Stock Code
5263

Brogent Technologies Inc.

2023

Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Date Printed: 1 April, 2024

Taiwan Stock Exchange Market Observation Post System: http://mops.twse.com.tw

Brogent Technologies Inc. annual report at https://www.brogent.com/zh-tw/statements.html

1. Name, Title, Contact No., and Email of the Company's spokesperson

Spokesperson name：Chih-Hung Ouyang
Title：President
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Email：stock@brogent.com

Representative spokesperson：Hui-Chuang Lin
Title：Chief Financial Officer
Telephone：(07)537-2869
Email：stock@brogent.com

2. Head office/Factory address and telephone no.

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Telephone：(07)537-2869
Factory：No. 66, Qinghua 2nd St., Xinwu Dist., Taoyuan City, Taiwan/No. 111, Qinghua 1st St., Xinwu Dist., Taoyuan City , Taiwan
Telephone：(03)497-1219

3. Name, address, website, and telephone no. of stock transfer agency

Stock transfer institute：Share Administration Agency, Taishin Securities Co., Ltd
Address：No.96, Sec. 1, Jianguo N. Rd., Jhongshan District, Taipei City , Taiwan
Website：www.tssco.com.tw
Telephone：(02)2504-8125

4. External auditor for most recent financial statement

External auditor：Chiu-Yen Wu, CPA
Lee-Yuan Kuo, CPA
Accounting firm：Deloitte & Touche Certified Public Accountants
Address：3F, ChinaSteel Building, No.88, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City , Taiwan.
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5. Name of overseas trading office of listed valuable securities and method of searching for information of valuable overseas securities：None.

6. Company website:www.brogent.com

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I. Letter to Shareholders

Dear Shareholders,

Thank you very much for supporting Brogent and taking the time to attend the 2024 annual meeting of shareholders.

In 2023, Brogent’s consolidated revenue was NT$ 862 million, an increase of approximately 7.3% from NT$ 803 million in 2022. Looking at the international tourism and entertainment market in 2023, the number of tourists has been growing. Disney has announced to increase US$60 billion for investment in theme parks, resorts and cruise businesses to expand IP influence attracts new customer groups. Buyers from the related industry have been searching to import new equipment to attract upcoming visitors. Brogent has a very optimistic outlook on the future market and will continue to provide new technologies and diversified products in the immersive entertainment market.

Last year, Brogent achieved notable milestones in the realm of immersive rides, ranging from large-scale to small/medium rides. The Guinness Records-certified highest-capacity seated motion simulator, unveiled last September, was met with acclaim, receiving the prestigious "Outstanding Achievement Award" at the Thea Awards—an affirmation of our expertise in international park projects and top-tier amusement equipment. Additionally, our latest innovation, the Turnkey o-Ride, introduced in February, promises rapid global deployment with its swift construction time and cost-effective design. We've also seen commendable success with our small and medium-sized immersive rides, such as the cutting-edge LED racing simulator, which has garnered praise at renowned venues like Germany's Hockenheimring and Qatar's Quest indoor theme park. Moreover, our racing simulators, featuring immersive experiences and AI-driven real-time broadcast systems, were honored with the MENALAC "Best New Product for FECS" Award, cementing our position as an industry leader in the Middle East and North Africa.

As the global tourism market rebounds, Brogent continues to expand its footprint in the self-operated sites, achieving remarkable success with attractions like the RiseNY Flying Theater in Times Square, USA, and the This is Holland Flying Theater in the Netherlands. In 2023, visitor numbers surged by over 30%, underscoring the appeal and profitability of our offerings. We're especially proud of the recent opening of ANIVERSE, our groundbreaking metaverse real-life experience center in Keelung, which marks a significant milestone in our quest for diversifying revenue streams.

Looking ahead to 2024, Brogent aims to solidify its position as a leading provider of media-based attraction rides. We're committed to expanding our range of flying theater products while actively developing a broader array of immersive experience equipment, incorporating cutting-edge technologies like artificial intelligence and virtual reality. Additionally, we're prioritizing the expansion of our digital content video database, leveraging advanced software and shooting technologies to deliver unparalleled quality. Our dedication to providing immersive experiences is exemplified by projects like Soaring Earth Episode I Africa, which allows audiences to immerse themselves in the awe-inspiring beauty of our planet.

At Brogent, we remain dedicated to offering diverse solutions to broaden our range of business services and maximize value for our shareholders. With years of experience in the immersive ride market, we are poised to innovate further. Moving forward, we aim to seamlessly integrate artificial intelligence, virtual reality, and immersive content production to redefine the entertainment experience. We are committed to staying true to our mission and values as we strive to achieve our goals.

We thank you for your trust and commitment to Brogent and look forward to a prosperous future with our shareholders.

Chairman, Chih-Hung Ouyang

1. Accomplishments

(1) Business Plan Implementation Outcomes

Unit：NT$1,000

Item \ Year	2022	2023	Change (amount)	% Change
Sales revenue	803,766	862,703	58,937	7.33
Gross profit	330,517	361,812	31,295	9.47
Operating expenses	577,780	586,180	8,400	1.45
Operating loss	(247,263)	(224,368)	22,895	(9.26)
Net loss before tax	(83,958)	(222,283)	(138,325)	164.75
Net loss	(62,398)	(179,975)	(117,577)	188.43
Net loss attributable to shareholders of the parent	(60,726)	(179,764)	(119,038)	196.02

(2) Budget Execution

According to the Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company did not need to compile a financial forecast for 2023, and therefore this section is not disclosed.

(3) Analysis of Financial Gains and Losses and Profitability

Unit: %

Item \ Year		2022	2023
Financial structure (%)	Debt-to-assets ratio (%)	35.48	37.64
	Long-term fund to property, plant and equipment (fixed assets) ratio (%)	528.55	544.71
Solvency (%)	Current ratio (%)	328.54	288.59
	Quick ratio (%)	287.79	256.92
	Times interest earned	(253.99)	(714.40)
Profitability	Return on assets (%)	(0.89)	(3.16)
	Return on equity (%)	(1.95)	(5.67)
	Paid-in capital to loss before tax (%)	(13.43)	(34.28)
	Net loss ratio (%)	(7.76)	(20.86)
	Loss per share (NT$)	(0.99)	(2.79)

(4) Research and Development

To continuously enhance the Company's competitiveness, the Company has always actively invested in R&D efforts. In 2022 and 2023, it has expended a total of NT$189, 445 million and NT$106,891 million in R&D, respectively accounting for 24% and 13% of the net operating income. Brogent will continue to innovate and remain committed to research and development because these aspects of operation embody corporate competitiveness. The Company shall continue to engage in advanced technological R&D and innovative applications, and implement product-centric design and research as well as systematic management to maintain the leading position of products and technologies.

2. Business Plan

(1) Operational Goals and Crucial Product Marketing Policies

1. Continue to optimize the quality of immersive amusement park facilities and diversify product category.
2. Deepen the design and production of digital contents and heighten product added value.
3. Expend the international market and raise the global brand awareness.
4. Engage in industry–academic cooperation to actively cultivate high-quality specialists in digital content.

(2) Expected Sales Volume and Criteria

The Company's operational revenues mainly come from the sales of motion simulation entertainment facilities. According to the Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company did not need to compile a financial forecast for 2024, and therefore this section is not disclosed.

3. Future Corporate Development Strategy

(1) Product diversification

(2) Market internationalization

(3) Diversification of revenue models

(4) Integration of strategic partner resources

4. Impact of External Competitive Environment, Regulatory Environment and the Overall Business Environment

The Company operates its business in accordance with domestic and foreign laws and regulations and periodically notes any changes in domestic and foreign policies and development trends, to facilitate immediate response. The Company's employees also receive training regularly to update them on current political and economic changes and trends; therefore, changes to laws and regulations will not exert a material impact on the Company's business development.

Regarding external competition and the overall business environment, because the Company has successfully expanded into overseas markets in 2024, we will continue to develop our businesses based on market internationalization. By seeking high-quality customers, attaining product recognition, raising product sales prices, and adopting a product composite marketing model concurrent with mature technologies and scaled production, the Company expects to accurately ascertain the pulse of the global market. Overseas market expansion with the recovery of the tourism market, and business development will continue the trend of market internationalization. Brogent will expand its businesses into the global market, thereby enhancing its overall revenue performance.

II. Company Profile

1. Date of Establishment
   October 30, 2001.

2. Company History

April 2011	Opening of 4D Theater at Formosan Aboriginal Culture Village.
June 2011	Conversion of employee stock options to 1,744,000 ordinary shares; the paid-up capital following capital increase totaled to NT$213,560,000.
September 2011	Seasoned equity offering (SEO) of NT$12,700,000; following capital increase, the paid-up capital totaled to NT$226,260,000.
October 2011	Approved public offering of stock.
December 2011	Registered on emerging stock market.
June 2012	Constructed started on new research and test center at Kaohsiung Software Park.
September 2012	Passed the market listing application by the Board of Directors of the Taipei Exchange.
November 2012	Public underwriting of SEO prior to listing amounted to NT$28,290,000, and the paid-up capital following capital increase totaled to NT$254,550,000.
December 2012	Stock market launch.
January 2013	Completion of the operational headquarters and R&D test center.
February 2013	The i-Ride passed China’s A-grade large-scale amusement park facility authentication and a commercial business license was received for it.
April 2013	The i-Ride opened at an anime themed shopping center in Hangzhou, China.
July 2013	The new generation of i-Ride, Fly Over Canada, opened in Vancouver, Canada.
October 2013	Attended the National Palace Museum First New Media creative contest; the Company's 3D interactive new media art gained honorable mention.
October 2013	Signed a Memorandum of Understanding with Kodansha, Japan.
October 2013	Surplus transfer of NT$12,727,500, and the paid-up capital following capital increase totaled to NT$267,277,500.
February 2014	Conversion of convertible corporate bond to ordinary bond totaled to NT$7,422,770; the paid-up capital following capital increase totaled to NT$274,700,270.
March 2014	First-quarter revenue reached NT$312 million, with net profit after tax amounting to NT$100 million, both represented record highs in Brogent's history.
April 2014	The i-Ride received the 2014 Taiwan Excellence Reward for the category of fashion, life, culture and creativity product.

May 2014	Conversion of convertible corporate bond to ordinary bond totaled to NT$15,433,990; the paid-up capital following capital increase totaled to NT$290,134,260.
June 2014	Held the Groundbreaking Ceremony for the 2nd stage of the R&D Center.
July 2014	Fuji Q Highland held the Grand Opening of the i-Ride flight theater "Fuji Airways" in Fujiyoshida, Japan.
July 2014	Conversion of convertible corporate bond to ordinary bond totaled to NT$18,753,440; the paid-up capital following capital increase totaled to NT$308,887,700.
September 2014	Capital reserve transfer of NT$27,470,020; the paid-up capital following capital increase totaled to NT$336,357,720.
October 2014	Signed the "Attack on Titan" IP licensing contract with Kodansha Ltd.
November 2014	Conversion of convertible corporate bond to ordinary bond totaled to NT$442,070; the paid-up capital following capital increase totaled to NT$336,799,790.
January 2015	Seasoned equity offering (SEO) of NT$60,000,000; following capital increase, the paid-up capital totaled to NT$396,799,770.
January 2015	Signed another MOU with Kodansha Ltd. to establish marketing companies for peripheral products.
March 2015	Awarded the Potential Mittelstand Enterprise for the 3rd Taiwan Mittelstand Award held by the Industrial Development Bureau, Ministry of Economic Affairs (MOEA).
June 2015	Seasoned equity offering (SEO) of NT$10,300,000, following capital increase, the paid-up capital totaled to NT$407,099,770.
July 2015	Surplus transfer of NT$39,680,000, following capital increase, the paid-up capital totaled to NT$446,779,770.
November 2015	Awarded government subsidies under the international market development program by the Bureau of Foreign Trade, Ministry of Economic Affairs.
December 2015	The grand opening of i-Ride flight theater themed “Attack on Titan” was held in Shan-Shun World, Toufen Township, Miaoli County, Taiwan.
January 2016	Grand opening of the 2nd stage Office Building.
March 2016	Grand opening of the 4D motion simulating theater in the famous European safari “Zoo Emmen” in Netherlands.
April 2016	New launch of i-Ride flight theater “FlyOver America” in Mall of America, Minnesota, U.S.A.
May 2016	The Joint Research and Development Center between Brogent and National Sun Yat-Sen University was established.
July 2016	The Research and Development Center of Somatosensory Content between Brogent and Southern Taiwan University of Science and Technology was established.
September 2016	The Lord Mayor of Brisbane, Australia, Graham Quirk, visited Brogent with the Brisbane delegation and experienced i-Ride flight theater.

December 2016	Awarded the Enterprise with Outstanding Contribution by Export Processing Zone, M.O.E.
March 2017	Feng Tang, Minister without Portfolio of Executive Yuan, came to Brogent to experience i-Ride flight theater.
March 2017	Activated the filming project “Flying Over Australia” with Cutting Edge, a leading Australian filmmaker.
April 2017	The Flying Theater of Spain’s famous theme park officially opened.
June 2017	The Flying Theater “Voletarium” of Germany’s prestigious Europa Park officially opened.
September 2017	Won Europe’s Best New Ride of the European Star Awards 2017.
October 2017	The Flying Theater “This is Holland” of Netherland officially opened in Amsterdam.
November 2017	Brognet’s i-Ride Experience Center officially opened in Kaohsiung Software Park.
November 2017	Brogent’s new VR product “Q-Ride” launched in IAAPA Attractions Expo in Orlando, Florida, U.S.A.
December 2017	Dentsu Japan invested in Brogent’s subsidiary “Brogent Japan Entertainment.”
December 2017	Vice President Chien-Jen Chen visited i-Ride Experience Center of Brogent.
January 2018	Brogent is the first TÜV SÜD client in Asia to have passed its challenging test with i-Ride Flying Theater.
January 2018	Taipei City Mayor Wen-Je Ko visited the Flying Theater “This is Holland” in Amsterdam.
May 2018	Brogent unveiled its new VR and motion simulation gaming product at the 2018 Vision Get Wild Exhibition.
June 2018	Brogent’s VR gaming products were presented at Computex Taipei 2018.
July 2018	Brogent’s VR gaming tournament, Lightning Wings, kicked off its regional preliminary contest at Kaohsiung Beer Rock Festival.
July 2018	Brogent’s first carousel officially opened at KW2 (Kaohsiung Port Warehouse No.2).
July 2018	The Flying Theater of Abu Dhabi’s renowned theme park officially opened.
August 2018	The Flying Theater “FLYOVER CHINA” of Beijing Shijingshan Amusement Park officially opened.
August 2018	Brogent’s VR gaming tournament, Lightning Wings, held its regional preliminary contest in Taichung.
September 2018	Tom Tate, Mayor of the City of Gold Coast, Australia, visited Brogent with City of Gold Coast delegation and experienced i-Ride flight theater.
September 2018	Won Media-based Attraction of the Year of the Park World Excellence Awards 2018 Europe.
October 2018	Brogent’s VR gaming tournament, Lightning Wings, held its regional preliminary contest in Taipei.

November 2018	Brogent’s hexaRide VR and the first original VR film “Ghost in the Shell” made its debut at Diver City Plaza in Odaiba, Tokyo.
November 2018	Brogent’s VR gaming tournament, Lightning Wings, held its championship game in Kaohsiung Arena.
December 2018	Brogent introduced “Art-Zoo Inflatable Park” from Singapore opened at Kaohsiung Harbor Pier 7.
December 2018	hexaRide 's second original VR film “Attack on Titan” premiered at Diver City Plaza in Odaiba, Tokyo.
January 2019	The Flying Theater “i-Ride Taipei” of Taipei Nan Shan Plaza officially opened.
February 2019	Brogent’s VR gaming simulation ride “Lightning Wings” was invited to 2019 Mobile World Congress in Barcelona.
March 2019	The Flying Theater “THE LEGO® MOVIE™ Masters of Flight” officially opened in Legoland Florida Resort.
May 2019	Brogent presented Q-Ride, VR gaming simulation ride “Lightning Wings” and the newly developed racing simulator at the 2019 Vision Get Wild Exhibition.
July 2019	Brogent Group collaborated with American Institute in Taiwan (AIT) to premiere “Discover America” in the celebration of US-Taiwan Travel Year.
July 2019	Brogent’s new racing simulator made its world debut at 2019 Asia Pacific Cities Summit in Brisbane, Australia.
August 2019	The Flying Theater “Sky Voyager” of Australia’s biggest theme park Dreamworld officially opened on the Gold Coast.
September 2019	The second Flying Theater of Beijing Shijingshan Amusement Park officially opened.
September 2019	Brogent’s flying theater won the ” Best Dark Rides” of the 2019 European Star Award.
October 2019	The Flying Theater “FlyOver Iceland” of Iceland officially opened in Reykjavík .
December 2019	Brogent received ” 2019 Chinese Outstanding 3D/Motion Theatre Suppliers” of the Asia Attraction Gold Crown.
February 2020	Brogent Group cooperated with the American company Positron to invent a new single-person ride simulator: Voyager. Voyager was invited to exhibit at Festival de Cannes.
April 2020	Brogent was ranked within the TOP 300 High-Growth Companies for the Asia-Pacific region by the Financial Times.
May 2020	Brogent signed a priority sales contract with Sansei Technologies, Inc. forming a strategic partnership with the Japanese based company.
July 2020	Brogent held a press conference with the Australian Office Taipei and the Canadian Trade Office to celebrate “FlyOver Canada” and “Discover Australia” at i-Ride Taipei in Breeze Nan Shan.
July 2020	Launched new game based real-time controlled simulator esports series at IAAPA Virtual Expo Asia.

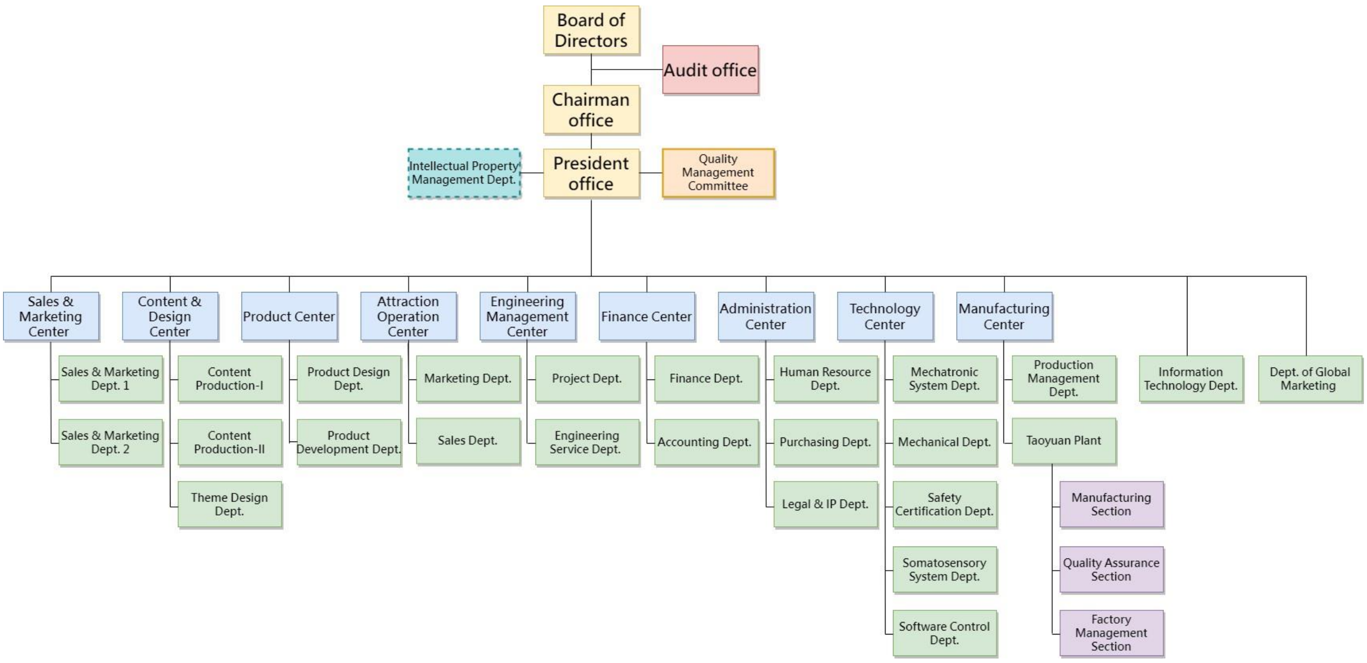
August 2020	The first 5G VR esports game “Land” debuted at Brogent Group’s headquarters.
October 2020	Brogent Technologies was the winner of Asiamoney’s Asia’s Outstanding Companies Poll 2020 in the sector of Software & Internet Services.
October 2020	Exhibited at CAE in Beijing, returning to normal in the region after the pandemic impact.
November 2020	Won the “Corporate Sustainability Award” at the Global Corporate Sustainability Forum (GCSF) held by Taiwan Corporate Sustainability Awards (TCSA) and Global Corporate Sustainability Award (GCSA).
November 2020	Won the “Queensland-Taiwan Business Excellence Award” from the Australia New Zealand Chamber of Commerce in Taipei.
December 2020	Brogent’s Flying Theater in Abu Dhabi won Annual Thea Awards 2020 for Outstanding Achievement.
April 2021	Brogent opened the Standing Panoramic Flying Theater in VinWonders Phu Quoc, the biggest theme park in Vietnam.
April 2021	Brogent opened the first Flying Theater in Kazakhstan, Central Asia.
May 2021	Brogent’s Flying Theater officially opened in an amusement park near by Tokyo, Japan.
May 2021	Brogent opened Scandinavia's first flying theater “Emmet's Flying Adventure - Masters of Flight in LEGOLAND Billund Resort, Denmark.
May 2021	Brogent opened Flying Theater “Emmet's Flying Adventure Ride” in THE LEGO® MOVIE™ WORLD of LEGOLAND California Resort, USA.
May 2021	Brogent opened the first Flying Theater in UK “Flight of the Sky Lion” in LEGOLAND Windsor Resort.
July 2021	Brogent’s Flying Theater in Guizhou officially opened.
September 2021	The Flying Theater “FlyOver Las Vegas” officially opened in Las Vegas.
September 2021	Brogent’s Flying Theater “Flight of the Sky Lion” at LEGOLAND Windsor Resort won UK Theme Park Awards for Best Attraction.
September 2021	Brogent’s Flying Theater “Emmet’s Flying Adventure” at LEGOLAND Billund Resort won Parkscout Award for Europe’s Best new Rides.
September 2021	Brogent’s Flying Theater “Flight of the Sky Lion” at LEGOLAND Windsor Resort won European Star Award for Europe’s Best new Rides.
January 2022	Brogent forms an alliance with Merlin Entertainment, the largest theme park operator in Europe, to focus on the marketing of the flying theater "This is Holland".
March 2022	Brogent’s Flying Theater “Rise NY” officially opened at Times Square of New York, USA.
March 2022	Brogent's i-Ocean Aquarium, combining marine life and simulation technology, officially opened at the National Museum of Marine Science and Technology in Keelung, Taiwan.
April 2022	Collaborated with AUO and debuted the LED dome screen flight simulator cockpit at the Touch Taiwan Exhibition.
October 2022	Brogent's Flying Theater in Hainan officially opened.

October 2022	Awarded the Corporate Sustainability—Golden Level by Taiwan Corporate Sustainability Awards (TCSA).
November 2022	Brogent introduced the new model of flying theater and LED immersive simulator cockpit at the IAAPA Expo in Orlando, USA.
December 2022	Chairman Mr. Chih-Hung Ouyang received the 2022 EY Entrepreneur Of The Year Award in the categories - Metaverse Creator Entrepreneur Of The Year.
January 2023	Brogent received the "2022 Chinese Outstanding Family Rides Supplier" of Asia Attraction Gold Crown Award.
January 2023	Brogent received the "2022 Chinese Outstanding Motion/Flying Theaters Supplier" of Asia Attraction Gold Crown Award.
March 2023	Brogent participated in 2022 DigiWave (Digital Technology Art Exhibition) and received the Platinum Award, the highest level in the immersive experience exhibition category, at the MUSE Design Awards in the US.
March 2023	Brogent opened the world's first Metaverse experience venue "ANIVERSE" in Keelung.
April 2023	Brogent collaborated with artist Pan Chen-hao and Le Xue Zhai Publishing to launch the "Books for Rural Areas" event, delivering picture books to over 900 rural schools in Taiwan.
May 2023	Deputy Prime Minister Geoffrey Hanley of Saint Kitts and Nevis visited Brogent's i-Ride TAIPEI Flying Theater.
May 2023	Brogent's m-Ride Flying Theater R&D team won the National Invention and Creation Award.
June 2013	Brogent opened the Air Combat Fighter VR Experience in Sentosa, Singapore.
September 2023	Taiwan's largest naked-eye 3D curved LED launches at Brogent's self-operated venue Aniverse in Keelung.
September 2023	Brogent’s Flying Theater “Voletarium” at Europa-Park won first place at the European Star Awards for Europe’s Best Dark Ride.
October 2023	Brogent's Premium LED Racing Simulator is officially opened at the whole new Welcome Center of Hockenheimring.
November 2023	Brogent's Premium Racing Simulator is officially opened at Quest for Speed & Oryx Speedway at Quest, the largest indoor theme park in Qatar.
November 2023	Awarded the Corporate Sustainability - Golden Level by Taiwan Corporate Sustainability Awards (TCSA).
December 2023	Brogent received the "2023 Chinese Outstanding Motion/Flying Theaters Supplier" of Asia Attraction Gold Crown Award.

III. Corporate Governance Report

1. Organizational System

(1) Organizational Profile



(2) Business Activities of Each Major Division

Major Divisions	Primary Duties
Chairman's Office	A.Supervise the execution of the corporate internal audit. B.Responsible for company operation policy planning and control, corporateoperations, risk assessment, stakeholder, decision analysis and other relevantissues. And supervise the operation of the Board of Directors, Shareholders'meeting and corporate governance related matters.
Audit Office	A.Inspect and evaluate whether internal control systems are sound and provide recommendations for analysis and evaluations. B.Plan, implement, and improve internal auditing systems; requests operational procedures to comply with laws, regulations, and articles of incorporation and assist in increasing business performance.
President's Office	Plan the corporate mid-term and long-term business strategy, as well as the new business direction and market deployment.
Manufacuring Plant	A.Assembling products. B.Build up database for Products and Machine. C.Quality affairs, Factory Service and raw material management.

Major Divisions	Primary Duties
Sales & Marketing Center	A.Plan and implement marketing strategies. B.Achieve company-defined business goals and join overseas exhibitions. C.Handle general tasks (product presentation, proposal, quotation, negotiation, payment collection, and payment notification) and determine customer's status in contract compliance. D.Coordinate and communicate with marketing business and technical teams. E.After sales service execute and management. F.Develop potential China area business opportunities. G.Develop China area potential customers.
Product Center	A.Design and develop new technology and products. B. Develop new interactive game.
Engineering Management Center	A.Supervise the construction projects. B.Control product quality and communicate with customers when implementing projects.
Technology Center	A.Design, develop and produce hardware structures such as six-axis platforms, steel structures and dynamic structures such as elevators. B.Organize relative information for certification and prepare operating maintenance handbook.
Finance Center	A.The company’s overall financial and accounting planning. B.Fund utilization scheduling and risk management. C.Accounting and tax processing. D.Annual report and annual budget preparation and execution. E.Operational performance control and benefit evaluation analysis of various reinvested enterprises.
Administration Center	A.Organization and Manpower planning. Design and Implementation of various human resources management system, recruiting, staffing, talent development and compensation management. B.Drafting and reviewing commercial contracts, providing negotiation strategies and analysis of legal risks. Assist legal dispute conducting and discussing risk preventing strategies. C.Product/technology patent and trademark management. D.Purchasing and supplier management. E.General affairs management.
Content & Design Center	A.Theme parks design and project execution plans providomg. B.Media content project evaluation and execution. C.Content production and R&D abilities align with company goals.

