

Soft-World International Corporation and Subsidiaries

**Consolidated Financial Statements for the
Years Ended December 31, 2025 and 2024 and
Independent Auditors' Report**

DECLARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates of Soft-World International Corporation for the year ended December 31, 2025 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 of parent and subsidiary companies prepared in conformity with International Financial Reporting Standard No. 10, “Consolidated Financial Statements”. In addition, relevant information required to be disclosed in the consolidated financial statements of affiliates has all been included in the consolidated financial statements of parent and subsidiary companies. Consequently, Soft-World International Corporation and its subsidiaries do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Soft-World International Corporation

By

Wang, Chin - Po
Chairman

March 4, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Soft-World International Corporation

Opinion

We have audited the accompanying consolidated financial statements of Soft-World International Corporation (the "Corporation") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2025 is described as follows:

Revenue recognition - MyCard transactions

The Corporation is an agent in its exclusive card (MyCard) transactions. Net service revenue is recognized at the time customers use MyCard in exchange for game points. Please refer to Note 4 of the consolidated financial statements. We considered the risk of material misstatement of the recognition of revenue as the risk of incorrect calculation of the aforementioned game points and the amount needed to be transferred to the related game operators. Therefore, we focused on the accuracy of revenue recognized from MyCard transactions.

The main audit procedures that we performed included the following:

1. We obtained an understanding of and tested the operating effectiveness of the internal controls of the MyCard internet platform and the interface control between MyCard and the ERP system;
2. We implemented computer-assisted audit techniques and tested the process by which MyCard points were deposited, exchanged and consumed. We also verified the amount from MyCard points exchanged that needed to be transferred to the related game operators and confirmed that the net service revenue amounts had been recorded appropriately.

Other Matter

We have also audited the parent company only financial statements of the Corporation as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Chiu-Yen Wu and Chen-Li Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 4, 2026

Notice to Readers

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

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

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 4,636,569	24	\$ 4,020,788	21
Contract assets - current (Note 24)	3,292	-	2,920	-
Notes receivable (Notes 4 and 7)	423	-	841	-
Accounts receivable, net (Notes 4, 7 and 30)	428,472	2	281,501	1
Other receivables (Notes 4, 7 and 30)	1,914,613	10	1,593,225	8
Current tax assets (Notes 4 and 26)	13,074	-	9,180	-
Inventories (Notes 4 and 8)	50,046	-	46,993	-
Other financial assets - current (Notes 9 and 31)	7,924,037	40	7,888,121	41
Other current assets (Note 7)	<u>699,563</u>	<u>4</u>	<u>707,083</u>	<u>4</u>
Total current assets	<u>15,670,089</u>	<u>80</u>	<u>14,550,652</u>	<u>75</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss (FVTPL) - noncurrent (Notes 4 and 10)	4,343	-	4,005	-
Financial assets at fair value through other comprehensive income (FVTOCI) - noncurrent (Notes 4 and 11)	2,363,572	12	3,284,375	17
Investments accounted for using the equity method (Notes 4 and 13)	48,666	-	39,682	-
Property, plant and equipment (Notes 4, 14 and 31)	331,759	2	341,110	2
Right-of-use assets (Notes 4 and 15)	53,948	-	47,614	-
Investment properties (Notes 4, 16 and 31)	52,676	-	42,111	-
Goodwill (Notes 4 and 5)	457,621	3	457,621	3
Other intangible assets (Notes 4 and 17)	10,541	-	18,272	-
Deferred tax assets (Notes 4, 5 and 26)	14,802	-	16,602	-
Refundable deposits	22,598	-	27,846	-
Net defined benefit assets (Notes 4 and 22)	44,774	-	40,104	-
Other financial assets - noncurrent (Notes 9 and 31)	607,751	3	603,215	3
Other noncurrent assets	<u>526</u>	<u>-</u>	<u>526</u>	<u>-</u>
Total noncurrent assets	<u>4,013,577</u>	<u>20</u>	<u>4,923,083</u>	<u>25</u>
TOTAL	<u>\$ 19,683,666</u>	<u>100</u>	<u>\$ 19,473,735</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 24)	\$ 283,120	2	\$ 261,428	1
Notes payable (Notes 18 and 30)	5,608	-	8,050	-
Accounts payable (Notes 18 and 30)	219,986	1	213,947	1
Other payables (Notes 19 and 30)	5,337,131	27	4,084,236	21
Current tax liabilities (Notes 4 and 26)	119,359	1	105,124	1
Lease liabilities - current (Notes 4 and 15)	28,290	-	26,923	-
Other financial liabilities - current (Notes 4 and 20)	760,701	4	792,240	4
Other current liabilities (Note 21)	<u>2,445,240</u>	<u>12</u>	<u>2,694,453</u>	<u>14</u>
Total current liabilities	<u>9,199,435</u>	<u>47</u>	<u>8,186,401</u>	<u>42</u>
NONCURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 26)	151,740	1	131,785	1
Lease liabilities - noncurrent (Notes 4 and 15)	26,482	-	21,370	-
Net defined benefit liabilities (Notes 4 and 22)	22,581	-	26,651	-
Guarantee deposits received	<u>87,930</u>	<u>-</u>	<u>101,466</u>	<u>-</u>
Total noncurrent liabilities	<u>288,733</u>	<u>1</u>	<u>281,272</u>	<u>1</u>
Total liabilities	<u>9,488,168</u>	<u>48</u>	<u>8,467,673</u>	<u>43</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 23)				
Share capital	<u>1,560,743</u>	<u>8</u>	<u>1,560,743</u>	<u>8</u>
Capital surplus	<u>4,422,236</u>	<u>22</u>	<u>4,370,959</u>	<u>23</u>
Retained earnings				
Legal reserve	1,533,045	8	1,416,754	7
Special reserve	25,117	-	25,117	-
Unappropriated earnings	<u>2,771,955</u>	<u>14</u>	<u>2,868,553</u>	<u>15</u>
Total retained earnings	<u>4,330,117</u>	<u>22</u>	<u>4,310,424</u>	<u>22</u>
Other equity	<u>(815,936)</u>	<u>(4)</u>	<u>129,142</u>	<u>1</u>
Treasury shares	<u>(567,008)</u>	<u>(3)</u>	<u>(567,008)</u>	<u>(3)</u>
Total equity attributable to owners of the Corporation	<u>8,930,152</u>	<u>45</u>	<u>9,804,260</u>	<u>51</u>
NON-CONTROLLING INTERESTS (Note 23)	<u>1,265,346</u>	<u>7</u>	<u>1,201,802</u>	<u>6</u>
Total equity	<u>10,195,498</u>	<u>52</u>	<u>11,006,062</u>	<u>57</u>
TOTAL	<u>\$ 19,683,666</u>	<u>100</u>	<u>\$ 19,473,735</u>	<u>100</u>

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

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 4, 24 and 30)	\$ 6,518,562	100	\$ 6,774,342	100
OPERATING COSTS (Notes 4, 25 and 30)	<u>3,036,969</u>	<u>47</u>	<u>3,176,052</u>	<u>47</u>
GROSS PROFIT	<u>3,481,593</u>	<u>53</u>	<u>3,598,290</u>	<u>53</u>
OPERATING EXPENSES (Notes 25 and 30)				
Selling and marketing expenses	1,596,665	24	1,664,575	25
General and administrative expenses	403,781	6	419,431	6
Research and development expenses	305,467	5	312,365	5
Expected credit loss (Note 7)	<u>7,240</u>	<u>-</u>	<u>26,965</u>	<u>-</u>
Total operating expenses	<u>2,313,153</u>	<u>35</u>	<u>2,423,336</u>	<u>36</u>
OPERATING INCOME	<u>1,168,440</u>	<u>18</u>	<u>1,174,954</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES (Notes 13 and 25)				
Interest income	154,146	3	147,821	2
Other income	211,594	3	194,330	3
Other gains and losses	(3,346)	-	(23,579)	-
Finance costs	(1,752)	-	(1,236)	-
Share of gain of associates accounted for using the equity method	<u>4,126</u>	<u>-</u>	<u>1,736</u>	<u>-</u>
Total non-operating income and expenses	<u>364,768</u>	<u>6</u>	<u>319,072</u>	<u>5</u>
PROFIT BEFORE INCOME TAX	1,533,208	24	1,494,026	22
INCOME TAX EXPENSE (Notes 4 and 26)	<u>264,209</u>	<u>4</u>	<u>255,960</u>	<u>4</u>
NET PROFIT FOR THE YEAR	<u>1,268,999</u>	<u>20</u>	<u>1,238,066</u>	<u>18</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 22)	3,542	-	16,447	-
Unrealized (loss) income on investments in equity instruments at FVTOCI (Note 23)	(921,018)	(14)	(81,223)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 26)	<u>(708)</u>	<u>-</u>	<u>(3,290)</u>	<u>-</u>
	<u>(918,184)</u>	<u>(14)</u>	<u>(68,066)</u>	<u>(1)</u>

(Continued)

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Note 23)	\$ (34,330)	(1)	\$ 69,682	1
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 26)	<u>4,933</u>	<u>-</u>	<u>(9,809)</u>	<u>-</u>
	<u>(29,397)</u>	<u>(1)</u>	<u>59,873</u>	<u>1</u>
Other comprehensive loss for the year, net of income tax	<u>(947,581)</u>	<u>(15)</u>	<u>(8,193)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 321,418</u>	<u>5</u>	<u>\$ 1,229,873</u>	<u>18</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 1,188,199	18	\$ 1,139,432	17
Non-controlling interests	<u>80,800</u>	<u>1</u>	<u>98,634</u>	<u>1</u>
	<u>\$ 1,268,999</u>	<u>19</u>	<u>\$ 1,238,066</u>	<u>18</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 245,173	4	\$ 1,119,180	16
Non-controlling interests	<u>76,245</u>	<u>1</u>	<u>110,693</u>	<u>2</u>
	<u>\$ 321,418</u>	<u>5</u>	<u>\$ 1,229,873</u>	<u>18</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 7.93</u>		<u>\$ 7.75</u>	
Diluted	<u>\$ 7.89</u>		<u>\$ 7.72</u>	

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

(Concluded)

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation											
	Retained Earnings					Other Equity		Subtotal	Treasury shares	Total	Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI					
BALANCE AT JANUARY 1, 2024	\$ 1,274,743	\$ 1,882,495	\$ 1,300,061	\$ 46,916	\$ 2,889,129	\$ (24,882)	\$ 197,755	\$ 172,873	\$ (573,240)	\$ 6,992,977	\$ 1,180,936	\$ 8,173,913
Appropriation of 2023 earnings (Note 23)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	116,693	-	(116,693)	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(1,088,593)	-	-	-	-	(1,088,593)	-	(1,088,593)
Reversal of special reserve	-	-	-	(21,799)	21,799	-	-	-	-	-	-	-
	-	-	116,693	(21,799)	(1,183,487)	-	-	-	-	(1,088,593)	-	(1,088,593)
Cash dividends from capital surplus (Note 23)	-	(311,027)	-	-	-	-	-	-	-	(311,027)	-	(311,027)
Cash dividends distributed by the subsidiaries (Note 23)	-	-	-	-	-	-	-	-	-	-	(9,866)	(9,866)
Net profit in 2024	-	-	-	-	1,139,432	-	-	-	-	1,139,432	98,634	1,238,066
Other comprehensive income (loss) in 2024, net of income tax	-	-	-	-	10,027	48,483	(78,762)	(30,279)	-	(20,252)	12,059	(8,193)
Total comprehensive income (loss) in 2024	-	-	-	-	1,149,459	48,483	(78,762)	(30,279)	-	1,119,180	110,693	1,229,873
Issue of ordinary share, others (Note 23)	286,000	2,708,992	-	-	-	-	-	-	-	2,994,992	-	2,994,992
Purchase of the Corporation's shares by subsidiaries (Note 23)	-	-	-	-	-	-	-	-	(37,356)	(37,356)	(22,426)	(59,782)
Adjustments of capital surplus for the Corporation's cash dividends received by subsidiaries	-	56,227	-	-	-	-	-	-	-	56,227	-	56,227
Changes in percentage of ownership interests in subsidiaries	-	966	-	-	-	-	-	-	96	1,062	(1,062)	-
Share-based payment (Note 23)	-	33,306	-	-	-	-	-	-	43,492	76,798	534	77,332
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(57,007)	(57,007)
Disposal of investment in equity instruments designated as at FVTOCI (Note 11)	-	-	-	-	13,452	-	(13,452)	(13,452)	-	-	-	-
BALANCE AT DECEMBER 31, 2024	1,560,743	4,370,959	1,416,754	25,117	2,868,553	23,601	105,541	129,142	(567,008)	9,804,260	1,201,802	11,006,062
Appropriation of 2024 earnings (Note 23)	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	116,291	-	(116,291)	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(1,170,558)	-	-	-	-	(1,170,558)	-	(1,170,558)
	-	-	116,291	-	(1,286,849)	-	-	-	-	(1,170,558)	-	(1,170,558)
Changes in capital surplus from investments in associates accounted for using the equity method	-	3,239	-	-	-	-	-	-	-	3,239	-	3,239
Cash dividends distributed by subsidiaries (Note 23)	-	-	-	-	-	-	-	-	-	-	(12,776)	(12,776)
Net profit in 2025	-	-	-	-	1,188,199	-	-	-	-	1,188,199	80,800	1,268,999
Other comprehensive income (loss) in 2025, net of income tax	-	-	-	-	2,052	(24,042)	(921,036)	(945,078)	-	(943,026)	(4,555)	(947,581)
Total comprehensive income (loss) in 2025	-	-	-	-	1,190,251	(24,042)	(921,036)	(945,078)	-	245,173	76,245	321,418
Adjustments of capital surplus for the Corporation's cash dividends received by subsidiaries	-	46,848	-	-	-	-	-	-	-	46,848	-	46,848
Increase in non-controlling interests	-	1,190	-	-	-	-	-	-	-	1,190	75	1,265
BALANCE AT DECEMBER 31, 2025	\$ 1,560,743	\$ 4,422,236	\$ 1,533,045	\$ 25,117	\$ 2,771,955	\$ (441)	\$ (815,495)	\$ (815,936)	\$ (567,008)	\$ 8,930,152	\$ 1,265,346	\$ 10,195,498

