

**Brogent Technologies Inc. and
Subsidiaries**

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


DECLARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates of Brogent Technologies Inc. for the year ended December 31, 2025 under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises”, are the same as those included in the consolidated financial statements of parent and subsidiary companies prepared in conformity with International Financial Reporting Standard No.10, “Consolidated Financial Statements”. In addition, relevant information required to be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies. Consequently, Brogent Technologies Inc. and its subsidiaries did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Brogent Technologies Inc.

By



Ouyang, Chih Hung
Chairman

March 12, 2026

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Brogent Technologies Inc.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

The recognition of project contract revenue

Project contract revenue is the main operating revenue of the Group. The Group recognizes revenue based on the stage of completion of performance obligations. Since the recognition of project contract revenue is calculated manually and involves material accounting estimates and judgments, the accuracy of project contract revenue was deemed to be a key audit matter.

Refer to Notes 4, 5 and 25 for accounting policy on project contract, accounting estimates and assumptions, and details of project revenue.

We performed the following key audit matter procedures:

1. We obtained an understanding of and tested the design and operating effectiveness of internal control for its accuracy in the recognition of project contract revenue, including the measurement of the percentage of completion.
2. We verified and recalculated, on a sampling basis, the accuracy of the percentage of completion, including the related supporting documents.
3. We recalculated the sampled project contract revenue measured by the percentage of completion and checked whether the revenue was recognized correctly.

Other Matter

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 12, 2026

Notice to Readers

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

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

Brogent Technologies Inc. and Subsidiaries

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

| ASSETS | December 31, 2025 | | December 31, 2024 | |
|---|---------------------|------------|---------------------|------------|
| | Amount | % | Amount | % |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents (Notes 4 and 6) | \$ 851,758 | 14 | \$ 761,952 | 14 |
| Financial assets at fair value through profit or loss - current (Notes 4 and 7) | 40 | - | 35,637 | 1 |
| Financial assets at fair value through other comprehensive income - current (Notes 4 and 8) | 55,100 | 1 | 72,400 | 1 |
| Financial assets at amortized cost - current (Notes 4, 9 and 34) | 308,548 | 5 | 145,815 | 3 |
| Accounts receivable, net (Notes 4, 5, 10 and 33) | 200,804 | 4 | 594,794 | 11 |
| Contract assets - current (Notes 4, 5, 25 and 33) | 1,192,629 | 20 | 1,065,990 | 20 |
| Other receivables | 13,265 | - | 17,430 | - |
| Finance lease receivables, net (Notes 4 and 11) | 3,040 | - | 2,981 | - |
| Current tax assets (Notes 4 and 27) | 425 | - | 2,241 | - |
| Inventories (Notes 4 and 12) | 202,737 | 4 | 239,150 | 4 |
| Prepayments | 116,446 | 2 | 54,292 | 1 |
| Refundable deposits - current | 1,390 | - | 3,897 | - |
| Other current assets | 18,431 | - | 12,052 | - |
| Total current assets | <u>2,964,613</u> | <u>50</u> | <u>3,008,631</u> | <u>55</u> |
| NON-CURRENT ASSETS | | | | |
| Financial assets at fair value through profit or loss - non-current (Notes 4 and 7) | 506,319 | 8 | 489,580 | 9 |
| Financial assets at amortized cost - non-current (Notes 4, 9 and 34) | 57,253 | 1 | 145,219 | 3 |
| Investments accounted for using the equity method (Notes 4 and 14) | 214,982 | 4 | 116,295 | 2 |
| Property, plant and equipment (Notes 4, 15 and 34) | 1,192,446 | 20 | 810,193 | 15 |
| Right-of-use assets (Notes 4 and 16) | 271,474 | 5 | 317,712 | 6 |
| Intangible assets (Notes 4 and 17) | 396,226 | 7 | 312,600 | 6 |
| Deferred tax assets (Notes 4 and 27) | 139,027 | 2 | 116,189 | 2 |
| Refundable deposits | 11,918 | - | 14,922 | - |
| Long-term receivables (Note 10) | 12,560 | - | 19,668 | - |
| Long-term finance lease receivables (Notes 4 and 11) | 17,320 | - | 20,360 | - |
| Other non-current assets | 181,129 | 3 | 77,523 | 2 |
| Total non-current assets | <u>3,000,654</u> | <u>50</u> | <u>2,440,261</u> | <u>45</u> |
| TOTAL | <u>\$ 5,965,267</u> | <u>100</u> | <u>\$ 5,448,892</u> | <u>100</u> |
| LIABILITIES AND EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Short-term borrowings (Note 18) | \$ 409,584 | 7 | \$ 49,564 | 1 |
| Notes payable (Note 20) | 735 | - | 2,209 | - |
| Accounts payable (Note 20) | 90,093 | 1 | 47,155 | 1 |
| Contract liabilities (Notes 25 and 33) | 116,643 | 2 | 81,693 | 2 |
| Other payables (Notes 21 and 33) | 109,717 | 2 | 121,967 | 2 |
| Current tax liabilities (Notes 4 and 27) | 1,300 | - | 3,716 | - |
| Provisions - current (Note 4) | 42,942 | 1 | 37,114 | 1 |
| Lease liabilities - current (Notes 4 and 16) | 65,034 | 1 | 67,102 | 1 |
| Current portion of long-term borrowings (Note 18) | 23,606 | - | 30,955 | 1 |
| Current portion of bonds payable (Notes 4 and 19) | 391,375 | 7 | 12,379 | - |
| Other current liabilities | 11,949 | - | 3,179 | - |
| Total current liabilities | <u>1,262,978</u> | <u>21</u> | <u>457,033</u> | <u>9</u> |
| NON-CURRENT LIABILITIES | | | | |
| Bonds payable (Notes 4 and 19) | - | - | 383,932 | 7 |
| Long-term borrowings (Note 18) | 736,601 | 13 | 296,647 | 5 |
| Provisions - non-current (Note 4) | 1,000 | - | 1,000 | - |
| Deferred tax liabilities (Notes 4 and 27) | 17,569 | - | 26,362 | 1 |
| Lease liabilities - non-current (Notes 4 and 16) | 240,610 | 4 | 284,754 | 5 |
| Guarantee deposits received | 990 | - | 990 | - |
| Total non-current liabilities | <u>996,770</u> | <u>17</u> | <u>993,685</u> | <u>18</u> |
| Total liabilities | <u>2,259,748</u> | <u>38</u> | <u>1,450,718</u> | <u>27</u> |
| EQUITY (Note 24) | | | | |
| Share capital | | | | |
| Ordinary shares | 738,581 | 12 | 701,317 | 13 |
| Advance receipts for ordinary share | - | - | 4,264 | - |
| Total share capital | <u>738,581</u> | <u>12</u> | <u>705,581</u> | <u>13</u> |
| Capital surplus | <u>3,453,326</u> | <u>58</u> | <u>3,179,313</u> | <u>58</u> |
| Retained earnings (deficit to be compensated) | | | | |
| Legal reserve | 7,340 | - | - | - |
| Unappropriated earnings (accumulated deficit) | | | | |
| Retained earnings (deficit to be compensated) | (195,749) | (3) | 73,402 | 1 |
| Other equity | 11,143 | - | 39,878 | 1 |
| Treasury shares | (309,122) | (5) | - | - |
| Total equity | <u>3,705,519</u> | <u>62</u> | <u>3,998,174</u> | <u>73</u> |
| TOTAL | <u>\$ 5,965,267</u> | <u>100</u> | <u>\$ 5,448,892</u> | <u>100</u> |

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

Brogent Technologies Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

| | 2025 | | 2024 | |
|---|------------------|-------------|-----------------|------------|
| | Amount | % | Amount | % |
| NET OPERATING REVENUE (Notes 4, 5, 25 and 33) | \$ 1,338,793 | 100 | \$ 1,391,843 | 100 |
| OPERATING COSTS (Notes 12 and 26) | <u>777,895</u> | <u>58</u> | <u>794,314</u> | <u>57</u> |
| GROSS PROFIT | <u>560,898</u> | <u>42</u> | <u>597,529</u> | <u>43</u> |
| OPERATING EXPENSES (Notes 9, 25, 26 and 33) | | | | |
| Selling and marketing expenses | 133,839 | 10 | 120,245 | 9 |
| General and administrative expenses | 326,373 | 24 | 312,107 | 22 |
| Research and development expenses | 210,394 | 16 | 138,062 | 10 |
| Expected credit loss | <u>23,556</u> | <u>2</u> | <u>37,944</u> | <u>3</u> |
| Total operating expenses | <u>694,162</u> | <u>52</u> | <u>608,358</u> | <u>44</u> |
| OPERATING LOSS | <u>(133,264)</u> | <u>(10)</u> | <u>(10,829)</u> | <u>(1)</u> |
| NON-OPERATING INCOME AND EXPENSES (Note 26) | | | | |
| Interest income | 5,888 | 1 | 10,946 | 1 |
| Other income | 53,193 | 4 | 17,055 | 1 |
| Other gains and losses | (78,493) | (6) | 131,450 | 9 |
| Finance costs | (28,737) | (2) | (32,681) | (2) |
| Share of profit or loss of associates accounted for using the equity method | <u>(34,745)</u> | <u>(3)</u> | <u>(14,309)</u> | <u>(1)</u> |
| Total non-operating income and expenses | <u>(82,894)</u> | <u>(6)</u> | <u>112,461</u> | <u>8</u> |
| PROFIT (LOSS) BEFORE INCOME TAX | (216,158) | (16) | 101,632 | 7 |
| INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 27) | <u>18,972</u> | <u>1</u> | <u>(28,230)</u> | <u>(2)</u> |
| NET PROFIT (LOSS) FOR THE YEAR | <u>(197,186)</u> | <u>(15)</u> | <u>73,402</u> | <u>5</u> |
| OTHER COMPREHENSIVE INCOME (LOSS) (Notes 22 and 24) | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | |
| Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income | (17,300) | (1) | 6,693 | - |

(Continued)

Brogent Technologies Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

| | 2025 | | 2024 | |
|---|---------------------|-------------|-------------------|----------|
| | Amount | % | Amount | % |
| Items that may be reclassified subsequently to profit or loss: | | | | |
| Exchange differences on translation of the financial statements of foreign operations | \$ (10,503) | (1) | \$ 37,782 | 3 |
| Share of the other comprehensive loss of associates accounted for using the equity method | (932) | - | (259) | - |
| Other comprehensive income (loss) for the year, net of income tax | (28,735) | (2) | 44,216 | 3 |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR | <u>\$ (225,921)</u> | <u>(17)</u> | <u>\$ 117,618</u> | <u>8</u> |
| NET PROFIT (LOSS) ATTRIBUTABLE TO: | | | | |
| Owners of the Corporation | <u>\$ (197,186)</u> | <u>(15)</u> | <u>\$ 73,402</u> | <u>5</u> |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO: | | | | |
| Owners of the Corporation | <u>\$ (225,921)</u> | <u>(17)</u> | <u>\$ 117,618</u> | <u>8</u> |
| EARNINGS (LOSS) PER SHARE (Note 28) | | | | |
| Basic | <u>\$ (2.87)</u> | | <u>\$ 1.10</u> | |
| Diluted | <u>\$ (2.87)</u> | | <u>\$ 1.10</u> | |

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

(Concluded)

Brogent Technologies Inc. and Subsidiaries

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

| | Share Capital | | | Retained Earnings (Deficit to be Compensated) | | Exchange Differences on Translation of Foreign Operations | Other Equity | | Treasury Shares | Total Equity |
|---|-----------------|---|-----------------|--|--|---|---|------------|--------------------|--------------|
| | Ordinary Shares | Advance Receipts for Ordinary Share | Capital Surplus | Legal Reserve | Unappropriated Earnings (Accumulated Deficit) | | Unrealized Gain or loss On financial Assets at FVTOCI | Total | | |
| BALANCE AT JANUARY 1, 2024 | \$ 647,786 | \$ 571 | \$ 2,672,817 | \$ - | \$ (167,662) | \$ (17,700) | \$ 13,362 | \$ (4,338) | \$ - | \$ 3,149,174 |
| Equity component of convertible bonds (Note 19) | - | - | 152,711 | - | - | - | - | - | - | 152,711 |
| Capital surplus used to offset accumulated deficits (Note 24) | - | - | (167,662) | - | 167,662 | - | - | - | - | - |
| Cash dividends from capital surplus (Note 24) | - | - | (34,350) | - | - | - | - | - | - | (34,350) |
| Net profit in 2024 | - | - | - | - | 73,402 | - | - | - | - | 73,402 |
| Other comprehensive income in 2024, net of income tax | - | - | - | - | - | 37,523 | 6,693 | 44,216 | - | 44,216 |
| Total comprehensive income in 2024 | - | - | - | - | 73,402 | 37,523 | 6,693 | 44,216 | - | 117,618 |
| Convertible bonds converted to ordinary shares (Note 19) | 53,531 | 3,693 | 547,020 | - | - | - | - | - | - | 604,244 |
| Share-based payment (Note 30) | - | - | 8,777 | - | - | - | - | - | - | 8,777 |
| BALANCE AT DECEMBER 31, 2024 | 701,317 | 4,264 | 3,179,313 | - | 73,402 | 19,823 | 20,055 | 39,878 | - | 3,998,174 |
| Appropriation of 2024 earnings (Note 24) | - | - | - | - | - | - | - | - | - | - |
| Legal reserve | - | - | - | 7,340 | (7,340) | - | - | - | - | - |
| Cash dividends | - | - | - | - | (63,502) | - | - | - | - | (63,502) |
| Net loss in 2025 | - | - | - | 7,340 | (70,842) | - | - | - | - | (63,502) |
| Other comprehensive loss in 2025, net of income tax | - | - | - | - | (197,186) | - | - | - | - | (197,186) |
| Total comprehensive loss in 2025 | - | - | - | - | (197,186) | (11,435) | (17,300) | (28,735) | - | (225,921) |
| Issuance of ordinary shares for cash (Note 24) | 33,000 | - | 247,500 | - | - | - | - | - | - | 280,500 |
| Purchase of treasury shares (Note 24) | - | - | - | - | - | - | - | - | (309,122) | (309,122) |
| Changes in percentage of ownership interests in subsidiaries | - | - | - | - | (1,123) | - | - | - | - | (1,123) |
| Share-based payment (Note 30) | - | - | 26,732 | - | - | - | - | - | - | 26,732 |
| Convertible bonds converted to ordinary shares (Note 19) | 4,264 | (4,264) | - | - | - | - | - | - | - | - |
| Buy-back of convertible bonds | - | - | (219) | - | - | - | - | - | - | (219) |
| BALANCE AT DECEMBER 31, 2025 | \$ 738,581 | \$ - | \$ 3,453,326 | \$ 7,340 | \$ (195,749) | \$ 8,388 | \$ 2,755 | \$ 11,143 | \$ (309,122) | \$ 3,705,519 |

