 13, 2025)

(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								Other Equity		Total Equity
	Share Capital	Share Dividends to Be Distributed	Capital Surplus			Retained Earnings			Exchange Differences on Translation the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	
			Additional Paid-in Capital in Excess of Par - Ordinary Shares	Treasury Stock Transactions	Other	Legal Reserve	Special Reserve	Unappropriated Earnings			
BALANCE ON JANUARY 1, 2024	\$ 505,866	\$ -	\$ 290,991	\$ 6,119	\$ 198	\$ 296,545	\$ 5,452	\$ 354,641	\$ (23,005)	\$ 98,422	\$ 1,535,229
Disposal of the investment in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	-	-	-	6,447	-	(6,447)	-
Appropriation of 2023 earnings (Note 21)											
Legal reserve	-	-	-	-	-	22,272	-	(22,272)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	-	(202,346)	-	-	(202,346)
Share dividends distributed by the Company	-	25,293	-	-	-	-	-	(25,293)	-	-	-
Net profit for the six months ended June 30, 2024	-	-	-	-	-	-	-	148,670	-	-	148,670
Other comprehensive (loss) income for the six months ended June 30, 2024, net of income tax	-	-	-	-	-	-	-	-	4,082	(5,045)	(963)
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	-	-	148,670	4,082	(5,045)	147,707
BALANCE ON JUNE 30, 2024	<u>\$ 505,866</u>	<u>\$ 25,293</u>	<u>\$ 290,991</u>	<u>\$ 6,119</u>	<u>\$ 198</u>	<u>\$ 318,817</u>	<u>\$ 5,452</u>	<u>\$ 259,847</u>	<u>\$ (18,923)</u>	<u>\$ 86,930</u>	<u>\$ 1,480,590</u>
BALANCE ON JANUARY 1, 2025	\$ 531,159	\$ -	\$ 290,991	\$ 6,119	\$ 1,263	\$ 318,817	\$ 5,452	\$ 406,166	\$ (19,495)	\$ 87,914	\$ 1,628,386
Disposal of the investment in equity instruments designed as at fair value through other comprehensive income	-	-	-	-	-	-	-	11,778	-	(11,778)	-
Appropriation of 2024 earnings (Note 21)											
Legal reserve	-	-	-	-	-	30,144	-	(30,144)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	-	(217,775)	-	-	(217,775)
Share dividends distributed by the Company	-	53,116	-	-	-	-	-	(53,116)	-	-	-
Net profit for the six months ended June 30, 2025	-	-	-	-	-	-	-	24,555	-	-	24,555
Other comprehensive (loss) income for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	-	-	-	(6,875)	38,006	31,131
Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	-	-	24,555	(6,875)	38,006	55,686
BALANCE ON JUNE 30, 2025	<u>\$ 531,159</u>	<u>\$ 53,116</u>	<u>\$ 290,991</u>	<u>\$ 6,119</u>	<u>\$ 1,263</u>	<u>\$ 348,961</u>	<u>\$ 5,452</u>	<u>\$ 141,464</u>	<u>\$ (26,370)</u>	<u>\$ 114,142</u>	<u>\$ 1,466,297</u>

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

(With Deloitte & Touche review report dated August 13, 2025)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 13,294	\$ 174,112
Adjustments for:		
Depreciation expense	11,909	9,167
Amortization expense	18,489	10,345
Expected credit gain reversal on trade receivables	(6)	(5)
Interest expenses	3,901	2,989
Interest income	(17,859)	(19,054)
Share of profit of associates and joint ventures accounted for using the equity method	884	984
Net loss (gain) on foreign currency exchange	16,372	(9,188)
Changes in operating assets and liabilities		
Notes receivable	(1)	(12)
Trade receivables	4,448	46,860
Other current assets	(369)	15,426
Other non-current assets	(578)	(136)
Trade payable	10,955	(3,895)
Other payables	(14,520)	(77,116)
Other current liabilities	30,244	2,323
Net defined benefit liabilities	235	(162)
Cash generated from operations	77,398	152,638
Interest paid	(3,727)	(2,522)
Income tax paid	(2,112)	(10,734)
Net cash generated from operating activities	<u>71,559</u>	<u>139,382</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of financial assets at fair value through other comprehensive income	13,535	15,959
Purchase of financial assets at amortized cost	(133,161)	(3,497)
Proceeds from sale of financial assets at amortized cost	258,461	339,695
Payments for property, plant and equipment	(2,380)	(377,456)
Refundable deposits	(216)	(195)
Payments for intangible assets	(36,181)	(12,762)
Interest received	<u>17,960</u>	<u>19,002</u>
Net cash generated from (used in) investing activities	<u>118,018</u>	<u>(19,254)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	-	380,000
Repayments of long-term borrowings	(9,500)	(6,333)
Increase of financial liabilities at fair value through profit or loss	14,080	-

(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	
	2025	2024
Proceeds from guarantee deposits received	\$ -	\$ 1,919
Repayment of the principal portion of lease liabilities	<u>(8,169)</u>	<u>(6,022)</u>
Net cash (used in) generated from financing activities	<u>(3,589)</u>	<u>369,564</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(6,879)</u>	<u>4,188</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	179,109	493,880
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>361,013</u>	<u>352,304</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 540,122</u>	<u>\$ 846,184</u>

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

(With Deloitte & Touche review report dated August 13, 2025)

(Concluded)

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (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 13, 2025.

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 “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets

The amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- 1) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- 2) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- 3) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

The Group shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. The Group may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

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

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</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 IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended 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 and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

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 11, Tables 4 and 5 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, 2024.

1) Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

2) 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.

3) 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.