Major Divisions	Primary Duties
IT Department	A.Develop and maintain computer networks and application systems. B.Maintain and manage computer hardware, peripheral equipment, and information files. C.Plan and execute system safety. D.Hardware and software resources management.
Attraction Operation Center	A.Develop potential international business opportunities. B.Create future business models.
Global Marketing Department	A.Integrating marketing strategies for company products and services, along with corporate image. B.Establish and manage brand image internationally to boost global recognition and loyalty. C.Execute international marketing strategies including ads, PR, tradeshows, sponsorships to enhance brand visibility. D.Collaborate with sales, providing resources for customer management and sales growth.

2. Profile of Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, and Department and Branch Directors

(1) Directors and Supervisors

1. Directors and Supervisors

April 1, 2024; Unit: Shares; %

Title	Name	Gender Age	Nationality	Date elected	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and minor children		Number of shares held in the name of others		Education/work experience	Other positions	Other officer, director or supervisor who is the spouse or a relative within the second degree			Note
							Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage			Title	Name	Relationship	
Chairman & CEO	Chih-Hung Ouyang	Male 51-60	ROC	2023.05.31	3 years	2011.10.05	3,807,191	5.90%	3,807,191	5.87%	101,187	0.16%	-	-	1.Electrical Engineering, National Sun Yat-sen University 2.R&D Engineer, Acer Incorporated 3.Project Manager, Ai West Co. Ltd. 4.President, Micro Sova	1.President, Brogent Techonologies Inc. 2.Chairman, Fu Wu Investment Ltd. 3.Chairman, Brogent Global Inc.	None.	None.	None.	Note
Director	Chang chun Investment Co. Ltd.	-	ROC	2023.05.31	3 years	2016.05.31	2,150,271	3.33%	2,150,271	3.32%	-	-	-	-	1. M.B.A., National Taiwan University 2 Vice President, Investment Administration Division, RT-Mart International	1.Vice President, Investment Administration Division, RT-Mart International 2. Juridical Person Director Representative of MEGA GROWTH VENTURE CAPITAL CO., LTD. 3.Juridical Person Director Representative of Gogoro Inc 4.Juridical Person Director Representative of Diamond Biotechnology Investment Co., Ltd. 5.Juridical Person Director Representative of Diamond Capital Management Co., Ltd. 6.Juridical Person Director Representative of MIHO INTERNATIONAL COSMETIC CO., LTD	None.	None.	None.	-
	Representative Chih-Chuan Chen	Male 61-70					-	0.00%	30,420	0.05%	-	-	-	-						
Director	Chin-Huo Huang	Male 71-80	ROC	2023.05.31	3 years	2011.10.05	1,149,442	1.78%	1,149,442	1.77%	-	-	-	-	1.Chang Hua Industrial Vocational High School 2.Director, SANFU Motors Industrial Corp. 3.Director, Chun Ying Metal Industrial Co., Ltd.	Chairman, Fu Ying Metal Industrial Co., Ltd.	None.	None.	None.	-

Title	Name	Gender Age	Nationality	Date elected	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Shares held by spouse and minor children		Number of shares held in the name of others		Education/work experience	Other positions	Other officer, director or supervisor who is the spouse or a relative within the second degree			Note
							Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage	Number of shares	Shareholding Percentage			Title	Name	Relationship	
Director	LARGOU MORI CO., LTD.	-	ROC	2023.05.31	3 years	2022.05.27	1,724,888	2.67%	1,875,929	2.89%	-	-	-	-	1.The doctorate degree of Meiji University /Graduate School of Commerce. 2.LARGOU MORI CO., LTD Chairman	1.LARGOU MORI CO., LTD(TW) Chairman 2.LARGOU MORI CO., LTD(JAPAN) Chairman	None.	None.	None.	
	Representative: CHENG SHENHAO	Male 61-70					-	0.00%	188,888	0.29%	1,585,059	2.44%	-	-						
Independent Director	Lewis Lee	Male 61-70	ROC	2023.05.31	3 years	2020.05.28	-	-	-	-	-	-	-	-	1.National Chengchi University, Department of Accounting. 2. Partner, PwC, Taiwan.	1 Vice director, ZHI CHENG Co-located CPA Firm. 2..Independent Director， ScinoPharm Taiwan, Ltd. 3.Independent Director， ALL RING TECH CO., LTD. 4. Independent Director， POYA International Co. , Ltd.	None	None.	None.	-
Independent Director	Chih-Poung Liou	Male 61-70	ROC	2023.05.31	3 years	2020.05.28	-	-	-	-	-	-	-	-	1. LL. M., University of Tokyo (Japan) 2. Managing Partner, Stellex Law Firm.	Managing Partner, Stellex Law Firm.	None.	None.	None.	-
Independent Director	Jih-Ching Chiu	Male 61-70	ROC	2023.05.31	3 years	2020.05.28	-	-	-	-	-	-	-	-	1. Ph.D., CSIE, Chiao-Tung University, 2. Associate Professor, National Sun Yat-sen University	Associate Professor, National Sun Yat-sen University	None.	None.	None.	-
Independent Director	Keng-Shin Lin	Male 51-60	ROC	2023.05.31	3 years	2023.05.31	-	-	-	-	-	-	-	-	1. College of Medicine, Taipei Medical University 2. Chief Physician, Kaohsiung Municipal Kai-Syuan Psychiatric Hospital	Dean of Dr. Lin's Healing Clinic	None.	None.	None.	-

Note1：Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the firstdegree of kinship, an explanation shall be given of the reason for, reasonableness, necessitythereof, and the measures adopted in response thereto(i.g. increase the positions of independent directors or there should be more than half of directors who are not employees or managers in the same time):

The reason why the company's chairperson and general manager is the same person is to improve operation efficiency and execution of decision making, however, in order to strengthen the independence of board of directors, we have been actively cultivating suitable personnel for this position. In addition, the chairperson works closely with each director on the communication of company operation status and policy to carry out thegovernance of the company. In the future, the company may plan to increase positions of independent directors to improve the competency of board of directorsand strengthen function of supervision. Currently we have actual measures as below:

1. Three of current independent directors haveexpertise in finanace and accounting, legal and industry economy relatively, which allows efficient supervision competency.
2. The company will arrange training courses from Securities and Future Insitute and other external facilities for each director toimprove the operation efficiency of board of directors.
3. Independent directors can fully involve discussion and provide suggestions for reference on each functional committee to carry out the governance of the company.
4. No more than half members of the board of directors are employees or managers.

Note2：The Company has established the Audit Committee to replace the Supervisors.

2.Major Shareholders of the Institutional Shareholder

April 01, 2024

Institutional Shareholder	Major Shareholders of the Institutional Shareholder
Chang chun Investment Co. Ltd.	Huei Hong Investment Co., Ltd. (48.00%)、RUEN HUA DYEING & WEAVING CO., LTD. (33.00%)、Ruentex Xing Co.,Ltd.(19.00%)

3. Major shareholders of the entities from Table 1 that are institutions

April 01, 2024

Institutional Shareholder	Major Shareholders of the Institutional Shareholder
Huei Hong Investment Co., Ltd.	RUEN HUA DYEING & WEAVING CO., LTD.(63.50%)、 Ruentex Xing Co.,Ltd.(19.93%)、 Yi Tai Investment Co.,Ltd.(16.54%)
RUEN HUA DYEING & WEAVING CO., LTD.	Ruentex Xing Co.,Ltd. (19.55%)、 Ren Ying Industrial Co., Ltd. (19.14%)、 Chang chun Investment Co. Ltd.(18.44%)、 Huei Hong Investment Co., Ltd.(17.96%)、 Samuel Yen-Liang Yin (13.70%)、 Yin Wong, Yee-Fan (6.55%)、 Yin Xun Ruo Education Foundation (4.40%)、 Lena Yin (0.26%)
Ruentex Xing Co.,Ltd.	Samuel Yen-Liang Yin (99.997%)、 Yin Wong, Yee-Fan (0.003%)

4. Director and Supervisor Expertise and Independence

Criteria / Name	Professional qualifications and experience	Independent status	Number of other public companies in which the Director also serves as an Independent Director
Chairman Chih-Hung Ouyang	Possesses five or more years of work experience required for the Company's business; the chairman and CEO of the Company;	(1)Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company. (2)Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company. (3)Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an “audit service” or a “non-audit service which total compensation within the recent two years exceeds NTD500,000”. (4)Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. (5)Not been a person of any conditions defined in Article 30 of the Company Law. (6)Not a governmental, juridical person or its representative as defined in Aticle 27 of the Companyt Law.	None

Criteria / Name	Professional qualifications and experience	Independent status	Number of other public companies in which the Director also serves as an Independent Director
Director Chang chun Investment Co. Ltd. Representative: Chih-Chuan Chen	Possesses five or more years of work experience required for the Company's business	(1)Not an employee of the company or any of its affiliates. (2)Not a director or supervisor of the company or any of its affiliates. (3)Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders. (4)Not a spouse, relative within second degree of kinship, or lineal relative within third degree of kinship of any of the persons in the preceding three paragraphs. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding 1 subparagraph, or of any of the abovepersons in the preceding subparagraphs 2 and 3. (5)Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company. (6)Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent). (7)Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company. (8)Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000". (9)Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. (10)Not been a person of any conditions defined in Article 30 of th Company Law.	None
Director Chin-Huo Huang	Possesses five or more years of work experience required for the Company's business	(1)Not an employee of the company or any of its affiliates. (2)Not a director or supervisor of the company or any of its affiliates. (3)Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders. (4)Not a spouse, relative within second degree of kinship, or lineal relative within third degree of kinship of any of the persons in the preceding three	None
Director LARGOU MORI CO., LTD Representative Cheng Shenhao	Possesses five or more years of work experience required for the Company's business		None
Independent director Lewis Lee	Possesses five or more years of work experience required for the Company's business accountant, who has passed a national examination and received a certificate therefor		3

Name \ Criteria	Professional qualifications and experience	Independent status	Number of other public companies in which the Director also serves as an Independent Director
Independent director Chih-Poung Liou	Possesses five or more years of work experience required for the Company's business attorney, who has passed a national examination and received a certificate therefor	paragraphs. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding 1 subparagraph, or of any of the abovepersons in the preceding subparagraphs 2 and 3. (5)Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law. (6)Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company. (7)Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent). (8)Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company. (9)Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NTD500,000". (10)Not having a marital relationship or a relative within the second degree of kinship to any other director of the company. (11)Not been a person of any conditions defined in Article 30 of the Company Law. (12)Not a governmental, juridical person or its representative as defined in Aticle 27 of the Companyt Law.	None
Independent director Jih-Ching Chiu	Possesses five or more years of work experience required for the Company's business Currently serving as a Associate Professor, National Sun Yat-sen University		None
Independent director Keng-Shin Lin	Possesses five or more years of work experience required for the Company's business Physicians, who has passed a national examination and received a certificate therefor		None

Note: According to the Rules Governing Review of Securities Listings as well as the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, the Company has obtained the statement of independence for each independent director and confirms that all of them meet the independence requirements stipulated by laws and regulations.

5. Diversity and independence of the Board of Directors

(1) Diversity of the Board of Directors

Based on the policy of diversification and strengthening of corporate governance in order to promote the sound development of the Company's board composition and structure, the nomination of candidates for directors of the Company shall be adopted the candidate nomination system in accordance with the provisions of the Company's Articles of Incorporation. Each candidate's academic qualifications, work experience, professional background, integrity or relevant professional qualifications, and others are evaluated and considered. After the Board of Directors passed the resolution, the proposed nominees will be submitted to the Shareholders Meeting for election. With regard to the board composition, it is advisable that the number of the directors who concurrently serve as the managers of the Company should not exceed one-third of the board seats. In addition, the Company has, based on its own operations, operational patterns and developmental needs, formulated appropriate diversification policies including but not limited to the following:

A.Basic conditions and value: gender, age, nationality and culture.

B.Professional knowledge and skills: operational judgment capability, accounting and financial analysis capability, business management capability, risk management capability, industry knowledge, international market outlook, leadership capability, and decision-making capability.

The current Board of Directors of the Company consists of eight directors. The specific management objectives of the board diversity policy and their achievement status are as follows:

Diversity management objectives	Achievement status
The number of independent directors exceeds one third of the board seats	Done
It is advisable that the number of the directors who concurrently serve as the managers of the Company should not exceed one-third of the board seats.	Done
The independent directors shall not hold office for more than 3 terms.	Done
Adequate and diverse professional knowledge and skills (At least one person with an accounting professional background.)	Done

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

Core of diversify / Name		Basic composition							Professional background					Professional knowledge and capabilities					
		Nationality	Gender	Employee	Age 51~60	Age 61~70	Age 71~80	seniority of independent directors (less than 3 years)	Accounting	Industry	Finance	Technology	Law	Operational judgment capability	Business management capability	Leadership and decision making capability	Risk Management capability	Industry knowledge	International Market outlook
Director	Chih-Hung Ouyang	ROC	Male	v	v					v		v		v	v	v	v	v	v
Director	Chang chun Investment Co. Ltd. Representative: Chih-Chuan Chen	ROC	Male			v			v	v	v	v		v	v	v	v	v	v
Director	Chin-Huo Huang	ROC	Male				v			v		v		v	v	v	v	v	v
Director	LARGOU MORI CO., LTD Representative CHENG SHENHAO	ROC	Male			v				v		v		v	v	v	v	v	v
Independent director	Lewis Lee	ROC	Male			v		v	v	v	v			v	v	v	v	v	v
Independent director	Chih-Poung Liou	ROC	Male			v		v					v	v	v	v	v	v	v

Core of diversify / Name		Basic composition							Professional background					Professional knowledge and capabilities					
		Nationality	Gender	Employee	Age			seniority of independent directors (less than 3 years)	Accounting	Industry	Finance	Technology	Law	Operational judgment capability	Business management capability	Leadership and decision making capability	Risk Management capability	Industry knowledge	International Market outlook
					51~60	61~70	71~80												
	Jih-Ching Chiu		Male			v		v		v		v		v	v	v	v	v	v
	Keng-Shin Lin		Male		v					v				v	v	v	v	v	v

(2) Independence of the Board of Directors: The Board of Directors of the Company consists of eight directors, of which four are independent directors (50% of all directors), as well as the independent directors arear more than half of the board seats. As of 2023.12.31, In addition, all of independent directors comply with the regulations of the Securities and Futures Bureau and none of the circumstances prescribed in paragraph 3 and paragraph 4, Article 26-3 of the Securities Exchange Act exist among the directors and independent directors. The Board of Directors of the Company is independent (Please refer to page 19-21 of this Annual Report -Disclosure of information on professional qualifications of directors and independence of independent directors). The Experience(Education), Gender and Work Experience(Please refer to page 15-17 of this Annual Report - Information of directors).

(2) Profile of President, Vice Presidents, Assistant Vice Presidents, and Department Directors

April 01, 2024; Unit: Shares; %

Title	Nationality	Name	Gender	Date appointed	Shares held		Shares held by spouse and children		Shares held in the name of others		Education/work experience	Other positions	Other officer, director or supervisor who is the spouse or a relative within second degree			Note
					Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relationship	
Chairman & CEO	ROC	Chih-Hung Ouyang	Male	2001.10	3,807,191	5.87%	101,187	0.16%	-	-	Electrical Engineering, National Sun Yat-sen University R&D Engineer, Acer Incorporated Project Manager, Ai West Co. Ltd. President, Micro Sova	President, Brogent Technologies Inc. Chairman, Fu Wu Investment Ltd. Chairman, Brogent Global Inc.	-	-	-	Note
Chief Financial Officer	ROC	Sui-Chuan Lin	Female	2013.01	214,781	0.33%	28,457	0.04%	-	-	Master Graduate from the Department of Finance, National Sun Yat-sen University Finance Office at Chienmei Construction Development Corp. Finance Department Manager at Brogent Technology	Supervisor, Brogent Global Inc.	-	-	-	-
Vice President	ROC	Teng-Hung Lai	Male	2010.11	27,856	0.04%	-	-	-	-	Masters in the Department of Computer Science and Engineering at National Chung-Hsing University Technical Chief Officer at Meihsing Technology President of Liang Chuan Co. Ltd.	None	-	-	-	-
Sr. Director	ROC	Szu-Cheng Chen	Male	2020.04	6,830	0.01%	-	-	-	-	CAPCO, manager of HR and PR Fu Jen Catholic University, Institute of Chemistry	None	-	-	-	-
Sr. Director	ROC	Chin-Wen Chuang	Male	2022.04	4,000	0.01%	-	-	-	-	The Doctorate Degree in Electrical Engineering from National Sun Yat-sen University. The Dean of Department of Electrical Engineering of I-SHOU University,the Acting Director of Product Center of Brogent Technologies Inc.	None	-	-	-	-
Sr. Director	ROC	Yanlun Peng	Male	2022.04	8,780	0.01%	15,000	0.02%	-	-	Institute of Information Technology, University of Melbourne, Australia. The General Manager's Special Assistant of Brogent Technologies Inc.,the Manager of Sales &	None	-	-	-	-

Title	Nationality	Name	Gender	Date appointed	Shares held		Shares held by spouse and children		Shares held in the name of others		Education/work experience	Other positions	Other officer, director or supervisor who is the spouse or a relative within second degree			Note
					Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage			Title	Name	Relationship	
											Marketing Dept. 2 and the Acting Director of Attraction Operation Center.					

Note:Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the firstdegree of kinship, an explanation shall be given of the reason for, reasonableness, necessitythereof, and the measures adopted in response thereto(i.g. increase the positions of independent directors or there should be more than half of directors who are not employees or managers in the same time):

Please refer to page 15-17 of this Annual Report - Directors and Supervisors

3. Remunerations to Directors, Supervisors, President, and Vice Presidents in recent years

(1) Remunerations to Directors (including Independent Directors)

Unit: NT$ 1,000

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		Base Compensation (A)		Severance Pay (B)		Bonus to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Profit Sharing- Employee Bonus (G)						
		brogent	All companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent		Companies in the consolidated financial statements		brogent	Companies in the consolidated financial statements	
																Cash bonus	Stock bonus	Cash bonus	Stock bonus			
Chairman & CEO	Chih-Hung Ouyang	-	-	-	-	-	-	48	48	48 (0.03)	48 (0.03)	3,047	3,047	-	-	-	-	-	-	3,095 (1.72)	3,095 (1.72)	None.
Director	Chang chun Investment Co. Ltd. Representative: Chih-Chuan Chen	-	-	-	-	-	-	42	42	42 (0.02)	42 (0.02)	-	-	-	-	-	-	-	-	42 (0.02)	42 (0.02)	None.
Director	Chin-Huo Huang	-	-	-	-	-	-	48	48	48 (0.03)	48 (0.03)	-	-	-	-	-	-	-	-	48 (0.03)	48 (0.03)	None.
Director	Largou mori Co. Ltd. Representative: Cheng Shen Hao	-	-	-	-	-	-	48	48	48 (0.03)	48 (0.03)	-	-	-	-	-	-	-	-	48 (0.03)	48 (0.03)	None.
Independent Director	Lewis Lee	744	744	-	-	-	-	192	192	936 (0.52)	936 (0.52)	-	-	-	-	-	-	-	-	936 (0.52)	936 (0.52)	None.
Independent Director	Chih-Poung Liou	744	744	-	-	-	-	228	228	972 (0.54)	972 (0.54)	-	-	-	-	-	-	-	-	972 (0.54)	972 (0.54)	None.
Independent Director	Jih-Ching Chiu	744	744	-	-	-	-	228	228	972 (0.54)	972 (0.54)	-	-	-	-	-	-	-	-	972 (0.54)	972 (0.54)	None.

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		Base Compensation (A)		Severance Pay (B)		Bonus to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Profit Sharing- Employee Bonus (G)						
		brogent	All companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent	Companies in the consolidated financial statements	brogent		Companies in the consolidated financial statements		brogent	Companies in the consolidated financial statements	
																Cash bonus	Stock bonus	Cash bonus	Stock bonus			
Independent Director	Keng-Shin Lin	434	434	-	-	-	-	130	130	564 (0.31)	564 (0.31)	-	-	-	-	-	-	-	-	564 (0.31)	564 (0.31)	None.

*Besides disclosing above-mentioned, the Company directors received remunerations from providing services to all companies in the financial report (such as being an non-employee advisor and so on)：None.

(2) Remunerations to President, and Vice Presidents

Unit: NT$1,000

Title	Name	Salary (A)		Pension (B)		Bonus and special allowance (C)		Employee bonus (D)				Ratio of total A, B, C, and D to after-tax income (%)		Remuneration received from parent company or Investees other than subsidiaries
		Brogent	All companies in consolidated statements	Brogent	All companies in consolidated statements	Brogent	All companies in consolidated statements	Brogent		All companies in consolidated statements		Brogent	All companies in consolidated statements	
								Cash bonus	Stock bonus	Cash bonus	Stock bonus			
Chairman & CEO	Chih-Hung Ouyang	2,534	2,534	-	-	513	513	-	-	-	-	3,047 (1.70)	3,047 (1.70)	None.
Vice President	Teng-Hung Lai	2,143	2,143	108	108	438	438	-	-	-	-	2,689 (1.50)	2,689 (1.50)	None.

(3) Managerial officers with the top five highest remuneration amounts

Unit: NT$1,000

Title	Name	Salary (A)		Pension (B)		Bonus and special allowance (C)		Employee bonus (D)				Ratio of total A, B, C, and D to after-tax income (%)		Remuneration received from parent company or Investees other than subsidiaries
		Brogent	All companies in consolidated statements	Brogent	All companies in consolidated statements	Brogent	All companies in consolidated statements	Brogent		All companies in consolidated statements		Brogent	All companies in consolidated statements	
								Cash bonus	Stock bonus	Cash bonus	Stock bonus			
Chairman & CEO	Chih-Hung Ouyang	2,534	2,534	-	-	513	513	-	-	-	-	3,047 (1.70)	3,047 (1.70)	None
Vice President	Teng-Hung Lai	2,143	2,143	108	108	438	438	-	-	-	-	2,689 (1.50)	2,689 (1.50)	None
Chief Financial Officer	Sui-Chuan Lin	2,096	2,096	108	108	424	424	-	-	-	-	2,628 (1.46)	2,628 (1.46)	None
Sr. Director	Chin-Wen Chuang	1,702	1,702	104	104	345	345	-	-	-	-	2,151 (1.20)	2,151 (1.20)	None
Sr. Director	Szu-Cheng Chen	1,688	1,688	102	102	342	342	-	-	-	-	2,132 (1.19)	2,132 (1.19)	None

(4) Manager name and distribution situation regarding employee bonus

Unit: NT$1,000

	Title	Name	Stock bonus	Cash bonus	Total	Total amount as a percentage of earnings (%)
Managerial officer	Chairman & CEO	Chih-Hung Ouyang	-	-	-	-
	Vice President	Teng-Hung Lai				
	Chief Financial Officer	Sui-Chuan Lin				
	Sr. Director	Szu-Cheng Chen				
	Sr. Director	Chin-Wen Chuang.				
	Sr. Director	Yan-lun Peng				

(5) Comparison of Remuneration for Directors, Supervisors, President and Vice Presidents in the Most Recent Two Fiscal Years

Unit: NT$1,000

Title	Brogent				All companies in consolidated statements			
	2022		2023		2022		2023	
	Total	Ratio of total remuneration to net income (%)	Total	Ratio of total remuneration to net income (%)	Total	Ratio of total remuneration to net income (%)	Total	Ratio of total remuneration to net income (%)
Remunerations to Directors	2,884	(4.75)	3,630	(2.02)	2,884	(4.75)	3,630	(2.02)
Remunerations to Supervisors	-	-	-	-	-	-	-	-
Remunerations to President, and Vice Presidents	6,109	(10.06)	5,736	(3.19)	6,109	(10.06)	5,736	(3.19)

In the fiscal year 2023, director remuneration increased compared to fiscal year 2022 due to the addition of an independent director. However, the total remuneration for the general manager and deputy general manager in fiscal year 2023 decreased compared to fiscal year 2022. This decrease is attributed to Deputy General Manager Jyh-Jong Hwang, whose title changed to Executive Assistant from April 1, 2022.

(6) The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance

A. Independent Director	Regardless of the company's profit or loss, the company can pay monthly remuneration, and the remuneration committee will adjust it according to the degree of participation in the company's operations and the value of its contribution, and submit it to the board of directors for approval.
B. Director	According to the articles of association of the company, no more than 2% of the annual profit will be used as the remuneration for the directors. However, if the company has accumulated losses, it should reserve the compensation amount in advance. Their individual remuneration is authorized to the board of directors according to their degree of participation in the company's operations and contribution value, and are negotiated in accordance with the usual standards in the industry.
C. Manager	The compensation committee of the company may determine the content and amount of the manager's salary based on the manager's degree of participation in the company's operations, the value of his contribution, and the achievement of performance goals, and participate in the industry's salary level.
D. Employee	Refer to the usual payment levels of relevant peers and listed companies to formulate reasonable salary measures to maintain the company's internal fairness and external competitiveness. In addition, according to the company's

	articles of association, if the company makes a profit in the year, it should allocate 5% to 15% as employee remuneration. However, if the company still has accumulated losses, it shall reserve the compensation amount in advance.

4. Implementation of corporate governance

(1)Operations of the Board of Directors

1. In 2023, a total of 7 meetings of the Board of Directors were held in the most recent year. The attendance was as follows:

Title	Name	Attendance in person	By proxy	Attendance rate (%)	Note
Chairman	Chih-Hung Ouyang	7	-	100.00	Reelected on 2023.05.31， Shall attend 7 tmies.
Director	Changchun Investment Co. Ltd. Representative: Chih-Chuan Chen	7	-	100.00	Reelected on 2023.05.31， Shall attend 7 tmies.
Director	Chin-Huo Huang	7	-	100.00	Reelected on 2023.05.31， Shall attend 7 tmies.
Director	LARGOU MORI CO., LTD. Representative: CHENG SHENHAO	7	-	100.00	Reelected on 2023.05.31， Shall attend 7 tmies.
Independent Director	Lewis Lee	6	1	85.71	Elected on,2023.05.31, Shall attend 7 tmies.
Independent Director	Chih-Poung Liou	7	-	100.00	Elected on,2023.05.31, Shall attend 7 tmies.
Independent Director	Jih-Ching Chiu	7	-	100.00	Elected on,2023.05.31, Shall attend 7 tmies.
Independent Director	Keng-Shin Lin	4	-	100.00	Elected on,2023.05.31, Shall attend 4 tmies.

Annotations:

1. 1.Matters listed in the Securities and Exchange Act §14-3: The Securities and Exchange Act §14-3 is not be applicable because the Company has established the Audit Committee. For relevant information, please refer to the "Audit Committee Meeting Status" in this Annual Report.
   2.There were no other written or otherwise recorded resolutions on which an independent director had an objection or reservation.
2. Regarding Directors who recuse themselves from discussion or voting on an agenda item in which they have an interest, their names, agenda items, reason for recusal, and voting on an agenda item shall be stated: Please refer to the Opinions from all the directors in the record of Board of Directors' Meetings:
   i). The 7th Board of Directors' meeting of the 18th Session on January 13, 2023
   1. Name of director: Chih-Hung Ouyang
   2. Content of the proposal: 2022 Year-End bonus Recommendations for Chairman and managers.
   3. Reasons for recusal and the participation in the voting：
   Director Chih-Hung Ouyang recused the meeting due t o conflict of interest and avoided the discussion and resolution. The proposal as proposed was unanimously approved by all attending directors.
   ii). The 8th Board of Directors' meeting of the 4th Session on December 11, 2023
   1. Name of director: Chih-Hung Ouyang
   2. Content of the proposal: reviewed the proposal of this company's "case of reinvestment company provide an endorsement guarantee "
   3. Reasons for recusal and the participation in the voting：
   The proposal as proposed was unanimously approved by all attending directors.
3. Director Chih-Hung Ouyang recused the meeting due to conflict of interest and avoided the discussion and resolution. The version of proposal was unanimously approved by all attending directors.
4. An evaluation of the goals set for strengthening the functions of the Board (e.g., setting up an auditing committee and enhancing information transparency) and implementation status during the current and

Title	Name	Attendance in person	By proxy	Attendance rate (%)	Note
immediately preceding fiscal years: (1) The operation of the Board of the Company complies with laws and regulations, the Articles of Incorporation, and the Exercise of Powers of the resolutions in shareholders' meetings. All Directors adhere to the principle of good faith and duty of care in addition to possessing the expertise, skills, and literacy required for exercising their powers, in order to maximize benefits for all of their shareholders. (2) To establish a favorable governing system for the Company's Board of Directors, a sound supervision function, and strengthened management mechanism, the Company formulated the Board of Director Meeting Agenda Regulations in accordance with Article 26-3 of the Securities and Exchange Act, including agenda items, execution of operations, matters that should be recorded in meeting minutes, announcements, and other matters that should be adhered to, and the aforementioned shall be handled in accordance with the formulated regulations. (3) In addition to regularly conducting self-examination of the operation of the Board of Directors and reinforcing the functions of the Board, the Company requires its internal auditors to produce auditing reports that describe the Board operations in order to conform with government regulations.					