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

Brogent Technologies Inc. and Subsidiaries

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

| | 2025 | 2024 |
|---|-----------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit (loss) before income tax | \$ (216,158) | \$ 101,632 |
| Adjustments for: | | |
| Income and expenses | | |
| Depreciation expense | 157,403 | 152,776 |
| Amortization expense | 54,554 | 44,400 |
| Expected credit loss | 23,556 | 37,944 |
| Net gain on fair value changes of financial assets at fair value through profit or loss | (421) | (17,867) |
| Finance cost | 28,737 | 32,681 |
| Interest income | (5,888) | (10,946) |
| Dividend income | (2,500) | (2,500) |
| Share-based payment of compensation costs | 26,732 | 8,777 |
| Share of profit or loss of associates accounted for using the equity method | 34,745 | 14,309 |
| Loss on inventories | 6,933 | 2,523 |
| Gain on foreign currency exchange | (520) | (5,928) |
| Loss on redemption of bonds payable | 16 | - |
| Gain on right-of-use assets sublease | - | (8,728) |
| Changes in operating assets and liabilities | | |
| Financial assets mandatorily classified as at fair value through profit or loss | 35,183 | (32,044) |
| Accounts receivable | 393,383 | 12,285 |
| Contract assets | (140,385) | (138,214) |
| Other receivables | 4,193 | (11,603) |
| Inventories | 29,480 | 9,945 |
| Prepayments | (59,726) | 23,540 |
| Other current assets | (6,379) | 404 |
| Notes payable | (1,474) | 1,722 |
| Accounts payable | 42,208 | (8,117) |
| Contract liabilities | 32,156 | (52,797) |
| Other payables | (11,637) | 27,137 |
| Provisions | 5,828 | 32,150 |
| Other current liabilities | <u>8,770</u> | <u>734</u> |
| Cash generated from operations | 438,789 | 214,215 |
| Income tax paid | <u>(13,259)</u> | <u>(3,582)</u> |
| Net cash generated from operating activities | <u>425,530</u> | <u>210,633</u> |
| CASH FLOWS USED IN INVESTING ACTIVITIES | | |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | - | 637 |
| Purchase of financial assets at amortized cost | (165,616) | (414,455) |
| Proceeds from disposal of financial assets at amortized cost | 91,394 | 331,669 |
| Purchase of financial instruments at fair value through profit or loss | (27,000) | (45,509) |

(Continued)

Brogent Technologies Inc. and Subsidiaries

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

| | 2025 | 2024 |
|---|-------------------|-------------------|
| Acquisition of investments accounted for using the equity method | \$ (135,257) | \$ (112,038) |
| Net cash inflow on acquisition of subsidiary | 155 | - |
| Payments for property, plant and equipment | (492,822) | (164,463) |
| Increase in refundable deposits | (2,882) | - |
| Decrease in refundable deposits | 8,386 | 1,388 |
| Acquisition of intangible assets | (232,676) | (116,372) |
| Decrease in long-term lease receivables | 2,981 | 2,927 |
| Interest received | 5,888 | 10,952 |
| Dividends received | <u>2,500</u> | <u>2,500</u> |
| Net cash used in investing activities | <u>(944,949)</u> | <u>(502,764)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Increase (decrease) in short-term borrowings | 360,000 | (445,296) |
| Proceeds from issuance of convertible bonds | - | 899,786 |
| Repayment of issuance of convertible bonds | (14,276) | (600) |
| Proceeds from long-term borrowings | 563,560 | 289,400 |
| Repayment of long-term borrowings | (130,955) | (430,389) |
| Repayment of the principal portion of lease liabilities | (53,111) | (55,899) |
| Increase in guarantee deposits received | - | 540 |
| Cash dividends | (63,502) | (34,350) |
| Cash capital increase | 280,500 | - |
| Cost of purchasing treasury shares | (309,122) | - |
| Interest paid | <u>(26,238)</u> | <u>(19,380)</u> |
| Net cash generated from financing activities | <u>606,856</u> | <u>203,812</u> |
| EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES | | |
| | <u>2,369</u> | <u>10,541</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 89,806 | (77,778) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | <u>761,952</u> | <u>839,730</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | <u>\$ 851,758</u> | <u>\$ 761,952</u> |

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

(Concluded)

Brogent Technologies Inc. and Subsidiaries

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

1. GENERAL INFORMATION

Brogent Technologies Inc. (the “Corporation”) was incorporated in October 2001. The Corporation is mainly engaged in the research, development, design, production and sales of simulator rides and its key components and peripheral products, embedded media software, streaming media, 3D dynamic simulation technology, internet interaction media and multiple-monitor setups.

The Corporation’s shares have been trading on the Taipei Exchange since December 2012.

The consolidated financial statements of the Corporation and its subsidiaries (collectively, the “Group”) are presented in the Corporation’s functional currency, the New Taiwan dollar.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors on March 12, 2026.

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

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

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

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

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

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

- c. The IFRS Accounting Standards issued but not yet endorsed and enforced by the FSC

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

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

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

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

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

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

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

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

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

Except for the above impact, as of the date the consolidated financial statements had been approved, the Group was continuing to assess the possible impact of the application of the above standards and interpretations on the Group's consolidated financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value.

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

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

c. Classification of current and non-current assets and liabilities

Current assets include:

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

Current liabilities include:

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

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

The Group is engaged in the project contracts, which has an operating cycle of over 1 year. The normal operating cycle applies when considering the classification of the Group's project contracts-related assets and liabilities.

d. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Corporation and the entities controlled by the Corporation (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Corporation. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

For details of subsidiaries, percentages of ownership, and nature of operations, refer to Note 13 and Tables 4 and 5.

e. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as they are incurred.

When a business combination is achieved in stages, the Group's previously held equity interest in an acquiree is remeasured to fair value at the acquisition date, and the resulting gain or loss is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are recognized on the same basis as would be required had those interests been directly disposed of by the Group.

f. Foreign currencies

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

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

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period.

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

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

On the disposal of the Group's entire interest in a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

g. Inventories

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

h. Investments in associates

An associate is an entity over which the Group has significant influence and which is neither a subsidiary nor an interest in a joint venture.

The Group uses the equity method to account for its investments in associates.

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

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

When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for using the equity method and long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further loss. Additional losses and liabilities are recognized only to the extent that the Group has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is

not allocated to any asset, including goodwill, which forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date, and the fair value is regarded as the investment's fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate.

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

i. Property, plant and equipment

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

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

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

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

j. Intangible assets

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

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

k. Impairment of property, plant and equipment; right-of-use assets and intangible assets

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

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

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

1. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i Financial assets at FVTPL

Financial assets are classified as at FVTPL when these assets are mandatorily classified or designated as at FVTPL, including investments in equity instruments that are not designated as at FVTOCI and mutual funds and derivative instruments that do not meet the amortized cost criteria or the FVTOCI criteria.

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

ii Financial assets at amortized cost

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

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

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

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

iii Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

The Group recognizes a loss allowance for expected credit losses (ECLs) on financial assets at amortized cost, finance lease receivables and contract assets.

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

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

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

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

c) Derecognition of financial assets

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

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVTOCI, the

difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

2) Equity instruments

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

The repurchase of the Group's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Group's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Financial liabilities held by the Group are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

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

4) Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

m. Provisions

Provisions, including warranty obligations and restoration obligations, are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of

the reporting period, taking into account the risks and uncertainties surrounding the obligation.

n. Revenue recognition

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

1) Project contract revenue

Revenue comes from the development, construction and sale of simulator rides and related films. The Group recognizes revenue upon the completion percentage of each performance obligation. The output and degree of completion of performance obligation is measured based on working days of each performance item. Contract assets recognized during the performance obligations are satisfied and reclassified to accounts receivable at the point the customer is invoiced. If the milestone payments exceed the revenue recognized to date, then the Group recognizes contract liabilities for the difference. Certain payments, which are retained by the customer as specified in the contract, are intended to ensure that the Group adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Group satisfies its performance obligation.

2) Licensing revenue

Revenue comes from authorizing the use of intellectual property rights of the films. The license granted provides the customer with the right to use the intellectual property that exists at the point of grant, and the revenue is recognized when the license is transferred. Advance receipts of royalty are recognized as contract liabilities. In addition, licensing revenue based on the actual sales of the customer is recognized when the sales occur.

3) Sale of tickets and merchandise

Revenue comes from sales of tickets for simulator rides and peripheral products at operated outlets. Sales of tickets are recognized at the point when services are performed; and sales of merchandise and peripheral products are recognized when merchandise and peripheral products are transferred to the customer at which point the customer takes the right of use and bears the risk of obsolescence. Advance receipts from the sale of the goods are recognized as contract liabilities.

4) Service revenue

Service revenue comes from maintenance service to simulator rides and is recognized when the service is rendered revenue.

5) Rental revenue

Rental revenue comes from rendering simulator rides, of which accounting policy is described in Note 4 (o).

o. Leases

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

1) The Group as lessor

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

When the Group subleases a right-of-use asset, the sublease classification is based on the head lease, not on the underlying asset. But if the head lease is short-term and the Group applies the recognition exemption for short-term leases, the sublease is classified as an operating lease.

In finance leases, the lease payments comprise fixed payments and in-substance fixed payments. The net investment in a finance lease—which is calculated as the present value of all lease payments receivable by a lessor, including fixed and in-substance fixed payments, plus any unguaranteed residual value accrued to the lessor and initial direct costs—is presented as a finance lease receivable in the balance sheet. Finance lease income is allocated to the relevant accounting periods in a way that ensures a consistent rate of return on the Group’s net investment outstanding at the beginning of each period.

Variable lease payments that do not depend on an index or a rate are recognized as income in the periods in which they are incurred.

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

2) The Group as lessee

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

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

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

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

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. If the future lease payments change due to the period changes, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Group accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the consolidated balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

p. Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets, until the time the assets are substantially ready for their intended

use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

q. Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they are received.

r. Employee benefits

1) Short-term employee benefits

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

2) Retirement benefits

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

s. Share-based payment arrangements

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Group's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus. The expense is recognized in full at the grant date if the grant is vested immediately. For the Corporation's cash capital increases that reserve shares for employee subscription, as well as the transfer of treasury shares to employees, the grant date is defined as the date on which the number of shares subscribed by employees is confirmed.

At the end of each reporting period, the Group revises its estimate of the number of employee share options expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding increase in capital surplus - employee share options.

t. Taxation

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

1) Current tax

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

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

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

2) Deferred tax

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

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

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

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

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

3) Current and deferred tax

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of economic environment. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation Uncertainty

a. Estimated impairment of accounts receivable and contract assets

The provision for impairment of accounts receivable and contract assets is based on assumptions on probability of default and loss given default. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience,

existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

b. Measurement of the percentage of completion of project contract

Project contract revenue is recognized by the percentage of completion method. The progress of completion is measured based on the working days of completed performance items. Since the estimated working days may be modified as assessed and determined by the management based on the nature and content of work, etc. for each project contract, the measurement of the percentage of completion and revenue may be affected.

6. CASH AND CASH EQUIVALENTS

| | <u>December 31</u> | |
|---------------------------------------|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Cash on hand | \$ 1,461 | \$ 1,424 |
| Checking accounts and demand deposits | <u>850,297</u> | <u>760,528</u> |
| | <u>\$ 851,758</u> | <u>\$ 761,952</u> |

The Group transacted with financial institutions with sound credit ratings to reduce credit risks; hence, there was no expected credit loss.

7. FINANCIAL INSTRUMENTS AT FVTPL

| | <u>December 31</u> | |
|--|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| <u>Financial assets - current</u> | | |
| Financial assets mandatorily classified as at FVTPL | | |
| Derivative financial assets (not under hedge accounting) | | |
| Redemption options and put options of convertible bonds | \$ 40 | \$ 827 |
| Non-derivative financial assets | | |
| Mutual funds | <u>-</u> | <u>34,810</u> |
| | <u>\$ 40</u> | <u>\$ 35,637</u> |
| <u>Financial assets - non-current</u> | | |
| Financial assets mandatorily classified as at FVTPL | | |
| Non-derivative financial assets | | |
| Unquoted shares | \$ 479,319 | \$ 489,580 |
| Domestic limited partnership | <u>27,000</u> | <u>-</u> |
| | <u>\$ 506,319</u> | <u>\$ 489,580</u> |

The Group holds 23.22% of the ordinary shares and the preferred shares of Discover NY Project Company, LLC (DNY); refer to Table 3 for the carrying amount. The dividends of the preferred shares are cumulative at the rate of 12%. Furthermore, the remaining earnings are distributed to preferred shareholders in proportion to their capital contribution and are distributed to all shareholders in proportion to their shareholdings only after the preferred shareholders recover 2.5 times of their original capital contribution. The investment of DNY was classified as a financial asset at FVTPL since the Group did not participate in

the financial and operating policy decisions of DNY and did not have significant influence.

8. FINANCIAL ASSETS AT FVTOCI

| | <u>December 31</u> | |
|--|--------------------|------------------|
| | <u>2025</u> | <u>2024</u> |
| <u>Current</u> | | |
| Domestic investments in equity instruments | | |
| Listed shares | <u>\$ 55,100</u> | <u>\$ 72,400</u> |

The Group elected to designate the investments in equity instruments as financial assets at FVTOCI as they were not held for trading or short-term profit.