4) 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

In the application of the Group's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of US reciprocal tariffs on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$ 132	\$ 138	\$ 153
Checking accounts and cash in banks	173,465	185,148	155,550
Cash equivalents			
Investment with original maturities of 3 months or less	<u>366,525</u>	<u>175,727</u>	<u>690,481</u>
	<u>\$ 540,122</u>	<u>\$ 361,013</u>	<u>\$ 846,184</u>

As of June 30, 2025, December 31, 2024 and June 30, 2024, time deposits with original maturities of more than 3 months, which are classified as financial assets measured at amortized cost, were \$530,850 thousand, \$656,150 thousand and \$286,475 thousand, respectively. Please refer to Note 9.

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial liabilities at FVTPL - non-current</u>			
Financial liabilities designated as at FVTPL			
Non-derivative financial liabilities			
Game production investment agreement	<u>\$ 14,080</u>	<u>\$ -</u>	<u>\$ -</u>

The financial instruments measured at fair value through profit or loss is the agreement regarding game production investments between the Company and other companies. When the project has surplus in accordance with the agreements, the surplus will be distributed based on the ratio of the agreements.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Investments in equity instruments at fair value through other comprehensive income (FVTOCI)	\$ 238,733	\$ 217,381	\$ 215,077
Investments in debt instruments at FVTOCI	<u>162,844</u>	<u>176,097</u>	<u>175,635</u>
	<u>\$ 401,577</u>	<u>\$ 393,478</u>	<u>\$ 390,712</u>

a. Investments in equity instruments at FVTOCI

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Domestic investments			
Listed shares and emerging market shares			
Ordinary shares - Taiwan Mobile Co., Ltd.	\$ 34,500	\$ 34,050	\$ 32,100
Ordinary shares - Fun Yours Technology Co., Ltd.	162,737	144,583	144,117
Ordinary shares - Chunghwa Telecom Co., Ltd.	27,000	24,700	25,100
Preference shares - Bank of Kaohsiung Co., Ltd.	<u>14,496</u>	<u>14,048</u>	<u>13,760</u>
	<u>\$ 238,733</u>	<u>\$ 217,381</u>	<u>\$ 215,077</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, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Foreign investments			
Corporate bonds - AT&T Corporate Bonds denominated in U.S. dollars	\$ 37,253	\$ 40,673	\$ 39,619
Corporate bonds - Ford Motor Corporate Bonds denominated in U.S. dollars	41,009	44,753	43,606
			(Continued)

	June 30, 2025	December 31, 2024	June 30, 2024
Corporate bonds - Amazon Corporate Bonds denominated in U.S. dollars	\$ 27,907	\$ 30,302	\$ 30,301
Corporate bonds - 3M Corporate Bonds denominated in U.S. dollars	28,784	31,190	30,587
Corporate bonds - Intel Corporate Bonds denominated in U.S. dollars	<u>27,891</u>	<u>29,179</u>	<u>31,522</u>
	<u>\$ 162,844</u>	<u>\$ 176,097</u>	<u>\$ 175,635</u> (Concluded)

- 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 Company Amazon with a coupon rate of 4.95% and an effective interest rate range of 4.73%-4.76%.
- 4) In May 2023, the Group bought 30-year corporate bonds issued by Company 3M with a coupon rate of 3.625% and an effective interest rate range of 8.10%-8.13%.
- 5) In May 2023, the Group bought 30-year corporate bonds issued by Company Intel with a coupon rate of 4.8% and an effective interest rate range of 6.12%-6.17%.

9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months	<u>\$ 494,850</u>	<u>\$ 620,150</u>	<u>\$ 250,475</u>
<u>Non-current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months	<u>\$ 36,000</u>	<u>\$ 36,000</u>	<u>\$ 36,000</u>

As of June 30, 2025, December 31, 2024 and June 30, 2024, the interest rate ranges of time deposits with original maturities of more than 3 months were 1.28%-4.65%, 1.375%-5.35% and 1.225%-5.56%, respectively.

10. NOTES RECEIVABLE AND ACCOUNTS RECEIVABLE

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 5	\$ 4	\$ 12
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5</u>	<u>\$ 4</u>	<u>\$ 12</u>
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 175,917	\$ 180,365	\$ 159,426
Less: Allowance for impairment loss	<u>(9,415)</u>	<u>(9,421)</u>	<u>(9,469)</u>
	<u>\$ 166,502</u>	<u>\$ 170,944</u>	<u>\$ 149,957</u>

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, 2025

Group A

	0 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	25%	100%	
Gross carrying amount	\$ 135,481	\$ 760	\$ 29	\$ 136,270
Loss allowance (lifetime ECLs)	-	(19)	(29)	(48)
Loss allowance (individual customer ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 135,481</u>	<u>\$ 741</u>	<u>\$ -</u>	<u>\$ 136,222</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	\$ 30,065	\$ 232	\$ -	\$ 9,355	\$ 39,652
Loss allowance (lifetime ECLs)	-	(12)	-	-	(12)
Loss allowance (individual customer ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,355)</u>	<u>(9,355)</u>
Amortized cost	<u>\$ 30,065</u>	<u>\$ 220</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,285</u>

December 31, 2024

Group A

	0 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	25%	100%	
Gross carrying amount	\$ 133,676	\$ 917	\$ 29	\$ 134,622
Loss allowance (lifetime ECLs)	-	(37)	(29)	(66)
Loss allowance (individual customer ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 133,676</u>	<u>\$ 880</u>	<u>\$ -</u>	<u>\$ 134,556</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	\$ 36,392	\$ -	\$ -	\$ 9,355	\$ 45,747
Loss allowance (lifetime ECLs)	-	-	-	-	-
Loss allowance (individual customer ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,355)</u>	<u>(9,355)</u>
Amortized cost	<u>\$ 36,392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,392</u>