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

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,533,208	\$ 1,494,026
Income and expenses		
Depreciation expenses	58,482	58,857
Amortization expenses	23,730	25,206
Expected credit loss	7,240	26,965
Loss (gain) on financial assets at FVTPL	(338)	1,136
Finance costs	1,752	1,236
Interest income	(154,146)	(147,821)
Dividend income	(168,951)	(160,844)
Share-based compensation	1,923	33,968
Share of profit of associates accounted for using the equity method	(4,126)	(1,736)
Loss (gain) on disposal of property, plant and equipment	(810)	8,337
Others	(4,683)	(17,215)
Changes in operating assets and liabilities		
Contract assets	(372)	1,526
Notes receivable	418	(263)
Accounts receivable	(144,997)	28,660
Other receivables	(324,772)	57,683
Inventories	1,630	512
Other current assets	31	96,555
Other financial assets	224,541	65,918
Contract liabilities	21,692	60,256
Notes payable	(2,442)	(4,159)
Accounts payable	6,039	(122,193)
Other payables	1,251,749	(29,248)
Other financial liabilities	(31,539)	(23,640)
Other current liabilities	(249,213)	(204,464)
Net defined benefit liabilities	(5,183)	(10,538)
Cash generated from operations	2,040,863	1,238,720
Interest received	156,119	145,832
Dividends received	168,951	160,844
Interest paid	(1,752)	(1,236)
Income tax paid	(227,888)	(216,722)
Net cash generated from operating activities	<u>2,136,293</u>	<u>1,327,438</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at FVTOCI	(215)	-
Proceeds from disposal of financial assets at FVTOCI	-	17,136
Proceeds from sale of financial assets at FVTPL	-	3
Investments accounted for using equity method	(1,619)	-
Payments for property, plant and equipment	(23,804)	(15,074)
Proceeds from disposal of property, plant and equipment	917	38
Decrease (increase) in refundable deposits	5,248	(952)

(Continued)

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Payments for intangible assets	\$ (16,199)	\$ (16,729)
Increase in other financial assets	<u>(264,993)</u>	<u>(1,054,806)</u>
Net cash used in investing activities	<u>(300,665)</u>	<u>(1,070,384)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in guarantee deposits received	(13,536)	3,197
Repayment of the principal portion of lease liabilities	(35,578)	(35,487)
Cash dividends distributed	(1,123,710)	(1,343,393)
Acquisition of the parent company's shares held by subsidiaries	-	(59,782)
Treasury stock transferred to employees	-	43,364
Changes in non-controlling interests	<u>(13,434)</u>	<u>(66,873)</u>
Net cash used in financing activities	<u>(1,186,258)</u>	<u>(1,458,974)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(33,589)</u>	<u>68,217</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	615,781	(1,133,703)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,020,788</u>	<u>5,154,491</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 4,636,569</u>	<u>\$ 4,020,788</u>

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

(Concluded)

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Soft-World International Corporation (the “Corporation”) was incorporated in July 1983. The Corporation is mainly engaged in the digital content point service platforms, production and publication of computer game magazines, commercial advertising services and the retail sale of entertainment products and accessories for game software. The Corporation also acts as an agent for games and commercial software.

The Corporation’s shares have been trading on the Taipei Exchange since March 2001.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors on March 4, 2026.

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

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

The initial application of the amendments to the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have any material impact on the Group’s accounting policies.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts” (including the 2020 and 2021 amendments to IFRS 17)	January 1, 2023

As of the date the consolidated financial statements were approved, the Group has assessed that the application of the above standards and interpretations will not have a material impact on the Group’s financial position and financial performance.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027
Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 “Presentation and Disclosure in Financial Statements” and consequential amendments

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

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

In addition, the following consequential amendments have been made to IAS 7 “Statement of Cash Flows”:

- The Group shall use operating profit or loss as the starting point when presenting cash flows from operating activities under the indirect method.
- Interest and dividends received by the Group shall be classified as investing activities, while interest and dividends paid shall be classified as financing activities. However, if, after assessment, the

Group has a specific main operating activity, it shall determine how to classify dividends received, interest received and interest paid in the statement of cash flows by referring to how it classifies dividend income, interest income and interest expense in the statement of profit or loss. The total of each of these cash flows shall be classified in a single category in the statement of cash flows.

Except for the above impact, as of the date the consolidated financial statements were approved, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS Accounting Standards as endorsed and issued into effect by the FSC.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

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

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

c. Classification of current and noncurrent assets and liabilities

Current assets include:

- 1) Assets held primarily for the purpose of trading;
- 2) Assets expected to be realized within 12 months after the reporting period; and
- 3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- 1) Liabilities held primarily for the purpose of trading;
- 2) Liabilities due to be settled within 12 months after the reporting period; and
- 3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

For details on the percentages of ownership and main operating activities of the subsidiaries, refer to Note 12, Table 3 and Table 4.

e. Foreign currencies

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the entity's functional currency (i.e., foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items denominated in a foreign currency that are measured at historical cost are translated using the exchange rate at the date of the transaction.

For the purpose of presenting the consolidated financial statements, the functional currencies of the entities in the Group (including subsidiaries and associates operating in other countries that use currencies which are different from the currency of the Corporation) are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income (attributed to the owners of the Corporation and non-controlling interests as appropriate).

f. Inventories

Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost.

g. Investments accounted for using the equity method

The Group uses the equity method to account for its investments in associates. An associate is an entity over which the Group has significant influence, and which is neither a subsidiary nor an interest in a joint venture.

Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the changes in the Group's share of the equity of associates.

When the Group subscribes for additional new shares of an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus and investments accounted for using the equity method. If the Group's ownership interest is reduced due to the aforementioned transaction, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required had the investee directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for using the equity method is insufficient, the shortage is debited to retained earnings.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

When an entity in the Group transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the consolidated financial statements only to the extent that interests in the associate are not related to the Group.

h. Property, plant, and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Land is not depreciated.

Depreciation of property, plant and equipment is recognized using the straight-line method. Each significant component is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Freehold investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method.

For a transfer of classification from property, plant and equipment to investment properties, the deemed cost of the property for subsequent accounting is its carrying amount at the end of owner-occupation.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

j. Goodwill

Goodwill arising from the acquisition of a business is measured at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units (referred to as "cash-generating units") that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the attributed goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets of the unit based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. Any impairment loss recognized for goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the entity disposes of an operation within that unit, the goodwill associated with the operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

k. Other intangible assets

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in the estimates accounted for on a prospective basis.

On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

l. Impairment of property, plant and equipment, right-of-use assets, investment properties and intangible assets (excluding goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, investment properties and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset, cash-generating unit or assets related to contract costs is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset, cash-generating unit or assets related to contract costs in prior years. A reversal of an impairment loss is recognized in profit or loss.

m. Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

i Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified or designated as at FVTPL, including investments in equity instruments which are not designated as at FVTOCI.

Financial assets at FVTPL are subsequently measured at fair value, and any dividends are recognized in other income; any remeasurement gains or losses on such financial assets are recognized in other gains or losses.

ii Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- i) The financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost are measured at amortized cost, which equals the gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Cash equivalents include time deposits within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii Investments in equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election to designate investments in equity instruments as at FVTOCI. Designation as at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable and other receivables) and contract assets.

The Group always recognizes lifetime expected credit losses (ECLs) for accounts receivable, other receivables and contract assets. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting

date.

For internal credit risk management purposes, the Group determines that the internal or external information show that the debtor is unlikely to pay its creditors indicate that a financial asset is in default (without taking into account any collateral held by the Group).

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Corporation's own equity instruments is recognized in and deducted directly from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Corporation's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

n. Revenue recognition

The Group identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

The Group estimates sales returns and allowances based on historical experience and different contracts. The Group's customary business practices allow customers to return certain goods. To account for the transfer of products with a right of return, the Group recognizes revenue and at the same time recognizes refund liabilities (classified under other current liabilities) rate and rights to recover a product (classified under other current assets). Refund liabilities are estimated based on the historical average return rate.

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of game points and game magazines, which are sold at the contract price through the online platform or different retailers (e.g. brick-and-mortar stores and convenience stores etc.). When game points and game magazines, etc. are transferred to the customer, the customer has the right to use, and assumes the risk of ownership of the goods. The Group recognizes the related revenue and accounts receivable at the point of time the goods are transferred. Advance receipts from selling of merchandise are recognized as contract liabilities.

2) Revenue from the operation of games

Refers to the revenue from operation of games redeemed by the consumers via the online platform (generally known as “virtual goods”), where revenue is recognized over time as the virtual goods are consumed or over the estimated usable period of the goods. If the sales obligations have not been fulfilled, the revenue should be deferred, and recognized as contract liabilities.

3) Revenue from the rendering of services

a) The exclusive card (“MyCard”) issued by the Group provides game operators an online platform and services to sell game points directly to the consumers through the MyCard network or other distributors (e.g., convenience stores, supermarkets and telecommunication companies). Sales of MyCard is recognized as "Other financial liabilities - noncurrent". When the consumers use MyCard in exchange for specified goods or service via the online platform, the Group recognizes service revenue for the net amount after deducting receipts needed to be transferred to the related game operators.

b) Fee income from electronic payments and third-party payments is obtained from providing services to customers on online cash flow platforms and is recognized as revenue when cash has been received and the performance obligation has been mostly completed.

c) Other revenue from the rendering of services

For other services - advertising design and exhibition marketing projects, etc., revenue is recognized when the project has been completed and transferred to the customer. Advance receipts of services are recognized as contract liabilities.

For other services - art designing projects, etc., the Group measures revenue by the percentage of completion determined on the basis of the proportion of the number of working hours incurred for work performed to date to the estimated total number of working hours, while revenue and contract assets are recognized and are reclassified to accounts receivable at the point the customer is invoiced.

4) Licensing revenue

The Group authorizes other game developers to have access to some intellectual property rights of games for cooperation and development. The non-refundable premiums collected at the time of signing of contracts are recognized as revenue at the date the license is granted when meeting certain criteria which means providing a customer the right to use the intellectual property; subsequent follow-up fees based on the customers’ sales are recognized when the sales of the customer occur.

o. Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

1) The Group as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases.

2) The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost and are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the consolidated balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the consolidated balance sheets.

p. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expense when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liabilities (assets) are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses, and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liabilities (assets) represent the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any

refunds from the plans or reductions in future contributions to the plans.

q. Share-based payment arrangements

Employee share options granted to employees

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus or non-controlling interests. It is recognized as an expense in full at the grant date if vested immediately. The grant date of treasury shares transferred to employees is the date on which the board of directors approve the transactions.

r. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

Income tax payable (recoverable) is based on taxable profit (loss) for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Act in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and loss carryforwards to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and loss carryforwards can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow

from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes for the year

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity respectively.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of the economic environment implications when making its material accounting estimates on cash flow projection, growth rates, discount rates, and profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

a. Assessment of goodwill from business combinations

Determining whether goodwill from the subsidiary, Neweb Technologies, is impaired requires an estimation of the value in use of the cash-generating units to which the goodwill has been allocated. The calculation of the value in use requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

b. Income taxes

As of December 31, 2025 and 2024, the carrying amounts of deferred tax assets in relation to unused tax losses and temporary differences were \$206,605 thousand and \$285,481 thousand, respectively. The realizability of deferred tax assets mainly depends on whether sufficient future profit or taxable temporary differences will be available. In cases where the actual future profit generated is more than expected, material deferred tax assets may be realized in profit or loss for the period.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2025	2024
Cash on hand	\$ 1,714	\$ 1,239
Bank deposits	2,736,215	2,648,396
Cash equivalents		
Time deposits with original maturities of less than 3 months	<u>1,898,640</u>	<u>1,371,153</u>
	<u>\$ 4,636,569</u>	<u>\$ 4,020,788</u>

7. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE, OTHER RECEIVABLES, AND OTHER CURRENT ASSETS

	December 31	
	2025	2024
Notes receivable		
Operating	\$ 423	\$ 841
Accounts receivable		
At amortized cost		
Gross carrying amount	\$ 430,040	\$ 285,857
Less: Allowance for impairment loss	(1,568)	(4,356)
	<u>\$ 428,472</u>	<u>\$ 281,501</u>
Other receivables		
Gross carrying amount	\$ 1,945,911	\$ 1,623,708
Less: Allowance for impairment loss	(31,298)	(30,483)
	<u>\$ 1,914,613</u>	<u>\$ 1,593,225</u>
Receivables for agency transactions (classified under other current assets)		
Gross carrying amount	\$ 654,329	\$ 645,883
Less: Allowance for impairment loss	(117,704)	(110,231)
	<u>\$ 536,625</u>	<u>\$ 535,652</u>

a. Notes receivable

At the end of the reporting period, there were no past due notes receivable.

b. Accounts receivable

The main credit period is 30 to 90 days. The Group adopted a policy of only dealing with entities that have good credit ratings, and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated by reference to the past default experience of the debtor and an analysis of the debtor's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. The loss allowance is further distinguished according to the Group's different customer segments based on the aging of accounts receivable or past due status.