9. FINANCIAL ASSETS AT AMORTIZED COST

| | <u>December 31</u> | |
|--|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Time deposits with original maturities of more than 3 months | \$ 100 | \$ - |
| Pledged time deposits | 138,252 | 160,884 |
| Pledged demand deposits | 190,599 | 96,000 |
| Unquoted preferred shares | <u>36,850</u> | <u>34,150</u> |
| | <u>\$ 365,801</u> | <u>\$ 291,034</u> |
| Current | \$ 308,548 | \$ 145,815 |
| Non-current | <u>57,253</u> | <u>145,219</u> |
| | <u>\$ 365,801</u> | <u>\$ 291,034</u> |

a. The market rate intervals at the end of the year were as follows:

| | <u>December 31</u> | |
|-------------------|--------------------|-------------|
| | <u>2025</u> | <u>2024</u> |
| Time deposits (%) | 0.66-3.68 | 0.66-4.20 |

b. The counterparties to the bank deposits of the Group were banks or companies with sound credit ratings and no significant default concerns; thus, there were no expected credit losses.

c. The investment in preferred shares cannot be converted into ordinary shares. The issuer company will redeem the shares at the actual issue price at the maturity, and the investor has no right to request early redemption of preferred shares. The dividends are cumulative at the rate of 5%. If the dividends are undistributed or are not distributed in full, it should be accumulated for deferred payment in the subsequent years where there are earnings.

d. Refer to Note 34 for the information on financial assets at amortized cost pledged as collateral.

10. ACCOUNTS RECEIVABLE AND LONG-TERM RECEIVABLES

| | <u>December 31</u> | |
|-------------------------------|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Accounts receivable | | |
| At amortized cost | | |
| Gross carrying amount | \$ 337,681 | \$ 715,145 |
| Allowance for impairment loss | <u>(136,877)</u> | <u>(120,351)</u> |
| | <u>200,804</u> | <u>594,794</u> |
| Long-term receivables | | |
| At amortized cost | | |
| Gross carrying amount | <u>12,560</u> | <u>19,668</u> |
| | <u>\$ 213,364</u> | <u>\$ 614,462</u> |

The Group's accounts receivable with a credit period of 90 days are recognized as current assets on the balance sheet, or as long-term receivables if the credit period is longer than 90 days. The recognition of the accounts receivable as current assets or as long-term receivables depends on the repayment period stated in the agreement between the Group and the creditor. To minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. Thus, management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime expected credit losses (ECLs). The ECLs on accounts receivable are estimated by reference to the past default experience of the customer and the customer's current financial position, as well as the industry outlook. The Group determined the provision for loss allowance based on the past due days from the invoice date or from the end of the credit term for different segments distinguished according to the type of accounts receivable.

The Group writes off accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable that have been written off, the Group continues to attempt to collect on these receivables to recover outstanding payments. Where recoveries are made, these are recognized in profit or loss.

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

December 31, 2025

Segment A

| | Up to 3 Months | 4-6 Months | 7-12 Months | Over 1 Year | With Signs of Default | Total |
|--------------------------------|---------------------------|-------------------|--------------------|--------------------|----------------------------------|-------------------|
| Expected credit loss rate (%) | 0.3 | 1.6 | 4-9 | 22-50 | 100 | |
| Gross carrying amount | \$ 58,108 | \$ 10,009 | \$ 1,205 | \$ 88,034 | \$ 96,089 | \$ 253,445 |
| Loss allowance (lifetime ECLs) | <u>(159)</u> | <u>(125)</u> | <u>(111)</u> | <u>(36,750)</u> | <u>(96,089)</u> | <u>(133,234)</u> |
| Amortized cost | <u>\$ 57,949</u> | <u>\$ 9,884</u> | <u>\$ 1,094</u> | <u>\$ 51,284</u> | <u>\$ -</u> | <u>\$ 120,211</u> |

Segment B

| | Not Past Due | 1 Months Past Due | 2-3 Months Past Due | 4-6 Months Past Due | Over 6 Months | Total |
|--------------------------------|------------------|-------------------|---------------------|---------------------|-----------------|------------------|
| Gross carrying amount | \$ 18,840 | \$ 71,016 | \$ - | \$ - | \$ 6,940 | \$ 96,796 |
| Loss allowance (lifetime ECLs) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(3,643)</u> | <u>(3,643)</u> |
| Amortized cost | <u>\$ 18,840</u> | <u>\$ 71,016</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,297</u> | <u>\$ 93,153</u> |

December 31, 2024

Segment A

| | Up to 3 Months | 4-6 Months | 7-12 Months | Over 1 Year | With Signs of Default | Total |
|--------------------------------|-------------------|-----------------|-----------------|------------------|-----------------------|-------------------|
| Expected credit loss rate (%) | 0.3 | 1 | 2-4 | 12-50 | 100 | |
| Gross carrying amount | \$ 110,382 | \$ 1,875 | \$ 2,623 | \$ 72,047 | \$ 96,089 | \$ 283,016 |
| Loss allowance (lifetime ECLs) | <u>(321)</u> | <u>(15)</u> | <u>(52)</u> | <u>(23,360)</u> | <u>(96,089)</u> | <u>(119,837)</u> |
| Amortized cost | <u>\$ 110,061</u> | <u>\$ 1,860</u> | <u>\$ 2,571</u> | <u>\$ 48,687</u> | <u>\$ -</u> | <u>\$ 163,179</u> |

Segment B

| | Not Past Due | 1 Months Past Due | 2-3 Months Past Due | 4-6 Months Past Due | Over 6 Months | Total |
|--------------------------------|-------------------|-------------------|---------------------|---------------------|---------------|-------------------|
| Gross carrying amount | \$ 425,290 | \$ 26,507 | \$ - | \$ - | \$ - | \$ 451,797 |
| Loss allowance (lifetime ECLs) | <u>(514)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(514)</u> |
| Amortized cost | <u>\$ 424,776</u> | <u>\$ 26,507</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 451,283</u> |

The movements of the loss allowance for accounts receivable were as follows:

| | <u>For the Year Ended December 31</u> | |
|---|---------------------------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Balance at January 1 | \$ 120,351 | \$ 108,392 |
| Acquisitions through business combinations | 6,684 | - |
| Impairment loss recognized | 9,825 | 11,863 |
| Effect of foreign currency exchange differences | <u>17</u> | <u>96</u> |
| Balance at December 31 | <u>\$ 136,877</u> | <u>\$ 120,351</u> |

11. FINANCE LEASE RECEIVABLES

| | <u>December 31</u> | |
|------------------------------------|--------------------|-------------|
| | <u>2025</u> | <u>2024</u> |
| <u>Undiscounted lease payments</u> | | |
| Year 1 | \$ 3,416 | \$ 3,416 |
| Year 2 | 3,416 | 3,416 |
| Year 3 | 3,416 | 3,416 |
| Year 4 | 3,416 | 3,416 |
| | | (Continued) |

| | December 31 | |
|---|--------------------|------------------|
| | 2025 | 2024 |
| Year 5 | \$ 3,416 | \$ 3,416 |
| Year 5 onwards | <u>4,635</u> | <u>8,051</u> |
| | 21,715 | 25,131 |
| Less: Unearned finance income | <u>(1,355)</u> | <u>(1,790)</u> |
| Net investment in leases presented as finance lease receivables | <u>\$ 20,360</u> | <u>\$ 23,341</u> |
| Current | \$ 3,040 | \$ 2,981 |
| Non-current | <u>17,320</u> | <u>20,360</u> |
| | <u>\$ 20,360</u> | <u>\$ 23,341</u> |
| | | (Concluded) |

The Group subleased part of the leased business premises in Keelung City in Taiwan, with the lease term ending in June 2032. As the Group subleases the retail stores for all the remaining leasing terms of the main lease, for which the right-of-use asset sublease gains of \$8,728 thousand was recognized for 2024.

The interest rates inherent in leases are fixed at the contract dates for the entire term of the lease; the range of interest rates inherent in finance leases was approximately 1.98% per year.

In addition to receiving fixed lease payments, finance lease contracts also indicate that the Group may receive variable lease payments based on a specific percentage of the lessee's revenue. The variable lease revenues received for the years ended December 31, 2025 and 2024 were \$2,062 thousand and \$2,209 thousand, respectively.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of December 31, 2025 and 2024, no finance lease receivable was past due. The Group did not recognize a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operated.

12. INVENTORIES

| | December 31 | |
|-------------------|--------------------|-------------------|
| | 2025 | 2024 |
| Project materials | \$ 195,234 | \$ 234,335 |
| Merchandise | <u>7,503</u> | <u>4,815</u> |
| | <u>\$ 202,737</u> | <u>\$ 239,150</u> |

The operating costs recognized as losses on inventories for the years ended December 31, 2025 and 2024 were \$6,933 thousand and \$2,523 thousand, respectively.

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

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

| Investor | Investee | Nature of Activities | Proportion of Ownership (%) | | Remark |
|-----------------|--|--|-----------------------------|------|--------|
| | | | December 31 | | |
| | | | 2025 | 2024 | |
| The Corporation | Brogent Hong Kong Limited (Brogent HK) | Reinvestment and trading business | 100 | 100 | - |
| | Brogent Global Inc. (Brogent Global) | Development and management business of self-operated outlets, site planning and film production | 100 | 100 | - |
| Dili Jie | Dili Jie Holdings Limited (Dili Jie) | Reinvestment and trading business | 100 | 100 | - |
| | Jetway Holdings Limited (Jetway) | Reinvestment and trading business | 100 | 100 | - |
| Jetway | Garley Holdings Limited (Garley) | Reinvestment and trading business | 100 | 100 | - |
| | Holey Holdings Limited | Reinvestment and trading business | 100 | 100 | - |
| Garley | Brogent Rides (Shanghai) Limited (Brogent Rides) | Import and export business | 31 | 31 | - |
| Brogent HK | Brogent Rides | Import and export business | 69 | 69 | - |
| | StarLite Design & Planning Limited (StarLite) | Design and management business | 100 | 100 | - |
| | Brogent Japan Entertainment (BJE) | Management business development and sales of the peripheral products of simulator rides in Japan | 100 | 35.9 | Note |
| Brogent Rides | Brogent Creative (Shanghai) Limited (Brogent Creative) | Development and management business of self-operated outlets | 100 | 100 | - |
| Brogent Global | Jetmay Holdings Limited (Jetmay) | Reinvestment and trading business | 100 | 100 | - |
| Jetmay | HaiWei Culture Creative and Development (Shanghai) Limited (HaiWei Creative) | Whole planning business | 100 | 100 | - |

Note: In November 2025, Brogent HK acquired the remaining equity interest in Brogent Japan Entertainment (BJE) for a cash consideration of \$1,592 thousand, thereby increasing its shareholding from 35.9% to 100% and obtaining full control over the entity. Please refer to Note 29.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

| | December 31 | |
|---|--------------------------------|-------------|
| | 2025 | 2024 |
| Investments in associates - not individually material | \$ 214,982 | \$ 116,295 |
| Aggregate information of associates that are not individually material: | | |
| | For the Year Ended December 31 | |
| | 2025 | 2024 |
| The Group's share of: | | |
| Net loss | \$ (34,745) | \$ (14,309) |
| Other comprehensive loss | (932) | (259) |
| Total comprehensive loss for the year | \$ (35,677) | \$ (14,568) |

In February 2025, the Group invested \$135,257 thousand (RMB 30,000 thousand) in cash to purchase Zhichengboyuan (Tianjin) Amusement Equipment Manufacturing Co., Ltd. (Zhichengboyuan) equity from third party and acquired 46.15% equity interest.

In June 2024, the Group invested \$112,038 thousand (RMB 25,000 thousand) in cash to establish Chang'an Above Limited and acquired 25.00% equity interest.

The Group obtained control over BJE in November 2025, please refer to Note 13.

15. PROPERTY, PLANT AND EQUIPMENT

| | <u>December 31</u> | |
|-------------------------------|---------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Assets used by the Group | \$ 1,170,143 | \$ 803,180 |
| Assets leased under operation | <u>22,303</u> | <u>7,013</u> |
| | <u>\$ 1,192,446</u> | <u>\$ 810,193</u> |

For the year ended December 31, 2025

| | <u>Assets Used by the Group</u> | | | | <u>Assets Leased under Operation</u> |
|--|---------------------------------|------------------------|--|---------------------|--------------------------------------|
| | <u>Buildings</u> | <u>Other Equipment</u> | <u>Equipment to be Inspected and Property under Construction</u> | <u>Total</u> | <u>Other Equipment</u> |
| <u>Cost</u> | | | | | |
| Balance at January 1 | \$ 642,629 | \$ 562,489 | \$ 151,394 | \$ 1,356,512 | \$ 15,045 |
| Acquisitions through business combinations (Note 29) | - | 273 | - | 273 | - |
| Additions | 5,721 | 17,872 | 462,900 | 486,493 | - |
| Reclassification | - | 9,100 | (27,717) | (18,617) | 18,617 |
| Effect of foreign currency exchange differences | - | 24 | - | 24 | - |
| Balance at December 31 | <u>\$ 648,350</u> | <u>\$ 589,758</u> | <u>\$ 586,577</u> | <u>\$ 1,824,685</u> | <u>\$ 33,662</u> |
| <u>Accumulated depreciation</u> | | | | | |
| Balance at January 1 | \$ 245,394 | \$ 307,938 | \$ - | \$ 553,332 | \$ 8,032 |
| Acquisitions through business combinations (Note 29) | - | 237 | - | 237 | - |
| Depreciation expense | 22,338 | 78,601 | - | 100,939 | 3,327 |
| Effect of foreign currency exchange differences | - | 34 | - | 34 | - |
| Balance at December 31 | <u>\$ 267,732</u> | <u>\$ 386,810</u> | <u>\$ -</u> | <u>\$ 654,542</u> | <u>\$ 11,359</u> |
| Carrying amount at December 31 | <u>\$ 380,618</u> | <u>\$ 202,948</u> | <u>\$ 586,577</u> | <u>\$ 1,170,143</u> | <u>\$ 22,303</u> |

For the year ended December 31, 2024

| | <u>Assets Used by the Group</u> | | | | <u>Assets Leased under Operation</u> |
|---|---------------------------------|------------------------|--|---------------------|--------------------------------------|
| | <u>Buildings</u> | <u>Other Equipment</u> | <u>Equipment to be Inspected and Property under Construction</u> | <u>Total</u> | <u>Other Equipment</u> |
| <u>Cost</u> | | | | | |
| Balance at January 1 | \$ 642,629 | \$ 522,213 | \$ 17,490 | \$ 1,182,332 | \$ 15,045 |
| Additions | - | 40,310 | 133,904 | 174,214 | - |
| Effect of foreign currency exchange differences | - | (34) | - | (34) | - |
| Balance at December 31 | <u>\$ 642,629</u> | <u>\$ 562,489</u> | <u>\$ 151,394</u> | <u>\$ 1,356,512</u> | <u>\$ 15,045</u> |