June 30, 2024Group A

	0 to 180 Days	181 to 360 Days	Over 361 Days	Total
Expected credit loss rate	-	25%	100%	
Gross carrying amount	\$ 124,340	\$ 1,149	\$ 31	\$ 125,520
Loss allowance (lifetime ECLs)	-	(83)	(31)	(114)
Loss allowance (individual customer ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 124,340</u>	<u>\$ 1,066</u>	<u>\$ -</u>	<u>\$ 125,406</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	\$ 24,563	\$ -	\$ -	\$ 9,355	\$ 33,918
Loss allowance (lifetime ECLs)	-	-	-	-	-
Loss allowance (individual customer ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,355)</u>	<u>(9,355)</u>
Amortized cost	<u>\$ 24,563</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,563</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	
	2025	2024
Balance on January 1	\$ 9,421	\$ 9,474
Less: Net remeasurement of loss allowance	<u>(6)</u>	<u>(5)</u>
Balance on June 30	<u>\$ 9,415</u>	<u>\$ 9,469</u>

Compared to January 1, 2025 and 2024, the decrease in new trade receivables amounted to \$4,448 thousand and \$46,860 thousand on June 30, 2025 and 2024, respectively. Changes in the amounts of the overdue accounts receivable resulted in a decrease in the loss allowance of \$6 thousand and a decrease in the loss allowance of \$5 thousand on June 30, 2025 and 2024, respectively.

11. SUBSIDIARIES

Investor	Investee	Main Business	Percentage of Ownership (%)		
			June 30, 2025	December 31, 2024	June 30, 2024
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

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name of Associate	June 30, 2025		December 31, 2024		June 30, 2024	
	Carrying Amount	Ownership Percentage (%)	Carrying Amount	Ownership Percentage (%)	Carrying Amount	Ownership Percentage (%)
<u>Associates that are not individually material</u>						
Mojoy Corporation	<u>\$ 4,428</u>	27.59	<u>\$ 5,311</u>	27.59	<u>\$ 4,742</u>	40.00

Mojoy Corporation conducted a cash capital increase in September 2024. The parent company did not recognize its shareholding proportionally, resulting in a decrease in its ownership stake from 40.00% to 27.59%.

Summary of the information about associates that are not individually material

	For the Six Months Ended June 30	
	2025	2024
Share of the subsidiaries		
Net losses from continuing operations	<u>\$ (884)</u>	<u>\$ (984)</u>

13. JOINT OPERATIONS

The Group enters into a cooperation agreement with others to jointly produce television animations together. After the animations is no longer broadcasting, both parties settle the profit and loss according to the agreement. The Group recognized the share of profit in 2025 and incurred losses in 2024, respectively. For the interest of the joint operations, the Group recognized revenue and cost as follows:

	For the Six Months Ended June 30	
	2025	2024
Animations revenue	\$ 54	\$ 6,573
Animations cost	\$ 29	\$ 5,781

14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and Improvements	Office Equipment	Total
<u>Cost</u>				
Balance on January 1, 2025	\$ 491,283	\$ 148,371	\$ 40,153	\$ 679,807
Additions	-	-	2,380	2,380
Effects of foreign currency exchange differences	-	-	(232)	(232)
Balance on June 30, 2025	<u>\$ 491,283</u>	<u>\$ 148,371</u>	<u>\$ 42,301</u>	<u>\$ 681,955</u>
<u>Accumulated depreciation and impairment</u>				
Balance on January 1, 2025	\$ -	\$ 17,589	\$ 28,519	\$ 46,108
Depreciation expense	-	1,442	2,459	3,901
Effects of foreign currency exchange differences	-	-	(219)	(219)
Balance on June 30, 2025	<u>\$ -</u>	<u>\$ 19,031</u>	<u>\$ 30,759</u>	<u>\$ 49,790</u>
Carrying amount on June 30, 2025	<u>\$ 491,283</u>	<u>\$ 129,340</u>	<u>\$ 11,542</u>	<u>\$ 632,165</u>
<u>Cost</u>				
Balance on January 1, 2024	\$ 58,914	\$ 40,098	\$ 38,686	\$ 137,698
Additions	301,477	75,495	484	377,456
Reclassified account	130,892	32,778	-	163,670
Effects of foreign currency exchange differences	-	-	(551)	(551)
Balance on June 30, 2024	<u>\$ 491,283</u>	<u>\$ 148,371</u>	<u>\$ 38,619</u>	<u>\$ 678,273</u>

(Continued)

	Land	Buildings and Improvements	Office Equipment	Total
Accumulated depreciation and impairment				
Balance on January 1, 2024	\$ -	\$ 15,124	\$ 23,941	\$ 39,065
Depreciation expense	-	1,023	2,407	3,430
Effects of foreign currency exchange differences	-	-	(497)	(497)
Balance on June 30, 2024	<u>\$ -</u>	<u>\$ 16,147</u>	<u>\$ 25,851</u>	<u>\$ 41,998</u>
Carrying amount on June 30, 2024	<u>\$ 491,283</u>	<u>\$ 132,224</u>	<u>\$ 12,768</u>	<u>\$ 636,275</u>
				(Concluded)

- a. 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	4-6 years
Office equipment	4-15 years

- b. Regarding the information of property, plant and equipment pledged by the Group as collateral for bank borrowings, please refer to Notes 18 and 30.