The Group writes off an account receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation, or when the accounts receivable are past due. For accounts receivable that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the aging analysis and the loss allowance of accounts receivable:

December 31, 2025

	Up to 90 Days	91 to 180 Days	181 to 365 Days	More than 1 year	Total
<u>Customer segment A</u>					
Expected credit loss rate (%)	-	0-3	15-30	100	
Gross carrying amount	\$ 385,843	\$ 75	\$ -	\$ 1,361	\$ 387,279
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>(1,361)</u>	<u>(1,363)</u>
Amortized cost	<u>\$ 385,843</u>	<u>\$ 73</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 385,916</u>

	Not past due	Past due 1-90 Days	Past due 91-180 Days	Past due 181-270 Days	Past due Over 270 Days	Total
<u>Customer segment B</u>						
Expected credit loss rate (%)	0-3	0-7	0-10	0-50	0-100	
Gross carrying amount	\$ 42,679	\$ 57	\$ 12	\$ -	\$ 13	\$ 42,761
Loss allowance (lifetime ECLs)	<u>(192)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13)</u>	<u>(205)</u>
Amortized cost	<u>\$ 42,487</u>	<u>\$ 57</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,556</u>

December 31, 2024

	Up to 90 Days	91 to 180 Days	181 to 365 Days	More than 1 year	Total
<u>Customer segment A</u>					
Expected credit loss rate (%)	-	0-3	15-30	100	
Gross carrying amount	\$ 233,083	\$ 5,158	\$ 3,054	\$ 536	\$ 241,831
Loss allowance (Lifetime ECLs)	<u>(3,554)</u>	<u>(20)</u>	<u>(18)</u>	<u>(536)</u>	<u>(4,128)</u>
Amortized cost	<u>\$ 229,529</u>	<u>\$ 5,138</u>	<u>\$ 3,036</u>	<u>\$ -</u>	<u>\$ 237,703</u>

	Not past due	Past due 1-90 Days	Past due 91-180 Days	Past due 181-270 Days	Past due Over 270 Days	Total
<u>Customer segment B</u>						
Expected credit loss rate (%)	0-3	0-7	0-10	0-50	0-100	
Gross carrying amount	\$ 43,951	\$ 47	\$ -	\$ -	\$ 28	\$ 44,026
Loss allowance (lifetime ECLs)	<u>(200)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28)</u>	<u>(228)</u>
Amortized cost	<u>\$ 43,751</u>	<u>\$ 47</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,798</u>

c. Other receivables

The Group's other receivables are mainly receipts under custody of cooperative channels from the sale of the Corporation's exclusive card (MyCard). The Corporation sold MyCard to customers via

cooperative channels, and the main credit period of receivables from channels was 30 to 120 days.

The following table details the aging analysis and the loss allowance of other receivables:

December 31, 2025

	Up to 90 Days	91 to 180 Days	181 to 365 Days	More than 1 year	Total
<u>Customer segment A</u>					
Expected credit loss rate (%)	-	0-3	15-30	0-100	
Gross carrying amount	\$ 1,821,653	\$ 84,024	\$ 18,043	\$ 734	\$ 1,924,454
Loss allowance (Lifetime ECLs)	-	(2,545)	(12,369)	(734)	(15,648)
Amortized cost	<u>\$ 1,821,653</u>	<u>\$ 81,479</u>	<u>\$ 5,674</u>	<u>\$ -</u>	<u>\$ 1,908,806</u>

	Not past due	Past due 1-90 Days	Past due 91-180 Days	Past due 181-270 Days	Past due Over 270 Days	Customers With Signs of Default	Total
<u>Customer segment B</u>							
Expected credit loss rate (%)	-	-	-	-	0-100	100	
Gross carrying amount	\$ 5,807	\$ -	\$ -	\$ -	\$ -	\$ 15,650	\$ 21,457
Loss allowance (lifetime ECLs)	-	-	-	-	-	(15,650)	(15,650)
Amortized cost	<u>\$ 5,807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,807</u>

December 31, 2024

	Up to 90 Days	91 to 180 Days	181 to 365 Days	More than 1 year	Total
<u>Customer segment A</u>					
Expected credit loss rate (%)	-	0-3	15-30	0-100	
Gross carrying amount	\$ 1,516,960	\$ 58,789	\$ 21,346	\$ -	\$ 1,597,095
Loss allowance (Lifetime ECLs)	-	(1,156)	(12,789)	-	(13,945)
Amortized cost	<u>\$ 1,516,960</u>	<u>\$ 57,633</u>	<u>\$ 8,557</u>	<u>\$ -</u>	<u>\$ 1,583,150</u>

	Not past due	Past due 1-90 Days	Past due 91-180 Days	Past due 181-270 Days	Past due Over 270 Days	Customers With Signs of Default	Total
<u>Customer segment B</u>							
Expected credit loss rate (%)	-	-	-	-	0-100	100	
Gross carrying amount	\$ 10,075	\$ -	\$ -	\$ -	\$ 577	\$ 15,961	\$ 26,613
Loss allowance (lifetime ECLs)	-	-	-	-	(577)	(15,961)	(16,538)
Amortized cost	<u>\$ 10,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,075</u>

d. Other current assets

The Group's receivables for agency transactions from operating third-party payments are usually received within 1 to 10 days. The Group assesses the receivables on a case-by-case basis and recognizes impairment losses when there is a higher probability of non-collection or loss due to consumer disputes

or disputes related to the payments received, counterfeiting or fraud incidents.

- e. The movements of the loss allowance of accounts receivable, other receivables and other current assets were as follows:

For the Year Ended December 31, 2025				
	Accounts Receivable	Other Receivables	Other Current Assets	Total
Balance on January 1	\$ 4,356	\$ 30,483	\$ 110,231	\$ 145,070
Recognition (reversal)	(1,971)	1,722	7,489	7,240
Amounts written off	(814)	(596)	(16)	(1,426)
Effect of foreign exchange differences	(3)	(311)	-	(314)
Balance on December 31	<u>\$ 1,568</u>	<u>\$ 31,298</u>	<u>\$ 117,704</u>	<u>\$ 150,570</u>

For the Year Ended December 31, 2024				
	Accounts Receivable	Other Receivables	Other Current Assets	Total
Balance on January 1	\$ 851	\$ 36,723	\$ 91,368	\$ 128,942
Recognition	3,615	4,487	18,863	26,965
Amounts written off	(119)	(11,514)	-	(11,633)
Effect of foreign exchange differences	9	787	-	796
Balance on December 31	<u>\$ 4,356</u>	<u>\$ 30,483</u>	<u>\$ 110,231</u>	<u>\$ 145,070</u>

8. INVENTORIES

	December 31	
	2025	2024
Merchandise	<u>\$ 50,046</u>	<u>\$ 46,993</u>

9. OTHER FINANCIAL ASSETS

	December 31	
	2025	2024
Pledged demand deposits (Note 31)	\$ 6,065	\$ 5,196
Pledged time deposits (Note 31)	190,000	140,000
Restricted trust deposits	1,665,691	1,926,829
Restricted bank deposits	40,190	53,593
Time deposits with original maturities of more than 3 months	<u>6,629,842</u>	<u>6,365,718</u>
	<u>\$ 8,531,788</u>	<u>\$ 8,491,336</u>
Current	\$ 7,924,037	\$ 7,888,121
Noncurrent	<u>607,751</u>	<u>603,215</u>
	<u>\$ 8,531,788</u>	<u>\$ 8,491,336</u>

(Continued)

	December 31	
	2025	2024
Maturity dates	2026.01-2028.12	2025.01-2027.12
Interest rates intervals (%)	0.665-2.650	0.665-3.85 (Concluded)

The Group's proxy receipts from third-party and electronic payments and stored-values received are deposited in a dedicated bank account as a trust account that was included in "Other financial assets - restricted trust deposits".

10. FINANCIAL ASSETS AT FVTPL - NONCURRENT

	December 31	
	2025	2024
Mandatorily classified as at FVTPL		
Foreign listed shares	<u>\$ 4,343</u>	<u>\$ 4,005</u>

11. FINANCIAL ASSETS AT FVTOCI - NONCURRENT

	December 31	
	2025	2024
Listed shares	\$ 2,225,891	\$ 3,140,360
Domestic and foreign unlisted shares	<u>137,681</u>	<u>144,015</u>
	<u>\$ 2,363,572</u>	<u>\$ 3,284,375</u>

The Corporation issued new shares in January 2024 to acquire 62,920 thousand shares of Gloria Material Technology Corp., representing 10.44% of its shareholding. Refer to Note 23.

For the years ended December 31, 2024, the Group disposed of certain shares amounting to \$17,136 thousand; therefore, the unrealized gains on financial assets, FVTOCI amounting to \$13,452 thousand, were transferred to retained earnings.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

The subsidiaries included in the consolidated financial statements are as follows:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31		
			2025	2024	
The Corporation	Chinese Gamer International Corporation (Chinese Gamer)	Online game service	48	48	Note 1
	Soft-World Technology Pte. Ltd. (Soft-World (Singapore))	Trading of game software	100	100	
	Gameflier International Corporation (Game Flier)	Online game service	98	98	
	Global Concept Corporation (Global Concept)	Investment related business	100	100	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)		Remark
			December 31		
			2025	2024	
Chinese Gamer	Game First International Corporation (Game First)	Online game service	70	70	
	Zealot Digital International Corporation (Zealot Digital)	Game software art outsourcing services	99	99	
	Softworld (Hong Kong) International Co., (Soft-World (Hong Kong))	Trading of game software	100	100	
	Dynasty International Information Co., Ltd. (Dynasty)	Design, development and trading of computer software	86	86	
	Intelligent Dragon Venture Capital Corporation (Intelligent Dragon)	Investment related business	13	13	
	Fast Distributed Cloud Computing (Taiwan) Co., Ltd. (Fast Distributed Cloud)	Retail, wholesale and service of information software	90	90	
	Neweb Technologies Co., Ltd. (Neweb Technologies)	Payment services business	50	50	
	Efun International Corporation (Efun)	Information software and data processing services	80	80	
	Lung Hsiang Investment Co., Ltd. (Lung Hsiang Investment)	Investment related business	44	44	
	Celad International Corp. (CELAD)	Online game service	32	32	
	We Can Financial Technology Co., Ltd. (We Can)	Development of financial system and equipment, etc.	51	51	
	Taichigamer (B.V.I.) Co., Ltd. (Taichigamer)	Investment related business	100	100	
	Walkfun International Corporation (Walkfun)	Network authentication, data processing services and electronic information providing services	100	100	
	Taichigamer	Celad International Corp. (CELAD)	Online game service	68	68
Super Game Corporation (Super Game)		Online game service	88	88	
Intelligent Dragon Venture Capital Corporation (Intelligent Dragon)		Investment related business	13	13	
Star Diamond Universal Corporation(BVI) (Star Diamond)		Investment related business	100	100	
FunBear International Corp. (FunBear)		Online game service	100	100	
GameTopia Co., Ltd. (Game Topia)		Online game service	65	65	
Oriental Dragon Digital Co., Ltd. (Oriental Dragon)		Online game service	100	100	
Lung Hsiang Investment Co., Ltd. (Lung Hsiang Investment)		Investment related business	30	30	
Transasiagamer	Transasiagamer Co., Ltd. (Transasiagamer)	Investment related business	100	100	
Transasiagamer	Yulon Online (Beijing) Technologies Co., Ltd. (Yulon Beijing Online)	Online game service	100	100	
Star Diamond	Dragon Gamer (Hong Kong) Co., Limited (Dragon Gamer)	Online game service	100	100	
Game Topia	GameTopia (Hong Kong) Co., Limited. (Game Topia Hong Kong)	Information service industry	100	100	
Global Concept	Value Central Corporation (Value Central)	Investment related business	100	100	
	Gamers Grande Corporation (Gamers Grande)	Investment related business	100	100	
Value Central	Picked United Development Limited (Picked United Development)	Acquisition and authorization of game software	-	100	Note 2
Gamers Grande	Gameflir International (Beijing) Corporation (Beijing Game Flier)	Information processing and supply services	100	100	
Game First	Compete ! Games Interactive Entertainment Corporation (Compete ! Games Interactive Entertainment)	Agent and operation of sports type of games	100	100	
Neweb Technologies	ezPay Co., Ltd. (ezPay)	Electronic payment service	100	100	
	CS Technology Co., Ltd. (CSservice)	Customer consulting services	100	100	
Efun International Corporation	Re: Ad Media (Taiwan) Corporation (Re: Ad)	General advertising service	100	100	
Lung Hsiang Investment	Intelligent Dragon Venture Capital Corporation (Intelligent Dragon)	Investment related business	74	74	

- 1) A subsidiary with material non-controlling interests, listed on the mainboard of the Taipei Exchange. Since the Corporation can direct the company's relevant activities due to its holding of an absolute majority of the company's voting rights, the company is recognized as a subsidiary.
 - 2) Completed liquidation procedures in 2025.
- b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests (%)	
	December 31	
	2025	2024
Chinese Gamer	52	52

For information on the main operating locations and countries of incorporation of the subsidiaries, refer to Table 3.

Name of Subsidiary	Profit Allocated to Non-controlling Interests For the Year Ended December 31		Non-controlling Interests December 31	
	2025	2024	2025	2024
Chinese Gamer	\$ 19,269	\$ 36,212	\$ 638,971	\$ 623,689

The summarized financial information below represents amounts before intragroup eliminations.

Chinese Gamer and its subsidiaries

	December 31	
	2025	2024
Current assets	\$ 748,508	\$ 741,333
Noncurrent assets	725,586	683,681
Current liabilities	(98,953)	(91,184)
Noncurrent liabilities	(16,937)	(2,783)
Equity	\$ 1,358,204	\$ 1,331,047
Equity attributable to:		
The Corporation	\$ 686,975	\$ 672,629
Non-controlling interests of Chinese Gamer International Corporation	638,971	623,689
Non-controlling interests of Chinese Gamer International Corporation's subsidiaries	32,258	34,729
	\$ 1,358,204	\$ 1,331,047

	For the Year Ended December 31	
	2025	2024
Revenue	\$ <u>395,919</u>	\$ <u>427,558</u>
Profit for the year	\$ 39,571	\$ 74,584
Other comprehensive (loss) income for the year	<u>(8,496)</u>	<u>25,621</u>
Total comprehensive income for the year	\$ <u>31,075</u>	\$ <u>100,205</u>
Profit attributable to:		
The Corporation	\$ 18,089	\$ 34,007
Non-controlling interests of Chinese Gamer International Corporation	19,269	36,212
Non-controlling interests of Chinese Gamer International Corporation's subsidiaries	<u>2,213</u>	<u>4,365</u>
	\$ <u>39,571</u>	\$ <u>74,584</u>
Comprehensive income attributable to:		
The Corporation	\$ 14,346	\$ 45,672
Non-controlling interests of Chinese Gamer International Corporation	15,282	48,618
Non-controlling interests of Chinese Gamer International Corporation's subsidiaries	<u>1,447</u>	<u>5,915</u>
	\$ <u>31,075</u>	\$ <u>100,205</u>
Cash flow		
Operating activities	\$ 50,408	\$ 56,381
Investing activities	(105,741)	(5,188)
Financing activities	<u>(16,319)</u>	<u>(11,533)</u>
Net cash inflow (outflow)	\$ <u>(71,652)</u>	\$ <u>39,660</u>

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2025	2024
Investments in associates - not individually material	\$ <u>48,666</u>	\$ <u>39,682</u>

Aggregate information of associates that are not individually material:

	For the Year Ended December 31	
	2025	2024
The Group's share of:		
Total profit and other comprehensive income for the year	\$ <u>4,126</u>	\$ <u>1,736</u>

In December 2025, the Group acquired 4,903 ordinary shares of Playgame Sdn. Bhd. for a consideration of \$1,619 thousand, resulting in an increase in the Group's ownership interest from 30% to 35%. The difference of \$3,239 thousand between the acquisition cost and the carrying amount of the investment was recognized under capital surplus.

