

Stock Code

6542

GAME SPARCS

GameSparcs Co.,Ltd.

2024 Annual Report

Information Inquiry Website

<http://mops.twse.com.tw>

<https://www.gamesparcs.com>

Printed on

May 9, 2025

A. The names, titles, phone numbers and email addresses of the spokesperson and deputy spokesperson:

Spokesperson

Name: Su, Chien-Tung

Title: Vice General Manager

Tel: (04) 2236-0500

Email address: investor@gamesparcs.com

Deputy Spokesperson

Name: Lin, Pei-Yi

Title: Corporate Governance Officer

Tel: (04) 2236-0500

Email address: investor@gamesparcs.com

Name	Address	TEL
HQ	2F.-3, No.360, Jiansing Rd., North Dist., (R.O.C.)	(04) 2236-0500
Branch office	Not applicable	Not applicable
Factory	Not applicable	Not applicable

B. The address and TEL of HQ, branch office and factory:

C. Name, Address, website and TEL of the Stock Transfer Agent:

Name: Department of Transfer Agency, Yuanta Securities Co., Ltd.

Website: <http://www.yuanta.com.tw>

Address: B1, No. 67, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City, Taiwan

TEL: (02) 2586-5859

D. The names of the accountants signing on the latest financial statements and the name, address, website and TEL of the accounting firm:

Names of the accountants: Lai, Zong-Yi, Xu, Jian-ye

Name of the firm: PwC Taiwan

Website: <http://www.pwc.tw>

Address: 27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City

TEL: (02) 2729-6666

E. The name of the overseas securities exchange and the way to inquire information of overseas securities: none.

F. Company website: <https://www.gamesparcs.com/>

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I. Letter to Shareholders

Ladies and Gentlemen,

The Company would like to extend its sincere gratitude to all shareholders for their support and trust in Longzhong Network over the past year. Upholding our commitment to sustainable business operations, we will continue to enhance corporate governance, fulfill our responsibilities as a corporate citizen, and further leverage the synergies of our diversified group strategy. We are dedicated to sharing the results of our business operations with all shareholders.

Herewith, we present a summary of the Company's business performance for 2024 and the business plan for 2025 as follows:

I. 2024 Business results

1. 2024 Operating Performance

The Company's consolidated revenue for 2024 was NT\$802,063 thousand, the revenue contribution mainly comes from online game, local network license and commissioned development, due to the growth in regional online game system licensing, the consolidated revenue of NT\$774,449 thousand for 2023 is increased of 3.57%. The gross operating margin is 80%, which is better than last year.

The net operating income was NT\$78,364 thousand for 2024. A consolidated net income after tax of NT\$85,162 thousand in 2024, of which NT\$85,459 thousand was attributable to the owners of the Company, and the profit per share was NT\$2.03, which is decline than last year.

2. 2024 Budget execution status.

The Company has not issued any financial forecast for 2024, so there is no budget execution comparison.

3. Analysis of financial income and expenses and profitability.

(1) Financial income and expenses.

Unit: NT\$ thousands

Project/Year		2024	2023
Financial Results	Consolidated Operating Income	802,063	774,449
	Consolidated Operating Profit	642,927	608,626
	Consolidated operating income or loss	78,364	123,847
	Consolidated net income after tax	85,162	102,105
	Total Consolidated Profit and Loss	97,080	105,082
	Net profit attributable to owners of the Company	85,459	102,022
	Total consolidated profit or loss attributable to owners of the Company	96,880	105,062

(2) Profitability Analysis.

Project/Year		2024	2023
Profitability	Return on Assets (%)	8.08	10.56
	Return on Equity (%)	9.64	12.71
	Net income before income tax to paid-in capital (%)	26.97	31.41
	Net Profit Rate (%)	10.62	13.18
	Earnings per share (NT\$)	2.03	2.43

4. Research Development Status.

The company used the self-publishing games as a business model, we established R&D teams at Taiwan and abroad. We formulate strategies and flexibly arrange development tasks according to the markets and customers' needed, which can effectively improve the product value.

With the advancement of technology, in order to enhance the overall competitiveness, the Company continues to invest in the application of new technologies and R&D resources, and optimizes various game platform mechanisms and enriches game content. The consolidated research and development expenses in 2024 was NT\$217,303 thousand. We expect to provide high-quality game content to make products sustainable.

II. Outline of 2025 business plan and future development strategy.

1. Group Resource Integration

In line with the implementation of the overall business strategy, we shall integrate all R&D resources, operation team, and logistics teams and effectively utilize various resources within the group, to carry out game development, and to optimize marketing promotion, to explore new markets and new customers according to the needs of each business entity.

2. Diversification

We have focused our operating on online casual gaming products, offline zone network gaming system and mobile game agency business, which have relatively stable revenue and profit to enhance the company's overall competitiveness with diversified products.

3. Expanding into overseas markets

The company will keep launching international products in line with the localization for the overseas market, hoping to effectively enhance the international competitiveness of the products and to expand the overseas market; at the same time, the company will dynamically review the development progress and operating indicators of the various products to adjust marketing strategies and improve marketing effectiveness.

The Company's main revenue includes cell phone online game revenue, local. network license revenue and game software development revenue. Since the Company has not issued financial forecast for 2025, there is no information about expected sales volume.

III. Influenced by the external competitive environment, regulatory environment and general business environment.

The Company continues to integrate upstream and downstream industries to increase R&D capacity for multinational product development. To develop successful business strategies for exploring the new markets and new customer, we shall also keep following the changes in regulations and the industry competition and perform effective risk assessments before making decisions.

We sincerely thank all shareholders for your support and recognition. The GameSparcs management team and all employees will continue to work hard upholding the concepts of advance, coexistence, and evolution to launch a positive cycle and create greater success.

Wish shareholders good health and good luck.

Chairman of the Board of Directors: KU, KANG-WEI

II. Corporate Governance Report

1. Information on directors, supervisors, president, Vice General Manager, assistant Vice General Manager, and managers of all the company's divisions and branch units

(1) Directors and Supervisors

i. Information of directors and supervisors

April 14, 2023

Title	Nationality / Country of Origin	Name	Gender /Age	First Election Date	Date Elected	Term (Years)	Shareholding when Elected		Current Shareholding		Spouse & Minor Children Shareholding		Shareholding in the name of another person		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairperson	ROC	Chen Hao Investment Co., Ltd.	-	June 19, 2019	July 27, 2021	3	5,040,000	12%	5,040,000	12%	-	-	-	-	-	-	-	-	-	-
	ROC	Representative: Ku, Kang-Wei	M / 51~60	June 19, 2019	July 27, 2021	3	7,875,000	18.75%	7,875,000	18.75%	482,000	1.15%	-	-	National Chiao Tung University, Institute of Computer Science and Engineering Chairperson of World Investment Inc. Chairperson and president of Megata Ltd. Chairperson and President of Urnet Solutions Ltd.	President of the Company Chairperson and President of Xiang Shang Games Co., Ltd. Chairperson and President of Audere Gaming Co., Ltd. Chairperson of World Investment Inc. Chairperson of GSC Xiang Shang Education Foundation Responsible person of Chen Hao Investment Ltd. Chairperson and President of Megata Ltd. Chairperson of Velvix Ltd. Chairperson of Crypto City Ltd.	Director Representative	Ku Cheol-Ming	Second-degree relative	Note
Director	ROC	Shih Neng Investment Co., Ltd.	-	June 19, 2019	July 27, 2021	3	1,680,000	4%	1,680,000	4%	-	-	-	-	-	-	-	-	-	-

Title	Nationality / Country of Origin	Name	Gender /Age	First Election Date	Date Elected	Term (Years)	Shareholding when Elected		Current Shareholding		Spouse & Minor Children Shareholding		Shareholding in the name of another person		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
								ROC	Representative: Ku Che-Ming	M / 51~60	June 19, 2019	July 27, 2021	3	2,625,000			6.25%	2,625,000	6.25%	
Director	BVI	BVI Shifu Corp.	-	April 27, 2015	July 27, 2021	3	10,855,311	34.46%	5,449,311	12.97%	-	-	-	-	-	-	-	-	-	-
Director	MY	Liu Han Ming	M / 41~50	July 27, 2021	July 27, 2021	3	-	-	-	-	-	-	-	-	Kota Tinggi Secondary School, Malaysia Founder and Permanent Honorary Consultant of Malaysia Charity Association	Chairman, Classic Vantage Sdn. Bhd. Chairman, Asia Elmark Sdn. Bhd. Chairman, Harvest Miracle Capital Berhad (Public Listed Company) Honorary President, Kota Tinggi Chinese Chamber of Commerce, Johor, Malaysia Honorary Patron, Kota Tinggi De Jiao Association, Malaysia Founder and Permanent Honorary Advisor, Malaysia Caring Charity Association	-	-	-	Resigned on June 20, 2024

Title	Nationality / Country of Origin	Name	Gender /Age	First Election Date	Date Elected	Term (Years)	Shareholding when Elected		Current Shareholding		Spouse & Minor Children Shareholding		Shareholding in the name of another person		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	ROC	Ho, Jung -Shu	M / 51~60	June 21, 2018	July 27, 2021	3	-	-	-	-	35,000	0.08%	-	-	MBA, NTU Deputy and investment officer, Te-Hung Investment Management Consulting Co. Project manager, Department of Investment, O-Bank Group Vice General Manager, Department of Asset Management, Capital Securities	President of Yuan-Chuang Industrial Investment Consulting Co.	-	-	-	-
Independent Director	ROC	Wang, Cheng-Tang	M / 51~60	July 27, 2021	July 27, 2021	3	-	-	-	-	-	-	-	-	Bachelor of Science in Materials Engineering, Tsinghua University Master of Science in Materials Engineering, National Chiao Tung University Doctoral Candidate (Incomplete), Department of Electronic Engineering, National Chiao Tung University Master of Business Administration, National Chengchi University Chairman, All-Time Technology Co., Ltd. Executive Chairman, Star Tech Co., Ltd. Executive Chairman, Shang Shan Hou Sheng Co., Ltd.	Chief Strategy Officer, General Manager, and Director, TUCER Technology Co., Ltd. Chief Operating Officer of Graphen Drugomics, Inc.	-	-	-	-

Title	Nationality / Country of Origin	Name	Gender /Age	First Election Date	Date Elected	Term (Years)	Shareholding when Elected		Current Shareholding		Spouse & Minor Children Shareholding		Shareholding in the name of another person		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	ROC	Wu, Pei-Fen	F / 51~60	July 27, 2021	July 27, 2021	3	-	-	-	-	-	-	-	-	M.Sc., Michigan State University's Institute of Telex and Video Management Special Assistant to the Vice General Manager's Office Associate Manager of Weiyang International Co., Ltd. Technical Promotion Manager, Microsystem Center, Industrial Technology Research Institute Director of Yanguang Wireless IOT Co., Ltd.	Manager of the Taiwan-Japan Fund Senior Vice President of Shengfu Industrial Co., Ltd. Director, Sheng Fu Industrial Co., Ltd. Director, Zhilin Technology Director, Changchuan Information	-	-	-	-
Independent Director	ROC	Cheng, Chang-Chun	M / 51~60	June 13, 2024	June 13, 2024	3	-	-	-	-	-	-	-	-	PhD, Department of Finance, National Taiwan University Assistant professor at Mingchuan University	Chairperson of Cheng Yung-Cheng Ancestral Worship Foundation, Hsinchu City Independent Director of Taiwan Chi Cheng Enterprise Co., Ltd. Supervisor of the Trendforce Corp.	-	-	-	-

Note: The Chairperson of the Board and the President of the Company are the same person, which is necessary for the development and integration of the Company, and the Company has a majority of directors who are not also employees or managers as a response.

ii. Major shareholders of the institutional shareholders:

March 31, 2025

Name of Institutional Shareholders	Major Shareholders	%
BVI Shifu Corp.	CID Greater China Venture Capital Fund III, L.P.	100%
Chen Hao Investment Co., Ltd.	Ku, Kang-Wei	100%
Shih Neng Investment Co., Ltd.	Ku Cheol-Ming	100%

iii. Major Shareholders of Institutional Shareholders:

March 31, 2025

Name of Institutional Shareholders	Major Shareholders	%
CID Greater China Venture Capital Fund III, L.P.	Axiom Asia Private Capital Fund II, LP	22.50%
	CID Greater China Venture Capital Fund III (TE), LP	16.02%
	Oscilate Investment Pte Ltd	12.50%

iv. Professional qualifications and independence analysis of directors

Name	Criteria	Professional Qualification and Work Experience (Note1)	Independence Criteria (Note2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairperson Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei		<ul style="list-style-type: none"> Over five or more years of work experience required for the Company's business. The current chairman and general manager of the company. Served as a director of the company. Not been a person of any conditions defined in Article 30 of the Company Law. 	-	0
Director Shih Neng Investment Co., Ltd. Representative: Ku, Che-Ming		<ul style="list-style-type: none"> Over five or more years of work experience required for the Company's business. Served as a director of the company. Not been a person of any conditions defined in Article 30 of the Company Law. 	-	0
Director BVI Shifu Corp.		<ul style="list-style-type: none"> Over five or more years of work experience required for the Company's business. Not been a person of any conditions defined in Article 30 of the Company Law. 	-	0
Independent Director Ho, Jung-Shu		<ul style="list-style-type: none"> Over 5 years of relevant business experience M.B.A., National Taiwan University General Manager of Origin Ventures Co., Ltd. Former Independent Director of the Company Former Convener of the Audit and Remuneration Committees No disqualifying conditions under Article 30 of the Company Act 	<ul style="list-style-type: none"> The independent directors of the company meet the requirements of independence. The person, spouse, or relative within the second degree of kinship does not hold company shares : The person does not act as the director, supervisor or employee of an affiliated enterprise with specific relation with the 	0

		<p>Company.</p> <ul style="list-style-type: none"> ● Not a professional who provides commercial, legal, financial, accounting, or other related services with compensation with the past two years to the Company or affiliated enterprise. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	
<p>Independent Director Wang, Cheng - Tang</p>	<ul style="list-style-type: none"> ● Over 5 years of experience in relevant business operations ● M.S. in Materials Science and Engineering, National Chiao Tung University ● Currently CSO, GM, and Director at Top Idea Technology Co., Ltd. ● Convener of the Audit and Remuneration Committees ● No disqualifying conditions under Article 30 of the Company Act 	<ul style="list-style-type: none"> ● The independent directors of the company meet the requirements of independence. ● The person, spouse, or relative within the second degree of kinship does not hold company shares ; The person does not act as the director, supervisor or employee of an affiliated enterprise with specific relation with the Company. ● Not a professional who provides commercial, legal, financial, accounting, or other related services with compensation with the past two years to the Company or affiliated enterprise. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	0
<p>Independent Director Wu, Pei-Fen</p>	<ul style="list-style-type: none"> ● Over 5 years of relevant business experience ● M.S. in Telecommunication and Video Management, Michigan State University, USA ● Senior Vice President of Industrial Technology Innovation and Transfer Co., Ltd. ● No disqualifying conditions under Article 30 of the Company Act 	<ul style="list-style-type: none"> ● The independent directors of the company meet the requirements of independence. ● The person, spouse, or relative within the second degree of kinship does not hold company shares ; The person does not act as the director, supervisor or employee of an affiliated enterprise with specific relation with the Company. ● Not a professional who provides commercial, legal, financial, accounting, or other related services with compensation with the past two years to the Company or affiliated enterprise. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	0
<p>Independent Director Cheng, Chang-Chun</p>	<ul style="list-style-type: none"> ● Over 5 years of experience in finance, accounting, and related fields ● Ph.D. in Finance, National Taiwan University ● 	<ul style="list-style-type: none"> ● The independent directors of the company meet the requirements of independence. ● The person, spouse, or relative within the second degree of 	1

	<ul style="list-style-type: none"> ● Chairman of Cheng Yung-Cheng Ancestral Organization, Hsinchu City ● No disqualifying conditions under Article 30 of the Company Act 	<p>kinship does not hold company shares ; The person does not act as the director, supervisor or employee of an affiliated enterprise with specific relation with the Company.</p> <ul style="list-style-type: none"> ● Not a professional who provides commercial, legal, financial, accounting, or other related services with compensation with the past two years to the Company or affiliated enterprise. ● Not been a person of any conditions defined in Article 30 of the Company Law. 	
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Note:

1. Professional qualification and experience: Describe the professional qualification and experience of individual director and supervisor. For member of Audit Committee with expertise in accounting or finance, describe their background in accounting or finance and work experience. Additionally, explain if the person is free from the circumstances prescribed under Article 30 of Company Act.
2. Describe conformance of independence required for independent director, including but not limited to if the person, spouse, and relative within the second degree of kinship serving as the director, supervisor, or employee of the Company and affiliated enterprise. The company shares and weight held by the person, spouse, and relative within second degree of kinship (or using other's name). Does the person serve as the director, supervisor or employee to the affiliated company with special relation to the Company (refer to Article 3, paragraph 1 and provisions 5~8 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies). The person provides compensation to the Company or affiliated enterprise within the 20 past two years by providing commercial, legal, financial, or other related services.

v. Diversification of Board of Directors

The company's policy on the diversity of the composition of the board of directors is stipulated in the "Code of Practice on Corporate Governance". According to its Article 20, the ability of the board of directors should possess the following:

A. Ability to make operational judgments	E. Industry knowledge
B. Ability to perform accounting and financial analysis	F. A global market perspective
C. Ability to conduct management administration	G. Ability to lead
D. Ability to conduct crisis management	H. Ability to make policy decisions

The implementation status of the board diversity policy is as follows:

Name	Basic composition				Industry experience				
	Nationality/ Country of Origin	Gender	Age	Term of Independent Directors	Ability to conduct management administration	Ability to perform accounting and financial analysis	Ability to lead and to make policy decisions	Industry knowledge	A global market perspective
Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei	ROC	M	51~60	-	✓	—	✓	✓	✓
Shih Neng Investment Co., Ltd. Representative: Ku Che-Ming	ROC	M	51~60	-	✓	—	—	✓	—
BVI Shifu Corp.	BVI	-	-	-	—	—	—	—	—
Ho, Jung-Shu	ROC	M	51~60	3.	✓	✓	—	✓	—
Wang, Cheng-Tang	ROC	M	51~60	2	✓	✓	✓	✓	—
Wu, Pei-Fen	ROC	F	51~60	2	✓	—	—	✓	—
Cheng, Chang-Chun	ROC	M	51~60	1	✓	✓	—	✓	—

- (A) There are seven directors (include three independent director) in the Board, they all have many years of industry experience, rich background and expertise in business management, industry knowledge, accounting analysis, international market outlook, etc, which can provide professional advice to our company.
- (B) The average term of the Company’s directors is three years. None of the independent directors has served more than three consecutive terms. The composition of the Board of Directors is in a 4:7 ratio, with no members holding employee status. The current Board includes one female member (an independent director), accounting for 14% of the Board. Due to the nature of the industry and the lack of consideration for board diversity in the past, the Company will continue to actively seek qualified female candidates with professional expertise. The Company is committed to increasing the proportion of female directors and promoting gender diversity on the Board.
- (C) The diversity, complementarity, and implementation of the Board of Directors already align with the standards set forth in Article 20 of the Company’s “Corporate Governance Best Practice Principles.” Going forward, the Company will continue to review and update its diversity policy in accordance with the operation of the Board, business model, and developmental needs. The policy will encompass, but not be limited to, two key dimensions: (1) fundamental qualities and values, and (2) professional knowledge and skills. This is to ensure that all board members collectively possess the necessary knowledge, skills, and competencies required to fulfill their duties effectively.

(2) Information on President, Vice General Manager, Assistant Vice General Manager, and managers of all the company's divisions and branch units

Apr.14, 2025

Title	Name	Nationality / Country of Origin	Gender	Date Effective	Shareholding		Spouse & Minor Children Shareholding		Shareholding in the name of another person		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
					General Manager	Ku, Kang-Wei	ROC	M	SEP.1, 2020	7,875,000			18.75%	482,000	1.15%	
Vice General Manager	Su, Chien-Tung	ROC	M	AUG 25,2021	—	—	—	—	—	—	MBA, National Taiwan University Financial director, Head of Internal auditor and Spokesman	Director of World International Investment Co. Ltd. VP, GameSpares subsidiary Director of GSC Xiang Shang Education Foundation	—	—	—	—
Business Division I Supervisor	Chang, Li-Tzan	ROC	M	APR. 1,2025	—	—	—	—	—	—	Bachelor of Science in Electronic Engineering, Taipei City University of Science and Technology Product Manager, Bofa Technology Co., Ltd. Senior Software Officer, International Games System Co., Ltd.	—	—	—	—	—
Business Division II Supervisor	Yeh, Chi-Hung	ROC	M	FEB. 1,2025	—	—	—	—	—	—	Bachelor's Degree in Information Management, Tamkang University Chief Operating Officer of The Company	Chairman, Haiyu Co., Ltd. Chairman, Haiyu (Hong Kong) Limited Supervisor, Crypto City Technology Co., Ltd.	—	—	—	—
Information Technology Division	Huang, Wei-Chiang	ROC	M	APR. 1,2025	—	—	—	—	—	—	Bachelor in Electrical Engineering, Tamkang University VP of Information Security, Mitake Information Corporation Director of Information Technology, Upmedia International Technology Co., Ltd. Director of Information Technology, CoreSeed Digital Co., Ltd.	Information Technology Director of Megata Ltd.	—	—	—	—
Director of Corporate Governance	Lin, Pei-Yi	ROC	F	May. 11,2022	9,619	0.02%	—	—	—	—	Bachelor of Accounting, Tamkang University Audit Manager of KPMG Accounting Assistant manager of Apacer.Ltd	—	—	—	—	—

Title	Name	Nationality / Country of Origin	Gender	Date Effective	Shareholding		Spouse & Minor Children Shareholding		Shareholding in the name of another person		Experience (Education)	Other Position	Managers who are spouses or within two degrees of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
											Audit Manager of The Company					
Auditing Manager	Huang, Yi-Fei	ROC	F	Nov. 10,2021	—	—	—	—	—	—	Master of Business Administration, Tsinghua University Deputy Manager of Tax Department, Deloitte Auditor, KPMG	—				

Note: The Chairperson of the Board and the President of the Company are the same person, which is necessary for the development and integration of the Company. According to the Standard 4th, the Company has a majority of directors who are not employees or managers and we are going to increase the number of independent directors in 2024 as a coping measures.

1. Remuneration paid during the most recent fiscal year to directors, supervisors, president, and Vice General Manager
 (1) Remuneration of directors (including independent directors)

December 31, 2024 ; Unit: NT\$ thousands

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration Paid to Directors from an Invested Company Other than the Company's Subsidiary		
		Remuneratuin (A)		Severance Pay (B)		Remuneration of Directors (C)		Allowance(D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Remuneration of Employees (G) (Note)								
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	Cash Dividends	Stock Dividends	Cash Dividends	Stock Dividends		The Company	Companies in the consolidated financial statements
Chairperson	Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei	0	0	0	0	367	367	25	25	0.46%	0.46%	0	0	0	0	0	0	0	0	0	0	0.46%	0.46%	None
Director	Shih Neng Investment Co., Ltd. Representative: Ku, Che-Ming	0	0	0	0	367	367	20	20	0.45%	0.45%	0	0	0	0	0	0	0	0	0	0	0.45%	0.45%	None
Director	Liu, Han-Ming (Note)	0	0	0	0	367	367	25	25	0.46%	0.46%	0	0	0	0	0	0	0	0	0	0	0.46%	0.46%	None
Director	BVI Shifu Corp.	0	0	0	0	0	0	10	10	0.01%	0.01%	0	0	0	0	0	0	0	0	0	0	0.01%	0.01%	None
Independent Director	Ho, Jung-Shu	400	400	0	0	0	0	25	25	0.5%	0.5%	0	0	0	0	0	0	0	0	0	0	0.5%	0.5%	None
Independent Director	Wang, Cheng-Tang	400	400	0	0	0	0	25	25	0.5%	0.5%	0	0	0	0	0	0	0	0	0	0	0.5%	0.5%	None
Independent Director	Wu, Pei-Fen	400	400	0	0	0	0	25	25	0.5%	0.5%	0	0	0	0	0	0	0	0	0	0	0.5%	0.5%	None
Independent Director	Cheng, Chang-Chun (Note)	200	200	0	0	0	0	15	15	0.25%	0.25%	0	0	0	0	0	0	0	0	0	0	0.25%	0.25%	None

- A. Policy, system, standard and structure of remuneration for independent directors: The independent directors of the company also serve as members of the audit committee and remuneration committee. Remuneration for independent directors shall be distributed in accordance with the "Regulations Governing the Remuneration and Rewards of Directors and Committee Members" approved by the Board of Directors. When independent directors perform their duties, the Company shall pay remuneration regardless of its operating profit or loss. In addition, independent directors attending meetings in person may be granted transportation allowances.
- B. Except as disclosed in the table above, the remuneration received by the directors of the Company for services rendered to all companies in the financial statements (e.g., as consultants to non-employees, etc.) in the most recent year: None.

Note : Former Director Liu, Han-Ming resigned on June 20, 2024; Independent Director Jheng, Chang-Chun was newly appointed on June 13, 2024.