15. LEASE ARRANGEMENTS

- a. Right-of-use assets

	June 30, 2025		December 31, 2024	June 30, 2024
<u>Carrying amount</u>				
Buildings		<u>\$ 12,783</u>	<u>\$ 16,592</u>	<u>\$ 13,613</u>
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Additions to right-of-use assets	<u>\$ 1,815</u>		<u>\$ 4,213</u>	<u>\$ 11,109</u>
<u>Depreciation charge for right-of-use assets</u>				
Buildings	<u>\$ 4,006</u>	<u>\$ 2,883</u>	<u>\$ 8,008</u>	<u>\$ 5,737</u>

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount</u>			
Current	<u>\$ 11,511</u>	<u>\$ 11,581</u>	<u>\$ 9,284</u>
Non-current	<u>\$ 1,517</u>	<u>\$ 5,236</u>	<u>\$ 4,222</u>

Range of discount rates for lease liabilities were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings	1.80%-3.00%	1.80%-3.00%	1.80%-3.00%

c. Other lease information

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2025	2024	2025	2024
Expenses relating to short-term leases	<u>\$ 314</u>	<u>\$ 258</u>	<u>\$ 635</u>	<u>\$ 635</u>
Expenses relating to low-value asset leases	<u>\$ 20</u>	<u>\$ 15</u>	<u>\$ 35</u>	<u>\$ 30</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 33</u>	<u>\$ 4</u>	<u>\$ 37</u>	<u>\$ 8</u>
Total cash outflow for leases			<u>\$ (8,876)</u>	<u>\$ (6,695)</u>

The Group's leases of certain parking space qualify as short-term leases and leases of certain office equipment qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. OTHER INTANGIBLE ASSETS

	Computer Software Costs
<u>Cost</u>	
Balance on January 1, 2025	\$ 77,553
Additions	36,181
Disposals and expiration of authorization	(2,000)
Effects of foreign currency exchange differences	<u>(809)</u>
Balance on June 30, 2025	<u>\$ 110,925</u>

(Continued)

**Computer
Software Costs**

Accumulated depreciation and impairment

Balance on January 1, 2025	\$ 38,893
Depreciation expense	18,489
Disposals and expiration of authorization	(2,000)
Effects of foreign currency exchange differences	<u>(823)</u>

Balance on June 30, 2025	<u>\$ 54,559</u>
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Carrying amount on June 30, 2025	<u>\$ 56,366</u>
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Cost

Balance on January 1, 2024	\$ 183,543
Additions	12,762
Disposals and expiration of authorization	(126,382)
Effects of foreign currency exchange differences	<u>(1,929)</u>

Balance on June 30, 2024	<u>\$ 67,994</u>
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Accumulated depreciation and impairment

Balance on January 1, 2024	\$ 161,726
Depreciation expense	10,345
Disposals and expiration of authorization	(126,382)
Effects of foreign currency exchange differences	<u>(1,878)</u>

Balance on June 30, 2024	<u>\$ 43,811</u>
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Carrying amount on June 30, 2024	<u>\$ 24,183</u> (Concluded)
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Other intangible assets stated above are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	1-10 years
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17. OTHER ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Current</u>			
Prepayments	\$ 42,853	\$ 39,624	\$ 39,333
Temporary payments	584	534	1,987
Other receivables	2,964	5,526	4,054
Others	<u>19</u>	<u>468</u>	<u>391</u>
	<u>\$ 46,420</u>	<u>\$ 46,152</u>	<u>\$ 45,765</u>
<u>Non-current</u>			
Prepaid pension cost	\$ -	\$ 235	\$ -
Refundable deposits	4,422	4,206	3,578
Others	<u>833</u>	<u>255</u>	<u>189</u>
	<u>\$ 5,255</u>	<u>\$ 4,696</u>	<u>\$ 3,767</u>

18. BORROWINGS

Long-term Borrowings

	Rate	June 30, 2025	December 31, 2024	June 30, 2024
<u>E.Sun Bank.</u>				
Long-term secured borrowings, from February 15, 2024, to February 15, 2044, with principal and interest to be repaid monthly in 20 years. The total amount facilities are NT\$346 million	2.07%	\$ 322,934	\$ 331,584	\$ 340,234
Long-term secured borrowings, from February 27, 2024 to February 27, 2044, with principal and interest to be repaid monthly in 20 years. The total amount facilities are NT\$34 million	2.07%	<u>31,733</u> 354,667	<u>32,583</u> 364,167	<u>33,433</u> 373,667
Less: Current portion of long-term borrowings		<u>(19,000)</u>	<u>(19,000)</u>	<u>(19,000)</u>
Long-term borrowings		<u>\$ 335,667</u>	<u>\$ 345,167</u>	<u>\$ 354,667</u>

The Group has borrowed \$346,000 thousand and \$34,000 thousand from E.Sun Bank in February 2024, with a floating interest rate, 2.07% and will repay monthly in 20 years. The Group let the chairman Xin, Liu as joint guarantor and pledged the property, plant and equipment as collateral of the bank loan from E.Sun Bank. Please refer to Notes 29 and 30.

19. OTHER PAYABLES

	June 30, 2025	December 31, 2024	June 30, 2024
Payable for salaries	\$ 63,696	\$ 88,599	\$ 63,216
Payable for compensation of employees	23,358	22,474	27,783
Payable for value added tax	4,798	6,663	4,130
Payable for remuneration of directors and supervisors	3,893	3,746	4,631
Payable for advertisements	27,051	26,074	41,922
Payable for dividends	217,794	19	202,371
Others	<u>77,676</u>	<u>67,445</u>	<u>70,456</u>
	<u>\$ 418,266</u>	<u>\$ 215,020</u>	<u>\$ 414,509</u>

20. RETIREMENT BENEFIT PLANS

The pension expenses of defined benefit plans were calculated based on the actuarially determined pension cost rates on December 31, 2024 and 2023, respectively, and were listed by the following categories as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Marketing expenses	\$ (4)	\$ (2)	\$ (8)	\$ (4)
General and administrative expenses	-	-	-	-
Research and development expenses	<u>(13)</u>	<u>(8)</u>	<u>(26)</u>	<u>(16)</u>
	<u>\$ (17)</u>	<u>\$ (10)</u>	<u>\$ (34)</u>	<u>\$ (20)</u>

21. EQUITY

a. Share capital

Ordinary shares

	June 30, 2025	December 31, 2024	June 30, 2024
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>53,116</u>	<u>53,116</u>	<u>50,586</u>
Amount of issued shares	<u>\$ 531,159</u>	<u>\$ 531,159</u>	<u>\$ 505,866</u>
Number of share dividends to be distributed (in thousands of shares)	<u>5,312</u>	<u>-</u>	<u>2,529</u>
Amount of share dividends to be distributed	<u>\$ 53,116</u>	<u>\$ -</u>	<u>\$ 25,293</u>

On June 30, 2024, the Company's paid-in capital was \$505,866 thousand, consisting of 50,586 thousand shares with a par value of \$10. The holder of each share has the right to dividends and to vote.

