GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

MARCH 31, 2015 AND 2014

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

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS
TRANSLATED FROM CHINESE-LANGUAGE

PWCR 14003645

To the Board of Directors and Stockholders of Gamania Digital Entertainment Co., Ltd.

We have reviewed the accompanying consolidated balance sheets of Gamania Digital Entertainment Co., Ltd. and its subsidiaries as of March 31, 2015 and 2014, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our reviews. We did not review the financial statements of certain consolidated subsidiaries, which statements reflect total assets of $339,919 thousand, constituting 7% of the consolidated total assets as of March 31, 2014; total liabilities of $88,024 thousand, constituting 4% of the related consolidated total liabilities as of March 31, 2014; and total operating revenue of $124,798 thousand, constituting 5% of the consolidated total operating revenues for the three-month period then ended. Those financial statements relative to these subsidiaries were reviewed by other independent accountants whose reports thereon have been furnished to us, and our conclusion expressed herein, is based solely on the reports of the other independent accountants.

Except as explained in the following paragraph, our reviews were made in accordance with the Generally Accepted Auditing Standards No. 36, "Review of Financial Statements" in the Republic of China. A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards in the Republic of China, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

We did not review the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using equity method, which statements reflect total assets (including investments accounted for under equity method) of $1,748,655 thousand and $864,737 thousand, constituting 22% and 18% of the consolidated total assets, and total liabilities of $542,838 thousand

and $181,259 thousand, constituting 11% and 8% of the consolidated total liabilities as of March 31, 2015 and 2014, respectively, and total comprehensive loss of $3,627 thousand and $28,620 thousand, constituting (1%) and (42%) of the consolidated total comprehensive income for the three-month periods then ended, respectively. These amounts and the information disclosed in Note 13 were based solely on the unreviewed financial statements of these companies as of March 31, 2015 and 2014.

Based on our reviews and the review reports of the other independent accountants, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries, investments accounted for using equity method and the information disclosed in Note 13 been reviewed by independent accountants, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and IAS 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission.

PricewaterhouseCoopers, Taiwan

April 28, 2015

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
YEARS ENDED MARCH 31
(Expressed in thousands of New Taiwan dollars)
(The consolidated balance sheets as of March 31, 2015 and 2014 are reviewed, not audited)

Assets	Notes	March 31, 2015	December 31, 2014	March 31, 2014
Current assets				
Cash and cash equivalents	6(1)	$ 1,034,474	$ 1,272,870	$ 1,034,838
Financial assets at fair value through profit or loss - current	6(2)	-	-	203,838
Available-for-sale financial assets - current	6(3)	31,729	123,563	-
Notes receivable, net		-	13	8,801
Accounts receivable, net	6(4)	1,932,621	1,551,078	1,844,106
Accounts receivable - related parties	7	2,730	170,027	143
Other receivables	7	163,012	38,677	7,054
Current income tax assets		62,498	61,138	86,239
Inventory	6(5)	123,156	56,258	169,142
Prepayments		153,970	122,629	122,438
Non-current assets held for sale	6(11)	-	151,599	-
Other current assets	8	211,415	92,083	155,856
Total Current Assets		3,715,605	3,639,935	3,632,455
Non-current assets				
Available-for-sale financial assets - non-current	6(3)	567,044	517,424	70,457
Investments accounted for under equity method	6(6)(10)	287,724	126,967	41,430
Property, plant and equipment	6(7) and 8	2,827,884	475,192	677,974
Intangible assets	6(8)(10) and 7	251,379	305,326	301,097
Deferred income tax assets		128,348	132,230	91,441
Other non-current assets	6(9) and 8	33,001	40,962	63,904
Total Non-current Assets		4,095,380	1,598,101	1,246,303
Total Assets		$ 7,810,985	$ 5,238,036	$ 4,878,758

(Continued)

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
YEARS ENDED MARCH 31
(Expressed in thousands of New Taiwan dollars)
(The consolidated balance sheets as of March 31, 2015 and 2014 are reviewed, not audited)

Liabilities and Equity	Notes	March 31, 2015	December 31, 2014	March 31, 2014
Current liabilities				
Short-term borrowings	6(12)	$ 841,501	$ -	$ 18,889
Notes payable		71,675	35	4,769
Accounts payable		1,201,735	1,477,002	1,289,864
Accounts payable - related parties	7	44,321	30,101	16,132
Other payables	6(13)	319,551	346,023	326,633
Other payables - related parties	7	21,171	16,984	3,232
Current income tax liabilities		50,916	7,219	57,825
Liabilities included in disposal groups classified as held for sale	6(11)	-	41,670	-
Other current liabilities	6(14)(15)	743,867	710,998	581,836
Total Current Liabilities		3,294,737	2,630,032	2,299,180
Non-current liabilities				
Corporate bonds payable	6(15)	-	-	14,815
Long-term borrowings	6(16)	1,600,000	-	-
Deferred income tax liabilities		5,956	7,717	5,851
Other non-current liabilities	6(6)	2,155	2,025	30,836
Total Non-current Liabilities		1,608,111	9,742	51,502
Total Liabilities		4,902,848	2,639,774	2,350,682
Equity attributable to owners of parent				
Share capital				
Share capital - common stock	6(18)	1,575,936	1,575,936	1,575,936
Capital surplus	6(19)			
Capital surplus		667,534	667,534	746,780
Retained earnings	6(20)			
Legal reserve		3,856	3,856	-
Special reserve		34,703	34,703	-
Unappropriated retained earnings		413,612	90,291	83,045
Other equity interest				
Other equity interest		48,881	34,898	(22,806)
Equity attributable to owners of the parent		2,744,522	2,407,218	2,382,955
Non-controlling interest	4(3)	163,615	191,044	145,121
Total Equity		2,908,137	2,598,262	2,528,076
Significant contingent liabilities and unrecorded contract commitments	9			
Significant events after the balance sheet date	11			
Total Liabilities and Equity		$ 7,810,985	$ 5,238,036	$ 4,878,758

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated April 28, 2015.

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2015 AND 2014
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

Items	Notes	2015	2014
Operating revenue	6(21) and 7	$ 2,449,942	$ 2,466,105
Operating costs	6(25)(26) and 7	(2,015,003)	(1,936,011)
Gross profit		434,939	530,094
Operating expenses	6(25)(26) and 7		
Selling expenses		(124,886)	(162,837)
General and administrative expenses		(232,523)	(219,802)
Research and development expenses		(22,905)	(64,355)
Total operating expenses		(380,314)	(446,994)
Operating income		54,625	83,100
Non-operating income and expenses			
Other income	6(22)	15,470	7,108
Other gains and losses	6(10)(11)(23)	283,042	(28,669)
Finance costs	6(24)	(3,368)	(564)
Share of profit (loss) of associates and joint ventures accounted for under equity method	6(6)	7,375	(848)
Total non-operating income and expenses		302,519	(22,973)
Profit before income tax		357,144	60,127
Income tax expense	6(27)	(49,027)	(16,176)
Profit for the period		$ 308,117	$ 43,951
Other comprehensive income			
Components of other comprehensive income that will be reclassified to profit or loss			
Financial statements translation differences of foreign operations		($ 25,097)	$ 12,276
Unrealized gain on valuation of available-for-sale financial assets	6(3)	26,855	11,529
Total other comprehensive income for the period		$ 1,758	$ 23,805
Total comprehensive income for the period		$ 309,875	$ 67,756
Profit (loss) attributable to:			
Owners of the parent		$ 323,321	$ 44,486
Non-controlling interest		(15,204)	(535)
		$ 308,117	$ 43,951
Comprehensive income (loss) attributable to:			
Owners of the parent		$ 337,304	$ 67,811
Non-controlling interest		(27,429)	(55)
		$ 309,875	$ 67,756
Earnings per share (in dollars)	6(28)		
Basic earnings per share		$ 2.05	$ 0.28
Diluted earnings per share		$ 2.03	$ 0.28

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated April 28, 2015.

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2015 AND 2014
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

		Equity attributable to owners of the parent												
		Capital		Capital Reserves			Retained Earnings			Other equity interest				
	Notes	Share capital - common stock	Stock subscriptions received in advance	Additional paid-in capital	Treasury stock transactions	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Total	Non-controlling interest	Total equity
2014														
Balance at January 1, 2014		$ 1,573,117	$ 2,819	$ 719,258	$ 24,234	$ 3,684	$ -	$ -	$ 38,559	($ 48,198)	$ 2,067	$ 2,315,540	$ 145,176	$ 2,460,716
Capital collected in advance transferred to common stock		2,819	(2,819)	-	-	-	-	-	-	-	-	-	-	-
Profit (loss) for the period		-	-	-	-	-	-	-	44,486	-	-	44,486	(535)	43,951
Other comprehensive income for the period	6(3)	-	-	-	-	-	-	-	-	11,796	11,529	23,325	480	23,805
Difference between consideration and carrying amount of subsidiaries acquired of disposed		-	-	-	-	(126)	-	-	-	-	-	(126)	-	(126)
Changes in non-controlling interest		-	-	-	-	(270)	-	-	-	-	-	(270)	-	(270)
Balance at March 31, 2014		$ 1,575,936	$ -	$ 719,258	$ 24,234	$ 3,288	$ -	$ -	$ 83,045	($ 36,402)	$ 13,596	$ 2,382,955	$ 145,121	$ 2,528,076
2015														
Balance at January 1, 2015		$ 1,575,936	$ -	$ 640,461	$ 24,234	$ 2,839	$ 3,856	$ 34,703	$ 90,291	($ 25,517)	$ 60,415	$ 2,407,218	$ 191,044	$ 2,598,262
Profit (loss) for the period		-	-	-	-	-	-	-	323,321	-	-	323,321	(15,204)	308,117
Other comprehensive income (loss) for the period	6(3)	-	-	-	-	-	-	-	-	(12,872)	26,855	13,983	(12,225)	1,758
Balance at March 31, 2015		$ 1,575,936	$ -	$ 640,461	$ 24,234	$ 2,839	$ 3,856	$ 34,703	$ 413,612	($ 38,389)	$ 87,270	$ 2,744,522	$ 163,615	$ 2,908,137

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated April 28, 2015.

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated profit before tax for the period		$ 357,144	$ 60,127
Adjustments to reconcile net income to net cash used in operating activities			
Income and expenses having no effect on cash flows			
Gain on financial assets or liabilities at fair value through profit or loss	6(23)	-	(547)
Provision for doubtful accounts	6(4)	8,314	10,018
Share of (gain) loss of associates accounted for using equity		(7,375)	848
Depreciation	6(7)(25)	30,333	47,899
(Gain) loss on disposal of property, plant and equipment	6(23)	(74,775)	52
Amortization	6(8)(25)	29,022	38,050
Intangible assets transferred to other loss		74	56
Gain on disposal of investments	6(23)	(70,295)	-
Gain on disposal of non-currents held-for-sale	6(11)(23)	(178,673)	-
Impairment loss on non-financial assets	6(23)	27,795	15,921
Interest income	6(22)	(485)	(782)
Interest expense	6(24)	3,368	564
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets held for trading		-	(197,684)
Notes receivable		13	1,630
Accounts receivable		(389,857)	(335,438)
Accounts receivables - related parties		167,297	-
Other receivables		(18,763)	9,518
Inventories		(66,898)	(106,056)
Prepayments		(31,341)	(28,182)
Other current assets		(2,148)	5,963
Other non-current assets		(168)	-
Net changes in liabilities relating to operating activities			
Notes payable		-	(5,077)
Accounts payable		(275,267)	95,327
Accounts payable - related parties		14,220	(9,693)
Other payables		(20,268)	(25,581)
Other payables - related parties		(510)	433
Other current liabilities		32,869	56,584
Other non-current liabilities		140	1,588
Cash used in operations		(466,234)	(364,462)
Interest paid		(3,368)	(564)
Income tax paid		(195)	(8,443)
Interest received		485	782
Net cash used in operating activities		(469,312)	(372,687)

(Continued)

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	2015	2014
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of available-for-sale financial assets		($ 39,937)	$ -
Proceeds from disposal of available-for-sale financial assets	6(29)	80,815	-
Proceeds from disposal of non-current assets held-for-sale	6(11)	239,280	-
Acquisition of property, plant and equipment	6(29)	(2,334,225)	(42,968)
Proceeds from disposal of property, plant and equipment	6(29)	1,434	14
Acquisition of intangible assets	6(29)	(12,991)	(46,269)
Proceeds from disposal of intangible assets		2,007	1,912
Increase in other financial assets		(117,184)	(122,500)
Decrease in other non-current assets		8,129	574
Net cash used in investing activities		(2,172,672)	(209,237)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings		841,501	5,000
(Decrease) increase in other non-current liabilities		(10)	327
Repayment of bonds payable		-	(5,659)
Increase in long-term borrowings		1,600,000	-
Repayment of long-term borrowings		-	(22)
Net cash provided by (used in) financing activities		2,441,491	(354)
Effect of exchange rate changes on cash and cash equivalents		(37,903)	9,611
Decrease in cash and cash equivalents		(238,396)	(572,667)
Cash and cash equivalents at beginning of period		1,272,870	1,607,505
Cash and cash equivalents at end of period		$ 1,034,474	$ 1,034,838

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated April 28, 2015.