14. PROPERTY, PLANT AND EQUIPMENT

For the year ended December 31, 2025

	Land	Buildings	Equipment	Miscellaneous Equipment	Others	Total
<u>Cost</u>						
Balance on January 1, 2025	\$ 215,321	\$ 184,800	\$ 107,838	\$ 14,773	\$ 22,326	\$ 545,058
Additions	-	-	15,810	5,301	4,024	25,135
Disposals	-	-	(9,147)	(4,439)	(3,976)	(17,562)
Transfers to investment properties	-	(26,727)	-	-	-	(26,727)
Effect of foreign currency exchange differences	-	(740)	(80)	6	(118)	(932)
Balance on December 31, 2025	<u>\$ 215,321</u>	<u>\$ 157,333</u>	<u>\$ 114,421</u>	<u>\$ 15,641</u>	<u>\$ 22,256</u>	<u>\$ 524,972</u>
<u>Accumulated depreciation</u>						
Balance on January 1, 2025	\$ -	\$ 83,698	\$ 92,290	\$ 7,709	\$ 20,251	\$ 203,948
Disposals	-	-	(9,040)	(4,439)	(3,976)	(17,455)
Depreciation expense	-	3,761	11,684	3,048	1,301	19,794
Transfers to investment properties	-	(12,448)	-	-	-	(12,448)
Effect of foreign currency exchange differences	-	(440)	(80)	5	(111)	(626)
Balance on December 31, 2025	<u>\$ -</u>	<u>\$ 74,571</u>	<u>\$ 94,854</u>	<u>\$ 6,323</u>	<u>\$ 17,465</u>	<u>\$ 193,213</u>
Carrying amounts on December 31, 2025	<u>\$ 215,321</u>	<u>\$ 82,762</u>	<u>\$ 19,567</u>	<u>\$ 9,318</u>	<u>\$ 4,791</u>	<u>\$ 331,759</u>

For the year ended December 31, 2024

	Land	Buildings	Equipment	Miscellaneous Equipment	Others	Total
<u>Cost</u>						
Balance on January 1, 2024	\$ 215,321	\$ 195,514	\$ 204,628	\$ 17,169	\$ 22,403	\$ 655,035
Additions	-	-	8,362	6,914	-	15,276
Disposals	-	-	(108,285)	(9,365)	(343)	(117,993)
Transfers to investment properties	-	(11,478)	-	-	-	(11,478)
Effect of foreign currency exchange differences	-	764	3,133	55	266	4,218
Balance on December 31, 2024	<u>\$ 215,321</u>	<u>\$ 184,800</u>	<u>\$ 107,838</u>	<u>\$ 14,773</u>	<u>\$ 22,326</u>	<u>\$ 545,058</u>
<u>Accumulated depreciation</u>						
Balance on January 1, 2024	\$ -	\$ 81,862	\$ 179,016	\$ 12,592	\$ 19,272	\$ 292,742
Disposals	-	-	(99,921)	(9,354)	(343)	(109,618)
Depreciation expense	-	4,582	10,285	4,421	1,071	20,359
Transfers to investment properties	-	(3,299)	-	-	-	(3,299)
Effect of foreign currency exchange differences	-	553	2,910	50	251	3,764
Balance on December 31, 2024	<u>\$ -</u>	<u>\$ 83,698</u>	<u>\$ 92,290</u>	<u>\$ 7,709</u>	<u>\$ 20,251</u>	<u>\$ 203,948</u>
Carrying amounts on December 31, 2024	<u>\$ 215,321</u>	<u>\$ 101,102</u>	<u>\$ 15,548</u>	<u>\$ 7,064</u>	<u>\$ 2,075</u>	<u>\$ 341,110</u>

- a. The reconciliation of additions to property, plant and equipment and the cash payments stated in the statements of cash flows is as follows:

	<u>For the Year Ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Additions to property, plant and equipment	\$ 25,135	\$ 15,276

(Continued)

	For the Year Ended December 31	
	2025	2024
Increase in payables for equipment	\$ <u>(1,331)</u>	\$ <u>(202)</u>
Cash payments	\$ <u>23,804</u>	\$ <u>15,074</u> (Concluded)
b. Property, plant and equipment are depreciated on a straight-line basis over their useful lives as follows:		
Buildings		
Main buildings		20-55 years
Equipment		3-6 years
Miscellaneous Equipment		3-5 years
Others		3-6 years
c. For the amount of property, plant and equipment that the Group pledged or mortgaged as collateral, refer to Note 31.		

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2025	2024
Carrying amount		
Buildings	\$ <u>53,948</u>	\$ <u>47,614</u>
For the Year Ended December 31		
	2025	2024
Additions to right-of-use assets	\$ <u>42,057</u>	\$ <u>37,332</u>
Depreciation of right-of-use assets		
Buildings	\$ <u>35,549</u>	\$ <u>35,436</u>

b. Lease liabilities

	December 31	
	2025	2024
Carrying amount		
Current	\$ <u>28,290</u>	\$ <u>26,923</u>
Noncurrent	\$ <u>26,482</u>	\$ <u>21,370</u>

Range of discount rates (%) for lease liabilities were as follows:

	December 31	
	2025	2024
Buildings	1.96-6.59	2.02-6.59

c. Material leasing activities and terms

The Group leases buildings with lease terms which will expire before December 2029 in a row. The Group does not have bargain purchase options to acquire the buildings at the expiry of the lease term.

d. Other lease information

	For the Year Ended December 31	
	2025	2024
Expenses relating to short-term leases	\$ 6,105	\$ 6,240
Expenses relating to low-value asset leases	\$ 294	\$ 293
Total cash outflow for leases	\$ 43,708	\$ 43,249

The Group has elected to apply the recognition exemption for leases which qualify as short-term leases and low-value asset leases and thus did not recognize right-of-use assets and lease liabilities for these leases.

16. INVESTMENT PROPERTIES

For the year ended December 31, 2025

	Buildings
Cost	
Balance on January 1, 2025	\$ 122,901
Transferred from property, plant and equipment	26,727
Effect of foreign currency exchange differences	<u>(1,661)</u>
Balance on December 31, 2025	<u>\$ 147,967</u>
Accumulated depreciation	
Balance on January 1, 2025	\$ 80,790
Depreciation expenses	3,139
Transferred from property, plant and equipment	12,448
Effect of foreign currency exchange differences	<u>(1,086)</u>
Balance on December 31, 2025	<u>\$ 95,291</u>
Carrying amount on December 31, 2025	<u>\$ 52,676</u>

For the year ended December 31, 2024

	Buildings
Cost	
Balance on January 1, 2024	\$ 106,040
Transferred from property, plant and equipment	11,478
Effect of foreign currency exchange differences	<u>5,383</u>
Balance on December 31, 2024	<u>\$ 122,901</u>

(Continued)

Buildings

<u>Accumulated depreciation</u>	
Balance on January 1, 2024	\$ 70,794
Depreciation expenses	3,062
Transferred from property, plant and equipment	3,299
Effect of foreign currency exchange differences	<u>3,635</u>
Balance on December 31, 2024	<u>\$ 80,790</u>
Carrying amount on December 31, 2024	<u>\$ 42,111</u> (Concluded)

The investment properties were leased out for 1 to 5 years. The lessees do not have bargain purchase options to acquire the investment properties but have extension options under the same terms at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of the investment properties was as follows:

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Year 1	\$ 21,995	\$ 20,427
Year 2	12,798	13,711
Year 3	6,837	7,427
Year 4	5,992	4,060
Year 5	<u>3,466</u>	<u>2,706</u>
	<u>\$ 51,088</u>	<u>\$ 48,331</u>

Investment properties are depreciated on a straight-line basis over their useful lives of 20 to 40 years.

The fair values of investment properties as of December 31, 2025 and 2024 were \$751,000 thousand and \$598,000 thousand, respectively, which were assessed by the Group's management based on the market prices of similar properties in the vicinity.

For the amount of investment properties that the Group pledged or mortgaged as collateral, refer to Note 31.

17. OTHER INTANGIBLE ASSETS

For the year ended December 31, 2025

	Computer Software	Copyright and Royalty for Game Software	Total
<u>Cost</u>			
Balance on January 1, 2025	\$ 25,202	\$ 22,040	\$ 47,242
Additions	14,006	1,993	15,999
Write-off	(12,231)	(7,475)	(19,706)
			(Continued)

	Computer Software	Copyright and Royalty for Game Software	Total
Effect of foreign currency exchange differences	\$ <u>5</u>	\$ <u>-</u>	\$ <u>5</u>
Balance on December 31, 2025	\$ <u>26,982</u>	\$ <u>16,558</u>	\$ <u>43,540</u>
Accumulated amortization			
Balance on January 1, 2025	\$ 13,286	\$ 15,684	\$ 28,970
Amortization expenses	15,381	8,349	23,730
Write-off	(12,231)	(7,475)	(19,706)
Effect of foreign currency exchange differences	<u>5</u>	<u>-</u>	<u>5</u>
Balance on December 31, 2025	\$ <u>16,441</u>	\$ <u>16,558</u>	\$ <u>32,999</u>
Carrying amount on December 31, 2025	\$ <u>10,541</u>	\$ <u>-</u>	\$ <u>10,541</u> (Concluded)

For the year ended December 31, 2024

	Computer Software	Copyright and Royalty for Game Software	Total
Cost			
Balance on January 1, 2024	\$ 24,696	\$ 46,015	\$ 70,711
Additions	12,335	4,594	16,929
Write-off	(11,869)	(28,569)	(40,438)
Effect of foreign currency exchange differences	<u>40</u>	<u>-</u>	<u>40</u>
Balance on December 31, 2024	\$ <u>25,202</u>	\$ <u>22,040</u>	\$ <u>47,242</u>
Accumulated amortization			
Balance on January 1, 2024	\$ 9,608	\$ 34,554	\$ 44,162
Amortization expenses	15,507	9,699	25,206
Write-off	(11,869)	(28,569)	(40,438)
Effect of foreign currency exchange differences	<u>40</u>	<u>-</u>	<u>40</u>
Balance on December 31, 2024	\$ <u>13,286</u>	\$ <u>15,684</u>	\$ <u>28,970</u>
Carrying amount on December 31, 2024	\$ <u>11,916</u>	\$ <u>6,356</u>	\$ <u>18,272</u>

The Group's intangible assets are amortized on a straight-line basis over the following useful lives:

Computer software	1-10 years
Copyright and royalty for game software	1-3 years

18. NOTES PAYABLE AND ACCOUNTS PAYABLE

The Group's notes payable and accounts payable are generated from operating activities. The average credit period on purchases of goods and services is around 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms, and therefore no interest was charged on the outstanding balance.

19. OTHER PAYABLES

	December 31	
	2025	2024
Payables for receipts under custody	\$ 4,673,788	\$ 3,460,462
Payables for salaries	219,635	217,492
Payables for circulation	141,165	119,649
Payables for compensation of employees, and board of directors	101,524	92,542
Payables for royalty	7,658	8,345
Others	<u>193,361</u>	<u>185,746</u>
	<u>\$ 5,337,131</u>	<u>\$ 4,084,236</u>

Payables for receipts under custody are receipts from MyCard online platform service and points sales provided by the Group, which should be transferred to the game operators.

20. OTHER FINANCIAL LIABILITIES - CURRENT

	December 31	
	2025	2024
Temporary receipts from the sale of MyCard	<u>\$ 760,701</u>	<u>\$ 792,240</u>

21. OTHER CURRENT LIABILITIES

	December 31	
	2025	2024
Payables for agency transactions	\$ 2,319,536	\$ 2,622,469
Others	<u>125,704</u>	<u>71,984</u>
	<u>\$ 2,445,240</u>	<u>\$ 2,694,453</u>

The Group's payables for agency transactions are the proxy receipts from third-party and electronic payments and stored values received, and the uncollected amounts from users are classified under other current liabilities.

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Corporation and its domestic subsidiaries adopted a pension plan under the Labor Pension Act (the LPA), which is a state-managed defined contribution plan. Under the LPA, the Group makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

Foreign subsidiaries in the Group are required to make contributions to the central provident fund of the country of operations and retirement insurance for being a part of the state-managed retirement benefit plan. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plan

The defined benefit plans adopted by the Corporation and its domestic subsidiaries are in accordance with the Labor Standards Act of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Corporation and domestic subsidiaries of the Group contribute amounts equal to 2% of total monthly salaries and wages to a pension fund which is deposited in the Bank of Taiwan in the name of and administered by the pension fund monitoring committee. Before the end of each year, the Group assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Group is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (“the Bureau”); the Group has no right to influence the investment policy and strategy.