On June 26, 2024, the Company's shareholders held a meeting and resolved to transfer \$25,293 thousand of unappropriated earnings to the ordinary shares, which consisted of 2,529 thousand ordinary shares with a par value of \$10. Moreover, the board of directors resolved the ex-rights (ex-dividend) date as July 29, 2024. As of June 30, 2024, the legal process of the transfer of earnings to ordinary shares has not been completed. Therefore, the Company's appropriated earnings are listed in the share dividends to be distributed.

After the share dividends of \$25,293 thousand has been distributed on July 2024, as of December 31, 2024 and June 30, 2025, the Company's paid-in capital was \$531,159 thousand, consisting of 53,116 thousand shares with a par value of \$10. The holder of each share has the right to dividends and to vote.

On June 25, 2025, the Company's shareholders held a meeting and resolved to transfer \$53,116 thousand of unappropriated earnings to the ordinary shares, which consisted of 5,312 thousand ordinary shares with a par value of \$10. Moreover, the board of directors resolved the ex-rights (ex-dividend) date as July 30, 2025. As of June 30, 2025, the legal process of the transfer of earnings to ordinary shares has not been completed. Therefore, the Company's appropriated earnings are listed in the share dividends to be distributed.

b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset a deficit, distributed as cash dividends or transferred to share capital (Note 1)			
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
May only be used to offset a deficit (Note 2)			
Dividends expired	27	27	20
Share of changes in capital surplus of associates or joint ventures	<u>1,058</u>	<u>1,058</u>	<u>-</u>
	<u>\$ 298,373</u>	<u>\$ 298,373</u>	<u>\$ 297,308</u>

Note 1: 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).

Note 2: Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

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 23-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 2024 and 2023 that were resolved by the shareholders in their meetings on June 25, 2025 and June 26, 2024, respectively were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$ 30,144	\$ 22,272	\$ -	\$ -
Cash dividends	217,775	202,346	4.10	4.00
Share dividends	53,116	25,293	1.00	0.50

d. Special reserve

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	\$ <u>5,452</u>	\$ <u>5,452</u>
Balance on June 30	\$ <u>5,452</u>	\$ <u>5,452</u>

On the first time adoption of IFRS Accounting Standards, 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	
	2025	2024
Balance on January 1	\$ (19,495)	\$ (23,005)
Recognized for the year		
Exchange differences on the translation of foreign operations	<u>(6,875)</u>	<u>4,082</u>
Balance on June 30	<u>\$ (26,370)</u>	<u>\$ (18,923)</u>

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

	For the Six Months Ended June 30	
	2025	2024
Balance on January 1	\$ 87,914	\$ 98,422
Recognized for the year		
Unrealized gain - equity instruments	34,886	1,715
Unrealized gain (loss) - debt instruments	3,120	(6,760)
Cumulative unrealized loss of equity instruments transferred to retained earnings due to disposal	<u>(11,778)</u>	<u>(6,447)</u>
Balance on June 30	<u>\$ 114,142</u>	<u>\$ 86,930</u>

22. OPERATING REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Online games revenue	\$ 255,835	\$ 283,535	\$ 571,067	\$ 633,159
Royalty revenue	26,150	23,039	54,212	51,620
Other revenue	<u>2,479</u>	<u>9,724</u>	<u>5,218</u>	<u>13,028</u>
	<u>\$ 284,464</u>	<u>\$ 316,298</u>	<u>\$ 630,497</u>	<u>\$ 697,807</u>

23. NET PROFIT FROM CONTINUING OPERATIONS

a. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 1,907	\$ 1,914	\$ 3,901	\$ 3,430
Right-of-use assets	4,006	2,883	8,008	5,737
Investment properties	<u>9,080</u>	<u>5,281</u>	<u>18,489</u>	<u>10,345</u>
	<u>\$ 14,993</u>	<u>\$ 10,078</u>	<u>\$ 30,398</u>	<u>\$ 19,512</u>
An analysis of depreciation by function				
Operating costs	\$ -	\$ -	\$ -	\$ -
Operating expenses	<u>5,913</u>	<u>4,797</u>	<u>11,909</u>	<u>9,167</u>
	<u>\$ 5,913</u>	<u>\$ 4,797</u>	<u>\$ 11,909</u>	<u>\$ 9,167</u>
An analysis of amortization by function				
Operating costs	\$ 807	\$ 57	\$ 2,149	\$ 115
Operating expenses	<u>8,273</u>	<u>5,224</u>	<u>16,340</u>	<u>10,230</u>
	<u>\$ 9,080</u>	<u>\$ 5,281</u>	<u>\$ 18,489</u>	<u>\$ 10,345</u>

b. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employment benefits	\$ 123,424	\$ 127,603	\$ 260,892	\$ 264,282
Post-employment benefits				
Defined contribution plan	5,423	5,208	10,854	10,412
Defined benefit plans	(17)	(10)	(34)	(20)
Other long term employee benefits	<u>791</u>	<u>622</u>	<u>1,615</u>	<u>1,353</u>
Total employee benefits expense	<u>\$ 129,621</u>	<u>\$ 133,423</u>	<u>\$ 273,327</u>	<u>\$ 276,027</u>
An analysis of employee benefits expense by function				
Operating costs	\$ -	\$ -	\$ -	\$ -
Operating expenses	<u>129,621</u>	<u>133,423</u>	<u>273,327</u>	<u>276,027</u>
	<u>\$ 129,621</u>	<u>\$ 133,423</u>	<u>\$ 273,327</u>	<u>\$ 276,027</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% for employees, and no higher than 3% for directors and supervisors, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. In accordance with the amendment to the Securities and Exchange Act in August 2024, the shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate that no less than 3% of the total employee compensation shall be allocated as compensation distributions for non-executive employees. The compensation of employees (including non-executive employees) and the remuneration of directors and supervisors for the three months and six months ended June 30, 2025 and 2024 are as follows:

Accrual rate

	For the Six Months Ended June 30	
	2025	2024
Compensation of employees	6%	6%
Remuneration of directors and supervisors	1%	1%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Compensation of employees	\$ (3,395)	\$ 4,012	\$ 884	\$ 11,213
Remuneration of directors and supervisors	\$ (566)	\$ 669	\$ 147	\$ 1,869

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 2024 and 2023 that were resolved by the board of directors on March 13, 2025 and March 14, 2024, respectively, are as shown below:

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Compensation of employees	\$ 22,474	\$ 16,726
Remuneration of directors and supervisors	3,746	2,788

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, 2024 and 2023.

Information on the compensation of employees and remuneration of directors and supervisors resolved by the Company's board of directors for 2025 and 2024 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	
	2025	2024
Foreign exchange gains	\$ -	\$ 35,842
Foreign exchange losses	<u>(68,592)</u>	<u>-</u>
Net gains or losses	<u>\$ (68,592)</u>	<u>\$ 35,842</u>

24. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax (benefit) expense are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	\$ 4,083	\$ 11,500	\$ 14,865	\$ 28,477
Income tax on unappropriated earnings	20	-	20	-
Adjustments for prior period	(12,786)	(10,765)	(12,786)	(10,765)
Deferred tax				
In respect of the current period	<u>(16,170)</u>	<u>1,670</u>	<u>(13,360)</u>	<u>7,730</u>
Income tax benefit (expense) recognized in profit or loss	<u>\$ (24,853)</u>	<u>\$ 2,405</u>	<u>\$ (11,261)</u>	<u>\$ 25,442</u>

b. Income tax assessments

The income tax returns through 2023, have been assessed by the tax authorities.

25. EARNINGS PER SHARE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Net profit for the period <u>(in thousands)</u>				
Earnings used in the computation of basic earnings per share	<u>\$ (28,217)</u>	<u>\$ 59,922</u>	<u>\$ 24,555</u>	<u>\$ 148,670</u>

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
<u>Shares (in thousands)</u>				
Weighted average number of ordinary shares used in the computation of basic earnings per share	58,427	58,427	58,427	58,427
Effect of potentially dilutive ordinary shares compensation of employees	<u>(33)</u>	<u>43</u>	<u>127</u>	<u>204</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>58,394</u>	<u>58,470</u>	<u>58,554</u>	<u>58,631</u>
<u>Earnings per share (in dollars)</u>				
Basic earnings per share	<u>\$ (0.48)</u>	<u>\$ 1.03</u>	<u>\$ 0.42</u>	<u>\$ 2.54</u>
Diluted earnings per share	<u>\$ (0.48)</u>	<u>\$ 1.02</u>	<u>\$ 0.42</u>	<u>\$ 2.54</u>
				(Concluded)

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 July 24, 2025. Due to retrospective adjustments, the changes in basic and diluted earnings per share for the three months and six months ended June 30, 2024 are as follows:

Unit: NT\$ Per Share

	Before Retrospective Adjustment		After Retrospective Adjustment	
	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2023	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2023
Basic earnings per share	<u>\$ 1.13</u>	<u>\$ 2.80</u>	<u>\$ 1.03</u>	<u>\$ 2.54</u>
Diluted earnings per share	<u>\$ 1.13</u>	<u>\$ 2.79</u>	<u>\$ 1.02</u>	<u>\$ 2.54</u>

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.

26. 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, 2025 and 2024:

	For the Six Months Ended June 30	
	2025	2024
Unaffected cash flows from investing and financing activities		
Exchange differences on translation of the financial statements of foreign operations	\$ (6,875)	\$ 4,082
Unrealized valuation gain/(loss) on financial assets at fair value through other comprehensive income	\$ 38,006	\$ (5,045)

27. 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.

28. FINANCIAL INSTRUMENTS

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

1) Fair value hierarchy

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed securities in the ROC	\$ 238,733	\$ -	\$ -	\$ 238,733
Investments in debt instruments				
Foreign corporate bonds	<u>162,844</u>	<u>-</u>	<u>-</u>	<u>162,844</u>
	<u>\$ 401,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 401,577</u>
<u>Financial liabilities at fair value through profit or loss</u>				
Financial liabilities designated as at fair value through profit or loss	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,080</u>	<u>\$ 14,080</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed securities in the ROC	\$ 217,381	\$ -	\$ -	\$ 217,381
Investments in debt instruments				
Foreign corporate bonds	<u>176,097</u>	<u>-</u>	<u>-</u>	<u>176,097</u>
	<u>\$ 393,478</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 393,478</u>

June 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed securities in the ROC	\$ 215,077	\$ -	\$ -	\$ 215,077
Investments in debt instruments				
Foreign corporate bonds	<u>175,635</u>	<u>-</u>	<u>-</u>	<u>175,635</u>
	<u>\$ 390,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 390,712</u>

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2025 and 2024.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the six months ended June 30, 2025