2. Evaluation performance of Operations of the Board of Directors

Frequency of evaluation	Evaluation period	Scope of evaluation	Method of evaluation	Content of evaluation
Once a year	2023.01.01 ~ 2023.12.31	Board of Directors and individual board menber	Self-evaluation/ Remuneration committee	Including the situation of attending the board meeting, understanding and articipating in the discussion of the proposal before the meeting, the situation of interacting with the management team, the situation of observing laws and codes of practice, the improvement of corporate governance, the continuous study of courses related to corporate governance, the situation of understanding the company and the management team and the industry , Other projects designated by the competent authority or the board of directors, etc.

Note：The Company's Rules for Performance Evaluation of Board of Directors was approved by the board of directors on March 12, 2019, and it was stipulated that an internal board of directors' performance evaluation should be conducted at least once a year. The Remuneration Committee is the review unit for the board of directors' performance evaluation. The evaluation results were reviewed by the Remuneration Committee and reported to the Board of Directors for approval on January 23, 2024.

(2)1.Audit Committee Meeting Status

The Audit Committee has held 6 (A) meetings in the most recent year, the attendance of the independent directors is as follows:

Title	Name	Attendance in person	By proxy	Attendance rate (%)	Note
Independent director	Lewis Lee	5	1	83.33	Shall attended 6 times.
Independent director	Chih-Poung Liou	6	-	100.00	Shall attended 6 times.
Independent director	Jih-Ching Chiu	6	-	100.00	Shall attended 6 times.
Independent director	Keng-Shin Lin	4	-	100.00	Shall attended 4 times.

Other items to be recorded:

1.The operation of the Audit Committee shall state the board meeting's date, period, content of the proposal, resolution of Audit Committee and the company's opinion on resolution of Audit Committee if any of the following circumstances occurs.

(i). Matterslisted in Article 14-5 of the Securities and Exchange Act

<table>
<tr><th>Audit Committee</th><th>Content of motion</th><th>Article 14-5 of the Securities and Exchange Act of the ROC</th><th>Minutes of Audit Committee</th><th>Company reaction base on the opinion of Audit Committee</th><th>Independent directors' objections, reservations or major suggestions</th></tr>
<tr><td>In the 1st session of the 18th Audit Committee on Jan. 13, 2023</td><td>1. Approved the company formulated the general principles of the company's pre-approval non-confirmation service policy.
2. Approved the Evaluation Plan of the Independence of CPAs
3. Approved the appointment of Deloitte & Touche to handle the 2023&2024 annual financial and tax report audit (review), certify and the audit and non-audit fees.</td><td>V
V
V</td><td rowspan="3">All attendees Of Independent Directors have no objection</td><td rowspan="3">All attendees of Directors have no objection</td><td rowspan="3">None.</td></tr>
<tr><td>In the 1st session of the 19th Audit Committee on Mar. 15, 2023</td><td>1. The 2022 Statement on Internal Control.
2. The 2022 Business Report and Financial Statements.
3. The case of the company's uncollected accounts receivable within 3 months of the normal credit period in the fourth quarter of 2022 are not classified as capital loan cases.
4. The Chart of 2022 Deficit Compensation.
5. The Company's 2022 Capital Surplus Cash Dividend.</td><td>V
V
V
V
V</td></tr>
<tr><td>In the 1st session of the 20th Audit Committee n May. 10, 2023</td><td>1. The 2023 First Quarter Financial Report.
2. The case of the company's uncollected accounts receivable within 3 months of the normal credit period in the first quarter of 2023 are not classified as capital loan cases.
3. The revision of company's the "Regulations on Financial Business Transactions of Specific</td><td>V
V
V</td></tr>
</table>

Title	Name	Attendance in person	By proxy	Attendance rate (%)	Note

	Companies, Group Enterprises and Related Persons".				
In the 2ed session of the 1th Audit Committee on Jun. 27, 2023	1. The election of the convenor and meeting chairperson of the second audit committee. 2. The company apply for entry into Ciaotou Science Park.	V V			
In the 2ed session of the 2ed Audit Committee on Aug. 9, 2023	1. The 2023 Second Quarter Financial Report. 2. The case of the company's uncollected accounts receivable within 3 months of the normal credit period in the second quarter of 2023 are not classified as capital loan cases. 3. The evaluation case of the company's accounts receivable and related contract assets (liabilities) allowance losses. 4. The revision of the company's "self-assessment operating procedures". 5. The land leasing case of Ciaotou Science Park of our company.	V V V V V			
In the 2ed session of the 3rd Audit Committee on Nov. 7, 2023	1. The 2023 Third Quarter Financial Report. 2. The case of the company's uncollected accounts receivable within 3 months of the normal credit period in the third quarter of 2023 are not classified as capital loan cases. 3. The company's capital increase in Brogent Hong Kong Limited. 4. The company plans to handle the issuance of the fifth domestic secured convertible bonds. 5. The revision of the company's "internal audit system". 6. The company's amendment to the "Regulations for the Administration of Agents 7. The company's amendment to the "Pre-approval review methods for Pre-Approved Non-Assurance Service Policy".	V V V V V V V			
In the 2ed session of the 4th Audit Committee on Dec. 11, 2023	1. The 2024 Audit Plan. 2.The company's amendment to the "Pre-approval review methods for Pre-Approved Non-Assurance Service Policy".	V V			

(ii). Except the foregoing matters, other resolution not be approved by the audit committee but approved by more than two thirds of all directors: None.

2. For the Independent Director's recusal to the proposal with interest, the name of the independent director, the content of the proposal, the reasons for recusal and the participation in the voting shall be stated: None.
3. Communication between independent directors and internal audit supervisors and CPA (shall include important matters,methods and results of communication on the company's financial and business conditions)

<table>
<tr><th>Title</th><th>Name</th><th>Attendance in person</th><th>By proxy</th><th>Attendance rate (%)</th><th>Note</th></tr>
<tr><td colspan="6">(i). The audit supervisor submits an audit plan report to the independent directors in the month following the completion of the audit items. The independent directors have no objections.
(ii). The independent director has no objection to the audit report of the audit supervisor.
(iii). The audit supervisor will report the audit plan for the next y ear before the end of each fiscal year, and report it to the board of directors for resolution after being approved by the audit committee.
(iv). The Company has provided contact telephone numbers and email addresses between independent directors The Company has provided contact telephone numbers and email addresses between independent directors (members of th(members of the Audit Committee) and internal audit supervisors for direct contact and communication each other. e Audit Committee) and internal audit supervisors for direct contact and communication each other. The audit supervisors of the company shall sit in each audit report of the board of directors and consult the The audit supervisors of the company shall sit in each audit report of the board of directors and consult the independent directors (members of the audit comindependent directors (members of the audit committee).mittee).
(v). The company's annual internal control effectiveness assessment and internal control statement shall be submitted to The company's annual internal control effectiveness assessment and internal control statement shall be submitted to the Audit Committee for reviethe Audit Committee for review.
(vi).The annual financial report and semiThe annual financial report and semi--annual financial report of the company shall be submitted toannual financial report of the company shall be submitted to the board of the board of directors for resolution after approval by more than onedirectors for resolution after approval by more than one--half of all members of the audit committee. Prior to the half of all members of the audit committee. Prior to the review of the financial report, the Audit Committee will discuss and communicate with the CPA in advance about review of the financial report, the Audit Committee will discuss and communicate with the CPA in advance about the results of ththe results of the audit.e audit.</td></tr>
</table>

2. The Supervisor attendance was as follows

Not applied. The Company has established the Audit Committee to replace the Supervisors.

(3)Corporate governance implementation status and deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons

<table>
<tr><th rowspan="2">Assessed areas</th><th colspan="3">State of Operations</th><th rowspan="2">Non-implementation and Its Reason(s)</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>1. Does the company establish and disclose its corporate governance principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?</td><td>V</td><td></td><td>Handled in accordance with Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</td><td>No discrepancy.</td></tr>
<tr><td>2. Shareholding structure & shareholders' rights
(1) Does the company establish internal operating procedures for handling shareholder suggestions, questions, complaints or litigation and handled related matters accordingly?
(2) Does the company have a list of major shareholders that have actual control over the Company and a list of ultimate owners of those major shareholders?
(3) Does the company establish and implement risk management and firewall systems between the Company and its affiliates?
(4) Does the company establish internal rules against insiders trading with undisclosed information?</td><td>V</td><td></td><td>(1) The Company has stock affairs specialists and a stock affairs proxy agency to assist with handling such affairs.
(2) Yes, according to the shareholders' registry provided by the stock affairs proxy agency, and we regularly report changes to the stock rights of our Directors, Supervisors, and managerial officers.
(3) The Companyhas set up internal rules in the Company’s Internal Control System and Affiliated Corporations Management.
(4) The Company's operation is conducted according to the extent of internal control.</td><td>No discrepancy.</td></tr>
<tr><td>3. Composition and responsibilities of the Board of Directors
(1) Does the Board of Directors develop and implement a diversified policy for the composition of its members?
(2) Does the company voluntarily establish other functional committees in addition to remuneration committee and audit committee?</td><td>V</td><td></td><td>(1) The Company has set up 8 seats for Directors (including 4 seats for Independent Directors).
(2) The Company has established a Remuneration Committee and proposed recommendations regarding the remunerations to its Directors, Supervisors, and managerial officers.</td><td>No discrepancy.</td></tr>
</table>

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of performance to the Board of Directors, and use the results as reference for directors' remuneration and renewal? (4) Does the company regularly evaluate the independence of CPAs?			(3) The Company currently has no method for evaluating the performance of the Board of Directors. (4) The Company regularly evaluates the independence of CPAs. The Company's CPAs are hired by the Board of Directors at least once per year, and they have no interest relationship with the Company and are strictly independent .	
4. Does the Company appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors'compliance of law, handling matters related to board meetings and shareholders' meetings according to law, and recording minutes of board meetings and shareholders' meetings)?	V		We arrange specific officers in charge of corporate governance affairs	No discrepancy.
5. Does the company establish a communication channel and build a designated section on its website for stakeholders, and properly respond to corporate social responsibility issues of concern to the stakeholders?	V		The Company has a spokesperson and representative spokesperson who act as the communication channel for the Company.	No discrepancy.
6. Does the company designate a professional shareholder service agency to deal with shareholder affairs?	V		The Company commissions the stock affairs agency department of Taishin Securities Co., Ltd to handle shareholder affairs.	No discrepancy.

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
7. Information disclosure (1) Does the company establish a corporate website to disclose information regarding the company's financial, business and corporate governance status? (2) Does the company have other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle information collection and disclosure, creating a spokesperson system, webcasting investor conference on the company website)? (3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?	V		(1) Web address: www.brogent.com; the Company has designated personnel to collect and disclose Company information. (2) Spokesperson: President Chih-Hung Ouyang; investors can also access the Company's information regarding the company's financial, business and corporate governance status from the Market Observation Post System. (3) Handle within the prescribed time limit.	No discrepancy.
8. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, continuing education of Directors and Supervisors, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing	V		(1) Employee rights protection and employee care measures adopted by the Company: The Company provides equal employment opportunities, offers employee group insurance, arranges health check ups regularly, and establishes legal employee welfare committee to protect employee rights. Furthermore, we comply with law in enrolling every employee in labor and health insurance and disburse pension reserve funds to them. The Company establishes	No discrepancy.

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
insurance for Directors and Supervisors)?			appropriate channels for employees to file their complaint and values the importance of employee training. (2) The Company's relationship with its investors: The Company holds shareholder meetings according to law every year and adequately gives its shareholders the chance to raise questions and make proposals. In addition, we also have set up spokespersons and representative spokesperson in accordance with law and designate them to handle matters between the Company and its investors. Moreover, the Company announces and reports any information that should be disclosed as required by the competent authorities. Thus, information that potentially influences investor decisions is provided in real-time. (3) The Company maintains a smooth communication channel with its suppliers and stakeholders, including partner banks, other creditors, employees, and clients. (4) Continuing education of Directors and Supervisors: The members of the Company's Board of Directors possess professional backgrounds and practical experience in business management; they occasionally attend relevant educational courses. The continuing education status of the Board of Directors in 2022 and 2023 to the print date of the Prospectuses are displayed in the following table. (5) Implementation status of risk management policies and standard risk measures: The	

<table>
<tr><th rowspan="2">Assessed areas</th><th colspan="3">State of Operations</th><th rowspan="2">Non-implementation and Its Reason(s)</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>Company emphasizes the importance of risk management, complies with relevant laws and regulations in executing various policies, and establishes internal auditors who ensure that the execution of relevant policies conforms to regulations.
(6) Accountability insurance for Directors and Supervisors: The Company has purchased relevant accountability insurance for its Directors, Supervisors, and managerial officers.</td><td></td></tr>
<tr><td colspan="5">9.Please provide explanations for the improvement made according to the results of the corporate governance evaluation by the Corporate Governance Center of Taiwan Stock Exchange during the most recent year, and details on the priority issues and measures for the areas yet to be improved (not applicable to the companies not evaluated).

In 2023, the company’s corporate governance focus on improving the interests of shareholders. The company will continue to strengthen the structure and operation of the Board of Directors, reinforce the function of the Board of Directors and enhance the quality of disclosure for non-financial information to strengthen the corporate governance information.</td></tr>
<tr><td colspan="5">Note：The items in auditor’s qualifications and independence assessment form are as follows:：
1. As of the latest audit, there have been no circumstances where no replacement had happened for seven years.
2. There is no major conflict of financial interests with the client.
3. To avoid having any inappropriate relationship with the client.
4. The CPAs should ensure that their assistants are honest, fair, and independent.
5. The CPA cannot audit the financial statements for organizations they served for within two years before they took the job.
6. The CPAs’ name cannot be used by others.
7. The CPA does not hold any stocks of the Company or its affiliated enterprises.
8. The CPA does not loan money from the Company or its affiliated enterprises.
9. The CPA has no joint investment or profit-sharing relationship with the Company or its affiliated enterprises.
10. The CPA does not concurrently hold a regular position in the Company or its affiliated enterprises and receive fixed salary.
11. The CPA does not involve the managerial decision-making of the Company or its affiliated enterprises.
12. The CPA has not engaged in any other business that could compromise their independence.
13. The CPA is not the spouse or a relative within second degree in kinship with the management personnel of the Company.</td></tr>
</table>

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
14. The CPA has not received any commission related to the business. 15. As for now, there have been no incidents of the CPA disciplinary action or damage to the principle of independence. The Audit Committee and the Board of Directors of the Company approved that the CPAs meet the requirements of independent assessment, the " Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies " and AQIs on January 23, 2024.				

The Continuing Education Status of Directors and Supervisors in 2023 and 2024 to the date of this Annual Report				
Title	Name	Organizer	Course name	Hours
Chairman	Chih-Hung Ouyang	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours
			Integrity Management, Anti-corruption and Corporate Governance	3 hours
Director	Changchun Investment Co. Ltd. Representative: Chih-Chuang Chen	Accounting Research and Developmen	Corporate Governance and Securities Regulations	3 hours
		Taiwan Corporate Governance Association	Trends and Challenges in Information Security Governance	3 hours
Director	Chin-Huo Huang	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours
			Integrity Management, Anti-orruption and Corporate Governance	3 hours
Director	LARGOU MORI CO., LTD Representative CHENG SHENHAO	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours
			Integrity Management, Anti-orruption and Corporate Governance	3 hours
Independent Director	Lewis Lee	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours
			Integrity Management, Anti-orruption and Corporate Governance	3 hours
Independent Director	Chih-Poung Liou	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours
			Integrity Management, Anti-orruption and Corporate Governance	3 hours
Independent Director	Jih-Ching Chiu	Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours
			Integrity Management, Anti-orruption and Corporate Governance	3 hours
Independent Director	Keng-Shin Lin	Taiper Exchange	Insider Equity Publicity Briefing of the TPEx/ESB Listing Companies	3 hours
		Digital Govermance Association	ESG Development Trends and Digital Transformation Strategies	3 hours

The Continuing Education Status of Directors and Supervisors in 2023 and 2024 to the date of this Annual Report				
Title	Name	Organizer	Course name	Hours
		Taiwan Corporate Governance Association	Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours
			Legal Issues Relating to ESG for Consideration by the Board of Director	3 hours

(4) If the company has established a remuneration committee, it shall disclose the composition, duties, and operation of the committee

1. Members of the Compensation Committee

<table>
<tr><th>Identity</th><th>Conditions
Name</th><th>Professional qualifications and experience</th><th>Independent status</th><th>Number of other public companies in which the individual is concurrently serveing as the Remuneration Committee member</th></tr>
<tr><td>Convenor and independent director</td><td>Chih-Poung Liou</td><td rowspan="3">Please refer to 4. Disclosure of information on professional qualifications of directors and independence of independent directors on page 19-21 for the relevant content.</td><td rowspan="3">(1) Not an employee of the Company or any of its affiliates.
(2) Not a director or supervisor of the Company or any of its affiliates.
(3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.
(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Law.
(6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company.
(7) If the chairman, general manager, or person holding an equivalent position of the company and a person in</td><td>NONE</td></tr>
<tr><td>Independent Director</td><td>Lewis Lee</td><td>3</td></tr>
<tr><td>Independent Director</td><td>Jih-Ching Chiu</td><td>NONE</td></tr>
</table>

Identity	Conditions / Name	Professional qualifications and experience	Independent status	Number of other public companies in which the individual is concurrently serveing as the Remuneration Committee member
Independent Director	Keng-Shin Lin		any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof. (10)Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company. (11)Not been a person of any conditions defined in Article 30 of the Company Law. (12)Not a governmental, juridical person or its representative as defined in Aticle 27 of the Companyt Law.	NONE

2. State of operations of the compensation committee

(A) The Compensation Committee comprises 4 members.
Current term of office: June 27, 2023–May 30, 2026; a total of 4 (A) meetings of the Compensation Committee were held in the most recent year. The members' qualifications and attendance were as follows:

Title	Name	Attendance in person	By proxy Frequency	Attendance rate (%)	Note
Convenor-Independent Director,	Chih-Poung Liou	4	-	100.00	Shall attended 4 times.
Independent Director,	Lewis Lee	3	1	75.00	Shall attended 4 times.
Independent Director,	Jih-Ching Chiu	4	-	100.00	Shall attended 4 times.
Independent Director,	Keng-Shin Lin	2	-	100.00	Shall attended 2 times.

Other matters that require reporting:

1. If the Board of Directors did not adopt or revised the recommendations of the compensation committee, describe the date of the board meeting, term of the board, agenda item, resolutions adopted by the board, and actions taken by the company in response to the opinion of the compensation committee (if the remunerations approved by the Board of Directors are better than those recommended by the compensation committee, describe the difference and reasons): None.
2. If with respect to any resolution of the compensation committee, any member has a dissenting or qualified opinion that is on record or stated in a written statement, describe the date of committee meeting, term of the committee, agenda item, opinions of all members, and actions taken by the company in response to the opinion of members: None.

(5) 1、Sustainable Development Implementation Status as Required by the Taiwan Financial Supervisory Commission

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
1. Does the Company have a governance structure for sustainability development and a dedicated (or ad-hoc) sustainable development organization with Board of Directors authorization for senior management, which is reviewed by the Board of Directors?	V		The President Office was in charge of promoting CSR, and is still committed to the implementation of social responsibility.	No discrepancy.
2. Does the Company follow materiality principle to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy?	V		Brogent has formulated the "Sustainable Development Best Practice Principles". Regularly hold Employee Code of Conduct, Self-defense Firefighting Team Training, Information Security, Sexual Harassment Prevention and other social responsibility-related education training and advocacy.	No discrepancy.
3. Environmental issue (1) Does the company establish a proper environmental management system based on the characteristics of the industry? (2) Does the company endeavor to improve the efficiency of resource utilization and use recycled materials which have a low impact on the environment? (3) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics? (4) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage	V		(1) Yes the company has set up environmental management and discloses relevant information on its website. (2) The Company generally endeavor to increase the efficiency of resource utilization and use environmentally friendly materials as much as possible to reduce the impact on the environment. (3) For the potential risks and opportunities casued by climate change from now on, Brogent has especially isured to amortize the property damage. We are aggressively devoted ourselves to researching and developing the indoor amusement (training) facilities and hopefully	No discrepancy.

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
reduction and other waste management policies?			we can create commercial opportunities under the influence of extreme weather. (4) The company regularly monitors the air quality of the office environment, uses LED lighting and solar power generation devices, and installs energy-saving central air-conditioning control systems and full heat exchangers to effectively maintain air quality and energy-saving and carbon-reduction purposes, and exposes energy use on the company's website With an overview of greenhouse gas emissions.	
4. Social issue (1) Does the Company set policies and procedures in compliance with regulations and internationally recognized human rights principles? (2) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation? (3) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training? (4) Has the Company established effective career development training plans? (5) Does the Company's product and service comply with related regulations and international rules for customers' health and safety, privacy, sales, labelling and set polices to protect consumers' rights and consumer appeal procedures? (6) Does the Company set supplier management policy and request suppliers to comply with related	V		(1) The company follows international principles, respects internationally recognized basic human rights, including caring for vulnerable groups, prohibiting child labor, eliminating employment and employment discrimination, etc., and abides by labor-related laws and regulations where the company is located. (2) The Company adheres to the labor regulations in the Labor Standards Act to protect employees' legal rights. In addition, the Company disburses pension fund and labor welfare fund in accordance with law. Concurrently, the Company and its employees have also established employee welfare committee and hold employer–employee meetings to implement various welfare activities and coordinate employer–employee relationship, thereby promoting matters related to employer–employee cooperation. (3) The Company endeavors to provide a safe and	No discrepancy.

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
standards on the topics of environmental, occupational safety and health or labor right, and their implementation status?			healthy working environment and provide employees with regular safety and health training. (4) The company's training plan is based on supervisors / general employees, taking regular training / unscheduled training, and depending on the content of each department, in order to effectively train employees' related capabilities. (5) The company has a customer service department dedicated to handling consumer rights protection and appeals. Company products are designed and manufactured in accordance with standard regulations of various countries. These products have also been certified by the following: China: GB-8408 Amusement Device Safety Code(Amusement device satety Cood) Europe: EN-13814(Fairground and amusement park machinery and Structure-Safety) USA and Canada: ASTM-F2291 (Standard Practice for Design of Amusement and Devices) (6) YES, a list of supplier evaluation standards was added. The Company upholds the principle of ethical corporate management and collectively cooperate with the suppliers in development projects to facilitate coexistence and collective prosperity.	
5. Does the Company refer to international reporting rules or guidelines to publish Sustainability Report to disclose non-financial information of the Company? Has the said Report acquire third party	V		The company has prepared corporate sustainability report with reference to internationally-prepared reporting standards or guidelines and the Report was certified by the British Standards Institution	No discrepancy.

Assessed areas	State of Operations			Non-implementation and Its Reason(s)
	Yes	No	Summary	
verification or Statement of assurance?			in accordance with Type 1 assurance in AA1000AS v3.	
6.If the Company has established its sustainable development code of practice according to “Listed Companies Sustainable Development Code of Practice,” please describe the operational status and differences.: Not applicable.				
7. Other important information to facilitate better understanding of the Company’s implementation of sustainable development: The Company discloses relevant information regarding its corporate social responsibility on its website, annual report, the prospectuses, and sustainability report.				

2、Climate-Related Information of TWSE/TPEx Listed Company

(1) Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors as the highest governance body on climate change, which is responsible for guiding the Company's response and decision-making on climate change, determining the scope, specifications and approval levels of climate risk management, and is responsible for ensuring and supervising the effective implementation of the overall risk management system. Brogent's chairman serves as the chairperson of the senior management meeting, discusses and makes decisions related to the Company's climate change with senior managers of each department, and reports to the board of directors every year including climate change and other related implementation results, as well as through biweekly group communication meeting and participate in ESG courses from time to time to discuss potential climate risks and preventive measures to ensure the promotion and implementation of work related to corporate sustainable development.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Impacts of Climate Risk Medium-term: 1. Government regulations have increased relevant requirements, thereby increasing the operating costs of countermeasures. 2. If regulations stipulate administrative penalties for companies that fail to achieve carbon reduction targets, the company may face fines and increase operating costs when fails to

Item	Implementation status
	achieve the targets. Long-term: 1. Rising temperatures can easily cause equipment to overheat and shut down, which in turn affects relevant information services or service interruptions, resulting in increased operating costs. 2. As the temperature rises, it is necessary to strengthen the control of electricity consumption, such as affecting the frequency of air conditioning use, resulting in increased operating costs. Impacts of Climate Opportunity Short-term: 1. Develop low-carbon products and services through diversified innovative design, use renewable energy and materials to reduce energy costs. 2. Develop new products to attract clients, shorten contract transaction cycles, thereby increasing revenue. 3. Introduce entertainment systems into multiple fields to increase revenue through diversified development. 4. The services and products provided are combined with the theme of sustainability to create more diversified service content, thereby increasing revenue. Medium-term: 1. Reduce energy costs through renewable energy power generation and energy-efficient plans, and the Company can obtain profits from the sale of electricity and carbon credit to increase revenue.
3. Describe the financial impact of extreme weather events and transformative actions.	1. Regarding the financial impact of extreme weather and transition actions, details are as explained in item 2 above. 2. Brogent will continue to insure with particular average(WPA); each responsible units continue to pay attention to and track changes in relevant laws and regulations; Regularly keep abreast of raw material market every month, closely contact with suppliers to understand the price increase information, and adopt advance procurement or quantity pricing; strategies such as reusing exhibited items and optimizing assembly procedures, and reducing related consumable costs to reduce the impact of climate risk factors on Brogent's value. Furthermore, Brogent regularly conduct scenario analysis to refine climate risk appetite to monitor the financial impacts of extreme climate risks. 3. In order to properly manage the long-term average temperature rise, the risk of litigation

Item	Implementation status
	related to policies and regulations, and strengthen the supervision of risks related to existing products and services, Brogent will incorporate the risk of climate change into its operational decision-making, identify and manage risks, and we face the crisis of global warming and resource depletion at the same time, we will fully respond to the trend of energy-efficient and carbon reduction and carry out mitigation and adaptation actions.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Brogent's climate risk management process is mainly divided into four major steps, which are described as follows: Brogent conducts climate change discussions, information collection, and risk and opportunity assessments through the Climate Change Risks and Opportunities Research Conference, including: 1. Set climate change scenarios: Two climate change scenarios. 2. Assess the impact of operating environment: Assess the impact of climate change on the operating environment and stakeholders. 3. Identify climate risks and opportunities: Establish a risk and opportunity matrix to identify climate change risks and opportunities. 4. In order to monitor risk exposure and resilience, we discuss potential climate risks and preventive measures through biweekly group communication meeting and participate in ESG courses from time to time, and report climate change-related implementation results to the board of directors every year.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Climate change risk simulation is carried out in two scenarios: The SSP 5-8.5: warming to 6°C and SSP 1-2.6: warming to 2°C in the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report. In the future, we will conduct dynamic analysis and assessment based on the extent to which climate change affects the Company.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	1. Set the time needed to achieve short-term targets as less than three years, medium-term targets as between three and five years, long-term targets as more than five years on the basis of the existing internal target management schedule. Continuously identify and evaluate potential climate change risks and opportunities. 2. Continue to improve the company's system and conduct self-examinations to strengthen colleagues' awareness and management of climate change risks. 3. Please refer to 5.4 Environmental Protection in the 2023 Sustainability Report for management related to climate change.