The amounts included in the consolidated balance sheets in respect of the Group’s defined benefit plans were as follows:

	December 31	
	2025	2024
Present value of defined benefit obligation	\$ 150,630	\$ 146,445
Fair value of plan assets	<u>(172,675)</u>	<u>(159,765)</u>
Surplus	(22,045)	(13,320)
Net defined benefit assets	44,774	40,104
Other payables	<u>(148)</u>	<u>(133)</u>
Net defined benefit liabilities	<u>\$ 22,581</u>	<u>\$ 26,651</u>

Movements of the net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Deficit (surplus)
Balance on January 1, 2024	<u>\$ 152,335</u>	<u>\$ (138,670)</u>	<u>\$ 13,665</u>
Service cost			
Current service cost	804	-	804
Interest expense (income)	<u>1,915</u>	<u>(1,876)</u>	<u>39</u>
Recognized in profit or loss	<u>2,719</u>	<u>(1,876)</u>	<u>843</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(11,973)	(11,973)
Actuarial gain - changes in financial assumptions	(4,286)	-	(4,286)
Actuarial gain - experience adjustments	<u>(188)</u>	<u>-</u>	<u>(188)</u>
Recognized in other comprehensive income	<u>(4,474)</u>	<u>(11,973)</u>	<u>(16,447)</u>

(Continued)

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Deficit (surplus)
Contributions from the employer	\$ <u>-</u>	\$ <u>(11,381)</u>	\$ <u>(11,381)</u>
Benefits paid	<u>(4,135)</u>	<u>4,135</u>	<u>-</u>
Balance on December 31, 2024	<u>146,445</u>	<u>(159,765)</u>	<u>(13,320)</u>
Service cost			
Current service cost	785	-	785
Past service cost	421	-	421
Interest expense (income)	<u>2,201</u>	<u>(2,460)</u>	<u>(259)</u>
Recognized in profit or loss	<u>3,407</u>	<u>(2,460)</u>	<u>947</u>
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	(11,182)	(11,182)
Actuarial loss - changes in financial assumptions	2,737	-	2,737
Actuarial loss - experience adjustments	<u>4,903</u>	<u>-</u>	<u>4,903</u>
Recognized in other comprehensive income	<u>7,640</u>	<u>(11,182)</u>	<u>(3,542)</u>
Contributions from the employer	<u>-</u>	<u>(6,130)</u>	<u>(6,130)</u>
Benefits paid	<u>(6,862)</u>	<u>6,862</u>	<u>-</u>
Balance on December 31, 2025	<u>\$ 150,630</u>	<u>\$ (172,675)</u>	<u>\$ (22,045)</u> (Concluded)

Through the defined benefit plans under the Labor Standards Act, the Group is exposed to the following risks:

1) Investment risk

The plan assets are invested in domestic and foreign equity and debt securities and bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk

A decrease in the bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk

The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2025	2024
Discount rate(s)	1.25-1.50	1.50-1.625
Expected rate(s) of salary increase	2.000-3.000	2.000-3.000

If possible reasonable changes in each of the significant actuarial assumptions will occur and all other assumptions will remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2025	2024
Discount rate(s)		
Increase 0.25%	<u>\$ (3,230)</u>	<u>\$ (3,421)</u>
Decrease 0.25%	<u>\$ 3,337</u>	<u>\$ 3,035</u>
Expected rate(s) of salary increase/decrease		
Increase 0.25%	<u>\$ 3,233</u>	<u>\$ 2,938</u>
Decrease 0.25%	<u>\$ (3,146)</u>	<u>\$ (3,343)</u>

The sensitivity analysis presented above may not be representative of the actual changes in the present value of the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2025	2024
Expected contributions to the plans for the next year	<u>\$ 2,470</u>	<u>\$ 2,506</u>
Average duration of the defined benefit obligation (in years)	6.17-20	6.96-19.78

23. EQUITY

a. Ordinary share capital

	December 31	
	2025	2024
Number of shares authorized (in thousands)	<u>300,000</u>	<u>300,000</u>
Shares authorized	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>156,074</u>	<u>156,074</u>
Shares issued	<u>\$ 1,560,743</u>	<u>\$ 1,560,743</u>

The Corporation's board of directors approved the issuance of new shares to be used as the consideration for the acquisition of shares of Gloria Material Technology Corp. by a resolution on December 21, 2023. The swap ratio for this transaction was 2.2 ordinary shares of Gloria Material Technology Corp. in exchange for 1 ordinary share of the Corporation. The Corporation issued a total of 28,600 thousand shares, through which the Corporation acquired 62,920 thousand shares of Gloria Material Technology Corp. The share swap was filed with the competent authority and became effective with January 31, 2024 set as the base date for this share swap. The change of registration was subsequently completed.

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and the right to dividends.

b. Capital surplus

	December 31	
	2025	2024
<u>May be used to offset deficits, distributed as cash dividends or transferred to share capital (Note)</u>		
Issuance of ordinary shares	\$ 3,627,723	\$ 3,627,723
Conversion of bonds	245,975	245,975
Treasury share transactions	320,608	273,760
Difference between the consideration and carrying amount of subsidiaries acquired or disposed	59,180	59,180
<u>May be used to offset deficits only</u>		
Changes in percentage of ownership interests in subsidiaries	161,705	157,276
Changes in percentage of ownership interests in associates	6,955	6,955
Unclaimed dividends	<u>90</u>	<u>90</u>
	<u>\$ 4,422,236</u>	<u>\$ 4,370,959</u>

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

c. Retained earnings and dividends policy

The Corporation's Articles of Incorporation (the "Articles") provide that, earnings distribution or offsetting of losses should be made on a quarterly basis after the close of each quarter. Where the Corporation made a profit in each quarter, the Corporation shall first estimate and reserve for the taxes to be paid, offset losses, estimate and reserve for the compensation of employees and remuneration of directors, set aside for legal reserve 10% of the remaining earnings, until the legal reserve equals the Corporation's share capital, then set aside or reverse a special reserve in accordance with the laws or regulations. Any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan, which should be resolved by the board of directors if distributed by way of cash dividend or should be approved in the shareholders' meeting if distributed by way of stock dividend.

Where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, set aside as a legal reserve 10% of the remaining earnings until the legal reserve equals the Corporation's share capital, setting aside or reverse a special reserve in accordance with the laws or regulations or depending on the demand by the Corporation. Any remaining profit together with any undistributed retained earnings shall be used by the Corporation's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of stock dividends and bonuses to shareholders.

As stipulated in the Articles, the board of directors is authorized under Article 240 of the Company Act to resolve the distribution of dividends and bonuses in cash or under Article 241 of the Company Act to resolve the distribution as dividends and bonuses in whole or in part of the legal reserve and capital surplus, and a report of such distribution shall be submitted to the shareholders in their meeting.

The dividends policy of the Corporation considers expanding the scale of operations and developing research plans, based on the overall environment and the features of the industry in order to pursue sustainable operations and long-term benefits for shareholders. The dividends to shareholders shall be not less than 15% of the distributable earnings each year, but if the accumulated distributable earnings are less than 25% of the Corporation's paid-in capital, the Corporation should not make an appropriation for dividends. The dividends to shareholders can be paid in cash or issued as shares, but cash dividends shall be not less than 10% of the total dividends.

The legal reserve may be used to offset a deficit. If the Corporation has no deficit and the legal reserve has exceeded 25% of the Corporation's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2024 and 2023 were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$ 116,291	\$ 116,693		
Special reserve reversal	-	(21,799)		
Cash dividends	<u>1,170,558</u>	<u>1,088,593</u>	<u>\$ 7.50</u>	<u>\$ 7.00</u>
	<u>\$ 1,286,849</u>	<u>\$ 1,183,487</u>		

The above appropriations for cash dividends and the distribution of \$311,027 thousand in cash from capital surplus at \$2 per share for 2023 were resolved by the Corporation's board of directors on February 26, 2025 and March 6, 2024, respectively; the other proposed appropriations were resolved by the shareholders' meetings held on June 19, 2025 and June 24, 2024, respectively.

The appropriations of earnings for 2025, which were proposed by the Corporation's board of directors on March 4, 2026, were as follows:

	Appropriation of Earnings	Dividends Per Share (NT\$)
Legal reserve	\$ 119,025	
Special reserve	790,819	
Cash dividends	<u>780,372</u>	<u>\$ 5.00</u>
	<u>\$ 1,690,216</u>	

At the above-mentioned meeting, the Corporation's board of directors proposed the distribution of \$390,186 thousand in cash from capital surplus at \$2.5 per share. The above appropriations for cash dividends and cash distribution from capital surplus were resolved by the Corporation's board of directors, and the other proposed appropriations will be resolved by the shareholders' meeting held in June 2026.

d. Special reserve

Upon initial application of IFRS Accounting Standards, the amount of cumulative translation adjustments transferred to retained earnings was \$25,117 thousand, and the Corporation had set aside an equal amount of special reserve. In June 2023, the shareholders held a meeting and resolved to set aside a special reserve of \$21,799 thousand for the difference between the market value of the parent company's stock held by subsidiaries as of December 31, 2022 and its carrying amount, based on the Corporation's consolidated percentage of ownership. The shareholders' meeting held in June 2024 resolved to reserve \$21,799 thousand for the recovery of the market value.

e. Other equity items

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

	For the Year Ended December 31	
	2025	2024
Balance, beginning of year	\$ 23,601	\$ (24,882)
Recognized for the year		
Exchange differences on translating the financial statements of foreign operations	(28,975)	58,292
Related income tax arising from exchange differences	<u>4,933</u>	<u>(9,809)</u>
Balance, end of year	<u>\$ (441)</u>	<u>\$ 23,601</u>

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

	For the Year Ended December 31	
	2025	2024
Balance, beginning of year	\$ 105,541	\$ 197,755
Recognized for the year		
Unrealized (loss) gain - equity instruments	(921,036)	(78,762)
Cumulative unrealized gain of equity instruments transferred earnings due to disposal	<u>-</u>	<u>(13,452)</u>
Balance, end of year	<u>\$ (815,495)</u>	<u>\$ 105,541</u>

f. Non-controlling interests

	For the Year Ended December 31	
	2025	2024
Balance, beginning of year	\$ 1,201,802	\$ 1,180,936
Share in profit for the year	80,800	98,634
Other comprehensive income for the year		
Exchange differences on translating the financial statements of foreign operations	(5,355)	11,390
Unrealized gain (loss) on financial assets at FVTOCI	18	(2,461)
Actuarial gain on defined benefit plans	782	3,130
Cash dividends distributed by subsidiaries	(12,776)	(9,866)
Shares held by the subsidiaries considered as treasury shares	-	(22,426)
Employees of subsidiaries exercise share options	733	2,003
Proceeds from capital reduction	<u>(658)</u>	<u>(59,538)</u>
Balance, end of year	<u>\$ 1,265,346</u>	<u>\$ 1,201,802</u>

g. Treasury shares

Purpose of Treasury Shares	Thousand Shares			December 31	
	Beginning of the Year	Addition	Reduction	Thousand Shares	Book Value
For the year ended December 31, 2025					
Shares of the Corporation held by subsidiaries	<u>6,246</u>	<u>-</u>	<u>-</u>	<u>6,246</u>	<u>\$ 567,008</u>
For the year ended December 31, 2024					
Shares of the Corporation held by subsidiaries	<u>6,002</u>	<u>244</u>	<u>-</u>	<u>6,246</u>	<u>\$ 567,008</u>
Transfer shares to employees	<u>561</u>	<u>-</u>	<u>561</u>	<u>-</u>	<u>\$ -</u>

The Corporation's board of directors resolved to transfer 561 thousand treasury shares to the employees at a price of \$77.53 per share on November 6, 2024. The total transferred amount was \$43,494 thousand. The Group recognized \$33,968 thousand in compensation cost on the grant date.

The Corporation engaged external independent experts to adopt the Black-Scholes model for the treasury stock options granted in November 2024. The inputs used in the parameters are as follows:

	Treasury share options on grant date
Stock price on grant date (NT\$)	\$ 138.00
Exercise price (NT\$)	\$ 77.53
Expected volatility	31.74%
Expected duration	29 days
Risk-free interest rate	1.30%
Fair value of options on grant date (NT\$)	\$ 60.55

Expected volatility was based on that is expected to result from the historical share price volatility.

The Corporation's shares acquired and held by the subsidiaries for the purpose of making the medium to long-term profits are accounted for as treasury shares.

As of December 31, 2025 and 2024, the market values of the treasury shares calculated based on the consolidated shareholding percentage were \$617,770 thousand and \$780,802 thousand, respectively.

24. REVENUE

a. Revenue from contracts with customers

	For the Year Ended December 31	
	2025	2024
Rendering of services	\$ 5,352,424	\$ 5,414,445
Sale of goods	551,866	592,561
		(Continued)

	For the Year Ended December 31	
	2025	2024
Operation of games	\$ 471,637	\$ 600,838
Licensing revenue	<u>142,635</u>	<u>166,498</u>
	<u>\$ 6,518,562</u>	<u>\$ 6,774,342</u>
		(Concluded)

b. Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Notes receivable, accounts receivable, other receivables, and receivables for agency transactions (classified under other current assets)	<u>\$ 2,880,133</u>	<u>\$ 2,411,219</u>	<u>\$ 2,656,025</u>
Contract assets	<u>\$ 3,292</u>	<u>\$ 2,920</u>	<u>\$ 4,446</u>
Contract liabilities			
Royalty fee for games	\$ 6,963	\$ 13,671	\$ 14,602
Game points	88,259	85,734	82,702
Others	<u>187,898</u>	<u>162,023</u>	<u>103,868</u>
	<u>\$ 283,120</u>	<u>\$ 261,428</u>	<u>\$ 201,172</u>

The changes in the balance of contract assets and contract liabilities primarily result from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

Revenue in the current years that were recognized from the contract liability balance at the beginning of the years and from the performance obligations satisfied in the previous periods were in the amount of \$261,428 thousand and \$201,172 thousand for the years ended December 31, 2025 and 2024, respectively.

c. Disaggregation of revenue

Refer to Note 34 for information about the disaggregation of revenue.