(Continued)

| | Assets Used by the Group | | | | Assets Leased under Operation |
|---|---------------------------------|------------------------|--|-------------------|--------------------------------------|
| | Buildings | Other Equipment | Equipment to be Inspected and Property under Construction | Total | Other Equipment |
| <u>Accumulated depreciation</u> | | | | | |
| Balance at January 1 | \$ 222,122 | \$ 233,069 | \$ - | \$ 455,191 | \$ 6,007 |
| Depreciation expense | 23,272 | 74,891 | - | 98,163 | 2,025 |
| Effect of foreign currency exchange differences | - | (22) | - | (22) | - |
| Balance at December 31 | <u>\$ 245,394</u> | <u>\$ 307,938</u> | <u>\$ -</u> | <u>\$ 553,332</u> | <u>\$ 8,032</u> |
| Carrying amount at December 31 | <u>\$ 397,235</u> | <u>\$ 254,551</u> | <u>\$ 151,394</u> | <u>\$ 803,180</u> | <u>\$ 7,013</u> |

(Concluded)

- a. Depreciation expenses were recognized on a straight-line basis over the following useful lives:

| | Assets Used by the Group | Assets Leased under Operation |
|-----------------|---------------------------------|--------------------------------------|
| Buildings | | |
| Main buildings | 50 years | - |
| Others | 3-20 years | - |
| Other equipment | 3-15 years | 5-10 years |

- b. The Group rents out simulator rides under operating leases. All operating leases include the rights to adjust the rental according to the market rate when a lessee extends the lease, and the lessees do not have bargain purchase options to acquire the assets at the end of the lease.
- c. Refer to Note 34 for the carrying amounts of property, plant and equipment pledged as collaterals for borrowings.
- d. The reconciliation of the additions to property, plant and equipment and the payments stated in the statements of cash flows was as follows:

| | For the Year Ended December 31 | |
|--|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Additions to property, plant and equipment | \$ 486,493 | \$ 174,214 |
| Increase in other non-current assets | 12,235 | 197 |
| Decrease (increase) in other payables | 1,344 | (9,437) |
| Capitalized interest | <u>(7,250)</u> | <u>(511)</u> |
| Cash paid | <u>\$ 492,822</u> | <u>\$ 164,463</u> |

16. LEASE ARRANGEMENTS

a. Right-of-use assets

| | December 31 | |
|-------------------------------------|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Carrying amount | | |
| Land | \$ 170,585 | \$ 184,973 |
| Buildings | 92,140 | 125,238 |
| Transportation equipment | <u>8,749</u> | <u>7,501</u> |
| | <u>\$ 271,474</u> | <u>\$ 317,712</u> |
| | For the Year Ended December 31 | |
| | 2025 | 2024 |
| Additions to right-of-use assets | <u>\$ 6,899</u> | <u>\$ 14,145</u> |
| Depreciation of right-of-use assets | | |
| Land | \$ 14,389 | \$ 14,389 |
| Buildings | 33,097 | 32,496 |
| Transportation equipment | <u>5,651</u> | <u>5,703</u> |
| | <u>\$ 53,137</u> | <u>\$ 52,588</u> |

b. Lease liabilities

| | December 31 | |
|---|--------------------|-------------------|
| | 2025 | 2024 |
| Carrying amount | | |
| Current | <u>\$ 65,034</u> | <u>\$ 67,102</u> |
| Non-current | <u>\$ 240,610</u> | <u>\$ 284,754</u> |
| Range of discount rates (%) for lease liabilities | | |
| Land | 1.71-2.17 | 1.71-2.17 |
| Buildings | 1.71-1.98 | 1.71-1.98 |
| Transportation equipment | 1.80-2.30 | 1.71-2.23 |

c. Material lease activities and terms

The Group leases land and buildings for use as business spaces and as sites for offices and plants under lease contracts that will expire between May 2030 and July 2053. The land lease contracts specify that lease payments will be adjusted on the basis of changes in government-announced land values and prices. The Group does not have bargain purchase options to acquire the land and buildings at the end of the leases. Lease contracts for self-operating outlets require variable payments that are determined at a specific percentage of sales generated from the self-operating outlets.

d. Other lease information

| | For the Year Ended December 31 | |
|--|---------------------------------------|------------------|
| | 2025 | 2024 |
| Expenses relating to short-term leases | \$ 8,544 | \$ 9,261 |
| Expenses relating to low-value asset leases | \$ 411 | \$ 367 |
| Expenses relating to variable leases payments not included in the measurement of lease liabilities | \$ 3,952 | \$ 1,711 |
| Total cash outflow for leases | <u>\$ 72,399</u> | <u>\$ 74,834</u> |

The Group has elected to apply the recognition exemption for leases of certain subject qualifying as short-term leases and low-value asset leases; thus, it did not recognize right-of-use assets and lease liabilities for these leases.

17. INTANGIBLE ASSETS

For the year ended December 31, 2025

| | Film | Other | Total |
|---|-------------------|------------------|-------------------|
| <u>Cost</u> | | | |
| Balance at January 1 | \$ 409,583 | \$ 67,263 | \$ 476,846 |
| Additions | 133,334 | 8,056 | 141,390 |
| Derecognition | - | (1,485) | (1,485) |
| Effect of foreign currency exchange differences | <u>(4,424)</u> | <u>6</u> | <u>(4,418)</u> |
| Balance at December 31 | <u>\$ 538,493</u> | <u>\$ 73,840</u> | <u>\$ 612,333</u> |
| <u>Accumulated amortization</u> | | | |
| Balance at January 1 | \$ 126,560 | \$ 37,686 | \$ 164,246 |
| Amortization expense | 45,181 | 9,373 | 54,554 |
| Derecognition | - | (1,485) | (1,485) |
| Effect of foreign currency exchange differences | <u>(1,208)</u> | <u>-</u> | <u>(1,208)</u> |
| Balance at December 31 | <u>\$ 170,533</u> | <u>\$ 45,574</u> | <u>\$ 216,107</u> |
| Carrying amount at December 31 | <u>\$ 367,960</u> | <u>\$ 28,266</u> | <u>\$ 396,226</u> |

For the year ended December 31, 2024

| | Film | Other | Total |
|---|-------------------|------------------|-------------------|
| <u>Cost</u> | | | |
| Balance at January 1 | \$ 264,308 | \$ 57,735 | \$ 322,043 |
| Additions | 138,571 | 10,150 | 148,721 |
| Derecognition | (5) | (622) | (627) |
| Effect of foreign currency exchange differences | <u>6,709</u> | <u>-</u> | <u>6,709</u> |
| Balance at December 31 | <u>\$ 409,583</u> | <u>\$ 67,263</u> | <u>\$ 476,846</u> |

(Continued)

| | Film | Other | Total |
|---|-------------------|------------------|----------------------------------|
| <u>Accumulated amortization</u> | | | |
| Balance at January 1 | \$ 89,909 | \$ 29,104 | \$ 119,013 |
| Amortization expense | 35,196 | 9,204 | 44,400 |
| Derecognition | (5) | (622) | (627) |
| Effect of foreign currency exchange differences | <u>1,460</u> | <u>-</u> | <u>1,460</u> |
| Balance at December 31 | <u>\$ 126,560</u> | <u>\$ 37,686</u> | <u>\$ 164,246</u> |
| Carrying amount at December 31 | <u>\$ 283,023</u> | <u>\$ 29,577</u> | <u>\$ 312,600</u> (Concluded) |

a. The above intangible assets are amortized on a straight-line basis over the following useful lives:

| | |
|--------|------------|
| Film | 3-10 years |
| Others | 3-25 years |

b. The reconciliation of the additions to intangible assets and the payments stated in the statements of cash flows was as follows:

| | For the Year Ended December 31 | |
|---|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Additions to intangible assets | \$ 141,390 | \$ 148,721 |
| Increase (decrease) in other non-current assets | 91,371 | (35,609) |
| Decrease (increase) in other payables | <u>(85)</u> | <u>3,260</u> |
| Cash paid | <u>\$ 232,676</u> | <u>\$ 116,372</u> |

18. BORROWINGS

a. Short-term borrowings

| | December 31 | |
|------------------------------|--------------------|------------------|
| | 2025 | 2024 |
| Secured bank loans (Note 34) | \$ 14,584 | \$ 4,564 |
| Unsecured bank loans | <u>395,000</u> | <u>45,000</u> |
| | <u>\$ 409,584</u> | <u>\$ 49,564</u> |
| Interest rate (%) | 2.00-4.05 | 2.55-5.10 |

b. Long-term borrowings

| | <u>December 31</u> | |
|---|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| <u>Secured borrowings (Note 34)</u> | | |
| Bank loans - repayable before October 2031 (Note) | \$ 306,951 | \$ 236,156 |
| <u>Unsecured borrowings</u> | | |
| Bank loans - repayable before January 2027 | <u>453,256</u> | <u>91,446</u> |
| | 760,207 | 327,602 |
| Current portion | <u>(23,606)</u> | <u>(30,955)</u> |
| Long-term borrowings | <u>\$ 736,601</u> | <u>\$ 296,647</u> |
| Interest rate (%) | | |
| Bank loans | 2.23-2.82 | 2.23-2.82 |

Note: Refer to Note 34, which shows a portion of a loan is guaranteed by credit guarantee fund, and the Corporation provided assets as collaterals.

19. BONDS PAYABLE

| | <u>December 31</u> | |
|--|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| 3rd domestic secured convertible bonds (a) | \$ - | \$ 12,379 |
| 5th domestic secured convertible bonds (b) | <u>391,375</u> | <u>383,932</u> |
| | 391,375 | 396,311 |
| Current portion | <u>(391,375)</u> | <u>(12,379)</u> |
| | <u>\$ -</u> | <u>\$ 383,932</u> |

- a. In October 2020, the Corporation issued its 3rd domestic five-year unsecured zero-coupon convertible bonds (changed to secured at the issuance date of the 5th domestic secured convertible bonds) with an aggregate principal amount of \$711,490 thousand (101.64% of the face value) and a par value of \$100 thousand per bond certificate.

The amount of the face value of the convertible bonds plus interest compensation (2.5251%) has to be fully paid in cash at maturity by the Corporation.

As of December 31, 2025, the total amount of the bonds converted by the bondholders was \$687,800 thousand, and the remaining principal of \$12,200 thousand was redeemed upon maturity.

- b. In March 2024, the Corporation issued its 5th domestic three-year secured zero-coupon convertible bonds with an aggregate principal amount of \$918,632 thousand (114.83% of the face value) and a par value of \$100 thousand per bond certificate.

The conversion price was set at \$110.4 per share. Bondholders are entitled to convert bonds into the Corporation's ordinary shares from June 5, 2024 to March 4, 2027.

If the closing price of the Corporation's ordinary shares continues being at least 130% of the conversion price then in effect for 30 consecutive trading days or the aggregate outstanding balance of bonds payable is less than 10% of the original issuance amount, the Corporation has the right to redeem the outstanding bonds payable at par value in cash during the period from three months after the issuance date to the 40th day before the maturity date.

Under the terms of the convertible bonds, the bondholders have the right to require the Corporation to redeem any bonds in cash at face value of the convertible bonds plus interest compensation (0.2001%) after two years from the issuance.

The amount of the face value of the convertible bonds has to be fully paid in cash at maturity by the Corporation.

| | Amount |
|--|-------------------|
| Proceeds from issuance (less transaction costs of \$18,846 thousand) | \$ 899,786 |
| Buy/Sell options | (800) |
| Equity component | <u>(152,711)</u> |
| Liability component at the date of issue | <u>\$ 746,275</u> |

As of December 31, 2025, the total amount of bonds converted by the bondholders was \$396,300 thousand, and the amount of \$1,600 thousand had been repurchased by the Corporation.

- c. The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options; the effective interest rate of the equity and liability component was 0.8% to 2.3% per annum, respectively, on initial recognition.

| | <u>For the Year Ended December 31</u> | |
|--|--|-------------------|
| | 2025 | 2024 |
| Liability component at January 1 | \$ 396,311 | \$ 242,116 |
| Liability component at the date of issue | - | 746,275 |
| Interest charged at an effective interest rate | 9,102 | 14,082 |
| Redeemed convertible bonds | (12,508) | (609) |
| Repurchase of convertible bonds | (1,530) | - |
| Bonds converted into ordinary shares | <u>-</u> | <u>(605,553)</u> |
| Liability component at December 31 | <u>\$ 391,375</u> | <u>\$ 396,311</u> |

20. NOTES PAYABLE AND ACCOUNTS PAYABLE

The Group's notes payable and accounts payable were generated from operating activities. The average credit period for purchases of goods or service is around 45 to 120 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms and, therefore, no interest was charged on the outstanding balance.

21. OTHER PAYABLES

| | <u>December 31</u> | |
|--|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Payables for salaries | \$ 43,080 | \$ 43,324 |
| Payables for compensation of employees and remuneration of directors | - | 6,816 |
| Payables for travel expense | 5,413 | 2,297 |
| Payables for insurance | 4,699 | 4,699 |
| Payables for service fee | 2,805 | 4,474 |
| Payables for equipment | 10,639 | 11,983 |
| Others | <u>43,081</u> | <u>48,374</u> |
| | <u>\$ 109,717</u> | <u>\$ 121,967</u> |

22. RETIREMENT BENEFIT PLANS

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

Foreign subsidiaries make contributions in accordance with the local regulations, which are also considered defined contribution plans.

23. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The current/non-current classification of the Group's assets and liabilities relating to the project contract was based on its operating cycle. The amount for related assets and liabilities expected to be recovered or settled more than 12 months after the reporting period were as follows:

| | Within 12 Months | More Than 12 Months | Total |
|--|-----------------------------|--------------------------------|---------------------|
| <u>December 31, 2025</u> | | | |
| Assets | | | |
| Financial assets at amortized cost - current | \$ 189,161 | \$ 119,387 | \$ 308,548 |
| Contract assets - current | <u>259,606</u> | <u>933,023</u> | <u>1,192,629</u> |
| | <u>\$ 448,767</u> | <u>\$ 1,052,410</u> | <u>\$ 1,501,177</u> |
| Liabilities | | | |
| Contract liabilities - current | <u>\$ 69,337</u> | <u>\$ 47,306</u> | <u>\$ 116,643</u> |
| <u>December 31, 2024</u> | | | |
| Assets | | | |
| Financial assets at amortized cost - current | \$ 93,554 | \$ 52,261 | \$ 145,815 |
| Contract assets - current | <u>215,033</u> | <u>850,957</u> | <u>1,065,990</u> |
| | <u>\$ 308,587</u> | <u>\$ 903,218</u> | <u>\$ 1,211,805</u> |

(Continued)

| | Within 12 Months | More Than 12 Months | Total |
|--------------------------------|-----------------------------|--------------------------------|---------------------------------|
| Liabilities | | | |
| Contract liabilities - current | \$ <u>67,834</u> | \$ <u>13,859</u> | \$ <u>81,693</u> (Concluded) |

24. EQUITY

a. Ordinary shares

| | December 31 | |
|---|--------------------|-------------------|
| | 2025 | 2024 |
| Number of shares authorized (in thousands) | <u>90,000</u> | <u>90,000</u> |
| Shares authorized | <u>\$ 900,000</u> | <u>\$ 900,000</u> |
| Number of shares issued and fully paid (in thousands) | <u>73,858</u> | <u>70,558</u> |
| Shares issued | <u>\$ 738,581</u> | <u>\$ 705,581</u> |

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

The number of the Corporation's authorized shares reserved for the issuance of employee share option is 2,000 thousand shares.

The change in the Corporation's ordinary shares was due to the conversion of the convertible bonds. As of December 31, 2024, there was \$426 thousand shares, respectively, which had not yet been registered and was recognized as advance receipts for ordinary shares of \$4,264 thousand; these transactions, with subscription base date determined to be January 17, 2025, was registered before the date of approval of the consolidated financial statements.

On June 26, 2025, the Corporation's board of directors resolved to issue 3,300 thousand new shares through a cash capital increase at an issue price of NT\$85 per share, resulting in a ordinary share increase of \$33,000 thousand and generating a share premium of \$247,500 thousand. The record date for the capital increase was set as December 12, 2025, and the registration of the change was completed in December 2025.

b. Capital surplus

| | December 31 | |
|--|---------------------|---------------------|
| | 2025 | 2024 |
| May be used to offset deficit, distributed as cash dividends or transferred to share capital (Note) | | |
| Issuance of ordinary shares | \$ 3,340,974 | \$ 3,092,825 |
| Treasury share transactions | 86 | - |
| May not be used for any purpose | | |
| Equity component of convertible bonds payable | <u>112,266</u> | <u>86,488</u> |
| | <u>\$ 3,453,326</u> | <u>\$ 3,179,313</u> |

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

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Corporation’s Articles of Incorporation (the “Articles”), where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years. Where there is still balance, the Corporation shall set aside as a legal reserve 10% of the sum of said profit in balance and the amount of profit (of loss) items adjusted to the current year’s undistributed earnings other than the said profit until the legal reserve equals the Corporation’s paid-in capital. The accumulated distributable earnings be set aside or reversed as a special reserve in accordance with the laws or regulations and may be retained at the discretion of the Corporation in accordance with its business needs, in addition to the payment of dividends, the remaining balance, if any, shall be distributed as dividends to shareholders by resolution of the shareholders’ meeting. In accordance with the Articles, the board of directors is authorized to resolve that all or part of the dividends and bonuses, capital surplus or legal reserve be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds or more of the total number of directors, and a report of such distribution shall be submitted to the shareholders in their meeting.

The dividends policy of the Corporation considers the plans for the expansion of the scale of operations and research and development plans, and the overall environment and the features of the industry in order to pursue sustainable operations and long-term benefits for shareholders. The dividends to shareholders can be paid in cash or issued as shares, but cash dividends shall be not less than 10% of the total dividends.

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

The offset of the deficit for 2023 was presented to the shareholders in their meeting in May 2024, who approved to offset the deficit of \$167,662 thousand by using capital surplus. In August 2024, the Corporation’s board of directors approved the distribution of cash dividends from capital surplus at NT\$0.5 per share, and authorized the Chairman to distribute the total dividend amount of \$34,350 thousand based on the number of outstanding shares on the base date of distribution.

The appropriation of earnings for 2025 was as follows:

| | Appropriation of Earnings | Dividends Per Share (NT\$) |
|----------------|--------------------------------------|---------------------------------------|
| Legal reserve | \$ 7,340 | |
| Cash dividends | <u>63,502</u> | \$ 0.94 |
| | <u>\$ 70,842</u> | |

The above appropriation of cash dividends was approved by the Corporation’s board of directors on March 11, 2025; the other proposed appropriations was also presented to the shareholders at their meeting on June 10, 2025 for their approval.

On March 12, 2026, the Corporation’s board of directors proposed to offset the deficit with the capital surplus of NT\$195,749 thousand. The proposal will be submitted to the shareholders for approval at the annual meeting to be held in June 2026.

d. Other equity items

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

| | For the Year Ended December 31 | |
|---|---------------------------------------|------------------|
| | 2025 | 2024 |
| Balance at January 1 | \$ 19,823 | \$ (17,700) |
| Recognized for the year | | |
| Exchange differences on translation of financial statements of foreign operations | (10,503) | 37,782 |
| Share from associates accounted for using the equity method | <u>(932)</u> | <u>(259)</u> |
| Balance at December 31 | <u>\$ 8,388</u> | <u>\$ 19,823</u> |

2) Unrealized gain on financial asset at FVTOCI

| | For the Year Ended December 31 | |
|--|---------------------------------------|------------------|
| | 2025 | 2024 |
| Balance at January 1 | \$ 20,055 | \$ 13,362 |
| Recognized for the year | | |
| Unrealized gains (losses) - equity instruments | <u>(17,300)</u> | <u>6,693</u> |
| Balance at December 31 | <u>\$ 2,755</u> | <u>\$ 20,055</u> |

e. Treasury shares

To retain and attract outstanding talent, as well as to motivate employees and strengthen their sense of commitment to the Corporation, the Corporation's board of directors resolved to utilize the Corporation own funds to repurchase common shares from the centralized securities exchange market for transfer to employees. Between April and June 2025, the Corporation buy back a total of \$3,000 thousand shares at an aggregate cost of \$309,122 thousand.

The treasury shares held by the Corporation may not be pledged in accordance with the Securities and Exchange Act, nor shall they be entitled to as dividend distributions or voting rights.

25. REVENUE

| | For the Year Ended December 31 | |
|----------------------------------|---------------------------------------|---------------------|
| | 2025 | 2024 |
| Project contract revenue | \$ 1,157,170 | \$ 1,182,855 |
| Sales of tickets and merchandise | 57,543 | 85,261 |
| Service revenue | 97,656 | 70,001 |
| Licensing revenue | 20,027 | 47,587 |
| Rental revenue | <u>6,397</u> | <u>6,139</u> |
| | <u>\$ 1,338,793</u> | <u>\$ 1,391,843</u> |

Contract balances

| | <u>December 31,</u> <u>2025</u> | <u>December 31,</u> <u>2024</u> | <u>January 1,</u> <u>2024</u> |
|---|------------------------------------|------------------------------------|----------------------------------|
| Accounts receivable (including long-term receivables) | \$ 213,364 | \$ 614,462 | \$ 638,706 |
| Contract assets | | | |
| Project contract | \$ 1,224,423 | \$ 1,078,579 | \$ 980,806 |
| Reserves of project contract | 117,206 | 122,652 | 91,265 |
| Less: Allowance for impairment loss | <u>(149,000)</u> | <u>(135,241)</u> | <u>(117,993)</u> |
| | <u>\$ 1,192,629</u> | <u>\$ 1,065,990</u> | <u>\$ 954,078</u> |
| Contract liabilities | | | |
| Project contract | \$ 55,675 | \$ 33,805 | \$ 90,558 |
| Others | <u>60,968</u> | <u>47,888</u> | <u>43,932</u> |
| | <u>\$ 116,643</u> | <u>\$ 81,693</u> | <u>\$ 134,490</u> |

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

The movements of the loss allowance for contract assets were as follows:

| | <u>For the Year Ended December 31</u> | |
|---------------------------|---------------------------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Balance at January 1 | \$ 135,241 | \$ 117,993 |
| Loss allowance recognized | 13,759 | 25,990 |
| Written off | - | (9,054) |
| Effect of exchange rate | <u>-</u> | <u>312</u> |
| Balance at December 31 | <u>\$ 149,000</u> | <u>\$ 135,241</u> |

26. PROFIT (LOSS) BEFORE INCOME TAX

a. Interest income

| | <u>For the Year Ended December 31</u> | |
|---------------|---------------------------------------|------------------|
| | <u>2025</u> | <u>2024</u> |
| Bank deposits | \$ 4,650 | \$ 9,487 |
| Others | <u>1,238</u> | <u>1,459</u> |
| | <u>\$ 5,888</u> | <u>\$ 10,946</u> |

b. Other income

| | For the Year Ended December 31 | |
|-------------------|---------------------------------------|------------------|
| | 2025 | 2024 |
| Dividends | \$ 2,500 | \$ 2,500 |
| Government grants | 49,596 | 11,075 |
| Others | <u>1,097</u> | <u>3,480</u> |
| | <u>\$ 53,193</u> | <u>\$ 17,055</u> |

c. Other gains and losses

| | For the Year Ended December 31 | |
|--|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Net gain on financial assets at FVTPL | \$ 421 | \$ 17,867 |
| Net foreign exchange gain (loss) | (72,523) | 104,855 |
| Gain on right-of-use assets sublease (Note 11) | - | 8,728 |
| Others | <u>(6,391)</u> | <u>-</u> |
| | <u>\$ (78,493)</u> | <u>\$ 131,450</u> |

d. Finance costs

| | For the Year Ended December 31 | |
|---|---------------------------------------|------------------|
| | 2025 | 2024 |
| Interest on bank loans | \$ 20,504 | \$ 11,514 |
| Interest on lease liabilities | 6,381 | 7,596 |
| Interest on convertible bonds | 9,102 | 14,082 |
| Less: Amounts included in the cost of qualifying assets | <u>(7,250)</u> | <u>(511)</u> |
| | <u>\$ 28,737</u> | <u>\$ 32,681</u> |
| Capitalization rate (%) | 2.20-2.61 | 2.26 |

e. Depreciation and amortization

| | For the Year Ended December 31 | |
|---|---------------------------------------|-------------------|
| | 2025 | 2024 |
| Property, plant and equipment | \$ 104,266 | \$ 100,188 |
| Right-of-use assets | 53,137 | 52,588 |
| Intangible assets | <u>54,554</u> | <u>44,400</u> |
| | <u>\$ 211,957</u> | <u>\$ 197,176</u> |
| An analysis of depreciation by function | | |
| Operating costs | \$ 63,487 | \$ 59,846 |
| Operating expenses | <u>93,916</u> | <u>92,930</u> |
| | <u>\$ 157,403</u> | <u>\$ 152,776</u> |

(Continued)

| | <u>For the Year Ended December 31</u> | |
|---|--|-------------------|
| | 2025 | 2024 |
| An analysis of amortization by function | | |
| Operating costs | \$ 45,303 | \$ 35,327 |
| Operating expenses | <u>9,251</u> | <u>9,073</u> |
| | <u>\$ 54,554</u> | <u>\$ 44,400</u> |
| | | (Concluded) |
| | | |
| f. Employee benefits | | |
| | <u>For the Year Ended December 31</u> | |
| | 2025 | 2024 |
| Short-term employee benefits | \$ 332,842 | \$ 327,185 |
| Post-employment benefits (Note 22) | | |
| Defined contribution plans | 13,515 | 13,004 |
| Share-based payments | | |
| Equity-settled | <u>26,732</u> | <u>8,777</u> |
| | <u>\$ 373,089</u> | <u>\$ 348,966</u> |
| An analysis by function | | |
| Operating costs | \$ 74,602 | \$ 73,263 |
| Operating expenses | <u>298,487</u> | <u>275,703</u> |
| | <u>\$ 373,089</u> | <u>\$ 348,966</u> |

g. Compensation of employees and remuneration of directors

According to its Corporation's Articles, the Corporation accrues compensation of employees and remuneration of directors at rates of 5% to 15% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. But if the Corporation still has accumulated deficit, it should first set aside an amount for the offset of the deficit. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Corporation resolved the amendments to the Corporation's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 50% of the compensation of employees as compensation distributions for non-executive employees.

The board of directors resolved not to accrue compensation of employees and remuneration of directors for 2024 due to net loss before income tax. The Board of Directors approved the 2024 employee and director remunerations at \$5,748 thousand and \$1,068 thousand on March 11, 2025, respectively, consistent with the amounts estimated in the 2024 financial statements.