Financial Liabilities at FVTPL	Designated as at FVTPL
Balance on January 1, 2025	\$ -
Additions	<u>14,080</u>
Balance on June 30, 2025	<u>\$ 14,080</u>

3) Valuation techniques and inputs used for Level 3 fair value measurement

<u>Financial Instrument</u>	<u>Valuation Technique and Inputs</u>
Investment agreement	The investment agreement employs both the income approach and the cost approach, calculating the present value of anticipated returns from holding the investment by discounting future cash flows.

b. Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets at FVTOCI - current			
Equity instruments	\$ 238,733	\$ 217,381	\$ 215,077
Debt instruments	162,844	176,097	175,635
Financial assets at amortized cost (1)	1,244,865	1,197,843	1,286,206
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities designated as at FVTPL	14,080	-	-
Financial liabilities at amortized cost (2)	820,175	615,474	830,636

- 1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable and trade receivables, other receivables and refundable deposits.
- 2) The balances include financial liabilities at amortized cost, which comprise trade payables, other payables, bank loans and guarantee deposits received.

c. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, notes receivable and trade receivables, trade payables, other payables and bank loans. 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 sensitivity analysis included only outstanding foreign currency denominated monetary items. As 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	
	2025	2024
Profit or loss	\$ 4,342	\$ 5,396
	Renminbi Impact	
	For the Six Months Ended	
	June 30	
	2025	2024
Profit or loss	\$ 532	\$ 563
	Japanese Yen Impact	
	For the Six Months Ended	
	June 30	
	2025	2024
Profit or loss	\$ 286	\$ 446

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.

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized bank loan facilities set out in (2) below.

- a) 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. Specifically, bank loans with repayment-on-demand clauses were included in the earliest time bank regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed-upon repayment dates. Analysis as below:

June 30, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
<u>Non-derivative financial liabilities</u>				
Long-term borrowings (including current portion of long-term borrowings)	\$ 1,583	\$ 3,167	\$ 14,250	\$ 335,667
Lease liabilities	<u>2,028</u>	<u>2,229</u>	<u>7,254</u>	<u>1,517</u>
	<u>\$ 3,611</u>	<u>\$ 5,396</u>	<u>\$ 21,504</u>	<u>\$ 337,184</u>

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	<u>\$ 11,700</u>	<u>\$ 1,524</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
<u>Non-derivative financial liabilities</u>				
Long-term borrowings (including current portion of long-term borrowings)	\$ 1,583	\$ 3,167	\$ 14,250	\$ 345,167
Lease liabilities	<u>1,008</u>	<u>2,210</u>	<u>8,363</u>	<u>5,236</u>
	<u>\$ 2,591</u>	<u>\$ 5,377</u>	<u>\$ 22,613</u>	<u>\$ 350,403</u>

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	<u>\$ 11,967</u>	<u>\$ 4,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

June 30, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years
Non-derivative <u>financial liabilities</u>				
Long-term borrowings (including current portion of long-term borrowings)	\$ 1,583	\$ 3,167	\$ 14,250	\$ 335,667
Lease liabilities	<u>863</u>	<u>1,814</u>	<u>6,607</u>	<u>4,222</u>
	<u>\$ 2,446</u>	<u>\$ 4,981</u>	<u>\$ 20,857</u>	<u>\$ 339,889</u>

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	<u>\$ 9,703</u>	<u>\$ 4,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

b) Financing facilities

	June 30, 2025	December 31, 2024	June 30, 2024
Secured bank loan facilities			
Amount used	\$ 354,667	\$ 364,167	\$ 380,000
Amount unused	<u>25,333</u>	<u>15,833</u>	<u>-</u>
	<u>\$ 380,000</u>	<u>\$ 380,000</u>	<u>\$ 380,000</u>

29. 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. Endorsements and guarantees

The related party of the Group is the joint guarantor of the bank loan. The following information on guarantees is disclosed as follows:

Related Party Name	The Nature of Guarantees	December 31,		
		June 30, 2025	2024	June 30, 2024
Xin Liu	Long-term borrowings	<u>\$ 354,667</u>	<u>\$ 364,167</u>	<u>\$ 373,667</u>

b. Remuneration of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	<u>\$ 2,642</u>	<u>\$ 2,566</u>	<u>\$ 5,825</u>	<u>\$ 5,372</u>

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

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	June 30, 2025	December 31, 2024	June 30, 2024
Land and buildings	<u>\$ 537,876</u>	<u>\$ 538,938</u>	<u>\$ 456,000</u>

31. 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, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 16,429	29.30	\$ 481,370
Renminbi	13,260	4.091	54,247
Japanese yen	145,139	0.2034	29,521

Financial liabilities

Monetary items			
U.S. dollar	1,610	29.30	47,173
Renminbi	245	4.091	1,002
Japanese yen	4,582	0.2034	932

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 20,742	32.785	\$ 680,026
Renminbi	17,068	4.478	76,431
Japanese yen	210,509	0.2099	44,186

Financial liabilities

Monetary items			
U.S. dollar	763	32.785	25,015
Renminbi	125	4.478	560
Japanese yen	148	0.2099	31

June 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 17,177	32.450	\$ 557,394
Renminbi	12,873	4.445	57,220
Japanese yen	220,961	0.2017	44,568
<u>Financial liabilities</u>			
Monetary items			
U.S. dollar	547	32.450	17,750
Renminbi	202	4.445	898

32. SEPARATELY DISCLOSED ITEMS

- a. Information on significant transactions and b. information on investees:
 - 1) Financing provided to others (Table 1)
 - 2) Endorsements/guarantees provided (None)
 - 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 2)
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
 - 6) Intercompany relationships and significant intercompany transactions (Table 3)
- c. Information on investees (Table 4)
- d. 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 5)
 - 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 5):
 - 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.