GAMANIA DIGITAL ENTERTAINMENT CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2015 AND 2014
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)
(UNAUDITED)

1. HISTORY AND ORGANIZATION

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

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were reported to the Board of Directors and authorized for issuance by the Board of Directors on April 28, 2015.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATION

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued by FSC on April 3, 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taipei Exchange or Emerging Stock Market shall adopt the 2013 version of IFRS (not including IFRS 9, ‘Financial instruments’) as endorsed by the FSC and the Regulations Governing the Preparation of Financial Reports by Securities Issuers effective January 1, 2015 (collectively referred herein as the “2013 version of IFRSs”) in preparing the consolidated financial statements. The impact of adopting the 2013 version of IFRS is listed below:

A. IAS 19 (revised), ‘Employee benefits’

Additional disclosures are required to present how defined benefit plans may affect the amount, timing and uncertainty of the entity’s future cash flows.

B. IAS 1, ‘Presentation of financial statements’

The amendment requires entities to separate items presented in OCI classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. If the items are presented before tax then the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Group will adjust its presentation of the statement of comprehensive income.

C. IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Group will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

D. IFRS 13, 'Fair value measurement'

The standard defines fair value, sets out a framework for measuring fair value, and requires disclosures about fair value measurements. Based on the Group's assessment, the adoption of the standard has no significant impact on its consolidated financial statements, and the Group will disclose additional information about fair value measurements accordingly.

The adoption of the 2013 version of IFRS has no significant impact on the consolidated financial statements of the Group.

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

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 version of IFRS as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 9, 'Financial instruments'	January 1, 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	January 1, 2016
Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15, 'Revenue from contracts with customers'	January 1, 2017
Disclosure initiative (amendments to IAS 1)	January 1, 2016
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	January 1, 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Defined benefit plans: employee contributions (amendments to IAS 19R)	July 1, 2014
Equity method in separate financial statements (amendments to IAS 27)	January 1, 2016

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016

The Group is assessing the potential impact of the new standards, interpretations and amendments above and has not yet been able to reliably estimate their impact on the consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and IAS 34, 'Interim Financial Reporting' as endorsed by the FSC.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities at fair value through profit or loss.

(b) Available-for-sale financial assets measured at fair value.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

(a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated.

(c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

(e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) March 31, 2015	Ownership (%) December 31, 2014	Ownership (%) March 31, 2014	Description
Gamania Digital Entertainment	Gamania Holdings Ltd. (GH)	Holding company	100.00	100.00	100.00	
Gamania Holdings Ltd. (GH)	Gamania International Holdings Ltd. (GIH)	Investment holdings	100.00	100.00	100.00	
Gamania Holdings Ltd. (GH)	Gamania R&D (HK) Holdings Limited	Investment holdings	100.00	100.00	100.00	Note 1 Note 2
Gamania International Holdings Ltd. (GIH)	Gamania Digital Entertainment (Japan) Co., Ltd. (GJP)	Design and sales of software; sales of hardware	-	-	100.00	Note 2 Note 3
Gamania International Holdings Ltd. (GIH)	Gamania China Holdings Ltd.	Investment holdings	98.85	98.85	98.85	
Gamania International Holdings Ltd. (GIH)	Gamania Western Holdings Ltd.	Investment holdings	100.00	100.00	100.00	Note 1 Note 2
Gamania International Holdings Ltd. (GIH)	Gamania Netherlands Holdings Cooperatief U.A.	Investment holdings	100.00	100.00	100.00	Note 1 Note 2
Gamania International Holdings Ltd. (GIH)	Joymobee Entertainment Co., Ltd.	Software services	100.00	100.00	100.00	Note 1 Note 2
Gamania International Holdings Ltd. (GIH)	Achieve Made International Ltd. (AMI)	Investment holdings	51.00	-	-	Note 1 Note 4
Gamania China Holdings Ltd.	Gamania Digital Entertainment (H.K.) Co., Ltd.	Software services and sales	100.00	100.00	100.00	Note 1 Note 2
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Investment holdings	100.00	100.00	100.00	

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) March 31, 2015	Ownership (%) December 31, 2014	Ownership (%) March 31, 2014	Description
Gamania Netherlands Holdings Cooperatief U.A.	Gamania Digital Entertainment (Europe) B.V.	Software services and sales	100.00	100.00	100.00	Note 1 Note 2
Gamania Western Holdings Ltd.	Gamania Digital Entertainment (U.S.) Co., Ltd.	Software services and sales	100.00	100.00	100.00	Note 1 Note 2
Gamania Sino Holdings Ltd.	Gamania Digital Entertainment (Beijing) Co., Ltd.	Design and research and development of software	100.00	100.00	100.00	
Achieve Made International Ltd. (AMI)	Jollywiz Digital Technology Co., Ltd.	Information and supply of electronic services	100.00	100.00	100.00	Note 1 Note 4
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	Investment holdings	100.00	100.00	100.00	Note 1 Note 4
Cyber Look Properties Ltd.	Legion Technology (Shanghai) Co., Ltd	Information and supply of electronic services	100.00	100.00	100.00	Note 1 Note 4
Legion Technology (Shanghai) Co., Ltd.	Jollywiz Digital Business Co., Ltd.	Information and supply of electronic services	100.00	100.00	100.00	Note 1 Note 4
Gamania Digital Entertainment Co., Ltd.	Gameastor Digital Entertainment Co., Ltd.	Software services and sales	-	72.08	72.08	Note 2 Note 5
Gamania Digital Entertainment Co., Ltd.	Gamania Asia Investment Co., Ltd.	Investment holdings	100.00	100.00	100.00	Note 1 Note 2
Gamania Asia Investment Co., Ltd.	Gameastor Digital Entertainment Co., Ltd.	Software services and sales	-	27.20	27.20	Note 2 Note 5
Gamania Asia Investment Co., Ltd.	Mimigigi Digital Technology Co., Ltd.	Software services	100.00	70.00	70.00	Note 1 Note 2 Note 6
Gamania Asia Investment Co., Ltd.	UniCube Co., Ltd.	Software services and sales	40.00	70.00	70.00	Note 2 Note 6
Gamania Digital Entertainment Co., Ltd.	Fundation Digital Entertainment Co., Ltd.	Publishing of magazines and periodicals	100.00	100.00	100.00	Note 1 Note 2

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) March 31, 2015	Ownership (%) December 31, 2014	Ownership (%) March 31, 2014	Description
Gamania Digital Entertainment Co., Ltd.	Gamania Digital Entertainment Labuan Holdings, Ltd.	Investment holdings	100.00	100.00	100.00	Note 1 Note 2 Note 7
Gamania Digital Entertainment Co., Ltd.	Redgate Games Co., Ltd.	Design and research and development of software	100.00	100.00	100.00	Note 1 Note 2
Gamania Digital Entertainment Co., Ltd.	Seedo Games Co., Ltd.	Software services and sales	40.00	100.00	100.00	Note 2 Note 8
Gamania Digital Entertainment Co., Ltd.	Playcoo Co.	Design and research and development of software	-	-	80.50	Note 2 Note 9
Gamania Digital Entertainment Co. Ltd.	Two Tigers Co., Ltd.	Animation production	51.00	51.00	51.00	Note 1 Note 2
Gamania Digital Entertainment Co. Ltd.	Gash Point Co., Ltd.	Software information and supply of electronic services	100.00	100.00	100.00	Note 10
Gamania Digital Entertainment Co., Ltd.	Ants' Power Co., Ltd.	Customer service	100.00	100.00	100.00	Note 1 Note 2
Gamania Digital Entertainment Co., Ltd.	Ritw Now Inc.	E-sports and internet live broadcasting services	-	51.00	51.00	Note 2 Note 11
Gamania Digital Entertainment Co., Ltd.	Global Pursuit Co., Ltd.	IP commodities authorization	100.00	80.00	80.00	Note 1 Note 2
Gamania Digital Entertainment Co., Ltd.	We Backers Co., Ltd.	Crowd funding	70.00	70.00	-	Note 1 Note 12
Gamania Digital Entertainment Co., Ltd.	MadSugr Digital Technology Co., Ltd.	Software services and sales	51.00	51.00	-	Note 1 Note 12

Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%) March 31, 2015	December 31, 2014	March 31, 2014	Description
Gamania Digital Entertainment Co., Ltd.	Coture New Media Co., Ltd.	Online media producing	55.00	55.00	-	Note 1 Note 12
Gash Point Co., Ltd.	Jsdway Digital Technology Co., Ltd.	Software information and supply of electronic services	35.04	35.04	33.33	Note 1 Note 13
Gash Point Co., Ltd.	Punch Technologies Co., Ltd.	Software services and sales	100.00	100.00	100.00	Note 1 Note 2
Gash Point Co., Ltd.	Gash Point (Hong Kong) Company Limited	Software information and supply of electronic services	100.00	100.00	100.00	Note 15
Gash Point Co., Ltd.	Gash Point (Japan) Co., Ltd.	Software information and supply of electronic services	100.00	100.00	100.00	Note 1 Note 2 Note 16
Gash Point Co., Ltd.	Gash Plus Korea Co., Ltd.	Software information and supply of electronic services	100.00	100.00	100.00	Note 1 Note 2
Gash Point Co., Ltd.	GASH Pay Co., Ltd.	Third-Party Payment	100.00	100.00	-	Note 1 Note 12
Gash Point Co., Ltd.	GASH Media Digital Marketing Co., Ltd.	Software services and sales	80.00	80.00	-	Note 1 Note 12
Punch Technologies Co., Ltd.	Coco Digital Technology (HK) Co., Ltd.	Software services and sales	100.00	100.00	100.00	Note 1 Note 2
Jsdway Digital Technology Co., Ltd.	Webo Digital Co., Ltd.	Software services and sales	100.00	100.00	100.00	Note 13 Note 14
Jsdway Digital Technology Co., Ltd.	Precious Power Digital Technology Co., Ltd.	Software services and sales	70.00	70.00	70.00	Note 13
Jsdway Digital Technology Co., Ltd.	Jsdway (M) Sdn. Bhd.	Information and supply of electronic services	60.00	60.00	60.00	Note 13
Global Pursuit Co., Ltd.	Global Pursuit North America Co., Ltd.	IP commodities authorization	-	-	100.00	Note 2 Note 17

Note 1: The financial statements of the entity as of and for the three-month period ended March 31, 2015 were not reviewed by independent auditors as the entity did not meet the

definition of significant subsidiary.

Note 2: The financial statements of the entity as of and for the three-month period ended March 31, 2014 were not reviewed by independent auditors as the entity did not meet the definition of significant subsidiary.

Note 3: GIH has sold all share capital of GJP to Aeria Inc. on December 24, 2014, acquired 7% share capital of Aeria Inc. and lost control over GJP. Thus, the Group has excluded GJP in the consolidation.

Note 4: GIH acquired 51% share capital of AMI on December 29, 2014 and AMI and its subsidiaries were included in the consolidated entities effective on that date.

Note 5: As resolved by the shareholders on August 1, 2014, Gameastor Digital Entertainment Co., Ltd. has began its liquidation. The liquidation has been completed in the first quarter of 2015.

Note 6: Gamania Asia Investment Co., Ltd. has swapped 30% of share capital of UniCube Co., Ltd. with 30% of share capital of Mimigigi Digital Technology Co., Ltd. on December 30, 2014. As the fair values of both share capital were approximately the same on the transaction date, no gain (loss) on disposal arose. After the swap, Gamania Asia Investment Co., Ltd. holds 40% of capital share of UniCube Co., Ltd. and lost control. Therefore, UniCube Co., Ltd. was deconsolidated from December 30, 2014, and changed the valuation using the equity method.

Note 7: The liquidation of Gamania Digital Entertainment Labuan Holdings, Ltd. was resolved by the Company's Board of Directors on October 2, 2014. However, as of March 31, 2015, the liquidation has not yet been completed. Thus, the Company still has control and included Gamania Digital Entertainment Labuan Holdings, Ltd. in the consolidated entities.

Note 8: The Company has disposed 60% share capital of Seedo Games Co., Ltd. on January 6, 2015 and no longer has control. Therefore, the Company deconsolidated Playcoo Co., from January 6, 2015. See Note 6(11) A for the disclosure of gain or loss from disposing Seedo Games Co., Ltd.

Note 9: The Company has disposed all share capital of Playcoo Co. on November 5, 2014 and no longer has control. Therefore, the Company deconsolidated Playcoo Co. from November 5, 2014.

Note 10: Formerly known as Gash Plus (Taiwan) Co., Ltd., it was renamed on February 24, 2015.

Note 11: The liquidation of RitwNow Inc. was resolved by the Company's Board of Directors on August 7, 2014 and completed in the first quarter of 2015. However, as of December 31, 2014, the liquidation has not yet been completed. Thus, the Company still has control and included RitwNow Inc. in the consolidated entities.

Note 12: An investee company newly incorporated in 2014.

Note 13: Jsdway Digital Technology Co., Ltd. was included in the consolidated entities as Gash Point Co., Ltd. held more than half seats of the Board of Directors of Jsdway Digital Technology Co., Ltd. After the reelection on October 7, 2014, Gash Point Co., Ltd.'s seats in the Board of Directors were less than half and Gash Point Co., Ltd. has lost control. Therefore, Jsdway Digital Technology Co., Ltd. and its subsidiaries were deconsolidated from October 7, 2014.

Note 14: The company's Chinese name was renamed on April 28, 2014.

Note 15: Formerly known as Gash Plus (Hong Kong) Company Limited, it was renamed on March 11, 2015.

Note 16: Formerly known as Gash Plus (Japan) Company Limited, it was renamed on March 26, 2015.

Note 17: Global Pursuit North has disposed Global Pursuit North America Co., Ltd. in April 2014.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of March 31, 2015, December 31, 2014 and March 31, 2014, the non-controlling interest amounted to $163,615, $191,044 and $145,121, respectively. The information of non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest				
		March 31, 2015		December 31, 2014		
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)	Description
AMI and subsidiaries	Taiwan and China	$ 125,762	49%	$ 129,515	49%	(Note)

		Non-controlling interest		
		March 31, 2014		
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Description
Jsdway and subsidiaries	Taiwan	$ 121,383	66.67%	

(Note) Registered location is Cayman Islands.