Range of Remuneration

Range of Remuneration Paid to Directors	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Comapny	Companies in the consolidated financial statements	The Comapny	Companies in the consolidated financial statements
Under NT\$ 1,000,000	Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei, Shih Neng Investment Co., Ltd. Representative: Ku Che-Ming, BVI Shifu Corp. Liu, Han-Ming, Ho, Jung-Shu, Wang, Cheng-Tang, Wu, Pei-Fen Cheng, Chang-Chun	Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei, Shih Neng Investment Co., Ltd. Representative: Ku Che-Ming, BVI Shifu Corp. Liu, Han-Ming, Ho, Jung-Shu, Wang, Cheng-Tang, Wu, Pei-Fen Cheng, Chang-Chun	Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei, Shih Neng Investment Co., Ltd. Representative: Ku Che-Ming, BVI Shifu Corp. Liu, Han-Ming, Ho, Jung-Shu, Wang, Cheng-Tang, Wu, Pei-Fen Cheng, Chang-Chun	Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei, Shih Neng Investment Co., Ltd. Representative: Ku Che-Ming, BVI Shifu Corp. Liu, Han-Ming, Ho, Jung-Shu, Wang, Cheng-Tang, Wu, Pei-Fen Cheng, Chang-Chun
NT\$ 1,000,000 (inclusive)~NT\$ 2,000,000 (exclusive)	—	—	—	—
NT\$ 2,000,000 (inclusive)~ NT\$ 3,500,000 (exclusive)	—	—	—	—
NT\$ 3,500,000 (inclusive)~NT\$ 5,000,000 (exclusive)	—	—	—	—
NT\$ 5,000,000 (inclusive)~NT\$ 10,000,000 (exclusive)	—	—	—	—
NT\$ 10,000,000 (inclusive)~NT\$ 15,000,000 (exclusive)	—	—	—	—
NT\$ 15,000,000 (inclusive)~NT\$ 30,000,000 (exclusive)	—	—	—	—
NT\$ 30,000,000 (inclusive)~NT\$ 50,000,000 (exclusive)	—	—	—	—
NT\$ 50,000,000 (inclusive)~NT\$ 100,000,000 (exclusive)	—	—	—	—
Over NT\$100,000,000	—	—	—	—
Total	8 people	8 people	8 people	8 people

(2) Remuneration of supervisors: None

(3) Remuneration of the president and Vice General Manager

December 31, 2024 ; Unit: NT\$ thousands

Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances (C)		Remuneration of Employees (D)				Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Disclosure of any remuneration received from non-subsiary investee companies.
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash Dividends	Stock Dividends	Cash Dividends	Stock Dividends			
General manager	Ku, Kang-Wei	0	0	0	0	0	0	0	0	0	0	0.00%	0.00%	None
Vice General Manager	Su, Chien-Tung	3,000	3,000	108	108	500	500	0	0	0	0	4.22%	4.22%	

Range of Remuneration

Range of Remuneration Paid to All Presidents and Vice General Managers	Name of President and Vice General Manager	
	The Company	Companies in the consolidated financial statements
Under NT\$ 1,000,000	Ku, Kang-Wei	Ku, Kang-Wei
NT\$ 1,000,000 (inclusive)~NT\$ 2,000,000 (exclusive)	—	—
NT\$ 2,000,000 (inclusive)~ NT\$ 3,500,000 (exclusive)	—	—
NT\$ 3,500,000 (inclusive)~NT\$ 5,000,000 (exclusive)	Su, Chien-Tung	Su, Chien-Tung
NT\$ 5,000,000 (inclusive)~NT\$ 10,000,000 (exclusive)	—	—
NT\$ 10,000,000 (inclusive)~NT\$ 15,000,000 (exclusive)	—	—
NT\$ 15,000,000 (inclusive)~NT\$ 30,000,000 (exclusive)	—	—
NT\$ 30,000,000 (inclusive)~NT\$ 50,000,000 (exclusive)	—	—
NT\$ 50,000,000 (inclusive)~NT\$ 100,000,000 (exclusive)	—	—
Over NT\$100,000,000	—	—
Total	2 people	2 people

- (4) Names of the managers distributing the salaries of employees and the condition of distribution:

Unit: NT\$ thousands

	Title	Name	Stock Dividends	Cash Dividends	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	General Manager	Ku, Kang-Wei	—	—	—	—
	Vice General Manager	Su, Chien-Tung				
	Corporate Governance Officer	Lin, Pei-Yi				

- (5) A comparison of the Company and the consolidated statements of all companies in the last 2 years to pay the Company's Directors, Supervisors, Presidents, and Vice General Managers of the total amount of remuneration as a proportion of individual or individual financial reporting after the pure benefit ratio analysis and description of the payment of remuneration policies, standards and combinations, procedures for the setting of honorariums and related to business performance and future.

- i. **The company and all the companies in the financial report in the last 2 years to pay the Company's Directors, Supervisors, President, and Vice General Manager of the total remuneration as a proportion of after-tax pure benefit analysis:**

Title	The ratio of the remuneration in the net profit after tax			
	2024		2023	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Director	3.13%	3.13%	1.29%	1.29%
General Manager and Vice General Manager	4.22%	4.22%	3.54%	3.54%

- ii. **The policy, standard and payment of honorariums, the procedure for setting honorariums and the relevance to business performance:**

A. Principle of payment of remuneration to directors and independent directors

(A) The directors' remuneration policy is clearly specified in the Company's Articles of Incorporation: if the Company reports profit for the year, no more than 3% of the annual profit may be allocated as directors' remuneration, as resolved by the Board of Directors. The remuneration for all directors is determined by the Board based on each director's involvement in company operations and the value of their contribution, with reference to industry standards. Directors are also reimbursed for transportation expenses based on attendance. In accordance with the "Regulations Governing Remuneration for Directors and Functional Committee Members," each independent director is granted a fixed annual remuneration, payable regardless of the Company's operating results. All directors serving on functional committees are not additionally compensated for these roles.

(B) The Company conducts regular evaluations of the Board and individual directors in accordance with the "Board Performance Evaluation Regulations and Procedures." Evaluation results are used as references for selecting or nominating directors and determining their individual remuneration. To reflect the achievement of performance indicators, the evaluation considers each director's level of participation and contribution to the Company (e.g., meeting attendance, interaction with the management team, internal relationship management and communication, and understanding of the industry). Reasonable remuneration is provided accordingly. All performance evaluations and remuneration decisions are reviewed by the Remuneration Committee and approved by the Board. In 2024, the self-assessment results of the Board, individual directors, and committee members all exceeded standards. The actual amount of directors' remuneration was determined by

the Board following review by the Remuneration Committee.

B. General Manager and Vice General Manager

(A) The Company's managerial compensation is governed by the "Managerial Compensation Management Regulations," which specify various work allowances and bonuses to recognize and reward employee efforts. Bonuses are granted based on the Company's annual operational performance, financial condition, business results, and individual performance. In accordance with the Articles of Incorporation, if the Company reports profit for the year, no less than 1% of the profit shall be allocated as employee remuneration, to be distributed in stock or cash as resolved by the Board of Directors. Performance appraisal results conducted under the "Personnel Performance Management Regulations" serve as the basis for determining managerial bonuses. The assessment criteria for managerial performance include:

- Financial indicators: based on the Company's internal profit and loss statements, contribution of each department to the Company's profitability, and project goal achievement rate.
- Non-financial indicators: performance in core competencies, managerial competencies, and participation in sustainability initiatives. These criteria are used to calculate managerial compensation, and the compensation system is reviewed periodically based on operational performance and regulatory changes.

(B) To regularly assess the compensation of managers and employees, the Company relies on performance evaluation results executed under the "Personnel Performance Management Regulations." These evaluations are aligned with corporate strategic goals and operational performance. To effectively reflect achievement of performance indicators, annual performance ratings are determined based on each individual's contribution to business operations, goal achievement rate, and performance in core and managerial competencies (e.g., business outcomes, leadership vision, corporate governance, risk management). The actual compensation for managers in 2024 was reviewed by the Remuneration Committee and approved by the Board of Directors.

iii. **Correlation with Operating Performance and Future Risks**

- A. The Company's compensation policies, including related standards and systems, are reviewed primarily based on overall operational performance. Compensation standards are determined according to the level of performance achievement and individual contribution, with the aim of enhancing the overall effectiveness of the Board of Directors and management team. Industry remuneration benchmarks are also referenced to ensure the competitiveness of the Company's executive compensation and to retain top managerial talent.
- B. The performance targets for the Company's managerial officers are primarily based on the achievement of annual business objectives, with adjustments made according to risk control and sustainability goal weightings. This ensures that potential risks within the scope of responsibility are properly managed and mitigated, and that compensation does not incentivize executives to engage in activities that exceed the Company's risk appetite. Performance evaluations are conducted based on actual results. Major decisions made by the Company's management are the result of a balanced assessment of various risk factors, and the effectiveness of such decisions is reflected in the Company's profitability, thereby linking executive compensation to risk management performance.
- C. In determining compensation for directors, the President, and Vice Presidents, the Company takes into account the potential operational risks it may face in the future, as well as the positive correlation between compensation and business performance, in order to maintain a balance between sustainable operation and risk control.

(6) Remuneration for the top five highest paid executives

Position	Name	Pension(A)		Retirement Pension(B)		Bonuses and Special Expenses Fees, etc. (C)		Employee Compensation (D)				A, B, C and D as a percentage of net income after tax (%)		Received remuneration from a business outside the subsidiary or from the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Vice General Manager	Su, Chien-Tung	3,000	3,000	108	108	500	500	0	0	0	0	4.22%	4.22%	None
Corporate Governance Officer	Lin, Pei-Yi	1,245	1,245	74	74	310	310	0	0	0	0	1.91%	1.91%	

2. Current condition of corporate governance

(1) The operating conditions of the board

- i. There were 5 board meetings held in the most recent year, 2024, and the attendance of the directors were as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Note
Chairperson	Chen Hao Investment Co., Ltd. Representative: Ku, Kang-Wei	5	0	100%	Reelected
Director	Shih Neng Investment Co., Ltd. Representative: Ku Cheol-Ming	4	1	80%	Reelected
Director	BVI Shifu Corp	5	0	100%	<ul style="list-style-type: none"> ● Reelected ● Mr. Chang Chih-Cheng was designated as the representative for all 5 meetings.
Director	Liu, Han-Ming	1	0	50%	Resigned on June 20, 2024
Independent Director	Ho, Ron-Shu	5	0	100%	Reelected
Independent Director	Wang, Zheng-Tang	5	0	100%	Reelected
Independent Director	Wu, Pei-Fen	5	0	100%	Reelected
Independent Director	Jheng, Chang-Chun	3	0	100%	Newly appointed on June 13, 2024

Other matters which shall be specified:

1. For the matters specified in Paragraph 3, Article 14 of the Securities and Exchange Act, or other decisions with records or written statements in the board meetings that independent directors do not agree with, the dates, sequences, contents, all the opinions provided by independent directors and the handling of the opinions by the Company shall be specified:

(1) Matters specified in Paragraph 3, Article 14 of the Securities and Exchange Act: None

(2) Except for the preceding matters, other resolutions of the board meeting which are objected to or reserved by an independent director and have a record or written statement: None.

2. Implementation of Recusal by Directors in conflict of interest matters: None.

3. TWSE/GTSM listed companies shall disclose information on the evaluation cycle and period, scope, method, and content of the evaluation by the board of directors (or peers), and the implementation of the evaluation by the board of directors is as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once per year.	For 2024, the Board's performance from January 1, 2024 to December 31, 2024 will be evaluated	Performance evaluation of the Board of Directors, individual Board members and functional committees	Including internal board self-evaluation, self-evaluation by board members, peer evaluation, appointment of external professional bodies, experts, or other appropriate means of performance evaluation	<p>(1) Board performance evaluation: This includes: 1. the level of participation in the Company's operations 2.the quality of the board's decision-making 3.the composition and structure of the board 4.the selection and continuing education of directors 5.internal controls, etc.</p> <p>(2) Individual Board members performance evaluation: These include: 1. mastery of the Company's objectives and tasks 2.awareness of directors' responsibilities 3.participation in the Company's operations 4.internal relationship management and communication 5.professional and continuing education of directors 6.internal control, etc.</p> <p>(3) Funtional committee performance evaluation This include: 1. participation in the Company's operations 2.awareness of the responsibilities of functional committees 3.quality of functional committee decisions 4.composition and selection of functional committees 5. internal control, etc.</p>

4. The objectives of strengthening the functions of the board of directors in the current and recent years (e.g. setting up audit committees and enhancing transparency of information) and the assessment of implementation:

(1) Objectives of strengthening the functions of the board of directors

- i. The Company has adopted the resolution of the board of directors meeting to set the “Regulations Governing the Procedures for Board of Directors Meetings” in accordance with the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” and the operation of the board of directors shall be conducted in accordance with the said regulations.
- ii. The Company has elected three independent directors and formed an audit committee to replace the supervisors in order to strengthen the corporate governance function of the board of directors.
- iii. The Company establishes a compensation committee to assist the board of directors in implementing and evaluating its overall compensation and benefits system, and regularly reviewthe appropriateness of remuneration for directors and managerial officers.
- iv. The Company regularly arranges directors to participate in professional in-service trainingcourses, so that they can maintain their core values and professional advantages and capabilities.
- v. Continuous improvement of information transparency: The Company designates a staff member to be responsible for the disclosure of company information and updating of company website information.

(2) Assessment of implementation

- i. On June 8, 2015 and September 30, 2015, the Company established a Remuneration Committee and an Audit Committee, respectively, and on June 19, 2019, the Company established "Standard Operating Procedures for the Handling of Requests Made by Directors" to assist the Board in carrying out its duties.
- ii. After the board meeting, the Company immediately posts important resolutions on themarket observation post system to safeguard the rights and interests of shareholders, appointing special personnel to be responsible for the collection and disclosure of company information, and establishing a spokesperson system to ensure timely and proper disclosure of all important information for shareholders and stakeholders to refer to its financial business.

(2) Operation of the Board of auditors or participation of the supervisors in the operation of the board:

i. Audit Committee operation

The committee has called for 5 times in 2024 and the attending members are as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate (%)	Note
Independent Director	Ho, Ron-Shu	5	0	100%	Reelected
	Wang, Zheng-Tang	5	0	100%	Reelected
	Wu, Pei-Fen	5	0	100%	Reelected
	Jheng, Chang-Chun	3	0	100%	Newly appointed on June 13, 2024

Other notes:

1. The operation of the Audit Committee shall specify the date, period, content of the Audit Committee, the result of the Board's resolution and the Company's treatment of the opinion of the Audit Committee in the following cases:

(1) Matters related to Article 14-5 of Securities and Exchange Act:

Meeting Date	Proposals	Independent director's opinion and the response of the company
2024.03.07 (2024 1 st meeting)	1. 2023 Business Report and Financial Statements 2. Amendment to the "Board of Directors Meeting Rules" 3. Amendment to the "Shareholders Meeting Rules" 4. Approval of the Internal Control System Effectiveness Assessment and Statement for 2023 5. Approval of Endorsements and Guarantees for Subsidiary 6. Approval of the Appointment and Independence Assessment of Auditors	All the independent directors approved the proposals.
2024.05.09 (2024 2 nd meeting)	1. Proposal for the Establishment of a Subsidiary through Investment by the Company	
2024.08.08 (2024 4 th meeting)	1. 2024 Q2 Consolidated Financial Statements 2. Private Placement of Common Shares – Public Issuance and OTC Listing Application	
2024.11.11 (2024 5 th meeting)	1. Adoption of "Sustainable Information Management Guidelines" 2. Adoption of 2025 Audit Plan 3. Endorsement and Guarantee for Subsidiary	

(2) Except for the preceding items, any matter that has been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee: None.

2. Where independent directors enter recusal for any agenda item they are an interested party with, name of the independent directors, content of the item, the reasons why they are required to enter recusal and participation in voting shall be stated: none.

3. Communication between Independent Directors, Internal Audit Head, and Auditors (Including Major Matters Discussed on Financial and Business Status, Communication Methods, and Results):

- (1) Monthly written reports on the previous month's audit findings and corrective actions are submitted to independent directors for review.
- (2) The Internal Audit Head regularly attends the quarterly Audit Committee meetings to present audit results and follow-up actions to the independent directors.
- (3) The certified public accountants periodically present the process, scope, and updates on regulations related to the audit of financial statements at the Audit Committee meetings, engaging in thorough discussions with the independent directors.
- (4) In addition to the above, independent directors may communicate with the Internal Audit Head and auditors via email, meetings, or phone calls as needed, ensuring good communication.

ii. Key Jobs of Audit Committee

The Company established the Audit Committee in September 2015. The Audit Committee shall perform the following functions and powers, and submit its recommendations to the Board of Directors for discussion:

- Review and discuss the adoption or amendment for the internal control system
- The assessment of the effectiveness of the internal control system
- Review and discuss the adoption or amendment, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others

- Any matter that has a bearing on the personal interest of director
- Material asset or derivatives transactions
- Material monetary loans, endorsements or guarantees
- Offering, issuance or private placement of any equity-type securities
- Hiring or dismissal of an attesting CPA, or the compensation given thereto and performance, qualification and independence of CPAs
- Appointment or discharge of financial, accounting or internal auditing officers
- Review and discuss the matters related to the annual profit distributions
- Review and discuss other material matters required by the Company or the competent authorities

iii. Communication between Independent Directors and Managers of Internal Audit of the Most Recent Annual Period

- Regularly- Report audit findings and improvement progress of abnormal matters to the Audit Committee, reply to questions raised by independent directors, and follow up. It instructs to strengthen the content of audit work to ensure the effectiveness of the internal control system, at least four meetings per year.
- Unregularly- Usually use telephone, email or face-to-face communication, if any major violations are found, immediately notify the independent director.

Date	Communication content	Result
2024.03.07 (Pre-Audit Committee Meeting)	1. 2023 Internal Audit Report 2. Assessment of the Effectiveness of the Internal Control System for 2023 and Internal Control System Statement 3. Amendment to the Rules of Procedure for Shareholders' Meetings 4. Amendment to the Rules of Procedure for Board of Directors' Meetings	Acknowledged and approved.
2024.05.09 (Pre-Audit Committee Meeting)	1. 2024 Q1 Internal Audit Report 2. Proposed Amendments to the Company's Internal Control System	
2024.08.08 (Pre-Audit Committee Meeting)	1. 2024 Q2 Internal Audit Report	
2024.11.11 (Pre-Audit Committee Meeting)	1. 2024 Q3 Internal Audit Report 2. 2025 Audit Plan 3. Adoption of the Sustainable Information Management Guidelines	
2024.12.02 (E-mail)	1. Recent Internal Control Deficiency Case Sharing 2. ESG Information Disclosure Requirements	

iv. Communication between Independent Directors and Accountants of the Most Recent Annual Period

- Regularly- Before and after reviewing or reviewing quarterly, semi-annual and annual reports, accountants communicate with the Audit Committee on the review and review plan, execution status and results, at least two meetings per year.
- Unregularly- Before and after reviewing or reviewing quarterly, semi-annual and annual reports, accountants communicate with the Audit Committee on the review and review plan, execution status and results.

Date	Communication content	Result
2024.03.07 (Pre-Audit Committee Meeting)	1. 2023 Business Report and Financial Statements 2. 2023 Earnings Distribution Proposal	Acknowledged and approved.
2024.05.09 (Pre-Audit Committee Meeting)	1. 2024 Q1 Consolidated Financial Statements	
2024.08.08 (Pre-Audit Committee Meeting)	1. 2024 Q2 Consolidated Financial Statements	
2024.11.11 (Pre-Audit Committee Meeting)	1. 2024 Q3 Consolidated Financial Statements 2. 2024 Communication Plan with Governance Units 3. Role and Responsibilities of the Engagement CPA 4. Audit Plan 5. CPA Independence 6. Quality Management System of the CPA Firm 7. Regulatory Updates Sharing	

(3) Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has drawn up the “Corporate Governance Best Practice Principles”, which shall be implemented in accordance with the spirit of corporate governance. The information has been disclosed on the Company’s website https://www.gamesparcs.com/	No significant differences.
2. Shareholding structure & shareholders’ rights				
(1) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes, and litigations, and implement based on the procedure?	✓		1) The company has set up a spokesperson system in accordance with the regulations, in which spokespersons and acting spokespersons act as channels of suggestions and communication for shareholders and can properly handle them.	No significant differences.
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		2) The Company has special personnel to handle related matters, and a professional stock agency is entrusted with the task of dealing with stock matters according to law. It can grasp the list of major shareholders who actually control the Company. The Company is also committed to good shareholder relations.	No significant differences.
(3) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	✓		3) The Company has made relevant operating procedures in the internal control system according to law and dealt with related enterprises in accordance with relevant provisions.	No significant differences.
(4) Does the Company establish internal rules against insiders trading with undisclosed information?	✓		4) The Company has established the “Procedures for Preventing Insider Trading” and the “Regulations for Reporting Changes in Shareholding by Insiders Upon Appointment or Dismissal” to prohibit Company insiders from trading securities based on undisclosed material information. Implementation of internal control measures: A. Directors and Independent directors Upon appointment or dismissal, the Company provides directors with a regulatory handbook to promote awareness of relevant laws and	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>regulations. The Company also continuously communicates and explains rules regarding insider trading and short-swing trading to directors. On June 13, 2024, the Company conducted a training session for directors and independent directors on insider trading regulations, including the criteria and timing for determining material information disclosures, violation handling procedures, and case studies. In addition, the Company regularly reminds directors—via monthly correspondence with insiders—not to trade Company shares during the blackout periods, defined as 30 days prior to the announcement of the annual financial statements and 15 days prior to the announcement of quarterly financial statements. No instances of trading by insiders during blackout periods occurred in fiscal year 2024.</p> <p>B. Managers and employees When managerial officers assume or are dismissed from insider positions, the Company provides them with relevant regulations concerning changes in insider shareholding. The Company also conducts regular employee education and awareness programs. In 2024, the Company held training sessions for managerial officers and employees covering insider trading regulations, including the criteria and timing for determining the materiality of information, handling of violations, and case study analysis .</p>	
<p>3. Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?</p>	✓		<p>1) The Board of Directors of the Company consists of internal directors, multi-industry experts, independent directors with professional financial background and</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		✓	2) The Company's Articles of Incorporation specify that a functional committee may be set up under the Board of Directors. The establishment and functions of the relevant committees shall be carried out in accordance with the regulations prescribed by the competent authority. However, at present, the Company has not set up any functional committees other than the remuneration committee and the audit committee for the sake of business operation.	No significant differences.
(3) Has the Company established a method for evaluating the performance of the Board of Directors and its assessment method, and conducts performance evaluation annually and regularly, and submits the results of performance evaluation to the Board of Directors for reference of individual director's salary compensation and nomination for reappointment?	✓		3) The Company on August 13, 2015 adopted the "Regulations on Performance Evaluation of the Board of Directors" by the Board of Directors' meeting resolution. The evaluation of directors' performance for 2024 was reported to the Board of Directors on March 11, 2025. The Board of Directors are assessed 45 items on five aspects and the results is consistent with corporate governance. The individual directors are assessed 23 items on six aspects and the result is consistent with corporate governance, and effectively enhancing the functions of the Board of Directors.	No significant differences.
(4) Does the Company regularly evaluate the independence of CPAs?	✓		4) The Company's Audit Committee conducts an annual assessment of the audit fees, independence, and competence of the engaged certified public accountants (CPAs). In addition to requiring the auditors to provide a “Statement of Independence” and information on “Audit Quality Indicators (AQIs),” the evaluation is carried out based on five major dimensions and 13 AQI metrics. The assessment includes verifying whether the auditors are	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>shareholders or directors of the Company, whether they have any business interests with the Company beyond engagements listed under the “Routine Non-Assurance Services,” and whether they have received any valuable gifts from the Company’s directors, managerial officers, or major shareholders. The audit firm’s partner rotation is also confirmed to be in compliance with applicable regulations. Based on the AQIs, the Audit Committee objectively evaluates whether audit quality is sufficient to maintain and enhance the credibility of the Company’s financial reporting.</p> <p>The most recent assessment was discussed and approved by the Audit Committee on March 11, 2025, and subsequently approved by the Board of Directors on the same date, confirming the independence and competence of the appointed CPAs.</p>	
4. Does the Company set up a corporate governance unit or personnel responsible for corporate governance related business? (including, but not limited to, providing directors, monitors to carry out the necessary data for the operation, handling matters related to the shareholders’ meeting and board meetings in accordance with the law, handling company registration and change registration, making the proceedings of the Board of Directors and shareholders’ meeting, etc.)	✓		<p>The Company has appointed a Corporate Governance Officer, who completed 18 hours of continuing education in 2024, and assigned an adequate number of qualified personnel to handle matters related to corporate governance. The responsibilities of corporate governance personnel include, at a minimum, the following:</p> <p>A. Handling company registration and amendments.</p> <p>B. Assisting the Board of Directors and shareholders’ meetings with procedural matters and ensuring compliance with applicable laws and regulations.</p> <p>C. Providing directors with necessary information and updates on legal and regulatory developments relevant to company operations, to facilitate their compliance with applicable laws.</p> <p>D. Assisting with matters related to the appointment, resignation, and ongoing training of directors.</p> <p>E. Handling investor relations matters, including earnings</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>conferences.</p> <p>F. Announcing material resolutions of the Board of Directors and shareholders’ meetings, and making timely disclosures in accordance with applicable regulations.</p> <p>G. Reporting to the Board of Directors on the review results of independent directors’ qualifications during their nomination, appointment, and tenure, to ensure compliance with relevant laws and regulations.</p> <p>H. Arranging for the “Integrity Management Task Force” to report to the Board on November 11, 2024, regarding the implementation status and future plans of the Company’s integrity management practices, to ensure effective enforcement of the Code of Ethical Conduct.</p> <p>I. Arranging for the Sustainability Development Task Force to report to the Board on November 11, 2024, regarding the results of the Company’s sustainability initiatives, communication with stakeholders, and risk management operations, to ensure the effective implementation of the Sustainability Best Practice Principles.</p> <p>J. Other matters as stipulated in the Articles of Incorporation or relevant agreements.</p>	
5. Does the Company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The Company has established appropriate communication channels with relevant stakeholders. For investors, there is a dedicated email box and telephone number for investor relations, which are handled by a designated person, with relevant contact information offered on the Company's website. For employees, there are labor and management meetings, grievance channels, staff meetings, etc. For contractors, there is a point of contact. With relevant business contact information on its website, interested parties may contact the Company at any time when necessary.	No significant differences.
6. Does the Company appoint a professional	✓		The Company has appointed the Transfer Agency	No significant