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

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

27. INCOME TAX

a. The major components of income tax expense benefit (expense) were as follows:

| | For the Year Ended December 31 | |
|--------------------------------|---------------------------------------|--------------------|
| | 2025 | 2024 |
| Current tax | | |
| In respect of the current year | \$ (10,106) | \$ (5,838) |
| Adjustments for prior years | <u>(2,558)</u> | <u>(1)</u> |
| | <u>(12,664)</u> | <u>(5,839)</u> |
| Deferred tax | | |
| In respect of the current year | 28,003 | (20,893) |
| Adjustments for prior years | <u>3,633</u> | <u>(1,498)</u> |
| | <u>31,636</u> | <u>(22,391)</u> |
| | <u>\$ 18,972</u> | <u>\$ (28,230)</u> |

A reconciliation of accounting loss and income tax expense benefit (expense) was as follows:

| | For the Year Ended December 31 | |
|---|---------------------------------------|--------------------|
| | 2025 | 2024 |
| Profit (loss) before income tax | <u>\$ (216,158)</u> | <u>\$ 101,632</u> |
| Income tax expense benefit (expense) of net profit (loss) before tax calculated at the statutory rate | \$ 40,145 | \$ (27,278) |
| Permanent differences | 805 | (12) |
| Unrecognized deductible temporary differences | 105 | - |
| Tax-exempt net loss (income) from investments | (6,556) | (1,941) |
| Unrecognized loss carryforwards | (14,306) | - |
| Investment credits | - | 2,500 |
| Adjustments for prior years' tax | 1,075 | (1,499) |
| Withholding tax | (2,168) | - |
| Others | <u>(128)</u> | <u>-</u> |
| | <u>\$ 18,972</u> | <u>\$ (28,230)</u> |

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

c. Current tax assets and liabilities

| | December 31 | |
|-------------------------|--------------------|-----------------|
| | 2025 | 2024 |
| Current tax assets | | |
| Tax refund receivable | <u>\$ 425</u> | <u>\$ 2,241</u> |
| Current tax liabilities | | |
| Income tax payable | <u>\$ 1,300</u> | <u>\$ 3,716</u> |

d. Deferred tax assets and liabilities

The movements of deferred tax assets and liabilities were as follows:

For the year ended December 31, 2025

| | Balance, Beginning of Year | Recognized in Profit or Loss | Exchange Differences | Balance, End of Year |
|---|---|---|---------------------------------|---------------------------------|
| <hr/> <u>Deferred tax assets</u> <hr/> | | | | |
| Temporary differences | | | | |
| Allowance for impairment loss | \$ 48,494 | \$ 6,352 | \$ (39) | \$ 54,807 |
| Others | <u>19,175</u> | <u>3,646</u> | <u>105</u> | <u>22,926</u> |
| | 67,669 | 9,998 | 66 | 77,733 |
| Loss carryforwards | <u>48,520</u> | <u>12,235</u> | <u>539</u> | <u>61,294</u> |
| | <u>\$ 116,189</u> | <u>\$ 22,233</u> | <u>\$ 605</u> | <u>\$ 139,027</u> |
| <hr/> <u>Deferred tax liabilities</u> <hr/> | | | | |
| Temporary differences | | | | |
| Unrealized gross margin | \$ 11,406 | \$ (1,457) | \$ 55 | \$ 10,004 |
| Unrealized gain on foreign currency exchange | 14,619 | (7,837) | - | 6,782 |
| Others | <u>337</u> | <u>(109)</u> | <u>555</u> | <u>783</u> |
| | <u>\$ 26,362</u> | <u>\$ (9,403)</u> | <u>\$ 610</u> | <u>\$ 17,569</u> |

For the year ended December 31, 2024

| | Balance, Beginning of Year | Recognized in Profit or Loss | Exchange Differences | Balance, End of Year |
|---|---|---|---------------------------------|---------------------------------|
| <hr/> <u>Deferred tax assets</u> <hr/> | | | | |
| Temporary differences | | | | |
| Allowance for impairment loss | \$ 40,166 | \$ 8,328 | \$ - | \$ 48,494 |
| Others | <u>23,996</u> | <u>(5,253)</u> | <u>432</u> | <u>19,175</u> |
| | 64,162 | 3,075 | 432 | 67,669 |
| Loss carryforwards | <u>61,061</u> | <u>(12,566)</u> | <u>25</u> | <u>48,520</u> |
| | <u>\$ 125,223</u> | <u>\$ (9,491)</u> | <u>\$ 457</u> | <u>\$ 116,189</u> |
| <hr/> <u>Deferred tax liabilities</u> <hr/> | | | | |
| Temporary differences | | | | |
| Unrealized gross margin | \$ 12,820 | \$ (1,872) | \$ 458 | \$ 11,406 |
| Unrealized gain on foreign currency exchange | - | 14,619 | - | 14,619 |
| Others | <u>183</u> | <u>153</u> | <u>1</u> | <u>337</u> |
| | <u>\$ 13,003</u> | <u>\$ 12,900</u> | <u>\$ 459</u> | <u>\$ 26,362</u> |

- e. The aggregate amount of loss carryforwards and deductible temporary differences for which deferred tax assets were not recognized

| | December 31 | |
|----------------------------------|--------------------|-------------------|
| | 2025 | 2024 |
| Loss carryforwards | | |
| Expiry in 2030 | \$ 904 | \$ 904 |
| Expiry in 2031 | 18,286 | 18,286 |
| Expiry in 2032 | 40,232 | 40,232 |
| Expiry in 2035 | <u>71,527</u> | <u>-</u> |
| | <u>\$ 130,949</u> | <u>\$ 59,422</u> |
| Deductible temporary differences | | |
| Foreign investment loss | <u>\$ 131,343</u> | <u>\$ 124,070</u> |

- f. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities were not recognized

As of December 31, 2025 and 2024, the taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities were recognized were \$109,197 thousand and \$113,910 thousand, respectively.

- g. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2025 comprised:

| Unused Amount | Expiry Year |
|----------------------|--------------------|
| \$ 1,607 | 2027 |
| 11,433 | 2029 |
| 5,801 | 2030 |
| 109,389 | 2031 |
| 141,538 | 2032 |
| 39,198 | 2033 |
| <u>124,583</u> | 2035 |
| <u>\$ 433,549</u> | |

- h. Income tax assessments

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

28. EARNINGS (LOSS) PER SHARE

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

a. Net profit (loss) for the year

| | <u>For the Year Ended December 31</u> | |
|---|--|------------------|
| | 2025 | 2024 |
| Net profit (loss) attributable to owners of the Corporation | \$ (197,186) | \$ <u>73,402</u> |

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

| | <u>For the Year Ended December 31</u> | |
|--|--|---------------|
| | 2025 | 2024 |
| Weighted average number of ordinary shares used in the computation of basic earnings per share | 68,818 | 66,905 |
| Effect of potentially dilutive ordinary shares | - | 40 |
| Employee share options | <u>-</u> | <u>29</u> |
| Weighted average number of ordinary shares used in the computation of diluted earnings per share | <u>68,818</u> | <u>66,974</u> |

When calculating diluted earnings per share and if the Group has the option to distribute employee compensation in the form of shares or cash, it is assumed that employee compensation will be paid in shares. The potential common shares will be included in the weighted average number of shares outstanding for the calculation of diluted earnings per share if these shares have a dilutive effect. When calculating diluted earnings per share prior to the decision on the number of shares to be issued for employee compensation in the next year, the dilutive effect of these potential common shares will also continue to be considered.

If the Group's outstanding convertible bonds are converted, they will not be included in the calculation of diluted earnings per share as they have an anti-dilutive effect.

29. BUSINESS COMBINATION

a. Acquisition of a Subsidiary

| | Principal Activity | Date of Acquisition | Proportion of Voting Equity Interests Acquired (%) | Consideration Transferred |
|-----------------------------|--|----------------------------|---|----------------------------------|
| Brogent Japan Entertainment | Management business development and sales of the peripheral products of simulator rides in Japan | November 3, 2025 | 100 | \$ <u>1,592</u> |

In order to expand its business scope, the Group acquired the shares of Brogent Japan Entertainment (BJE) in November 2025.

b. Consideration transferred

| | Amount |
|------|-----------------|
| Cash | \$ <u>1,592</u> |

c. Assets acquired and liabilities assumed at the date of acquisition

| | Amount |
|-------------------------------|-----------------|
| Current assets | |
| Cash and cash equivalents | \$ 1,747 |
| Accounts receivable | 1,797 |
| Prepayments | 2,428 |
| Non-current assets | |
| Property, plant and equipment | 36 |
| Current liabilities | |
| Accounts payable | (730) |
| Advance Receipts | <u>(2,794)</u> |
| | <u>\$ 2,484</u> |

d. Consideration transferred and the acquisition of fair value of identifiable net assets acquired

| | Amount |
|--|----------------|
| Consideration transferred | \$ 1,592 |
| Add: The originally interests held by the Group at fair value on the date of acquisition | 892 |
| Less: Fair value of identifiable net assets acquired | <u>(2,484)</u> |
| | <u>\$ -</u> |

e. Net cash outflow on the acquisition of subsidiaries

| | Amount |
|--|-----------------|
| Consideration paid in cash | \$ 1,592 |
| Less: Cash and cash equivalent balances acquired | <u>(1,747)</u> |
| | <u>\$ (155)</u> |

30. SHARE-BASED PAYMENT ARRANGEMENTS

a. The Corporation

The Corporation and its subsidiaries were granted 1,000 units of share options in January 2025 and April 2024, respectively. Each option represents 1,000 shares of the Corporation ordinary shares. The vesting period of these options is 5 years. Qualified employees may exercise the share options at certain percentages of the options after 2 years from the grant date. The options were granted at an exercise price equal to the closing price of the Corporation's ordinary shares listed on the grant date. For any subsequent changes in the Corporation's ordinary shares, the exercise price is adjusted accordingly.

Information on the Corporation's employee share options is as follows:

| Employee share options | For the Year Ended December 31 | | | |
|---|--------------------------------|--|---------------------------|--|
| | 2025 | | 2024 | |
| | Number of Options (Units) | Weighted-average Exercise Price (NT\$) | Number of Options (Units) | Weighted-average Exercise Price (NT\$) |
| Balance at January 1 | 985 | \$ 115 | - | \$ - |
| Options granted | 1,000 | 141.5 | 1,000 | 115 |
| Options forfeited | (42) | 126.4 | (15) | 115 |
| Balance at December 31 | <u>1,943</u> | 128.4 | <u>985</u> | 115 |
| Options exercisable, end of the year | <u>-</u> | - | <u>-</u> | - |
| Weighted-average fair value of options granted (NT\$) | <u>\$ 38.06-48.29</u> | | <u>\$ 38.06</u> | |

As of December 31, 2025, the weighted average remaining contract term of the outstanding employee share options were 3.6 years and 4.3 years, respectively.

Employee share options granted were priced using the binomial option pricing model and the inputs to the model were as follows:

| | January 2025 | April 2024 |
|-------------------------------|--------------|------------|
| Grant-date share price (NT\$) | \$ 141.5 | \$ 115 |
| Exercise price (NT\$) | 141.5 | 115 |
| Expected volatility | 36.32% | 34.77% |
| Expected life (in years) | 5 years | 5 years |
| Risk-free interest rate | 1.4970% | 1.6070% |

Expected volatility was based on the historical share price volatility over the past 5 years and took into account the effect of the early exercise of the employee share options.

The compensation costs recognized by the Group in 2025 and 2024, amounted to \$26,732 thousand and \$8,777 thousand, respectively.

b. Subsidiaries - Brogent Global

Qualified employees of Brogent Global were granted 500 units of share options in February 2017. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of Brogent Global. The options granted are valid for 10 years and exercisable at certain percentages after the second anniversary from the grant date.

Information on Brogent Global's employee share options is as follows:

| | For the Year Ended December 31 | | | |
|--------------------------------------|--------------------------------|--|---------------------------|--|
| | 2025 | | 2024 | |
| | Number of Options (Units) | Weighted-average Exercise Price (NT\$) | Number of Options (Units) | Weighted-average Exercise Price (NT\$) |
| Balance at January 1 and December 31 | <u>28</u> | \$ 10 | <u>28</u> | 10 |
| Options exercisable, end of the year | <u>28</u> | 10 | <u>28</u> | 10 |

31. CAPITAL MANAGEMENT

The capital structure of the Group consists of net debt and equity. The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Group is not subject to any externally imposed capital requirements.

32. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

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

The carrying amounts and fair values of the convertible bonds as of December 31, 2025 and 2024 were as follows:

| | <u>December 31</u> | |
|------------|--------------------|-------------------|
| | <u>2025</u> | <u>2024</u> |
| Book value | <u>\$ 391,375</u> | <u>\$ 396,311</u> |
| Fair value | <u>\$ 394,541</u> | <u>\$ 400,626</u> |

The fair value of bonds payable based on Level 3 fair value measurement was determined using the binomial option pricing model where the significant and unobservable input was historical volatility.

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

1) Fair value hierarchy

December 31, 2025

| | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------------|------------------|----------------|-------------------|-------------------|
| <u>Financial assets at FVTPL</u> | | | | |
| Unquoted shares | \$ - | \$ - | \$ 479,319 | \$ 479,319 |
| Domestic limited partnership | - | - | 27,000 | 27,000 |
| Derivative instruments | - | - | 40 | 40 |
| | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 506,359</u> | <u>\$ 506,359</u> |
| <u>Financial assets at FVTOCI</u> | | | | |
| Investments in equity instruments | | | | |
| Domestic listed shares | <u>\$ 55,100</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 55,100</u> |

December 31, 2024

| | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|------------------|-------------|-------------------|-------------------|
| <u>Financial assets at FVTPL</u> | | | | |
| Mutual funds | \$ 34,810 | \$ - | \$ - | \$ 34,810 |
| Unquoted shares | - | - | 489,580 | 489,580 |
| Derivative instruments | - | - | 827 | 827 |
| | <u>\$ 34,810</u> | <u>\$ -</u> | <u>\$ 490,407</u> | <u>\$ 525,217</u> |

Financial assets at FVTOCI

| | | | | |
|-----------------------------------|-----------|------|------|-----------|
| Investments in equity instruments | | | | |
| Domestic listed shares | \$ 72,400 | \$ - | \$ - | \$ 72,400 |

There were no transfers between Level 1 and Level 2 for the years ended December 31, 2025 and 2024.

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

For the Year Ended December 31, 2025

| | <u>At FVTPL</u> | | | Total |
|---|-----------------|--------------------|---------------------|-------------------|
| | Derivatives | Equity Instruments | limited partnership | |
| Balance at January 1 | \$ 827 | \$ 489,580 | \$ - | \$ 490,407 |
| Additions | - | - | 27,000 | 27,000 |
| Recognized in gain (loss) | (788) | 837 | - | 49 |
| Repurchase of convertible bonds | 1 | - | - | 1 |
| Effect of foreign currency exchange differences | - | (11,098) | - | (11,098) |
| Balance at December 31 | <u>\$ 40</u> | <u>\$ 479,319</u> | <u>\$ 27,000</u> | <u>\$ 506,359</u> |

For the Year Ended December 31, 2024

| | <u>At FVTPL</u> | | <u>At FVTOCI</u> | Total |
|---|-----------------|--------------------|--------------------|-------------------|
| | Derivatives | Equity Instruments | Equity Instruments | |
| Balance at January 1 | \$ 32 | \$ 409,515 | \$ 1,379 | \$ 410,926 |
| Additions | (800) | 45,509 | - | 44,709 |
| Convertible bonds converted into ordinary share | (1,309) | - | - | (1,309) |
| Recognized in gain | 2,904 | 12,197 | - | 15,101 |
| Recognized in other comprehensive loss | - | - | (1,407) | (1,407) |
| Effect of foreign currency exchange differences | - | 22,359 | 28 | 22,387 |
| Balance at December 31 | <u>\$ 827</u> | <u>\$ 489,580</u> | <u>\$ -</u> | <u>\$ 490,407</u> |

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

a) Equity Instrument Investments

The fair values of unquoted shares and limited partnership at FVTPL were determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees, and determined based on the recent net equity. The fair values of unquoted shares at FVTOCI was determined based on the recent net equity.

b) Redemption Options and Put Options of Convertible Bonds

The fair values of redemption options and put options of convertible bonds were determined using the binomial option pricing model where the significant and unobservable input was historical volatility.

c. Categories of financial instruments

| | December 31 | |
|---|--------------------|--------------|
| | 2025 | 2024 |
| Financial assets | | |
| Financial assets at amortized cost (1) | \$ 1,456,882 | \$ 1,691,847 |
| Financial assets at FVTPL | 506,359 | 525,217 |
| Financial assets at FVTOCI | 55,100 | 72,400 |
| Financial liabilities | | |
| Financial liabilities at amortized cost (2) | 1,762,701 | 945,798 |

1) The balances comprise cash and cash equivalents, financial assets at amortized cost, accounts receivable (including long-term receivables), other receivables (excluding tax refunds receivable) and refundable deposits, etc.