Balance sheets

	AMI and subsidiaries		Jsdway and subsidiaries
	March 31, 2015	December 31, 2014	March 31, 2014
Current assets	$ 398,046	$ 351,720	$ 358,665
Non-current assets	68,721	78,644	77,990
Current liabilities	(210,110)	(166,042)	(243,427)
Non-current liabilities	-	(5)	(11,163)
Total net assets	$ 256,657	$ 264,317	$ 182,065

Statements of comprehensive income

	AMI and subsidiaries	Jsdway and subsidiaries
	Three-month period ended March 31, 2015	Three-month period ended March 31, 2014
Revenue	$ 216,067	$ 455,012
Profit before income tax	(6,474)	3,176
Income tax expense	-	(740)
Profit (loss) for the period	(6,474)	2,436
Other comprehensive income, net of tax	-	-
Total comprehensive income (loss) for the period	($ 6,474)	$ 2,436
Comprehensive income (loss) attributable to noncontrolling interest	($ 3,172)	$ 1,624
Dividends paid to non-contronlling interest	$ -	$ -

Statements of cash flows

	AMI and subsidiaries	Jsdway and subsidiaries
	Three-month period ended March 31, 2015	Three-month period ended March 31, 2014
Net cash used in operating activities	($ 160,362)	($ 72,125)
Net cash provided by investing activities	7,703	1,844
Net cash provided by (used in) financing activities	122,242	(50)
Effect of exchange rates on cash and cash equivalents	447	-
Decrease in cash and cash equivalents	(29,970)	(70,331)
Cash and cash equivalents, beginning of period	242,526	171,601
Cash and cash equivalents, end of period	$ 212,556	$ 101,270

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

B. Translation of foreign operations

(a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognized in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realized within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be paid off within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be paid off within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash and cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets held for trading or financial assets designated as at fair value through profit or loss on initial recognition. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. Financial assets at fair value through profit or loss are initially recognized at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognized in profit or loss.

(8) Available-for-sale financial assets

A. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

B. On a regular way purchase or sale basis, available-for-sale financial assets are recognized and derecognized using trade date accounting.

C. Available-for-sale financial assets are initially recognized at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognized in other comprehensive income.

(9) Accounts receivable

Accounts receivable are receivables originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. However, for short-term accounts receivable which are non-interest bearing, as the effect of discounting is insignificant, they are measured subsequently at initial invoice amount.

(10) Impairment of financial assets

A. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B. The criteria that the Group uses to determine whether there is objective evidence of an impairment loss is as follows:

(a) Significant financial difficulty of the issuer or debtor;

(b) A breach of contract, such as a default or delinquency in interest or principal payments;

(c) The Group, for economic or legal reasons relating to the borrower’s financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

(d) It becomes probable that the borrower will enter bankruptcy or other financial reorganization;

(e) The disappearance of an active market for that financial asset because of financial difficulties;

(f) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;

(g) Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or

(h) A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C. When the Group assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

(a) Financial assets measured at amortised cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate, and is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost that would have been at the date of reversal had the impairment loss not been recognised previously. Impairment loss is recognized and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(b) Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. Impairment loss of an investment in an equity instrument recognised in profit or loss shall not be reversed through profit or loss. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(11) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A. The contractual rights to receive cash flows from the financial asset expire.

B. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows from the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(12) Inventories

Inventories are stated at the lower of cost and net realisable value. The original costs are the cost to obtain the assets. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less the applicable variable selling expenses.

(13) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(14) Investments accounted for under the equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 per cent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or/constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity are not recognized in profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest.

F. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, then the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, then the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(15) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each part of an item of property, plant and equipment has a cost that is significant in relation to the total, the cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	3～55 years
Machinery and equipment	2～6 years
Transportation equipment	5 years
Office equipment	2～4 years
Leasehold assets	2～6 years
Other equipment	2～4 years

(16) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Software

Costs of software are stated at cost and amortised under the straight-line basis over the estimated useful lives.

C. Agency

Agency prepayments for operating online game software are capitalised and amortized based on the period of the contract or deducted based on actual units of play.

(17) Lease

Lease income from an operating lease (net of any incentives given to the lessee) or payments made under an operating lease (net of any incentives received from the lessor) is recognised in profit or loss on a straight-line basis over the lease term.

(18) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. The recoverable amounts of goodwill and intangible assets that have not yet been available for use shall be evaluated periodically. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(19) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(20) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. However, short-term accounts payable which are non-interest bearing are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(22) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognized at fair value, net of transaction costs incurred. Ordinary corporate bonds are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortized in profit or loss as an adjustment to the 'finance costs' over the period of bond circulation using the effective interest method.

(23) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurement arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises expense when it can no longer withdraw an offer of termination benefits or it recognises relating restructuring costs, whichever is earlier. Benefits that are expected to be due more than 12 months after balance sheet date shall be discounted to their present value.

D. Employees' bonus and directors' and supervisors' remuneration

Employees' bonus and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences should be recognised based on the accounting for changes in estimates. The Group calculates the number of shares of employees' stock bonus based on the fair value per share at the previous day of the stockholders' meeting held in the year following the financial reporting year, and after taking into account the effects of ex-rights and ex-dividends.

(24) <u>Employee share-based payment</u>

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(25) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the tax credits can be utilised.

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

(26) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(27) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

A. Sales of goods

(a) The Group operates on-line games, sells prepaid cards for on-line games and the related products. Revenue is measured at the fair value of the consideration received or receivable taking into account sales tax, returns and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. Revenue arising from the sales of goods should be recognised when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied. Revenue from software and other merchandise is recognised when they are delivered.

(b) The Group is engaged in the sale of on-line game stored-value cards and provision of on-line game services. When the consumers purchase the online game credits, and use the credits to exchange for service for playing the on-line games and receiving virtual treasures then the consumed credits are deducted from the players' accounts. The Group recognises the collections of payments for game card purchases or value-added by players as "advance receipts" within current liabilities, and amortises those amounts as revenue over the period of the services or the estimated useful period of the virtual items, when they are actually used in the purchases of services or virtual items for online games.

B. Sales of services

Commissions received on prepaid cards from the on-line game providers by the Group is deferred and recognised as revenue when services are rendered.

(29) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date. The duration of fair value measurement of identifiable assets and assumed liabilities of acquiree may not exceed 1 year from the acquisition date.

(30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

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

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgments in applying the Group's accounting policies

A. Financial assets-impairment of equity investments

The Group follows the guidance of IAS 39 to determine whether a financial asset-equity investment is impaired. This determination requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an equity investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

B. Revenue recognition on a net/gross basis

The determination of whether the Group is acting as principal or agent in a transaction is based on an evaluation of Group's exposure to the significant risks and rewards associated with the sale of goods or the rendering of service in accordance with the business model and substance of the transaction. Where the Group acts as a principal, the amount received or receivable from customer is recognised as revenue on a gross basis. Where the Group acts as an agent, net revenue is recognised representing commissions earned.

The following characteristics of a principal are used as indicators to determine whether the Group shall recognise revenue on a gross basis:

(a) The Group has primary responsibilities for the goods or services it provides;

(b) The Group bears inventory risk;

(c) The Group has the latitude in establishing prices for the goods or services, either directly or indirectly.

(d) The Group bears credit risk of customers.

(2) Critical accounting estimates and assumptions

A. Revenue recognition

The Group recognises the collections of payments for game card purchases or value-added by players as "advance receipts" within current liabilities, and amortizes those amounts as revenue over the period of the services or the estimated useful period of the virtual items, when they are actually used in the purchases of services or virtual items for online games. The Group estimates the deferred amount and period for the related deferred revenue based on historical results and other known factors, and reviews its rationale periodically. As of March 31, 2015, the Group's deferred revenue amounted to $22,913, shown as "Other current liabilities".

B. Impairment assessment on goodwill

The impairment assessment on goodwill relies on the Group's subjective judgment, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Please refer to Note 6(10) for the information on goodwill impairment.

As of March 31, 2015, the Group recognised goodwill, net of impairment loss, amounting to $19,343.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2015	December 31, 2014	March 31, 2014
Cash on hand	$ 18,002	$ 18,674	$ 1,266
Checking accounts and demand deposits	877,664	1,209,411	698,728
Cash equivalents - time deposits	138,808	56,912	334,844
	1,034,474	1,284,997	1,034,838
Classified as non-current assets held for sale	-	(12,127)	-
	$ 1,034,474	$ 1,272,870	$ 1,034,838

A. The Group deals with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

(2) Financial assets at fair value through profit or loss

Items	March 31, 2015	December 31, 2014	March 31, 2014
Current items:			
Financial assets held for trading			
Corporate bond funds	$ -	$ -	$ 204,036
Valuation adjustment of financial assets held for trading	-	-	(198)
	$ -	$ -	$ 203,838

A. The Group recognised net gain of $0 and $547 on financial assets held for trading for the three-month periods ended March 31, 2015 and 2014, respectively.

B. The Group has no financial assets at fair value through profit or loss pledged to others.

(3) Available-for-sale financial assets

Items	March 31, 2015	December 31, 2014	March 31, 2014
Current items:			
Listed stocks	$ 29,475	$ 118,544	$ -
Valuation adjustment of available-for-sale financial assets	2,254	5,019	-
	$ 31,729	$ 123,563	$ -
Non-current items:			
Listed stocks	$ 368,320	$ 368,320	$ -
Unlisted stock	122,899	102,899	66,067
	491,219	471,219	66,067
Valuation adjustment of available-for-sale financial assets	85,031	55,411	13,596
Accumulated impairment	(9,206)	(9,206)	(9,206)
	$ 567,044	$ 517,424	$ 70,457

A. The Group recognised $97,228 and $11,529 in other comprehensive income for fair value change and reclassified $70,373 and $0 from equity to profit or loss for the three-month periods ended March 31, 2015 and 2014, respectively.

B. There are no available-for-sale financial assets of the Group that are debt instrument investments.

C. As of March 31, 2015, December 31, 2014 and March 31, 2014, no available-for-sale financial assets of the Group were pledged as collateral.

(4) Accounts receivable

	March 31, 2015	December 31, 2014	March 31, 2014
Accounts receivable	$ 2,020,279	$ 1,664,553	$ 1,920,368
Less: Allowance for doubtful accounts	(87,121)	(78,681)	(73,970)
Allowance for sales returns	(537)	(537)	(2,292)
	1,932,621	1,585,335	1,844,106
Classified as non-current assets held for sale	-	(34,257)	-
	$ 1,932,621	$ 1,551,078	$ 1,844,106

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

	March 31, 2015	December 31, 2014	March 31, 2014
Up to 30 days	$ 227,337	$ 217,567	$ 397,257
31~60 days	66,905	51,078	64,911
61~90 days	11,584	54,905	12,324
91~120 days	4,087	42,274	13,624
Over 120 days	137,076	164,403	88,864
	$ 446,989	$ 530,227	$ 576,980

The above ageing analysis was based on past due date. The movement analysis of the above impaired financial assets that are past due is as follows:

(a) As of March 31, 2015, December 31, 2014 and March 31, 2014, the Group's notes receivable, accounts receivable and overdue accounts receivable that were impaired amounted to $189,465, $181,214 and $188,257, respectively.

(b) Movement on allowance for bad debts is as follows:

	2015		
	Individual provision	Group provision	Total
At January 1	$ 102,533	$ 78,681	$ 181,214
Provision for impairment (reversal of allowance)	(193)	8,507	8,314
Effect of exchange rate	4	(67)	(63)
At March 31	$ 102,344	$ 87,121	$ 189,465

	2014		
	Individual provision	Group provision	Total
At January 1	$ 112,887	$ 65,289	$ 178,176
Provision for impairment	1,400	8,618	10,018
Effect of exchange rate	-	63	63
At March 31	$ 114,287	$ 73,970	$ 188,257

B. The accounts receivable (including accounts receivable-related parties) were neither past due nor impaired since the Group had properly screened and managed the credit of the counterparties that have certain standard credit quality. Thus, there is no significant credit risk. The balances are as follows:

	March 31, 2015	December 31, 2014	March 31, 2014
Neither past due nor impaired	$ 1,576,020	$ 1,304,353	$ 1,349,985

C. The Group does not hold any collateral as security.

(5) Inventories

	March 31, 2015		
	Cost	Allowance for obsolescence and market value decline	Book value
Inventories	$ 123,632	($ 476)	$ 123,156

	December 31, 2014		
	Cost	Allowance for obsolescence and market value decline	Book value
Inventories	$ 63,377	($ 458)	$ 62,919
Classified as non-current assets held for sale	(6,661)	-	(6,661)
	$ 56,716	($ 458)	$ 56,258

	March 31, 2014		
	Cost	Allowance for obsolescence and market value decline	Book value
Inventories	$ 170,329	($ 1,187)	$ 169,142

The cost of inventories recognised as expense for the period:

	Three-month periods ended March 31,	
	2015	2014
Cost of goods sold	$ 926,791	$ 520,365
Reversal of allowance for inventory obsolescence and market price decline (Note)	-	(12)
	$ 926,791	$ 520,353

Note: The gain on reversal of allowance was recognized when the related inventory items which were previously provided with allowance for impairment loss were subsequently scrapped or sold.