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
shareholder service agency to deal with shareholder affairs?			Department of Yuanta Securities Co., Ltd. to handle the affairs of the board of shareholders.	differences.
7. Information Disclosure				
(1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		(1) The Company's website, http://www.gamesparcs.com/ , publishes relevant information at any time, and announces its general situation and financial information at the Market Observation Post System in accordance with the regulations of the competent authorities.	No significant differences.
(2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		(2) The company has set up Chinese and English websites and simultaneously publishes major information in Chinese and English, as well as relevant briefings in Chinese and English for corporate briefings. In addition to the public information observatory, it is also simultaneously placed on the company's website to fully disclose information to shareholders. and relevant stakeholders for reference, and has a spokesperson and acting spokesperson, and designates a dedicated person to be responsible for collecting and disclosing public information to provide spokespersons, acting spokespersons and relevant business departments to answer inquiries from stakeholders and competent authorities.	No significant differences.
(3) Does the Company announce and report its annual financial report within two months after the end of the fiscal year, and announce and report its first, second and third quarter financial reports and operations for each month well in advance of the required deadline?		✓	(3) In accordance with the relevant provisions of the Securities and Exchange Act, the Company announces and reports, within 75 days after the end of the fiscal year, an annual financial report signed or sealed by the chairperson of the Board of Directors, the manager and the head of accounting, certified by an accountant, approved by the Board of Directors and recognized by the Supervisor. The rest of the quarterly reports and revenue for each month are announced and reported in accordance with the relevant regulatory deadlines.	No significant differences.
8. Does the Company have any other important	✓		(1) Implementation of employee benefits and care:	No significant

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
information that could help understanding the operation of corporate governance (including, but not limited to, employee rights, employee care, investor relations, supplier relations, stakeholder rights, directors' and supervisors' continuing education, implementation of risk management policies and risk measurement standards, implementation status of customer policies, and the Company's procurement of liability insurance for directors and supervisors)?			<p>The company has always attached great importance to the rights and interests of its employees. In addition to providing employees with a safe, healthy, diverse, equal and humane working environment in accordance with laws and relevant internal management regulations, the company also has certain policies in terms of appointments, promotions, rewards and punishments, benefits, salaries, training and other aspects. Follow, provide fair opportunities and behavioral norms, and establish good and honest relationships and interactions with employees through welfare systems and education and training. The company is committed to fulfilling its social responsibilities and protecting the rights and interests of its employees. It has also joined the "2024 TALENT, in Taiwan, Taiwan Talent Sustainability Action Alliance", strictly abides by relevant regulations, and integrates concerns about human rights into all aspects of daily operations to fulfill its obligations. Employers' duty to care for their employees. In addition, the company has established an employee welfare committee and labor-management meeting to protect the rights and interests of employees.</p> <p>(2) Investor relations: The Company is required by law to provide honest disclosure of company information to protect the rights and interests of investors and fulfill its obligations to shareholders</p> <p>(3) Supplier relations: The Company maintains good interaction with game developers, payment flow service providers, distributors, and multimodal transport operators.</p> <p>(4) Rights of stakeholders: The Company respects and safeguards the legitimate rights and interests of</p>	<p>differences.</p> <p>No significant differences.</p> <p>No significant differences.</p> <p>No significant</p>

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>stakeholders, who may communicate with the Company and put forward suggestions at any time to safeguard their due rights and interests.</p> <p>(5) Directors' and supervisors' continuing education: The directors of the Company all have professional background and practical experience in operation and management, and they all take professional courses according to the regulations to strengthen their corporate governance functions. The total training hours is 48 in 2024.</p> <p>(6) Implementation of Risk Management Policies and Risk Assessment Standards: On August 9, 2023, the Company established its “Risk Management Policies and Procedures,” which were approved by the Board of Directors. The Audit Committee performs the functions of the Risk Management Committee, while the Finance and Accounting Department serves as the responsible unit for promoting and implementing risk management, including conducting risk assessments. A report on risk management operations is submitted to the Board of Directors at least once a year. The most recent report on risk management operations was presented to the Board on November 11, 2024. In addition, the Company has established various internal regulations and internal control systems in accordance with legal requirements to manage and assess different types of risks. The Internal Audit Department conducts regular and ad hoc audits to evaluate the effectiveness of the implementation of internal control systems.</p> <p>(7) Implementation status of customer policy: The Company has set up a professional customer service team to deal with customer enquiries and will properly identify problems and responsibilities in response to</p>	<p>differences.</p> <p>No significant differences.</p> <p>No significant differences.</p> <p>No significant differences.</p>

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			customer complaints, so as to protect the rights and interests of customers. (8) The company purchases liability insurance for directors and supervisors: The company insures directors' liability insurance for directors every year, and has reported the insurance amount and other information to the board of directors on November 11, 2024.	No significant differences.
9. Please describe the improvements that have been made in the latest annual corporate governance review issued by the Taiwan Stock Exchange Corporation Governance Center and propose priorities and measures to strengthen those that have not been improved.	✓		Improvements implemented in 2024 are as follows: A. Disclosed the interim financial reports in English within two months after the deadline for submission of the Chinese version. B. Uploaded the English version of the Sustainability Report to the MOPS and the Company’s official website. C. Disclosed annual greenhouse gas (GHG) emissions, water consumption, and total waste generated for the past two years. D. Disclosed information on governance, strategy, risk management, metrics, and targets related to climate-related risks and opportunities in accordance with the TCFD framework.	No significant differences.

(4) Composition, Responsibilities and Operations of the Remuneration Committee

i. Remuneration Committee Member Information

Title	Name	Professional Qualification、work Experience and independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director (Convener)	Wang, Zheng-Tang	Please refer to “Directors’ Qualifications and Independence” in this annual report.	0
Independent Director	Ho, Rong - Shu		0
Independent Director	Wu, Pei-Fen		0

ii. Responsibilities of the Compensation Commission

The Committee shall, with the attention of the good manager, faithfully perform the following functions and submit the recommendations to the Board for discussion:

- A. Review this code regularly and make recommendations for amendments.
- B. To set and regularly review the policies, systems, standards and structures of the company's directors and managers ' annual and long-term performance objectives and salary compensation.
- C. Regularly evaluate the achievement of the performance objectives of the directors and managers of the company, and set the content and amount of their individual salary remuneration.

iii. Information on the functioning of the Compensation Commission

- A. The Salary and compensation committee of the Company shall be counted as 3 persons.
- B. The remuneration committee term is June 13, 2024 to June 12, 2027, and met 3 times (A) in 2024, the members were represented as follows:

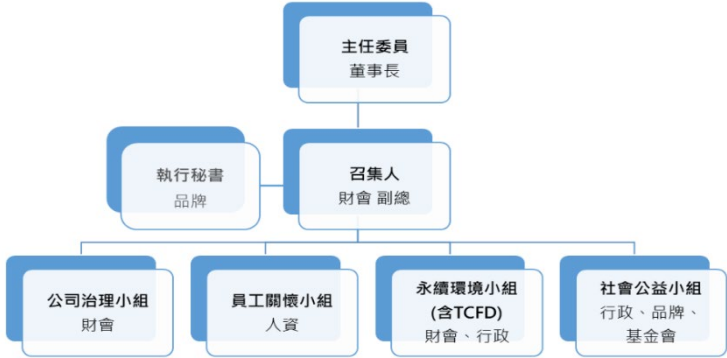
Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A)	Note
Convener	Wang, Zheng-Tang	3	0	100	Reelected
Committee Member	Ho, Ron-Shu	3	0	100	
Committee Member	Wu, Pei-Fen	3	0	100	

Other notable items:

1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company’s response to the remuneration committee’s opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the remuneration committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members’ opinions and the response to members’ opinion should be specified: None.
3. The Comments and Resolutions by Remuneration Committee in the Most Recent Annual Period :

Date	Communication content	Result
2024.03.07 (The Remuneration Committee)	1. Proposal for 2024 Managerial Salary Adjustment and Performance Bonus	Approved
2024.08.08 (The Remuneration Committee)	1. Proposal for the Appointment of the Convener of the Compensation Committee	
2024.11.11 (The Remuneration Committee)	1. Proposal for Employee Compensation for Managers	

(5) Corporate Social Responsibility

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
1. Has the Company established ESG unit (full- or part time), with a senior manager authorized by the Board of Directors to handle and report related activities to the Board of Directors?	✓		<p>On May 11, 2022, the company's board of directors approved the establishment of a sustainable development promotion group as an organization to promote sustainable development. The chairman serves as the chairman and the Vice General Manager of finance serves as the convener. The company also appoints the corporate governance manager and the main operating team. Develop and promote sustainable development policies, systems or related management guidelines and specific promotion plans. In accordance with the aspect of sustainable development, issues such as "corporate governance", "social responsibility" and "environmental protection" are integrated into various work units under the promotion group. Each unit is composed of core members of relevant departments and is responsible for the promotion of sustainable affairs. And handle it in accordance with the relevant provisions of the "Code of Practice for Sustainable Development".</p> <p>The organizational structure of the Sustainable Development Promotion Group is as follows:</p>  <pre> graph TD A[主任委員 董事長] --- B[執行秘書 品牌] A --- C[召集人 財會 副總] C --- D[公司治理小組 財會] C --- E[員工關懷小組 人資] C --- F[永續環境小組 (含TCFD) 財會、行政] C --- G[社會公益小組 行政、品牌、 基金會] </pre>	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons						
	Yes	No	Summary Description							
			The sustainable development promotion team regularly reports to the board of directors on the implementation of management operations at least once a year, with the most recent report date being November 11, 2024. Evaluate and review strategic promotion, and urge the management team to make adjustments when necessary to review the progress of sustainable development.							
2. Does the company follow principles of materiality in evaluating the risks of environmental, social, and corporate governance, and establish relevant policies or strategies	✓		<p>The Company has assigned the Audit Committee to perform the functions of the Risk Management Committee. The Finance and Accounting Department serves as the driving and implementing unit, conducting analysis based on the materiality principle outlined in the Sustainability Report and engaging with internal and external stakeholders. It carries out risk assessments related to environmental, social, and corporate governance (ESG) issues connected to operations, while formulating relevant management policies such as the internal audit system, whistleblower mechanism, climate change risk management, and operational risk management. Dedicated organizational units have been established to regularly review and mitigate the likelihood of risk occurrence. Through a comprehensive risk management framework, the Company manages various risks that may impact the achievement of its objectives. Following evaluation, risk management strategies and measures for material issues are determined as follows:</p> <table border="1"> <thead> <tr> <th>Topics</th> <th>Risks</th> <th>Risk Management Measures</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environmental protection and climate change</td> <td>The Company conducts annual risk assessment meetings to review and evaluate environmental protection and climate change factors relevant to its industry. As an online game developer and operator within the software industry, the Company does not operate factories and has no significant environmental pollution concerns.</td> </tr> </tbody> </table>	Topics	Risks	Risk Management Measures	Environment	Environmental protection and climate change	The Company conducts annual risk assessment meetings to review and evaluate environmental protection and climate change factors relevant to its industry. As an online game developer and operator within the software industry, the Company does not operate factories and has no significant environmental pollution concerns.	No significant differences.
Topics	Risks	Risk Management Measures								
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Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>In line with ISO 14064-1, the Company regularly inventories greenhouse gas emissions to assess operational impact. Based on audit results, it implements carbon reduction measures to lower Scope 1 direct emissions and Scope 2 indirect emissions from purchased electricity, heat, or steam.</p> <p>The Company’s internal audit plan also includes compliance checks with relevant regulations and operational procedures.</p> <ul style="list-style-type: none"> ● Energy Conservation: The Company’s main energy use involves office computers and data center equipment. Smart environmental controls monitor the data center’s PUE indicator. Efforts include adopting energy-saving equipment, using certified green products, minimizing waste, and promoting shutdown of personal computers after work. ● Paper Reduction: To promote sustainability, the Company has introduced an internal portal system for payroll, attendance, procurement, reimbursement, and announcements, reducing paper usage through digital processes. Recycling of non-sensitive documents is also encouraged to further conserve paper resources. 	
			<p>Society</p> <p>Labor relation</p> <p>The company complies with relevant laws and regulations and follows international human rights conventions to implement internationally recognized labor rights. For matters that endanger labor rights and</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>interests, the company provides an effective and appropriate complaint mechanism to ensure equality and transparency in the complaint process.</p> <p>The company provides a safe and healthy working environment for employees, including providing necessary health and first aid facilities, and is committed to reducing hazards to employee safety and health to prevent occupational disasters.</p> <p>The company creates a good environment for employees' career development and provides employees with complete training, development and appropriate incentive programs to enhance the competitiveness of talents.</p>	
			<p>Public welfare participation</p> <p>The company continues to pay attention to education and environmental issues, and promotes critical thinking education on social issues and the SOGA STOP environmental protection plan through the "Longzhong Upward Education Foundation".</p>	
			<p>Corporate Governance</p> <p>Corporate Governance</p> <p>By establishing a governance organization and implementing internal control mechanisms, we ensure that all personnel and operations of the company comply with relevant laws and regulations.</p>	
			<p>Integrity</p> <p>The company has established a code of operating integrity, a code of ethics and a code of conduct for employees, etc., which are promoted by the finance department. The company implement anti-corruption via internal audit operations, internal control self-assessment operations, and providing</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons				
	Yes	No	Summary Description					
			<table border="1"> <tr> <td></td> <td>channels for reporting violations of professional ethics.</td> </tr> <tr> <td>Information security</td> <td>The company’s IT division proposes information security and personal information management policies. For all customers and stakeholders served by the group, IT division promises to protect the privacy of personal data collected for business needs, and to strengthen security control in accordance with the law for protection of personal information to ensure information security.</td> </tr> </table>		channels for reporting violations of professional ethics.	Information security	The company’s IT division proposes information security and personal information management policies. For all customers and stakeholders served by the group, IT division promises to protect the privacy of personal data collected for business needs, and to strengthen security control in accordance with the law for protection of personal information to ensure information security.	
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Information security	The company’s IT division proposes information security and personal information management policies. For all customers and stakeholders served by the group, IT division promises to protect the privacy of personal data collected for business needs, and to strengthen security control in accordance with the law for protection of personal information to ensure information security.							
<p>3. Environmental Issues</p> <p>(1) Does the Company establish proper environmental management systems based on the characteristics of their industries?</p>	✓		<p>As a gaming company with no manufacturing activities, the Company has not established an environmental management system under ISO 14001. Environmental protection and carbon reduction initiatives are promoted and implemented by the Administration Department.</p> <p>The Company complies with relevant regulations issued by the Ministry of Environment and the Ministry of Labor, such as the Waste Disposal Act and the Occupational Safety and Health Act, and has established internal guidelines, including office conduct rules and safety regulations. Energy and resource conservation efforts include upgrading to energy- and water-saving equipment and promoting the practice of switching off unused devices. For waste management, the Company engages licensed contractors to handle industrial waste (e.g., computers, servers) and actively promotes waste reduction, paper-saving initiatives, and resource recycling. In 2024, general waste was reduced by 10%, and recycled resources increased by 0.09 metric tons.</p>	No significant differences.				

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			The Company remains committed to environmental protection, implementing green procurement and energy management initiatives, and has completed greenhouse gas inventories for both 2023 and 2024.	
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		As a company in the cultural and creative content industry, the Company’s operations involve only the use of general electricity, without any manufacturing processes. Consequently, no wastewater, air emissions, or other pollutants are generated, and the Company's environmental performance remains sound. In 2024, there were no violations of environmental regulations. The Company continues to improve energy efficiency and prioritize the use of environmentally friendly and low-impact recycled materials. Measures include adopting eco-labeled and energy-saving products, replacing lighting with energy-efficient alternatives, prioritizing the use of green-certified goods, reusing recycled photocopy paper and old envelopes for internal communication, and regularly recycling used toner cartridges, batteries, waste paper, old office furniture, and computers. Efforts are also made to reduce general waste and promote recycling.	No significant differences.
(3) Does the company assess the current and future potential risks and opportunities of climate change for the business and take measures to address climate related issues?	✓		The Board of Directors serves as the highest decision-making body for climate-related matters. The Sustainability Development Task Force holds regular meetings to review and approve the Company's climate change strategies and targets, manage climate-related risks and opportunities, and oversee the implementation of key policies. Progress is reviewed, tracked, and adjusted as needed, with reports submitted to the Board. Following the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD), the Company identifies key climate risks and conducts comprehensive climate risk management across four pillars: governance, strategy, risk management, and metrics and targets. Climate-related risks and opportunities affecting business operations are assessed, including both	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																		
	Yes	No	Summary Description																			
			<p>financial and non-financial impacts. The Company has established sustainability policies and environmental targets, implemented energy conservation and greenhouse gas reduction measures, and actively promotes carbon reduction initiatives in line with government policies to achieve its sustainability goals.</p> <p>Details of the Company's climate-related risk assessments, opportunities, and corresponding actions are disclosed in the climate-related information section of this Annual Report.</p>																			
<p>(4) Has the company compiled statistics on greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies on energy conservation, carbon reduction, greenhouse gas reduction, water reduction or other waste management?</p> <p><input type="checkbox"/></p>	✓		<p>As a gaming company without manufacturing facilities, the Company is not engaged in product assembly or production processes that could cause environmental pollution. Therefore, there is no wastewater discharge or air pollution generated from its operations.</p> <p>On a voluntary basis, the Company initiated a greenhouse gas inventory for its Taichung office in 2024, in accordance with ISO 14064-1, to fully monitor its greenhouse gas emissions. To ensure the effective implementation of the inventory process, the Company has established a Greenhouse Gas Inventory Task Force to carry out related activities.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Emission of greenhouse gases (tonne CO2e/year)</td> <td>201.117</td> <td>177.192</td> </tr> <tr> <td>Water consumption (degree)</td> <td>1,373.80</td> <td>1,011.82</td> </tr> <tr> <td>Energy used (degree)</td> <td>385,419.12</td> <td>339,668.19</td> </tr> <tr> <td>General waste (tonne)</td> <td>1.9073</td> <td>2.1180(Note)</td> </tr> <tr> <td>Recycling materials (tonne)</td> <td>1.0562</td> <td>0.9700(Note)</td> </tr> </tbody> </table>	Item	2024	2023	Emission of greenhouse gases (tonne CO2e/year)	201.117	177.192	Water consumption (degree)	1,373.80	1,011.82	Energy used (degree)	385,419.12	339,668.19	General waste (tonne)	1.9073	2.1180(Note)	Recycling materials (tonne)	1.0562	0.9700(Note)	No significant differences.
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Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>Note : The actual statistical period covered was from October 1, 2023, to December 31, 2023, with the data extrapolated to estimate annual emissions. As a company in the cultural and creative content industry, the Company’s waste primarily originates from employees' daily activities. Based on the greenhouse gas inventory, emissions from waste disposal account for less than 1% of total emissions and are therefore not classified as a material issue. Waste is handled in accordance with local government regulations.</p> <p>The Company’s main environmental impact from operations arises from electricity consumption at office locations. Indirect greenhouse gas emissions primarily come from electricity supplied by Taiwan Power Company, accounting for 94.67% of total emissions from Scope 1 and Scope 2 sources.</p> <p>The Company continuously promotes various energy-saving and carbon reduction measures through internal environmental awareness programs, educating employees on energy conservation, water saving, and waste reduction. Key initiatives include:</p> <ol style="list-style-type: none"> 1. Engaging a professional cleaning company to conduct daily cleaning and manage resource recycling (paper, glass bottles, metal cans, plastics, and batteries). 2. Promoting environmental protection and occupational safety education to strengthen environmental and sanitation management. 3. Prioritizing eco-friendly and energy-saving products, such as low-flow faucets and water-saving toilets, to reduce water consumption. 4. Using chemical-free, biodegradable paper products for sanitation purposes. 5. Implementing policies to switch off lights and shut down computers during lunch breaks and after work hours. 	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>6. Reducing the use of disposable tableware by providing reusable utensils and encouraging employees to bring their own. In 2024, over 5,200 disposable items were avoided.</p> <p>7. Conducting regular environmental disinfection and maintenance of air conditioning systems.</p> <p>8. Periodically cleaning drinking water tanks, maintaining water dispensers, and testing water quality.</p> <p>9. Outsourcing regular cleaning and maintenance of air conditioning blowers and cooling towers to maximize efficiency.</p> <p>10. Fully adopting energy-efficient and LED lighting across all offices.</p> <p>11. Setting office air conditioning temperatures between 25°C and 26°C to optimize energy usage.</p> <p>To align with global emission reduction trends, the Company, through the Board of Directors and the Sustainability Development Task Force, has set 2023 as the base year for emission tracking, with reduction targets and strategies in place to mitigate environmental impacts.</p> <p>Performance highlights for 2024 are as follows:</p> <p>(1) Greenhouse Gas Emissions: Total emissions increased by 13.5% compared to 2023; however, monthly per capita emissions decreased by 3.4% to 144.27 kg CO₂e.</p> <p>(2) Water Resources: Total water consumption increased by 35.8% compared to 2023; monthly per capita water consumption rose by 15.5% to 985.5 liters.</p> <p>(3) General Waste: Total waste generation decreased by 10% compared to 2023; monthly per capita waste generation decreased by 23% to 16.4 kilograms.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			The Company’s ultimate goal for waste and water management is "zero waste and circular reuse." Moving forward, the Company will continue to enhance energy performance and resource efficiency to achieve sustainable operations.	
4. Social Issues (1) Does the Company establish appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		<p>The Company adheres to national regulations, including the Labor Standards Act, Employment Service Act, and Gender Equality in Employment Act. We recognize and voluntarily comply with internationally recognized human rights standards, such as the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization conventions. To enhance respect for and support of human rights within the Company, we have established and publicly announced policies, including the “Code of Conduct for Integrity,” the “Code of Ethical Conduct,” and the “Workplace Regulations,” to protect employees' rights.</p> <ol style="list-style-type: none"> 1. Prohibition of Child Labor: To ensure compliance with corporate social responsibility and ethical standards, all recruitment complies with the legal minimum age requirements in the respective locations. The Company does not employ child labor. 2. Prohibition of Forced Labor: The Company prohibits forced labor or any form of coercion, including physical or psychological abuse, intimidation, verbal violence, or any other illegal forced labor practices. 3. Prohibition of Sexual Harassment: The Company has established measures to prevent sexual harassment, a complaint and disciplinary system, and a plan to prevent unlawful harassment in the workplace, with channels for employee complaints. 4. Diversity, Inclusion, and Equal Opportunities: The Company does not discriminate based on age, gender, disability, race, ethnicity, nationality, religion, marital status, zodiac sign, blood type, reproductive status, 	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>political background, or other identity factors.</p> <p>5. Safe, Healthy, and Hygienic Work Environment: The Company implements access control and 24-hour security surveillance. Fire safety education is provided, with regular fire safety inspections every six months. CPR and AED first aid training courses are conducted quarterly, and emergency buttons, AEDs, and fire safety equipment are installed. Employees are provided with annual free health check-ups and access to health consultations from medical staff.</p> <p>6. Work-Life Balance: The Company organizes family days, year-end parties, and wellness seminars. It also provides facilities such as free coffee machines, snack cabinets, a library, a viewing room, a nursing room, pregnancy parking spaces, sanitary supplies in women’s restrooms, and wheelchair ramps to promote a family-friendly and inclusive workplace. These facilities support employee well-being and work-life balance.</p> <p>In 2024, all employees participated in human rights awareness programs, totaling 174 employees. Moving forward, the Company will continue to focus on human rights protection, promote related education and training, and raise awareness to reduce potential risks.</p>	
(2) Does the Company establish and implement reasonable employee benefit measures (including remuneration, leave and other benefits, etc.) and appropriately reflect operating performance or results	✓		The company has established SOP for salary management, employee welfare management, attendance management and personnel performance management methods, which clearly regulate the salary structure, vacation system, welfare and performance evaluation, and appropriately share business profit into employee remuneration. The promotion, salary raise and bonus distribution is based on performance appraisal results. The company shall provide employees with satisfied incentive. Employee remuneration is stipulated in the company's articles of association. If the company makes a profit during the year, it shall allocate no less than 1% as employee remuneration, which shall be distributed in the form of stocks or cash by resolution of the board of directors.	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
in employee remuneration?			<p>The company follows labor standards laws and regulations to handle employee compensation and vacation systems. The employee welfare committee is responsible to plan and provide various high-quality welfare measures for colleagues:</p> <ol style="list-style-type: none"> 1. Labor health insurance and pension provision 2. Festivals activities 3. Family Day Activities and year-end party activities 4. Birthday gifts, marriage and funeral allowances, travel allowances, employee referral bonuses 5. Employee group insurance 6. Employee Health examination 7. Proper channel for promotion and development 8. Year-end bonus, performance bonus 9. Maternity leave for female colleagues, paternity leave for male colleagues, etc. 10. Staff short-term dormitory rental <p>The company values importance of diversity and equality in the workplace, and realizes the principle of equal pay for equal work and equal opportunities of promotion for male and female employees. In 2024, the average proportion of female employees was 36.21%, while the average proportion of female managers was 25.58%.</p>	
(3) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		<ol style="list-style-type: none"> 1. The company aims to provide a safe, healthy and comfortable working environment, promotes health and safety management, and enables colleagues to develop correct concepts and healthy body and mind. Conduct employee health examinations and health examination follow-up every year, hold lectures/training on health stress relief, first aid, firefighting, etc., to develop employees' emergency response capabilities and safety concepts, arrange on-site services of occupational safety and health medical staff, and have emergency call-out facilities Buttons, first aid kits, and 	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>AEDs (automated external defibrillators) to maintain the health and safety of colleagues.</p> <ol style="list-style-type: none"> 2. Set up occupational safety personnel and emergency backup teams, and arrange regular drills to maintain the safety of all colleagues. 3. Hold health lectures to establish the concept of independent health management among employees, assist employees in improving potential and existing health problems, and reduce the occurrence of diseases, so as to improve personal health and improve work efficiency. 4. In order to achieve the policy of protecting women and being a friendly workplace, a breast-feeding room is set up to provide mothers with all the thoughtful equipment and space they need to breast-feed. It also provides a warm and friendly environment (for example: women’s toilets) Hygiene products and parking spaces for pregnant women are provided) and many considerate measures are provided. 5. Set up emergency escape routes and exits in the office, conduct regular maintenance of elevator equipment, prepare fire-fighting facilities, fire extinguishers, and fire hydrants, conduct regular fire safety inspections, disinfect and clean the working environment, conduct water quality testing, and implement access control. 6. The company has established "Sexual Harassment Prevention and Control Measures Complaints and Punishment Measures" and "Prevention Plan for Unlawful Violations in the Performance of Duties" to provide employees with channels for complaint and create a safe working environment and order. 7. There were no employee occupational accidents or fires in the company in 2024. 	
(4) Does the company provide its employees with career	✓		The Company creates a positive environment for employees' career development by offering various professional and management courses for different job categories. The comprehensive training program includes	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
development and training sessions?			<p>onboarding, professional advancement training, and management training to help employees continuously learn and grow through diverse learning methods. The Company also integrates corporate ethics training to develop employees' core competencies.</p> <p>An effective career development training program is established to encourage self-improvement, enabling employees to enhance their professional skills and achieve career development goals, which in turn supports the Company's operational objectives. During the annual performance reviews, supervisors and employees collaborate to set individual development plans, with regular reviews and feedback to tailor the best development strategies.</p> <p>In 2024, a total of 209 training sessions were held, with a total of 1,339 hours of training and an overall training expense of NT\$717,695.</p>	
(5) Does the Company comply with relevant regulations and international standards on customer health and safety, customer privacy, marketing and labeling of its products and services, and has it formulated relevant policies and complaint procedures to protect consumer rights?	✓		<p>The Company values customer privacy protection and strictly adheres to Taiwan's "Personal Data Protection Act." We have established a privacy protection policy, personal data usage consent forms, and rigorous data privacy security management measures. A data governance system is in place, which includes data standards and classification, access control measures, and a review mechanism by data owners. This ensures proper governance and protection of data access and sharing, as well as the availability, integrity, and confidentiality of data. The policy applies to all branches, operational locations, and subsidiaries.</p> <p>In the collection, processing, use, and protection of personal data during operations, the Company complies with relevant government regulations and uses personal data within the limits set by the law. We do not disclose, rent, or in any other way share personal data with third parties unless specified by law. The Company also adheres to the "Privacy Protection Policy" to safeguard customer data and privacy.</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			<p>The Company conducts regular annual audits and inventory checks on data access permissions.</p> <p>We value customer feedback and have established a formal customer complaint handling process managed by a dedicated unit to ensure optimal service quality and customer rights protection. Additionally, feedback channels are available on the company website and gaming social media platforms.</p> <p>The Company complies with relevant laws, including the game software rating management regulations, the Consumer Protection Act, and requirements for standard contract terms.</p> <p>All products and services developed by the Company are assessed in accordance with Taiwan’s intellectual property laws and the Company's intellectual property management guidelines. We apply for patents or trademarks through the Ministry of Economic Affairs’ Intellectual Property Office, and where applicable, secure copyright protection for our works or protect them as trade secrets.</p>	
(6) Does the Company have a supplier management policy that requires suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or human rights in the workplace, and how is it implemented?	✓		<p>The Company manages suppliers according to the "Vendor Management Guidelines" and evaluates them using the "Supplier Evaluation Form." We have a supplier management and human rights policy, requiring suppliers to comply with regulations on environmental protection, occupational safety, and labor rights. Suppliers who demonstrate integrity and sustainability are prioritized.</p> <p>New suppliers are evaluated and recorded. Annual evaluations assess their compliance with business requirements and social responsibility regulations. Suppliers are rated on quality, delivery, price, capability, service, and sustainability. Evaluations are categorized into four levels: Excellent (≥91 points), Good (71-90 points), Conditional (61-70 points), and Suspension (<60 points).</p> <p>During supplier negotiations, we ensure they comply with relevant regulations and include sustainability clauses in contracts. Non-compliant suppliers are given a deadline to improve, or the contract may be terminated. We strengthen</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			relationships with well-performing suppliers. Contracts with suppliers include clauses on social responsibility. In 2024, the top 10 suppliers passed the evaluation and remain ongoing partners.	
5. Does the Company make reference to international standards or guidelines for the preparation of corporate social responsibility reports and other reports that disclose non-financial information about the Company? Did the Company obtain a third-party verification unit's confirmation or assurance opinion on the previous report?	✓		The Company referred to the Global Reporting Initiative (GRI) Standards to publish the "2023 Sustainability Report," approved by the Board in 2024, and disclosed it on the Public Information Observatory and the company website. The "2024 Sustainability Report" will be published in 2025, but third-party verification has not yet been commissioned.	No significant differences.
6. If the Company has established the corporate social responsibility principles based on “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation: The company handled the matters in accordance with relevant regulations, and it still complies with the "Code of Practice for the Sustainable Development of Listed OTC Companies", and there is no difference.				
7. Other important information that contributes to the understanding of the operation of corporate social responsibility: The Company is not only committed to the operation of its business, but also actively takes part in various public welfare activities. (1) The Company has injecting new thinking into the society through the speculative social issues (humanities) and environmental ecological protection (nature) by GameSparcs and XSG Education Foundation. Please visit the following websites for more information: https://www.gx-foundation.org/ . (2) For more actions and achievements in promoting sustainable development, please refer to the corporate sustainability area of our website :				