25. PROFIT BEFORE INCOME TAX

a. Interest income

	For the Year Ended December 31	
	2025	2024
Bank deposits	\$ 154,060	\$ 147,776
Others	<u>86</u>	<u>45</u>
	<u>\$ 154,146</u>	<u>\$ 147,821</u>

b. Other income

	For the Year Ended December 31	
	2025	2024
Rental income	\$ 24,803	\$ 22,710
Dividend income	168,951	160,844
Others	<u>17,840</u>	<u>10,776</u>
	<u>\$ 211,594</u>	<u>\$ 194,330</u>

c. Other gains and losses

	For the Year Ended December 31	
	2025	2024
Gain (loss) on disposal of property, plant and equipment	\$ 810	\$ (8,337)
Net foreign exchange gain (loss)	1,064	(6,629)
Net gain (loss) on financial assets designated as at FVTPL	338	(1,136)
Others	<u>(5,558)</u>	<u>(7,477)</u>
	<u>\$ (3,346)</u>	<u>\$ (23,579)</u>

d. Depreciation and amortization

	For the Year Ended December 31	
	2025	2024
Property, plant and equipment	\$ 19,794	\$ 20,359
Right-of-use assets	35,549	35,436
Investment properties	3,139	3,062
Other intangible assets	<u>23,730</u>	<u>25,206</u>
	<u>\$ 82,212</u>	<u>\$ 84,063</u>
An analysis of depreciation by function		
Operating costs	\$ 686	\$ 548
Operating expenses	54,657	55,247
Non-operating expenses	<u>3,139</u>	<u>3,062</u>
	<u>\$ 58,482</u>	<u>\$ 58,857</u>
An analysis of amortization by function		
Operating costs	\$ 8,721	\$ 10,096
Operating expenses	<u>15,009</u>	<u>15,110</u>
	<u>\$ 23,730</u>	<u>\$ 25,206</u>

e. Employee benefits

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	<u>\$ 1,133,756</u>	<u>\$ 1,115,835</u>

(Continued)

	For the Year Ended December 31	
	2025	2024
Post-employment benefits		
Defined contribution plans	\$ 44,275	\$ 43,619
Defined benefit plans (Note 22)	<u>947</u>	<u>843</u>
	<u>45,222</u>	<u>44,462</u>
Share-based payments - equity-settled (Note 23)	<u>1,923</u>	<u>33,968</u>
Employee benefits expense	<u>\$ 1,180,901</u>	<u>\$ 1,194,265</u>
An analysis by function		
Operating costs	\$ 47,771	\$ 47,618
Operating expenses	<u>1,133,130</u>	<u>1,146,647</u>
	<u>\$ 1,180,901</u>	<u>\$ 1,194,265</u>
		(Concluded)

f. Compensation of employees and remuneration of directors

According to the Articles of the Corporation, the Corporation accrued compensation of employees and remuneration of directors at rates of no less than 2% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Corporation resolved the amendments to the Corporation's Articles of the at their 2025 regular meeting. The amendments explicitly stipulate that no less than 20% of the employee compensation appropriated for the current year shall be distributed to non-executive employees. The compensation of employees (including non-executive employees) and the remuneration of directors for the years ended December 31, 2025 and 2024, which were resolved to be paid in cash by the Corporation's board of directors on March 4, 2026 and February 26, 2025, respectively, were as follows:

	For the Year Ended December 31	
	2025	2024
Accrual rate		
Compensation of employees (%)	5	5
Remuneration of directors (%)	1.25	1.25
Amount		
Compensation of employees	\$ 75,815	\$ 71,235
Remuneration of directors	18,954	17,809

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

There is no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

26. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Year Ended December 31	
	2025	2024
Current tax		
In respect of the current year	\$ 233,294	\$ 224,461
Income tax on unappropriated earnings	3,752	2,122
Adjustments for prior years	1,183	4,554
Deferred tax		
In respect of the current year	<u>25,980</u>	<u>24,823</u>
Income tax expense recognized in profit or loss	<u>\$ 264,209</u>	<u>\$ 255,960</u>

The reconciliation of accounting profit and income tax expense is as follows:

	For the Year Ended December 31	
	2025	2024
Profit before income tax	<u>\$ 1,533,208</u>	<u>\$ 1,494,026</u>
Income tax expense calculated at the statutory rate	\$ 373,788	\$ 399,243
Deductible income and expenses in determining taxable income	(33,999)	(46,520)
Tax-exempt income	(53,208)	(74,159)
Realized investment loss	-	(5,399)
Unrecognized adjustments for temporary difference	(4,761)	(2,973)
Unrecognized loss carries forwards	(22,848)	(26,134)
Adjustments for prior years' tax	1,183	4,554
Income tax on unappropriated earnings	3,752	2,122
Others	<u>302</u>	<u>5,226</u>
Income tax expense recognized in profit or loss	<u>\$ 264,209</u>	<u>\$ 255,960</u>

The applicable tax rate used by the entities in the Group in the ROC is 20%; the applicable tax rate used by subsidiaries in China is 25%; and the tax rates used by other entities in the Group operating in other jurisdictions are based on the tax laws in those jurisdictions.

b. Income tax benefit (expense) recognized in other comprehensive income

	For the Year Ended December 31	
	2025	2024
In respect of the current year		
Remeasurement of defined benefit plans	\$ (708)	\$ (3,290)
Translation of foreign operations	<u>4,933</u>	<u>(9,809)</u>
	<u>\$ 4,225</u>	<u>\$ (13,099)</u>

c. Current tax assets and liabilities

	December 31	
	2025	2024
Tax refund receivable	<u>\$ 13,074</u>	<u>\$ 9,180</u>
Income tax payable	<u>\$ 119,359</u>	<u>\$ 105,124</u>

d. Deferred tax assets and liabilities

Movements of deferred tax assets and liabilities were as follows:

For the year ended December 31, 2025

	Balance, Beginning of Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Balance, End of Year
<u>Deferred tax assets</u>				
Temporary differences				
Defined benefit obligations	\$ 5,330	\$ (908)	\$ 94	\$ 4,516
Loss on inventories	1,507	(800)	-	707
Others	<u>9,765</u>	<u>(186)</u>	<u>-</u>	<u>9,579</u>
	<u>\$ 16,602</u>	<u>\$ (1,894)</u>	<u>\$ 94</u>	<u>\$ 14,802</u>
<u>Deferred tax liabilities</u>				
Temporary differences				
Unrealized gain from foreign investments	\$ 105,722	\$ 23,955	\$ -	\$ 129,677
Exchange differences on translation of foreign operations	17,802	-	(4,933)	12,869
Defined benefit obligation	8,059	131	802	8,992
Others	<u>202</u>	<u>-</u>	<u>-</u>	<u>202</u>
	<u>\$ 131,785</u>	<u>\$ 24,086</u>	<u>\$ (4,131)</u>	<u>\$ 151,740</u>

For the year ended December 31, 2024

	Balance, Beginning of Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Balance, End of Year
<u>Deferred tax assets</u>				
Temporary differences				
Defined benefit obligations	\$ 8,470	\$ (1,994)	\$ (1,146)	\$ 5,330
Loss on inventories	3,233	(1,726)	-	1,507
Others	<u>8,822</u>	<u>943</u>	<u>-</u>	<u>9,765</u>
	<u>\$ 20,525</u>	<u>\$ (2,777)</u>	<u>\$ (1,146)</u>	<u>\$ 16,602</u>

(Continued)

	Balance, Beginning of Year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Balance, End of Year
<u>Deferred tax liabilities</u>				
Temporary differences				
Unrealized gain from foreign investments	\$ 82,225	\$ 23,497	\$ -	\$ 105,722
Exchange differences on translation of foreign operations	7,993	-	9,809	17,802
Defined benefit obligation	5,797	118	2,144	8,059
Others	<u>1,771</u>	<u>(1,569)</u>	<u>-</u>	<u>202</u>
	<u>\$ 97,786</u>	<u>\$ 22,046</u>	<u>\$ 11,953</u>	<u>\$ 131,785</u> (Concluded)

- e. Deferred tax assets that have not been recognized in the consolidated balance sheets and information about unused loss carryforwards

	<u>December 31</u>	
	2025	2024
Loss carryforwards		
Expiry in 2025	\$ -	\$ 281,762
Expiry in 2026	205,094	212,588
Expiry in 2027	243,458	244,195
Expiry in 2028	121,350	121,973
Expiry in 2029	59,706	60,108
Expiry in 2030	57,303	74,765
Expiry in 2031	35,957	72,166
Expiry in 2032	34,409	46,777
Expiry in 2033	85,417	149,362
Expiry in 2034	18,441	98
Without deduction time limit	<u>2,153</u>	<u>2,496</u>
	<u>\$ 863,288</u>	<u>\$ 1,266,290</u>
Deductible temporary differences	<u>\$ 170,062</u>	<u>\$ 161,489</u>

- f. Income tax assessments

The income tax returns of the Corporation and its domestic subsidiaries through 2023 have been assessed by the tax authorities.

27. EARNINGS PER SHARE

The net profit and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

- a. Net profit for the year

	For the Year Ended December 31	
	2025	2024
Net profit attributable to owners of the Corporation	<u>\$ 1,188,199</u>	<u>\$ 1,139,432</u>

- b. Weighted average number of ordinary shares outstanding (in thousands of shares)

	For the Year Ended December 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	149,828	146,996
Add: Employees' compensation issued	<u>850</u>	<u>644</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>150,678</u>	<u>147,640</u>

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

28. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from the last 2 years.

The capital structure of the Group consists of net debt and equity of the Group.

29. FINANCIAL INSTRUMENTS

- a. Fair value of financial instruments that are not measured at fair value

The Group's management considers that the carrying amounts of financial instruments that are not measured at fair value approximate their fair values.

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

- 1) Fair value hierarchy

December 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Foreign listed shares	<u>\$ 4,343</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,343</u>

(Continued)

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Listed shares	\$ 2,225,891	\$ -	\$ -	\$ 2,225,891
Unlisted shares	<u>-</u>	<u>-</u>	<u>137,681</u>	<u>137,681</u>
	<u>\$ 2,225,891</u>	<u>\$ -</u>	<u>\$ 137,681</u>	<u>\$ 2,363,572</u> (Concluded)

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Foreign listed shares	<u>\$ 4,005</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,005</u>
<u>Financial assets at FVTOCI</u>				
Listed shares	\$ 3,140,360	\$ -	\$ -	\$ 3,140,360
Unlisted shares	<u>-</u>	<u>-</u>	<u>144,015</u>	<u>144,015</u>
	<u>\$ 3,140,360</u>	<u>\$ -</u>	<u>\$ 144,015</u>	<u>\$ 3,284,375</u>

For the year ended December 31, 2025 and 2024, there was not a transfer between level 1 and level 2 fair value measurement.

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

	<u>For the Year Ended December 31</u>	
	2025	2024
Balance on January 1	\$ 144,015	\$ 137,921
Recognized in other comprehensive income	<u>(6,334)</u>	<u>6,094</u>
Balance on December 31	<u>\$ 137,681</u>	<u>\$ 144,015</u>

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

The fair values of unlisted shares were assessed and determined by the management with reference to latest net value and liquidity discounts, or by evaluating the total value of individual assets and liabilities covered by evaluation of the underlying shares to reflect the overall value of the underlying shares.

c. Categories of financial instruments

	<u>December 31</u>	
	2025	2024
<u>Financial assets</u>		
Financial assets at amortized cost (1)	\$ 16,071,088	\$ 14,951,189
Financial assets at FVTPL	4,343	4,005
		(Continued)

	December 31	
	2025	2024
Financial assets at FVTOCI	\$ 2,363,572	\$ 3,284,375

<u>Financial liabilities</u>		
Amortized cost (2)	8,730,892	7,822,408 (Concluded)

- 1) The balances comprise cash and cash equivalents, notes and accounts receivable, other receivables, receivables for agency transactions (classified under other current assets), other financial assets and refundable deposits, etc.
- 2) The balances comprise notes and accounts payable, other payables, other financial liabilities, payables for agency transactions (classified under other current liabilities), and guarantee deposits received, etc.

d. Financial risk management objectives and policies

The Group's corporate treasury function provides services to the business, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

The corporate treasury function reports regularly to the Group's management.

1) Market risk

The Group's activities exposed it primarily to the market risks are as follows:

a) Foreign currency risk

There were no material impacts on the Group's foreign currency denominated monetary assets and monetary liabilities.

b) Interest rate risk

The carrying amounts of the Group's financial assets with exposure to cash flow interest rate risk at the end of the reporting period were as follows:

	December 31	
	2025	2024
Cash flow interest rate risk		
Financial assets	\$ 6,194,532	\$ 8,562,175

In addition, the Group assessed that the time deposits and lease liabilities at fixed rate did not have material fair value risks.

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets, the analysis was prepared assuming the amount of each asset outstanding at the end of the reporting

period was outstanding for the whole year.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$61,945 thousand and \$85,622 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity instruments.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower, the pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$43 thousand and \$40 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL. The pre-tax other comprehensive income for the years ended December 31, 2025 and 2024 would have increased/decreased by \$23,636 thousand and \$32,844 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk could be equal to the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

For the financial risk management policies adopted by the Group, refer to Note 7.

The Group's credit risk is mainly concentrated in the following groups' accounts receivable, other receivables and receivables for agency transactions (listed as other current assets):

	December 31	
	2025	2024
Group A	\$ 443,674	\$ 375,723
Group B	346,474	255,240
Group C	163,250	146,785
Group D	<u>199,115</u>	<u>133,900</u>
	<u>\$ 1,152,513</u>	<u>\$ 911,648</u>

The Group's concentration of credit risk accounted for 38% and 36% of total accounts receivable, other receivables and receivables for agency transactions (classified under other current assets) from the above-mentioned groups as of December 31, 2025 and 2024, respectively.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Liquidity risk table for non-derivative financial liabilities

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

	Within 4 Months	At least 5 Months	More than 1 year	Total
<u>December 31, 2025</u>				
Non-interest bearing liabilities	\$ 8,508,771	\$ 134,191	\$ 87,930	\$ 8,730,892
Lease liabilities	<u>10,706</u>	<u>18,786</u>	<u>26,950</u>	<u>56,442</u>
	<u>\$ 8,519,477</u>	<u>\$ 152,977</u>	<u>\$ 114,880</u>	<u>\$ 8,787,334</u>
<u>December 31, 2024</u>				
Non-interest bearing liabilities	\$ 7,596,096	\$ 124,846	\$ 101,466	\$ 7,822,408
Lease liabilities	<u>12,259</u>	<u>15,738</u>	<u>21,902</u>	<u>49,899</u>
	<u>\$ 7,608,355</u>	<u>\$ 140,584</u>	<u>\$ 123,368</u>	<u>\$ 7,872,307</u>

30. TRANSACTIONS WITH RELATED PARTIES

Details of transactions between the Group and related parties were as follows:

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Gloria Material Technology Corp	Institutional director of the Corporation (1)
Taiwan Taomee Co., Ltd.	Associate
Fun Yours Technology Co., Ltd.	Other related party (The Corporation as legal directors of investee companies)
Asure Corporation	Other related party (The person in charge is the second-degree relative of the Corporation's chairman)
Miche Restaurant Co., Ltd.	Other related party (The person in charge is the second-degree relative of the Corporation's chairman)
Soft-World Arts and Culture Foundation	Other related party (The person in charge is the Corporation's chairman)
Gamebase Digital Media Corporation	Other Related Party (2)
Green Bless Co., Ltd.	Other Related Party (2)
Loftstar Interactive Entertainment Inc.	Other Related Party (2)
TSG Hawks Baseball Co., Ltd.	Other Related Party (1)
TSG Star Travel Corp.	Other Related Party (1)
Taigang Sports Marketing Co., Ltd.	Other Related Party (1)
Home-Chain Foods, Ltd.	Other Related Party (1)
Jia Jie Biomedical Co., Ltd.	Other Related Party (1)

(Continued)

Related Party Name	Related Party Category
Hejing Health Business Co., Ltd.	Other Related Party (1)
Lohas Ocean Leisure Co., Ltd.	Other Related Party (1)
Kuei Tien Cultural & Creative Entertainment Co., Ltd.	Other Related Party (1)
Jia Jie Biomedical Co., Ltd.	Other Related Party (1)
D-Link Corporation	Other Related Party (1)
Ufc Gym Taiwan Limited	Other Related Party (1)
Niusnews Co., Ltd.	Other Related Party (From January 1 to June 30, 2025)
Newretail Co., Ltd.	Other Related Party (Since January 3, 2025)
AI Smartdining Co., Ltd.	Other Related Party
Pure Mind Co., Ltd.	Other Related Party (Second-degree relative of the Corporation's chairman)
Ko, Hsiu-Yen	Other related party (Spouse of the Corporation's chairman)
Wang, Li-Chuan	Other related party (Second-degree relative of the Corporation's chairman)
Wang, Chun-Hsiung	Other related party (Second-degree relative of the Corporation's chairman)

(Concluded)

1) Related party since June 24, 2024.