(6) <u>Investments accounted for under the equity method</u>

A. List of long-term investments

Name of associates	March 31, 2015 Ownership percentage	March 31, 2015 Balance	December 31, 2014 Ownership percentage	December 31, 2014 Balance	March 31, 2014 Ownership percentage	March 31, 2014 Balance
Seedo Games Co., Ltd. (Seedo)	40.00	$ 168,014	-	$ -	-	$ -
Jsdway Digital Technology Co., Ltd. (Jsdway)	35.04	52,048	35.04	53,664	-	-
Chuang Meng Shr Ji Co., Ltd.	23.08	28,815	23.08	29,307	-	-
Fantasy Fish Digital Games Co., Ltd.	44.08	22,483	44.08	22,284	44.08	21,680
Taiwan e-sports Co., Ltd. (Taiwan e-sports)	30.94	7,924	30.94	8,879	30.94	11,574
UniCube Co., Ltd. (UniCube)	40.00	5,156	40.00	5,670	-	-
Pri-One Marketing Co., Ltd.	30.00	3,104	30.00	2,908	30.00	1,835
Machi Pictures Co., Ltd. (Machi Pictures) (Note)	33.33	180	33.33	180	33.33	-
Firedog Creative Co., Ltd. (Firedog)	40.00	-	40.00	4,075	40.00	6,341
		$ 287,724		$ 126,967		$41,430

Note: As the Company intends to provide endorsements, guarantees or financial support for Machi Pictures, the investment loss is recognized continuously in proportion to the Company’s equity interest in the investee. Thus, as of March 31, 2014, the credit balance of investment was ($4), and accounted in other liabilities (shown in ‘other non-current liabilities’).

B. For the three-month periods ended March 31, 2015 and 2014, the Group’s associates were accounted for using equity method based on their unreviewed financial statements.

C. There are no significant associates as of March 31, 2014. Information of the Company’s significant associates as of March 31, 2015 and December 31, 2014 is shown below:

Company name	Principal place of business	Non-controlling interest March 31, 2015	Non-controlling interest December 31, 2014	Nature of relationship	Method of measurement
Jsdway	Taiwan	35.04%	35.04%	(Note 1)	Equity method
Seedo	Taiwan	40.00%	100.00%	(Note 2)	Equity method

Note 1: Jsdway’s main business activities are information and supply of electronic services. Jsdway was included in the consolidated entities as Gash Point Co., Ltd. held more than half seats of the Board of Directors of Jsdway Digital Technology Co., Ltd. After the reelection on October 7, 2014, Gash Point Co., Ltd.’s seats in the Board of

Directors were less than half and Gash Point Co., Ltd. has lost control. Therefore, Jsdway and its subsidiaries were deconsolidated from October 7, 2014.

Note 2: Seedo's main business activities are software services and sales. Seedo was 100% owned by the Company. To accelerate the transformation of the Group and adjust the investment components, the Company disposed 60% share capital of Seedo on January 6, 2015 and accordingly, Seedo became an associate.

D. The summarised financial information of the associates that are material to the Group is as below:

Balance sheet

	Jsdway		Seedo
	March 31, 2015	December 31, 2014	March 31, 2015
Current assets	$ 405,293	$ 325,161	$ 69,136
Non-current assets	73,845	62,161	183,727
Current liabilities	(284,660)	(231,439)	(23,036)
Non-current liabilities	(45,939)	(2,733)	(931)
Total net assets	$ 148,539	$ 153,150	$ 228,896
Share in associate's net assets	52,048	53,664	91,558
Unrealized loss on downstream transactions	-	-	4,699
Goodwill	-	-	71,757
Carrying amount of the associate	$ 52,048	$ 53,664	$ 168,014

Statement of comprehensive income

	Jsdway	Seedo
	Three-month period ended March 31, 2015	Three-month period ended March 31, 2015
Revenue	$ 357,727	$ 53,857
Profit for the period from continuing operations	1,257	8,289
Loss for the period from discontinued operations	-	-
Other comprehensive income, net of tax	-	-
Total comprehensive income for the period	1,257	8,289
Dividends received from associates	$ -	$ -

E. As of March 31, 2015, December 31, 2014 and March 31, 2014, the carrying amount of the Group's individually immaterial associates amounted to $67,662, $73,303 and $41,430, respectively. The Group's share of the operating results are summarised below:

	Three-month period ended March 31, 2015		Three-month period ended March 31, 2014	
Profit or loss for the period from continuing operations	($	4,184)	($	8,330)
Loss for the period from discontinued operations		-		-
Other comprehensive income- net of tax		-		-
Total comprehensive income	($	4,184)	($	8,330)

F. There is no price in open market for associates in the Group, therefore, no fair value is applicable.

G. The impairment loss of the associate, Firedog Creative Co., Ltd., for the three-month period ended March 31, 2015 is described in Note 6(10).

(7) Property, plant and equipment

	Land	Buildings	Machinery	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Total
At January 1, 2015								
Cost	$ 158,309	$ 196,340	$ 662,908	$ 1,395	$ 68,908	$ 59,531	$ 16,863	$ 1,164,254
Accumulated depreciation	-	(48,455)	(451,530)	(1,179)	(46,967)	(32,564)	(12,359)	(593,054)
Accumulated impairment	-	-	(6,382)	-	(47)	-	-	(6,429)
	$ 158,309	$ 147,885	$ 204,996	$ 216	$ 21,894	$ 26,967	$ 4,504	$ 564,771
Less: Classified as non-current assets held for sale	(36,448)	(19,732)	(31,597)	-	(707)	(876)	(219)	(89,579)
	$ 121,861	$ 128,153	$ 173,399	$ 216	$ 21,187	$ 26,091	$ 4,285	$ 475,192
Three-month period ended March 31, 2015								
Opening net book amount	$ 158,309	$ 147,885	$ 204,996	$ 216	$ 21,894	$ 26,967	$ 4,504	$ 564,771
Additions	2,140,747	253,806	7,650	-	1,472	224	459	2,404,358
Disposals	-	(19,280)	(1,157)	-	(231)	-	-	(20,668)
Depreciation charge	-	(1,787)	(22,588)	(69)	(2,273)	(2,700)	(916)	(30,333)
Effect of decrease in consolidated entities	(36,448)	(19,732)	(31,597)	-	(707)	(876)	(219)	(89,579)
Net exchange differences	(100)	(271)	(127)	3	(1,213)	1,040	3	(665)
Closing net book amount	$ 2,262,508	$ 360,621	$ 157,177	$ 150	$ 18,942	$ 24,655	$ 3,831	$ 2,827,884
At March 31, 2015								
Cost	$ 2,262,508	$ 394,243	$ 538,228	$ 1,376	$ 63,587	$ 58,349	$ 16,678	$ 3,334,969
Accumulated depreciation	-	(33,622)	(374,669)	(1,226)	(44,598)	(33,694)	(12,847)	(500,656)
Accumulated impairment	-	-	(6,382)	-	(47)	-	-	(6,429)
	$ 2,262,508	$ 360,621	$ 157,177	$ 150	$ 18,942	$ 24,655	$ 3,831	$ 2,827,884

	Land	Buildings	Machinery	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Equipment to be inspected	Total
At January 1, 2014									
Cost	$ 157,449	$ 203,942	$ 731,430	$ 7,332	$ 84,752	$ 65,461	$ 36,340	$ 1,722	$ 1,288,428
Accumulated depreciation	-	(46,061)	(428,085)	(2,845)	(56,065)	(36,029)	(18,530)	-	(587,615)
Accumulated impairment	-	-	(6,382)	-	(45)	-	-	-	(6,427)
	$ 157,449	$ 157,881	$ 296,963	$ 4,487	$ 28,642	$ 29,432	$ 17,810	$ 1,722	$ 694,386
Three-month period ended March 31, 2014									
Opening net book amount	$ 157,449	$ 157,881	$ 296,963	$ 4,487	$ 28,642	$ 29,432	$ 17,810	$ 1,722	$ 694,386
Additions	-	-	24,551	-	542	3,900	80	116	29,189
Disposals	-	-	(45)	-	(2)	-	(19)	-	(66)
Reclassifications	-	-	1,783	-	-	-	-	(1,783)	-
Depreciation charge	-	(2,739)	(36,821)	(405)	(3,825)	(2,467)	(1,642)	-	(47,899)
Net exchange differences	177	784	1,001	-	(355)	300	396	61	2,364
Closing net book amount	$ 157,626	$ 155,926	$ 287,432	$ 4,082	$ 25,002	$ 31,165	$ 16,625	$ 116	$ 677,974
At March 31, 2014									
Cost	$ 157,626	$ 204,883	$ 750,891	$ 7,332	$ 82,257	$ 69,367	$ 37,323	$ 116	$ 1,309,795
Accumulated depreciation	-	(48,957)	(457,077)	(3,250)	(57,208)	(38,202)	(20,698)	-	(625,392)
Accumulated impairment	-	-	(6,382)	-	(47)	-	-	-	(6,429)
	$ 157,626	$ 155,926	$ 287,432	$ 4,082	$ 25,002	$ 31,165	$ 16,625	$ 116	$ 677,974

A. No borrowing costs were capitalized as part of property, plant and equipment.

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(8) Intangible assets

	Agency	Software	Other intangible asset	Goodwill	Total
At January 1, 2015					
Cost	$ 423,302	$ 56,633	$ 68,570	$ 48,848	$ 597,353
Accumulated amortisation	(155,371)	(36,640)	(25,739)	-	(217,750)
Accumulated impairment	(40,057)	-	(80)	(29,310)	(69,447)
	227,874	19,993	42,751	19,538	310,156
Less: classified as non-current assets held for sale	-	(4,765)	(65)	-	(4,830)
	$ 227,874	$ 15,228	$ 42,686	$ 19,538	$ 305,326
Three-month period ended March 31, 2015					
Opening net book amount	$ 227,874	$ 19,993	$ 42,751	$ 19,538	$ 310,156
Additions	7,801	1,258	3,932	-	12,991
Amortisation charge	(21,412)	(5,458)	(2,152)	-	(29,022)
Transfer to other expenses	-	-	(74)	-	(74)
Disposals	(2,007)	-	-	-	(2,007)
Reclassifications	(2,756)	-	(706)	-	(3,462)
Effect of decrease in consolidated entities	-	(4,765)	(65)	-	(4,830)
Impairment loss	(23,252)	-	-	-	(23,252)
Net exchange differences	(8,692)	(3)	(231)	(195)	(9,121)
Closing net book amount	$ 177,556	$ 11,025	$ 43,455	$ 19,343	$ 251,379
At March 31, 2015					
Cost	$ 391,079	$ 48,479	$ 69,485	$ 48,360	$ 557,403
Accumulated amortisation	(150,214)	(37,454)	(25,951)	-	(213,619)
Accumulated impairment	(63,309)	-	(79)	(29,017)	(92,405)
	$ 177,556	$ 11,025	$ 43,455	$ 19,343	$ 251,379

	Agency	Software	Other intangible asset	Goodwill	Total
At January 1, 2014					
Cost	$ 339,109	$ 135,637	$ 52,619	$ 74,537	$ 601,902
Accumulated amortisation	(86,685)	(76,197)	(24,042)	-	(186,924)
Accumulated impairment	(61,550)	(29,630)	-	(13,914)	(105,094)
	$ 190,874	$ 29,810	$ 28,577	$ 60,623	$ 309,884
Three-month period ended March 31, 2014					
Opening net book amount	$ 190,874	$ 29,810	$ 28,577	$ 60,623	$ 309,884
Additions	30,169	11,290	3,370	-	44,829
Amortisation charge	(20,684)	(11,480)	(5,886)	-	(38,050)
Transfer to other expenses	-	-	(56)	-	(56)
Disposals	(1,472)	-	(440)	-	(1,912)
Reclassifications	-	(2,310)	2,546	-	236
Impairment loss	(10,663)	-	-	(5,258)	(15,921)
Net exchange differences	697	585	304	501	2,087
Closing net book amount	$ 188,921	$ 27,895	$ 28,415	$ 55,866	$ 301,097
At March 31, 2014					
Cost	$ 327,198	$ 115,440	$ 51,315	$ 75,054	$ 569,007
Accumulated amortisation	(96,385)	(56,772)	(22,900)	-	(176,057)
Accumulated impairment	(41,892)	(30,773)	-	(19,188)	(91,853)
	$ 188,921	$ 27,895	$ 28,415	$ 55,866	$ 301,097

A. The details of amortisation are as follows:

	Three-month periods ended March 31, 2015	Three-month periods ended March 31, 2014
Operating costs	$ 24,971	$ 24,882
Selling expenses	1,504	1,660
General and administrative expenses	2,547	11,095
Research and development expenses	-	413
	$ 29,022	$ 38,050

B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment as follows:

	March 31, 2015	December 31, 2014	March 31, 2014
Goodwill			
AMI	$ 19,343	$ 19,538	$ -
GCH	28,060	28,344	27,264
Sino	957	966	930
Playcoo	-	-	46,552
Jsdway(M) Sdn. Bhd.	-	-	308
	48,360	48,848	75,054
Less: accumulated impairment	(29,017)	(29,310)	(19,188)
	$ 19,343	$ 19,538	$ 55,866

C. Impairment information about the intangible assets is provided in Note 6(10).

(9) Non-current assets

	March 31, 2015	December 31, 2014	March 31, 2014
Overdue accounts receivable	$ 102,344	$ 102,539	$ 120,884
Less: Allowance for doubtful accounts	(102,344)	(102,539)	(114,287)
Refundable deposits	29,526	40,817	45,623
Prepayment for investments	-	-	6,000
Prepayment for pensions	2,633	2,436	-
Other financial assets-non -current	-	-	5,007
Others	842	871	677
	33,001	44,124	63,904
Classified as non-current assets held for sale	-	(3,162)	-
	$ 33,001	$ 40,962	$ 63,904

Jsdway Digital Technology Co., Ltd., did not fully provide its overdue accounts receivable with allowance as of March 31, 2014 since based on its assessment, such receivables were collectible.