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https://www.gamesparcs.com/ 8. Implementation of Climate-related Information																		
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Within the Task Force, the Sustainability and Environment Subcommittee is responsible for environmental management systems, compliance with environmental laws, adherence to international standards, evaluation of sustainability transitions, resource efficiency improvements, and climate change response mechanisms. Cross-departmental meetings are convened as needed to enhance coordination and achieve environmental sustainability goals.</p> <p>The Company has assigned the Audit Committee to perform the functions of the Risk Management Committee. The Finance and Accounting Department serves as the executive unit, responsible for implementing risk management policies and procedures across the Group, including climate-related risk issues, monitoring regulatory developments affecting the industry, and updating the identification of climate-related risks and opportunities.</p> </td> </tr> <tr> <td>(2) Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the organization (short, medium, and long term).</td> <td> <p>In accordance with the climate risk and opportunity factors recommended by the TCFD, the Company assesses risk and opportunity values based on the likelihood, frequency, and potential impacts of each factor to identify and prioritize key physical and transition risks.</p> <p>Following cross-departmental discussions, the identified climate-related risks and opportunities are evaluated based on each unit's professional expertise to assess the potential operational and financial impacts on the Company.</p> </td> </tr> <tr> <td></td> <td> <table border="1"> <thead> <tr> <th>Climate risk</th> <th>Risk description</th> <th>Action</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table> </td> </tr> </tbody> </table>	Item	Status of implementation	(1) Describes the oversight of the Board and Management's, governance of climate-related risks and opportunities.	<p>To address the high uncertainty of climate change and the rapid evolution of policies and markets, the Company regularly convenes senior executives from all departments to identify major climate-related risks and opportunities.</p> <p>The Sustainability Development Task Force holds regular meetings to formulate, promote, and strengthen key action plans for sustainability initiatives, including climate-related issues. 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	Yes	No			
				<p>Transition risk</p> <ul style="list-style-type: none"> ● Short term: In response to the country’s emerging regulations on carbon reduction (such as the Climate Change Response Act), increase the proportion of renewable energy use, thereby increasing operating costs. ● Mid-term: Due to international initiatives and the carbon reduction targets set by the company, the energy resource efficiency standards of various assets will be improved, thereby increasing operating costs. ● Long-term: Insufficient climate response actions lead to a decline in brand reputation. 	<ul style="list-style-type: none"> ● Regularly identify and review emerging regulations on carbon reduction. ● Set internal carbon reduction targets and review management regularly. ● Improve energy usage through actual carbon reduction actions. ● Continue to pay attention to climate-related issues, strengthen the corporate public welfare image, and increase user recognition.
				<p>Physical risk</p> <ul style="list-style-type: none"> ● Short-term: The frequency and severity of extreme weather events such as typhoons, floods and droughts increase, causing power and network system interruptions, thereby affecting services. ● Long-term: High temperatures will cause global sea levels to rise and coastal port areas to be submerged, affecting business activities. 	<ul style="list-style-type: none"> ● In order to maintain business continuity, we actively monitor weather-related events and have plans in place, regularly perform game data backup and disaster recovery drills, and set up cross-department teams to perform relevant dispatch operations when natural disasters occur to respond to disaster events and implement emergency procedures. , to prevent or mitigate the impact on the company’s operating losses.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
				<ul style="list-style-type: none"> Evaluate and select partners with renewable energy strategies to reduce greenhouse gas emissions, reduce climate-related risks, and respond to possible future global policy changes.
			Opportunity topics	<ul style="list-style-type: none"> Actively integrate the concept of sustainable development into corporate culture to improve corporate image and brand reputation. Consumer digital application behavior has changed, and players are more inclined to cooperate with products or companies that actively reduce carbon footprints. In response to environmental sustainability issues, investors are more willing to invest in low-carbon companies. Respond to the low-carbon transformation and support suppliers with renewable energy strategies and sustainable development to reduce environmental carbon footprint and improve corporate competitiveness.
(3) Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the organization (short, medium, and long term).			Through internal discussions, inventory checks, and evaluations, the Company has identified potential operational risks related to flooding, drought, changes in precipitation patterns, and extreme weather events. Under transition risks, the Company recognizes the broad policy, regulatory, technological, and market changes that may arise from the shift to a low-carbon economy. As an online game developer and operator, the Company’s greenhouse gas emissions are relatively low compared to other industries. Nevertheless, recognizing that climate change is a global issue, the Company remains committed to sustainable development initiatives, including talent sustainability policies, AI technology applications, and energy-saving and carbon reduction projects. The Company continues to enhance internal and external training programs to build the skills and resources necessary to interpret and quantify climate-related risks and opportunities. While these efforts may lead to increased capital investments or operating costs, no material climate-related risks	

Evaluation Item	Implementation Status		Summary Description	Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No		
			that could significantly impact the financial statements have been observed to date.	
(4) Describe how the process of identifying, assessing, and managing climate risk is integrated into the overall risk management system.			The Board of Directors is the highest decision-making unit of the Company's risk control and directly supervises the Company's risk governance structure. In order to improve risk assessment and strengthen management functions, the company established the "Risk Management Policies and Procedures" on August 9, 2023 and approved it with the approval of the Board of Directors. The Audit Committee replaced the functions of the Risk Management Committee. The Finance and Accounting Department is the driving and executing unit and is responsible for Identify and manage risks in corporate operations, including physical and transformation risks that may be brought about by climate change, and lead the planning of relevant response measures, control risks that may arise from each business within an acceptable range, and establish sound risk management operations in principle. Based on the business scope of each department, the Accounting Department conducts risk identification and analysis in operations, finance, legal compliance, ESG, human resources and information security, etc., and updates the annual major risk identification matrix. Based on the risk identification results, each department carries out corresponding strategic planning. , integrate and manage risks that may affect operations and profits, submit management implementation and risk control reports to the board of directors at least once a year, supervise and track and review the implementation of risk management, with a view to strengthening the corporate constitution.	
(5) If scenario analysis is used to assess the resilience to climate change risk, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts.			The Company is currently collecting data and assumptions for a comprehensive climate resilience analysis and plans to engage professional institutions for guidance and personnel training. At present, the Company has completed greenhouse gas (GHG) emissions inventories for 2023 and 2024.	
(6) If scenario analysis is used to assess the resilience to climate change risk, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts.			To achieve net-zero emissions and align with international reduction trends, the Company will develop a low-carbon transition plan targeting reductions in direct emissions from operations (Scope 1), indirect emissions from energy consumption (Scope 2), and indirect emissions across the value chain (Scope 3). Using 2023 as the base year, the Board of Directors and the Sustainability Development Task Force will oversee reduction tracking, set reduction targets and strategies, and work to mitigate the	

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
			environmental impact of operations while improving energy performance and optimizing resource utilization.	
(7) If internal carbon pricing is used as a planning tool, the basis for price setting should be stated.			The Company does not currently use internal carbon pricing as a planning tool.	
(8) If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of achievement should be described; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) offset should be described.			Please refer to the instructions 1-1 and 1-2 below.	
(9) GHG inventory and confirmation situation (fill in 1-1 and 1-2 separately).			Please refer to the instructions 1-1 and 1-2 below.	
<p>1-1 Greenhouse Gas Inventory and Confirmation Situation of the Company in the Last Two Years</p> <p>1-1-1 Greenhouse Gas Inventory Information</p> <p>The greenhouse gas emissions in the past two years are as follows: The inventory of scopes 1 and 2 is based on the information of our company's Taichung office and has not yet been verified by a third party.</p>				

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons			
	Yes	No	Summary Description				
			2024	2023			
			Emissions (Ton CO2e)	Density (Ton CO2e/ Turnover NT\$ million)	Emissions (Ton CO2e)	Density (Ton CO2e/ Turnover NT\$ million)	
			Scope I Direct greenhouse gas emissions	10.720	0.0238	9.056	0.0242
			Scope II Indirect greenhouse gas emissions	190.397	0.4223	168.136	0.4493
			Total	201.117	0.4461	177.192	0.4735
1-1-2			Greenhouse Gas Verification Information The company plans to conduct external verification of greenhouse gas assurance in 2027.				
1-2			Greenhouse Gas Reduction Targets, Strategies and Specific Action Plans The Company has long been committed to environmental protection, aiming to create a win-win scenario for both economic growth and environmental sustainability by maximizing operational efficiency while minimizing environmental impact. In support of the global 2050 net-zero carbon initiative, the Company, under the oversight of the Board of Directors and the Sustainability Development Task Force, has adopted 2023 as the base year for reduction tracking and has set specific targets and strategies in three key areas: water conservation, waste reduction, and greenhouse gas emissions reduction. The targets are as follows: Phase 1 (Short-term Goal): Achieve a 10% reduction in carbon emissions by 2026 compared to the base year. Phase 2 (Mid-term Goal): Achieve a 25% reduction in carbon emissions by 2030 compared to the base year. Phase 3 (Long-term Goal): Achieve net-zero carbon emissions, zero waste, and full water resource recycling by 2050. The Company has integrated carbon reduction management into its business strategy and, with reference to both domestic and international practices, has initiated greenhouse gas reduction measures, including evaluating the purchase of energy-efficient equipment and planning the installation of solar power systems. Through source reduction and improved resource efficiency, the Company strives to minimize the environmental impact of its operations and contribute to the creation of a sustainable environment.				

(6) Ethical Corporate Management

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Has the Company established an ethical corporate management policy approved by the Board of Directors and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board to implement the policies?</p> <p>(2) Has the Company established an evaluation mechanism for the risk of unethical conduct, and regularly analyzed and evaluated the business activities within its business scope with a higher risk of unethical conduct, and formulated a plan to prevent unethical conduct, covering at least the preventive measures under Article 7, paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?</p>	<p>✓</p> <p>✓</p>		<p>(1) The company's board of directors approved the establishment of the "Code of Integrity Management", which stipulates the company's integrity management policy and the "Integrity Management Operating Procedures and Conduct Guidelines" to specifically regulate the operations that the company's directors, managers and employees should follow when performing business procedures, and in the process of engaging in business activities, the company's integrity management policies and related regulations should be explained to the transaction partners.</p> <p>(2) The company has a "Code of Ethical Conduct" to follow, which clearly stipulates the ethics of directors and managers, relevant punishment methods, etc. It strictly requires that all decisions and actions of the company must be based on the basic principle of complying with legal provisions and be transparent. Strengthen the concept of honest management through education and promotion. The company has "Integrity Business Operation Procedures and Behavior Guidelines" that describe the handling procedures of various preventive measures.</p>	<p>No significant differences.</p> <p>No significant differences.</p>

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
(3) Has the Company defined and implemented the operating procedures, conduct guidelines, disciplinary and complaint systems for non-compliance in its unethical conduct prevention program, and regularly reviewed and revised the preceding program?	✓		<p>Based on the business philosophy of honesty, transparency and responsibility, we formulate business policies based on integrity, and establish good corporate governance and Risk control mechanism to create a business environment for sustainable development.</p> <p>(3) The company has established an effective internal control system, and its compliance is regularly checked by internal auditors. It has high standards for each paragraph 2 of Article 7 of the "Code of Integrity Management for Listed Overseas Companies" or other business scopes. For business activities with risks of dishonest behavior, preventive management measures are adopted, and operating procedures, behavioral guidelines, penalties for violations, and appeal systems are clearly defined in the plan to prevent dishonest behavior to ensure the prevention of dishonest behavior. In 2024, there were no major violations of integrity management.</p>	No significant differences.
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p>	✓		<p>(1) The Company has taken into consideration the legality of the trading counterparts and the record of their unethical conduct to ensure that the business activities comply with the principle of good faith. It is stipulated in the contract that the Company may terminate or cancel the</p>	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
(2) Does the Company have a dedicated (part-time) unit under the Board of Directors to promote ethical corporate management and report to the Board of Directors on a regular basis (at least once a year) on its ethical corporate management policies and programs to prevent unethical conducts and monitor their implementation?	✓		<p>contract at any time unconditionally if the Company's interests are damaged by dishonest conduct.</p> <p>(2) The company has "Integrity Management Operating Procedures and Behavior Guidelines". The Finance Department is a full-time unit that regularly reports to the board of directors at least once a year on the supervision and implementation of the integrity management policy and plan to prevent dishonest behavior, and assists the board of directors and management in their review. And evaluate whether the preventive measures established for the implementation of honest management are operating effectively, and report the operation and implementation status to the board of directors in the past year (November 11, 2024):</p> <ol style="list-style-type: none"> 1. In 2024, the Company’s directors, managers and employees had no violations of honest management. 2. Promotion and training of integrity management policies. 3. Whistleblower system and whistleblower protection. 4. Regular review and analysis. 	No significant differences.
	✓		(3) The company clearly stipulates that during the period of employment, all employees shall not	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
<p>(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p> <p>(4) Has the Company established an effective accounting system and internal control system for the implementation of ethical corporate management, and has the internal audit unit drawn up an audit plan based on the results of the assessment of the risk of ethical conduct, in order to verify compliance with the plan for prevention of unethical conduct, or has it engaged an accountant to perform the audit?</p>	<p>✓</p>		<p>use their position to request entertainment or gifts from customers or vendors, or accept commissions, remuneration and other improper benefits to prevent employees from damaging the company's rights and interests due to personal interests. The company has a reporting channel for internal employees and external stakeholders, and strictly implements confidentiality requirements on the identity and content of whistleblowers.</p> <p>(4) To ensure the implementation of integrity management, the Company has established an effective accounting system and internal control framework, which are regularly audited by internal audit personnel for compliance. Internal auditors communicate quarterly with independent directors and attend Board meetings to report on audit findings. The Company has also engaged external auditors to conduct internal control audits. In 2024 (Fiscal Year 113), the certified public accountants (CPAs) conducted necessary inspections and evaluations of the Company's internal control system related to financial reporting, and found no significant deficiencies or areas requiring improvement.</p>	<p>No significant differences.</p>

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
(5) Does the Company regularly hold internal and external educational trainings on operational integrity?	✓		(5) To promote and advocate for integrity-based behavior, the Company conducts regular internal training and education for new employees, led by the dedicated team responsible for this area. The “Integrity Management Procedures and Code of Conduct” and other relevant guidelines are available on the Company’s website for convenient reference at any time. In 2024, the Company’s internal and external training on integrity management topics—including compliance with integrity regulations, corporate governance, accounting systems, and internal control—reached a total of 38 participants, accumulating 38 hours of training.	No significant differences.
3. Operation of the corporate whistle-blowing system (1) Does the Company establish both a reward/punishment system and a whistle-blowing hotline? Can the accused be reached by an appropriate person for follow-up?	✓		(1) The company has established "Integrity Business Operation Procedures and Behavior Guidelines" to encourage internal and external personnel to report dishonest or inappropriate behavior. Bonuses will be awarded based on the severity of the reported matter. If internal personnel make false reports or malicious accusations If the circumstances are serious, disciplinary action should be taken, and if the circumstances are serious, he should be dismissed.	No significant differences.

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Summary Description	
(2) Does the company establish standard operating procedures, Follow-up actions to be taken after completion of the investigation, and confidential reporting on investigating accusation cases?	✓		(2) According to the "reporting system", there are procedures for accepting reports and confidentiality clauses for reports. When the responsible unit confirms that the case has been accepted, a special team will be used to handle the investigation.	No significant differences.
(3) Does the Company provide proper whistleblower protection?	✓		(3) The company will keep the identity of the whistleblower and the content of the report confidential, and will actively verify and handle the matter.	No significant differences.
4. Strengthening information disclosure (1) Does the Company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	✓		(1) The Company has published its “Ethical Corporate Management Best Practice Principles” at the Market Observation Post System.	No significant differences.
5. Where the company has drawn up its code of business conduct and ethics according to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please state the difference between its operation and the established code: The Company has formulated the Code of Business Conduct and Ethics, in which the administrative center acts as a dedicated unit to handle the revision, implementation, interpretation, consultation service of the operating procedures and behavioral guidelines, and the registration and filing of the contents of the notification and supervise the implementation of relevant operations, and if necessary, deliver a report to the board of directors. There is no significant difference between its operation and the code.				
6. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (e.g., review and amend its policies). (1) To implement the basics of ethical corporate management policies, the Company operates under the Company Act, Securities and Exchange Act, Businesses Entity Accounting Act, related regulations for TWSE/TPEX-Listed Companies, and other laws and decrees concerning business transactions. (2) The "Rules of Procedure for Board of Directors Meeting" of the Company provides a recusal system for directors. If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party				

Evaluation Item	Implementation Status		Summary Description	Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No		
			<p>relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.</p> <p>(3) The Company has a "prevention of insider trading procedures" and "internal major information processing procedures", the specified directors, handlers and employees shall not disclose the information of the internal material known to others, may not be aware of the company's internal material information of the person to inquire, Or the collection of important internal information not disclosed by a company that is not related to his or her personal position,nor shall it be disclosed to other persons for information not to be disclosed by the company for the performance of its business.</p> <p>(4) The Company has always maintained the ethical corporate management, in accordance with the relevant laws and regulations and internal control system of good management, strictly prohibit dishonesty or violations of the law, and has a legal unit as the necessary advice and the basis for validation.</p> <p>(5) The Company has been purchaed for directors, managers and key employees of directors and managers liability insurance, can fully reduce the relevant personnel to carry out their duties on the company's risks, to protect the rights and interests of investors.</p> <p>(6) The Company currently has “Ethical Corporate Management Best Practice Principles”, “Adoption of Codes of Ethical Conduct”, “Corporate Social Responsibility Best Practice Principles”, “Corporate Governance Best Practice Principles”, “Audit Committee Charter”, “Remuneration Committee Charter”, and “Rules Governing the Scope of Powers of Independent Directors” and other relevant regulations, and has been disclosed in accordance with the provisions of the MOPS and the Company’s website.</p>	

(7) Other important information that can enhance understanding of corporate governance operations :

- i. The company's board of directors approved the establishment of a corporate governance manager on May 11, 2022, and assigned a qualified and appropriate number of personnel to be responsible for corporate governance-related business. Matters related to corporate governance in the preceding paragraph include at least the following contents:
 - Handle company registration and change registration.
 - Handle matters related to meetings of the board of directors and shareholders' meetings in accordance with the law, and assist the company in complying with relevant laws and regulations of the board of directors and shareholders' meetings.
 - Plan and execute board and shareholder meetings.
 - Provide directors with the information they need to execute their business and the latest legal developments related to operating the company to assist directors in complying with laws.
 - Assist in handling director changes and matters related to director appointment and continuing education.
 - Matters related to investor relations.
 - Other matters stipulated in the company's articles of association or contract.
- ii. The head of corporate governance has completed 18 hours of training in 2024.