2) Non-related party since June 30, 2025.

b. Operating Revenue

Line Item	Related Party Category	For the Year Ended December 31	
		2025	2024
Sale of goods	Other related parties	<u>\$ 77,903</u>	<u>\$ 95,402</u>
Rendering of services	Associates	\$ 9,014	\$ 9,194
	Other related parties	<u>21,906</u>	<u>3,031</u>
		<u>\$ 30,920</u>	<u>\$ 12,225</u>
Licensing revenue	Other related parties	<u>\$ 132</u>	<u>\$ 114</u>

The selling price for the sale of goods to related parties was not significantly different from that of normal customers. The rendering of services and licensing revenue, which were mainly from MyCard services and authorized music royalty revenue, were recognized according to the terms in each agreement, and the payment term is monthly with 2-month. Other payment terms to related parties were similar to those for third parties.

c. Purchase of goods

Related Party Category	For the Year Ended December 31	
	2025	2024
Other related parties	<u>\$ 16,390</u>	<u>\$ 14,212</u>

The Group purchases goods from the related parties, as the Group did not purchase similar products from third parties, the purchase prices cannot be compared. The payment terms are not significantly

different from those for general suppliers.

d. Receivables from related parties

Line Item	Related Party Category	December 31	
		2025	2024
Accounts receivable	Associates	\$ 1,563	\$ 1,304
	Other related parties	<u>3,558</u>	<u>764</u>
		<u>\$ 5,121</u>	<u>\$ 2,068</u>
Other receivables	Other related parties	<u>\$ 28,954</u>	<u>\$ 30,248</u>

Other receivables are mainly from the Corporation's sale of its exclusive MyCard through its related parties.

The outstanding receivables from related parties were unsecured, with no impairment loss recognized.

e. Payables to related parties

Line Item	Related Party Category	December 31	
		2025	2024
Notes payable	Other related parties	<u>\$ -</u>	<u>\$ 272</u>
Accounts payable	Other related parties	<u>\$ -</u>	<u>\$ 1</u>
Other payables	Associates	\$ 10,997	\$ 8,983
	Other related parties	<u>543</u>	<u>3,449</u>
		<u>\$ 11,540</u>	<u>\$ 12,432</u>

Other payables are mainly from the Group provides MyCard platform and point sales services and has received payments from game operators, etc.

The outstanding payables to related parties were unsecured.

f. Others

Fees such as commission, rent, donation, advertising and miscellaneous fees which the Group paid to related parties were recognized under operating expenses based on their nature.

Related Party Category	For the Year Ended December 31	
	2025	2024
Other related parties	<u>\$ 82,731</u>	<u>\$ 104,742</u>

g. Remuneration of key management personnel

The amounts of the remuneration of directors and other members of key management personnel were as follows:

	For the Year Ended December 31	
	2025	2024
Short-term employee benefits	\$ 82,918	\$ 82,103
Post-employment benefits	<u>596</u>	<u>629</u>
	<u>\$ 83,514</u>	<u>\$ 82,732</u>

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

Except as stated in other notes, the following assets of the Group were provided as collateral for various service performance guarantees:

	December 31	
	2025	2024
Other financial assets - current		
Pledged demand deposits	\$ 6,065	\$ 5,196
Pledged time deposits	<u>51,000</u>	<u>51,000</u>
	<u>57,065</u>	<u>56,196</u>
Other financial assets - noncurrent		
Pledged time deposits	<u>139,000</u>	<u>89,000</u>
Property, plant and equipment		
Land	109,463	109,463
Buildings	<u>53,032</u>	<u>66,628</u>
	<u>162,495</u>	<u>176,091</u>
Investment property		
Buildings	<u>17,412</u>	<u>6,177</u>
	<u>\$ 375,972</u>	<u>\$ 327,464</u>

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2025 and 2024, the credit line committed for MyCard by banks was both \$800,000 thousand.

33. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others: None
- 2) Endorsements/guarantees provided: None
- 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Table 1

- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
 - 6) Intercompany relationships and significant intercompany transactions: Table 2
- b. Information on investees: Table 3
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 4
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year: None
 - c) The amount of property transactions and the amount of the resultant gains or losses: None
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes: None
 - e) The highest balance, the end of year balance, the interest rate range, and total current year interest with respect to financing of funds: None
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

34. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on each operating entity and the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

- Soft-World International Corporation (the "Corporation"), Soft-World (Hong Kong) International Corporation - Digital content point service platforms, production and publication of computer game magazines, commercial advertising services and the retail sale of entertainment products and accessories for game software. The Corporation also acts as an agent for games and commercial software.
- Chinese Gamer International Corporation and its subsidiaries (Chinese Gamer) - Development of computer software and providing online game services.

- Gameflier International Corporation (Game Flier), Game First and its subsidiaries (Game First) - Agent of computer game and providing online game services.
- Neweb Technologies and its subsidiary (Neweb Technologies) - Data Processing, data software and third-party payment services.
- Efun Corporation and its subsidiary (Efun) - Advertising design, packaging, placement and advertisement data processing services.
- Others - operating segments are the subsidiaries in the Group, for related information, refer to Note 12 since the subsidiaries do not meet the threshold and thus are not recognized as reportable segments.

Segment revenues and operating result

- a. The following is an analysis of the Group's revenues and results of operations by reportable segment.

For the year ended December 31, 2025

	Soft-World and Soft-World (Hong Kong)	Chinese Gamer	Game Flier and Game First	Neweb Technologies	Efun	Others	Adjustment and Elimination	Total
Revenue from external customers	\$ 3,341,783	\$ 395,919	\$ 272,272	\$ 1,372,293	\$ 917,961	\$ 218,334	\$ -	\$ 6,518,562
Inter-segment revenue	<u>60,739</u>	<u>-</u>	<u>5,389</u>	<u>27,901</u>	<u>24,954</u>	<u>92,547</u>	<u>(211,530)</u>	<u>-</u>
Total revenue	<u>\$ 3,402,522</u>	<u>\$ 395,919</u>	<u>\$ 277,661</u>	<u>\$ 1,400,194</u>	<u>\$ 942,915</u>	<u>\$ 310,881</u>	<u>\$ (211,530)</u>	<u>\$ 6,518,562</u>
Segment profit (loss)	<u>\$ 1,056,773</u>	<u>\$ (4,691)</u>	<u>\$ 390</u>	<u>\$ 41,535</u>	<u>\$ 31,979</u>	<u>\$ 73,466</u>	<u>\$ (31,012)</u>	\$ 1,168,440
Interest income								154,146
Other income								211,594
Other gain and loss								(3,346)
Finance costs								(1,752)
Share of gain (loss) of associates accounted for using the equity method								<u>4,126</u>
Segment profit before tax								<u>\$ 1,533,208</u>
<u>December 31, 2025</u>								
Segment assets	<u>\$ 12,550,230</u>	<u>\$ 1,004,321</u>	<u>\$ 1,096,033</u>	<u>\$ 3,608,615</u>	<u>\$ 512,860</u>	<u>\$ 963,403</u>	<u>\$ (51,796)</u>	<u>\$ 19,683,666</u>
Segment liabilities	<u>\$ 6,612,179</u>	<u>\$ 115,890</u>	<u>\$ 149,183</u>	<u>\$ 2,475,536</u>	<u>\$ 229,144</u>	<u>\$ 45,183</u>	<u>\$ (138,947)</u>	<u>\$ 9,488,168</u>

For the year ended December 31, 2024

	Soft-World and Soft-World (Hong Kong)	Chinese Gamer	Game Flier and Game First	Neweb Technologies	Efun	Others	Adjustment and Elimination	Total
Revenue from external customers	\$ 3,357,463	\$ 425,802	\$ 399,914	\$ 1,428,673	\$ 922,129	\$ 240,361	\$ -	\$ 6,774,342
Inter-segment revenue	<u>80,589</u>	<u>1,756</u>	<u>5,679</u>	<u>29,554</u>	<u>16,254</u>	<u>100,072</u>	<u>(233,904)</u>	<u>-</u>
Total revenue	<u>\$ 3,438,052</u>	<u>\$ 427,558</u>	<u>\$ 405,593</u>	<u>\$ 1,458,227</u>	<u>\$ 938,383</u>	<u>\$ 340,433</u>	<u>\$ (233,904)</u>	<u>\$ 6,774,342</u>
Segment profit (loss)	<u>\$ 959,406</u>	<u>\$ 26,611</u>	<u>\$ 69,247</u>	<u>\$ 27,028</u>	<u>\$ 40,689</u>	<u>\$ 91,846</u>	<u>\$ (39,873)</u>	\$ 1,174,954
Interest income								147,821
Other income								194,330
Other gain and loss								(23,579)
Finance costs								(1,236)
Share of gain of associates accounted for using the equity method								<u>1,736</u>
Segment profit before tax								<u>\$ 1,494,026</u>
<u>December 31, 2024</u>								
Segment assets	<u>\$ 12,178,091</u>	<u>\$ 980,578</u>	<u>\$ 1,145,995</u>	<u>\$ 3,857,494</u>	<u>\$ 447,712</u>	<u>\$ 897,869</u>	<u>\$ (34,004)</u>	<u>\$ 19,473,735</u>
Segment liabilities	<u>\$ 5,311,514</u>	<u>\$ 93,967</u>	<u>\$ 161,394</u>	<u>\$ 2,797,189</u>	<u>\$ 168,728</u>	<u>\$ 56,035</u>	<u>\$ (121,154)</u>	<u>\$ 8,467,673</u>

Segment profit (loss) represents the profit (loss) before tax earned by each segment without non-operating income and loss. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

- b. Revenue from major products and services: Note 24
- c. Geographical information

The Group operates in two principal geographical areas - Taiwan (ROC) and China.

The Group's revenue from external customers by location of operations and information about its noncurrent assets by location of assets are detailed below:

	Revenue from External Customers		Noncurrent Assets	
	For the Year Ended December 31		December 31	
	2025	2024	2025	2024
Taiwan (ROC)	\$ 5,104,936	\$ 5,324,489	\$ 413,953	\$ 410,144
China	709,950	693,910	26,978	29,756
Others	<u>703,676</u>	<u>755,943</u>	<u>8,519</u>	<u>9,733</u>
	<u>\$ 6,518,562</u>	<u>\$ 6,774,342</u>	<u>\$ 449,450</u>	<u>\$ 449,633</u>

Noncurrent assets exclude financial instruments, goodwill, deferred tax assets and net defined benefit assets, etc.

- d. Information about major customers

There was no single customer contributing 10% or more to the Group's revenue in 2025 and 2024.

TABLE 1**SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES**
MARKETABLE SECURITIES HELD
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Held Company Name	Type and Name of Marketable Securities	Relationship with The Company	Financial Statement Account	December 31, 2025				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
The Corporation	Stock							
	Userjoy Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	649,666	\$ 50,414	1	\$ 50,414	
	Star Fusion Group Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	269,021	13,101	-	13,101	
	China Communications Media Group Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	103,949	-	1	-	
	Fun Yours Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	3,415,350	132,174	12	132,174	
	Xxtechec Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	625,207	7,784	1	7,784	
	Gameone Holdings Limited.	-	Financial assets at fair value through other comprehensive income - noncurrent	270,000	676	1	676	
	Gloria Material Technology Corp.	Institutional director of the parent corporation	Financial assets at fair value through other comprehensive income - noncurrent	62,920,000	2,019,732	10	2,019,732	
Intelligent Dragon Venture Capital Corporation	Archosaur Games Inc.	-	Financial assets at fair value through profit or loss - noncurrent	668,000	4,343	-	4,343	
					<u>\$2,228,224</u>		<u>\$2,228,224</u>	
	Stock							
	9Splay Entertainment Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	256,815	\$ -	3	\$ -	
	Soft-World International Corporation	The ultimate parent company	Financial assets at fair value through other comprehensive income - noncurrent	9,998,000	907,553	6	907,553	Note
					<u>\$ 907,553</u>		<u>\$ 907,553</u>	

(Continued)

Held Company Name	Type and Name of Marketable Securities	Relationship with The Company	Financial Statement Account	December 31, 2025				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Fair Value	
Neweb Technologies Co., Ltd.	Stock							
	Green World Hotels Co., Ltd.	-	Financial assets at fair value through other comprehensive income - noncurrent	45,725	\$ 2,010	-	\$ 2,010	
	Taiwan Smart Card Co., Ltd	-	Financial assets at fair value through other comprehensive income - noncurrent	3,140,671	20,703	20	20,703	
	POMO Network INC.	-	Financial assets at fair value through other comprehensive income - noncurrent	175,000	-	4	-	
					<u>\$ 22,713</u>		<u>\$ 22,713</u>	
Global Concept Corporation	Stock							
	Ever Master Holdings Limited	-	Financial assets at fair value through other comprehensive income - noncurrent	25,000,000	<u>\$ 116,978</u>	31	<u>\$ 116,978</u>	

(Concluded)

Note: The Corporation's shares held by its subsidiaries were considered treasury shares. For related information, refer to Note 23.