(10) Impairment of non-financial assets

A. Details of impairment loss recognised by the Group for the three-month periods ended March 31, 2015 and 2014 are as follows:

	Three-month period ended March 31, 2015	
	Recognised in profit or loss	Recognised in other comprehensive income
Impairment loss-investment accounted for using equity method	$ 4,543	$ -
Impairment loss-agency	23,252	-
	$ 27,795	$ -

	Three-month period ended March 31, 2014	
	Recognised in profit or loss	Recognised in other comprehensive income
Impairment loss-goodwill	$ 5,258	$ -
Impairment loss-agency	10,663	-
	$ 15,921	$ -

B. The Company recognized impairment loss on investment and goodwill for the three-month periods ended March 31, 2015 and 2014 since the recoverable amounts of the value of future cash inflows are lower than the carrying amount. The value of future cash inflows was based on the best estimate of information available at the balance sheet date.

C. The Group recognized impairment loss on agency for the three-month periods ended March 31, 2015 and 2014, respectively, since the book value is greater than the recoverable amount. The Group used on-line game revenues and projected expenditures as recoverable amount when points are expected to be consumed.

(11) Non-current assets held for sale

A. On December 19, 2014, the Company has approved to dispose 60% of share capital of the subsidiary – Seedo Games Co., Ltd. Seedo Games Co., Ltd. meets the criteria of the subsidiary classified as held for sale due to the disposal. The assets and liabilities relating to Seedo Games Co., Ltd. are classified as disposal group held for sale for the year ended December 31, 2014. However, as business activities of Seedo Games Co., Ltd. are not the Group's major individual activities, Seedo Games Co., Ltd. does not meet the definition of discontinued operations. The disposal was completed in the first quarter of 2015, and the gain due to lost of control is shown below:

	Three-month period ended March 31, 2015
Proceeds from disposal of 60% share capital	$ 239,280
Book value of 60% share capital	(132,364)
	106,916
Fair value of 40% share capital at the day control is lost	160,000
Book value of 40% share capital	(88,243)
	71,757
Gain on disposal of non-current assets held for sale (shown as other gains and losses)	$ 178,673

B. Assets of disposal group classified as held for sale:

	December 31, 2014
Cash and cash equivalents	$ 12,127
Accounts receivable	34,257
Inventories	6,661
Other current assets	983
Property, plant and equipment	89,579
Intangible assets	4,830
Other non-current assets	3,162
	$ 151,599

C. Liabilities of disposal group classified as held-for-sale:

	December 31, 2014
Accounts payable	$ 18,670
Other payables	20,388
Other current liabilities	1,723
Other non-current liabilities	889
	$ 41,670

D. Details of major assets and liabilities of disposal group as held for sale are as follows:

(a) Property, plant and equipment

Item	December 31, 2014 Original cost	Accumulated depreciation	Net book value
Land	$ 36,448	$ -	$ 36,448
Buildings	19,841	(109)	19,732
Machinery	48,036	(16,439)	31,597
Office equipment	1,083	(376)	707
Leasehold improvements	1,134	(258)	876
Other equipment	584	(365)	219
	$ 107,126	($ 17,547)	$ 89,579

(b) Intangible assets

Item	December 31, 2014 Original cost	Accumulated depreciation	Net book value
Software	$ 6,461	($ 1,696)	$ 4,765
Other intangible assets	435	(370)	65
	$ 6,896	($ 2,066)	$ 4,830

(c) Other payables

	December 31, 2014
Salary payable and annual bonus	$ 9,389
Payable on value-added business tax and withholding tax	59
Payable on equipment	7,491
Others	3,449
	$ 20,388

(12) Short-term borrowings

	March 31, 2015	December 31, 2014	March 31, 2014
Bank borrowings			
Secured borrowings	$ 121,501	$ -	$ -
Unsecured borrowings	720,000	-	18,889
	$ 841,501	$ -	$ 18,889
Credit lines	$ 1,727,210	$ 1,787,577	$ 567,630
Interest rate	1.21%~6.16%	-	1.15%~1.42%

(13) Other payables

	March 31, 2015	December 31, 2014	March 31, 2014
Salary payable and annual bonus	$ 82,284	$ 127,735	$ 102,975
Employees' bonus payable	60,371	17,004	9,069
Compensation payable to directors and supervisors	7,783	2,027	929
Payable on value-added business tax and withholding tax	43,227	40,537	47,925
Payable on equipment and intangible assets	3,306	9,510	23,453
Others	122,580	169,598	142,282
	319,551	366,411	326,633
Classified as liabilities included in disposal groups classified as held for sale	-	(20,388)	-
	$ 319,551	$ 346,023	$ 326,633

(14) Other current liabilities

	March 31, 2015	December 31, 2014	March 31, 2014
Unearned revenue collected in advance	$ 690,984	$ 660,488	$ 541,861
Current portion of long-term liabilities	-	-	17,185
Receipts under custody	4,489	4,677	9,704
Tax receipts under custody	2,351	2,802	2,300
Other current liabilities	46,043	44,754	10,786
	743,867	712,721	581,836
Classified as liabilities included in disposal groups classified as held for sale	-	(1,723)	-
	$ 743,867	$ 710,998	$ 581,836

(15) Bonds payable

	March 31, 2015	December 31, 2014	March 31, 2014
Bonds payable	$ -	$ -	$ 32,000
Less: Current portion	-	-	(17,185)
	$ -	$ -	$ 14,815

The Company's subsidiary, Gamania Digital Entertainment (Japan) Co., Ltd., issued unsecured corporate bonds in the amount of JPY200 million, as approved by the local competent authorities. The major terms of the corporate bonds are as follows:

Issue Date	Term	Total credit line	Coupon rate	Repayment terms
2011.10.31	Five years	$ 17,696 (JPY 50 million)	0.63%	Principal amount of JPY 5 million is repayable in each April and October from the issue date, and simple interest is payable every year from the issue date based on the coupon rate.
2012.07.31	Three years	$ 56,740 (JPY 150 million)	0.49%	Principal amount of JPY 24 million is repayable in each January and July from the issue date, and simple interest is payable every year from the issue date based on the coupon rate.

(16) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate	Collateral	March 31, 2015
Long-term bank borrowings				
Secured borrowings	Borrowing period is March 20, 2015~ March 20, 2025; interest is payable monthly for the first three years; starting from the fourth year, principal and interest are payable quarterly.	1.70%	Land and Buildings	$ 1,600,000

(Note) There are no long-term borrowings as of December 31, 2014 and March 31, 2014.

(17) Pensions

A. Defined benefit plans

(a) The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

(b) For the aforementioned pension plan, the Group recognised pension costs of $156 and $316 for the three-month periods ended March 31, 2015 and 2014, respectively.

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2016 are $1,410.

B. Defined contribution plans

(a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Company's mainland subsidiary, Gamania Digital Entertainment (Beijing) Co., Ltd., has a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on a certain percentage of employees' monthly salaries and wages. The contribution percentage for the three-month periods ended March 31, 2015 and 2014 were both 20%~22%. Other than the monthly contributions, the Group has no further obligations.

(c) Gamania Digital Entertainment (Japan) Co., Ltd., Gamania Digital Entertainment (H.K.) Co., Ltd., Gash Point (Hong Kong) Company Limited, Gash Point (Japan) Co., Ltd., Gash Plus Korea Co., Ltd. and Joymobee Entertainment Co., Ltd. provide pension reserves annually for their employees in accordance with the local regulations.

(d) The pension costs under the defined contribution pension plans of the Group for the three-month periods ended March 31, 2015 and 2014 were $6,195 and $7,322, respectively.

(18) Common stock

A. As of March 31, 2015, the Company's authorized capital was $2,500,000, consisting of 250 million shares of ordinary stock (including 12 million shares reserved for employee stock options), and the paid-in capital was $1,575,936 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B. Movements in the number of the Company's ordinary shares outstanding are as follows:

	2015 (Note)	2014 (Note)
At January 1	157,594	157,312
Advance receipts for share capital transferred to ordinary shares	-	282
At March 31	157,594	157,594

Note: In thousands of shares

(19) Capital surplus

A. Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. When it is resolved by the shareholders at their shareholders' meeting, legal reserve and whole or part of capital reserve arising from the following items can be used to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit:

(a) Paid-in capital in excess of par value on issuance of common stocks; and

(b) Donations.

C. On June 19, 2014, the stockholders resolved to use paid-in capital in excess of par value on issuance of common stocks to issue cash of $0.5 (in dollars) per share, totaling $78,797, to stockholders.

(20) Unappropriated retained earnings

A. As stipulated in the Company's Articles of Incorporation, the current earnings, if any, shall be distributed in the following order:

(a) Paying all taxes and duties.

(b) Covering prior years' accumulated deficit, if any.

(c) After deducting items (a) and (b), 10% of the remaining amount is appropriated as legal reserve.

(d) In addition to the amount appropriated for legal reserve, the Company may appropriate an amount equal to the negative items in the stockholders' equity from retained earnings as special reserve.

(e) Interest on capital.

(f) After deducting items (a) to (e), 10%～15% of the remaining earnings is appropriated as employees' bonuses and up to 2% as remuneration to directors and supervisors.

(g) The remaining amount is to be distributed to stockholders in accordance with the resolution adopted at the stockholders' meeting.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. Special reserve

(a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

D. The shareholders during their meeting on June 19, 2014 resolved to propose the following appropriation for 2013 earnings: appropriate legal reserve of $3,856 and special reserve of $34,703. There were no earnings to be appropriated from 2013, thus, employees' bonus and directors' and supervisors' remuneration were not accrued and resolved at the shareholders' meeting. The aforementioned appropriation for 2013 was in agreement with the proposal by the Board of Directors on March 17, 2014.

E. On March 12, 2015, the Board of Directors resolved the 2014 appropriation of retained earnings:

	Year ended December 31, 2014	
	Amount (Note)	Dividend per Share (in dollars)
Legal reserve appropriated	$ 9,326	
Special reserve reversed	34,703	
Cash dividend to shareholders	110,316	$ 0.70

Note: Cash bonus of $17,000 to employees and remuneration of $2,300 to directors and supervisors were proposed by the Board of Directors.

As of April 28, 2015, the appropriation of earnings for the year ended December 31, 2014 has not yet been resolved by the shareholders.

F. For the three-month periods ended March 31, 2015 and 2014, employees' bonus was accrued at

$43,367 and $5,695, respectively; and directors' and supervisors' remuneration was accrued at $5,756 and $759, respectively. The above amounts constitute 10%~15% and 2%, respectively, of the net income after taking into account the legal reserve, and are recognized as operating cost and expense. If the actual distribution amounts are different from the estimated amounts, the difference will be adjusted in the statement of comprehensive income of the following year.

G. Information about the appropriation approved by the Board of Directors and resolved by the shareholders and appropriation for employees' bonus and directors' and supervisors' remuneration will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(21) Operating revenue

	Three-month periods ended March 31, 2015	Three-month periods ended March 31, 2014
On-line game/ point service revenue	$ 2,400,858	$ 2,426,432
Service revenue	9,998	4,875
Other operating revenue	39,086	34,798
	$ 2,449,942	$ 2,466,105

(22) Other income

	Three-month periods ended March 31, 2015	Three-month periods ended March 31, 2014
Rental revenue	$ 4,334	$ 535
Interest income from bank deposits	485	782
Other income	10,651	5,791
	$ 15,470	$ 7,108

(23) Other gains and losses

	Three-month periods ended March 31, 2015	Three-month periods ended March 31, 2014
Net gain on financial assets at fair value through profit or loss	$ -	$ 547
Net currency exchange loss	(3,461)	(8,206)
Gain (loss) on disposal of property, plant and equipment	74,775	(52)
Impairment loss	(27,795)	(15,921)
Gain on disposal of investment	70,295	-
Gain on disposal of non-current assets held for sale	178,673	-
Others	(9,445)	(5,037)
	$ 283,042	($ 28,669)

(24) Finance costs

	Three-month periods ended March 31,	
	2015	2014
Interest expense:		
Bank borrowings	$ 3,368	$ 310
Bonds payable	-	74
Others	-	180
	$ 3,368	$ 564

(25) Expenses by nature

	Three-month periods ended March 31,	
	2015	2014
On-line game cost	$ 325,953	$ 318,002
Point service cost	1,416,110	1,340,336
Cost of physical sales	154,323	178,297
Other operating cost	78,677	34,273
Bad debts expense	8,314	10,018
Operating lease payments	18,353	22,319
Advertising expense	42,986	78,349
Depreciation on property, plant and equipment	30,333	47,899
Amortisation expense	29,022	38,050
Service fees	11,927	10,572
Travel expenses	5,656	9,031
Utilities expenses	3,994	7,364
Employee benefit expenses	225,801	249,182
Other expenses	43,868	39,313
	$ 2,395,317	$ 2,383,005

(26) Employee benefit expense

	Three-month periods ended March 31,	
	2015	2014
Wages and salaries	$ 196,435	$ 215,627
Labor and health insurance fees	12,156	16,974
Pension costs	6,351	7,638
Other personnel expenses	10,859	8,943
	$ 225,801	$ 249,182

(27) Income tax

A. Components of income tax expense:

	Three-month periods ended March 31,	
	2015	2014
Current tax		
Current tax on profits for the period	$ 28,266	$ 18,019
Adjustments in respect of prior years	18,640	(466)
Total current tax	46,906	17,553
Deferred tax		
Origination and reversal of temporary differences	2,121	(1,377)
Income tax expense	$ 49,027	$ 16,176

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

	Latest Year Assessed by Tax Authority
The Company	2013, except for 2012 which has not yet been assessed
Gameastor, Jollywiz	2011
Global Pursuit, Two Tigers, Fundation, Gash Point	2012
Gamania Asia, Redgate, Mimigigi Digital Technology, UniCube, Pri-One Marketing, Seedo	2013
Punch, Coture New Media, Madsugr, Gash Media Digital Marketing, Gash Pay, Webackers	Not yet assessed

The Company was required to pay additional income tax of $23,481 for the year 2002 after the re-examination of trial by the Tax Authority. In January 2011, the Company appealed against the assessment, but had paid the additional income tax amounting to $21,083. In October 2011, the decision on the appeal was issued which upheld the original judgment relating to the Company's tax exempt income, research and development expense and tax credits applicable to income tax. However, the original judgment relating to the loss on disposal of the Company's fixed assets was cancelled and would be subject to re-examination by the Tax Authority. In October 2013, the Company appealed against the assessment and paid half of the remaining income tax amounting to $1,199. The appeal was denied in April 2014. Furthermore, the Company disagreed with the re-examination by Ministry of Finance and appealed for administrative litigation in June 2014. However, as the Company lost its appeal in the administrative litigation in March 2015, the Company has recognized the remaining half of the assessed additional income tax in the financial statements.