Item	Implementation status
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Brogent has not used internal carbon pricing.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	In order to achieve the targets of reducing greenhouse gas emissions by 0.25% annually, Brogent continues to improve the company's systems and conduct: 1. Employ a centralized air conditioning control system and LED lights to effectively reduce power consumption year by year. 2. Prioritize battery electric vehicle or hybrid electric vehicle for company vehicles (including scooters) to reduce gasoline consumption. 3. Set up an electric scooter charging station to increase employees' willingness to switch to electric scooters and contribute to the reduction of local carbon emissions.
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	1. Brogent is a company with capital of less than NTD 5 billion, which have not yet been required to disclose greenhouse gas inventory and assurance information. Brogent's greenhouse gas inventory schedule will be planned to conduct verification in 2025 and implement assurance in 2027. 2. In order to achieve the target of reducing greenhouse gas emissions by 0.25% annually, Brogent continues to improve the Company's system and conduct self-examinations, implement energy-efficient actions, support renewable energy power generation, integrate sustainable product thinking into R&D and design and other carbon reduction actions, and strengthen colleagues' awareness and management of climate change risks, and with annual reference to version 6.0.4 of the Greenhouse Gas Emission Factor Management Table of the Environmental Protection Administration of the Executive Yuan and the electricity emission factor announced by the Bureau of Energy, Ministry of Economic Affairs in the previous year, it is estimated the scope 1 and 2 greenhouse gas emissions of the Kaohsiung headquarters and 100% owned manufacturing center (Taoyuan Plant) with full operational control and Taipei office to track management effectiveness.

(2) Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

- Greenhouse Gas Inventory Information：Preparing.
- Greenhouse Gas Assurance Information：Preparing.

(3) Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan：Preparing.

(6) Implementation of ethical corporate management and deviations from ethical corporate managemen Best-Practice Principles for TWSE/TPEx Listed Companies and reasons

Assessed areas	State of Operations			Causes for the Difference
	Yes	No	Summary	
1. Establishment of ethical corporate management policy and approaches (1) Does the company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team? (2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies? (3) Whether the company has established relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically reviews and revises such policies?	V		(1) The Company strictly adheres to the laws and regulations stipulated in the Company Act, Securities and Exchange Act, Business Entity Accounting Act, and other regulations for listed and OTC companies. The Company has formulated internal control systems according to regulations, established internal auditing office, and ensured the effective implementation of relevant operations, to realize the fundamental concepts of ethical corporate management. (2) The Company has formulated Ethical Corporate Management Principle according to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and promoted the importance of ethical code of conduct, educating each employee on the company's core value and compliance systems. The Company regularly offers training programs. (3) The Company requires its Directors, managerial officers, and employees to refrain from engaging in bribery or providing illegal political donations during a business activity. The Company stipulates that they may not directly or indirectly provide or receive unreasonable gifts, treatments, or other improper benefits to prevent employees from	No discrepancy.

Assessed areas	State of Operations			Causes for the Difference
	Yes	No	Summary	
			pursuing personal interests at the expense of the company's rights and interests.	
2. Implementation of ethical corporate management (1) Does the company evaluate the ethical records of parties it does business with and stipulate ethical conduct clauses in business contracts? (2) Whether the company has set up a unit which is dedicated to promoting the company's ethical standards and regularly (at least once a year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation? (3) Does the company establish policies to prevent conflicts of interest, provide appropriate channels for filing related complaints and implement the policies accordingly? (4) To implement relevant policies on ethical conducts, has the company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct, and have its ethical conduct program audited by internal auditors or CPA periodically? (5) Does the company hold internal and external educational trainings on operational integrity regularly?	V		(1) The Company's clients and suppliers are mostly well-known companies whose ethical management information is easily accessible. When signing a business contract, the contract also incorporates regulations regarding ethical management. (2) Sustainable Development Best Practice PrinciplesIn order to improve the management of integrity operation, Chairman's Office of this Company is responsible for the formulation of the integrity operation policy and prevention plan, and is supervised and implemented by the auditing unit and regularly reports to the Board of Directors. This time reported the situation of execution to the Board of Directors on Dec. 11, 2023. In 2023, the company held two sessions of Employee Behavior Education Training Course, which is a mandatory course for all employees. This training course covers topics including conflict of interest avoidance, antitrust prevention, insider trading prevention and workplace conduct. The courses lasted with 290 participants and 435 hours in total. Employees are required to pass a quiz after the course. (3) The Company has an Internal Material Information Processing Operating Procedure,	No discrepancy.

Assessed areas	State of Operations			Causes for the Difference
	Yes	No	Summary	
			specifying that Directors, managerial offices, and employees may not leak internal material information to others, inquire the company's internal material information from others, or collate unpublished internal material information of companies that are irrelevant to their job duties. They are also prohibited from leaking the company's unpublished internal material information to others. (4) To implement ethical management, the Company has established effective accounting system and internal control system, and has internal auditors regularly check the situation regarding compliance with the aforementioned systems. To implement ethical management, the Company has established effective accounting system and internal control system, and has internal auditors regularly check the situation regarding compliance with the aforementioned systems. (5) The Company promotes the concepts of ethical management in Director training and Employee behavior education training course managerial meetings.	
3. Operation of whistleblowing system (1) Does the company establish concrete whistleblowing and reward system and have a convenient reporting channel in place, and assign an appropriate person to communicate with the accused? (2) Whether the company has established standard	V		(1) Brogent has formulated the "Reporting Policy of Unlawful or Unethical Actions", if you find any violation of company policies or laws, you can notify Brogent through legal channels or the official website.	No discrepancy.

Assessed areas	State of Operations			Causes for the Difference
	Yes	No	Summary	
operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a confidential manner? (3) Does the company provide proper whistleblower protection?			(2) Yes. Brogent received the investigation processing procedures for reported incidents were also detailed on our Company's website. Set up a unified dedicated external e-mail mailbox (legal@brogent.com), reports of business conduct and complaints on the official website are sent and received through the dedicated mailbox. (3) Brogent maintain strict confidentiality with respect to the source of the report and investigate all information, as well as take special measures to protect whistleblowers, so as to reduce such incidents as corruption and malfeasance.	
4. Enhancing information disclosure Does the company disclose information regarding the company's ethical corporate management principles and implementation status on its website and the Market Observation Post System?	V		The Company has set up a website for disclosing corporate governance information.	No discrepancy.
5. If the company has established Ethical Corporate Management Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies", describe any discrepancy between the principles and their implementation: None.				
6. Other important information to facilitate a better understanding of the company's implementation of ethical corporate management: (e.g., inspect and revise existing ethical management principles) None				

(7) If the company has established corporate governance principles and related guidelines, disclose the means of accessing this information:

The company has formulated the "Corporate Governance Best Practice Principles" and related regulations, which have been disclosed on the company's website. In the future, relevant information will be disclosed on the company's website and public information observation station according to the actual operating conditions.

(8) Other significant information which may improve the understanding of corporate governance and operation: None.

(9) The following matters pertaining to the implementation status of internal control systems should be disclosed:

1. Statement on Internal Control: (Please refer to Appendix 1).
2. The Company engages an accountant to examine its internal control system, disclose the CPA examination report: None.

(10) Penalty against the company or its internal personnel, or any disciplinary penalty by the company against its internal personnel for violation of the internal control system, during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report, where the result of such penalty could have a material effect on shareholder equity or securities prices, the annual report shall disclose the penalty, the main shortcomings, and condition of improvement: None.

(11) Important resolutions adopted in shareholders meeting and Board of Directors' meeting in the past year and up to the date of report.

1. Shareholder's Meeting

Date	Key issues in summary	Outcome of resolution	Facts of implementation
2023.05.31 (Share holders' regular meeting)	Reporting Items (1) 2022 Business Report (2) 2022 Supervisor's Audit Report (3) The Proposal for 2022 Cash distribution of Capital Surplus. (4) The status of issuing corporate bonds is hereby submitted for review.	All items passed and executed as scheduled.	
	Passed Items (1) 2022 Business Report and Financial Statements	The balloting outcome including votes exercised through electronic voting: 43,406,288 pro votes , accounting for 96.83% of the aggregate total votes; 13,853 con votes, 0 invalid vote, abstention/ Non-voting votes: 1,405,071 votes. The present issue is duly resolved exactly as proposed.	Reports and statements distributed to shareholders according to relevant laws and regulations
	(2) 2022 Deficit Compensation Statement	The balloting outcome including votes exercised through electronic voting: 43,395,781 pro votes , accounting for 96.81% of the aggregate total votes; 22,348 con votes, 0 invalid vote, abstention/ Non-voting votes: 1,407,083 votes. The present issue is duly resolved exactly as proposed.	Reports and statements distributed to shareholders according to relevant laws and regulations

Date	Key issues in summary	Outcome of resolution	Facts of implementation
	Matters for Discussion and Votes (1) By-election of director	The list of elected Direct: Chih-Hung Ouyang, elected 56,403,675 votes. Chang chun Investment Co., Ltd. Representative Chih-Chuan Chen, elected 49,458,268 votes. Chin-Huo Huang, elected 47,987,319 votes. LARGOU MORI CO., LTD. Representative CHENG SHENHAO, elected 44,178,882 votes. The list of elected Independen Direct: Lewis Lee, elected 38,924,783 votes. Chih-Poung Liou, elected 37,098,865 votes. Jih-Ching Chiu, elected 36,588,936 votes. Keng-Shin Lin, elected 35,906,452 votes.	Executed as resolved, the company has announced on MOPS.
	(2) The proposal for lifting the ban on competition between newly elected Directors and their representatives.	The balloting outcome including votes exercised through electronic voting: 43,368,948 pro votes , accounting for 96.75% of the aggregate total votes; 29,626 con votes, 0 invalid vote, abstention/ Non-voting votes: 1,426,638votes. The present issue is duly resolved exactly as proposed.	The issue had been duly completed in enforcement exactly as amended.

2.Board of Directors' Meeting

Date	Proposal	Opinions from all the independent directors and the company's response to such opinions
2023.01.13	Approved the Year-End Bonus Disbursement and Manager Year-End Bonus.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the grade adjustment and salary proposal of the company's managers.	
	Approved the Attendance Fee for the Directors Attending the Board of Directors or Shareholders' meeting.	
	Approved the company's independent directors' the remuneration of directors, the attendance fee of the Audit Committee and the Remuneration Committee.	
	Approved the company formulated the general principles of the company's pre-approval non-confirmation service policy.	
	Approved the Evaluation Plan of the Independence of CPAs.	
	Approved the appointment of Deloitte & Touche to handle the 2023&2024 annual financial and tax report audit (review), certify and the audit and non-audit fees.	
	Approved the "third and fourth domestic unsecured	

Date	Proposal	Opinions from all the independent directors and the company's response to such opinions
	convertible bonds" by base date of capital increase for issuance of new shares from November 1st to December 31st,2022.	
	Approved the Financing Application Plan.	
	Approved the company's greenhouse gas inventory and verification schedule progress report.	
2023.03.15	Approved the 2022 Statement on Internal Control.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the 2022 Business Report and Financial Statements.	
	Approved the case of the company's uncollected accounts receivable within 3 months of the normal credit period in the fourth quarter of 2022 are not classified as capital loan cases.	
	Approved the Chart of 2022 Deficit Compensation.	
	Approved the Company's 2022 Capital Surplus Cash Dividend.	
	Approved the Proposal of Authorized amount of Loans by the Company to its Subsidiaries.	
	Approved the Liability Insurance Renewal Plan for the Directors and Managers.	
	Approved the company's comprehensive re-election of directors.	
	Approved the company's nomination of director candidates.	
	Approved the proposal for lifting the ban on competition between newly elected directors and their representatives.	
	Approved the salary adjustment proposal of the company's managers.	
	Approved the "third and fourth domestic unsecured convertible bonds" by base date of capital increase for issuance of new shares from January 1st to February 28th, 2023.	
	Approved the amendment of the company's "Approval Authority Form".	
	Approved the company's greenhouse gas inventory and verification schedule progress report and the group subsidiary's greenhouse gas inventory and verification schedule progress plan.	
	Approved the change in the amount of funds used of the "third and fourth domestic unsecured convertible bonds" issued by the company in 2020.	
	Approved the Proposed Calling of 2023 General Shareholders' Meeting.	
2023.05.10	Approved the 2023 First Quarter Financial Report.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the case of the company's uncollected accounts receivable within 3 months of the normal credit period in the first quarter of 2023 are not classified as capital loan cases.	
	Approved the revision of company's the "Regulations on Financial Business Transactions of Specific Companies, Group Enterprises and Related Persons".	
	Approved the company plans to apply for financing line from the financial institutions.	
	Approved the "third and fourth domestic unsecured conversion of corporate bonds" by base date of capital increase for issuance of new shares from March 1 to March 31,2023.	
	Approved the company's greenhouse gas inventory and verification schedule plan.	
2023.05.31	Approved the company's election of chairman .	Opinion from independent

Date	Proposal	Opinions from all the independent directors and the company's response to such opinions
		directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
2023.06.27	Approved the company apply for entry into Ciaotou Science Park.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the Amendment to "Remuneration Committee Organization Rules".	
	Approved the company appoints to the remuneration committee.	
2023.08.09	Approved the 2023 Second Quarter Financial Report.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the case of the company's uncollected accounts receivable within 3 months of the normal credit period in the second quarter of 2023 are not classified as capital loan cases.	
	Approved the evaluation case of the company's accounts receivable and related contract assets (liabilities) allowance losses.	
	Approved the revision of the company's "self-assessment operating procedures".	
	Approved the land leasing case of Ciaotou Science Park of our company.	
	Approved the company's independent director's the remuneration of directors, the attendance fee of the Audit Committee and the Remuneration Committee.	
	Approved the case of company's audit report sign-off.	
	Approved the "third and fourth domestic unsecured convertible bonds" by base date of capital increase for issuance of new shares from June to July,2023.	
	Approved the company plans to apply for financing line from the financial institutions.	
	Approved the company's greenhouse gas inventory and verification schedule progress report.	
2023.11.07	Approved the 2023 Third Quarter Financial Report.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the case of the company's uncollected accounts receivable within 3 months of the normal credit period in the third quarter of 2023 are not classified as capital loan cases.	
	Approved the company's capital increase in Brogent Hong Kong Limited.	
	Approved the company plans to handle the issuance of the fifth domestic secured convertible bonds.	
	Approved the revision of the company's "internal audit system".	
	Approved the company's amendment to the "Measures for the Administration of Agents of Managers".	
	Approved the company's amendment to the "Pre-approval review methods for Pre-Approved Non-Assurance Service Policy".	
	Approved the "third and fourth domestic unsecured convertible bonds" by base date of capital increase for issuance of new shares from August to October,2023.	
	Approved the company plans to apply for financing line from the financial institutions.	
	Approved the company's greenhouse gas inventory and verification schedule progress report.	
2023.12.11	Approved the 2024 Operating Budget Plan.	Opinion from independent
	Approved the 2024 Audit Plan.	

Date	Proposal	Opinions from all the independent directors and the company's response to such opinions
	Approved the company's amendment to the "Pre-approval review methods for Pre-Approved Non-Assurance Service Policy".	directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the Proposal of the Manager Remuneration Adjustment.	
	Approved the company sets up the chief information security officer.	
	Approved the company plans to apply for financing line from the financial institutions.	
2024.01.23	Approved the year-end bonus disbursement and manager year-end bonus.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the attendance fee for the directors attending the board of directors or shareholders' meeting.	
	Approved the evaluation plan of the independence of CPAs.	
	Approved the Company's third and fourth domestic unsecured convertible corporate bonds converted into third and fourth domestic secured convertible corporate bonds.	
	Approved the amendment of 2015 first issuance of employee stock warrants and stock subscription regulations.	
	Approved the Company's issuance of employee stock warrants.	
	Approved the "third and fourth domestic unsecured convertible corporate bonds" by base date of capital increase for issuance of new shares from November 1st to December 31st,2023.	
	The letter of support issued by the Company's 100% reinvestment company, Brogent Global Inc. to CTBC Bank for credit line is still valid.	
	Approved the Company's greenhouse gas inventory and verification schedule progress report.	
	Approved the financing application plan.	
	Approved the Company's the change of the third phase investment plan of Kaohsiung Software Park.	
2024.03.12	Approved the 2023 statement on internal control.	Opinion from independent directors: none The company's response to such opinions: none Resolution: unanimous consent from all the directors present
	Approved the 2023 business report and financial statements.	
	Approved the Company's uncollected accounts receivable within 3 months of the normal credit period in the fourth quarter of 2023 are not classified as capital loan cases.	
	Approved the 2023 deficit compensation proposal.	
	Approved the Company's 2023 cash distribution of additional paid-in capital.	
	Approved the proposal by the Company obtained equity investment.	
	Approved the Company's distribution list of issuance of employee stock warrants.	
	Approved the loan renewal proposal of capital loans limit set by the Company for subsidiaries.	
	Approved the liability insurance renewal plan for the directors and managers.	
	Approved the Company's greenhouse gas inventory and verification schedule progress report and the group subsidiary's greenhouse gas inventory and verification schedule progress plan.	
	Approved the Proposed Calling of 2024 General Shareholders' Meeting.	

(12)Dissenting or qualified opinion of Directors or Supervisors against animportant resolution passed by the Board of Directors that is on record or stated in a written statement in the past year and up to the date of report: None.

(13)Resignation and dismissal of managerial officers related to the financial report (including Chairman, President, Chief Accounting Officer, Chief Financial Officer, Chief Corporate Governance , Chief R&D Officer and Audit Manager) in the past year and up to the date of report: None.

5. Information on fees to CPA

(1) Audit Fee

Unit: NT$1,000

Name of accounting firm	CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee					Total
				System of Design	Company Registration	audit of tax returns	Others (Note)	Subtotal	
Deloitte & Touche Certified Public Accountants Taiwan	Chiu-Yen Wu Lee-Yuan Kuo	2023.01.01 ~ 2023.12.31	4,950	-	150	320	1,497	1,967	6,917

Note：Other Fee include cost operation optimization project 626、transfer pricing report 520 and others 351.

(2) If the company changes accounting firm and the amount of audit fee paid in the year of change is less than that in the year before: None.

(3) If the audit fee is more than 10% less than that paid in the previous year: None.

6. Changes to CPA information

None.

7. The Chairman, President, financial or accounting manager of the company who had worked for the certifying accounting firm or its affiliated enterprise in the past year

None.

8. Share transfer by Directors, Supervisors, managers and shareholders holding more than 10% interests and changes to share pledging by them in the past year and up to the date of report

(1) Changes to the share rights of Directors, Supervisors, managerial officers, and major shareholders

Title	Name	2023		Current year up to April 1	
		Increase (decrease) in shares held	Increase (decrease) in pledged shares	Increase (decrease) in shares held	Increase (decrease) in pledged shares
Chairman & CEO	Chih-Hung Ouyang	-	-	-	-
Director	Changchun Investment Co. Ltd.	-	-	-	-
Director Representative	Chih-Chuan Chen	-	-	-	-
Director	Chin-Huo Huang	-	-	-	-
Director	LARGOU MORI CO., LTD.	151,041	(1,700,000)	-	-

Title	Name	2023		Current year up to April 1	
		Increase (decrease) in shares held	Increase (decrease) in pledged shares	Increase (decrease) in shares held	Increase (decrease) in pledged shares
Director Representative	CHENG SHENHAO	-	(168,000)	-	-
Independent Director	Lewis Lee	-	-	-	-
Independent Director	Chih-Poung Liou	-	-	-	-
Independent Director	Jih-Ching Chiu	-	-	-	-
Independent Director	Keng-Shin Lin	-	-	-	-
Vice President	Teng-Hung Lai	-	-	-	-
Chief Financial Officer	Sui-Chuan Lin	-	-	-	-
Sr. Director	Szu-Cheng Chen	-	-	-	-
Sr. Director	Chin-Wen Chuang	-	-	-	-
Sr. Director	Yanlun Peng	-	-	-	-

(2) Information on relative person of share transfer as related party: None.

(3) Information on relative person of share pledging as related party:None.

9. Information on relationship between any of the top ten shareholders (related party, spouse, or kinship within the second degree)

April 1, 2024; Unit: Shares; %

Name	Shareholding		Shares held by spouse and children		Total shareholding by nominee arrangement		Titles, names and relationships between top 10 shareholders (related party, spouse, or kinship within the second degree).		Note
	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Name	Relationship	
Chih-Hung Ouyang	3,807,191	5.87%	101,187	0.16%	-	-	Fu Wu Investment Ltd.	Legal representative	-
Ruentex Industries Ltd. Representative: Yin Wong, Yee-Fan	3,230,310	4.98%	-	-	-	-	-	-	-
Profit Power Management Consulting Limited	3,062,400	4.72%	-	-	-	-	-	-	-
Ruentex Development Co. Ltd. Representative: Chang-Cheng Chien	2,809,060	4.33%	-	-	-	-	-	-	-
TU,SHUI-CHENG	2,672,000	4.12%	-	-	-	-	-	-	-
Fu Wu Investment Ltd. Representative: Chih-Hung Ouyang	2,463,000	3.80%	-	-	-	-	Chih-Hung Ouyang	Legal representative	-
Gear Capital Limited	2,261,000	3.49%	-	-	-	-	-	-	-
Changchun Investment Co. Ltd. Representative: Samuel Yen-Liang Yin	2,150,271	3.32%	-	-	-	-	-	-	-
LARGOU MORI Co., Ltd. Representative: Sen-Hao Cheng	1,875,929	2.89%	-	-	-	-	-	-	-
Shu-Huei Liang	1,585,059	2.44%	188,888	0.29%	-	-	-	-	-

10. The shareholding of the Company, Director, Supervisor, management and an enterprise that is directly or indirectly controlled by the Company in the invested company, and consolidate the shareholding percentage:

Unit: Shares; %

Investee Company	Investor Company		Director, Supervisor, Manger anddirector indirect investment		Total	
	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage
Brogent Global Inc.	36,214,332	100%	-	-	36,214,332	100%
Brogent Hong Kong Limited	-	100%	-	-	-	100%
Dili Jie Holdings Limited	-	100%	-	-	-	100%
Brogent Rides (Shanghai) Limited	-	-	-	100%	-	100%
Brogent Creative (Shanghai) Limited	-	-	-	100%	-	100%
Brogent Japan Entertainment Joint-Stock Corporation	-	-	700	35.90%	700	35.90%
Jetway Holdings Limited	-	-	-	100%	-	100%
Garlay Holdings Limited	-	-	-	100%	-	100%
hexaRide the first LLP (Note2)	-	-	-	93.98%	-	93.98%
Holey Holdings Limited	-	-	-	100%	-	100%
Jetmay Holdings Limited	-	-	-	100%	-	100%
Hai Wei Culture Creative and Development (Shanghai) Limited	-	-	-	100%	-	100%
Starlite Design & Planning Limited	-	-	-	100%	-	100%
Scroll Application Technology Co., LTD.	2,000,000	48.78%	-	-	2,000,000	48.78%

Note1：Investments accounted for using the equity method.

Note2：hexaRide the first LLP had been liquidated in December 2023.

IV. Placement Situation

1. Company capital and share capital

(1) Sources of capital property other than cash is paid by subscribers

1. Type of stock

April 1, 2024; Unit: Shares

Type of stock	Authorized capital			Note
	Shares issued and outstanding	Unissued shares	Total	
Ordinary shares	64,835,647	25,164,353	90,000,000	OTC shares

Note: Shares approved by Ministry of Economic Affairs.

2. Sources of capital

April 1, 2024; Unit: 1,000 shares; NT$1,000

Year/month	Issue price (NTD)	Authorized capital		Paid-in capital		Note		
		Shares	Amount	Shares	Amount	Sources of capital property other than cash is paid by subscribers	Subscriptions paid with property other than cash	Others
2001.10	10	5,000	50,000	1,500	15,000	Cash set up	None.	Approval by Kaoshifu Jianergongzi Letter No. 09007412400
2002.07	10	5,000	50,000	5,000	50,000	Capital increase of NT$35,000,000	None.	Approval by Kaoshifu Jianergongzi Letter No. 09109112601
2003.10	10	6,000	60,000	6,000	60,000	Capital increase of NT$10,000,000	None.	Approval by Kaoshifu Jianergongzi Letter No. 09205920530
2004.09	10	12,000	120,000	8,106	81,060	Capital increase of NT$21,060,000	None.	Approval by Kaoshifu Jianergongzi Letter No. 09300940610
2005.03	10	12,000	120,000	9,610	96,100	Capital increase of NT$15,040,000	None.	Approval by Kaoshifu Jianergongzi Letter No. 09400391490

Year/month	Issue price (NTD)	Authorized capital		Paid-in capital		Note		
		Shares	Amount	Shares	Amount	Sources of capital property other than cash is paid by subscribers	Subscriptions paid with property other than cash	Others
2005.05	10	12,896	128,960	12,896	128,960	Capital increase of NT$32,860,000	None.	Approval by Kaoshifu Jianergongzi Letter No. 09400469250
2006.08	10	20,000	200,000	17,442	174,420	Capital increase of NT$45,460,000	None.	Approval by Kaoshifu Jianergongzi Letter No. 09500652270
2010.03	10	20,000	200,000	19,612	196,120	Capital increase of NT$21,700,000	None.	Approval by Kaoshifu Jianergongzi Letter No. 09900452210
2011.06	10	30,000	300,000	21,356	213,560	Stock option conversion of NT$17,440,000	None.	Approval by Kaoshifu Siweijingshanggongzi Letter No. 10001224680
2011.09	10	30,000	300,000	22,626	226,260	Capital increase of NT$12,700,000	None.	Approval by Kaoshifu Siweijingshanggongzi Letter No. 10001356410
2012.10	10	30,000	300,000	25,455	254,550	Capital increase of NT$28,290,000	None.	Approval by Jingguangzhengfazi Letter No. 1010048593
2013.10	10	30,000	300,000	26,728	267,277	Dividends and bonuses of NT$12,727,500	None.	Approval by Jingjiasanshangzi Letter No. 10200112100
2014.02	10	30,000	300,000	27,470	274,700	First domestic conversion of convertible corporate bond of NT$1,274,400 Second domestic conversion of convertible corporate bond of NT$6,148,300	None.	Approval by Jingjiasanshangzi Letter No. 10300015650
2014.05	10	30,000	300,000	29,013	290,134	First domestic conversion of convertible corporate bond of NT$9,103,500 Second domestic conversion of convertible corporate bond of NT$6,660,500	None.	Approval by Jingjiasanshangzi Letter No. 10300054610
2014.07	10	50,000	500,000	30,889	308,887	First domestic conversion of convertible corporate bond of NT$10,350,100 Second domestic conversion of convertible corporate bond of NT$8,403,400	None.	Approval by Jingjiasanshangzi Letter No. 10300090820
2014.09	10	50,000	500,000	33,636	336,357	Capital reserve transfer increase NT$27,470,000	None.	Approval by Jingjiasanshangzi Letter No. 10300104170

Year/month	Issue price (NTD)	Authorized capital		Paid-in capital		Note		
		Shares	Amount	Shares	Amount	Sources of capital property other than cash is paid by subscribers	Subscriptions paid with property other than cash	Others
2014.10	10	50,000	500,000	33,680	336,799	First domestic conversion of convertible corporate bond of NT$442,100	None.	Approval by Jingjiasanshangzi Letter No. 10300137580
2015.01	10	50,000	500,000	39,680	396,799	Capital increase of NT$60,000,000	None.	Approval by Jingjiasanshangzi Letter No. 10400008080
2015.06	10	50,000	500,000	40,710	407,099	Capital increase of NT$10,300,000	None	Approval by Jingjiasanshangzi Letter No. 10400066620
2015.07	10	50,000	500,000	44,678	446,779	Stock dividends NT$39,680,000	None	Approval by Jingjiasanshangzi Letter No. 10400074690
2018.08	10	90,000	900,000	53,527	535,267	Stock dividends NT$88,487,000	None	Approval by Jingjiasanshangzi Letter No. 1070008434
2018.09	10	90,000	900,000	53,093	530,928	Retirement of treasury shares NT$4,340,000	None	Approval by Jingjiasanshangzi Letter No. 1070009969
2019.08	10	90,000	900,000	55,747	557,474	Capital reserve transfer increase NT$26,546,000	None	Approval by Jingjiasanshangzi Letter No. 1080008464
2021.05	10	90,000	900,000	56,832	568,318	Third domestic conversion of convertible corporate bond of NT$6,609,270 Fourth domestic conversion of convertible corporate bond of NT$4,234,600	None	Approval by Jingjiasanshangzi Letter No. 1100005595
2021.08	10	90,000	900,000	57,364	573,641	Third domestic conversion of convertible corporate bond of NT$1,942,730 Fourth domestic conversion of convertible corporate bond of NT$3,380,050	None	Approval by Jingjiasanshangzi Letter No. 1100008817
2022.02	10	90,000	900,000	60,964	609,644	Third domestic conversion of convertible corporate bond of NT$26,932,890 Fourth domestic conversion of convertible corporate bond of NT$9,069,940	None	Approval by Jingjiasanshangzi Letter No. 1110001275
2022/08	10	90,000	900,000	60,984	609,844	Third domestic conversion of	None	Approval by Jingjiasanshangzi Letter No.