2) The balances comprise short-term borrowings, notes and accounts payable, other payables, long-term borrowings (including current portion), bonds payable (including current portion) and guarantee deposits received, etc.

d. Financial risk management objectives and policies

The Group's corporate treasury function provides services to the business, monitors and manages the financial risks relating to the operations of the Group through analyzing the degree of exposures. The corporate treasury function reports regularly to the Group's management. The risks include market risk, credit risk and liquidity risk.

1) Market risk

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

a) Foreign currency risk

The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 37.

Sensitivity analysis

The Group was mainly exposed to the USD and RMB.

The sensitivity analysis included only monetary items. A positive number below indicates an increase in pre-tax profit associated with a 1% depreciation of the functional currency against the relevant currency.

| | For the Year Ended December 31 | |
|-----|---------------------------------------|-------------|
| | 2025 | 2024 |
| USD | \$ 12,633 | \$ 12,486 |
| RMB | 5,492 | 6,505 |

b) Interest rate risk

The Group was exposed to interest rate risk because the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings. The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

| | December 31 | |
|-------------------------------|--------------------|-------------|
| | 2025 | 2024 |
| Fair value interest rate risk | | |
| Financial assets | \$ 221,831 | \$ 218,375 |
| Financial liabilities | 1,102,019 | 793,167 |
| Cash flow interest rate risk | | |
| Financial assets | 1,040,843 | 856,474 |
| Financial liabilities | 764,791 | 332,166 |

Sensitivity analysis

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

If the interest rates increased/decreased by 1%, and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$2,761 thousand and \$5,243 thousand, respectively, which was mainly attributable to the Group's variable-rate bank deposits and borrowings.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. The Group manages this exposure by maintaining a portfolio of investments with different risks.

Sensitivity analysis

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

Had equity prices been 1% higher/lower, the pre-tax profit for the years ended December 31, 2025 and 2024 would have increased/decreased by \$5,063 thousand and \$5,244 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTPL; other comprehensive income for the years ended December 31, 2025 and 2024 would have increased/decreased by \$551 thousand and \$724 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the potential for financial loss to the Group when a counterparty defaults on its contractual obligations. At the end of the reporting period, the Group's maximum exposure to credit risk could be equal to the carrying amounts of the recognized financial assets, contract assets, and finance lease receivables as stated in the consolidated balance sheets.

Refer to Note 10 for the financial risk management policies adopted by the Group.

The Group's credit risk was mainly concentrated in the following group, which accounted for 67% and 73% of net accounts receivable (including long-term receivables) as of December 31, 2025 and 2024, respectively.

| | December 31 | |
|-----------------------------------|--------------------|-------------------|
| | 2025 | 2024 |
| Group A (China) | \$ 107,650 | \$ 451,618 |
| Group B (Kingdom of Saudi Arabia) | <u>35,631</u> | <u>-</u> |
| | <u>\$ 143,281</u> | <u>\$ 451,618</u> |

3) Liquidity risk

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

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate at the end of the year.

| | Within 1 Year | 2-3 Years | 4-5 Years | More than 5 Years | Total |
|------------------------------------|--------------------------|-------------------|------------------|------------------------------|---------------------|
| <u>December 31, 2025</u> | | | | | |
| Non-interest bearing liabilities | \$ 200,545 | \$ - | \$ - | \$ 990 | \$ 201,535 |
| Lease liabilities | 70,210 | 102,896 | 57,306 | 117,555 | 347,967 |
| Variable interest rate liabilities | 40,402 | 691,507 | 35,730 | 16,376 | 784,015 |
| Fixed interest rate liabilities | <u>797,369</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>797,369</u> |
| | <u>\$ 1,108,526</u> | <u>\$ 794,403</u> | <u>\$ 93,036</u> | <u>\$ 134,921</u> | <u>\$ 2,130,886</u> |

(Continued)

| | Within 1 Year | 2-3 Years | 4-5 Years | More than 5 Years | Total |
|------------------------------------|-------------------|-------------------|-------------------|----------------------|------------------------------------|
| <u>December 31, 2024</u> | | | | | |
| Non-interest bearing liabilities | \$ 171,331 | \$ - | \$ - | \$ 990 | \$ 172,321 |
| Lease liabilities | 72,809 | 102,946 | 72,225 | 152,034 | 400,014 |
| Variable interest rate liabilities | 42,773 | 234,980 | 35,730 | 34,241 | 347,724 |
| Fixed interest rate liabilities | <u>57,558</u> | <u>411,778</u> | <u>-</u> | <u>-</u> | <u>469,336</u> |
| | <u>\$ 344,471</u> | <u>\$ 749,704</u> | <u>\$ 107,955</u> | <u>\$ 187,265</u> | <u>\$ 1,389,395</u> (Concluded) |

The variable interest rate liabilities of the Group's with individual maturities of more than 5 years have repayment periods ranging from 5 to 10 years. The maturity analysis of lease liabilities with terms of more than 5 years was as follows:

| | 5-10 Years | 10-20 Years | More than 20 Years | Total |
|-------------------|------------------|------------------|-----------------------|-------------------|
| December 31, 2025 | <u>\$ 27,078</u> | <u>\$ 51,456</u> | <u>\$ 39,021</u> | <u>\$ 117,555</u> |
| December 31, 2024 | <u>\$ 56,411</u> | <u>\$ 51,456</u> | <u>\$ 44,167</u> | <u>\$ 152,034</u> |

33. TRANSACTIONS WITH RELATED PARTIES

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

a. Related party name and category

| <u>Related Party Name</u> | <u>Relationship</u> |
|-----------------------------|--|
| Brogent Japan Entertainment | Subsidiaries (as an associate before December, 2025) |
| Chang'an Above Limited | Associates (since June 2024) |
| Zhichengboyuan | Associates (since February 2025) |
| Chih-Hung Ouyang | Key management (Chairman of the board) |
| Shen-Hao Cheng | Key management (Director of the board) |

b. Operating Revenue

| Line Item | Related Party Type | <u>For the Year Ended December 31</u> | |
|--------------------------|--------------------|---------------------------------------|------------------|
| | | 2025 | 2024 |
| Project contract revenue | Associates | <u>\$ 18,787</u> | <u>\$ 14,739</u> |
| Service revenue | Associates | <u>\$ 14,606</u> | <u>\$ -</u> |
| Licensing revenue | Associates | <u>\$ 9,032</u> | <u>\$ -</u> |

c. Receivables from related parties

| Line Item | Related Party Type | <u>December 31</u> | |
|---------------------|--------------------|--------------------|-------------|
| | | 2025 | 2024 |
| Accounts receivable | Associates | <u>\$ 4,163</u> | <u>\$ -</u> |

d. Contract assets and Contract liabilities

| Line Item | Related Party Type | December 31 | |
|----------------------|--------------------|-------------|----------|
| | | 2025 | 2024 |
| Contract assets | Associates | \$ 21,904 | \$ - |
| Contract liabilities | Associates | \$ | \$ 1,612 |

e. Lease arrangements

Under an operating lease agreement, the Group leased a building in the Xinxing District in Kaohsiung City from Shen-Hao Cheng, a key management member of the Group, for equipment display purposes. The lease term is one year, and the contract is renewable under mutual consent. Rental expenses in 2025 and 2024 were \$816 thousand for each year, recognized under operating expenses.

f. Chih-Hung Ouyang, a key management member of the Group, provided the guarantees for some borrowings of the Group.

g. Compensation of key management personnel

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

| | For the Year Ended December 31 | |
|------------------------------|--------------------------------|-----------|
| | 2025 | 2024 |
| Short-term employee benefits | \$ 11,026 | \$ 11,605 |
| Post-employment benefits | 108 | 108 |
| Share-based payments | 734 | 301 |
| | \$ 11,868 | \$ 12,014 |

34. ASSETS PLEDGED AS COLLATERALS OR FOR SECURITY

The following assets were provided as collaterals for various performance obligations:

| | December 31 | |
|--|-------------|------------|
| | 2025 | 2024 |
| Financial assets at amortized cost - current | | |
| Time deposits and demand deposits | \$ 308,448 | \$ 145,815 |
| Financial assets at amortized cost - non-current | | |
| Time deposits | 20,403 | 111,069 |
| Property, plant and equipment | | |
| Buildings | 358,247 | 374,492 |
| | \$ 687,098 | \$ 631,376 |

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2025, the Group's outstanding notes payable for performance and warranty under various construction projects amounted to \$104,392 thousand; letters of guarantee for warranty under various construction projects amounted to \$169,172 thousand.

36. SIGNIFICANT SUBSEQUENT EVENTS

To align with the Group's future strategic development, expand operational scale, and enhance market competitiveness, the Group's board of directors resolved on January 21, 2026, to acquire Flyover 100% equity of four operating subsidiaries of Pursuit Attractions and Hospitality Inc., through the newly established Dutch subsidiary, Flyover Attractions B.V., for a total price of US\$ 78,400 thousand. According to the agreement signed by both parties, the transaction is expected to be completed before the second quarter of 2026.

37. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follows:

| | Foreign Currency (In Thousands) | Exchange Rate (\$) | | NTD (In Thousands) |
|-----------------------|---------------------------------------|--------------------|-----------|-----------------------|
| <hr/> | | | | |
| December 31, 2025 | | | | |
| <hr/> | | | | |
| Financial assets | | | | |
| Monetary items | | | | |
| USD | \$ 40,583 | 31.4 | (USD:NTD) | \$ 1,274,298 |
| RMB | 120,627 | 4.491 | (RMB:NTD) | 541,735 |
| RMB | 1,652 | 0.14 | (RMB:USD) | 7,420 |
| Financial liabilities | | | | |
| Monetary items | | | | |
| USD | 135 | 31.4 | (USD:NTD) | 4,228 |
| USD | 215 | 6.99 | (USD:RMB) | 6,744 |
| <hr/> | | | | |
| December 31, 2024 | | | | |
| <hr/> | | | | |
| Financial assets | | | | |
| Monetary items | | | | |
| USD | 38,510 | 32.78 | (USD:NTD) | 1,262,353 |
| RMB | 142,315 | 4.48 | (RMB:NTD) | 637,290 |
| RMB | 2,947 | 0.14 | (RMB:USD) | 13,197 |
| Financial liabilities | | | | |
| Monetary items | | | | |
| USD | 206 | 32.78 | (USD:NTD) | 6,745 |
| USD | 215 | 7.32 | (USD:RMB) | 7,040 |

For the years ended December 31, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were \$(72,523) thousand and \$104,855 thousand, respectively. It is impractical to disclose net foreign exchange gains and losses by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

38. ADDITIONAL DISCLOSURES

a. Information about significant transactions:

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

b. Information on investees: Table 4

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 5
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year:

| Transaction Party | Counterparty | Operating Costs | Accounts Payable |
|--------------------------|---------------------|------------------------|-------------------------|
| The Corporation | Brogent Rides | \$ 235 | \$ - |

- a) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year:

| Transaction Party | Counterparty | Operating Revenue | Accounts Receivable |
|--------------------------|---------------------|--------------------------|----------------------------|
| The Corporation | Brogent Rides | \$ 202,462 | \$ 29,017 |
| Brogent HK | Brogent Creative | 12,527 | 1,482 |
| The Corporation | Zhichengboyuan | 824 | 971 |

- c) The amount of property transactions and the amount of the resultant gains or losses: None
- d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2
- e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None
- f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None

39. SEGMENT INFORMATION

The chief operating decision maker of the Group reviews the overall operating results in order to make decisions about resource allocation and assessment of the overall performance. The Group has a single operation segment. Therefore, the measurement basis for sales, operating results, and assets of the reportable segments in 2025 and 2024 is the same as that for corporate financial statements. Refer to the balance sheets and the statements of comprehensive income for 2025 and 2024.

- a. Revenue from major products and services: Note 25
- b. Geographical information

The Group's revenue from continuing operations from external customers by location of customers and information about its non-current assets by location of assets are detailed below.

| | Revenue from External Customers | | Non-current Assets | |
|----------|--|---------------------|---------------------------|---------------------|
| | For the Year Ended December 31 | | December 31 | |
| | 2025 | 2024 | 2025 | 2024 |
| Taiwan | \$ 244,995 | \$ 311,252 | \$ 1,961,841 | \$ 1,412,739 |
| Asia | 835,737 | 538,968 | 64,485 | 76,556 |
| Europe | 14,102 | 9,719 | 13,456 | 26,912 |
| Americas | 230,880 | 519,168 | 1,493 | 1,821 |
| Oceania | <u>13,079</u> | <u>12,736</u> | <u>-</u> | <u>-</u> |
| | <u>\$ 1,338,793</u> | <u>\$ 1,391,843</u> | <u>\$ 2,041,275</u> | <u>\$ 1,518,028</u> |

Non-current assets exclude financial instruments, finance lease receivables, investment accounted for using equity method and deferred tax assets.