Day	Host	Name	Hours
2024.08.08	TCGA	Trends and Risk Management of Generative AI	3 Hours
2024.09.06	OTC	Insider Stock Ownership Awareness Seminar	3 Hours
2024.11.06	Accounting Research and Development Foundation	Practical Investigation of Corporate Fraud and Case Analysis	6 Hours
2024.11.11	TCGA	Trends and Risk Management of Digital Technology and Artificial Intelligence	3 Hours
2024.11.19	SFI	Sustainability Committee and Chief Sustainability Officer Forum	3 Hours

- iii. Education and propaganda to prevent insider trading
 - The Company conducts annual training on the “Procedures for Preventing Insider Trading” and relevant regulations via email for all current directors (including independent directors), managers, and employees. For newly appointed directors and managers, such training is provided within three months of taking office; for new employees, it is included in the pre-employment orientation conducted by the HR department.
 - On June 13, 2024, the Company provided relevant training to current directors (including independent directors), managers, and employees via email. The content covered regulations for directors and supervisors, independent director-related rules, key points for newly appointed insiders of listed and emerging companies, and common scenarios and interpretations related to short-swing profits.
 - To safeguard shareholder rights and ensure equal treatment, the Company has stipulated in its Corporate Governance Best Practice Principles and Insider Trading Prevention Procedures that insiders are prohibited from trading securities using undisclosed market information. Directors are reminded via email at the end of each month not to trade company shares during the blackout periods — 30 days before the annual financial report and 15 days before quarterly reports. No insider trading occurred during blackout periods in 2024.

(8) The following matters shall be disclosed when the internal control system is being carried out:

i. Statement of Internal Control System

The statement has been disclosed on the designated information reporting website.

How to find it:

Market Observation Post System (MOPS) > Single Company > Corporate Governance > Company Rules/Internal Control > Internal Control Statement

Website: <https://mops.twse.com.tw/mops/#/web/t06sg20>

ii. Where a certified public accountant is entrusted to examine the internal control system, the audit report shall be disclosed: None.

(9) During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, important resolutions of the shareholders' meeting and the board of directors meeting:

i. Significant resolutions of regular meetings of shareholders:

Meeting Date	Resolutions
2024.06.13	<ol style="list-style-type: none"> 1. Proposal for Approval of the 2023 Business Report and Financial Statements 2. Proposal for Approval of the 2023 Deficit Compensation 3. Proposal for Amendment to the Company's "Rules of Procedure for Shareholders' Meetings" 4. Proposal for the Full Re-election of Directors (Including Independent Directors) 5. Proposal for the Release of Non-Competition Restrictions on Newly Elected Directors and Their Representatives

ii. Significant resolutions of the Board of Directors meeting

Date	Important Resolution
2024.03.07	<ol style="list-style-type: none"> 1. Approval of the 2023 business report and financial statements 2. Approval of the 2023 earnings distribution proposal 3. Approval of cash distribution from capital surplus 4. Approval of amendments to the "rules of procedure for board meetings" 5. Approval of amendments to the "rules of procedure for shareholders' meetings" 6. Approval of the 2023 employee compensation distribution proposal 7. Approval of the 2023 directors' compensation distribution proposal 8. Approval of the 2024 salary adjustment and performance bonus proposal for managers 9. Approval of the 2024 annual budget 10. Approval of the 2023 internal control system statement 11. Approval of the application for bank credit lines 12. Approval of provision of endorsements and guarantees for subsidiaries 13. Approval of the engagement and independence evaluation of the CPA 14. Approval for the advance authorization for the CPA, its firm, and affiliates to provide non-assurance services to the company and its subsidiaries 15. Approval of the re-election of eight directors, including four independent directors 16. Approval of the nominee list for directors and independent directors 17. Approval of the lifting of non-competition restrictions on newly elected directors and their representatives 18. Approval of the 2024 annual general meeting agenda and proposal rights for shareholders holding 1% or more of shares

2024.05.09	<ol style="list-style-type: none"> 1. Approval of the q1 2024 consolidated financial statements 2. Approval of the record date and payment date for the 2023 earnings and capital surplus cash dividends 3. Approval of the proposal to invest in and establish a subsidiary
2024.06.13	<ol style="list-style-type: none"> 1. Approval of the election of the chairperson
2024.08.08	<ol style="list-style-type: none"> 1. Approval of the q2 2024 consolidated financial statements 2. Approval of the supplemental public offering and listing application for private placement of common shares 3. Approval of the 2023 sustainability report 4. Approval of the renewal of bank credit lines 5. Approval of the appointment of members to the 5th compensation committee
2024.11.11	<ol style="list-style-type: none"> 1. Approval of the q3 2024 consolidated financial statements 2. Approval of the “sustainable information management policy” 3. Approval of the 2025 audit plan 4. Approval of provision of endorsements and guarantees for subsidiaries 5. Approval of the renewal of bank credit lines 6. Approval of compensation for managerial employees
2025.03.11	<ol style="list-style-type: none"> 1. Approval of the 2024 business report and financial statements 2. Approval of the 2024 earnings distribution proposal 3. Approval of amendments to the “corporate governance best-practice principles” 4. Approval of amendments to the articles of incorporation 5. Approval of the 2024 employee compensation distribution proposal 6. Approval of the 2024 directors’ compensation distribution proposal 7. Approval of the 2025 salary adjustment and performance bonus proposal for managers 8. Approval of the 2025 annual budget 9. Approval of the 2024 internal control system statement 10. Approval of the engagement and independence evaluation of the cpa 11. Approval of amendments to the “audit committee charter” 12. Approval of the definition scope for rank-and-file employees 13. Approval of the 2025 annual general meeting agenda and proposal rights for shareholders holding 1% or more of shares
2025.05.08	<ol style="list-style-type: none"> 1. Approval of the q1 2025 consolidated financial statements 2. Approval of the ex-dividend record date and cash dividend payment date for 2024 3. Approval of the renewal of bank credit lines 4. Approval of provision of endorsements and guarantees for subsidiaries 5. Approval of investment in a Philippine subsidiary 6. Approval of individual directors’ remuneration distribution for 2024

(10) During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the directors or supervisors have different opinions on the important resolutions adopted by the board of directors meeting with records or written statements: None.

3. Accountant's fees information

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Period Covered by CPA's Audit	Non-audit Fee (Note)	Subtotal	Remarks
Pricewaterhouse Coopers Taiwan	Lai, Tsung-His	2024	3,500	359	3,859	-
	Xu, Jian-ye					

Note : It is tax, consulting fee and disbursement fees.

(1) When a company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

(2) **When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed:** None.

4. Information on replacement of accountant: None.
5. Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm: None.
6. Changes in shareholding and pledging of shares by directors, supervisors, managerial officers, and shareholders holding more than 10% of shares during the most recent fiscal year and up to the date of publication of the annual report:

(1) **Changes in shareholding and pledging of shares by directors, supervisors, managerial officers, and shareholders holding more than 10% of shares:**

● Share Transfers:

Information is available on the Market Observation Post System (MOPS).

How to find it: MOPS > Single Company > Shareholding Changes / Securities Issuance > Insider Share Transfers > Post-reporting Forms

Website: https://mops.twse.com.tw/mops/#/web/query6_1

● Changes in Share Pledges:

Information is available on the Market Observation Post System (MOPS).

How to find it: MOPS > Single Company > Shareholding Changes / Securities Issuance > Insider Share Pledging > Insider Pledge Announcement

Website: https://mopsov.twse.com.tw/mops/web/STAMAK03_1

(2) **Changes in shareholding involving related parties as counterparties:** None.

7. Relationship among the top ten shareholders

April 14, 2025 ; Unit: shares; %

Name	Shareholding		Spouse, minor children		Total holding in the name of others		The names and relationships of the top ten shareholders who are related to each other or who are related to each other as spouses or second degrees relatives.		Note
	Share	%	Share	%	Share	%	Name	Relation	
Ku, Kang-Wei	7,875,000	18.75%	482,000	1.15%	—	—	Chen Hao Investment Co., Ltd	Responsible person	—
							Ku Cheol-Ming	Second degree relatives	
							World International Investment Co., Ltd.	Responsible person	
							Xiang Shang Games Co., Ltd.	Responsible person	
Lucky Century Enterprises Limited	5,449,311	12.97%	—	—	—	—	—	—	—
Rept: Chang, Jing-Yi	—	—	—	—	—	—	—	—	—
Chen hao investment corp.	5,040,000	12%	—	—	—	—	Ku, kang-wei	Responsible person	—
							Xiang Shang Games Co., Ltd.	Same responsible person	

Name	Shareholding		Spouse, minor children		Total holding in the name of others		The names and relationships of the top ten shareholders who are related to each other or who are related to each other as spouses or second degrees relatives.		Note
	Share	%	Share	%	Share	%	Name	Relation	
							World International Investment Co., Ltd.	Same responsible person	
Rept: Ku, Kang-Wei	7,875,000	18.75%	482,000	1.15%	—	—	Ku Cheol-Ming	Second degree relatives	
							Xiang Shang Games Co., Ltd.	Same responsible person	
							World International Investment Co., Ltd.	Same responsible person	
Chang, Ciang-Sen	4,039,000	9.62%	—	—	—	—	—	—	—
World International Investment Co., Ltd.	3,780,000	9%	—	—	—	—	Ku, Kang-Wei	Responsible person	
							Xiang Shang Games Co., Ltd.	Same responsible person	
							Chen hao investment corp.	Same responsible person	
Rept: Ku, Kang-Wei	7,875,000	18.75%	482,000	1.15%	—	—	Ku Cheol-Ming	Second degree relatives	
							Xiang Shang Games Co., Ltd.	Same responsible person	
							Chen hao investment corp.	Same responsible person	
Ku Cheol-Ming	2,625,000	6.25%	—	—	—	—	Ku, Kang-Wei	Second degree relatives	
							World International Investment Co., Ltd.	Director	
							Xiang Shang Games Co., Ltd.	Director	
							Portential Investment Co., Ltd	Responsible person	
Portential Investment Co., Ltd	1,680,000	4%	—	—	—	—	Ku Cheol-Ming	Responsible person	
Rept: Ku Cheol-Ming	2,625,000	6.25%	—	—	—	—	Ku, Kang-Wei	Second degree relatives	
HSBC was entrusted with the custody of the investment account of uob kay hian pte ltd.	1,189,000	2.83%	—	—	—	—	—	—	—
Tsai, rei-tsong	906,000	2.16%	—	—	—	—	—	—	—
Xiang Shang Games Co., Ltd.	800,000	1.90%	—	—	—	—	Ku, Kang-Wei	Responsible person	
							World International Investment Co., Ltd.	Same responsible person	
							Xiang shang games co.,ltd.	Same responsible person	

8. The number of shares of the company, its directors, supervisors, managers and undertakings directly or indirectly controlled by the company in the same transferred investment business, and the combined calculation of the consolidated shareholding ratio

March 31, 2025 Unit: Shares; %

Reinvestment in the Business	The Company's Investment		Investments in the business directly or indirectly controlled by directors, supervisors, managers		Consolidated Investment	
	Shares	%	Shares	%	Shares	%
Game Dreamer (HK) Ltd.	64,000,000	100%	-	0%	64,000,000	100%
Hsu Tsun Enterprise Co., Ltd.	-	100%	-	0%	-	100%
Game Dreamer (Thai) Inc.	-	100%	-	0%	-	100%
Poseidon Net (HK) Limited	1,428,900	100%	-	0%	1,428,900	100%
Game Dreamer (Guangzhou) Inc.	-	100%	-	0%	-	100%
Game Dreamer (Hangzhou) Ltd.	-	100%	-	0%	-	100%
Megata Ltd.	15,000,000	60%	-	0%	15,000,000	60%
Megata (Chengdu) Technology Ltd.	-	60%	-	0%	-	60%
Poseidon Net Limited	3,500,000	100%	-	0%	3,500,000	100%
Megata (HK) Ltd. (Note)	300,000	60%	-	0%	300,000	60%
Vivid Gaming Holding Ltd.	600,000	100%	-	0%	600,000	100%
Vivid Gaming Ltd.	500,000	100%	-	0%	500,000	100%

Note : The Board of Megata Co., Ltd. had agreed to disband Megata (HK) Ltd., subsequent matters will be handled in accordance with government regulations. As of March 31, 2025, the procedural had not been completed.

III. Fundraising Status

1. Capital and Shares

(1) Source of Capital Stock

i. Capital change in last five years as of the date of publication of the annual report

Unit: thousand shares/NT\$ thousands

Date	Par Value	Authorized stock		Paid-up capital		Note		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2010.12	10	3,000	30,000	400	4,000	Established	—	Note 1
2011.05	10	3,000	30,000	1,000	10,000	Capital Increased by Cash \$6,000	—	Note 2
2012.06	20	3,000	30,000	1,750	17,500	Capital Increased by Cash \$7,500	—	Note 3
2013.06	40	10,000	100,000	3,250	32,500	Capital Increased by Cash \$15,000	—	Note 4
2014.09	40	10,000	100,000	7,750	77,500	Capital Increased by Cash \$45,000	—	Note 5
2015.03	40	50,000	500,000	10,487	104,870	Capital Increased by Cash \$27,370	—	Note 6
2015.05	10	50,000	500,000	22,000	220,000	Capitalization of capital reserves \$115,130	—	Note 7
2015.11	10	50,000	500,000	22,540	225,400	Capitalization of retained earnings \$5,400	—	Note 8
2016.08	10	50,000	500,000	25,859	258,586	Capitalization of retained earnings \$33,186	—	Note 9
2016.09	106	50,000	500,000	30,001	300,006	Capital Increased by Cash \$41,420	—	Note 10
2017.07	10	50,000	500,000	31,501	315,006	Capitalization of retained earnings \$15,000	—	Note 11
2018.07	40.1	50,000	500,000	42,001	420,006	Private placement Capital Increased by Cash \$421,050	—	Note 12
2019.07	-	80,000	800,000	42,001	420,006	—	—	Note 13

Note 1: Approved by letter No. 09990307010 issued by Taipei City Government on Dec.6, 2010.

Note 2: Approved by letter No. 10083323000 issued by Taipei City Government on May 6, 2011.

Note 3: Approved by letter No. 1015033117 issued by New Taipei City Government on Jun.1, 2012.

Note 4: Approved by letter No. 1025038710 issued by New Taipei City Government on Jun.26, 2013.

Note 5: Approved by letter No. 1035177557 issued by New Taipei City Government on Sep.4, 2014.

Note 6: Approved by letter No. 1045134530 issued by New Taipei City Government on Mar.16, 2015.

Note 7: Approved by letter No. 1045145862 issued by New Taipei City Government on May 5, 2015.

Note 8: Approved by letter No. 1045192998 issued by New Taipei City Government on Nov.6, 2015.

Note 9: Approved by letter No. 1055300554 issued by New Taipei City Government on Aug.12, 2016.

Note 10: Approved by letter No. 1055313058 issued by New Taipei City Government on Sep.26, 2016.

Note 11: Approved by letter No. 1068046154 issued by New Taipei City Government on Jul.24, 2017.

Note 12: Approved by letter No. 1078047712 issued by New Taipei City Government on Jul.27, 2018.

Note 13: Approved by letter No. 1088044563 issued by New Taipei City Government on Jul.09, 2019.

ii. Type of Share

March 31, 2025; Unit: shares

Type of Share	Authorized Stock			Note
	Outstanding shares (Note)	Unissued shares	Total	
Common Stock	42,000,630	37,999,370	80,000,000	Reserve for employee option: 12,000,000 shares

Note: This common stock is listed stock.

iii. Applicable declaration system: None

(2) List of Major Shareholders

April 14, 2025; Unit: shares

Name	Shares	Shareholding	%
Ku, Kang-Wei		7,875,000	18.75%
BVI Shifu Corp.		5,449,311	12.97%
Chen Hao Investment Co., Ltd.		5,040,000	12.00%
Chang, Chiang-Sen		4,039,000	9.62%
World International Investment Co., Ltd.		3,780,000	9.00%
Ku Cheol-Ming		2,625,000	6.25%
Shih Neng Investment Co., Ltd.		1,680,000	4.00%
HSBC was entrusted with the custody of the investment account of UOB Kay Hian Pte Ltd.		1,189,000	2.83%
Tasi, Rui-Tsung		906,000	2.16%
Xiang Shang Games Co.,Ltd.		800,000	1.90%

(3) Company dividend policy and implementation status

i. The dividend policy stipulated in the articles of incorporation

In the annual general final accounts, if the Company has net profit after tax of the current period, it shall first make up for the accumulated losses, and set aside 10% of it as the legal reserve. However, when the legal reserve has reached the paid-in capital, it may be exempted from further appropriation, or the special reserve may be appropriated or reversed according to the provisions of the law or business needs. If there is any remaining balance, the board of directors shall propose to the board of shareholders for resolution on the distribution of dividends and bonuses to shareholders in conjunction with the surplus undistributed at the beginning of the period.

The Company's dividend distribution policy should take into consideration its current and future investment environment, capital demand, domestic and foreign competition, capital budget and other factors, as well as the interests of shareholders and the Company's long-term financial planning. The Stockholder's dividends and bonuses can be set aside from not less than 10% of the annual divisible surplus, and paid in cash or stock, of which the cash dividend shall not be less than 10% of the total dividend.

ii. Proposed dividend distribution at the most recent shareholders' meeting

The company's 2024 earnings distribution proposal was approved by the board of directors on March 11, 2025. Please refer to the table below:

	Unit: NTD	
	Year 2024	
Unappropriated earnings - beginning	\$	74,097
2024 Net income after tax		85,459,074
Less: 10% legal reserve	(8,545,907)
Distributable amount - 2024	\$	76,987,264
Distribution :		
Shareholder dividend - Cash (\$ 1.83/per share)	(76,861,153)
Unappropriated earnings - ending	\$	126,111

(4) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting: N/A.

(5) Remuneration of employees, directors, and supervisors:

i. The percentages or ranges with respect to employee, director, and supervisor compensation, as set forth in the Company's Articles of Incorporation.

If the Company has earned a profit in the current year (on the basis of the pre-tax net profit before deduction of employee's remuneration and the remuneration of the directors and supervisors), no less than 1% of the profit shall be allocated to employees. The board of directors shall decide whether to distribute the remuneration in stock or cash to the company employees who meet certain conditions. The Company's board of directors meeting shall, by

resolution, allocate not more than 3% of the profits to the directors. Employee remuneration and director remuneration distribution shall be reported to the shareholders' meeting. However, if the Company still has an accumulated deficit, the amount of compensation shall be retained in advance, and then the remuneration of employees and directors should be set aside according to the proportion noted in the preceding paragraph.

- ii. The basis for estimating the amount of employee, director, and supervisor compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.

The remuneration for employees and directors and supervisors of the Company shall be appraised in accordance with the articles of incorporation of the Company and the results of its operations, and shall be listed as an appropriate accounting item under operating costs or operating expenses according to the nature of the compensation for employees and directors and supervisors. If there is any difference between the actual allotment amount and the estimated amount, it shall be deemed as the change of accounting estimate and shall be recognized as profit and loss of the actual distribution year.

- iii. Information on any approval by the Board of Directors of distribution of remuneration:
 - A. In the event of any discrepancy between the actual amounts of employee compensation and director/supervisor remuneration distributed in cash or shares and the amounts estimated and recognized in the financial statements, the difference, reasons, and handling should be disclosed: The 2024 distribution of employee compensation and director remuneration was approved by the Board of Directors on March 11, 2025, with NT\$1,100,000 allocated for employee compensation and NT\$1,100,000 for director remuneration. These amounts are consistent with the figures estimated and recognized in the annual financial statements; thus, no discrepancy exists.
 - B. The amount of remuneration paid by the employee in stock is the proportion of the total amount of net benefit and employee compensation after the current period:
The company has distributed cash to employees for 2024 years and has not distributed shares to employees.
- iv. The actual distribution of remuneration of employees, directors and supervisors in the previous year (including the number of shares, the amount and the share price), the dividends of their employees and the differences in the remuneration of directors and supervisors, and the difference between the number, reasons and circumstances of the treatment should be stated: None.

(6) The circumstances in which the company buys back shares: None.

2. Company bond: None.
3. Special share: None.
4. Overseas Depository Voucher: None.
5. Employee option: None.
6. Restriction on issuing of new employee option: None.
7. Share issuance of merged company: None.
8. Implementation of the capital utilization plan: None.

IV. Operational Highlights

1. Business Content

(1) Scope of business

- i. Principal activities of the Company
 - A. CC01120 Data Storage Media Manufacturing and Duplicating
 - B. F109070 Wholesale of Stationery Articles, Musical Instruments and Educational products
 - C. F113070 Wholesale of Telecom Instruments
 - D. F118010 Wholesale of Computer Software
 - E. F209060 Retail of Stationery Articles, Musical Instruments and Educational products
 - F. F213060 Retail Sale of Telecom Instruments
 - G. F218010 Retail Sale of Computer Software
 - H. F401010 International Trade
 - I. I102010 Investment Consultancy
 - J. I103060 Management Consulting Services
 - K. I301010 Software Design Services
 - L. I301020 Data Processing Services
 - M. I301030 Digital Information Supply Services
 - N. I401010 General Advertising Services
 - O. IZ12010 Manpower Services
 - P. IZ13010 Internet Identify Services
 - Q. ZZ99999 All business items that are not prohibited or restricted by law
- ii. Operating ratio

Unit: NT\$ thousands

Items \ Year	2024		2023	
	Sales revenue	Propotion(%)	Sales revenue	Propotion(%)
Online games Revenue	437,305	54.52	459,320	59.31
Royalties Revenue	304,528	37.97	224,422	28.98
Sales Revenue	60,230	7.51	90,707	11.71
Total	802,063	100.00	774,449	100.00

iii. Current product items

A. Mobile games:

The Company has focus on self-publishing, there are three self-publishing online games on the platform. "Bravo Casino" is a casual game with community interaction as the core, the platform includes clubs, room co-playing, tournaments, chatting and giving gifts, etc. Community mechanism, the game content includes slot machine games with various gameplays, combined with the virtual treasure card mechanism to strengthen players' feelings and preferences for characteristic gameplays; "Ace Club" focuses on rich machines and multiple gameplays, and the platform includes various gameplays. Slot machines, electronic chess and cards, fishing machines, etc., combine various themes to satisfy players' feelings and preferences for unique gameplay; "Jackpot Island" is an online casual game platform specially created for the European and American markets, combining the group's virtual treasure card mechanism and matching original island construction The gameplay strengthens the emotional establishment and connection between players, and gives different game purposes and experiences. The agency distribution of mobile games has gradually decreased, and currently only the long-term stable and popular mobile game products continue to operate.

B. LAN leisure gaming:

The company's LAN leisure gaming business is a complete system that integrates operational needs. Agents and stores can manage and adjust accounts, personnel, stores, and game combinations through the background. The system also has more than 100 popular games built-in, and supports a variety of platforms such as mobile

phones, computer versions, and mobile versions, fully meeting market needs and operating models.

In response to the laws and regulations, as well as the customs and practices, of different countries, the Company generally learn about the oversea markets through the local agents or cooperation mode and then establish a long-term partnership with the clients. After years of hardworking, the online gaming system and the game motherboard software haven been authorized to clients in the USA, Mexico, Peru, and others.

iv. New products planned for development

i. Mobile games:

In addition to the optimization and upgrading of the existing mobile games agent products, the Company is expected to agent 5 – 10 products this year. Among them, there are products from the Chinese and Korean developers. Also, “Bravo Casino” published by the Company’s subsidiary will be launching new types of slot game machines that meet the market’s needs in addition to the upgrading of the platform mechanism. Through the revision and specification upgrades, we try to keep the players fresh and increase their stickiness to the game. Other types of games will be launched regularly to strengthen the product, providing the players with optimized gaming experiences. Furthermore, brand new games will be developed for the European and American players, which will enhance the company's operating scale, competitiveness, and profitability comprehensively.

ii. LAN leisure gaming:

In addition to the continuous updating of game contents and the strengthening of the security mechanism, a new system mechanism will be built to develop online to offline operation mode, providing diversified products to assist customers in expanding their operating scale. Also, to increase the Company's growth, the progress of the international model will be speeded up by expanding and deepening the cooperation with the international big suppliers via authorization or other models.

(2) Industry overview

i. Current situation and development of industry

The Company's main business is the publication of mobile games and the licensing of leisure gaming systems, providing players with quality game experience, which belongs to the digital game industry. With the continuous progress of science and technology and the constant innovation of digital entertainment, digital games have become an important part of modern people's entertainment life. The following is a brief introduction to the platforms of the digital game industry, and an analysis of the current situation and future trends of the global game market.

A. Game market classification

According to the output interface, the game industry is divided into four categories: computer screen, entertainment screen, personal screen and floating screen, which are described as follows:

(A) Computer Screen

Computer games refer to games operated on computers. Because computers have multiple input interfaces (e.g. keyboards and mice), computer games can be operated in a more complex way. Therefore, games requiring more complex operations must be based on a computer screen as the main platform. Computer games can be divided into two categories: single-player games/massively multiplayer casual webpage (MMOG) and casual web games. Single-player games are a mode in which players can only play alone on personal computers, interacting only with computers. Its feature is that it does not support the function of multi-user connection on the Internet. In addition, the most popular massively multiplayer online games in recent years are that game operators set up the game's network servers, while players connect the servers through the client software to play games. Massively multiplayer online games can allow thousands of users to play games at the same time and interact with other players in the game.

Casual web games are another type of computer games. Characterized by “play-as-you-go,” they can be played just by linking to the game operator's web pages, without downloading client software, so that players can play games on different computers at once. Because of its low requirement for computer equipments, high convenience for closing and switching, casual web games usually have the characteristics of simple gameplay and short duration, without charge, and their operations are maintained through different means of purchase such as malls or VIP services.

(B) Entertainment Screen

Entertainment screen includes consoles and virtual reality, and consoles mainly use the television as the output interface (such as Play Station series launched by Sony and Xbox series launch by Microsoft). The main markets are Japan, European countries and USA and the greatest feature is the closed specification. For developers, it is easier and more convenient when producing games. Unlike considerations for computer games in compatibility and in whether it can be operated on computers with different languages/ specification, it increases the difficulty in games production. However, the closed platform of the console also causes market limitation and shrinkage and games are usually not able to be used cross-brand or in different models. In addition, the selling price for consoles is more expensive and developers should select the platform to launch the game or invest more costs for launching it on multiple platforms.