Year/month	Issue price (NTD)	Authorized capital		Paid-in capital		Note		
		Shares	Amount	Shares	Amount	Sources of capital property other than cash is paid by subscribers	Subscriptions paid with property other than cash	Others
						convertible corporate bond of NT$200,000		1110008994
2022/11	10	90,000	900,000	61,443	614,431	Third domestic conversion of convertible corporate bond of NT$2,428,470 Fourth domestic conversion of convertible corporate bond of NT$2,159,460	None	Approval by Jingjiasanshangzi Letter No. 1110012690
2023/01	10	90,000	900,000	62,517	625,174	Third domestic conversion of convertible corporate bond of NT$7,428,390 Fourth domestic conversion of convertible corporate bond of NT$3,314,270	None	Approval by Jingjiasanshangzi Letter No. 1120001016
2023/03	10	90,000	900,000	64,077	640,771	Third domestic conversion of convertible corporate bond of NT$9,447,170 Fourth domestic conversion of convertible corporate bond of NT$6,149,690	None	Approval by Jingjiasanshangzi Letter No. 1120003116
2023/05	10	90,000	900,000	64,530	645,302	Third domestic conversion of convertible corporate bond of NT$2,371,310 Fourth domestic conversion of convertible corporate bond of NT$2,159,420	None	Approval by Jingjiasanshangzi Letter No. 1120005487
2023/08	10	90,000	900,000	64,706	647,063	Third domestic conversion of convertible corporate bond of NT$1,657,020 Fourth domestic conversion of convertible corporate bond of NT$104,010	None	Approval by Jingjiasanshangzi Letter No. 1120009352
2023/11	10	90,000	900,000	64,779	647,785	Third domestic conversion of convertible corporate bond of NT$57,790	None	Approval by Jingjiasanshangzi Letter No. 1120015055

Year/month	Issue price (NTD)	Authorized capital		Paid-in capital		Note		
		Shares	Amount	Shares	Amount	Sources of capital property other than cash is paid by subscribers	Subscriptions paid with property other than cash	Others
						Fourth domestic conversion of convertible corporate bond of NT$664,760		
2024/02	10	90,000	900,000	64,836	648,356	Third domestic conversion of convertible corporate bond of NT$96,320 Fourth domestic conversion of convertible corporate bond of NT$474,810	None	Approval by Jingjiasanshangzi Letter No. 1130002923

(2) Shareholder structure

April 1, 2024

Shareholder structure quantity	Government institution	Financial institutions	Other juristic persons	Individual investors	Foreign institutions and foreigners	Total
Number of Shareholders	-	8	198	21,758	57	22,021
No. of shares held	-	354,177	14,598,067	40,924,950	8,986,943	64,864,137
Shareholding percentage (%)	-	0.55%	22.51%	63.09%	13.85%	100.00%

(3) Dispersion of equity ownership

Ordinary shares

April 1, 2024

Shares	Number of shareholders	Shares held	Shareholding percentage (%)
1~ 999	17,496	288,687	0.45%
1,000~ 5,000	3,507	6,644,832	10.24%
5,001~ 10,000	465	3,614,624	5.57%
10,001~ 15,000	156	2,004,104	3.09%
15,001~ 20,000	105	1,897,650	2.93%
20,001~ 30,000	86	2,165,296	3.34%
30,001~ 40,000	45	1,541,794	2.38%
40,001~ 50,000	33	1,449,400	2.23%
50,001~ 100,000	65	4,630,345	7.14%
100,001~ 200,000	32	4,784,315	7.38%
200,001~ 400,000	11	2,779,452	4.29%
400,001~ 600,000	6	2,947,440	4.54%
600,001~ 800,000	1	720,000	1.11%
800,001~1,000,000	0	0	0.00%
>1,000,001	13	29,396,198	45.31%
Total	22,021	64,864,137	100.00%

(4) List of major shareholder (shareholders holding more than 5% of shares or top ten shareholders)

April 1, 2024

Shares / Name of major shareholder	No. of shares held	Shareholding percentage (%)
Chih-Hung Ouyang	3,807,191	5.87%
Ruentex Industries Ltd.	3,230,310	4.98%
Profit Power Management Consulting Limited	3,062,400	4.72%
Ruentex Development Co. Ltd.	2,809,060	4.33%
TU,SHUI-CHENG	2,672,000	4.12%
Fu Wu Investment Ltd.	2,463,000	3.80%
Gear Capital Limited	2,261,000	3.49%
Changchun Investment Co. Ltd.	2,150,271	3.32%
LARGOU MORI Co., Ltd.	1,875,929	2.89%
Shu-Huei Liang	1,585,059	2.44%

(5) Market Price, Net Worth, Earnings, and Dividends in the Past Two Years

Year / Item			2022	2023	Current year up to April 1, 2024
Market price per share	Maximum		133.00	148.50	133.50
	Minimum		99.60	108.00	108.50
	Average		115.17	123.00	116.40
Net Value per share	Befor distribution		51.09	48.57	Note2
	After distribution		49.59	Note1	Note2
Earnings per share	Weighted average shares(thousand shares)		61,133	64,328	Note2
	Earnings per share		(0.99)	(2.79)	Note2
	Retroactive adjustment for Earnings per share		(0.99)	(2.79)	Note2
Dividends per share	Cash dividend		1.453129	Note1	Note2
	Bonus shares	NA	Note1	Note1	Note2
		NA	Note1	Note1	Note2
	Accumulated unpaid dividend		NA	Note1	Note2
Return analysis	Price/earnings ratio		NA	NA	Note2
	Price/dividend ratio		NA	Note1	Note2
	Cash dividend yield		NA	Note1	Note2

Note1:The 2023 Deficit Compensation plan has not been resolved in the shareholders' meeting.

Note2:The year to date April 1, 2024 financial results has not yet been reviewed by CPA..

(6) Dividend policy and implementation status

1. Dividend policy

When allocating the net profits for each 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 as amended in May 2022, 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 Company is situated in a changing industrial environment, wherein the company life cycle is at a stable growth stage. Considering the Company's capital requirement for continuous expansion and business operations, as well as long-term financial planning to satisfy shareholders’ needs for cash flow, the Company's dividend policy was based on the residual dividend policy in the relevant laws and regulations of the Company Act. The future capital requirement is measured according to the future capital budget plan of the Company; then, set aside the capital required for earnings financing, and the remaining earnings shall be distributed by way of cash or stock dividend. Particularly, cash dividend may not exceed 10% of the total dividend.

2. Dividend distribution to be proposed to the shareholders’ meeting:

The Company's 2023 Deficit Compensation plan and 2023 Capital Surplus Cash Dividend NT$0.5. will be resolved or reported in the shareholders’ meeting to be held in May 2024.

(7) Effect of the proposed stock dividends (to be adopted by the Shareholders' Meeting) on the operating performance and earnings per share: N/A.

(8) Employee bonus and remuneration to Directors and Supervisors

1. Dividend Policy for terms stated in the Articles of Incorporation regarding employees' bonus and Directors' and Supervisors' remuneration:

The company suffered a loss in 2023, so the amount of remuneration for employees and directors has not been estimated.

2. Basis for estimating the amount of employee bonuses and remuneration to Directors/Supervisors, basis for calculating the number of shares to be distributed as stock bonuses, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount, for the current period: N/A.

3. Earnings distribution proposal has passed the Board of Directors but not the resolution of the shareholders' meeting:

(1)The company suffered losses in 2023 and therefore did not estimate the amount of compensation for employees and directors.

(2)The amount of employee compensation distributed in stocks and the amount as a percentage of net income stated in the parent company's financial reports or individual financial reports for the current period and total employee compensation: N/A.

4. Describe, where applicable, the reason and handling approach for the difference (including the number of shares, the monetary amount, and the face value of shares distributed) between the actual distribution of employee bonus and remunerations to Directors and Supervisors and the approved employee bonus and remunerations to Directors and Supervisors: N/A.

(9) Buyback of Treasury Stock:

1. Execution of buyback is completed

April 1, 2024

Treasury stocks: Batch Order	1st Batch
Purpose of buy-back	Transfer to employees
Timeframe of buy-back	2015.07.22 to 2015.09.01
Price range	NTD 170.00 to NTD 488.00
Class, quantity of shares bought back	1,000,000 Ordinary Shares
Value of shares bought-back (in NT$ thousands)	266,071,991
Number of Shares Bought Back as a Percentage of the Approved Number of Shares to be Bought Back (%)	100%
Shares sold/transferred	1,000,000 Ordinary Shares
Accumulated number of company shares held	-
Percentage of total company shares held (%)	-

2. Execution of buyback has not been completed：

Not applicable.

2. Corporate bond

(1) Issued exchanged corporate bond:

Type	Third domestic secured convertible bonds	Forth domestic secured convertible bonds	Fifth domestic secured convertible bonds
Issue date	2021.10.12	2021.10.15	2024.03.04
Par value	NTD$100,000	NTD$100,000	NTD$100,000
Issue and deal location	TPEX	TPEX	TPEX
Issue price	Issued by par value	Issued by par value	Issued by par value
Total value	NTD$700,000,000	NTD$500,000,000	NTD$800,000,000
Interest rate	0%	0%	0%
Expiration date	5 year Expiration date： 2025.10.12	4 year Expiration date： 2024.10.15	3 year Expiration date： 2027.03.04
Assurance institution	Shin Kong Bank Co., Ltd.	Shin Kong Bank Co., Ltd.	TAICHUNG COMMERCIAL BANK Co., Ltd.
Trustee	Taishin International Bank Co.,Ltd.	Taishin International Bank Co.,Ltd.	Yuanta Commercial Bank Co.,Ltd.
Underwriting institution	Taishin Securities Co., Ltd	Taishin Securities Co., Ltd	Taishin Securities Co., Ltd
Certificated laywer	Lawyer, Chiu Lifei	Lawyer, Chiu Lifei	Lawyer, Chiu Lifei
Certificated CPA	Deloitte Taiwan CPA, Chiu-Yen Wu / Lee-Yuan Kuo	Deloitte Taiwan CPA, Chiu-Yen Wu / Lee-Yuan Kuo	Deloitte Taiwan CPA, Chiu-Yen Wu / Lee-Yuan Kuo
Repayment	Except for the repayment by the company, sell of the	Except for the repayment by the company, sell of the	Except for the repayment by the company, sell of the

<table>
<tr><th colspan="2">Type</th><th>Third domestic secured convertible bonds</th><th>Forth domestic secured convertible bonds</th><th>Fifth domestic secured convertible bonds</th></tr>
<tr><td colspan="2"></td><td>bond holders or person who convert, when it comes to expiration, the company will repay per par value along with interest by cash.</td><td>bond holders or person who convert, when it comes to expiration, the company will repay per par value along with interest by cash.</td><td>bond holders or person who convert, when it comes to expiration, the company will repay per par value along with interest by cash</td></tr>
<tr><td colspan="2">Outstanding principal</td><td>NTD$78,900,000</td><td>NTD$159,400,000</td><td>NTD$800,000,000</td></tr>
<tr><td colspan="2">Redemption or prepayment clauses</td><td>Please refer to Article 18 and 19 of “Regulations for third domestic secured convertible bonds”</td><td>Please refer to Article 18 and 19 of “Regulations for forth domestic secured convertible bonds”</td><td>Please refer to Article 18 and 19 of “Regulations for fifth domestic secured convertible bonds”</td></tr>
<tr><td colspan="2">Limitation Clauses</td><td>Please refer of “Regulations for third domestic unsecured convertible bonds”</td><td>Please refer of “Regulations for forth domestic unsecured convertible bonds”</td><td>Please refer of “Regulations for fifth domestic secured convertible bonds”</td></tr>
<tr><td colspan="2">Name of credit evaluation institution, date and evaluation result of bonds</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td rowspan="2">Other rights</td><td>The number of ordinary shares, overseas depository receipts or other Marketable securities converted (exchange or subscription) as of the date of publication of the annual report</td><td>As of April 1, 2024, the amount of NTD$621,100,000. Of the convertible bond has been converted into 5,917,136 ordinary shares</td><td>As of April 1, 2024, the amount of NTD$340,600,000. Of the convertible bond has been converted into 3,199,591 ordinary shares</td><td>As of April 1, 2024, the amount of NTD$0. of the convertible bond has been converted into ordinary shares</td></tr>
<tr><td>Issuance and conversion(exchange or subscription) method</td><td>Please refer of “Regulations for third domestic secured convertible bonds”</td><td>Please refer of “Regulations for forth domestic secured convertible bonds”</td><td>Please refer of “Regulations for fifth domestic secured convertible bonds”</td></tr>
<tr><td colspan="2">Regulation for issuing, converting, exchanging or stock subscription, possibility of dilution of equity under the terms and conditions of issuance, and effect on shareholder equity.</td><td>No Significant impact</td><td>No Significant impact</td><td>No Significant impact</td></tr>
<tr><td colspan="2">Name of the entrusted custodian institution to exchange the subject</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
</table>

(2)Information of corporate bond conversion:

First domestic secured corporate bond and second domestic unsecured corporate bond have all been converted into ordinary share by the end of December 31, 2014

Convertible Corporate Bonds Information

Type		Third domestic unsecured convertible bonds		Forth domestic unsecured convertible bonds		Fith domestic unsecured convertible bonds	
Item \ Year		2023	As a date of Apr. 1,2024	2023	As a date of Apr. 1,2023	2023	As a date of Apr. 1,2023
Market price of the convertible Corporate bonds	Highest	140.00	129.00	138.00	128.00	-	128.00
	Lowest	110.00	110.70	107.60	109.50	-	121.00
	Average	129.94	123.99	124.01	121.85	-	124.90
Price of conversion		103.80		105.30		112.00	
Date of issued and issued price of convers ion		October 12, 2020 105.00		October 15, 2020 106.50		Mar 4,2024 112.00	
Way to execute obligation of conversion		Issue new share		Issue new share		Issue new share	

(3)Exchangeable Bond:

None.

(4)Shelf Registration in Taiwan:

None.

(5)Bond with Warrants

None.

3. Preferred Shares

(1) Preferred Shares:

None.

(2) Preferred Shares with Warrants:

None.

4. Issuance of American Depositary Shares

None.

5. Status of Employee Stock Option Plan

(1) Issuance of Employee Stock Options:

None.

(2) Employee Stock Options Granted to Management Team and to Top 10 Employees:

None.

6. Status of Employee Restricted Stock

(1) Status of Employee Restricted Stock:
None.

(2) Employee Restricted Stock Granted to Management Team and to Top 10 Employees:
None.

7. Status of New Share Issuance in Connection with Mergers and Acquisitions

None.

8. Implementation of capital allocation plan

Unit: NT$1,000

Plan	Implementation status			Ahead of schedule, behind in progress, reasons, and improvement plans
Bank loan	Expenditure	Expected	800,000	As of Dec.31,2022, the planned amount and progress of the company's planned repayment of borrowings were 800,000 thousand yuan and 100.00%, respectively, and the actual implementation amount and progress were 800,000 thousand yuan and 100.00%, respectively. The funds have been used in accordance with the schedule. Progress execution.
		Actual	800,000	
	Accumulated implementation progress	Expected	100.00%	
		Actual	100.00%	
R&D expenses	Expenditure	Expected	411,490	As of Mar. 31, 2023, it is estimated that The used funds are 411,490 thousand yuan, and the estimated implementation progress is 100%. Due to the coordination of research and development work, related expenditures have also been adjusted accordingly. The actual expenditure is 411,490 thousand yuan, and the implementation progress is 100.00%.
		Actual	411,490	
	Accumulated implementation progress	Expected	100.00%	
		Actual	100.00%	

Unit: NT$1,000

Plan	Implementation status			Ahead of schedule, behind in progress, reasons, and improvement plans
Bank loan	Expenditure	Expected	800,000	As of Mar.31,2024, the planned amount And progress of the company's planned Repayment of borrowings were 800,000 thousand yuan and 100.00%, respectively, and the actual implementation amount and progress were 800,000 thousand yuan and 100.00%, respectively. The funds have been used in accordance with the schedule. Progress execution.
		Actual	800,000	
	Accumulated implementation progress	Expected	100.00%	
		Actual	100.00%	

Plan	Implementation status			Ahead of schedule, behind in progress, reasons, and improvement plans
working capital	Expenditure	Expected	0	The planned amount of this plan to enrich working capital is 118,632 thousand yuan, which is expected to be completed in the second quarter of 2024. As of the first quarter of 2024, the actual amount spent is 22,784 thousand yuan, and the implementation progress is 19.21%. The remaining 95,848 thousand yuan has not yet been completed. The expenditure will be implemented as planned in the second quarter of 2024
		Actual	22,784	
	Accumulated implementation progress	Expected	0%	
		Actual	19.21%	

Note：The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

V. Business Overview

1. Business Activities

(1) Business Scope

i. Company's primary business activity

Information software retailer	Electronic material retailer	Computer installation
Information software wholesaler	Electronic material wholesaler	Information software service
Information processing service	Electronic information supply service	Arts service
General advertising service	Sound publishing	Arts performance activity
Automated control equipment engineering	Machinery installation	Wholesale of cultural education, musical instrument, and educational entertainment necessities
Machinery wholesaler	Computer and business machinery wholesaler	Retailer of cultural education, musical instrument, and educational entertainment necessities
Electronic retailer	Computer and business machinery retailer	International trade
Intellectual property	Product design	Landscape and interior design
Machinery retailer	Other machinery retailer	Except for approved business activities, may engage in activities that are not prohibited or restricted by law

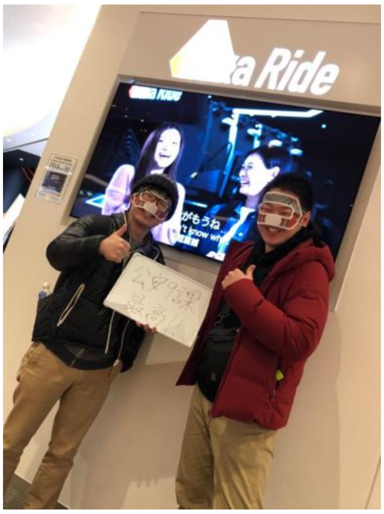
ii. Company's primary products and their operating weight

Unit: NT$1,000

Product Category	2022		2023	
	Net revenue	Operating weight(%)	Net revenue	Operating weight(%)
Construction contract revenue	655,326	81.53	696,738	80.76
Licensing revenue	39,916	4.97	7,558	0.87
Service revenue	51,198	6.37	88,417	10.25
Sales of tickets and merchandise	42,763	5.32	57,590	6.68
rental income	14,563	1.81	12,400	1.44
Net revenue	803,766	100.00	862,703	100.00

iii. The Company's products

Since the opening of Brogent’s very first flying theater in 2010, the Company has gradually placed its business focus on the media-based attraction (MBA) industry, meaning that we combined our previously developed 3D real-time imaging and audiovisual multimedia technologies with the Stewart six-axis motion platform and other dynamic simulation techniques. Subsequently, the Company successfully completed the FlyOver Canada project in Vancouver, becoming the leader of the flyingtheater industry. This path has led to installations worldwide on four continents. The Company's operating model has extended from selling hardware to digital content development in recent years.



Since October 2013, we cooperate with Japan's Kodansha in integrating Kodansha's comic characters into our simulator ride products. Since then the library of IP driven content steadily grew. IP’s like “Attack on Titan” and “Ghost in the Shell” are very popular not only in Asia but also in the US and the Middle East and more movies are in production to hit the licensing market in 2024.

Apart from the IP based content market Brogent also has announced the release of an Africa panoramic flying movie that is also scheduled for release in 2024. High resolution content no matter if IP or panoramic will drive the transition from traditional projection driven flying theaters to LED based technology. The LED evolution will hit the location based attractions on short term and will bring big change and quality gains to the media based attraction market over the next five year. Brogent is well positioned to be one of the major players in this field.

Apart from that Brogent has entered a supplier relationship with Legoland parks around the world. The very first m-Ride type flying theater ride opened in March 2019 in Legoland Florida. Further installations in Legoland Billund in Denmark and Legoland California had been scheduled for 2020, but have been postponed to spring 2021. All those installations and one more in Legoland Windsor, UK are now open and are very well received by the public. The succesfull introduction of m-Ride flying theater opened a new market segment for this popular attraction. It will help significantly to add to the global installed base of flying theaters.

The m-Ride concept also makes it possible to bring the flying theater experience to locations with limited space: In December 2021 a standalone m-Ride flying theater and museum concept called "RiseNY" opened at Time Square New York. The next m-Ride is ready to open in Hongkong and there are more under installation and design for openings in 2024 and beyond.

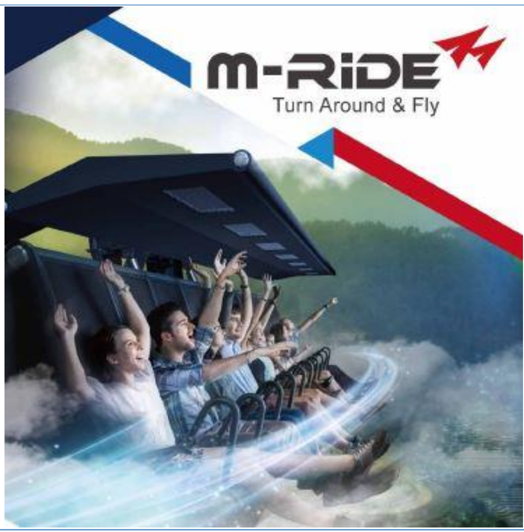
Picture: RiseNY museum and flying theater attraction in New York City, USA

To further diversify the flying theater market and providing solutions for every taste and market segment, Brogent has launched one more ride system: the o-Ride. The first installation is scheduled to open in China in 2024 and more o-Rides are already on their way to locations around the world.

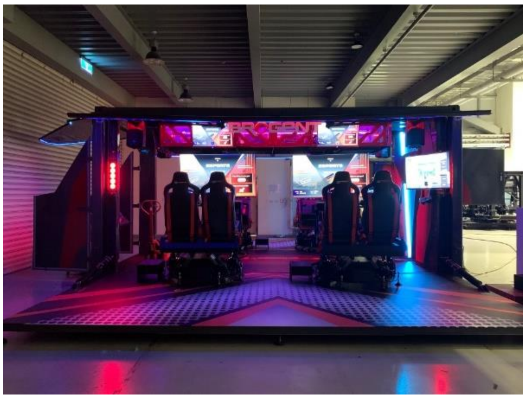
The company has successfully opened a new market by signing a contract with Hockenheimring Race circuit in Germany to bring the miRide racing simulator in the world of motor sports. This means a breakthrough for this new kind of realtime interactive game based product and is only the first step for this technology to enter not only the entertainment market of theme and amusement parks but also more sports related or educational market places like racing facilities and museums. In 2023 Brogent RacingSims have also been supplied to Quatar.

The flying theater from Brogent has officially passed the certification of UL in the United States and TUV in Europe. Brogent is also the only large-scale motion equipment supplier in Asia to pass European and American certifications. More importantly, Brogent has won the top theme park awards in Europe for four consecutive years, once again proving that products from Brogent, manufactured in Taiwan, can meet the safety requirements of top European and American markets, which will also contribute to the promotion of Brogent's products in the global market.

An introduction to our products :

Product name	Description	Images
i-Ride	The i-Ride, featuring a suspended seat platform, is the only dynamic flyingtheater on the market built on a six degrees of freedom (6DOF) motion platform. It not only delivers super realism and fantastic entertainment effects, but is also the most representative device among all extant indoor gaming devices. Riders' feet hang freely, to deliver the true sensation of flying through the air. The sweeping bird's eye perspective delivers unobstructed realism with no blind spots. Wind, sound, light, water, and aromas heighten the sensation of conquering the air.	
m-Ride	m-Ride is Brogent's new compact flying theater and the first flying theater system that offers a 180 degree turn of the seats with a spectacular reveal.	
o-Ride	o-Ride is the latest member of Brogent's flying theater family, also the most economical flying theater, which can rotate 180 degrees with 2 DOF for performances. Never before offered such a compact flying theater a such agile and smooth motion integration .With Brogent's somatosensory simulation technology, the two-axis hardware platform simulates a flying theater with more than three axes. Especially the newly designed Double Bench o-Ride can improve operational capacity and efficiency.	

Product name	Description	Images
d-Ride	1) Unlimited story topics Themes are diverse and highly variable. 2) Trackless or track bound and noiseless design for self-driving cars 3) Flexible plan scenes according to actual needs onsite 4) Combined with interactive game design, with touch, shoot, and hand gesture control operating methods	
v-Ride 360	1) The 360° massive cylinder screen delivers heightened realism and an unobstructed panoramic view with no blind spots 2) Passengers can walk safely and freely, selecting their favorite perspective 3) Suitable for various themes; with special 4D effects, users can immerse into the video content	
v-Ride basic	The modern version of the classic 4D cinema. The electrical motion base together with a wide range of special effects delivers a great experience. 1) High G-Force: Uses large-scale motion platform that creates effects that simulate high g-forces 2) 16:9 screen suitable for a diversity of video topics; with special 4D effects, a realistic experience is created	

Product name	Description	Images
t-Ride	The most advanced immersive tunnel experience in the market with a vehicle that can move with six degrees of freedom. 1) Two-sided curved screen design, increasing visual sense of realism and excitement 2) Vehicle can be changed depending on the theme, such as traveling on the same car, and with special 4D effects, it's as if you're there in person	
GestureMagic	The multi-participatory interactivity experience products: Gesture based 3D experience that let's guests fight virtual monsters and scenes. Walk-through experience New generation 4D effect experience Muti-interactive immersive Personalized magic-course Real-time muti-person game	
zombie cage/ zombie chariot	Interactive shotting game simulator (VR Base) real-time motion simulation VR shooting experience Four-player online gameplay Chariot-themed appearance	
Esports Mobility Container	The latest metaverse (disambiguation) product of Brogent. Lightning Wings is a full-body motion virtual reality gaming system, six-degree of freedom motion base; coupled with specially-designed VR helmets and pilot consoles. Once the game starts, players in their virtual cockpits heave feel every maneuver in the combat. All players commented the experience is “so real” and “beyond their imagination”.	

Product name	Description	Images
miRide	This product introduced as a concept IAAPA Expo 2019 has now officially been launched as miRide. The first project has been delivered to Vietnam theme park in 2021. In 2022 won the contract with Hockenheim Ring racing center in Germany. Players can enter well-known professional racing circuits around the world and enjoy the thrill of galloping on the realistic track.	
VR Airship Ride	This product introduced at IAAPA Expo 2021.Board the VR airship and fly around the world. Rider can enjoy stunning views of the most famouse landmarks. The maximum capacity of this compact VR experience to 16 riders. One of the metaverse rides with immersive 4D effects.	

iv. Future Products and Services

The company is active in multiple product segments and introduce new technology like LED screens to upgrade older products and will further extend those efforts: New software will be integrated to offer a variety of experiences across all product lines.