C. Unappropriated retained earnings:

	March 31, 2015	December 31, 2014	March 31, 2014
Earnings generated in and after 1998	$ 413,612	$ 90,291	$ 83,045

D. The balance of the imputation tax credit account and the creditable tax rate are as follows:

	March 31, 2015	December 31, 2014	March 31, 2014
Imputation tax credit account balance	$ 126,911	$ 114,228	$ 52,464

	2014 (Estimated)	2013 (Actual)
Creditable tax rate	20.48%	20.48%

(28) Earnings per share

	Three-month period ended March 31, 2015		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 323,321	157,594	$ 2.05
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 323,321	157,594	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	1,797	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all	$ 323,321	159,391	$ 2.03

	Three-month period ended March 31, 2014		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 44,486	157,594	$ 0.28
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 44,486	157,594	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	174	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all	$ 44,486	157,768	$ 0.28

(29) Supplemental cash flow information

Investing activities with partial cash payments

	Three-month periods ended March 31,	
	2015	2014
Proceeds from disposal of available-for-sale financial assets	$ 178,869	$ -
Add: opening balance of other receivables	-	-
Less: ending balance of other receivables	(98,054)	-
Cash received during the period	$ 80,815	$ -

	Three-month periods ended March 31,	
	2015	2014
Acquisition of property, plant and equipment	$ 2,404,358	$ 29,189
Add: opening balance of payable on equipment	9,510	37,232
Less: ending balance of payable on equipment	(3,306)	(23,453)
Less: ending balance of notes payable	(71,640)	-
Less: ending blance of other payables-related parties	(4,697)	-
Cash paid during the period	$ 2,334,225	$ 42,968

	Three-month periods ended March 31,			
	2015		2014	
Purchase of intangible assets	$	12,991	$	44,829
Add: beginning payables		-		1,440
Less: ending payables		-		-
Cash paid during the period	$	12,991	$	46,269

	Three-month periods ended March 31,			
	2015		2014	
Proceeds from disposal of fixed assets	$	8,952	$	14
Add: opening balance of other receivables		150		-
Less: ending balance of other receivables	(	135)		-
Less: ending balance of other receivables – related parties	(	7,533)		-
Cash received during the period	$	1,434	$	14

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Group’s shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Significant transactions and balances with related parties

A. Operating revenue

	Three-month periods ended March 31,			
	2015		2014	
Sales of goods:				
Associates	$	2,103	$	-
Sales of services:				
Associates	$	320	$	129
Total				

Sales of goods are on-line games revenue generated from prepaid cards selling by subsidiaries, and are in accordance with mutual agreements. The online games revenue has no similar transactions to compare with, and the payment term is the same with non-related parties. Sales of services are customer services and are in accordance with mutual agreements.

B. Operating costs

	Three-month periods ended March 31,	
	2015	2014
Costs of point service:		
Associates	$ 27,828	$ 20,614

Costs of point service are service cost for splitting revenue from stored values in accordance with mutual agreement.

C. Operating expenses (shown in selling expenses and general and administrative expenses)

	Three-month periods ended March 31,	
	2015	2014
Other related party	$ 1,000	$ 2,500
Associates	8,550	3,784
	$ 9,550	$ 6,284

The above includes donation to other related party and expenses paid to associates for the Company's advertisements and game development.

Except for donation, expenses were based on mutual agreements.

D. Accounts receivable

	March 31, 2015	December 31, 2014	March 31, 2014
Associates	$ 2,730	$ 170,027	$ 143

Accounts receivable are mainly from sales of goods and customer services. Accounts receivable are not pledged as collateral, do not bear interest and have no provision.

E. Other receivables

	March 31, 2015	December 31, 2014	March 31, 2014
Associates	$ 11,499	$ 1,497	$ 489

Other receivables are mainly from sale of property, plant and equipment.

F. Payables

	March 31, 2015	December 31, 2014	March 31, 2014
Accounts payable:			
Associates	$ 44,321	$ 30,101	$ 16,132
Other payables			
Associates	$ 21,171	$ 16,984	$ 3,232

Accounts payable are payables for mobile service costs and the dedicated line cost of on-line games and are due 60 days after the purchase. The payables do not bear interest.

Other payables are payables for mobile games development, advertisement and purchase of property, plant and equipment.

G. Property transactions

(a) Acquisition of property, plant and equipment:

	Three-month periods ended March 31, 2015	Three-month periods ended March 31, 2014
Associates	$ 5,515	$ -

The unpaid amount as of March 31, 2015 is $4,697.

(b) Disposal of property, plant and equipment:

	Three-month periods ended March 31,			
	2015		2014	
	Disposal proceeds	Gain (loss) on disposal	Disposal proceeds	Gain (loss) on disposal
Associates	$ 7,533	($ 11,747)	$ -	$ -

The proceeds from disposal of property, plant and equipment has not yet been received as of March 31, 2015. The loss from disposal of property, plant and equipment was deferred in proportion to equity interest held in the associate (see Note 6(6) D).

(3) Key management compensation

	Three-month periods ended March 31, 2015	Three-month periods ended March 31, 2014
Salaries and other short-term employee benefits	$ 17,719	$ 6,029
Post-employment benefits	27	54
	$ 17,746	$ 6,083

8. PLEDGED ASSETS

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

Pledged assets	Book value March 31, 2015	Book value December 31, 2014	Book value March 31, 2014	Pledge purpose
Demand deposits (shown in "other current assets")	$ 120,000	$ 60,000	$ 152,500	Performance bond of on-line game card's standard contracts / Short-term loans guarantee
Time deposits (shown in "other current assets")	57,184	-	-	Guarantee for short-term borrowing facility
Demand deposits (shown in other financial assets-non-current)	-	-	5,007	Credit card merchant guarantee/ Department of creditor claimed
Property, plant and equipment				
Land	2,252,601	111,855	147,751	Short-term and long-term loans / Credit lines
Buildings	333,334	100,956	115,445	Short-term and long-term loans / Credit lines
	$ 2,763,119	$ 272,811	$ 420,703	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. The Group leases warehouse, offices and network equipment under non-cancellable operating lease agreements. The Group recognised rental expenses of $18,353 and $22,319 for these leases in profit or loss for the three-month periods ended March 31, 2015 and 2014, respectively. The future aggregate minimum lease payments are as follows:

	March 31, 2015	December 31, 2014	March 31, 2014
Not later than one year	$ 55,826	$ 61,019	$ 97,953
Later than one year but not later than five years	34,772	59,876	68,168
Later than five years	-	-	84
	$ 90,598	$ 120,895	$ 166,205

B. The Company contracted the use of cable lines, T1 and T3, with rental charges based on utilization. In addition, the Company contracted with several on-line game vendors and will pay royalty based on actual usage.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

To work in coordination with the operation of Gash Point Co., Ltd., attract people with talent and plan for the future, on April 28, 2015, the Company's Board of Directors adopted a resolution to increase and separate capital of shares at a proper time in the future. After that, the Company's ownership percentage will fall below 70%. Said resolution will be dealt with in the shareholders meeting.

12. OTHERS

(1) Capital risk management

The Group's principal objectives when managing capital are to maintain an integrity credit rating and a good capital structure to support operating and maximum stockholders' equity. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders.

(2) Financial instruments

A. Fair value information of financial instruments

Except those in the table below, book value of financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term loans, notes payable, accounts payable (including related party), and other accounts payable (including related party)) is approximate to their book value. Fair value information of financial instruments measured at fair value is provided in Note 12(3).

B. Financial risk management policies

The Group's activities expose it to a variety of financial risks, including market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management program considers the effect of economic environment, competition and market value risk. The Group attains to the best risk position, holds appropriate liquidity position and centers on management of all the market risks. To reach the objective of risk management, the Group's hedged activities are focused on the market value risk and the cash flow risk.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. Each of the entities in the Group operates in different countries and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, the Group set the natural hedging as principle. Foreign exchange risk arises when future commercial transactions, recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

iii. The Group's businesses involve some non-functional currency operations. The information on assets and liabilities denominated in foreign currencies of each entity in the Group whose values would be materially affected by the exchange rate fluctuations is as follows:

(Foreign currency: Functional currency)	March 31, 2015 Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 653	$ 31.401	$ 20,505
HKD:USD	26,803	0.1290	108,572
NTD:USD	350,437	0.0318	350,437
USD:RMB	501	6.1996	15,732
USD:HKD	1,040	7.7547	32,657
Non-monetary items			
USD:NTD	21,178	31.401	665,017
JPY:NTD	116,689	0.2612	30,479
HKD:USD	78,890	0.1290	319,561
EUR:USD	715	1.0752	24,131
Financial liabilities			
Monetary items			
USD:NTD	2,386	31.401	74,923
HKD:USD	21,638	0.1290	87,650

(Foreign currency: Functional currency)	December 31, 2014 Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 603	$ 31.718	$ 19,126
HKD:USD	50,323	0.1289	205,743
NTD:USD	337,667	0.0315	337,367
USD:RMB	501	6.2040	15,891
USD:HKD	881	7.7556	27,944
JPY:USD	431,134	0.0084	123,563
Non-monetary items			
USD:NTD	$ 19,586	31.718	$ 621,221
JPY:NTD	120,491	0.2652	31,954
HKD:USD	48,723	0.1289	199,201
EUR:USD	780	1.2154	30,088
Financial liabilities			
Monetary items			
USD:NTD	1,333	31.718	42,280
HKD:USD	17,313	0.1289	70,783

(Foreign currency: Functional currency)	March 31, 2014 Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
Financial assets			
Monetary items			
USD:NTD	$ 1,230	30.5100	$ 37,527
HKD:USD	36,319	0.1289	142,833
NTD:USD	308,900	0.0328	308,900
USD:RMB	500	6.2180	15,255
USD:HKD	611	7.7576	18,642
Non-monetary items			
USD:NTD	17,605	30.5100	537,129
JPY:NTD	132,099	0.2963	39,141
HKD:USD	57,565	0.1289	226,388
JPY:USD	142,093	0.0097	42,052
EUR:USD	744	1.3759	31,232
Financial liabilities			
Monetary items			
USD:NTD	2,338	30.5100	71,332

D. The total exchange loss, including realised and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three-month periods ended March 31, 2015 and 2014 amounted $7,865 and $2,502, respectively.

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

	Three-month period ended March 31, 2015		
(Foreign currency: Functional currency)	Extent of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income
Financial assets			
Monetary items			
USD:NTD	1%	$ 205	$ -
HKD:USD	1%	1,086	-
NTD:USD	1%	3,504	-
USD:RMB	1%	157	-
USD:HKD	1%	327	-
Financial liabilities			
Monetary items			
USD:NTD	1%	749	-
HKD:USD	1%	876	-

	Three-month period ended March 31, 2014		
(Foreign currency: Functional currency)	Extent of Variation	Effect on Profit or Loss	Effect on Other Comprehensive Income
Financial assets			
Monetary items			
USD:NTD	1%	$ 375	$ -
HKD:USD	1%	1,428	-
NTD:USD	1%	3,089	-
USD:RMB	1%	153	-
USD:HKD	1%	186	-
Financial liabilities			
Monetary items			
USD:NTD	1%	713	-

Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The Group's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. However, the Group has set stop-loss amounts for those assets; therefore, no material market risk is expected. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity would have increased/decreased by $5,988 and $705, respectively, as a result of gains/losses on equity securities classified as available-for-sale.

Interest rate risk

i. The Group's interest rate risk arises from each borrowing. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The interest rate for short-term borrowings of the Group are mainly floating rate and for long-term borrowings are fixed rate. During the three-month periods ended March 31, 2015 and 2014, the Group's borrowings at variable rate were denominated in NTD, RMB and JPY.

ii. At March 31, 2015 and 2014, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the three-month periods ended March 31, 2015 and 2014 would have been $16 and $1 lower/higher, respectively, mainly as a result of higher interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on bookkeeping and administrative department's rating. The utilization of credit limits is regularly monitored. Credit risk arises from cash, cash equivalents and accounts receivable arising from operating activities. For banks and financial institutions, only rated parties with a good credit rating are accepted.

ii. During the three-month periods ended March 31, 2015 and 2014, no credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

iii. The details of credit quality of the Group's significant financial assets are provided in Note 6 (4).

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by the capital management department. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs.

ii. The table below is the Group's non-derivative financial liabilities which is presented based on the remaining period at the balance sheet date to the contract maturity date and undiscounted maturity amount based on the maturity date.