- c. Information about major customers

| | For the Year Ended December 31 | | | |
|---------|---------------------------------------|--|---------------|--|
| | 2025 | | 2024 | |
| | Amount | Percentage of Net Operating Revenue (%) | Amount | Percentage of Net Operating Revenue (%) |
| Group A | \$ 266,901 | 20 | \$ 41,118 | 3 |
| Group B | 165,294 | 12 | 177,199 | 13 |
| Group C | 129,930 | 10 | 184,976 | 13 |

(Continued)

| For the Year Ended December 31 | | | | |
|---------------------------------------|-------------------|--|-------------------|--|
| 2025 | | | 2024 | |
| | Amount | Percentage of Net Operating Revenue (%) | Amount | Percentage of Net Operating Revenue (%) |
| Group D | \$ 107,041 | 8 | \$ - | - |
| Group E | 99,146 | 7 | 400,383 | 29 |
| Group F | <u>28,740</u> | <u>2</u> | <u>143,835</u> | <u>10</u> |
| | <u>\$ 797,052</u> | <u>59</u> | <u>\$ 947,511</u> | <u>68</u> |

(Concluded)

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES

**FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

| No. | Financing Company | Counterparty | Financial Statement Account | Related Party | Maximum Balance for the Year | Ending Balance | Actual Amount Drawn | Interest Rate (%) | Nature of Financing | Transaction Amount | Reason for Financing | Allowance for Impairment Loss | Collateral | | Financing Limit for Each Borrowing Company (Note) | Financing Company's Total Financing Limit (Note) | Note |
|-----|---|----------------|-------------------------------------|---------------|------------------------------|----------------|---------------------|-------------------|----------------------|--------------------|----------------------|-------------------------------|------------|-------|---|--|------|
| | | | | | | | | | | | | | Item | Value | | | |
| 0 | Brogent Technologies Inc. (the "Corporation") | Brogent Global | Other receivables - related parties | Yes | \$ 150,000 | \$ 150,000 | \$ - | - | Short-term financing | \$ - | Operating capital | \$ - | - | \$ - | \$ 370,551 | \$ 1,111,655 | |
| 0 | The Corporation | Brogent HK | Other receivables - related parties | Yes | 150,000 | 150,000 | - | - | Short-term financing | - | Operating capital | - | - | - | 370,551 | 1,111,655 | |
| 0 | The Corporation | StarLite | Other receivables - related parties | Yes | 50,000 | 50,000 | - | - | Short-term financing | - | Operating capital | - | - | - | 370,551 | 1,111,655 | |

Note: The financing limit for each borrowing company and the total financing limit shall not exceed 10% and 30% respectively of the latest equity of the Corporation.

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

| No. | Endorser/Guarantor | Endorsee/Guarantee Receiver | | Limit of Amount Provided to Each Guaranteed Party (Note 1) | Maximum Balance for the Year | Ending Balance (Note 2) | Amount Actually Drawn (Note 2) | Amount of Endorsement/Guarantee Collateralized by Properties | Ratio of Accumulated Endorsement/Guarantee to Net Equity in Latest Financial Statements (%) | Maximum Endorsement/Guarantee Amount Allowable (Note 1) | Guarantee Provided by Parent Company | Guarantee Provided by Subsidiary | Guarantee Provided to Subsidiary in Mainland China | Note |
|-----|---|-----------------------------|--------------|--|------------------------------|-------------------------|--------------------------------|--|---|---|--------------------------------------|----------------------------------|--|------|
| | | Name | Relationship | | | | | | | | | | | |
| 0 | Brogent Technologies Inc. (the "Corporation") The Corporation The Corporation | Brogent Creative | Subsidiary | \$ 1,111,655 | \$ 44,910 | \$ 44,910 | \$ - | \$ - | 1.21 | \$ 1,852,759 | Y | N | Y | |
| 0 | | Brogent Global | Subsidiary | 1,111,655 | 50,000 | 50,000 | - | - | 1.35 | 1,852,759 | Y | N | N | |
| 0 | | StarLite | Subsidiary | 1,111,655 | 34,380 | 34,380 | - | - | 0.93 | 1,852,759 | Y | N | N | |

Note 1: The limit on endorsement/guarantee given for each party and the total financing limit shall not exceed 30% and 50% respectively of the latest equity of the Corporation.

Note 2: The exchange rate was RMB1=NT\$4.491;The exchange rate was CAD1=NT\$22.92.

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES

**SIGNIFICANT MARKETABLE SECURITIES HELD
DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

| Holding Company | Type and Name of Marketable Securities | Relationship with the Holding Company | Financial Statement Account | December 31, 2025 | | | | Note |
|---|---|---------------------------------------|--|-------------------|-------------------|-----------------------------|-------------------|------|
| | | | | Number of Shares | Carrying Value | Percentage of Ownership (%) | Fair Value | |
| Brogent Technologies Inc. (the "Corporation") | Ordinary Shares Ruentex Industries Ltd. | - | Financial assets at FVTOCI - current | 1,000,000 | <u>\$ 55,100</u> | 0.09 | <u>\$ 55,100</u> | |
| | Domestic limited partnership Blue magpie growth fund limited partnership | - | Financial assets at FVTPL - non-current | - | <u>\$ 27,000</u> | 4.01 | <u>\$ 27,000</u> | |
| Brogent Global | Equity Investment Jump Media International Co., Ltd. This is Holland B.V. | - | Financial assets at FVTPL - current | 264,001 | <u>\$ -</u> | 0.93 | <u>\$ -</u> | |
| | | - | Financial assets at FVTPL - non-current | 100 | <u>\$ 11,424</u> | 10 | <u>\$ 11,424</u> | |
| | Preference Shares This is Holland B.V. | - | Financial assets at amortized cost - non-current | 200 | <u>\$ 36,850</u> | - | <u>\$ 36,850</u> | |
| Holey Holdings Limited | Equity Investment Discover NY Project Company, LLC | - | Financial assets at FVTPL - non-current | 2,310 | <u>\$ 109,265</u> | 19.09 | <u>\$ 109,265</u> | |
| | Preference Shares Discover NY Project Company, LLC | - | Financial assets at FVTPL - non-current | 1,223 | <u>\$ 132,885</u> | - | <u>\$ 132,885</u> | |
| Brogent HK | Equity Investment Discover NY Project Company, LLC | - | Financial assets at FVTPL - non-current | 500 | <u>\$ 23,650</u> | 4.13 | <u>\$ 23,650</u> | |
| Brogent Rides | Equity Investment Fly Over The World Cultural Development Co., Ltd. | - | Financial assets at FVTPL - non-current | 36,000,000 | <u>\$ 202,095</u> | 6.00 | <u>\$ 202,095</u> | |
| | Beijing Huawei Global Cultural Development Co., Ltd. | - | Financial assets at FVTOCI - non-current | 1,050,000 | <u>\$ -</u> | 17.50 | <u>\$ -</u> | |

BROGENT TECHNOLOGIES INC, AND SUBSIDIARIES

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

| Investor Company | Investee Company | Location | Main Businesses and Products | Original Investment Amount | | As of December 31, 2025 | | | Net Income (Loss) of the Investee | Share of Profit (Loss) | Note |
|---|---|------------------------|--|----------------------------|-------------------|-------------------------|--------|-----------------|-----------------------------------|------------------------|------------|
| | | | | December 31, 2025 | December 31, 2024 | Number of Shares | (%) | Carrying Amount | | | |
| | | | | | | | | | | | |
| Brogent Technologies Inc. (the "Corporation") | Brogent HK | Hong Kong | Reinvestment and trading business | \$ 619,217 | \$ 619,217 | - | 100.00 | \$ 487,874 | \$ (3,966) | \$ (3,966) | Subsidiary |
| The Corporation | Brogent Global | Taiwan | Development and management business of self-operated outlets, site planning and film production | 300,000 | 300,000 | 36,214,232 | 100.00 | 231,317 | (72,256) | (72,456) | Subsidiary |
| The Corporation | Dili Jie | British Virgin Islands | Reinvestment and trading business | 296,593 | 296,593 | - | 100.00 | 423,490 | (2,169) | (2,169) | Subsidiary |
| The Corporation | Scroll Application Technology Co., Ltd. | Taiwan | Sales and research and development of software services | 20,000 | 20,000 | 2,000,000 | 48.78 | - | (12,949) | (5,046) | Associates |
| Brogent HK | Brogent Japan Entertainment | Japan | Management business development and sales of the peripheral products of simulator rides in Japan | 11,753 | 10,161 | - | 100.00 | 8,836 | (5,318) | 2,181 | Subsidiary |
| Brogent HK | StarLite | Canada | Design and management business | 37,505 | 37,505 | - | 100.00 | 4,971 | 2,872 | 2,872 | Subsidiary |
| Dili Jie | Jetway | Cayman Islands | Reinvestment and trading business | 298,659 | 298,659 | - | 100.00 | 423,469 | (2,169) | (2,169) | Subsidiary |
| Jetway | Garley | British Virgin Islands | Reinvestment and trading business | 131,258 | 131,258 | - | 100.00 | 180,049 | (2,533) | (2,533) | Subsidiary |
| Jetway | Holey Holdings Limited | British Virgin Islands | Reinvestment and trading business | 168,391 | 168,391 | - | 100.00 | 243,368 | (85) | (85) | Subsidiary |
| Brogent Global | Jetmay | British Virgin Islands | Reinvestment and trading business | 99,276 | 99,276 | - | 100.00 | 117,729 | (607) | (607) | Subsidiary |

Note 1: The investment profits (losses) recognized for the year ended December 31, 2025 included eliminated unrealized gains or losses.

Note 2: The share of profit (loss) of subsidiaries are eliminated on consolidation.

Note 3: Refer to Table 5 for the information on investments in mainland China.

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

| Investee Company | Main Businesses and Products | Paid-in Capital (Note 1) | Method of Investment | Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025 | Remittance of Funds | | Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2025 | Net Income (Loss) of the Investee | % Ownership of Direct or Indirect Investment | Investment Gain (Loss) | Carrying Amount as of December 31, 2025 | Accumulated Repatriation of Investment Income as of December 31, 2025 | Note |
|------------------------|---|-----------------------------|---|--|---------------------|--------|---|--------------------------------------|--|---------------------------|---|---|--------|
| | | | | | Outward | Inward | | | | | | | |
| Brogent Rides | Import and export business | \$ 532,934 | Reinvested through the third region Brogent HK and Garley | \$ 470,982 | \$ - | \$ - | \$ 470,982 | \$ (7,865) | 100.00 | \$ (7,865) | \$ 567,710 | \$ - | Note 2 |
| Brogent Creative | Development and management business of self-operated outlets | 58,383 | Reinvested through Brogent Rides | - | - | - | - | (636) | 100.00 | (636) | 48,486 | - | Note 2 |
| HaiWei Creative | Whole planning business | 89,820 | Reinvested through the third region Jetmay | 88,454 | - | - | 88,454 | (608) | 100.00 | (608) | 117,704 | - | Note 2 |
| Chang'an Above Limited | Development and management business of self-operated outlets | 449,100 | Reinvested through Brogent Rides | - | - | - | - | (35,359) | 25.00 | (9,227) | 97,041 | - | |
| Zhichengboyuan | Manufacture and sales of the simulator rides and its equipment components | 291,915 | Reinvested through Brogent Rides | - | - | - | - | (32,722) | 46.15 | (16,272) | 117,941 | - | |

| Investee Company | Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2025 | Investment Amount Authorized by the Investment Commission, MOEA | Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA |
|---|--|---|--|
| Brogent Technologies Inc. (the "Corporation") | \$ 559,436 | \$ 559,436 | \$ 2,223,310 |

Note 1: The exchange rate was RMB1=NT\$4.491.

Note 2: The investment gain (loss) was recognized based on the financial statements audited by the CPA of Brogent Technologies Inc.

BROGENT TECHNOLOGIES INC. AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025
(In Thousands of New Taiwan Dollars)**

| No. | Transaction Party | Counterparty | Transaction Flow | Transaction Details | | | % to Total Operating Revenues (Assets) |
|-----|---|-----------------|--------------------------|----------------------------------|-----------|---------------------------|--|
| | | | | Financial Statement Account | Amount | Payment Terms | |
| 0 | Brogent Technologies Inc. (the "Corporation") | Brogent Rides | Parent to subsidiary | Accounts receivable | \$ 29,017 | According to the contract | - |
| 0 | The Corporation | Brogent Rides | Parent to subsidiary | Sales of tickets and merchandise | 86 | According to the contract | - |
| 0 | The Corporation | Brogent Rides | Parent to subsidiary | Project contract revenue | 202,376 | According to the contract | 15 |
| 0 | The Corporation | Brogent Global | Parent to subsidiary | Accounts receivable | 2,964 | According to the contract | - |
| 0 | The Corporation | Brogent Global | Parent to subsidiary | Rental revenue | 21,113 | According to the contract | 2 |
| 0 | The Corporation | Brogent HK | Parent to subsidiary | Accounts receivable | 11,791 | According to the contract | - |
| 0 | The Corporation | Brogent HK | Parent to subsidiary | Project contract revenue | 7,161 | According to the contract | 1 |
| 0 | The Corporation | Brogent HK | Parent to subsidiary | Service revenue | 5,555 | According to the contract | - |
| 1 | Brogent Global | The Corporation | Subsidiary to parent | Accounts receivable | 1,913 | According to the contract | - |
| 1 | Brogent Global | The Corporation | Subsidiary to parent | Service revenue | 12,526 | According to the contract | 1 |
| 1 | Brogent Global | The Corporation | Subsidiary to parent | Sales of tickets and merchandise | 3,177 | According to the contract | - |
| 2 | Brogent Rides | The Corporation | Subsidiary to parent | Service revenue | 235 | According to the contract | - |
| 3 | StarLite | The Corporation | Subsidiary to parent | Accounts receivable | 4,572 | According to the contract | - |
| 3 | StarLite | The Corporation | Subsidiary to parent | Service revenue | 14,075 | According to the contract | 1 |
| 4 | Brogent HK | HaiWei Creative | Subsidiary to subsidiary | Accounts receivable | 1,482 | According to the contract | - |
| 4 | Brogent HK | HaiWei Creative | Subsidiary to subsidiary | Project contract revenue | 6,696 | According to the contract | 1 |
| 4 | Brogent HK | HaiWei Creative | Subsidiary to subsidiary | Service revenue | 5,831 | According to the contract | - |
| 5 | BJE | The Corporation | Subsidiary to parent | Licensing revenue | 224 | According to the contract | - |