Virtual reality uses computers to create virtual world and provides users different sensory experiences in vision, hearing, and touch through sensing devices. It allows users feel personally on the scene for timely and unrestricted interaction, such as head-mounted virtual reality devices.

(C) Personal Screen

Personal screen is the games launched based on the platform of personal mobile terminal device, including smart phone and smart watch. Games launched based on the platform of smart phone are also called mobile games. With the advantages of mobile communication technology and smart phone development, mobile internet has become a necessary part of people's life all over the world along with the commercial operation of 5G LTE network. The popularity of smart phone has been increased every year and it should have a promising development in the future.

(D) Floating Screen

Floating screen generally refers to games played through handheld games and tablet games. Handheld game is an independent gaming device, and gamers can bring the handheld device anywhere and play games anywhere and anytime; for example, “Switch” launched by Nintendo and “PS Vita” launched by Sony. Moreover, tablet PC is with similar feature of portability as handheld device has and the games played through tablet are classified as mobile device output games. However, most of tablet PCs are either Android system or IOS system. They have commonality with operating platform of smart phone and the difference between the two is decreasing. Therefore, part of tablet PC games and mobile games can be additionally classified as mobile game.

B. Introduction of global game market and industry

According to data from international gaming industry research firm Newzoo, following two years of pandemic-driven growth in 2020 and 2021, the global gaming market entered a period of adjustment in 2022. In 2024, the industry's total expected revenue is projected to reach USD 187.7 billion, representing a 2.1% increase compared to the previous year. As the market returns to a stable growth trajectory, the global gaming industry is forecasted to grow at a compound annual growth rate (CAGR) of 3.1% from 2022 to 2027, reaching USD 213.3 billion by 2027, as illustrated in Figure 1. Furthermore, the number of global gamers is estimated to exceed 3.4 billion in 2024, and the market is expected to continue expanding as more players join the global gaming ecosystem. By 2027, the number of gamers worldwide is projected to increase to 3.76 billion, as shown in Figure 2..

Figure 1 : The global game market in 2022-2027

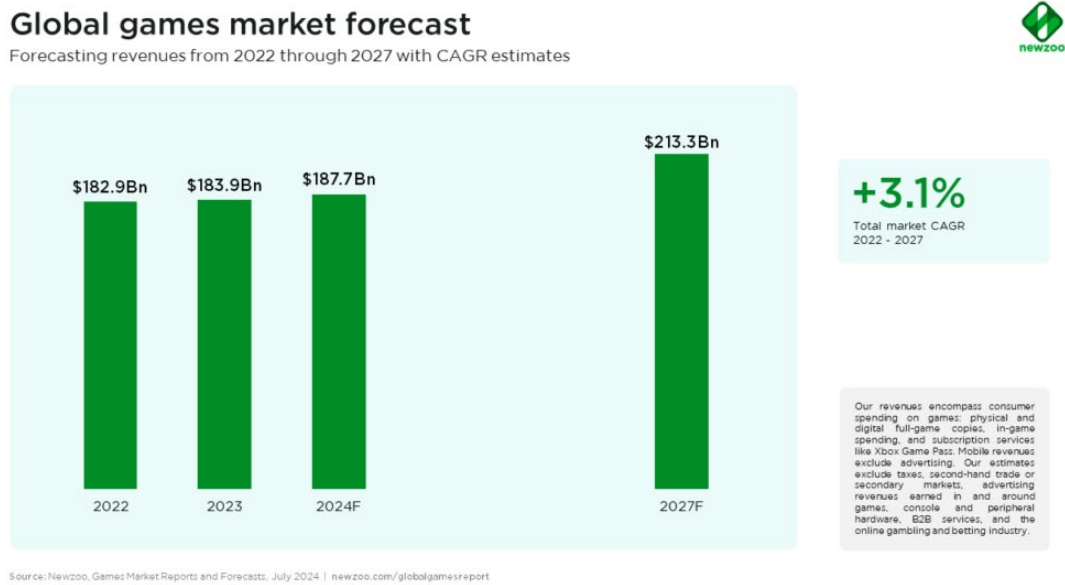
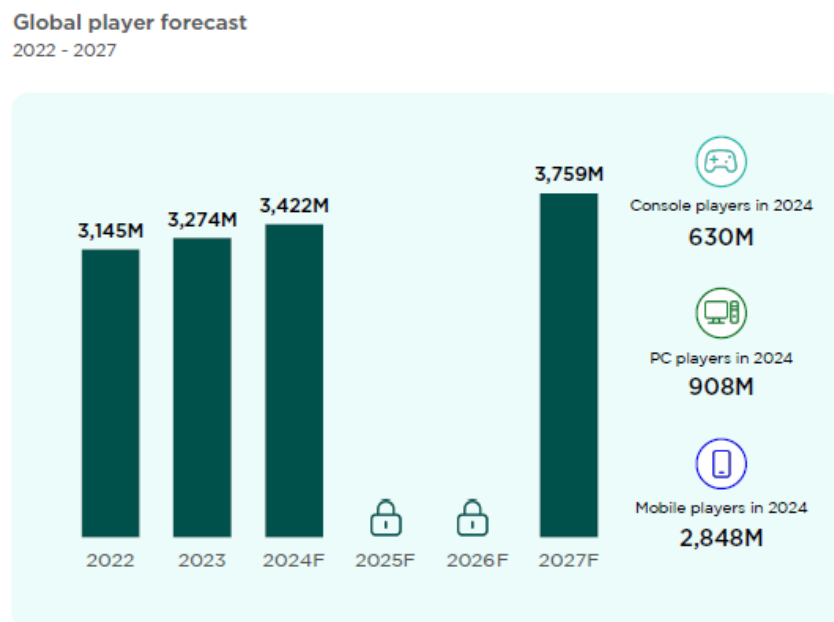


Figure 2 : The amount of the global players in 2022-2027



Source: Newzoo

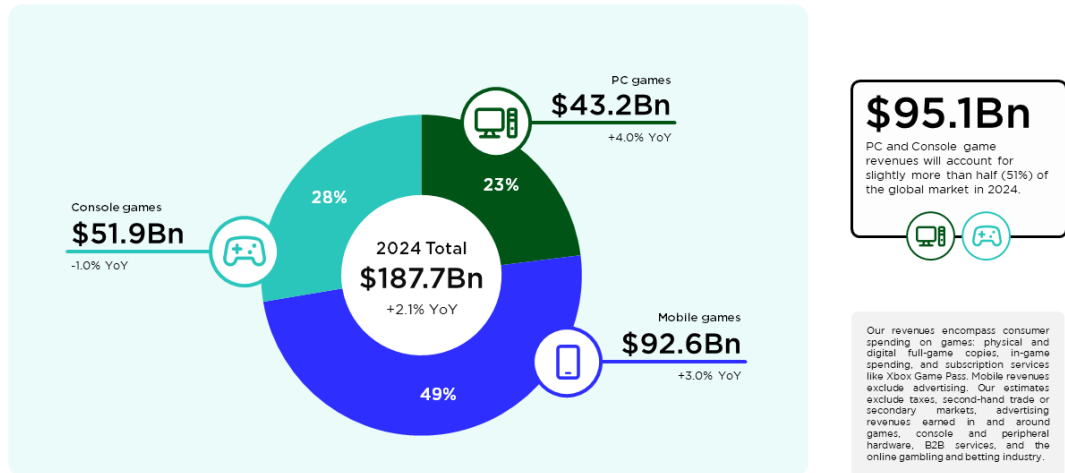
(A) Mobile game output value tops the global gaming market

According to Newzoo’s 2024 research (as illustrated in Figure 3), the post-pandemic effects are expected to reshape the overall gaming market. The global gaming industry’s total market value is projected to grow to USD 187.7 billion in 2024, representing a 2.1% increase compared to 2023. Among this, mobile games are expected to generate USD 92.6 billion in revenue, accounting for approximately half of the total global gaming market.

Figure 3: Global Gaming Market Size 2024

Global games market revenues in 2024

Per segment with year-on-year growth rates



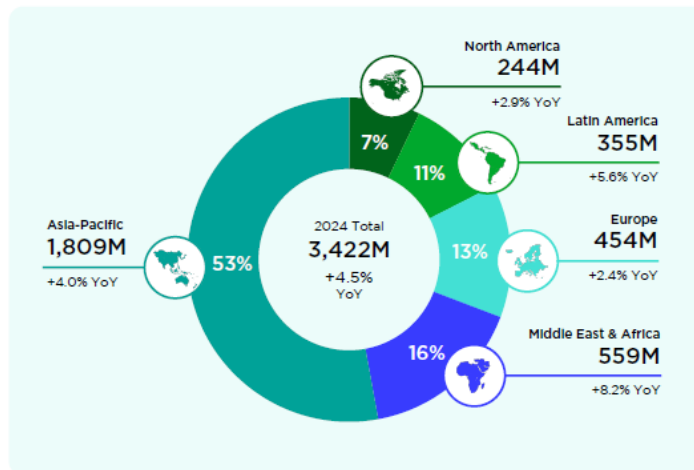
Source: Newzoo, Games Market Reports and Forecasts, July 2024 | newzoo.com/globalgamesreport

Source: Newzoo

- (B) The Asia-Pacific region is the world's most important game market. According to research by Newzoo (as shown in Figure 4), the number of global gamers is expected to reach nearly 3.4 billion by the end of 2024, representing an approximate 4.5% year-over-year growth. The Asia-Pacific region accounts for over 1.8 billion gamers, making up more than half (53%) of the global player base. This growth is primarily driven by the region's large population base—particularly in China, India, and Southeast Asia—along with steadily improving internet infrastructure and the widespread adoption of smart devices.

Figure 4: Global player count distribution in 2024

2024 Global players
Per region

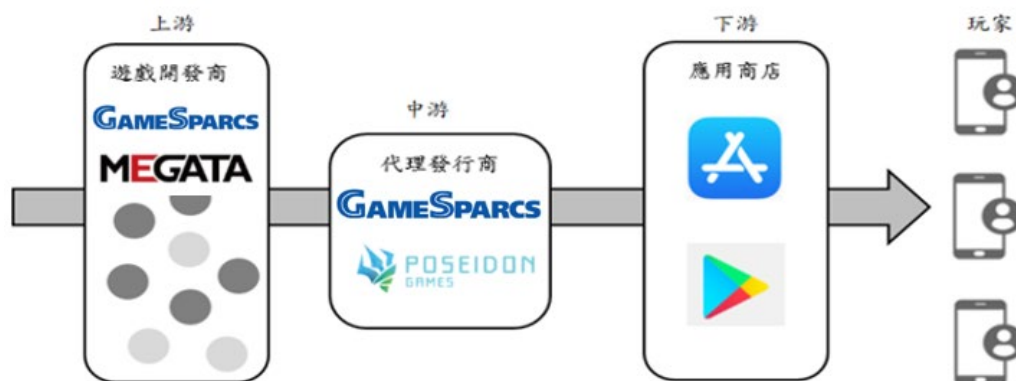


Source: Newzoo

- ii. The relation among upper stream, middle stream and lower stream in the industry
A. Mobile game:

The company's main business includes self-publishing and agency publishing of mobile games, which are deployed in the upper and middle reaches of the game industry respectively. In addition to its own professional R&D team, the company also uses its subsidiaries to evaluate and select games, and strive for exclusive agency rights for high-quality games from other upstream game developers. Then

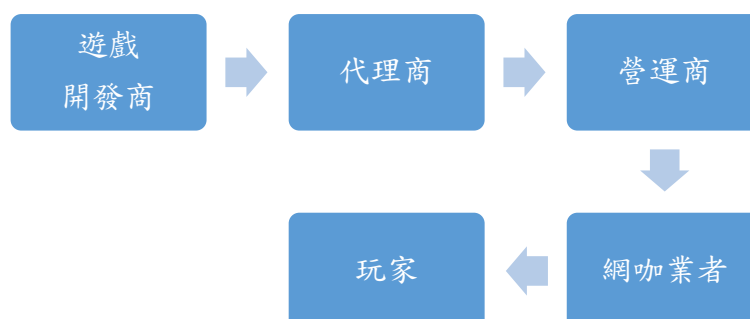
put all kinds of products on the game application store (such as: AppStore or GooglePlay) for players to download, players can store value through various cash flow providers or various game channel platforms, and the company will convert the player's stored value amount according to the exchange rate to etc. The valuable game currency for players to put into the game and purchase the required props or virtual treasures.



B. LAN leisure gaming:

The leisure gaming industry is involved in a wider range of scope. The following is a presentation of the LAN gaming industry launched by the Company. Generally speaking, the following are the main roles in the LAN gaming industry:

- (A) The game developers are in charge of the creative ideas and programming, providing the game contents, system platform, and the relevant maintenance and operation technologies and services; they charge for the authorization licenses or technology services.
- (B) The agents are in charge of the product promotion and the provision of the relevant hardware, installation, and maintenance. Due to the larger scale of the oversea market, agents generally plan to select operators for different markets/regions and provide education and training to accelerate product promotion and improve service quality.
- (C) Operators are like regional distributors who assist the agents to promote the products, provide local services, and charge the authorization licenses to the Internet cafes.
- (D) Internet cafes are the owners of physical stores.
- (E) Players are the end-users who pay for the games.



iii. Various development trends for products (services)

A. Mobile game becomes leisure and recreational activities for the public

With the rise of smartphones and tablets, gaming has officially entered mainstream culture, engaging people of all generations. As each new generation emerges, gaming expands its influence. The advent of mobile games has brought

gaming to an increasingly larger audience. Nowadays, it's rare to find someone between the ages of 10 and 30 who doesn't play games, especially in the Asian and Western markets. For younger demographics, games are replacing traditional social media as the primary medium for interacting with friends. Compared to other forms of entertainment, games can fulfill a wide range of needs simultaneously. Games are not just a means of relaxation, escapism, or time-passing; for many, they provide spaces for socializing, competition, and creativity. In recent years, gaming is no longer exclusively for the young. While young people are more inclined to spend their leisure time on games compared to other forms of entertainment, there's also a growing number of older consumers rediscovering their interest in gaming.

According to the PWC 2023-2027 Taiwan Entertainment and Media Industry Outlook Chinese Handbook, the outbreak of the COVID-19 pandemic has led people to spend more time at home, driving a strong demand for video games. Following global trends, the video game and esports market in Taiwan have also grown due to the pandemic. However, as the pandemic bonus gradually diminishes, the overall revenue for the video game and esports market in Taiwan only saw a slight year-on-year increase of 1.6% to reach \$3.5 billion USD in 2022. Nevertheless, over the next five years, the revenue for the video game and esports market in Taiwan is expected to continue growing at a compound annual growth rate of 4.8%, reaching \$4.5 billion USD by 2027. This growth will be primarily driven by factors such as high smartphone penetration rates, affordable high-speed data transfer solutions, and continuous improvement in 5G coverage. In Taiwan, community and casual games are the strongest performers in the video game and esports market, contributing two-thirds of the overall revenue in 2022. It is anticipated that over the next five years, revenue from community and casual games in Taiwan will grow at a compound annual growth rate of 5.7%, reaching \$3.3 billion USD by 2027.

- B. Under the global market trend, developers and publishers must be equipped with global vision and strategy

Globalization eliminates cultural difference among regions. The same topic might be successful in Europe & America and in Asia at the same time. Moreover, the popularity of smart phone changes the market ecology. It is especially that Apple and Google create an open global gaming platform almost everywhere. Game developer are able to provide various games to users all over the world while gamers and game developers can download and participate in games developed in any place in the world as well as enter a whole-new gaming category, mechanism, and topic. As game developers position their goal to the global market, the best game developed in any place will be popular all over the world. Therefore, developers and publishers should all be equipped with global vision and strategy.

- C. The change of operation mode of game industry transforms game industry into a service.

Game manufacturers should develop a multiple-profiting model to transform game industry into a service but not a simple product in order to enhance gamers' willingness-to-purchase. Along with the enhancement of gamers' satisfaction, their loyalty will be advanced and then continue consumption and become long-term business partners. This might be the direction of future development for gaming manufacturers.

- iv. Competition of products (services)

In recent years, companies that act as mobile game agents have been gradually losing their competitiveness. Due to the growth of the Internet and the popularization of oversea e-payment, most of the foreign developers can directly or indirectly enter into the distribution markets. In such a saturated market environment, not only it is more difficult to obtain high-quality products, the published games are more susceptible to the constant competition of products, causing the life expectancy of the games shortened or decrease of payment rate. The product's hit rate is critical to the profitability of the agents and distributors, which will easily influence the company's operating physique directly. Such a phenomenon is not favorable to the company's long-term development. Thus, the Company expects to integrate the upper and lower streams of the industry and to prepare oneself with R&D capabilities to provide internationalized and sophisticated products so

that the operating scale can be expanded and risks can be diversified.

(3) General situation for technology and research & development

i. Status of technology level and research development for businesses operated

The company has transformed from the original mobile game agency distribution as the main axis to its own research and development. In order to cooperate with the adjustment of business strategies and to accelerate the product development process, it has established research and development teams at home and abroad, and commissioned development according to the needs of each business. Effectively control R&D costs. The company continues to invest R&D resources to optimize various game platform mechanisms and enrich game content, expand the R&D department to develop online and offline products, and hope to improve players' stickiness with high-quality game content, thereby effectively reducing operational risks and improving physical fitness.

ii. Research and development expenses incurred in the most recent year and up to the date of publication of the annual report

Unit: NT\$ thousands; %

Items	Year	2023	2024	2025 Q1
	E&D expenses		179,598	217,303
Operating revenue		774,449	802,063	220,810
R&D expenses to operating revenue		23%	27%	43%

iii. Technologies or products that are successfully developed

A. Since the establishment of the Company, it has been enhancing its technologies and self-support abilities. All systems are self-developed through the establishment of a comprehensive backstage management system, from the most front-end game connection, member settings, deposit payment records, exchange of virtual treasures, and other data processing to the back-end supplier's account management. In terms of the operations, the system can calculate the numbers of real-time online players, payment ratio, retention rate, marketing expenses, and other maintenance-related management data, and use big data to make accurate analyses of game conditions and consumption habits.

B. The R&D team has launched hundred games, and the team has been updating the system functions and the operating mechanisms to strengthen the community and optimize players' experiences. In addition, the team continues to update system functions, data analysis and operating mechanisms to strengthen the community and optimize player experience. Through the various mechanisms of the platform, and big data analysis, real-time control of relevant information (such as: number of people online, location of member online time, member online time, average stored value amount), so as to improve player stickiness, payment rate and advertising accuracy .

(4) Long-term and short-term business development plans

i. Short-term business development plans:

- A. To keep investing in R&D resources, and setup the R&D team. Arrange development tasks according to customer needs and effectively control R&D costs.
- B. To continuously developing and enhancing the gaming operating information system and strengthen advertisement integration and optimize the assistive system.
- C. To create brand new mobile games for the American and European markets to expand the operating scale and diversity of the operating risks.
- D. To develop new customers or enter into new markets by joining expositions in order to increase the market share.

ii. Long-term business development plans:

- A. To strengthen the online community connection and the agency-relationship, as well as to enhance the brand value and corporate image.
- B. To expand the self-developed gaming platforms to the South-Eastern Asian,

- American, and European regions.
- C. To integrate the upper, middle, and lower streams of the industry in order to reduce operating costs and increase market share.

2. Market and production & marketing situation

(1) Market analysis

- i. Main company product (service) sales (providing) areas

Unit: NT\$ thousands;%

Area \ Year	2024		2023	
	Sales revenue	Ratio	Sales revenue	Ratio
Asia	714,155	89.04	667,564	86.20
America	87,908	10.96	106,885	13.80
Total	802,063	100.00	774,449	100.00

- ii. Market share

The Company primarily engages in the development and operation of online and LAN-based games. In fiscal years 2023 and 2024, the Company recorded consolidated revenues of NT\$774,449 thousand and NT\$802,063 thousand, respectively. With the gaming market becoming increasingly mature and diversified, the Company has also expanded its business scope accordingly. In addition to publishing mobile games under license, the Company has been actively involved in the development of casual games, mobile games, and LAN-based games, thereby securing a significant position in the game development sector.

- iii. Supply-demand situation in the future market and its growth

A. Mobile gaming market

- (A) The Global Gaming Market Is Projected to Surpass USD 213.3 Billion in Revenue by 2027, with Mobile Gaming as the Primary Growth Driver.

Following the global economic recovery in the post-pandemic era, consumer spending on entertainment is expected to continue rising. The gaming industry stands to benefit from several positive factors, including the next-generation transition of home gaming consoles and the increasing penetration rate of smart mobile devices. As a result, the global gaming market is projected to maintain a stable growth trajectory.

- (B) Mobile Devices Have Surpassed Other Platforms in Importance to the Gaming Industry

Mobile gaming has emerged as the principal driver of growth in the gaming industry. In 2024, global mobile game revenues reached USD 92.6 billion, accounting for 49% of the total global gaming market (see Figure 3).

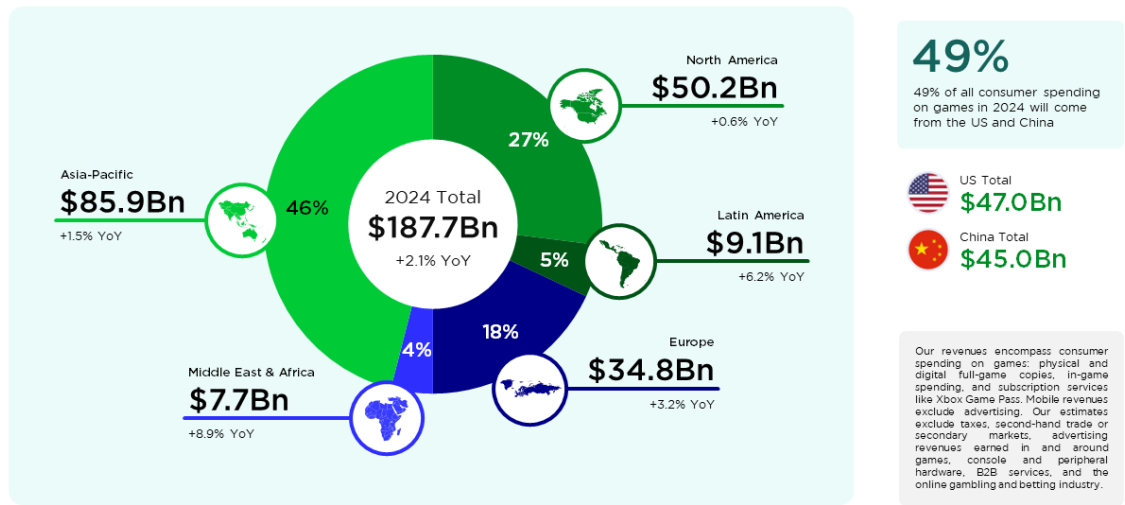
- (C) Mobile Gaming in the Asia-Pacific Region

According to research by Newzoo (see Figure 5), the global gaming market is forecast to grow to USD 187.7 billion in 2024. The United States is expected to lead with gaming revenues of USD 47 billion, followed closely by China at USD 43.6 billion. Together, these two markets represent 49% of global gaming revenue. Regionally, Asia-Pacific continues to dominate the gaming market due to its large population base and generally higher-than-average economic growth rates. Additional contributing factors include well-developed internet infrastructure, high penetration of smart devices, and an increasing number of digital payment options, all of which position Asia-Pacific as the world's largest gaming market, followed by North America and Europe.

Figure 5: Global game market distribution in 2024

Global games market revenues in 2024

Per region with year-on-year growth rates



Source: Newzoo, Games Market Reports and Forecasts, July 2024 | newzoo.com/globalgamesreport

Source: Newzoo

iv. Competitive niche

A. Strict and complete game evaluation team and game selection mechanism

The company continues to invest in R&D resources, with self-developed and self-produced casual games as the main axis of operation and instead of the previous business model of distributing through agents. This year it shifted its focus to the development of online casual mobile games, avoiding the risk of heavy royalties and asset impairment arising from agents. In addition, we will continue to increase our research and development capacity through upstream and downstream industry integration to develop multinational products, and at the same time, we will track the changes in current regulations and focus on the general situation of international competition to carefully evaluate and formulate our business strategies.

B. Having professional data analysis team to set up precise advertising and marketing strategies

The diversity of gaming types is able to increase selection for gamers but reduce the loyalty to the game and the life cycle of the game starts to reduce gradually. The important key point is how to obtain gamers' attention and extend gaming cycle. Our company uses the real-time analysis system developed by our company (such as advertising integration and monitoring system, advertising performance analysis dashboard and back-end management system) to provide professional data analysis team the real-time data (such as gaming style, type, audience, age, advertising copy, time, paying user rate, rate of return, regional turnover performance, and gamers for online game; the various dynamic combination). Besides, through the audiences from cross-system (FB, Google, DSP) and cross-platform (Web, Android, IOS) integration by big data analysis, our company can control the operational status for each game at any time as well as conduct data analysis to evaluate gamers' gaming preference, adopt precise marketing management strategy, and understand the effectiveness after putting in advertising in order to adjust subsequent advertising strategy. If it is with good effectiveness, it will be supported further by TV advertising or ground advertising to enhance the exposure of game and attract more gamers.

C. Safe and steady technology support

In order to provide gamers good gaming experience, our company provides gamers 24-hour excellent connection speed and network quality through the cloud services of Alibaba Cloud, Shanghai UCloud, and GCP as well as good network quality and complete hardware infrastructure other than renting IDC server rack from So-net and

Seednet. Besides, in order to avoid hacking, our company establishes fire wall on each server as well as self-built DNS (Domain Name System) and CDN (Content Distribution Network). If it is hacked, the connection impact on gamers will be reduced to the minimum by instantly changing DNS. If there is any problem in server operation, the connection can be switched to other back-up servers through CDN connection.