Non-derivative financial liabilities:

March 31, 2015	Less than 1 year	Between 1 and 3 years	Over 3 years
Short-term borrowings	$ 841,501	$ -	$ -
Notes payable	71,675	-	-
Accounts payable	1,201,735	-	-
Accounts payable-related parties	44,321	-	-
Other payables	319,551	-	-
Other payables-related parties	21,171	-	-
Long-term borrowings (including current portion)	27,200	54,400	1,726,140

December 31, 2014	Less than 1 year	Between 1 and 3 years	Over 3 years
Notes payable	$ 35	$ -	$ -
Accounts payable	1,495,672	-	-
Accounts payable-related parties	30,101	-	-
Other payables	366,411	-	-
Other payables-related parties	16,984	-	-

March 31, 2014	Less than 1 year		Between 1 and 3 years		Over 3 years
Short-term borrowings	$	18,928	$ -	$	-
Notes payable		4,769	-		-
Accounts payable		1,289,864	-		-
Accounts payable-related parties		16,132	-		-
Other payables		326,633	-		-
Other payables-related parties		3,232	-		-
Bonds payable		17,332	14,883		-

(3) Fair value information

A. Details of the fair value of the Group's financial assets and financial liabilities not measured at fair value are provided in Note 12(2) A.

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

Level 1: Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. The fair value of the Group's investment in listed stocks and open-end fund is included in Level 1.

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

Level 3: Inputs for the asset or liability that are not based on observable market data. The fair value of the Group's investment in equity investment without active market is included in Level 3.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at March 31, 2015, December 31, 2014 and March 31, 2014 is as follows:

March 31, 2015	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Available-for-sale financial assets				
Equity securities	$ 31,729	$ 446,560	$ 120,484	$ 598,773

December 31, 2014	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Available-for-sale financial assets				
Equity securities	$ 123,563	$ 441,408	$ 76,016	$ 640,987

March 31, 2014	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Open-end fund	$ 203,838	$ -	$ -	$ 203,838
Available-for-sale financial assets				
Equity securities	-	-	70,457	70,457
	$ 203,838	$ -	$ 70,457	$ 274,295

D. The methods and assumptions the Group used to measure fair value are as follows:

(a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed Shares	Open-end fund
Market quoted price	Closing price	Net asset value

(b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

(c) For highly complex financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitised instruments. Certain inputs used in the valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Notes 12(3) I and J.

(d) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

E. For the three-month periods ended March 31, 2015 and 2014, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the three-month periods ended March 31, 2015 and 2014:

	Equity securities			
	2015		2014	
At January 1	$	76,016	$	58,928
Gains and losses recognised in profit or loss		24,468		11,529
Acquired in the period		20,000		-
Disposed of in the period		-		-
At March 31	$	120,484	$	70,457

G. For the three-month periods ended March 31, 2015 and 2014, there was no transfer into or out from Level 3.

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

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

	Fair value at March 31, 2015	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity					
Unlisted shares	$120,484	Market comparable companies	Price to book ratio multiple	2.32 (2.32)	The higher the multiple, the higher the fair value
			Enterprise value to operating income ratio multiple	2.17 (2.17)	The higher the multiple, the higher the fair value
			Discount for control premium	20% (20%)	The higher the discount for control premium, the lower the fair value
			Discount for lack of marketability	25% (25%)	The higher the discount for lack of marketability, the lower the fair value

J. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

	Input	Change	March 31, 2015			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Enterprise value to operating income ratio multiple	±1%	$ -	$ -	$ 224	($ 224)
	Price to book ratio multiple	±1%	-	-	1,841	(1,841)
	Discount for control premium	±1%	-	-	179	(179)
	Discount for lack of marketability	±1%	-	-	224	(224)

	Input	Change	December 31, 2014			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Enterprise value to operating income ratio multiple	±1%	$ -	$ -	$ 393	($ 393)
	Price to book ratio multiple	±1%	-	-	989	(989)
	Discount for control premium	±1%	-	-	130	(130)
	Discount for lack of marketability	±1%	-	-	163	(163)

	Input	Change	March 31, 2014			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Enterprise value to operating income ratio multiple	±1%	$ -	$ -	$ 282	($ 282)
	Price to book ratio multiple	±1%	-	-	16,358	(16,358)
	Discount for control premium	±1%	-	-	121	(121)
	Discount for lack of marketability	±1%	-	-	151	(151)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

All the transactions with subsidiaries disclosed below had been eliminated in the consolidated financial statements. The disclosure information of certain investments were audited by investee companies' auditors.

A) Loans to others: None.

B) Provision of endorsements and guarantees to others:

The Company or investee companies		Parties being guaranteed											
Number (Note 1)	Name	Name	Relationship with the Company (Note 2)	Limit of guarantee for each party (Note 3)	Maximum outstanding guarantee amount for the three-month period ended March 31, 2015	Outstanding guarantee amount at March 31, 2015	Actual amount drawn down	Amount of guarantee with collateral placed	Ratio of accumulated guarantee amount to net value of the Company	Maximum amount available for guarantee (Note 3)	Provision of endorsements / guarantees by parent company to subsidiary (Note 4)	Provision of endorsements / guarantees by subsidiary to parent company (Note 4)	Provision of endorsements / guarantees to the party in Mainland China (Note 4)
0	The Company	Gash Point Co., Ltd.	2	$ 472,781	$ 448,000	$ 428,000	$ 350,000	$ -	15.59%	$ 1,575,936	Y		
0	The Company	Jollywiz Digital Business Co., Ltd.	3	472,781	101,300	101,300	70,910	-	3.69%	1,575,936	Y		Y
0	Jollywiz Digital Technology Co., Ltd.	Jollywiz Digital Business Co., Ltd.	3	472,781	101,300	101,300	101,300	-	3.69%	1,575,936	Y		Y

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
Number 0 represents the Company.

Note 2: Number 2 means the Company directly owns over 50% of the shares of the subsidiary.
Number 3 means the Company and the subsidiary own over 50% of the shares of the investee company.

Note 3: The Company provides guarantee for the subsidiaries in which the Company directly or indirectly holds more than 50% voting rights. The limit of guarantee for each party is 30% of the Company's capital, and the maximum amount available for guarantee is the Company's capital.

Note 4: Y means provision of endorsements / guarantees by parent company to subsidiary, provision of endorsements / guarantees by subsidiary to parent company or provision of endorsements / guarantees to the party in Mainland China.

Note 5: Gash Point Co., Ltd. originally known as Gash Plus Company Ltd.

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

Company	Type of marketable securities (Note 1)	Relationship with the security holders	General ledger account	March 31, 2015			
				Number of shares (in thousands)	Book value	Percentage	Market value (Note 2)
The Company	NC Taiwan Co., Ltd. - Stock	None	Available-for-sale financial assets - non-current	2,100	$ 79,349	15	$ 79,349
〃	Gamemag Interactive Inc. - Stock	〃	〃	460	1,167	4	1,167
〃	Hagame Co., Ltd. - Stock	〃	〃	880	9,174	19.05	9,174
〃	XPEC Entertainment Inc.-Stock	〃	〃	3,200	446,560	3.80	446,560
Gamania Asia Investment Co., Ltd.	Compass Systems Corp.	〃	〃	1,000	794	3.33	794
〃	Hualien Media Intl. Co., Ltd.	〃	〃	400	10,000	1.90	10,000
Gamania Asia Investment Co., Ltd.	One Production Film Co., Ltd.	〃	〃	1,000	20,000	4.35	20,000
Gamania International Holdings Ltd.	Ikala Global Online Corp.	〃	Available-for-sale financial assets -current	212	19,937	5.45	19,937
Gamania International Holdings Ltd.	Aeria Inc.	〃	〃	30	11,792	0.57	11,792

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IAS 39 'Financial instruments : recognition and measurement.'

Note 2: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

D) Aggregate purchases or sales of the same securities reaching $300,000 or 20% of paid-in capital or more: None

E) Acquisition of real estate in excess of $300,000 or 20% of capital:

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount		
The Company	Office building in Neihu District	2015.3.18	$2,394,553	Amount not yet paid $73,640 (Note)	Shin Kong Life Insurance Co., Ltd.	None	Not applicable	Not applicable	Not applicable	Not applicable	Reference appraisal and resolved by the Company's Board of Directors	For enterprise's headquarter

(Note) Drawn a check amounting to $71,640 due on May 31, 2015.

F) Disposal of real estate in excess of $300,000 or 20% of capital: None.

G) Purchases or sales of goods from or to related parties reaching $100,000 or 20% of paid-in capital or more:

Purchaser /Seller	Name of transaction parties	Relationship	Transaction terms				Description of and reasons for difference in transaction terms compared to non-related party transactions		Accounts or notes receivable (payable)		Note
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit terms	Unit price	Credit period	Balance	Percentage of total accounts or notes receivable (payable)	
The Company	Gash point Co., Ltd.	Subsidiary	Sales	($ 643,495)	(90%)	Note 1	Note 1	Note 1	$ 830,240	94%	Note 2

Note 1: The above represents sales based on merchandise, competitive market and trading situation. There is no similar transaction to compare with.

Note 2: Comprises the sale of on-line game, sales of services and other operating revenue.

H) Receivables from related parties in excess of $100,000 or 20% of capital:

Name of creditor	Transaction parties	Relationship	Balance of receivables from related parties (in thousands)	Turnover rate	Overdue receivables		Subsequent collections (in thousands) (Note 1)	Allowance for doubtful accounts provided	Note
					Amount	Action adopted for overdue accounts			
The Company	Gash Point Co., Ltd.	Subsidiary	$ 883,312	3.88	$ -	-	$ 450,513	$ 41,470	Notes 2, 3

Note 1: The subsequent collections represent collections from the balance sheet date to April 28, 2015.

Note 2: The Group considers Gash Point Co., Ltd. to evaluate and to make provision of the allowance for doubtful accounts – non related party, and the amount is accounted for under Allowance for doubtful accounts – non related party in the consolidated financial statements.

Note 3: Includes other receivables.

I) Derivative financial instruments undertaken during the three-month period ended March 31, 2015: None.

J) Significant inter-company transactions during the three-month period ended March 31, 2015:

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 5)	Transaction terms	Percentage of consolidated total assets or total operating revenues (Note 3)
0	The Company	Gash Point Co., Ltd.	1	Sales	$ 643,495	Note 4	26.27%
0	The Company	Gash Point Co., Ltd.	1	Accounts receivable	830,240	Note 4	10.63%
0	The Company	Mimigigi Digital Technology Co., Ltd.	1	Accounts receivable	25,770	Note 4	0.33%
0	The Company	Gamania Digital Entertainment (Europe) B.V.	1	Other payables	13,575	Note 4	0.17%
0	The Company	Ants' Power Co., Ltd.	1	Customer service fee	20,275	Note 4	0.83%
0	The Company	Ants' Power Co., Ltd.	1	Other payables	28,554	Note 4	0.37%
1	Gash Point Co., Ltd.	Gash Point (Hong Kong) Company Limited	3	Accounts receivable	60,129	Note 4	0.77%
1	Gash Point Co., Ltd.	Gash Point (Hong Kong) Company Limited	3	Other receivables	17,492	Note 4	0.22%
1	Gash Point Co., Ltd.	Gash Point (Hong Kong) Company Limited	3	Service revenue	14,383	Note 4	0.59%
2	Gash Point (Hong Kong) Company Limited	Gamania Digital Entertainment (H.K.) Co., Ltd.	3	Accounts payable	72,427	Note 4	0.93%
2	Gash Point (Hong Kong) Company Limited	Gamania Digital Entertainment (H.K.) Co., Ltd.	3	Cost of goods sold	34,637	Note 4	1.41%
3	Gamania Digital Entertainment (H.K.) Co., Ltd.	Joymobee Entertainment Co., Ltd.	3	Accounts receivable	14,827	Note 4	0.19%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is ‘0’.

(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: There is no similar transaction to compare with. It will follow the agreed price and transaction terms.

Note 5: The disclosure standard reaches above $10,000 for the transaction amount.

(2) <u>Information on investee companies (not including investees in Mainland China)</u>

Information on investee companies (not including investees in Mainland China)

The disclosure information of certain non-significant investee companies was based on their unreviewed financial statements. Among them, except for income (loss) in the first quarter, is based on the average rate for the three-month period ended March 31, 2015, others are based on the rate on March 31, 2015.