The company will further built on their experience in design and manufacturing of large simulation systems and will offer customized solutions in the future that are built to fit operators' creative concepts. To achieve this all system components and media content will be even tighter integrated.

The custom designed simulator platform for the "Bermuda Adventure" Attraction at Chimelong Spaceship in China, that opened in 2023 is the first fully custom designed project following client's creative vision delivered by Brogent.

The content licensing business for existing rides keeps also been growing steadily. Two new movies are in production that will be added to the licensing library in 2024.

Maintenance and Repair takes a bigger and bigger role in the overall portfolio and has reached record revenue in 2023.

(2) Industry overview

i. Industry's current trends and future outlook

The location based entertainment industry returned to normal on a global level in 2023.

This year the industry was still profiting from a pent-up demand on both operator and park visitor levels.

Parks and industry players restarted investment plans that had been put on hold over the pandemic. Sooner or later that new activity will reach the supply chain for new attractions in the industry.

ii. Relationship between up-, mid-, and down-stream suppliers in the industry's supply chain

Upstream industry	Midstream industry	Downstream industry
Hardware: 1.Precision machining industry and metal manufacturing industry 2. Power and electronic parts and components 3. Spherical or curved screen and multimedia equipment **Software:** 1.Wireless embedded control system 2.Screen playback control system 3.Digital vedio or audio content	Integrated hardware and software technologies	Global theme parks Exhibition Shopping mall Tourist attractions Urban experience center

The upstream industries associated with the simulator ride equipment comprise the hardware section, including precision machining and metal manufacturing industry and manufacturers of spherical screens , power and electronic parts and spherical or curved screen and multimedia equipmen, and the software section, including wireless embedded control system, screen playback control systems, and digital vedio or audio contents. The Company designs and integrates various software and hardware technologies according to customer needs, and then sells the products to downstream industries such as theme parks, museums, shopping mall, and urban experience centers.

iii. Product development trends

Previous amusement parks had been mainly equipped with mechanical and simple electronic facilities such as the Ferris wheel, bumper cars, carousels, and roller coasters. Generally, in bad weather, these theme parks must cease their operation, substantially impacting business operations. By comparison, multimedia simulator ride facilities can be installed indoors free from environmental influences; thus, the usage rate of theme park equipment can be enhanced, increasing the economic benefits of theme parks. Europa-Park in Germany celebrated the opening of Brogent i-Ride “Voletarium” attraction in June 2017, which welcomed an estimated 16 million riders until end of the 2023 season. And received again the European Star Award for best dark ride in 2023 even after 6 years of operation and after having been called best new ride in 2017. The m-Ride offering has allowed the Legoland parks to introduce a kind of attraction that was previously out of reach for those more regionally oriented parks. Four Legoland parks offer the flying experience with different movies on display.

Moreover, simulator ride facilities have become the options for updating theme parks in European and American countries and for planning and constructing theme parks in emerging countries. 2023 saw the opening of Brogent new rides in China and contracts for new rides around the world. Strong attendance in the location based entertainment industry in 2023 will further fuel investiments in both emerging and established marketsin 2024. In recent years, under the influence of mature digital video technologies and Hollywood films, traditional mechanical amusement facilities are no longer the first choice for attracting new-generation tourists. To satisfy tourists' entertainment needs and novelty, new amusement parks have successively incorporated digital video technologies with electromechanical equipment. Thus, tourists can not only enjoy the excitement of conventional outdoor facilities, but also experience indoor facilities with excellent sound and lighting effects without being influenced by weather conditions. Furthermore, the Company's simulator rides that stimulate both sensory experiences and thrilling sensations, which are in line with the current trend of experience economy.

The arrival of LED technology in the out-of-home entertainment industry makrs a new technology leap forward for giant screen resolution, brightness and contrast, this technology will raise the experience quality of media based attractions to a new level.

iv. Product competition

Media based simulator attractions deliver an immersive experience that fulfills guests needs of all senses, that’s why they are generally accepted by a brider target audience than roller coasters, free fall towers, swinging ships etc. Because the traditional mechanical rides are comparably simple in their experience quality and often have physical limits for riders, setup costs are high and the climate is a big impact factor.

Traditional cinemas on the other side are not exciting enough to catch the full attention of younger crowds. Media based simulator attractions like the flying theater are situated in the midle between those offerings: Like in a cinema content can be switched easily, while still offering the physical excitement of a mechanical ride in a weatherproof environment. This approach makes Brogent products succesfull and the installed base of attractions worldwide is growing every year. The market share in the flying theater market is an est. 90% in the premium segment. Brogent is not simply offering the product, we are providing attraction design, IP licensing, content production. Operation consultiong and can provide one stop shopping for this kind of complex attraction even including the building with our new turnkey flying theater solution launched in 2023, if the clients need help.

With the “miRide” platform the Company already goes one step further and enters the game based attraction segment (GBA), the latest product genre in the location based entertainment industry.

(3) Overview of Technology and R&D

i. R&D investments in recent years to the date of the annual report

Unit: NT$1,000

Year	2022	2023	2024Q1
R&D expenses	189,445	106,891	Note

Note:The year to date April 1. 2024 financial results has not yet been reviewed by a CPA.

ii. Successfully developed technologies and products in recent years

Year	R&D Accomplishments
2011	Novel modularized suspension spherical theater based on a vertical six-axis actuating platform Ski simulator Tablet 3D man-machine interface (Android 3.2) 9s series software downloading tool (Android platform) Commercial electronic games－The Legend of a Golden City
2012	Novel special drive method Web-shaped seat design mold Seat cover design and production Actuator cantilever turning gate Suspension two-axis actuator platform stress analysis Smart TV man-machine interface (Android 2.3)

Year	R&D Accomplishments
	Tablet 3D man-machine interface (Android 4.0) 9s series software downloading tool (iOS platform)
2013	Smart TV software Electrical gas six-axis platform design Suspension two-axis actuator platform design and production Completely dark ride (d-Ride) design Balloon Ride design
2014	Media Free Fall Design Interactive walking theater
	Joey's Aquarium (sketch-type aquarium) Track d-Ride system
2015	"Attack on Titan" i-Ride Film
2016	Q-Ride i-FUN HUB
2017	m-Ride
2018	Lightning Wings
2019	V-Ride dome 304s
2020	miRide game based attraction
2021	RiseUp VR airship attraction
2022	o-Ride
2023	The heat dissipation research project about the LED dome screen 2 DOF motion base with economical and easy installation type zombie cage and zombie chariot Turnkey Flying Theater & LED Dome

(4) Business plan - long-term and short-term

i. Short-term development plan

A. Marketing and product plan

a. Commit to on-going projects because successful performance is the best marketing tool for a company. The Company has a full project pipeline and the 2024 will again see multiple project openings; strengthen digital content development capacity to satisfy future market demands for ride films.

b. Design and plan new highly modularized projects, provide affordable modularized system, and improve competitive advantage.

c. regulate outsourced vendors' production operation so that the products meet international standards; and continue to design products conforming to international environmental regulations to become a benchmark of green enterprises. Our flying theaters are already EN and ASTM certified and in operation on four continents.

d.Sales channels are relatively closed; considering the ecological layout of local markets of various regions, the Company will further strengthen its cooperative model in which it forms a strategic alliance with its agents.

e.Participate in international exhibitions (e.g., IAAPA), keep increasing the visibility of the company's product, and expand the range of regional buyers.

f. Further increasing the effort to offer one-stop-shop turnkey solutions from attractions design to grand opening (including movie licensing, aftersales support and operations consulting).

g. Active engagement as producer in the ride film content field to ensure ride film quality both in term of story telling and experience as well as technicality and craftsmanship. New more digital ride and AV systems including high resolution giant LED screens ask for super high quality content.

B. R&D plan

a.Apply the ability to integrate actuator and servo motor motion control technology with multimedia and AV technologies and apply that expertise to further expand on game based solutions to expand the Company's product line, and satisfy customers' diversified needs.

b.Reinforce knowledge management and integrate existing data, so that technological resources can be shared to enhance technological capacities.

C. Human resources and informatization plan

a. Strengthen training to enhance employee skills.

b. Integrate resource and improve business efficiency.

c. To enhance operating software system.

D. Financial Plan

a.Use appropriate financial instruments and formulate contract-based sales plan to avoid risk of currency fluctuations.

b.Strengthen project management and reduce receivables to increase the turnover rate of receivables.

ii. Mid- and Long-term development plan

A. Marketing and product plan

a.Target the future demand market of Asian and Middle East regions where economic growth is high and then advance toward the global market, thereby becoming internationally recognized primary supplier of simulator rides.

b.Seize business opportunities in replacing, renewing, or adding construction projects in the future European and US markets and jointly work with strategic alliance partners in market expansion.

B. R&D plan

a. Cooperate with international, domestic research institutes and academic units to acquire leading technologies.

b. Continue to develop new technologies and acquire patents.

C. Human resources and informatization plan

a. Strengthen professional competency training to enhance employee skills.

b. Strengthen management competency training to improve business performance.

D. Financial Plan

a. Use various fund-sourcing channels to create optimal financial structures that maximize company value.

b. Issue financial instruments in a timely manner for the company to acquire minimum capital cost.

c. Properly use financial instruments to reduce currency risks.

2. Market, production and sales

(1) Market analysis

i. Product sales region

Unit: NT$1,000

Year		2022		2023	
Sales Region		Net revenue	%	Net revenue	%
Domestic sales	Taiwan	53,378	6.64	83,439	9.67
Exports	Asia	299,665	37.28	322,023	37.33
	Americas	396,005	49.27	298,563	34.61
	Europe	19,011	2.37	13,945	1.61
	Others	35,707	4.44	144,733	16.78
	Subtotal	750,388	93.36	779,264	90.33
Total		803,766	100.00	862,703	100.00

ii. Market Share

In the market for premium flying theater solutions Brogent has a market share of around 85. Internationally Disney operates four similar theaters, but doesn't sell the solution to interested operators. Other suppliers offer flying theaters as well, but are only approaching the market as a mechanical ride supplier. They are not in the position to act as a system integrator and provide the complete package that a real media based attraction consists of. Apart from that the platform movement is limited to two degrees of freedom (compared to 6 DOF for the i-Ride or 4DOF for the m-Ride and 3DOF for o-Ride). Besides the ride technology Brogent can also provide media content and now even building design.

iii. Future market demand and supply and growth potential

The Company implemented the Content–Channel (CC) Strategy in recent years, transforming from being merely a supplier of amusement facilities to an operator of entertainment businesses. To achieve this goal, the Company recruited strategic investors over the past year, while adopting diversified management strategies that integrate profit distribution models to replace the model where devices are just sold once. The "i-Ride Experience Center" (now "i-Ride Kaohsiung") that opened in Kaohsiung in 2017 was the very first standalone flying theater in Taiwan and in 2019 Brogent opened a second standalone flying theater in Taipei Breeze Nanshan shopping center, the "i-Ride Taipei". In addition to outright selling its equipment, Brogent has not only delivered technology but also creatively planned an experience center exhibit, in the hopes of educating children through fun, thereby bringing parents and children closer together. In fact that people cannot visit large theme parks in remote areas whenever they desire, the Company has endeavored to build the experience center in the city where transport is convenient. The goal isto make fun more accessible.

After the pandemic besides opening and installing multiple flying theater projects in the US and Asia the company has successfully introduced its new game based mini platform system miRide with deliveries already made in 2023.

The Company is also present with projects now around the world with multiple projects in Asia, Europe and the Americas and one installation in Australia.

iv. Competitive Niches

A. Globally Recognized Technology

In 2023 Brogent's first international project "FlyOver Canada" celebrated its 10th anniversary and thus gives a glimps into the future of all newer projects. The expertise gathered over the last decade in the flying theater and motion base attractions field makes the company capable of launching new products to customers at the right time and rapidly responding to customer demand. After successfully conquering the niche of flying theater attractions as one of the market leaders, the Company is now entering a relatively young market of out-of-home game based attractions. The miRide racing simulator is only the first step on this journey.

2023 has seen more mile stone in Brogent's award history:

2017 European Star Award for Best New Ride

2018 Park World Award for Best Indoor Ride

2019 European Star Award Best Dark Ride

2019 Best Flying Theater Supplier in China

2020 26th Annual Thea Awards

2021 UK Theme Parks Awards Best Attraction

2021 Parkscout Award Europe's Best New Rides

2021 European Star Award Best New Rides

2022 European Star Award Europe's Best Dark Rides

2022 Golden Crown Outstanding Family Ride

2023 European Star Award Europe's best Dark Ride

2023 Golden Crown Award for "Outstanding Motion/Flying Theaters Supplier"

B. Premium Brand Equity

Theme Parks, Museums, Exhibitions Centers and Zoos are markets with high entry barriers. Brogent works with established partners in the amusement industry to create multiple distribution channels. All those partners rely on the technological know how in system integration and certified technology that Brogent is steadily advancing based on ongoing projects. Currently Brogent rides can be found four continents.

Worldwide more than 85 media-based attractions in operation or under installation

C. Product modularization lowers cost and increases competitiveness

Simulator ride facilities involve a wide range of technical aspects, covering hardware systems (motion platform, screens with audiovisual systems) and software technologies (projector, LED, playback, wireless embedded control, and high-definition digital content). Therefore, the technical teams of the Company performed high modularization engineering analysis and planning of large complex system frameworks based on the existing platform technologies. In addition, our design, production, transportation, and assembly processes are all designed and modularized in accordance with international standard regulations. Such modularization enables saving large amount of construction time and manpower, which considerably lowers construction cost and raises the Company's competitiveness.

D. <u>Collaboration with international strategic partners in digital content development</u>

Brogent is working with several partners to supply the best solutions and technology in the media based simulator attractions field. For content development the company started a cooperation with Japanese publisher Kodansha back in 2015 and has already developed ride films based on Kodansha IP like “Attack on Titan” and “Ghost in the Shell” . The latest flying theater film for “Attack on Titan” is under production and will launch in 2024.

v. Competitive Edge, Favorable and Adverse Factors for Long-term Growth and Response Strategy

A. Favorable factors

a. Needs of emerging countries and reconstruction business opportunities in Europe and the US

As the economy of emerging countries develop and the middle class grows, these countries have gradually focused on the construction and development of leisure entertainment industries, specifically large theme parks, the existence of which can not only create domestic demand and employment opportunities, but also promote urban tourism development. Low income level in emerging countries render the entrance fees to theme parks in these countries incomparable to those in developed countries (e.g., European countries, North America, and Japan). To effectively increase the economic benefits of amusement parks, governments of emerging countries strictly regulated the benefits generated by amusement facilities. In addition, because indoor amusement facilities allow customers to still enjoy themselves during bad weather, and because of the rapid development of digital audiovisual technologies in recent years, traditional mechanical amusement facilities are less and less effective for attracting the attention of new-generation tourists, who are now growing up with internet and social media. Therefore, when planning and constructing theme parks, emerging countries typically prioritize indoor amusement facilities that feature 3D sound and lighting effects and stimulate a sense of excitement in users. To reconstruct their tourism industries and boost their economy, European countries and the US have successively initiated tourist attraction reform projects, building leisure facilities by restricting existing buildings and movie theaters. These leisure facilities are based on a composite business model comprising department stores and hotels to attract visitors. Because simulator rides are built according to the height restrictions of existing buildings to provide consumers with an all-new entertainment experience, this type of facility became the primary focus of Europe and the US in reconstructing amusement facilities.

b. Construction and formation of industry supply chain

Before the Company entered the simulator ride market, there were no vendors investing in similar products in Taiwan. Since undertaking the “Taiwan Formosa” project for E-DA Theme Park, the Company has adequately leveraged Taiwan' strong R&D and production capabilities of information hardware and precision machinery industries. With the efforts devoted by the Company's R&D personnel and domestic vendors, Taiwan has become one of the few countries worldwide capable of constructing simulator ride bases. Not only were the production costs of amusement facilities lowered, but the quality of these facilities reached international standard. Subsequently, a complete and tight supply chain in the simulator ride industry was established. Because simulator rides are completely customized according to customer needs, the Company's supply chain system enable the design, motion control, or digital content of such rides to be adjusted whenever required depending on customer needs. Thus, customer demand can be satisfied, thereby increasing the overall competitiveness of the Company.

c. Establishing word of mouth facilitates business promotion

Distinct from general consumer electronic products, simulator rides feature long life cycle, high degree of customization, high technical threshold, and high cost; therefore, customer repurchase and loyalty increased after establishing the word of mouth for the technology and quality of this product. Since completing “Taiwan Formosa” and “FlyOver Canada” projects, the Company has accumulated considerable experience, word of mouth brand equity, and popularity in the simulator ride market. Project openings like additional “FlyOver” projects in the US and Europe, a signature attraction at Germany’s Europa-Park and delivery of m-Ride flying theaters to Legoland parks around the world created additional brand awareness. In addition, by forming strategic alliance with internationally well-known amusement facility suppliers, Borgent has further raised its competitive advantage over the last decade.

d. Supported by strong technology

Since its inception in 2001, Brogent has endeavored to develop audiovisual multimedia technologies, accumulating considerable experiences in technological development. Thus, Brogent has established partnerships with multiple international mobile phone factories, and received Small Business Innovation Research (SBIR) subsidies from the Ministry of Economic Affairs (MOEA) multiple times. In 2007, Brogent was honored with the award of excellence in

SBIR from the Department of Industrial Technology, MOEA. Regarding simulator ride facilities, Brogent has received the European Star Award three years in a row starting 2017 a recognition not only for its technological capability but also for the experience value that it prove to provide since the successful implementation of the “Beautiful Formosa” and “FlyOver Canada “projects. Just recently Brogent received it’s first Thea Award from the Themed Entertainment Association, one of the most prestigious awards in the location based entertainment industry. For example, the unique fish eye lens designed by Brogentcan achieve the projection effects of a spherical screen simply by installing them with a single projector. Thus, the cost and space required for projector installation are substantially reduced, and the stability and image quality of the projector system are considerably enhanced. A unique selling proposition that brings operating cost advantages until today. Brogent's self-developed automated control technology can integrate motion platforms with video systems with increased precision. This way, riders can perceive the experience of an immersive flight. Furthermore, Brogent also possesses the capacity to develop digital content, and customize it according to customer needs, thereby providing multiple choices to our customers. Therefore, Brogentenhances the technological capacity of its research team, and therefore has substantial room for improvement.

B. Unfavorable factors and their response strategies

a. Closed sales channel for simulator rides, impeding business expansion

Simulator rides are installed at location based entertainment venues like theme parks, museums, or zoos. Unlike general daily necessities, the sales channel of simulator rides is relatively closed, and suppliers specializing in this market are mostly business operators who have established their status for a long time. Thus, new vendors cannot easily directly enter this supply chain system and expand their businesses.

Response strategies:

The Company fully understands the characteristics of this industry. To expand its market and increase its market share The Company has run a dual strategy: On the one hand, the Company formed a strategic alliances with internationally known suppliers of amusement facilities who have had a history of more than 60 years in the industry. These suppliers assist the Company in expanding its market channel to successfully enter the supply chain of the theme park industry and facilitate its expansion into the global market. As a consequence Brogent has already entered the international theme park market (i.e. Europa-Park in Germany and Legoland parks around the world). On the other hand, the Company has established it’s own sales team over the last decade that is building on the brand awareness. Products are well received by the general public and the positive feedback creates good references and a strong brand reputation.

b. Shortage of professional talent, hindering talent recruitment

Because information electronic related industries remain the dominant of the domestic market, and domestic vendors have already established a complete supply chain in the information hardware industry, general graduates still prefer to enter industries relevant to information electronics. Furthermore, domestic universities and colleges have established faculty departments associated with software design or amusement facilities in recent years. However, talent still require additional training, and simulator ride technologies encompass a wide variety of aspects, thus making R&D talent recruitment and cultivation difficult.

Response measures:

Engage in industry-academia cooperation with National Pingtung University, National Kaohsiung Normal University, National Sun Yat-sen University , Kaohsiung American Shool and Fooyin University. Established a research center in National Sun Yat-sen University to cultivate high-quality experts of digital content development and foster technological talent that industries require; provide employees with favorable working environment, perfect employee welfare systems, and formulate reward/punishment systems as well as employee training programs; and establish job positions according to employees' expertise and characteristics and provide employees with the opportunity to become a shareholder of the Company so that they could share business outcomes with the Company, thereby cohering their efforts and reducing turnover rate.

c. Raw material price and supply stability

The hardware system of the Company's simulator rides comprises the following: The raw materials of carriers, six-axis platform, and steel structures are mostly steel and iron. The prices of these raw materials may vary according to market supply and demand, causing price fluctuations, thereby influencing the Company's purchasing cost and profitability.

Response strategies:

In addition to having maintained a positive and long-term cooperative relationship with its suppliers, the Company appropriately adjusts its sources of procurement and disperses different purchasing vendors to seek the most optimal price quotation. Thus, over-concentration in purchasing, thereby increasing operating risks can be avoided.

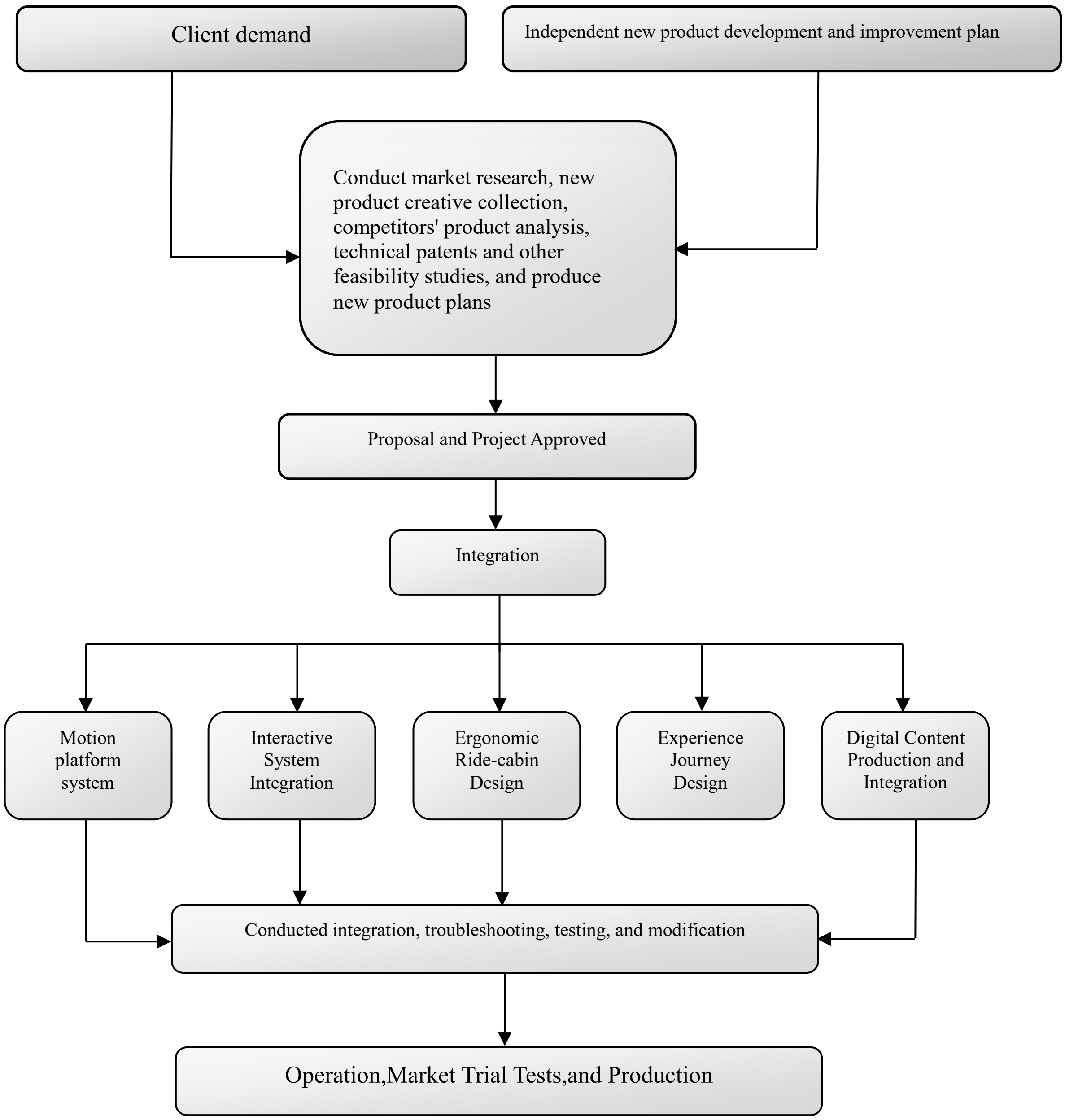
(2) Major product usage and manufacturing processes

i. Main purposes

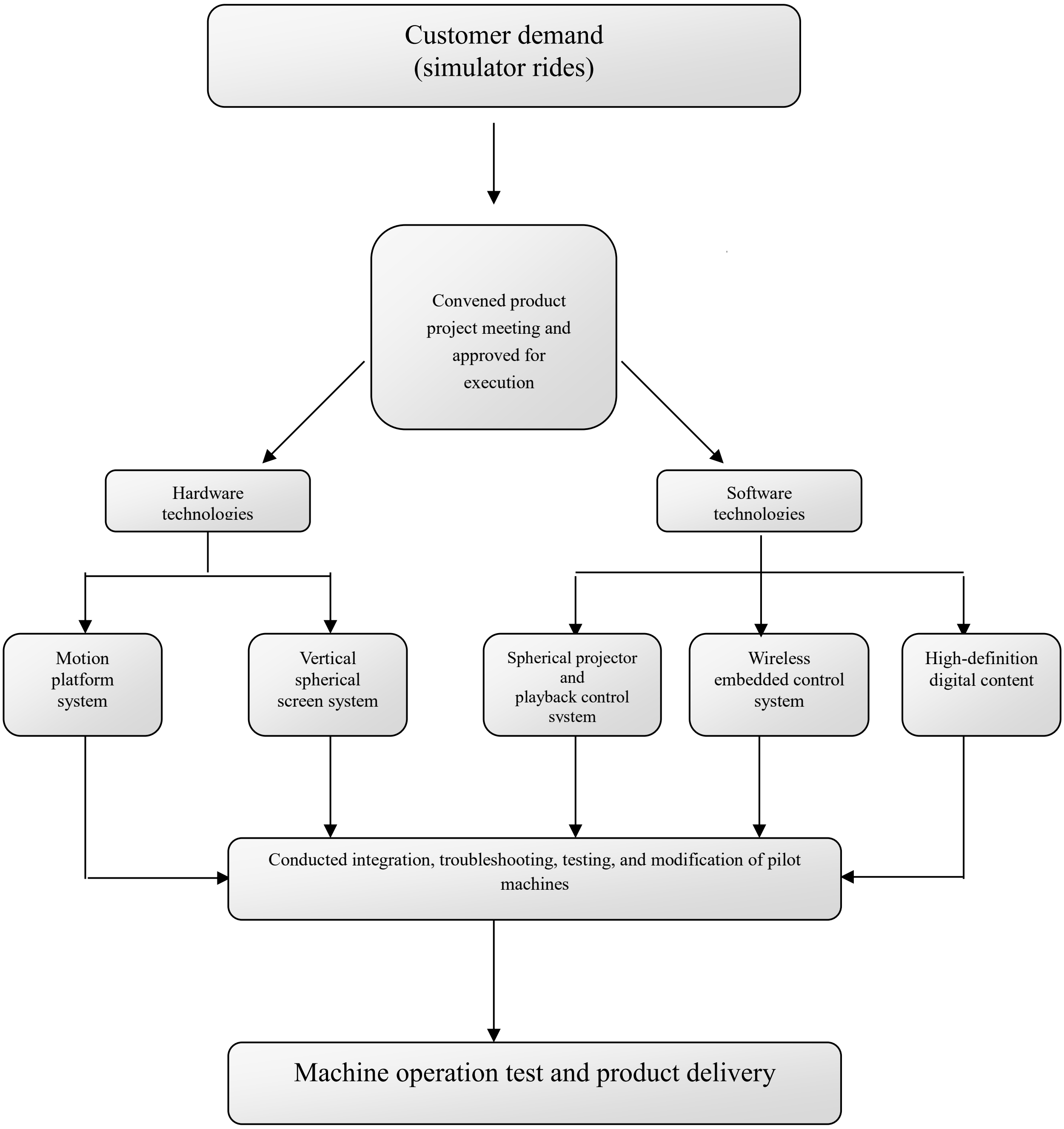
Theme park, museum, exhibition hall, shopping center, and indoor professional experience center afford entertainment and educational training functions to diversify Brogent's client base, provide adventurous experiences, and elicit sense of excitement.

ii. Manufacturing process

A. Small-sized Rides :



B. Simulator rides:



iii. State of supply of chief raw materials

Primary spare parts	Supply condition
1.Stewart six-axis platform	Good, stable
2.Structure of ride carriers	Good, stable
3.Spherical screen	Good, stable
4.Servo valve, motor	Good, stable
5.Projector	Good, stable
6.Acoustic equipment	Good, stable
7.Digital content contractor	Good, stable
8.LED module	Good, stable

The hardware and software systems of the simulator rides are designed and developed by the Company. Regarding the mechanical hardware parts, the Company cooperates with its vendor and commissions contractors for assistance. The Company and its suppliers have a stable cooperative relationship, facilitating the stable material supply. Therefore, there were no incidences of supply interruption.

iv. Major buying and selling vendors/customer information

A. Names of customers who accounted for more than 10% of the sales in the last two years, sales as a percentage of total sales, and reasons of change.