D. Complete customer service system

The Company emphasizes on customer service. Other than the complete customer service system established to make sure customer service personnel provide timely assistance to solve gamers' problem and enhance gamers' satisfaction, all the problems will be reported to the company for the company to control the overall practical operational status related to game management and use them as the basis for improvement in order to provide gamers more complete gaming content and service.

E. International and local operation strategies

Due to the market scale in our country is smaller and more competitive and for the purpose of extending product value and market profits, our company established several operational teams to specialize different types of games. We set up evaluation teams to widely and rapidly find out products and copy the successful experience to many regions and expand our operational scale through stacking of multiple products and multi-regional publishing and further create economies of scale. In the future, we will work hard to expand the overseas market. Our company publishes games to the regional markets all over the world promptly through AppStore and GooglePlay. Because of the difference in local culture and customs, languages, types of gamers, and legal regulations, our company also considers local operational strategies (such as language translation and work with local payment flow system) to lower the communication cost during the products connection process and speed up the launch of games to meet the preference of gamers in different markets as well as conduct different local operation according to different countries.

v. Advantage and disadvantage factors for future development and the coping strategies

A. Advantage factor

(A) Mobile gaming has the biggest gaming market scale and highest growth rate

In recent years, the global COVID-19 pandemic has had a lasting impact on various industries. Nevertheless, consumer spending on games has demonstrated a certain degree of resilience. According to research published by international gaming industry research firm Newzoo, the global gaming market is projected to generate USD 184.4 billion in revenue in 2024, reflecting a 2.1% increase compared to the previous year. This growth is underpinned by a robust player base of approximately 3.4 billion gamers worldwide, 53% of whom are located in the Asia-Pacific region. The global gaming community is expected to continue expanding as more players enter the market in the coming years.

(B) The expansion of gamer group contributes to the enhancement of the whole market scale

Along with the advancement of recreational value and the convenience of mobile game, casual games attract gamers from higher age groups. The age group of gamers is not limited to student group, office workers and retired people also participate in games and it is helpful for expanding the whole market scale. Move over, the multiple emerging customer groups also provide a wider development space to game manufacturers.

(C) Mature network environment and increasing popularity of smart device

With the continuous development of network technology and the increase of income, the network popularity and user population in our country are increasing every year and people are able to enjoy high-speed mobile network. The popularity of smart device in our country has entered saturation period and the development of mobile game is highly anticipated under the condition of complete infrastructure and increasing hardware popularity.

B. Disadvantage factor and its response measures

(A) Competitive horizontal competition

Due to the development of internet technology in recent years, the threshold for cross-country distribution of mobile games is gradually decreasing, both in terms of money flow and payment and advertising and marketing are no longer restricted by regions, and they can enter overseas markets even without landing. This means that the mobile game industry is facing the challenge of globalization.

Response measures

- a. Compared with the past, which relied on a single business of mobile game agency, the Company has not only invested in Dimensional in recent years, but also crossed over to the leisure gaming business in North America. In recent years, the Company has not only invested in Dimension, but also actively researched and developed longer-term and stable casual gaming mobile games on its own, in order to achieve the goal of stable profitability and reduce operating costs and risks.
- b. To actively expand into overseas markets, the Company will combine its experience in operating game platforms in Taiwan, Hong Kong and Southeast Asia with other domestic counterparts with art experience to create international products that meet the style of overseas players in order to enhance the international competitiveness of our products.

(B) Insufficient professional talents and difficulty in recruitment

The development of hardware industry in our country is better than that of information software industry. The complete structure in semi-conductor, IC design, and panel industries make it the priority choice for general job hunters. The recruitment for information software industry becomes relatively difficult and we do not have relevant departments for gaming talent cultivation at universities and colleges in our country. The talents for digital games mainly rely on mentorship to pass on and it is not easy to cultivate excellent talents.

Response measures

- a. Provide employees good working environment, sound welfare system, and complete educational training course as well as arrange duty according to employee's professionalism and development in order to advance employee's professional quality and technical level.
- b. Continue publishing products that are popular among gamers in an exclusive basis and further enhance company's reputation in order to attract excellent talents in the industry to join our team. Recruit proper employees through recommendation or employment agency like 104 or 1111 to build up multiple talent recruitment channel and strengthen the management team in the company.

(C) Product similarity exists in mobile games

Although the quantity and type of mobile game in the market are numerous, products with innovation are limited. Once an mobile game successfully drew gamer's attention, game developers and exclusive agents will follow it without thinking for developing or introducing mobile games with similar style or topic in order to go with the craze. It causes common situation of product similarity in mobile games. Other than that, the content and topic of game are too similar and it also causes reduction of gamers' loyalty and adherence to the game and finally leads to the declining of product life cycle.

Response measures

- a. The company has formed a strong research and development team to continuously inject new and refreshing gameplay into our self-developed game platform and strive to make market differentiation.
- b. The Company has customer service personnel and back-end management system in place. Customer service personnel will be able to answer and solve gamer's problem at the first moment. The sound and complete service quality generates differentiation segmentation with other game operators and manufacturers.

(2) Important applications and production processes of the major products

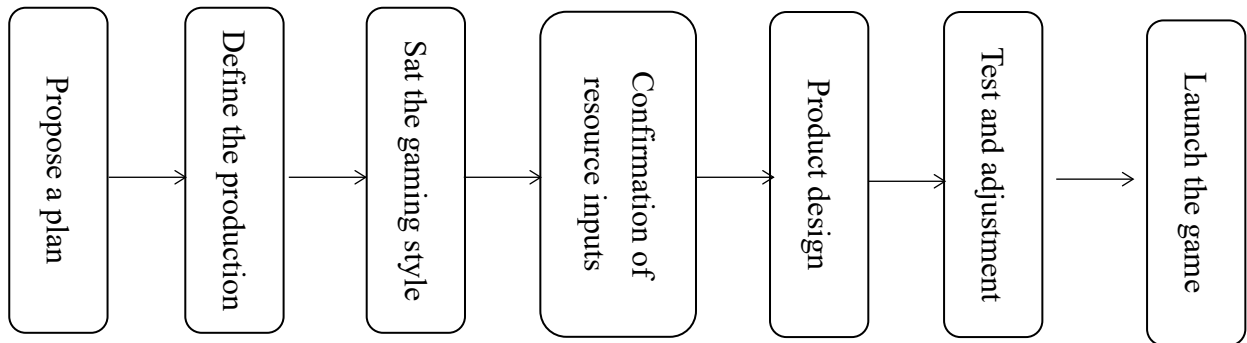
i. Important applications of major products

The Company and its subsidiaries are principally engaged in the exclusive publication of mobile games, the publication of our own products and the licensing of local area network gaming systems, the current status of their development, major products and representative works are described below.

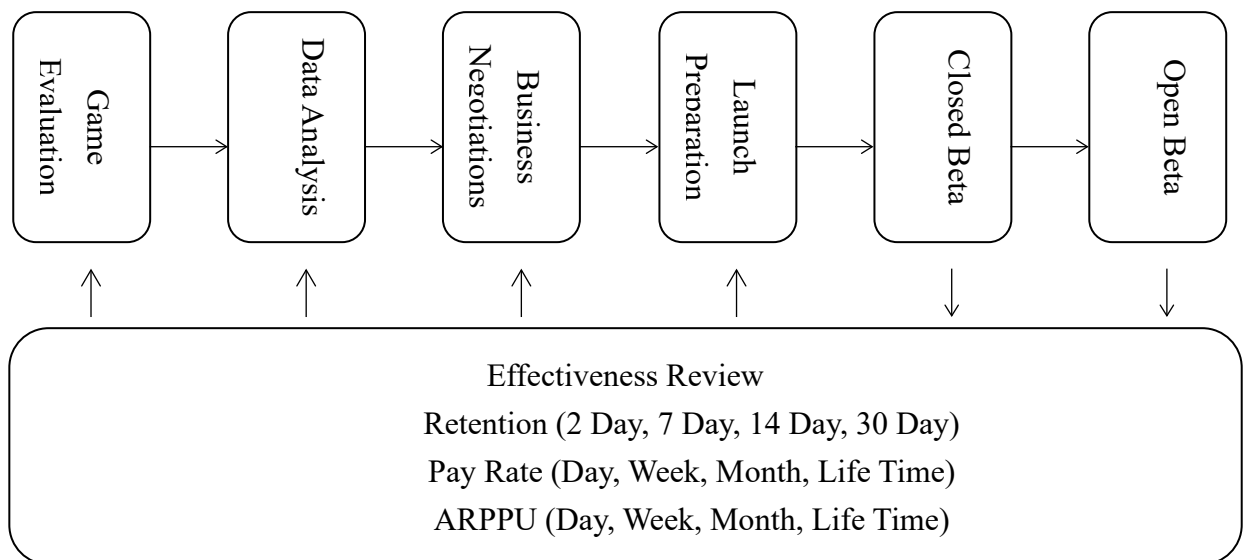
Operation model	Important applications or functions	Major products	Masterpieces
Original product publication	Self developed gaming products	Mobile games	Bravo Casino, Ace Club, Jackpot Island
Exclusive agency	Selecting games through a professional game review team and securing exclusive publication rights from upstream game developers	Mobile games	Infinite Borders
Licensing	Provide players with multiple options	Local area network	-

ii. Production process

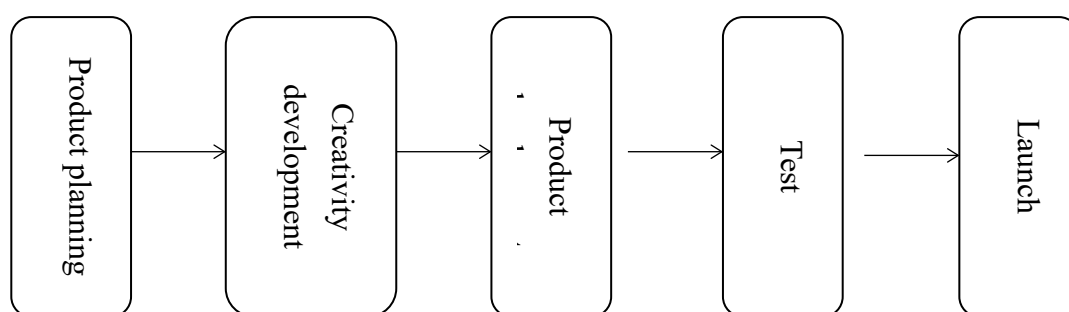
A. Mobile games agency business:



B. Production and distribution of mobile game business:



C. Casual gaming business:



(3) Supply situation for main raw material

The Company is mainly engaged in the exclusive publication of mobile games and publication of homemade games. The operation model thereof does not require to procure raw materials. The main suppliers cooperating with the Company include cash-flow provider and game developers, the company maintains a close cooperative relationship therewith, therefore, the source of games of which under our agency are stable and scattered. Moreover, the Company provides diversified consumer store-valued channels for game players, so there would not be under risk of excessive concentration and shortage or interruption.

(4) List of major trading customers

- i. List of customers whose purchase proportion to total amount of purchase has achieved 10% or more thereof in any one of the past two years

Unit: NT\$ thousands

Item	2023				2024				2025 Q1			
	Name	Amount	%	Relation with Issuer	Name	Amount	%	Relation with Issuer	Name	Amount	%	Relation with Issuer
1	Company A	48,414	29	—	Company A	46,612	29	—	Company A	16,508	34	—
2	Company G	39,166	24	—	Company G	27,845	17	—	Company GA	9,434	20	—
3	Company D	22,348	13	—	Company M	24,648	15	—	Company G	5,863	12	—
4	Company N	16,148	10	—	Company N	18,330	12	—	Company N	5,225	11	—
5	Others	39,747	24	—	Others	41,702	27	—	Others	11,100	23	—
	Net Purchases	165,823	100	—	Net Purchases	159,136	100	—	Net Purchases	48,130	100	—

The Company is mainly engaged in exclusive publication for mobile games and publication of homemade games. The operating income of the Company is mainly attributable to those points from consumer's stored value in the game, hence, without producing physical goods and purchase of raw materials for the Company. The main components of its operating costs include royalties (including cost of contributing royalties and cost of publication to original brand), cash flow costs, and costs for channels.

- ii. List of customers whose sales proportion to total amount of sales has achieved 10% or more thereof in any one of the past two years

Unit: NT\$ thousands

Item	2023				2024				2025 Q1			
	Name	Amount	%	Relation with Issuer	Name	Amount	%	Relation with Issuer	Name	Amount	%	Relation with Issuer
1	Company G	162,694	21	—	Company A	154,951	19	—	Company O	46,911	21	—
2	Company A	159,467	20	—	Company O	138,820	17	—	Company A	46,219	21	—
3	Company GR	105,534	14	—	Company G	131,634	16	—	Company G	40,218	18	—
4	Company P	92,352	12	—	Company GR	100,474	13	—	Company GR	23,987	11	—
5	Others	254,402	33	—	Others	276,184	35	—	Others	63,475	29	—
	Net Sales	774,449	100	—	Net Sales	802,063	100	—	Net Sales	220,810	100	—

The net operating revenues for the years 2023 and 2024, and the first quarter of 2025, were NT\$774,449 thousand, NT\$802,063 thousand, and NT\$220,810 thousand, respectively. Changes in sales revenue primarily reflect the popularity of game releases, the size of the player community, the lifecycle of each title, the publishing platforms utilized, and the variety of payment channels available for in-game purchases.

3. Information of employees in last two years:

Number of workers, average length of service, average ages and educational attainment

Unit: person; %

Year		2023	2024	As of March 31, 2025
Number of employees	Direct Employees	149	261	253
	Indirect Employees	67	55	50
	Total	216	316	303
Average Age		33.7	34	34
Average Length of Service,		3.3	3.4	2.8
Education	Master or above	14.0%	10.8%	10.2%
	Bachelor	82.0%	85.4%	85.5%
	Senior High School or below	4.0%	3.8%	4.3%

4. Information concerning environmental expenditure

Stating, during the most recent year and as of the date of publication of this annual report, total amount of losses (including compensation) and disposition caused by environmental pollution, and the countermeasures (including improvement measures) and possible expenses (including estimated amount with respect to loss, punishment and compensation due to failure to take countermeasures, if it was unable to be reasonably estimated, then should state the fact that it was unable to be reasonably estimated): The company is mainly engaged in business of webpage and mobile game without any factory to run, so there is no related environmental pollution shall care for.

5. Labor relations

(1) To list the Company's employee welfare plans, systems of education, training and retirement and implementation thereof, as well as any agreement between labor and management and the measures maintaining various employee rights:

i. Employee welfare benefits

In addition to compliance with the Labor Standard Law and relevant laws and regulations, the Company also provides subsidizations for marriage, funeral, hospitalization, childbirth, employee training, employees' meal party and association activities, as well as regular benefits activities such as employee travel, fellow campaign and lottery.

ii. Education and training

The Company irregularly holds sessions in respect with internal management and professional training. It also sends personnel to participate in training organized by external organizations, if applicable, in order to provide employees with complete education and training channels.

iii. Retirement system

The Company stipulates its regulation governing employee retirement subject to the Labor Standards Law and makes a contribution per total amount of monthly salary as retirement reserve into the Taiwanese bank's pension account every month. The Labor Pensions Act came into enforcement since July 1, 2005 and the said Act adopts defined contribution plan, to this end, employees of the Company will be entitled to choose applying to the pension provisions stipulated in the Labor Standards Act, or applying to the pension system of the said Act and retain working years employed before implementation of the said Act. For those employees who apply to the said Act, the Company bearing the monthly pension contribution rate will be at not less than 6% of the employee's monthly salary.

iv. Labor-management agreements and various maintenance measures for employees' right

The Company has a harmonious labor-management relationship, and it has established a direct communication channel between labor and management to give employees the

right obtaining information and expressing their opinions for maintaining a good relationship between labor and management.

- (2) **To list the losses suffered by labor disputes occurred during the most recent year and as of the date of publication of this annual report, and to disclose the estimated amount and counter measures that has occurred and potentially occur, if it was unable to be estimated reasonably, the facts that it was unable to be estimated reasonably should be stated: None.**

6. Information communication security management

(1) **Information security risk management framework and information security policy, specific management plan and resources invested in information security management**

i. Information security risk management framework

The company's information security authority and responsibility unit is the Information Technology Department, which assigns dedicated personnel to serve as information security supervisors and information security personnel, who are responsible for promoting, coordinating, and supervising overall management matters, implementing information security policies, announcing information security information, and promoting personnel Information security knowledge, collecting and improving organizational information security management systems and efficient technologies, products or procedures, etc. System - information security management guidelines, conduct information security verification, and evaluate the effectiveness of the internal control of the company's information business.

ii. Information security policy

In order to strengthen and implement information security management, the company has established an internal control system - information security management and control guidelines, and expects to achieve the following goals:

- Ensuring the availability, integrity and confidentiality of information
- Protect customer data and the company's information assets from internal and external threats of deliberate or accidental disasters
- Ensure the continuous operation of the information system
- Implement audit operations to ensure the continuous effectiveness of information security regulations

iii. Specific management plan

The company's information security management operation mode adopts PDCA (Plan-Do-Check-Action) cycle management to ensure the achievement of goals and continuous improvement. The specific goals and measures are as follows:

A. The security management of the computer

- The company's application server and backbone network equipment are placed in a dedicated computer room. The access control of the computer room uses inductive swiping cards to enter and exit, and keep records of entry and exit and 24-hour video for inspection.
- The computer room is equipped with independent air conditioners, automatic detection smoke prevention and temperature alarm equipment, and special jet fire extinguishing equipment for the computer room; it is also equipped with uninterruptible power supply system and voltage stabilizer equipment to prevent system damage caused by accidental power failure. In order to protect the physical security of the company's information system software and hardware assets.
- The server and terminal computer equipment are installed with anti-virus software under unified management, and the virus pattern automatic update mechanism ensures that all information computer equipment has the same anti-virus level.
- The server and terminal computer equipment are installed with the unified management of AI artificial intelligence endpoint behavior monitoring software, which can detect and prevent potentially threatening system execution files and malicious software running behaviors.
- Log management and monitoring, unified collection and management of important server logs. And write alert rules for important system events to

- enhance early detection of suspicious behavior.
- B. The security management of the internet
- Divide the entity into different network segments according to different organizational units to prevent the rapid spread of a single unit after being invaded by malicious software and viruses, and control the risk of possible harm to a single network segment.
 - At the gateway of the Internet connection, configure an enterprise-level firewall to block external attacks and connection control, filter illegal connections such as malicious websites and phishing websites, and strengthen network security control and protection.
 - The Taichung Office and the Taipei Office establish a VPN connection operation, and use the communication encryption method to avoid illegal capture during the data transmission process.
 - Colleagues who log in to the company's intranet remotely to access the system must apply for an SSLVPN account. They can log in and use through the secure method of SSLVPN, and they all have usage records for auditing.
 - Equipped with email anti-virus and spam filtering mechanisms to prevent viruses or spam from entering user terminal computer equipment.
- C. Access control
- When a colleague is on the job, the Human Resources Department will apply for the company's general system account on its behalf. When resigning (leave), you must go to the Information Technology Office in person to delete each system account and sign for confirmation.
 - Colleagues need to access and use the business-related background management system. They need to apply and get the approval of the supervisor, and then set up by the colleagues in the information unit.
 - According to the government configuration benchmark principle, set the operating system password complexity and length requirements, screen protection lock, login error lock and other principles.
 - The file server is configured according to the permissions of the file folders of the personnel and groups set by each unit. Group policy management tool to centrally manage various audit settings of file servers.
- D. Cloud security
- Adopt cloud IAM (Identity and Access Management) service for identity and access management, and enforce account two-factor authentication system.
 - Cloud service pre-enables encryption mechanism for all systems and data, and adopts cloud encryption key escrow service.
 - Cloud system audit log hosting service, collect cloud system operation history and keep it for future reference.
 - The cloud firewall blocks external attacks and connection control, enables network application layer protection systems, integrates the use of international traffic cleaning services, and prevents Distributed Denial-of-Service Attacks (DDoS attacks) and The attack on the application layer of the website causes the operation to be interrupted.
- E. Constantly operating
- The system and data backup adopts a daily backup mechanism, and the system and file data backup is stored on the local network hard disk. And then through the Taipei office and the Taichung office, the two offices regularly transfer remote backups to each other to ensure the security of the backup data.
 - For disaster recovery drills, a random test drill is carried out once a year. After the restoration date reference point is selected, the backup media will be stored in the system host to confirm the availability and integrity of the recovered data.
- F. User personal information
- In order to protect the personal data of users, the company follows the provisions of the Personal Data Protection Law of the Republic of China (Individual Data Law), and each product has a privacy clause and a consent form for the use of personal data, which informs the user in detail and obtains the user's consent to the collection of personal data, processing and utilization. Users can also request

- the company to stop collecting, processing, utilizing and requesting deletion.
- Personal data is encrypted and stored in the database by default, and data masking and encryption are used for access protection.
- The access and transmission of personal data are accessed through SSL secure encrypted channels to prevent theft during network transmission. Data access logs are kept for future reference.
- Strengthen the education and training related to the personal data processing law of colleagues.

G. Intellectual property

- The company's intellectual property (such as original code, pictures, images, sound effects, etc.) are stored in the version control system in the computer room for version control, and the historical version is retained.
- In accordance with the measures of operation continuity, the version control system is regularly backed up completely and backed up in the Taipei and Taichung offices.
- Use cloud DevOps software development process and version control services, and use cloud service providers to provide backup resources and mechanisms.
- New colleagues must sign a non-disclosure agreement when they take up their posts, and they are responsible for protecting the company's intellectual property during their tenure.

iv. Resources invested in information security management

A. Consciousness of the information security and training

- Information security officers and personnel are required to undergo regular professional training in information security.
- Information security training courses are held periodically for employees each year, and new hires are required to complete an onboarding information security orientation.
- A monthly information security e-newsletter is published to promote awareness of security-related news and current events, reminding employees to stay alert to suspicious individuals or activities. In 2024 (FY113), a total of 38 awareness messages were delivered.
- Social engineering drills are conducted on an ad hoc basis. Employees with insufficient awareness are provided with enhanced information security training.
- The Company subscribes to the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) to access timely sources of cybersecurity incident information and intelligence, which are used for internal awareness and education.

B. Professional technologies and resources

- The Group has a dedicated information security team comprising three personnel. The team regularly conducts various security assessments, implements protective mechanisms, and monitors abnormal activities across the global network infrastructure.

C. Appropriate budgets for information security

- In addition to ongoing maintenance and operational expenses related to information security, all IT development and operational system projects are required to allocate necessary budgets for security protection, monitoring, and testing measures. For 2025, the allocated information security budget amounts to NT\$11,192 thousands.

(2) With respect to the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report, if the loss, possible impact and response measures could not be reasonable estimated due to material information communication safety incidents, explain the facts that could not be reasonable estimated: None.

7. Important contracts

List the parties, main contents, restriction clauses, and start/end date of supply/sales contracts, technical cooperation contracts, construction contracts, long-term loan contracts, and other important contracts that are sufficient to affect shareholders' equity that are still valid as of the

date of report or expired in the most recent year: The Company has not entered any important contract that are sufficient to affect shareholders' equity.

V. Review Analysis of Financial Position and Financial Performance and Risk Issues

1. Financial Position

Unit: NT\$ thousands

Item	Year		Difference	
	2023	2024	Amount	%
Current Assests	909,816	1,009,893	100,077	11.00
Property, Plant and Equipment	963	1,650	687	71.34
Intangible Assets	2,908	2,908	-	-
Other Assets	95,921	91,237	(4,684)	(4.88)
Total Assets	1,009,608	1,105,688	96,080	9.52
Current Liabilites	146,005	175,281	29,276	20.05
Non-current Liabilities	7,997	19,722	11,725	146.62
Total Liabilities	154,002	195,003	41,001	26.62
Capital Stock	420,006	420,006	0	0.00
Capital Surplus	303,947	287,147	(16,800)	(5.53)
Retained Earnings	47,083	107,341	60,258	127.98
Other Equity Interest	-673	10,748	11,421	(1,697.03)
Non-controlling Interest	85,243	85,443	200	0.23
Any Equity Interest Prior to the Company	-	-	-	-
Total Shareholders' Equity	855,606	910,685	55,079	6.44

Major changes in assets, liabilities, and shareholders' equity during the most recent two years (20% or more of variation between period of prophase and anaphase and amount of variation up to NT\$10 million):

1. Increase in current liabilities: Primarily due to an increase of NT\$30,928 thousands in other payables.
2. Increase in non-current liabilities: Mainly attributable to an increase of NT\$10,124 thousands in non-current lease liabilities.
3. Increase in retained earnings: Primarily resulting from net income after tax for 2024.
4. Increase in other equity: Mainly due to the recognition of cumulative translation adjustment from long-term investments as a result of USD appreciation.