Company	Name of investee	Location	Main operating activities	Original investment cost		Held by the Company			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Note
				2015.3.31	2014.12.31	Number of shares	Percentage	Book value			
The Company	Gamania Holdings Ltd.	Cayman Islands	Investment holdings	$ 2,369,434	$ 2,369,434	41,687,546	100	$ 618,936	$ 58,310	$ 58,310	
The Company	Gameastor Digital Entertainment Co., Ltd.	Taiwan	Software services and sales	-	211,433	-	72.08	-	-	-	Note 1
The Company	Gamania Asia Investment Co., Ltd.	Taiwan	Investment holdings	115,549	115,549	6,500,000	100	68,138	(756)	(756)	
The Company	Gamania Digital Entertainment Labuan Holdings, Ltd.	Malaysia	Investment holdings	38,994	38,994	1,330,000	100	1,421	(12)	(12)	
The Company	Fundation Digital Entertainment Co., Ltd.	Taiwan	Publishing of magazines and periodicals	220,000	220,000	6,330,440	100	358	(2,007)	(2,007)	
The Company	Redgate Games Co. Ltd.	Taiwan	Design and research and development of software	297,000	297,000	29,700,000	100	2,380	920	920	
The Company	Seedo Games Co. Ltd.	Taiwan	Software services	136,000	340,000	8,800,000	40	168,014	8,289	8,014	
The Company	Two Tigers Co. Ltd.	Taiwan	Animation production	6,269	6,269	626,892	51	7,179	(161)	(82)	
The Company	Gash Point Co., Ltd.	Taiwan	Software information and supply of electronic services	50,000	50,000	5,000,000	100	86,051	(10,576)	(10,576)	
The Company	Global Pursuit Co., Ltd.	Taiwan	IP Commodities authorization	40,000	40,000	4,750,000	100	506	(2,773)	(2,773)	
The Company	Machi Pictures Co., Ltd.	Taiwan	Movie making and publishing	20,000	20,000	2,000,000	33.33	180	-	-	
The Company	RitwNow Inc.	Taiwan	E-sports and media broadcast Services	-	15,300	-	51	-	11	-	Note 2
The Company	Ants' Power Co., Ltd.	Taiwan	Customer services	10,000	10,000	1,000,000	100	16,346	5,454	5,454	
The Company	Taiwan e-sports Co., Ltd.	Taiwan	E-sports	56,800	56,800	1,277,101	30.94	7,924	(3,088)	(955)	
The Company	Chuang Meng Shr Ji Co., Ltd.	Taiwan	Venture Capital Industry	30,000	30,000	3,000,000	23.08	28,815	(2,131)	(492)	
The Company	WeBackers Co., Ltd.	Taiwan	Crowd funding	8,400	8,400	840,000	70	5,674	(2,462)	(1,723)	
The Company	Coture New Media Co., Ltd.	Taiwan	TV programs and normal products	27,500	27,500	2,750,000	55	16,562	(15,651)	(8,608)	

Company	Name of investee	Location	Main operating activities	Original investment cost		Held by the Company			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Note
				2015.3.31	2014.12.31	Number of shares	Percentage	Book value			
The Company	MadSugr Digital Technology Co., Ltd.	Taiwan	Software information and supply of electronic services	$ 15,600	$ 15,600	1,560,000	51	$ 11,141	($ 8,043)	($ 4,102)	
Gamania Asia Investment Co., Ltd.	Gameastor Digital Entertainment Co., Ltd.	Taiwan	Sales and research and development of software	-	80,625	-	27.20	-	-	-	Note 1
Gamania Asia Investment Co., Ltd.	Pri-One Marketing Co., Ltd.	Taiwan	Software services and sales	1,500	1,500	150,000	30	3,104	655	197	
Gamania Asia Investment Co., Ltd.	Mimigigi Digital Technology Co., Ltd.	Taiwan	Software services and sales	10,000	10,000	1,000,000	100	5,811	(719)	(719)	
Gamania Asia Investment Co., Ltd.	UniCube Co., Ltd.	Taiwan	Design and research and development of software	4,000	4,000	400,000	40	5,156	(1,284)	(514)	
Gamania Asia Investment Co., Ltd.	Fantasy Fish Digital Games Co., Ltd.	Taiwan	Software services and sales	22,211	22,211	2,443,432	44.08	22,483	451	199	
Gash Point Co., Ltd.	Jsdway Digital Technology Co., Ltd.	Taiwan	Software information and supply of electronic services	52,500	52,500	5,250,000	35.04	52,048	1,257	440	
Gash Point Co., Ltd.	Punch Technologies Co., Ltd.	Taiwan	Software services and sales	40,000	40,000	4,000,000	100	7,176	(1,893)	(1,893)	Note 3
Gash Point Co., Ltd.	Gash Point (Japan) Co., Ltd.	Japan	Software information and supply of electronic services	41,874	41,874	600	100	30,479	(1,009)	(1,009)	Note 3
Gash Point Co., Ltd.	Gash Point (Hong Kong) Company Limited	Hong Kong	Software information and supply of electronic services	13,704	13,704	750,000	100	65,205	7,612	7,612	Note 3
Gash Point Co., Ltd.	Gash Plus Korea Co., Ltd.	South Korea	Software information and supply of electronic services	11,662	11,662	138,268	100	4,847	114	114	Note 3

Company	Name of investee	Location	Main operating activities	Original investment cost		Held by the Company			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Note
				2015.3.31	2014.12.31	Number of shares	Percentage	Book value			
Gash Point Co., Ltd.	Gash Media Digital Marketing Co., Ltd.	Taiwan	Software services and sales	$ 8,000	$ 8,000	800,000	80	$ 7,256	($ 778)	($ 623)	Note 3
Gash Point Co., Ltd.	Gash Pay Co., Ltd.	Taiwan	Third party payment	10,000	10,000	1,000,000	100	9,556	(404)	(404)	Note 3
Punch Technologies Co., Ltd.	Coco Digital Technology (HK) Co., Ltd.	Hong Kong	Software services and sales	764	764	200,000	100	(20,545)	(2,059)	(2,059)	
Gamania Holdings Ltd.	Gamania International Holdings Ltd.	Cayman Islands	Investment holdings	2,284,120	2,284,120	72,740,359	100	651,819	58,351	58,351	
Gamania Holdings Ltd.	Gamania R&D (HK) Holdings Limited	Hong Kong	Investment holdings	50,242	50,242	1,600,000	100	21,571	-	-	
Gamania Holdings Ltd.	Gamania China Holdings Ltd.	Cayman Islands	Investment holdings	1,308,917	1,308,917	41,683,936	98.85	209,975	(6,434)	(6,360)	
Gamania Holdings Ltd.	Gamania Western Holdings Ltd.	Cayman Islands	Investment holdings	272,247	272,247	8,670,000	100	67,221	(530)	(530)	
Gamania Holdings Ltd.	Gamania Netherlands Holdings Cooperatief U.A.	Amsterdam	Investment holdings	184,754	184,754	-	100	24,131	1,283	1,283	
Gamania Holdings Ltd.	Joymobee Entertainment Co., Ltd.	Hong Kong	Design and research and development of software	124,034	124,034	30,701,775	100	4,368	1,132	1,132	
Gamania Holdings Ltd.	Firedog Creative Co., Ltd.	Hong Kong	Design and research and development of software	10,043	10,043	992,000	40	-	1,213	486	
Gamania Holdings Ltd.	Achieve Made International Ltd. (BVI)	BVI	Investment holdings	133,454	133,454	6,162,530	51	130,895	(6,474)	(3,302)	
Achieve Made International Ltd.	Jollywiz Digital Technology Co., Ltd.	Taiwan	E-commerce	470,876	470,876	46,000,000	100	202,684	(8,366)	(8,366)	
Jollywiz Digital Technology Co., Ltd.	Cyber Look Properties Ltd.	BVI	Investment holdings	149,300	90,477	4,900,000	100	97,440	(7,447)	(7,447)	

Company	Name of investee	Location	Main operating activities	Original investment cost		Held by the Company			Income (loss) incurred by the investee	Investment income (loss) recognised by the Company	Note
				2015.3.31	2014.12.31	Number of shares	Percentage	Book value			
Gamania China Holdings Ltd.	Gamania Sino Holdings Ltd.	Cayman Islands	Investment holdings	$ 1,240,968	$ 1,240,968	39,520,000	100	$ 16,476	($ 653)	($ 653)	
Gamania China Holdings Ltd.	Gamania Digital Entertainment (H.K.) Co., Ltd.	Hong Kong	Software services and sales	94,486	94,486	35,500,000	100	184,298	(5,691)	(5,691)	
Gamania China Holdings Ltd.	Gamania Digital Entertainment (U.S.) Co., Ltd.	U.S.A.	Software services and sales	270,991	270,991	1,440	100	67,192	(530)	(530)	
Gamania Netherlands Holdings Cooperatief U.A.	Gamania Digital Entertainment (Europe) B.V.	Netherlands	Software services and sales	131,427	131,427	500,000	100	24,131	1,283	1,283	

Note 1: The investment in Global Pursuit North America Co., Ltd. had been liquidated on March 27, 2015.

Note 2: The investment in Global Pursuit North America Co., Ltd. had been liquidated on February 16, 2015.

(3) Information on investments in Mainland China

A) Basic information:

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015 (Note 4)	Remitted or received investment amount during the period: Remitted to Mainland China	Remitted or received investment amount during the period: Remitted back to Mainland China	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2015 (Note 5)	Net income of investee for the three-month period ended March 31, 2015	Ownership held by the Company (direct or indirect)	Investment loss recognized by the Company for the three-month period ended March 31, 2015 (Note 2)	Book value of investment in Mainland China as of March 31, 2015 (Note 6)	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2015	Remarks
Gamania Digital Entertainment (Beijing) Co., Ltd	Design and sales of software	$ 1,108,455	Investment through a holding company registered in a country other than Taiwan and Mainland China	$ 812,344	$ -	$ -	$ 812,344	(653)	98.85%	($ 645)	$ 9,907	$ -	Notes 1, 2 and 3
MoNoKos Studio Technology Co., Ltd.	Research and development of software	-	Investment through a holding company registered in a country other than Taiwan and Mainland China	47,102	-	-	47,102	-	-	-	-	-	Notes 3 and 4
Legion Technology (Shanghai) Co., Ltd.	E-commerce operations	64,372	Investment through a holding company registered in a country other than Taiwan and Mainland China	64,372	-	-	64,372	(5,598)	51.00%	(2,855)	30,378	-	Notes 5
Jollywiz Digital Business Co., Ltd.	E-commerce operations	25,325	Investment through a holding company registered in Mainland China	-	-	-	-	(7,055)	51.00%	(3,598)	(311)	-	Notes 5

Note 1: The investment loss of the investee company, Gamania Digital Entertainment (Beijing) Co., Ltd., for the three-month period ended March 31, 2015 was recognised based on the indirect weighted-average ownership percentage of 98.85% and on their financial statements for the corresponding period, which were audited.

Note 2: Paid-in capital of Gamania Digital Entertainment (Beijing) Co., Ltd. was USD 35,300 thousand or NTD 1,108,455 thousand based on 31.401 exchange rate.

Note 3: Accumulated investment amount of remittance for Gamania Digital Entertainment (Beijing) Co., Ltd. and MoNoKos Studio Technology Co., Ltd. from Taiwan to Mainland China as of December 31, 2014 and March 31, 2015 were USD 25,870 thousand or NTD 812,344 thousand and USD 1,500 thousand or NTD 47,102 thousand, based on 30.401 spot exchange rate at March 31, 2015, respectively.

Note 4: MoNokos Studio Technology Co., Ltd. completed liquidation proceedings on September 22, 2013.

Note 5: Paid-in capital of Legion Technology (Shanghai) Co., Ltd. and Jollywiz Dgital Business Co., Ltd. were USD 2,050 thousand or NTD 64,372 and RMB 5,000 thousand or NTD 25,325, based on $31.401 and $5.065 spot exchange rate at March 31, 2015. The investment income or loss was recognized based on their unreviewed financial statements.

Company	Accumulated amount of investment in Mainland China as of March 31, 2015	Related investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Upper limit of investment in Mainland China
The Company (Note)	$ 859,446	$ 1,317,680	$ 1,744,882
Jollywiz Dgital Technology Co., Ltd.	64,372	64,372	121,219

Note: The total investment amount approved by the Investment Commission, MOEA, was USD$44,013 thousand or NTD$1,382,052 based on 31.401 spot exchange rate at March 31, 2015.

B) The subsidiary in Mainland China and the Company have no significant transactions.

14. OPERATING SEGMENT INFORMATION

(1) General information

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

(2) Assessment of segment information

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

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

The segment information on reportable segments provided to the chief operating decision-maker for the three-month periods ended March 31, 2015 and 2014 are as follows:

Three-month period ended March 31, 2015	Gamania Digital Entertainment Co., Ltd.	Gash Point Co., Ltd. (Note 3)	Gash Point (Hong Kong) Company Lmited (Note 4)	Others	Total
Revenue from external customers	$ 696,261	$ 948,648	$ 497,513	$ 307,520	$ 2,449,942
Inter-segment revenue	12,398	668,444	38,799	12,985	732,626
Segment profit (loss)	323,322	(10,576)	7,612	(12,241)	308,117
Segment profit (loss) includes:					
Depreciation and amortisation	(42,781)	(2,973)	(12)	(13,589)	(59,355)
Income tax expense	(45,716)	(628)	(1,504)	(1,179)	(49,027)
Investment income (loss) accounted for using the equity method	40,612	4,238	-	(37,475)	7,375

Three-month period ended March 31, 2014	Gamania Digital Entertainment Co., Ltd.	Gash Point Co., Ltd. (Note 3)	Gash Point (Hong Kong) Company Lmited (Note 4)	Others	Total	
Revenue from external customers	$ 679,566	$ 1,016,147	$ 658,584	$ 111,808	$ 2,466,105	
Inter-segment revenue	12,155	677,303	62,552	589,038	1,341,048	Note 1
Segment profit (loss)	44,486	26,819	18,211	(45,565)	43,951	
Segment profit (loss) includes:						
Depreciation and amortisation	(54,183)	(3,916)	(12)	(27,838)	(85,949)	
Income tax expense	(3,420)	(5,135)	(3,611)	(4,010)	(16,176)	
Investment income (loss) accounted for using the equity method	(9,165)	27,389	-	(19,072)	(848)	Note 2

Note 1: The transaction had been eliminated in the consolidated financial statements.

Note 2: The inter-segment investment income or loss had been eliminated.

Note 3: Gash Point Co., Ltd. originally known as Gash Plus Company Limited.

Note 4: Gash Point (Hong Kong) Company Limited originally known as Gash Plus (Hong Kong) Company Limited.

(4) Reconciliation information of segment profit (loss)

The segment reports provided to the chief operating decision-maker are measured in a manner consistent with that used for the statement of comprehensive income. Amounts of total assets and total liabilities of segments are not provided to the chief operating decision-maker to make strategic decisions. There is no difference between the presentation of segment report and income statement and accordingly, no reconciliation is required to be disclosed.