Gamania Digital Entertainment Co., Ltd.
Risk Management Policy and Procedures

Article 1: Scope of Application
This Risk Management Policy and Procedures (hereinafter referred to as "the Policy and Procedures") is applicable to Gamania Digital Entertainment Co., Ltd. (hereinafter referred to as "the Company") and its subsidiaries.

Article 2: Purpose of Establishment
To ensure that the Company and its subsidiaries achieve sustainable corporate development, the Policy and Procedures have been established to implement a comprehensive risk management system. The Company is committed to systematically assessing and managing material risks through the joint efforts of the Board of Directors and senior management. This approach aims to mitigate potential operational impacts, enhance corporate governance, achieve sustainable operations, and safeguard the rights of stakeholders.

Article 3: Basis for Establishment
The Policy and Procedures have been formulated in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and the "Risk Management Best Practice Principles for TWSE/TPEx Listed Companies."
These regulations provide a framework to establish an effective risk management mechanism, encompassing risk management organization and responsibilities, risk management procedures, and the reporting and disclosure of risks.

Article 4: Objectives of Risk Management
The objectives of the Company's risk management are to manage various risks that may impact the achievement of its goals through a comprehensive risk management framework. By integrating risk management into operational activities and daily management processes, the Company seeks to achieve the following objectives:
1. Achieve corporate objectives.
2. Enhance management efficiency.
3. Provide reliable information.
4. Allocate resources effectively.

Article 5: Scope of Risk Management
The scope of the Company's risk management includes the following risk sources and categories: strategic risks, operational risks, financial risks, information risks, compliance risks, ethical risks, and other emerging risks (e.g., risks related to climate change or infectious diseases). The Company adheres to relevant laws and regulations to identify, analyze, evaluate, respond to, and monitor risks, and to report and disclose the management of material risks.

Article 6: Risk Management and Business Continuity Policy

The Company upholds the principle of sustainable operations by establishing, implementing, and maintaining a proactive risk management mechanism. This mechanism enables the Company to continuously monitor internal and external issues and environmental changes, conduct operational impact analyses, and develop effective and flexible response measures. By doing so, the Company aims to reduce the likelihood and impact of risks to within its appetite for risk. This ensures alignment between the risk tolerance levels of all units and the Company's strategic objectives, fulfilling the commitment to uninterrupted business operations and safeguarding the best interests of customers and stakeholders. In addition, through the involvement of the Board of Directors and senior management, the Company aligns risk management with its strategies and objectives, identifying and defining the Company's major risk items. It identifies major risk items and continually optimizes mechanisms such as training programs, performance management, risk evaluation, early warning notifications, and public disclosures. These efforts aim to effectively manage operational risks and foster a culture of risk control throughout the Company.

Article 7: Risk Management Organizational Structure and Responsibilities

I. Board of Directors:

The Board of Directors serves as the highest authority for risk management within the Company. Its responsibilities include:

(i) Approving the risk management policy, procedures, and framework.

(ii) Ensuring alignment between operational strategic directions and the risk management policy.

(iii) Establishing an appropriate risk management mechanism and fostering a culture of risk management.

(iv) Supervising and ensuring the effective operation of the overall risk management mechanism.

(v) Allocating and assigning adequate and appropriate resources to ensure effective implementation of risk management.

II. Audit and Risk Management Committee:

The Audit and Risk Management Committee operates under the authority of the Board of Directors. It's responsibilities include ensuring the effective implementation of the risk management system across operational units. The Committee assigns personnel from each unit as risk management officers and collaborates with relevant personnel from operational units to implement risk management procedures effectively. Responsibilities and Roles of the Risk Management Committee:

(i) Reviewing the risk management policies, procedures, and framework, and regularly evaluating their applicability and implementation effectiveness.

(ii) Approving major risk management strategies, including risk appetite or tolerance levels, and guiding resource allocation.

(iii) Examining management reports on material risk issues and overseeing improvement mechanisms.
(iv) Ensuring the risk management mechanism adequately addresses risks faced by the Company and integrates into daily operational workflows.
(v) Approving risk control priorities and risk levels.
(vi) Reviewing the implementation of risk management, providing necessary improvement recommendations, and regularly reporting to the Board of Directors.
(vii) Executing the risk management decisions made by the Board of Directors.

III. Risk Management Task Force:

The Risk Management Task Force, appointed by the Audit and Risk Management Committee, it's responsible for handling the assigned tasks, and assisting in the promotion, maintenance, and review of risk management mechanisms.. Responsibilities and Roles:

(i) Formulating risk management policies, procedures, and framework.
(ii) Establishing the Company's risk appetite (risk tolerance levels) and creating qualitative and quantitative measurement standards.
(iii) Analyzing and identifying the Company's risk sources and categories, and regularly reviewing their applicability.
(iv) Regularly consolidating and reporting on the Company's risk management implementation status at least once a year.
(v) Assisting and supervising the execution of risk management activities within various departments.
(vi) Coordinating cross-departmental interaction and communication for risk management operations.
(vii) Executing the risk management decisions made by the Audit and Risk Management Committee.
(viii) Planning risk management-related training to enhance overall risk awareness and culture.