2. Financial Performance

(1) Analysis of financial performance for the last two years

Unit: NT\$ thousands

Item \ Year	2023	2024	Increased (Decreased) Amount	Percentage Change (%)
Operating Revenue	774,449	802,063	27,614	3.57
Operating Cost	165,823	159,136	(6,687)	(4.03)
Gross Profit	608,626	642,927	34,301	5.64
Operating Expenses	484,779	564,563	79,784	16.46
Operating Profit	123,847	78,364	(45,483)	(36.73)
Non-operating Income (Expenses)	8,065	34,923	26,858	333.02
Net Income (Loss) before Tax	131,912	113,287	(18,625)	(14.12)
Income Tax Benefit (Expense)	(29,807)	(28,125)	(1,682)	5.64
Net Income (Loss) for the Period	102,105	85,162	(16,943)	(16.59)

The main reasons for the recent two years of significant changes in operating income, business purity and pre-tax benefits (those with a change of more than 20% in the previous period and the amount of change amounting to NT \$10 million):

1. Decrease in operating profit: Primarily due to increased R&D capacity, resulting in a NT\$37,705 thousands rise in related expenses, which led to a decline in operating profit.
2. Increase in non-operating income and expenses: Mainly attributable to foreign exchange gains, with an NT\$18,991 thousands increase compared to the previous year, driven by the appreciation of the US dollar.

(2) The major factors affecting the sales quantity in the coming year and its basis, and the company's expected sales volume will continue to grow or decline:

Through operating experience learned by the Company in the past, continuously observes market changes, carefully evaluates the cost and future benefits on various types of products, moreover, the Company has stood in solid ground at all times to launch new products for expanding market share, therefore, it is expected that revenue will be growing in the future and the Company's profitability will be raised to.

3. Cash Flow

(1) Analysis of changes in cash flows for the most recent year

Unit: NT\$ thousands

Item \ Year	2023	2024	Percentage Change (%)
Business Activities	85,016	124,451	46.39
Investment Activities	(30,978)	(70,164)	126.50
Fundraising Activities	(14,347)	(55,386)	286.05

Description of the analysis of changes in the percentage change:

1. Increase in net cash inflow from operating activities: Primarily attributable to net cash inflows generated from regular operating activities.
2. Increase in net cash outflow from investing activities: Mainly due to an NT\$38,590 thousands increase in financial assets measured at amortized cost compared to the previous year.
3. Increase in net cash outflow from financing activities: Primarily resulting from the distribution of cash dividends in 2024, which did not occur in 2023.

(2) Liquidity improvement plan: None.

(3) Cash liquidity analysis for the coming year.

Unit: NT\$ thousands

Opening Cash Balance (1)	Net Cash Flow from Operating Activities (2)	Expected Full Year Net Cash Flow from Investing and Financing Activities (3)	Cash Surplus (Deficit) (1)+(2)+(3)	Remedies for Cash Shortfalls	
				Investment Plans	Financing Plans
757,112	110,000	(100,000)	767,112	—	—

Analysis of changes in cash flows in the coming year:

- Operating activities: Net cash inflow is expected from operating activities, driven by anticipated revenue growth.
- Investing and financing activities: Cash outflows are primarily attributable to the acquisition of financial assets measured at amortized cost, the distribution of cash dividends, and payments for lease liabilities.

4. The impact of major capital expenditures in the most recent year on financial operations:
- Use of significant capital expenditures and sources of funds: No significant capital expenditures have been made as of the date of this report.**
 - Impact of significant capital expenditures on financial operations: There were no significant capital expenditures as of the date of this report.**
5. The annual re-investment policy in the most recent year, the major reasons for its profit or loss, the improvement plan, and the investment plan for next year:

Unit: NT\$ and foreign currency thousands

Investee Company	Policy	Investment Amount (Note 1)	Investment Income (Loss) Recognized for the Period (Note 2)	Main Reasons for Gain or Loss	Improvement Plan	Other Future Investment Plans
Game Dreamer (HK) Ltd.	Group game agency and publication and R&D	HKD 64,000	10,599	Recognition of investment gains and losses in subsidiaries	None	None
Hsu Tsun Enterprise Co., Ltd.	Standby company for advertising only	—	(15)	Support unit, no major operating items	None	None
Game Dreamer (Thai) Inc.	Regional administrative support in Thailand	—	—	None	None	None
Poseidon Net (HK) Limited	China, Japan and Korea mobile game agency and publication	USD1,290	13,627	Mainly due to adjustments in operational structure as part of company planning.	Marketing and operation of products developed in-house by the group serve as the mainstay of operations.	None
Poseidon Net Limited	China, Japan and Korea mobile game agency and publication	35,000	5,830	The mobile game agency is well-received by players and is in a favorable profit situation.	Marketing and operation of products developed in-house by the group serve as the mainstay of operations.	None

Investee Company	Policy	Investment Amount (Note 1)	Investment Income (Loss) Recognized for the Period (Note 2)	Main Reasons for Gain or Loss	Improvement Plan	Other Future Investment Plans
Game Dreamer (Guangzhou) Inc.	Support and R&D center in China	HKD 2,000	—(Note 3)	None	None	None
Game Dreamer (Hangzhou) Inc.	Leisure gaming product development	—	—(Note 3)	None	None	None
Megata Ltd.	Online leisure gaming software development and publication	150,000	(446)	The main reason is intense market competition, leading to lower-than-expected revenue	None	None
Megata (HK) Ltd. (Note 4)	Online leisure gaming software development and publication	—	—(Note 3)	None	None	None
Megata (Chengdu) Ltd.	Leisure gaming product development	USD500	—(Note 3)	None	None	None

Note 1: Cumulative direct and indirect investment amounts as of December 31, 2024.

Note 2: Investment gains or losses recognized in 2024 on investments carried forward.

Note 3: The investment gain or loss was recognized in the investment company, so it was not shown as investment gain or loss.

Note 4: The Board of Megata Co., Ltd. had agreed to disband Megata (HK) Ltd., subsequent matters will be handled in accordance with government regulations. As of December 31, 2024, the procedural had not been completed.

6. Risk issues that shall be analyzed and assessed

(1) Effect of interest rates, exchange rate changes, inflation on the Company's profit or loss and future response measures

i. Interest rate changes

The Company's interest income amounted to NT\$7,224 thousands in 2023 and NT\$12,720 thousands in 2024, primarily derived from bank deposits and time deposits. Given the relatively small amounts, the overall impact on the Company's operations is limited. Accordingly, interest rate fluctuations have only a minimal effect on the Company's profit or loss. Nonetheless, the Company will continue to monitor changes in domestic and international economic conditions and take appropriate measures as needed to mitigate the potential risks arising from interest rate fluctuations.

ii. Exchange rate changes

A. Impacts on the Company's profit and loss

The Company and its subsidiaries primarily conduct purchases and sales in NTD, USD and HKD. Net foreign exchange (loss) gain amounted to NT\$(77) thousand in 2023 and NT\$18,914 thousands in 2024. The fluctuation in foreign exchange gains and losses mainly reflected changes in the foreign currency asset holdings of the Company and its subsidiaries. The finance department dynamically adjusts the net foreign currency asset and liability positions in line with future business needs. As a result, the impact of exchange rate fluctuations on the Company's profit or loss remains manageable. The increase in foreign exchange gain in 2024 was primarily

due to larger fluctuations in the USD exchange rate during the year, which resulted in higher foreign currency valuation gains on the Company's USD deposits recognized at year-end compared to the previous year.

B. Future response measures

The financial department of the Company will maintain close contact with financial institutions where necessary, and ask for professional consulting services from them to follow forex market trends in a timely fashion. In the meantime, the Company will adjust its foreign currency positions at the right time depending on its actual capital needs and exchange rate levels, in order to minimize the impact of forex rates on the Company's finances.

iii. Inflation

A. Impacts on the Company's profit and loss

The Company has not seen any significant impact stemming from inflation, but it is still necessary to pay close attention to changes in the relevant economic environment and market conditions in order to respond in time when necessary.

B. Future response measures

The Company has not had any significant impact stemming from inflation, and the forecast is it will stay that way. In the future, the Company will continue to stay alert to inflation in order to properly adjust its product pricing strategies.

(2) The main reasons for strategies, profits, or losses in dealing high-risk, high-leverage investments, capital loan extensions, endorsements, and derivative commodity trading; future response measures

i. Derivatives

The Company, committed to only the core business operations, has never engaged in any high-risk, highly leverage investment or derivative commodity transaction since its inception. The Company has stipulated an "Regulations Governing the Acquisition and Disposal of Assets", which has already been approved in the shareholders' meeting, as the basis for any relevant dealings.

ii. Loaning funds to others

The Company extends loans to its subsidiaries for working capital needs, and the procedures are in line with the "Management of Loans to Others".

iii. Endorsements

The Company provides endorsements for its subsidiaries when they take out bank loans, and all related operations are in line with the "Management of Endorsement and Guarantees".

(3) Future R&D projects and expected investments in R&D

i. Future R&D projects

In line with the adjustment of business strategy, the Company has transformed from the original mobile game distribution as the main axis to the operation mode of self-development or authorization. In order to improve the quality of research and development, the Company has established research and development teams both domestically and internationally and commissioned development according to the needs of each business to effectively control research and development costs. In the future, we will continue to expand our R&D department to develop online and offline products in accordance with our business development needs, with a view to expanding our operation scale and improving our gross margin to reduce operational risks and improve our financial status.

ii. Expected investments in R&D

The R&D expenses of the Company and its subsidiaries amounted to NT\$179,598 thousands in 2023 and NT\$217,303 thousands in 2024, representing 23% and 27% of annual revenue, respectively. The Company plans to maintain a similar R&D spending ratio in 2025, with adjustments to be made as necessary in response to operational conditions and market dynamics, in order to sustain the Company's competitive advantage.

(4) The impact of important domestic and international policies and law changes on the Company's finances; response measures

The Company follows domestic and international laws and regulations in its daily operations and keeps abreast of the latest policy development trends and regulatory changes to effectively handle changes in the market situations and adopt appropriate reaction strategies to reduce impacts of important domestic and international policies and law changes on the Company's

finances. The Company has not been impacted by any major domestic and international policies and law changes on its finances and operations in recent years and up until the date of the issuance of the annual report of the shareholders' meeting.

(5) The impact of technological changes and industrial changes on the Company's finances; response measures

The management of the Company has been paying close attention to industrial trends and related technological changes so as to quickly update on industry situations and market information and evaluate how they will impact on the Company's operations. The Company hasn't been impacted by any major changes in technology and the industry on its finances and operations in recent years and up until the date of the issuance of the annual report of the shareholders' meeting.

(6) The impact of changing corporate image on corporate crisis management; response measures

Since its establishment, the Company has done nothing but focusing on its core operations, abiding by relevant laws and regulations, and actively fortifying in-house management and improving management quality and performance in order to maintain a good corporate image and increase customer trust. As a result, the Company hasn't been impacted by any changes in corporate image on its finances and operations in recent years and up until the date of the issuance of the annual report of the shareholders' meeting. Nevertheless, in view of the potential damage a corporate crisis can do to the Company, various corporate governance requirements are strictly enforced to minimize the possibility of any occurrence of corporate crisis that may impact on the Company.

(7) Expected benefits and possible risks of M&A:

The Company has not had any M&A plan in recent years and up until the date of the issuance of the annual report of the shareholders' meeting. In the future, if there is a M&A plan, the Company will follow the "Regulations Governing the Acquisition and Disposal of Assets" to conduct a variety of evaluations and risk control in a prudent manner to ensure protection of the Company's interests and shareholder equity.

(8) Expected effects and possible risks of plant expansion:

The Company has not had any plant expansion underway in recent years and up until the date of the issuance of the annual report of the shareholders' meeting.

(9) Risks response measures for over-concentration of supply sources or client pool:

i. Risks response measures on the over-concentration of supply sources

The Company maintains tight cooperation with a number of game developers or distributors, so the sources of games, no matter sole agent or intermodal, are considered stable and well-diversified. In addition, the channels and platforms for the game players to store values are diversified, so there should be little risk of over-concentration, shortage or interruption.

ii. Risks response measures on over-concentration of client pool

The game industry is characterized by players paying for games through cash flow handlers, and the Company has established diversified value-adding channels (e.g., Google Play and Apple App Store, ATM transfer, credit card, ISP small payment, and sales of game point cards). In addition, as the end user of the Company's exclusive games are the players rather than the cash flow handlers, the convenience of storing value is as important as the game itself in attracting players. Even if the amount of sales to a single cash flow handler (such as Google and Apple) is relatively large, it does not have a significant impact on the Company.

(10) Impacts, risks response measures on the issue that large numbers of shares are transferred or replaced by directors, supervisors or major shareholders holding more than 10% of company shares: None.

(11) The impacts and risks of changes in management on the Company; response measures: None.

(12) Litigation or non-litigation

i. The ruled or on-going litigation, non-litigation or administrative suits in recent years and up until the date of the issuance of the annual report that may have significant impacts on shareholders' equity or securities prices: None.

ii. The ruled or on-going litigation, non-litigation or administrative suits, involving the Company's directors, supervisors, general manager, subsidiaries and major shareholders holding over 10% of company shares, in recent years and up until the date of the issuance of the annual report that may have significant impacts on shareholders' equity or securities prices: None.

(13) Information security risk assessment and response measures :

- i. In addition to protecting the company's business secrets, the company also strengthens the security of players' personal information in accordance with the Personal Data Protection Act and continuously optimizes the DDOS defense function to eliminate online attacks before the launch of online games and protect the rights of players.
- ii. The information personnel of the Company's management department are responsible for company-wide information security governance, planning, supervision, and promotion of implementation. They report regularly to the president and relevant supervisors on the status of information security governance, ensure information security objectives and strategies, and cultivate good information security awareness among employees.

(14) Other important risks response measures: None.

7. Other important matters: None.

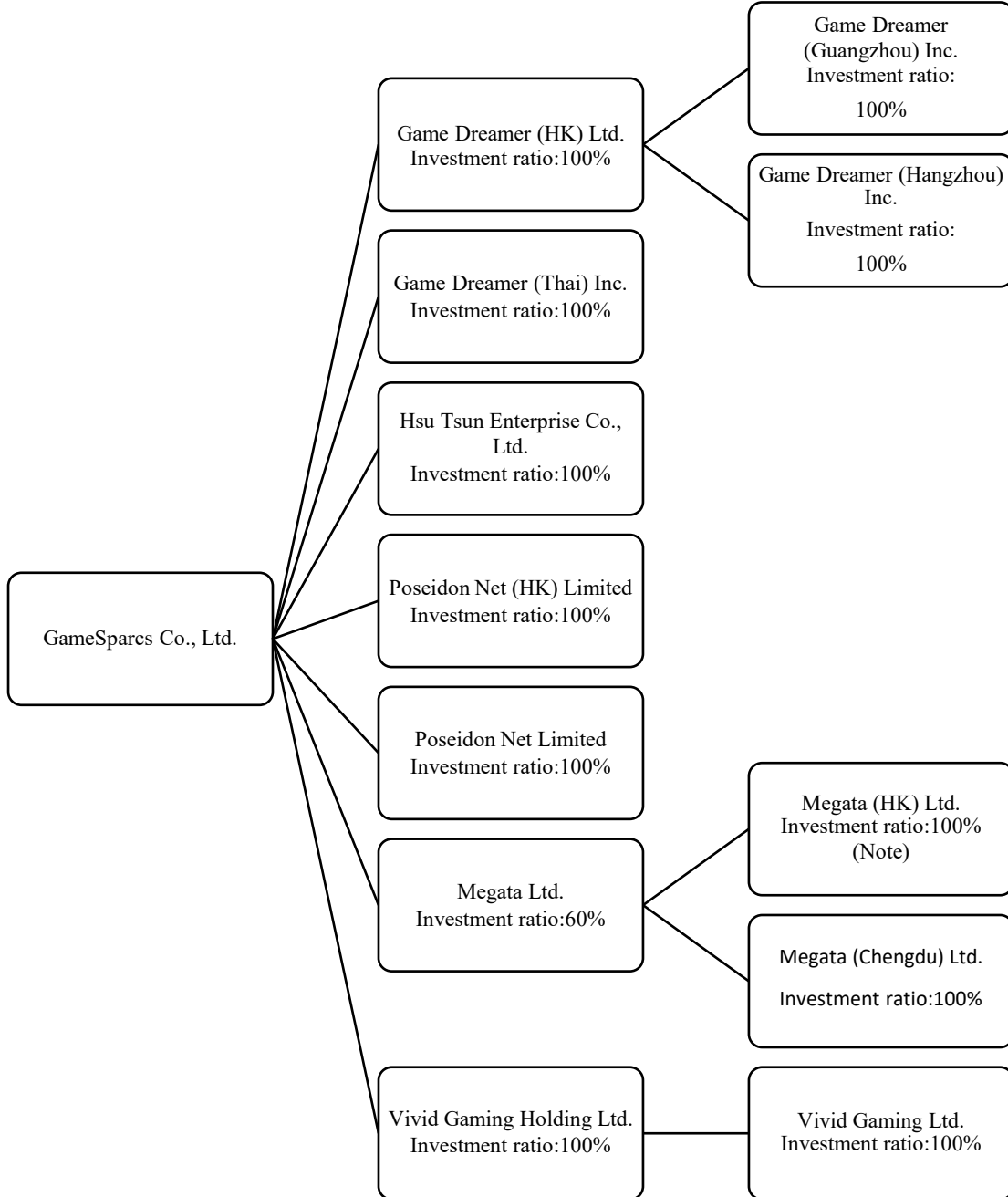
VI. Special Notes

1. Related information of affiliates

(1) Consolidated business reports of affiliates

i. Affiliates overview

A. Organizational chart of affiliates (as of March 31, 2025)



Note : The Board of Megata Co., Ltd. had agreed to disband Megata (HK) Ltd., subsequent matters will be handled in accordance with government regulations. As of March 31, 2025, the procedural had not been completed.

B. Basic information of each affiliate (as of March 31, 2025)

NT\$ and foreign currency thousands

Investee Company Name	Date of Establishment	Address	Amount of Paid-in Capital	Major Operations
Game Dreamer (HK) Ltd.	February 15, 2013	Workshop No. 8, 17/F Lemi Centure No. 50 Hoi Yuen Road KL	HKD 64,000	Game agency and operation, general advertising services, gaming peripheral products, etc.
Hsu Tsun Enterprise Co., Ltd.	May 2, 2013	Workshop No. 8, 17/F Lemi Centure No. 50 Hoi Yuen Road KL	-	- Advertising business
Game Dreamer (Thai) Inc.	April 10, 2014	553/1502 Floor 15th Building A, The Pallading World Shopping Rutchaprarop Rd., Makkasan, Radchatewi, Bangkok 10400	-	- Under liquidation
Poseidon Net (HK) Limited	April 12, 2018	Workshop No. 8, 17/F Lemi Centure No. 50 Hoi Yuen Road KL	USD 1,290	Game agency and operation, general advertising services, gaming peripheral products, etc.
Game Dreamer (Guangzhou) Inc.	July 30, 2014	8/F, Building No. 1, No. 199, Guangming South Road, Shiqiao Street, Fanyu District, Guangzhou	HKD 2,000	Game data processing and game series connection, etc.
Game Dreamer (Hangzhou) Ltd.	June 5, 2019	Room A1501, Huaxing Times Square, No. 478 Wensan Road, Xihu District, Hangzhou City, Zhejiang Province	-	- Game development.
Megata Ltd.	September 2, 2019	4F.-3, No. 360, Jianxing Rd., North Dist., Taichung City	250,000	Gane software R&D and sales service.
Poseidon Net Limited	October 4, 2018	9F-A, No. 68, Sec. 2 Xianmin Blvd., Banqiao Dist., New Taipei City	35,000	Game agency and operation, general advertising services, gaming peripheral products, etc.
Megata (HK) Ltd.	October 18, 2019	15/F BOC GROUP LIFE ASSURANCE TOWER 136 DES VOEUX RD CENTRAL CENTRAL HONG KONG	-	- Gane software R&D and sales service.
Megata (Chengdu) Ltd.	May 14, 2020	No.1, 15th Floor, Building 8, No.399, West Section of Fucheng Avenue, Chengdu High-tech Zone, China (Sichuan) Free Trade Pilot Zone	USD 500	Game Development
Vivid Gaming Holding Ltd.	January 2, 2025	102 SUITE 3, TRIQ SANTA KATERINA, ATTARD, ATD 2605, Malta	EUR 600	Investment
Vivid Gaming Ltd.	January 2, 2025	102 SUITE 3, TRIQ SANTA KATERINA, ATTARD, ATD 2605, Malta	EUR 500	Game agency and sales

Note : The Board of Megata Co., Ltd. had agreed to disband Megata (HK) Ltd., subsequent matters will be handled in accordance with government regulations. As of March 31, 2025, the procedural had not been completed.

- C. Same shareholder information as those presumed to have a controlling and subordinate relationship: None.
- D. Industry segments in which the affiliates operate as a whole:
The main business activities of the Company are game operation and general advertising business, and the main business activities of the investee companies are game agency, operation and advertising business, game software development and design, sales and licensing.

E. Information on Directors, Supervisors and Presidents of Affiliates

March 31, 2025

Affiliates' Name	Title	Name or Representative	Shareholding	
			Shares	%
Game Dreamer (HK) Ltd.	Director	Ku, Kang-Wei	-	-
Hsu Tsun Enterprise Co., Ltd.	Director	Ku, Kang-Wei	-	-
Game Dreamer (Thai) Inc.	Director	Hsiung, Chia-Chi	-	-
Game Dreamer (Guangzhou) Inc.	Director	Ku, Kang-Wei	-	-
Game Dreamer (Hangzhou) Ltd.	Director	Wu, Wei	-	-
Megata Ltd.	Director	GameSpracsCo., Ltd. Representative: Ku, Kang-Wei	15,000,000	60%
	Director	GameSpracsCo., Ltd. Representative: Ku Cheol-Ming	15,000,000	60%
	Director	X-Legend Entertainment Corp Representative: Chang, Feng-Chi	10,000,000	40%
	Supervisor	Lin, Chia-An	-	-
Megata (HK) Ltd. (Note)	Director	Ku, Kang-Wei	-	-
Megata (Chengdu) Ltd.	Director	Wu, Wei	-	-
Poseidon Net (HK) Limited	Director	Yeh, Chi-Hung	-	-
Poseidon Net Limited	Chairperson	GameSpracsCo., Ltd. Representative: Yeh, Chi-Hung	3,500,000	100%
Vivid Gaming Holding Ltd.	Director	Ku, Kang-Wei	600,000	100%
Vivid Gaming Ltd.	Director	Ku, Kang-Wei	500,000	100%

Note : The Board of Megata Co., Ltd. had agreed to disband Megata (HK) Ltd., subsequent matters will be handled in accordance with government regulations. As of March 31, 2025, the procedural had not been completed.

ii. Overview of affiliates' operations (Profit or loss as of December 31, 2024)

Unit: NT\$ thousands

Affiliates' Name	Amount of Capital	Total Assets Value	Total Liabilities	Net Worth	Operating Revenue	Operating Profit or Loss	Profit or Loss for the Period (After Tax)	Earnings per Share (Yuan) (After Tax)
Game Dreamer (HK) Ltd.	270,208	91,693	12,747	78,946	37,135	8,891	10,599	0.17
Hsu Tsun Enterprise Co., Ltd.	-	89	151	(62)	-	(15)	(15)	-
Game Dreamer (Thai) Inc.	-	-	-	-	-	-	-	-
Game Dreamer (Guangzhou) Inc.	8,444	12,699	2,329	10,370	-	(412)	(391)	-
Game Dreamer (Hangzhou) Ltd.	-	32,544	21,299	11,245	83,400	3,973	3,629	-
Megata Ltd.	250,000	271,861	58,254	213,607	219,540	(9,342)	(743)	(0.03)
Megata (HK) Ltd. (Note)	-	-	-	-	-	-	-	-
Poseidon Net (HK) Limited	42,280	102,466	3,186	99,280	56,559	13,244	13,627	9.54
Poseidon Net Limited	35,000	42,853	11,940	30,913	52,237	5,483	5,830	1.67
Megata (Chengdu) Ltd.	16,393	6,385	196	6,189	2,571	(3,578)	(3,303)	-

Note : The Board of Megata Co., Ltd. had agreed to disband Megata (HK) Ltd., subsequent matters will be handled in accordance with government regulations. As of December 31, 2024, the procedural had not been completed.

(2) Consolidated financial statements of affiliates:

**GAMESPARCS CO., LTD.
REPRESENTATION LETTER**

The entities that are required to be included in the combined financial statements of GameSparcs Co., Ltd. as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, GameSparcs Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

GameSparcs Co., Ltd.

Chairperson : Ku, Kang-Wei

March 11, 2025

2. Private placements of marketable securities for the most recent year and up to the date of publication of the annual report: None.
3. Other necessary supplementary notes:
According to the letter No. 1020200236 dated March 21, 2013, the following items were disclosed as outstanding commitments:

Over-the-counter commitments	Commitments
Undertaking to add to "Procedures for the Acquisition or Disposal of Assets" that "In the event that the Company loses substantial control over Game Dreamer Limited, Game Dreamer Technology (Hong Kong) Limited and Game Dreamer (Guangzhou) Limited as a result of the Company's direct or indirect waiver of capital increase in each of these companies in future years, or direct or indirect disposal of its shareholdings in these companies, a special resolution of the Board of Directors of the Company shall first be required, and The independent directors shall attend and express their opinions. The contents of the above resolution and any subsequent amendments to the Regulations shall be disclosed by entering material information on the Market Observation Post System and reported to the OTC for review.	The Company has proposed to amend the relevant provisions of "Procedures for the Acquisition or Disposal of Assets" in the Board of Directors' Meeting and the Audit Committee on July 06 2016, and announced the implementation after the approval in the Ordinary General Meeting of Shareholders on June 13, 2017.

4. For the most recent year and as of the date of the annual report, matters that had a significant impact on shareholders' equity or securities prices as defined in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act: None.

GameSparcs Co., Ltd.

Chairperson: Ku, Kang-Wei

Date of publication: May 9, 2025

GAME SPARCS