TABLE 2**SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES****INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Operating Revenues (Assets)
0	The Corporation	Efun International Corporation	Parent to subsidiary	Operating revenue	\$ 1,274	There was no significant difference from other clients	-
0	The Corporation	Softworld (Hong Kong) International Co.,	Parent to subsidiary	Other receivables	87,768	There was no significant difference from other clients	-
0	The Corporation	Re: Ad Media (Taiwan) Corporation	Parent to subsidiary	Other receivable	1,327	There was no significant difference from other clients	-
0	The Corporation	Gameflier International Corporation	Parent to subsidiary	Other receivables	1,014	There was no significant difference from other clients	-
0	The Corporation	Gameflier International Corporation	Parent to subsidiary	Accounts receivable	5,327	There was no significant difference from other clients	-
0	The Corporation	Gameflier International Corporation	Parent to subsidiary	Operating revenue	36,912	There was no significant difference from other clients	1
0	The Corporation	Chinese Gamer International Corporation	Parent to subsidiary	Accounts receivable	3,350	There was no significant difference from other clients	-
0	The Corporation	Chinese Gamer International Corporation	Parent to subsidiary	Operating revenue	21,140	There was no significant difference from other clients	-
1	Efun International Corporation	The Corporation	Subsidiary to parent	Accounts receivable	2,266	There was no significant difference from other clients	-
1	Efun International Corporation	The Corporation	Subsidiary to parent	Operating revenue	1,076	There was no significant difference from other clients	-
1	Efun International Corporation	Gameflier International Corporation	Subsidiary to subsidiary	Operating revenue	7,005	There was no significant difference from other clients	-
1	Efun International Corporation	Chinese Gamer International Corporation	Subsidiary to subsidiary	Operating revenue	2,011	There was no significant difference between related parties and other clients	-
1	Efun International Corporation	GameTopia Co., Ltd.	Subsidiary to subsidiary	Operating revenue	2,025	There was no significant difference from other clients	-
2	Chinese Gamer International Corporation	The Corporation	Subsidiary to parent	Accounts receivable	20,928	There was no significant difference from other clients	-
3	We Can Financial Technology Co., Ltd.	ezPay Co., Ltd.	Subsidiary to subsidiary	Accounts receivable	1,691	There was no significant difference from other clients	-
3	We Can Financial Technology Co., Ltd.	ezPay Co., Ltd.	Subsidiary to subsidiary	Operating revenue	9,675	There was no significant difference from other clients	-
4	Game First International Corporation	Softworld (Hong Kong) International Co.,	Subsidiary to subsidiary	Operating revenue	1,212	There was no significant difference from other clients	-
4	Game First International Corporation	ezPay Co., Ltd.	Subsidiary to subsidiary	Operating revenue	1,630	There was no significant difference from other clients	-

(Continued)

No.	Investee Company	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	% of Total Operating Revenues (Assets)
5	Softworld (Hong Kong) International Co.,	The Corporation	Subsidiary to parent	Operating revenue	\$ 2,190	There was no significant difference from other clients	-
6	Fast Distributed Cloud Computing (Taiwan) Co., Ltd.	The Corporation	Subsidiary to parent	Accounts receivable	1,582	There was no significant difference from other clients	-
6	Fast Distributed Cloud Computing (Taiwan) Co., Ltd.	Gameflier International Corporation	Subsidiary to subsidiary	Operating revenue	2,867	There was no significant difference from other clients	-
6	Fast Distributed Cloud Computing (Taiwan) Co., Ltd.	Neweb Technologies Co., Ltd.	Subsidiary to subsidiary	Operating revenue	4,482	There was no significant difference from other clients	-
7	Re: Ad Media (Taiwan) Corporation	Gameflier International Corporation	Subsidiary to subsidiary	Accounts receivable	1,162	There was no significant difference from other clients	-
7	Re: Ad Media (Taiwan) Corporation	Gameflier International Corporation	Subsidiary to subsidiary	Operating revenue	9,406	There was no significant difference from other clients	-
7	Re: Ad Media (Taiwan) Corporation	Chinese Gamer International Corporation	Subsidiary to subsidiary	Operating revenue	1,446	There was no significant difference from other clients	-
7	Re: Ad Media (Taiwan) Corporation	Game Topia Co., Ltd.	Subsidiary to subsidiary	Operating revenue	1,446	There was no significant difference from other clients	-
8	Zealot Digital International Corporation	The Corporation	Subsidiary to parent	Operating revenue	26,609	There was no significant difference from other clients	-
8	Zealot Digital International Corporation	The Corporation	Subsidiary to parent	Contract assets	46,290	There was no significant difference from other clients	-
9	Gameflier International Corporation	The Corporation	Subsidiary to parent	Accounts receivable	41,213	There was no significant difference from other clients	-
10	Dynasty International Information Co., Ltd.	The Corporation	Subsidiary to parent	Operating revenue	1,271	There was no significant difference from other clients	-
11	Neweb Technologies Co., Ltd.	The Corporation	Subsidiary to parent	Operating revenue	20,047	There was no significant difference from other clients	-
11	Neweb Technologies Co., Ltd.	We Can Financial Technology Co., Ltd.	Subsidiary to subsidiary	Accounts receivable	1,138	There was no significant difference from other clients	-
11	Neweb Technologies Co., Ltd.	We Can Financial Technology Co., Ltd.	Subsidiary to subsidiary	Operating revenue	6,515	There was no significant difference from other clients	-
11	Neweb Technologies Co., Ltd.	Chinese Gamer International Corporation	Subsidiary to subsidiary	Operating revenue	1,266	There was no significant difference from other clients	-

(Concluded)

TABLE 3

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	January 1, 2025	Number of shares	(%)	Carrying Amount			
The Corporation	Chinese Gamer International Corporation	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, and general advertising service, etc.	\$ 371,319	\$ 371,319	41,880,205	48	\$ 533,570	\$ 37,358	\$ 5,414	Subsidiary
The Corporation	Soft-World Technology Pte. Ltd.	Singapore	Manufacturing, processing, trading, design and selling and also an agent of various computer software and accessories, etc.	8,959	8,959	390,000	100	15,772	(567)	(567)	Subsidiary
The Corporation	Gameflifer International Corporation	Taiwan	Electronic data information providing service, etc.	218,153	218,153	28,333,262	98	714,467	13,871	13,667	Subsidiary
The Corporation	Global Concept Corporation	Samoa	Investment company	295,068	295,068	9,631,253	100	442,433	3,105	3,105	Subsidiary
The Corporation	Game First International Corporation	Taiwan	Online game service	-	-	4,900,000	70	155,155	6,247	4,373	Subsidiary
The Corporation	Zealot Digital International Corporation	Taiwan	Electronic data information providing service, etc.	50,874	50,874	4,946,757	99	95,683	3,509	3,471	Subsidiary
The Corporation	Softworld (Hong Kong) International Co.,	Hong Kong	Trading of game software	88,858	88,858	3,883,558	100	737,173	116,666	116,666	Subsidiary
The Corporation	Dynasty International Information Co., Ltd.	Taiwan	Development, design, trading of computer software,	7,364	11,381	1,460,610	86	22,341	1,051	903	Subsidiary
The Corporation	Intelligent Dragon Venture Capital Corporation	Taiwan	Investment company	100,000	100,000	13,242,556	13	23,853	76,589	210	Subsidiary
The Corporation	Fast Distributed Cloud Computing (Taiwan) Co., Ltd.	Taiwan	Retail sale, wholesale and service for information software, etc.	13,812	13,812	3,774,636	90	120,863	8,489	7,641	Subsidiary
The Corporation	Neweb Technologies Co., Ltd.	Taiwan	Payment services business	510,417	510,860	38,104,043	50	571,525	70,945	35,784	Subsidiary
The Corporation	Efun International Corporation	Taiwan	Information software, data processing service and general advertising service, etc.	12,768	12,768	8,002,744	80	227,058	29,132	23,314	Subsidiary
The Corporation	Lung Hsiang Investment Co., Ltd.	Taiwan	Investment company	250,000	250,000	25,000,000	44	62,459	53,646	(778)	Subsidiary
The Corporation	Celad International Corp.	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	17,500	17,500	477,273	32	87	3	1	Subsidiary
The Corporation	We Can Financial Technology Co., Ltd.	Taiwan	Development of financial system and equipment, etc.	27,824	27,824	5,106,000	51	6,836	2,167	1,106	Subsidiary
The Corporation	Joy Children Technology Co., Ltd.	Taiwan	Wholesale and retail sale of stationery articles, musical instruments and educational entertainment article, etc.	20,512	20,512	2,051,153	32	13,561	3,408	1,082	Note 1
Chinese Gamer International Corporation	Taichigamer (B.V.I.) Co., Ltd.	British Virgin Islands	Business related investee	96,942	96,942	3,041,698	100	263,457	3,832	3,832	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2025	January 1, 2025	Number of shares	(%)	Carrying Amount			
Chinese Gamer International Corporation	Walkfun International Corporation	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	\$ 5,000	\$ 15,000	500,000	100	\$ 6,850	\$ 123	\$ 123	Subsidiary
Chinese Gamer International Corporation	Celad International Corp.	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	27,620	27,620	1,022,727	68	187	3	2	Subsidiary
Chinese Gamer International Corporation	Super Game Corporation	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	5,771	5,771	880,000	88	1,503	(72)	(64)	Subsidiary
Chinese Gamer International Corporation	Intelligent Dragon Venture Capital Corporation	Taiwan	Investment company	100,000	100,000	13,242,556	13	152,891	76,589	9,995	Subsidiary
Chinese Gamer International Corporation	Star Diamond Universal Corporation(BVI)	British Virgin Islands	Business related investee	109,300	109,300	70,000	100	22,919	(12,041)	(12,041)	Subsidiary
Chinese Gamer International Corporation	FunBear International Corp.	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	5,552	16,552	500,000	100	5,668	104	104	Subsidiary
Chinese Gamer International Corporation	GameTopia Co., Ltd.	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	30,994	30,994	3,784,063	65	47,180	6,382	4,161	Subsidiary
Chinese Gamer International Corporation	Oriental Dragon Digital Co., Ltd.	Taiwan	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	19,369	19,369	1,520,000	100	16,830	110	110	Subsidiary
Chinese Gamer International Corporation	Lung Hsiang Investment Co., Ltd.	Taiwan	Investment company	168,000	168,000	16,800,000	30	258,129	53,646	15,869	Subsidiary
Taichigamer (B.V.I.) Co., Ltd.	Transasiagamer Co., Ltd.	British Virgin Islands	Business related investee	94,264	94,264	2,976,934	100	257,343	4,006	4,006	Subsidiary
Star Diamond Universal Corporation(BVI)	Dragon Gamer (Hong Kong) Co., Limited	Hong Kong	Network authentication, data storage, manufacture of equipment, data processing service, electronic information providing service, general advertising service, etc.	109,300	109,300	350,000	100	22,918	(12,041)	(12,041)	Subsidiary
GameTopia Co., Ltd.	GameTopia (Hong Kong) Co., Limited	Hong Kong	Information software service	987	987	3,300	100	50,700	4,149	4,149	Subsidiary
Global Concept Corporation	Value Central Corporation	Samoa	Investment company	45,452	45,452	1,450,000	100	20,069	(518)	(518)	Subsidiary
Global Concept Corporation	Gamers Grande Corporation	Malaysia	Business related investee	179,788	179,788	6,453,621	100	221,593	1,282	1,282	Subsidiary
Global Concept Corporation	Playgame Sdn. Bhd.	Malaysia	Investment company	57,693	56,074	35,153	35	35,105	9,935	3,044	Note 1
Value Central Corporation	Picked United Development Limited	Hong Kong	Acquisition and royalty for game software	-	-	-	-	-	-	-	Subsidiary (Note 3)
Game First International Corporation	Compete ! Games Interactive Entertainment Corporation	Taiwan	Agent and operation of sports games	21,342	21,342	2,941,520	100	8,515	57	57	Subsidiary
Newweb Technologies Co., Ltd.	ezPay Co., Ltd.	Taiwan	Electronic payment services	1,066,748	1,066,748	51,400,000	100	354,314	(38,496)	(38,469)	Subsidiary
Newweb Technologies Co., Ltd.	CS Technology Co., Ltd.	Taiwan	Customer consulting services	5,000	5,000	525,300	100	5,969	217	217	Subsidiary

(Continued)

TABLE 4**SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES****INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025	Net Income of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Note 1)	Carrying Amount as of December 31, 2025	Accumulated Repatriation of Investment Income as of December 31, 2025	Note
					Outward	Inward							
Gameflier International (Beijing) Corporation	Development of techniques, transferring, service, consulting, training; production and sale of computer software and related hardware; internet information service	\$ 130,819	Investment through a holding company was registered in a third region.	\$ 186,300	\$ -	\$ -	\$ 186,300	\$ 2,187	100	\$ 2,187	\$ 137,731	\$ -	Notes 1 and 2
Yulon Online (Beijing) Technologies Co., Ltd.	Development, production of computer software and accessories; homemade products, installation of computer hardware, repair, technique consulting, technique training, and sale of homemade products	69,569	Investment through a holding company was registered in a third region.	69,569	-	-	69,569	4,742	100	4,742	234,258	-	Note 1

Investee Company	Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2025	Investment Amount Authorized by the Investment Commission, MOEA (Note 3)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
The Corporation	\$ 186,300	\$ 332,198 (USD 10,936 thousand)	\$ 5,358,092
Chinese Gamer International Corporation	69,569	69,569 (USD 2,200 thousand)	779,671

Note 1: Recognized gain/loss on investments based on the audited financial statements.

Note 2: Gameflier International (Beijing) Corporation distributed earnings in August 2010 and December 2022, respectively, and distributed cash arising from a capital reduction to Gamers Grande Corporation in December 2025, totaling RMB 28,421 thousand, which has not been remitted back to Taiwan as of December 31, 2025.

Note 3: The difference between the amount of accumulated outward remittance for investments and the investment amount authorized by the Investment Commission was \$145,898 thousand, including investments without significant influence of \$56,965 thousand and investments sold out but not withdrawn of \$88,933 thousand.