IV. Operational Units:

Responsibilities and Roles of Operational Units:

(i) Identifying, analyzing, evaluating, and responding to risks within their respective units and establishing relevant crisis management mechanisms when deemed necessary.
(ii) Regularly submitting risk management information to the units responsible for promoting and implementing risk management.
(iii) Ensuring the effective execution of risk management and related control procedures within their units, in compliance with the risk management policies.

V. Internal Audit Office:

The Internal Audit Office, an independent unit under the Board of Directors, annually develops an audit plan based on risk evaluation results and the effectiveness of risk management activities. It also conducts independent audits on the effectiveness of risk management activities, provide recommendations for improvement, and regularly report

audit findings to the Board of Directors. This ensures that critical operational risks are properly managed and the internal control system operates effectively.

Article 8: Risk Management Procedures

The Company's risk management process includes the following steps: risk identification, risk analysis, risk evaluation, risk response, risk monitoring, and review.

I. Risk Identification

Operational units shall identify risks based on the Company's strategic objectives and the risk management policies and procedures approved by the Board of Directors. This involves assessing the short-, medium-, and long-term goals and responsibilities of their respective units.

Risk identification should utilize feasible risk management tools and consider past experiences, available information, internal and external risk factors, and stakeholders' concerns. Through a combined "bottom-up" and "top-down" analysis, potential risk events that could hinder the Company's objectives, cause losses, or create negative impacts shall be thoroughly identified.

II. 2. Risk Analysis

Risk analysis focuses on understanding the nature and characteristics of identified risk events and assessing their likelihood and potential impact, which is then used to calculate a risk value.

The Risk Management Task Force should establish appropriate quantitative or qualitative measurement standards based on the Company's risk characteristics as a foundation for risk analysis. Qualitative measurement standards involve using descriptive language to convey the likelihood and impact of risk events. Quantitative measurement standards, on the other hand, rely on measurable and calculable numerical indicators, such as days, percentages, monetary values, or the number of people, to express the likelihood and impact of risk events.

Each operational unit should analyze the likelihood and impact of identified risk events, taking into account the completeness of existing control measures, past experiences, and industry examples. This analysis forms the basis for calculating the risk value.

III. Risk Evaluation

The Risk Management Task Force is responsible for formulating the Company's risk appetite (risk tolerance levels) and submitting it to the Audit and Risk Management Committee for approval to determine the acceptable risk limits for the Company. Based on the approved risk appetite, the Task Force establishes corresponding risk levels for various risk values and determines appropriate risk response strategies for each level, which serve as the basis for subsequent risk evaluation and response.

Risk management personnel, in collaboration with relevant personnel from operational units, assess risks by analyzing the results of risk analysis and evaluating the effectiveness of existing internal controls. These findings are compared against the risk appetite and risk

levels approved by the Audit and Risk Management Committee. Risks are then prioritized, identifying items that require immediate attention and providing a reference for selecting subsequent response measures. All related risk analysis and evaluation results must be thoroughly documented and submitted to the Audit and Risk Management Committee for approval.

IV. Risk Response
Risk management personnel, in coordination with relevant operational unit personnel, select risk response strategies or implement risk mitigation plans based on the Company's strategic objectives, the perspectives of internal and external stakeholders, risk appetite, and available resources. Preventive measures, contingency plans, crisis management procedures, and business continuity plans should be established as necessary to ensure that risk response strategies effectively control risks while balancing the achievement of objectives with cost-efficiency.

V. Monitoring and Review
To ensure that all types of risks remain within controllable limits, risk management indicators should be established. These indicators are to be continuously monitored by risk management personnel in collaboration with relevant operational unit personnel. Timely reports should be submitted to the Audit and Risk Management Committee, with all relevant records properly documented and retained.
The risk management process and associated risk responses must be thoroughly reviewed to ensure their continued effectiveness.

Article 9: Risk Reporting and Disclosure

To uphold integrity, corporate governance, and transparency while addressing stakeholder expectations, the implementation process and outcomes of risk management must be properly documented, reviewed, and reported through appropriate mechanisms. Records should include all aspects of the risk management process, such as risk identification, risk analysis, risk evaluation, risk response, monitoring and review, related information sources, and risk evaluation results. The Audit and Risk Management Committee shall report on the status of risk management operations to the Board of Directors at least once a year.
The details of this Policy and Procedures, the risk management structure, and the annual operations and implementation of risk management shall be disclosed in the Company's annual report, official website, or corporate sustainability report, with updates provided on an ongoing basis.

Article 10: Implementation and Revision

This Policy and Procedures shall take effect upon approval by the Board of Directors, with subsequent revisions requiring the same approval process.
This Policy and Procedures were first established on August 7, 2023.
This Policy and Procedures were last amended on November 6, 2024.
This Policy and Procedures were last amended on June 24, 2026.