Unit: NT$ 1,000

Item	2022				2023			
	Name	Amount	Percentage of net sales (%)	Relationship with issuer	Name	Amount	Percentage of net sales (%)	Relationship with issuer
1	CHN0016	124,749	15.52	None	CHN0016	156,534	18.14	None
2	JPN0008	790	0.10	None	JPN0008	127,052	14.73	None
3	MEX0003	6,134	0.76	None	MEX0003	107,021	12.41	None
4	CAN0002	233,417	29.04	None	CAN0002	21,848	2.53	None
5	GBR	82,519	10.27	None	GBR	9,656	1.12	None
	Others	356,157	44.31		Others	440,592	51.07	
	Total	803,766	100.00		Total	862,703	100.00	

Note:The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

<u>Reasons for changes:</u>

Our company primarily sells products related to sensory simulation amusement equipment, with the main target customers being in the cultural and entertainment industries. In fiscal year 2023, more than 10% of our net sales were from customers who are major global integrated operators in the cultural and entertainment industry. These customers are key partners with whom we continue to maintain ongoing business and cooperation. The locations of our equipment align with the potential future market and business growth expectations.

Our company is continuously increasing its global market share by engaging with renowned international giants and Taiwanese manufacturers, actively seeking cooperation opportunities, and focusing on developing new customer sources to diversify customer orders and maintain steady growth. By establishing good relationships with customers and partners in different regions, we ensure our position and competitive advantage on the international stage.

B. Names vendors who accounted for more than 10% of the purchases in the last two years, purchases as a percentage of total purchase, and reasons of change

Unit: NT$ 1,000

Item	2022				2023			
	Name	Amount	Percentage of total purchase (%)	Relationship with issuer	Name	Amount	Percentage of total purchase (%)	Relationship with issuer
1	A0000698	15,195	2.27	None.	A0000698	28,131	21.59	None.
2	A0001091	-	-	None.	A0001091	14,978	11.50	None.
3	A0000024	182,092	27.16	None.	A0000024	-	-	None.
4	A0000008	70,228	10.48	None.	A0000008	8,531	6.55	None.
	Others	402,797	60.09	-	Others	78,629	60.36	-
	Total	670,312	100.00		Total	130,269	100.00	

Note: The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

<u>Reasons for changes:</u>

To develop simulator rides, the Company adequately uses the technical strength, flexibility, and willingness of small and medium enterprises to cooperate. In addition, the Company plans, designs, and collects the various technical and production information of international companies, commissioning contractors to manufacture our products. Furthermore, the Company cooperates with small and medium enterprises to construct the supply chain system of simulator ride facilities. The Company primarily procures six-axis platform, ride carriers, spherical screens, servo valve, and projector and acoustic equipment. Except for when customers designate their preferred suppliers, the Company's suppliers are selected according to their quality, stability, delivery date, and price.

Overall, apart from A0000024 and A0001091 as single project outsourcing vendors, the changes in our company's main suppliers over the past two years have mainly been based on project scale and completion status, without any significant anomalies.

v. Output volume and value during the most recent two years

The Company's primary business involved the R&D and sales of simulator rides. Since 2008 when the Company started the development and selling of simulator ride facilities, these facilities, including their hardware and software systems and automated control system, were designed and developed by the Company. The mechanical body engineering part was commissioned to external contractors, and the Company purchases the final product from the supplier and therefore is not a manufacturing industry. Thus, the Company is not associated with output volume and value.

vi. Sales volume and value during most recent two years

Unit: NT$1,000

Primary products	2022				2023			
	Domestic sales		Exports		Domestic sales		Exports	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Simulator rides	-	-	-	655,326		10,162		686,576
Others (Note)	-	53,378	-	95,062		73,277		92,688
Total	-	53,378	-	750,388		83,439		779,264

Note: Others refer to repair and maintenance and income generated sales (gaming machines) and labor affairs.

<u>Reasons for changes:</u>

The primary products simulator ride, the amount and ratio of exports are comparable to those of 2022, and there have been no major changes. All of them are mainly for export, and there have been no major changes.

3. Employee Information in the Past 2 Years to the Date of the Annual Report

Year		End of 2022	End of 2023	Up to April 1, 2024
Number of employees	Managerial officer	25	25	25
	R&D personnel	120	113	108
	General employee	133	133	132
	Total	278	271	265
Average age		38.01	38.79	39.06
Average years of service (year)		5.54	6.18	6.38
Education distribution (%)	Ph.D	1.08	1.11	1.13
	Master's	41.37	39.48	39.25
	University	49.63	51.66	52.08
	College	3.96	4.06	4.15
	Senior high school	3.96	3.69	3.39

4. Environmental protection expenditure information

(1) The Company primarily engages digital content development and selling of simulator rides, the production of which is entirely outsourced to external contractors. Therefore, the Company is not associated with pollution concerns.

1. According to laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made: Not applicable.

2. Disclose an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimation cannot be made, provide the explanation: None.

(2) The 2nd stage of R&D and experience center was completed in 2016 and awared the green building certificate issued by Ministry of the Interior (Certification No. GB-BC-01-00164 on 105.12.16) The related green power arrangement is explained as followings:

1.Installation of solar power-Using the roof space to install solar electric power generation can output electricity without any pollution, noise and danger ; Besides, the solar panels are able to beautify the roof, resist the irradiatioh of sun, and reduce indoor temperature in summer for energy saving and carbon reduction.

2.Installation of central air-conditioning control system-The air-conditioning is operated by the central air-conditioning control system. It can monitor the situation of all air-conditionings for avoiding unnecessary waste.

3. Installation of all heat exchangers-All heat exchangers, as a part of the central air-conditioning control system, it achieves increasing the air convection, improving indoor air quality(reduce CO2 concentration), decreasing the electricity fee and energy loss made by air exchange.

4. Build up rain storage and recycle irrigation systems-We recycle rain and store it after filtering, in order to irrigate the plants. In this way, we can reuse the resource and cut down the waste of water resource.

5.Use LED lightening system-All of office area and the test area of factory building are equipped with LED lighting. Additionally, we have the switch schedule to every illumination area for energy saving and carbon reduction.

6.Set up indoor air quality supervisory system-We regularly supervise the indoor pollutants, and ensure air quality with the current National and International Standards.

7.On November 25, 2021, the original certification authority, Taiwan Architecture Center, conducted an on-site inspection and confirmed that the current status was consistent with the original design, and agreed to extend the certification for five years until December 16, 2026.

(3) Brogent is a general office building instead of the manufacturing industry in Kaohsiung Software Technology Park. Since 2020, we collaborated with government policy in promoting the energy saving measures.

(4) We make effort to develop every energy saving measures aggressively. We take measures to use the office supplies with energy saving mark, increase the usage rate by managing the classification of waste, and strengthen indoor greening to improve air quality.

(5) Since 2020, we have been donating our company's recycled materials (including waste

packaging materials) to the Environmental Protection Station of the Kaohsiung Branch of Tzu Chi Foundation, in order to implement the concept of environmental protection and resource reuse, and inject infinite vitality into the materials.

(6) Brogent technologies INC. belongs to cultural and creative industry and our producs are mostly made by subcontractors. We enact the safe policy and irregularly execute the training of labor safety. Our secuity system and environment maintenance are both responsible by the professional subcontractors. All of the fire equipments are regurly maintained and declared by the related departments; In addition, the access control is restricted by the identification card. For safety, everyone has to swipe the identification card to get in each entrance.

5. Labor Relations

1. Set forth all employee benefits, continuing education, training, retirement systems, and the status of their implementation, as well as the status of agreements between labor and management, and all measures aimed at preserving the rights and interests of employees:

(1) Employee welfare measures and implementation status

The Company offers the following welfare to its employees: labor and health insurance, employee group insurance, business travel accident insurance, employee health examination, three-festival bonuses (Dragon Boat Festival, Moon Festival, and Chinese New Year), employee stock ownership trust, and allowances for marriage, funeral, sick leave, bereavement, maternal leave subsidies, maternity as well as year-end party, and dessert bar and coffee, on-site medical personnel services, and the provision of breastfeeding rooms and childcare facilities.

In addition, the Company has also set up an Employee Welfare Committee that handles employees' various welfare affairs, including Designated Discount Store , annual employee travel subsidies, birthday bonus, seasonal gatherings, family days, Sports day, club activities, ball games, road running and emergency relief.

(2) Employee training & development, and status of their implementation

To enhance employees’ career development needs, working efficiency and quality, the Company requires all its new recruits to receive orientation training to create a smoother transition into this company and their new position. During their period of employment, the Company integrates internal / external resources and designs diversified development programs based on business objectives and the nature of the individual’s job, including online Courses offer flexibility; Internal training courses entail exchanging internal professional technologies and improving employee productivity; external courses depend on company requirements. Employees may be dispatched to attend external seminars and courses. Thus, the Company's employees are provided with opportunities to receive professional training. Training attendance is registered and managed with the hope of fostering professional talent and effectively nurture and utilize talent by multiple program, such as career development survey and internal internship program.

(3) Employee recognitionandstatus of implementation

The Company sponsors various internal award programs to recognize both individual and at a team level. Such as “Bo Le” team competition is designed for encouraging those teams who demonstrate the value of teamwork; “idea proposal” award is consistant with the Company’s value “Creativeness: To innovate by boundless thinking, create brand new immersive and emotive experiences”; Excellent Instructor Award: praises the outstanding performance and contribution of internal instructors in training courses for employees.; Service Award: recognition and appreciation of senior employees and their long-term commitment and dedication; Bravo! Brogenter Recognition Program: to honor those empoyees who demonstrated the behavour of Brogent core competencies.

Apart from corporate-wide awards, employees continued to be recognized as the Model Labor Award since 2019.

(4) Employee pension system and status of implementation

The Company regulates employee pension system according to the Labor Standard Act and Labor Pension Act, In 2021, The Company regulates employee pension system according to the Labor Pension Act. Since there is no applicable employee, the old pension system of Labor Standard has been closed in May. As of July 1, 2005, when the new labor pension system was implemented by the government, eployees who prefer the new pension system shall have 6% of their monthly salary contributed to their personal pension account and shall retain their seniority status as required by the Labor Standard Act, to ensure their living needs after they retire.

(5) Labor negotiations

The Company is subject to the Labor Standard Act, operating its business in accordance with the Labor Standard Act. Generally, the Company emphasizes the importance of employee welfares and communication with its employees; therefore, it has maintained a harmonious relation with its employees. In addition, to maintain positive labor relation, the Company attaches increased importance on employee opinions, which can be communicated by the employeesvia email or anyother communication channel. Since its establishment, the Company has not been involved in labor disputes. Moreover, the Company will still set up multiple communication channels for its employees so that a more harmonious labor relationship can be sustained and creates a win-win situation for the Company and employees.

(6) Measures for protecting employee rights and interests

The Company has a complete document management system that specifies various management regulations, employee rights and obligations and their welfares, to protect employee rights and interests.

(7) Preventive measures taken to ensure a safe working environment and maintain employees' personal safety:

The Company hires designated personnel to plant flowers and trees in vacant spaces surrounding the Company. By applying the practice of landscape greening, the Company creates a comfortable, set up an employee gym and relaxation center on the company's sky bridge, providing fitness equipment, weight training facilities, foosball tables, video game consoles, and massage chairs for employees to relieve physical and mental stress, safe working environment and plans an effective parking space. The Company constructs a safe, healthy working environment and regularly provides employee health examination to maintain employee physical and mental health. In addition, a Labor Safety and Health Committee is established to engage in promotion efforts for environmental protection and labor safety and health. The Company also offers employee safety and health training programs to help employees enhance their health and safety related knowledge and skills.

2. Describe the loss suffered by the company due to labor disputes occurring in the most recent 2 fiscal years and up to the annual report publishing date, and disclose the estimated amount expected to be incurred for the present and future as well as the preventive measures:

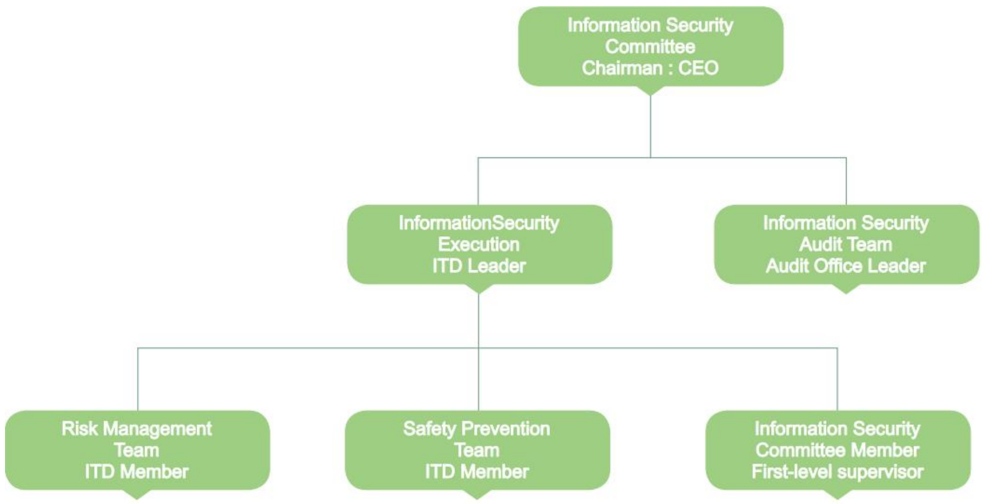
The Company maintains a harmonious relationship with its employees. There were no losses incurred from incidences of labor disputes during the most recent 2 years up to the publishing date of the annual report. The Company upholds the principle of maintaining a reciprocal relationship and sharing profits with its employees. There is minimum likelihood of losses due to labor disputes occurring in the future.

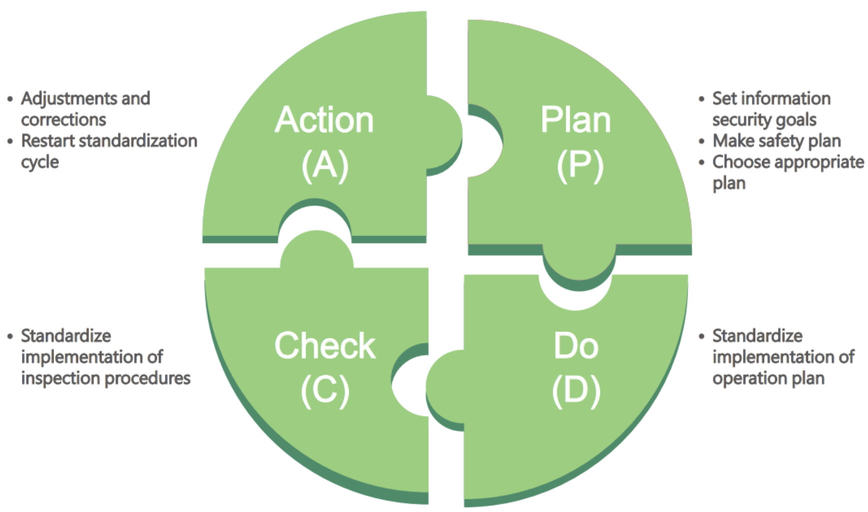
6. Cyber security management

1. Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

(1) Cyber security risk management framework

The responsible unit for information security of the company is the Information Department, which includes a Chief Information Security Officer and several information security engineers. The unit responsible for formulating company information security policies, planning information security measures and promoting the implementation of relevant information security operations.There is also a special organization of the Information Security Committee, which holds regular meetings every year and the general manager serves as the chairman, and the first-level supervisor of each unit serves as the security committee. The Information Security Committee adopts the ISO27001 information security management system standard "PDCA cycle" to ensure the achievement and continuous improvement of the company's information security management goals.





(2) Cyber security policies

The company's information security objectives are to ensure the confidentiality, integrity, availability and compliance of the core system management business and to identify and evaluate qualitative or quantitative risks according to the importance of assets to control and confirm the effectiveness of information security management implementation and whether information security objectives are achieved.

i. Confidentiality: ensure that any sensitive information of the company is not disclosed on the Internet.
ii. Integrity: ensure the correctness of the company's sensitive information.
iii. Availability: ensure that the important information held by the company is actually backed up.
iv. Compliance: follow the relevant laws of my country to avoid the rights and interests of the company or third parties infringe.

(3) Concrete management programs

i. Management methods and norms: Formulate relevant information security norms and operating methods, and implement due information security behaviors for all employees of the company and regularly check whether the relevant system is in conflict with the company's internal process, and adjust it in a timely manner if necessary.
ii. Tie-in system: In order to prevent various information security threats from internal and external sources, the corresponding information systems are built and integrated according to the actual situation to strengthen the security of the company's overall information environment and through the annual emergency response drill to verify the effectiveness of each system.
iii. Internal education and training: Regularly implement internal information security education and training and information security publicity, and at the same time, through actual information security drills to grasp whether all employees of the company have sufficient information security awareness.

(4) Investments in resources for cyber security management

Each annual fixed budget shall be invested in the construction of information security, including the introduction and optimization of information equipment or systems, information security education and training, external service fees, etc., so as to improve the company's overall protection and information security capabilities.

2.List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

The Company has not found any significant information security incidents in the 2023 and up to the date of printing of the annual report, it has or may have a material adverse effect on the company's business and operations, and has not been involved in any legal cases or regulatory investigations. In the future, we will continue to review and evaluate its information security regulations and procedures annually to ensure its appropriateness and effectiveness to control or maintain the functions of important business operations such as the company's operations and accounting.

7. Important contracts

Nature of contract	Contracting parties	Date of contract start and end	Content	Restriction clauses
Sales	Taiwan TWN0029	2023.03.31~May terminate the contract according to agreement	Simulator rides	None
	Qatar QAR0001	2023.05.08~May terminate the contract according to agreement	Simulator rides	None
	Saudi Arabia SAU0001	2023.05.22~May terminate the contract according to agreement	Simulator rides	None
	Japan JPN0008	2023.06.28~May terminate the contract according to agreement	Simulator rides	None
	Brazil BRA0001	2023.09.20~May terminate the contract according to agreement	Simulator rides	None
	South Korea KOR0001	2023.10.19~May terminate the contract according to agreement	Simulator rides	None
	Canada CAN0006	2023.10.26~May terminate the contract according to agreement	Simulator ride attraction turnkey solution including content production	None
	Taiwan TWN0037	2024.01.08~May terminate the contract according to agreement	Simulator rides and content licensing	None
	Taiwan TWN0042	2024.03.20~May terminate the contract according to agreement	Simulator rides	None
Equipment Rental	Brogent Global Inc.	2019.01.10~2029.01.09	Simulator rides	None
Land Rental	Export Processing Zone Administration, MOEA	2012.03.14~2032.03.13	Renting of Kaohsiung Software Park Land	None
	Reychen Steel Co., Ltd.	2022.09.01~2026.02.28	Renting of Taoyuan premises	None
	Southern Taiwan Science Park Bureau, National Science and Technology Council	2023.07.26~2053.07.31	Renting of Chiaotou Science Park Park Land	None
Loan	Taiwan Cooperative Bank	2016.04.11~2031.10.13	Long-term collateral-based loan application	None
Guarantee	Taichung Commercial Bank Co., Ltd.	2023.12.15~2027.03.04	Appointment of guarantee for the issue of convertible bonds	None

VI. Financial Overview

1. Condensed balance sheets and statement of income (2018 - 2022)

(1) Condensed balance sheets

1. Condensed balance sheets- International Financial Reporting Standards (IFRS)- Consolidated(Note 1)

Unit: NT$ 1,000

Item \ Year		Financial information: FY2019 - FY2023					As of April 1, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current assets		3,056,839	3,172,477	2,817,637	3,098,240	3,002,400	-
Property, plant and equipment		1,045,007	957,475	976,416	758,358	736,179	-
Intangible assets		232,299	183,694	166,000	196,740	203,030	-
Other assets		814,435	799,366	816,386	898,035	1,108,784	-
Total Assets		5,148,580	5,113,012	4,776,439	4,951,373	5,050,393	-
Current liabilities	Before Distribution	943,231	640,872	881,363	943,026	1,040,376	-
	After Distribution	1,255,416	640,872	881,363	1,036,802	Note2	-
Non-current liabilities		1,164,219	1,823,113	861,668	813,974	860,843	-
Total liabilities	Before Distribution	2,107,450	2,463,985	1,743,031	1,757,000	1,901,219	-
	After Distribution	2,419,635	2,463,985	1,743,031	1,850,776	Note2	-
Equity attributable to owners of parent		2,967,957	2,646,269	3,032,000	3,194,120	3,149,174	-
Capital Stock	Before Distribution	557,474	557,474	609,644	625,174	648,357	-
	After Distribution	557,474	557,474	609,644	625,174	Note2	-
Capital Surplus	Before Distribution	1,968,156	2,021,953	2,501,234	2,648,189	2,672,817	-
	After Distribution	1,968,156	2,021,953	2,501,234	2,453,686	Note2	-
Retained earnings (Accumulated deficit)	Before Distribution	457,184	93,306	(39,447)	(100,727)	(167,662)	-
	After Distribution	144,999	93,306	(39,447)	-	Note2	-
Other equity		(14,857)	(26,464)	(39,431)	21,484	(4,338)	-
Treasury shares		-	-	-	-	-	-
Non-controlling interests		73,173	2,758	1,408	253	-	-
Total Equity	Before Distribution	3,041,130	2,649,027	3,033,408	3,194,373	3,149,174	-
	After Distribution	2,728,945	2,649,027	3,033,408	3,100,597	Note2	-

Note 1: Financial information from 2019 to 2023 was audited by CPA.

Note 2: The 2023 Deficit Compensation plan has not been resolved in the shareholders' meeting.

Note 3: The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

2. Condensed balance sheets- International Financial Reporting Standards (IFRS)- Individual(Note 1)

Unit: NT$ 1,000

Item \ Year		Financial information: FY2019 - FY2023					As of April 1, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current assets		2,832,402	2,454,972	2,133,729	2,523,633	2,512,167	-
Property, plant and equipment		831,525	906,849	953,484	753,565	725,253	-
Intangible assets		85,303	55,551	81,234	79,235	76,768	-
Other assets		755,674	1,089,089	1,148,125	1,232,949	1,475,180	-
Total Assets		4,504,904	4,506,461	4,316,572	4,589,382	4,789,368	-
Current liabilities	Before Distribution	747,403	337,621	690,396	768,575	924,539	-
	After Distribution	1,059,588	337,621	690,396	862,351	Note2	-
Non-current liabilities		789,544	1,522,571	594,176	626,687	715,655	-
Total liabilities	Before Distribution	1,536,947	1,860,192	1,284,572	1,395,262	1,640,194	-
	After Distribution	1,849,132	1,860,192	1,284,572	1,489,038	Note2	-
Equity attributable to owners of parent		2,967,957	2,646,269	3,032,000	3,194,120	3,149,174	-
Capital Stock	Before Distribution	557,474	557,474	609,644	625,174	648,357	-
	After Distribution	557,474	557,474	609,644	625,174	Note2	-
Capital Surplus	Before Distribution	1,968,156	2,021,953	2,501,234	2,648,189	2,672,817	-
	After Distribution	1,968,156	2,021,953	2,501,234	2,453,686	Note2	-
Retained earnings (Accumulated deficit)	Before Distribution	457,184	93,306	(39,447)	(100,727)	(167,662)	-
	After Distribution	144,999	93,306	(39,447)	-	Note2	-
Other equity		(14,857)	(26,464)	(39,431)	21,484	(4,338)	-
Treasury shares		-	-	-	-	-	-
Non-controlling interests		-	-	-	-	-	-
Total Equity	Before Distribution	2,967,957	2,646,269	3,032,000	3,194,120	3,149,174	-
	After Distribution	2,655,772	2,646,269	3,032,000	3,100,344	Note2	-

Note 1: Financial information from 2019 to 2023 was audited by CPA.

Note 2: The 2023 Deficit Compensation plan has not been resolved in the shareholders' meeting.

Note 3: The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

(2) Condensed statements of income

1. Condensed statements of income- International Financial Reporting Standards (IFRS)-Consolidated (Note 1)

Unit: NT$ 1,000

Item \ Year	Financial information: FY2019 - FY2023					As of April 1, 2024 (Note 2)
	2019	2020	2021	2022	2023	
Sales revenue	2,080,441	1,062,899	787,749	803,766	862,703	-
Gross profit	1,002,360	502,416	376,506	330,517	361,812	-
Operating income (loss)	420,809	(22,524)	(180,135)	(247,263)	(224,368)	-
Non-operating income and expense	51,092	(19,314)	26,353	163,305	2,085	-
Net income (loss) before tax	471,901	(41,838)	(153,782)	(83,958)	(222,283)	-
Continuing operations Net income (loss)	383,810	(51,758)	(133,323)	(62,398)	(179,975)	-
Profit and loss of discontinuing operations	-	-	-	-	-	-
Net income (loss)	383,810	(51,758)	(133,323)	(62,398)	(179,975)	-
Other comprehensive income (loss) (net of income Tax)	(22,242)	(11,734)	(14,864)	60,878	(16,916)	-
Total comprehensive income (loss)	361,568	(63,492)	(148,187)	(1,520)	(196,891)	-
Net income (loss) belongs to the parent company	366,525	(49,184)	(131,956)	(60,726)	(179,764)	-
Net income (loss) belongs to non-controlling interests	17,285	(2,574)	(1,367)	(1,672)	(211)	-
Total comprehensive income (loss) belongs to the parent company	344,255	(61,512)	(145,203)	189	(196,662)	-
Total comprehensive income (loss) belongs to the non-controlling interests	17,313	(1,980)	(2,984)	(1,709)	(229)	-
Earnings (Loss) per share	6.57	(0.88)	(2.31)	(0.99)	(2.79)	-

Note 1: Financial information from 2019 to 2023 was audited by CPA.

Note 2: The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

2. Condensed statements of income- International Financial Reporting Standards (IFRS)-Individual(Note 1)

Unit: NT$ 1,000

Item \ Year	Financial information: FY2019 - FY2023					As of April 1, 2024 (Note 2)
	2019	2020	2021	2022	2023	
Sales revenue	1,550,841	823,838	578,449	763,368	847,582	-
Gross profit	757,606	395,523	313,910	361,183	346,494	-
Operating income (loss)	323,710	(15,348)	(205,066)	(168,460)	(188,983)	-
Non-operating income (loss) and expense	103,576	(38,498)	34,426	94,588	(19,159)	-
Net income (loss) before tax	427,286	(53,846)	(170,640)	(73,872)	(208,142)	-
Continuing operations Net income (loss)	366,525	(49,184)	(131,956)	(60,726)	(179,764)	-
Profit and loss of discontinuing operations	-	-	-	-	-	-
Net income (loss)	366,525	(49,184)	(131,956)	(60,726)	(179,764)	-
Other comprehensive income (loss) (net of income Tax)	(22,270)	(12,328)	(13,247)	60,915	(16,898)	-
Total comprehensive income (loss)	344,255	(61,512)	(145,203)	189	(196,662)	-
Net income (loss) belongs to the parent company	366,525	(49,184)	(131,956)	(60,726)	(179,764)	-
Net income belongs to non-controlling interests	-	-	-	-	-	-
Total comprehensive income (loss) belongs to the parent company	344,255	(61,512)	(145,203)	189	(196,662)	-
Total comprehensive income belongs to the non-controlling interests	-	-	-	-	-	-
Earnings (Loss) per share	6.57	(0.88)	(2.31)	(0.99)	(2.79)	-

Note 1: Financial information from 2019 to 2023 was audited by CPA.