33. 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

FINANCING PROVIDED TO OTHERS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 2)	Aggregate Financing Limits (Note 2)	Note
													Item	Value			
0	UserJoy Technology Co., Ltd.	UserJoy Japan Co., Ltd.	Other receivables	Yes	\$ 101,700 (JPY 500,000)	\$ 101,700 (JPY 500,000)	\$ - (JPY -)	2%	Operating capital financing	\$ -	Operating capital	\$ -		\$ -	\$ 146,629	\$ 293,259	

Note 1: Explanation:

a. Issuing entity: 0.

b. Invested companies are sequentially numbered from No. 1.

Note 2: The total amount of the Company’s loans to others shall not exceed 20% of the Company’s net equity; the total amount of the loans to a single enterprise shall not exceed 10% of the Company’s net equity.

Note 3: As of June 30, 2025, the exchange rate of the Japanese yen to the New Taiwan dollar was 1:0.2034.

TABLE 2

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
JUNE 30, 2025
(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, 2025				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
UserJoy Technology Co., Ltd.	<u>Shares</u> Taiwan Mobile Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	300,000	\$ 34,500	0.01	\$ 34,500	
	Fun Yours Technology Co., Ltd.	Substantive related party	"	2,646,125	162,737	11.09	162,737	
	Chunghwa Telecom Co., Ltd.	-	"	200,000	27,000	-	27,000	
	9SPlay Entertainment Technology Co., Ltd.	-	"	161,571	-	2.22	-	
	Bank Of Kaohsiung Co., Ltd.	-	"	640,000	14,496	0.04	14,496	
	<u>Bonds</u> AT&T Corporate Bonds denominated in U.S. dollars	-	Financial assets at fair value through profit or loss - current	1,252,000	37,253		37,253	
	Ford Motor Corporate Bonds denominated in U.S. dollars	-	"	1,386,000	41,009		41,009	
	Amazon Corporate Bonds denominated in U.S. dollars	-	"	967,000	27,907		27,907	
	3M Corporate Bonds denominated in U.S. dollars	-	"	1,305,000	28,784		28,784	
	Intel Corporation Bonds denominated in U.S. dollars	-	"	1,071,000	27,891		27,891	

Note: Amounts are stated in original investment amounts.

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Nature of Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	Percentage of Consolidated Total Gross Sales or Total Assets (%) (Note 3)
0	UserJoy Technology Co., Ltd.	Userjoy Japan Co., Ltd.	Transactions between parent company and subsidiaries	Sales	\$ 1,454	Based on the terms of contract	-
				Trade receivables	3,618	"	-
				Other payables	714	"	-
				Operating expenses	16,844	"	-
				Interest revenue	177	"	-
		Userjoy Hong Kong Co., Ltd.	Transactions between parent company and subsidiaries	Trade receivables	1,725	"	-
				Sales	3,694	"	-
		Beijing Airship Software Co., Ltd.	Transactions between parent company and subsidiaries	Other operating revenue	586	"	-

Note 1: The No. column is indicated as follows:

- a. UserJoy: 0.
- b. Subsidiaries are sequentially numbered from No. 1.

Note 2: There are three types of relationships with related parties, just mark the type.

- a. UserJoy to subsidiaries.
- b. Subsidiaries to UserJoy.
- c. Subsidiaries to subsidiaries.

Note 3: Calculation of the ratio of the transaction amount to the consolidated total revenue or total assets: If it is an asset and liability account, it is calculated by the balance at the end of the period as a percentage of the consolidated total assets; if it is a profit and loss account, it is calculated by the cumulative amount in the period as a percentage of the consolidated total revenue.

TABLE 4

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE GROUP EXERCISES SIGNIFICANT INFLUENCE
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
UserJoy Technology Co., Ltd.	UserJoy Technology Co., Ltd. (Samoa)	Samoa Islands	Investment holding	\$ 51,060 (US\$ 1,569,900)	\$ 51,060 (US\$ 1,569,900)	US\$ 1,569,900 (Note 1)	100.00	\$ 3,867	\$ (806)	\$ (806)	
	Richland Investments Limited	"	"	6,404 (US\$ 193,800)	6,404 (US\$ 193,800)	US\$ 193,800 (Note 1)	11.49	502	(911)	(105)	
	Userjoy Japan Co., Ltd.	Japan	Sales of computer games software	66,973 (JPY 377,773,806)	23,453 (JPY 177,773,806)	39,177	100.00	17,591	7,329	7,329	
	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	35,357	1,290	1,290	
	Mojoy Corporation	Taiwan	The platform of NFT	8,000	8,000	800,000	27.59	4,428	(3,203)	(884)	
UserJoy Technology Co., Ltd. (Samoa)	Richland 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	3,864 (US\$ 131,882)	(911) (US\$ 28,002)	(806) (US\$ 24,785)	

Note 1: Amounts stated are the original investment amounts.

Note 2: For information on investments in mainland China, please see Table 5.

TABLE 5

USERJOY TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(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:

(In Thousands of U.S. Dollars and Renminbi)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2025	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 1)	Carrying Amount as of June 30, 2025	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outward	Inward						
Beijing Airship 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\$ 1,640,000)	\$ -	\$ -	\$ 53,115 (US\$ 1,640,000)	\$ (911) (US\$ 28,002)	100	\$ (806) (US\$ 24,785)	\$ 4,357 (US\$ 148,714)	\$ -

2. The upper limit on investment in mainland China

Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024 (NT\$ and US\$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (NT\$ and US\$ in Thousands)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (Note 2)
\$53,115 (US\$1,640,000)	\$82,977 (US\$2,621,250)	\$879,778

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 (90) the Taiwan ministry of finance regulation (1) of the number 006130.

3. For detailed information on the major transactions, including their prices, payment terms, unrealized gains and losses, and other relevant information that occurred directly or indirectly with the mainland investee company through the third region, refer to Table 4.