Note 2: The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

3. The 2019 - 2023 Names of auditors and audit opinions

Year	Name of accounting firm	CPA	Audit opinion
2019	Grant Thornton Taiwan	Yao-Ting Li Yi-Shun Chang	Unqualified Opionoin (Emphasis of Matter or Other Matters)
2020	Deloitte & Touche Certified Public Accountants	Chiu-Yen Wu Lee-Yuan Kuo	Unqualified Opionoin (Emphasis of Matter or Other Matters)
2021	Deloitte & Touche Certified Public Accountants	Chiu-Yen Wu Lee-Yuan Kuo	Unqualified Opionoin
2022	Deloitte & Touche Certified Public Accountants	Chiu-Yen Wu Lee-Yuan Kuo	Unqualified Opionoin
2023	Deloitte & Touche Certified Public Accountants	Chiu-Yen Wu Lee-Yuan Kuo	Unqualified Opionoin

2. Financial Analysis

(1) Financial analysis (2019 - 2023)

1. Financial Analysis- International Financial Reporting Standards (IFRSs)-Consolidated(Note 1)

Item	Year	Financial analysis (2019 - 2023)					As of April 1, 2024 (Note 2)
		2019	2020	2021	2022	2023	
Financial structure (%)	Debt-to-assets ratio	40.93	48.19	36.49	35.49	37.64	-
	Long-term fund to property, plant and equipment (fixed assets) ratio	402.42	467.08	398.92	528.56	544.71	-
Solvency (%)	Current ratio	324.08	495.03	319.69	328.54	288.59	-
	Quick ratio	275.27	439.02	280.61	287.79	256.92	-
	Times interest earned	2,088.88	(43.27)	(468.24)	(254.00)	(714.40)	-
Operating ability	Receivables turnover ratio (times)	6.53	3.96	3.56	3.31	1.90	-
	Average days of collection	55.90	92.17	102.53	110.27	192.11	-
	Inventory turnover ratio (times) (Note 2)	-	-	-	-	-	-
	Payables turnover ratio (times)	9.81	5.35	4.12	4.48	5.62	-
	Average days of sales	-	-	-	-	-	-
	Property, plant and equipment (fixed assets) turnover ratio (times)	1.97	1.06	0.81	0.93	1.15	-
	Total assets turnover ratio (times)	0.44	0.21	0.16	0.17	0.17	-
Profitability	Return on assets (%)	8.60	(0.55)	(2.26)	(0.89)	(3.16)	-
	Return on equity (%)	12.63	(1.75)	(4.65)	(1.95)	(5.67)	-
	Paid-in capital to income before tax (%) (Note 8)	84.65	(7.50)	(25.22)	(13.43)	(34.28)	-
	Net profit margin (%)	18.45	(4.87)	(16.92)	(7.76)	(20.86)	-
	Earnings per share (NT$)	6.57	(0.88)	(2.31)	(0.99)	(2.79)	-
Cash flows	Cash flow ratio (%)	31.12	(0.19)	(2.33)	(0.85)	11.02	-
	Cash flow adequacy ratio (%)	3.89	23.17	36.86	24.65	34.92	-
	Cash reinvestment ratio (%)	2.34	(8.20)	(0.62)	(0.24)	0.64	-
Leverage	Operating leverage	1.40	(5.76)	0.14	0.28	0.18	-
	Financial leverage	1.06	0.44	0.87	0.91	0.89	-

Reasons for changes in financial ratios in the most recent 2 years. (Can be left blank of the increase or decrease is less than 20%)

1. Times interest earned: This mainly reflects an increase in the current period's losses compared to the previous period, resulting in an expansion of negative values for this ratio.
2. Receivables turnover ratio and Average days of collection: The main reason is the significant increase in the estimated accounts receivable amount due to the completion of major projects during the current period.
3. Payables turnover ratio : The main reason is that payments for equipment deliveries from several projects were made during the current period, leading to a decrease in accounts payable from the previous period and resulting in an increase in turnover ratio.
4. Property, plant and equipment (fixed assets) turnover ratio: The main reason for the increase in turnover ratio is due to the addition of property, plant, and equipment (PPE) during the current period exceeding the amount of depreciation and amortization.
5. Profitability-related ratios: The main reason is the exacerbation of losses in the current period, leading to a negative trend in various indicators.
6. Cash flow-related ratios: Although the company is experiencing a loss, the cash flow from operating activities is positive and increasing, leading to a positive trend in related indicators.
7. Operating leverage: The main reason is the impact of labor shortages, which has delayed equipment installation progress, leading to a situation where the company still incurs an operating net loss.

Note 1: Financial information from 2019 to 2023 was audited by CPA.

Note 2: The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.

2. Financial Analysis- International Financial Reporting Standards (IFRSs)-Individual(Note 1)

Item	Year	Financial analysis (2019-2023)					As of April 1, 2024 (Note2)
		2019	2020	2021	2022	2023	
Financial structure (%)	Debt-to-assets ratio	34.12	41.28	29.76	30.40	34.25	-
	Long-term fund to property, plant and equipment (fixed assets) ratio	451.88	459.71	380.31	507.03	532.89	-
Solvency (%)	Current ratio	318.76	727.14	309.06	328.35	271.72	-
	Quick ratio	273.83	645.29	267.28	279.68	238.24	-
	Times interest earned	2,901.88	(169.35)	(765.97)	(318.59)	(863.84)	-
Operating ability	Receivables turnover ratio (times)	3.97	2.86	2.46	2.57	2.32	-
	Average days of collection	91.94	127.62	148.37	142.02	157.33	-
	Inventory turnover ratio (times) (Note 2)	-	-	-			-
	Payables turnover ratio (times)	10.14	6.13	4.21	4.77	6.01	-
	Average days of sales	-	-	-			-
	Property, plant and equipment (fixed assets) turnover ratio (times)	1.84	0.95	0.62	0.89	1.15	-
	Total assets turnover ratio (times)	0.37	0.18	0.13	0.17	0.18	-
Profitability	Return on assets (%)	9.06	(0.74)	(2.63)	(1.05)	(3.47)	-
	Return on equity (%)	12.63	(1.75)	(4.65)	(1.95)	(5.67)	-
	Paid-in capital to income before tax (%) (Note 8)	76.65	(9.66)	(27.99)	(11.82)	(32.10)	-
	Net profit margin (%)	23.63	(5.97)	(22.81)	(7.96)	(21.21)	-
	Earnings per share (NT$)	6.57	(0.88)	(2.31)	(0.99)	(2.79)	-
Cash flows	Cash flow ratio (%)	24.66	55.83	(4.34)	(14.01)	7.36	-
	Cash flow adequacy ratio (%)	0.54	35.75	39.26	29.06	29.02	-
	Cash reinvestment ratio (%)	(0.76)	(3.04)	(0.85)	(2.86)	(0.70)	-
Leverage	Operating leverage	1.43	(8.41)	0.50	0.22	(0.14)	-
	Financial leverage	1.05	0.43	0.91	0.91	0.90	-

Reasons for changes in financial ratios in the most recent 2 years. (Can be left blank of the increase or decrease is less than 20%)

1. Times interest earned: This mainly reflects an increase in the current period's losses compared to the previous period, resulting in an expansion of negative values for this ratio.
2. Payables turnover ratio : The main reason is that payments for equipment deliveries from several projects were made during the current period, leading to a decrease in accounts payable from the previous period and resulting in an increase in turnover ratio.
3. Property, plant and equipment (fixed assets) turnover ratio: The main reason for the increase in turnover ratio is due to the addition of property, plant, and equipment (PPE) during the current period exceeding the amount of depreciation and amortization.
4. Profitability-related ratios: The main reason is the exacerbation of losses in the current period, leading to a negative trend in various indicators.
5. Cash flow-related ratios: Although the company is experiencing a loss, the cash flow from operating activities is positive and increasing, leading to a positive trend in related indicators.
6. Operating leverage: The main reason is the impact of labor shortages, which has delayed equipment installation progress, leading to a situation where the company still incurs an operating net loss.

Note 1: The 2019-2023 Financial Reports of the Company have been reviewed by the CPA.
Note 2: The year to printing date April 1 2024, financial results has not yet been reviewed by CPA.
Note 3: The Company primarily focuses on the R&D and design of simulator rides by using its design, R&D, and system integration capabilities as well as the hardware equipment of outsourced vendors. Because the Company's core value is its design, R&D, and system integration capabilities, its business characteristic differs from general manufacturing industries in that the Company manufactures and sells physical products. Therefore, inventory turnover ratio is not calculated.

3. Audit Committee Audit Report

   Refer to Appendix 2.

4. Financial Report and CPA Review Report

   Refer to Appendix 3.

5. Individual financial report reviewed by CPA

   Refer to Appendix 3 of the company's Chinese version 2022 annual report.

6. Financial difficulties and corporate events encountered by the Company and affiliates in the past two years and up to the date of report that have material impact on the financial status of the Company: None.

VII. Precautions of Review and Analysis of Financial Status and Business Performance

1. Financial status

(1) Consolidated

Unit: NT$ 1,000

Year / Item	2022	2023	Variation	
			Amount	%
Current assets	3,098,240	3,002,400	(95,840)	(3.09)
Property,plantand equipment	758,358	736,179	(22,179)	(2.92)
Intangible assets	196,740	203,030	6,290	3.20
Other assets	898,035	1,108,784	210,749	23.47
Total Assets	4,951,373	5,050,393	99,020	2.00
Current liabilities	943,026	1,040,376	97,350	10.32
Non-current liabilities	813,974	860,843	46,869	5.76
Total liabilities	1,757,000	1,901,219	144,219	8.21
Capital Stock	625,174	648,357	23,183	3.71
Capital Surplus	2,648,189	2,672,817	24,628	0.93
Retained earnings	(100,727)	(167,662)	(66,935)	66.45
Other equity	21,484	(4,338)	(25,822)	(120.19)
Non-controlling interests	253	-	(253)	(100.00)
Total Euity	3,194,373	3,149,174	(45,199)	(1.41)

Analysis and explanation of changes:
(1) The increase in other assets is mainly due to the increase in prepayments for intangible assets related to video production during the current period.
(2) The increase in current liabilities is primarily due to the increase in short-term borrowings necessary for operations.
(3) The increase in non-current liabilities is mainly due to the addition of lease liabilities for the newly leased Qiaoke land.
(4) The decrease in retained earnings is primarily due to the operating losses incurred during the current period.
(5) The decrease in other equity is mainly due to the foreign exchange loss from the translation of financial statements of overseas operating entities.
(6) The decrease in non-controlling interests is mainly due to the settlement of HexaRide, a subsidiary of the consolidated company.
Major Impact on Financial Performance: The above deviations had no major impact on financial performance.
Future Plan on Financial Performance: Not applicable.

(2) Induvidual

Unit: NT$ 1,000

Year / Item	2022	2023	Variation	
			Amount	%
Current assets	2,523,633	2,512,167	(11,466)	(0.45)
Property,plantand equipment	753,565	725,253	(28,312)	(3.76)
Intangible assets	79,235	76,768	(2,467)	(3.11)
Other assets	1,232,949	1,475,180	242,231	19.65

Item \ Year	2022	2023	Variation	
			Amount	%
Total Assets	4,589,382	4,789,368	199,986	4.36
Current liabilities	768,575	924,539	155,964	20.29
Non-current liabilities	626,687	715,655	88,968	14.20
Total liabilities	2,523,633	1,640,194	244,932	17.55
Capital Stock	1,395,262	648,357	23,183	3.71
Capital Surplus	625,174	2,672,817	24,628	0.93
Retained earnings	2,648,189	(167,662)	(66,935)	66.45
Other equity	21,484	(4,338)	(25,822)	(120.19)
Non-controlling interests	-	-	-	-
Total Euity	3,194,120-	3,149,174	(44,946)	(1.41)
Analysis and explanation of changes: (1) The increase in current liabilities is primarily due to the increase in short-term borrowings necessary for operations. (2) The decrease in retained earnings is primarily due to the operating losses incurred during the current period. (3) The decrease in other equity is mainly due to the foreign exchange loss from the translation of financial statements of overseas operating entities. Future Plan on Financial Performance: Not applicable.				

2. Financial performance

(1) Comparative analysis of business performance- Consolidate

Unit: NT$ 1,000

Item \ Year	2022	2023	Change (amount)	Variation as a percentage (%)
Sales revenue	803,766	862,703	58,937	7.33
Operating cost	473,249	500,891	27,642	5.84
Unrealized Gross Profit on Sales to Associates	-	-	-	-
Gross profit	330,517	361,812	31,295	9.47
Operating expenses	577,780	586,180	8,400	1.45
Operating loss	(247,263)	(224,368)	22,895	(9.26)
Non-operating income (loss) and expense	163,305	2,085	(161,220)	(98.72)
Loss before tax	(83,958)	(222,283)	(138,325)	164.75
INCOME TAX loss (BENEFIT)	(21,560)	(42,308)	(20,748)	96.23
Continuing operations Net loss	(62,398)	(179,975)	(117,577)	188.43
Other comprehensive loss (net of income Tax)	60,878	(16,916)	(77,794)	(127.79)
Total comprehensive loss	(1,520)	(196,891)	(195,371)	12,853.36
Net loss belongs to the parent company	(60,726)	(179,764)	(119,038)	196.02
Total comprehensive loss belongs to the parent company	189	(196,662)	(196,851)	(104,153.97)

Item / Year	2022	2023	Change (amount)	Variation as a percentage (%)
Analysis and explanation of changes: (1) The decrease in non-operating income is mainly due to the gains from the disposal of PP&E and foreign exchange in the previous period. (2) The increase in income tax benefit is due to the increase in losses resulting in deferred income tax benefits. (3) The current net loss, total comprehensive loss, net loss belongs to the parent company, and comprehensive loss belongs to the parent company's continuing net loss are mainly due to the fact that revenue has not yet reached breakeven. (4) The decrease in other comprehensive income is mainly due to the foreign exchange loss from the translation of financial statements of overseas operating entities. Major Impact on Financial Performance: The above deviations had no major impact on financial performance. Future Plan on Financial Performance: Not applicable.				

(2) Comparative analysis of business performance- Individual

Unit: NT$ 1,000

Item / Year	2022	2023	Change (amount)	Variation as a percentage (%)
Sales revenue	763,368	847,582	84,214	11.03
Operating cost	402,185	501,088	98,903	24.59
Unrealized Gross Profit on Sales to Associates	-	-	-	-
Gross profit	361,183	346,494	(14,689)	(4.07)
Operating expenses	529,643	535,477	5,834	1.10
Operating loss	(168,460)	(188,983)	(20,523)	12.18
Non-operating income (loss) and expense	94,588	(19,159)	(113,747)	(120.26)
Loss before tax	(73,872)	(208,142)	(134,270)	181.76
INCOME TAX loss (BENEFIT)	(13,146)	(28,378)	(15,232)	115.87
Continuing operations Net loss	(60,726)	(179,764)	(119,038)	196.02
Other comprehensive loss (net of income Tax)	60,915	(16,898)	(77,813)	(127.74)
Total comprehensive loss	189	(196,662)	(196,851)	(104,153.97)
Net loss belongs to the parent company	(60,726)	(179,764)	(119,038)	196.02
Total comprehensive loss belongs to the parent company	189	(196,662)	(196,851)	(104,153.97)
Analysis and explanation of changes: (1) The decrease in non-operating income is mainly due to the gains from the disposal of PP&E and foreign exchange in the previous period. (2) The increase in income tax benefit is due to the increase in losses resulting in deferred income tax benefits. (3) The current net loss, total comprehensive loss, net loss belongs to the parent company, and comprehensive loss belongs to the parent company's continuing net loss are mainly due to the fact that revenue has not yet reached breakeven. (4) The decrease in other comprehensive income is mainly due to the foreign exchange loss from the translation of financial statements of overseas operating entities. Major Impact on Financial Performance: The above deviations had no major impact on financial performance. Future Plan on Financial Performance: Not applicable.				

(3) Expected Sales Volume and Criteria

On the basis of current industrial environment and future market supply and demand, as well as information relevant to R&D schedule and business development, the Company expects its business to growth steadily in 2023.

3. Cash flows

(1) Analysis on the cash flow changes - Consolidated

Unit: NT$ 1,000

Item	2022	2023	Changes (increase/decrease)
Net cash inflow (outflow) from operating activities	(7,979)	114,666	122,645
Net cash inflow (outflow) from investing activities	(45,577)	(142,565)	(96,988)
Net cash inflow (outflow) from financing activities	90,078	154,194	64,116

Analysis and explanation of changes:
(1) The increase in net cash outflow from operating activities is mainly due to the disposal of financial assets measured at fair value through profit or loss.
(2) The increase in net cash outflows from investing activities is mainly due to the acquisition of property, plant, and equipment, as well as intangible assets.
(3) The increase in net cash inflows from financing activities is mainly due to borrowing activities.

(2) Analysis on the cash flow changes - Individual

Unit: NT$ 1,000

Item	2022	2023	Changes (increase/decrease)
Net cash inflow (outflow) from operating activities	(107,707)	68,022	175,729
Net cash inflow (outflow) from investing activities	17,992	(72,472)	(90,464)
Net cash inflow (outflow) from financing activities	91,671	181,933	90,262

Analysis on the cash flow changes of in these two years:
(1) The increase in net cash outflow from operating activities is mainly due to the disposal of financial assets measured at fair value through profit or loss.
(2) The increase in net cash outflows from investing activities is mainly due to the acquisition of property, plant, and equipment, as well as intangible assets.
(3) The increase in net cash inflows from financing activities is mainly due to borrowing activities.

(3) Improvement plan for inadequate liquidity: None.

(4) Cash flow analysis for the coming year

Unit: NT$ 1,000

Cash balance, beginning	Expected cash flow from operating activities	Expected cash flow from investment and financing activities	Expected cash surplus (deficit) + -	Remedial measures for expected cash deficit	
				Investment plan	Financing plan
839,730	85,982	(168,821)	756,891	-	-

Analysis on the cash flow for the coming year:
(1) Operating activities: The main reason is the generation of cash inflows from operating net profit.
(2) Investment and financing activities: The main reason is the repayment of long and short-term borrowings.
(3) Remedial measures for expected cash deficit: N/A

4. Effect of major capital spending on financial position and business operation

(1) Major capital spending and sources of funds

None.

(2) Anticipated benefit

None.

5. Investment policy in the past year, profit/loss analysis, improvement plan, and investment plan for the coming year

(1) Investment transfer policy

The Company currently focuses its investment transfer policy on business investment related targets and does not invest in other businesses. Related executing department handles affairs according to the Investment Circulation regulations of its internal control system and Procedure for Processing the Acquisition and Disposal of Assets, both of which have been reviewed and approved by the Board of Directors.

(2) Reasons for investment profit or loss in recent years

The company invests in subsidiaries to meet the needs of business expansion and future development. In 2022, the Company’s Operational Highlights of Subsidiaries, please item VIII. Important Notices (2) Operational Highlights of Subsidiaries.

(3) Investment plan for the next year

The Company will review and evaluate our investment plant from a long-term strategic perspective to strengthen the channel-content management strategy and continue to strengthen our global competitiveness.

6. Analysis of risks in recent years up to the publishing date of the annual report

(1) Impact of interest rate and exchange rate changes and inflation on Company’s profit and response measures:

(A) Impact of interest rate on Company's profit and response measures

The Company uses its funds conservatively and steadily; the operation-generated funds are stored as time deposits and current deposits. The interests earned in 2022 and 2023 were respectively NT$8,514 thousand and NT$13,761 thousand. The bank loan interest expenses were respectively NT$10,423 thousand and NT$17,141 thousand. The interest earned and ratio of expenditure as a percentage of operating income and net income before tax was low. Because the Company is increasing its business scale and building the R&D Testing and Experience Center, it is expected that the Company will need more loans in NTD. The Company will remain vigilant at changes in the banks' interest rate and maintain a good relationship with its cooperating banks so that the Company can acquire preferential interest rate to reduce the effects of interest rate variations on the Company operation.

(B) During recent years up to the annual report publishing date, the effects of exchange rate variations on the Company's profit and its future response measures

The business focus of the Company is simulator rides; the downstream customers are major as well as developers of theme parks. The simulator rides are priced in either NTD or foreign currency depending on the region of sale. Therefore, foreign currency assets are generated. The net foreign exchange gain in 2022 and 2023 were respectively NT$78,527 thousand and NT$950 thousand, accounting for 9.77%、0.11%、(93.53)% and (0.42)% of the operating income and net profit margin before tax of 2020 and 2021. Because exchange rate changes influence the profits of the Company, the Company's management authorities pay close attention to the exchange rate trends and reinforce the management of risks in exchange rate fluctuations. The corresponding measures adopted are as follows:

①Because of the gradual increase in export sales, the Company attempts to mitigate the effects of exchange rate changes by setting up a foreign currency savings account to manage foreign currencies. The Company assigns designated personnel from the finance department to sell excess foreign currencies under optimal conditions according to the daily foreign currency balance and monthly fund estimates, to reduce the impact of exchange rate changes on the profit.

②When giving quotes to foreign customers, the business department considers the effects of exchange rate variations on product prices and refers to the prices adjusted according to the changing exchange rates, or negotiates a new price in NTD with the customer, thereby mitigating the effects of exchange rate variations on the profit of the Company.

③Our finance department personnel maintains a close contact with the foreign exchange departments of frequent interacting banks to adequately acquire market information and use such information to forecast the long- and short-term trends of the exchange rage and sell or buy in foreign currencies in a timely manner. Thus, the effects of exchange rate variations on the profitability of the Company can be reduced.

④At the appropriate timing, the Company will have its finance department personnel to review the changes in the foreign exchange market and consider foreign exchange fund requirements and balances to determine whether hedging derivative financial instrument operating strategies should be used in accordance with the Procedure for Processing the Acquisition and Disposal of Assets, such as buying forwards in advance to avert exchange rate risks, thereby minimizing the effects of exchange rate variations on the profit of the Company.

(C) During recent years up to the annual report publishing date, the effects of inflation on the Company's profit and its future response measures:

The Company profits have not experienced material influence from inflation; it is predicted that such effect remains limited on the Company's profits. The Company will continue to monitor the inflation situation and adequately adjust its product prices accordingly.

(2) Policies of engaging in high-risk, high-leverage investments, lending to others, providing endorsement and guarantee, and derivatives transactions, profit/loss analysis, and future response measures:

(A) The Company has always focused on its main business activities and upheld the practical principle of managing a business. Our financial policy is based on the principle of robustness and conservativeness, and thus the Company does not engage in high-risk, high-leveraging investment as well as derivative instrument transactions.

(B) From 2022 to 2023 of the annual report, the Company has not engaged in providing endorsement and guarantee, lending to others, and derivatives transactions. If such engagements are required in the future, it shall be executed in accordance with the "Operating Procedure for Endorsements and Guarantees," "Operating Procedure for Fund Lending," and "Procedure for Acquisition or Disposal of Assets" and relevant transaction information shall be announced in accordance with laws and regulations.

(3) Future R&D projects and estimated R&D expenditure:

To continuously enhance the Company's competitiveness, the Company has always actively invested in R&D efforts. In 2022 and 2023, it has expended a total of NT$189,445 thousand and NT$106,891 thousand in R&D, respectively accounting for 24% and 13% of the net operating income. It is expected that a total of NT$94,579 thousand will be expended in R&D in 2024, and the Company's future R&D projects are as follows:

Unit	New products under development
Product Center	A.The Integration of Interactive Games (1).Interactive game combining multiplayer motion-simulation system. (2).Sensory interactive game combining AR(augmented reality), VR(virtual reality) and MR(mixed reality) technologies (3).Immersive d-Ride interactive shooting game B.Diversified Application (1) Motion simulation combing 5G/AIoT technology to extend control in prcise. (2) Diversified digital contents and real-time motion simulation intergration (3) Four-players Standing VR base simulator.

Unit	New products under development
	(4) Three-players ride simulator. (5) Immersive mini-LED dome screen and mini-simulator integrated development. C.Product design (1) Standing VR base platform modular design. (2) Thematic design for outlook of mini ride. (3) Product appearance improvement.
Technical Center	A.Vertical platform product design (v-Ride height under 2 meters) B.Rotating carrier producing and optimization(o-Ride, m-Ride) C.Platform-controlled technological optimization D.Mechanical design optimization E.Arts appearance design refinement F.Equipment weight optimization G.LED screen development H.Giant 3-DOF platform producing and optimization I. Development of automatic guiding ride vehicle
Content & Design Center	A.Thematic decoration design (1) Optimization of FEC Venue Design Process (2) Research on Immersive Theater Sensory Effects Simulation (3) Study on Enhancing Preliminary Design Efficiency with AI B.Digital content production (1) Research on Enhancing Animation Production Efficiency using Game Engines (2) Study on High-Resolution Multi-Camera Filming Production Process (3) Optimization of Digital Content Post-Production Processes and Version Control

(4) Major changes in government policies and laws at home and broad and the impact on Company finance and business and response measures:

During recent years up to the annual report publishing date, major changes in government policies and laws at home and broad exerted no material effect on Company finance and business. The Company will acquire relevant information in a timely manner and formulate necessary response measures to meet company operation requirements.

(5) Impact of recent technological (Information Security Risks) and market changes during recent years up to the annual report publishing date on the Company's finance and business, and response measures:

The Company has constantly paid attention to technological and market changes and designated personnel to search for information regarding industry-related technologies and trend variations to provide a reference for decision-making at the management level. The information can facilitate adjusting operational strategies and devise response measures. Therefore, there were no impact of recent technological and market changes on the Company's finance and business.

The Company has not found any significant information security incidents in the 2023 and up to the date of printing of the annual report, it has or may have a material adverse effect on the company's business and operations, and has not been involved in any legal cases or regulatory investigations. In the future, we will continue to review and evaluate its information security regulations and procedures annually to ensure its appropriateness and effectiveness to control or maintain the functions of important business operations such as the company's operations and accounting.

(6) Impact of corporate image change on risk management and response measures:

Since its inception, the Company actively strengthens its internal management, focusing on the management of its main business activities. In addition, it endeavors to maintain corporate image and compliance with relevant laws and regulations. To date, there have been no changes to the Company's image that would cause risks to company operation. In future, the Company will continue to comply with and implement corporate governance requirement, and consult relevant experts in a timely manner, to reduce the effects of such risk on the Company's finance and business.

(7) Expected benefits and potential risks of merger and acquisition and response measures: None.

(8) Expected benefits and potential risks of capacity expansion and response measures:

To enhance the company's research and development capabilities, expand production scale, concentrate research resources, and increase capacity to meet the company's future growth needs and achieve sustainable operation goals, the company has leased land in Qiaotou Science Park and planned to invest in the construction of a new factory to expand research, manufacturing, and testing facilities. The company has prudently assessed the funding requirements for the expansion and properly planned the utilization of operating funds, thus the company does not face the risk of insufficient funds due to the expansion of the factory.

(9) Risks associated with over-concentration in purchase or sale and response measures:

(A) Purchases

The Company is a professional manufacturer of simulator rides, purchasing stocks according to the project designs of various simulator rides. The Company also commissions manufacturers to undergo hardware processing. To build a supply chain system of motion-sensing simulation amusement equipment jointly with small and medium-sized enterprises in Taiwan, the main suppliers have not changed much, and the proportion of the amount of manufacturers will increase or decrease due to the different supply of materials required by the process progress.

(B) Sales

According to customer demand, the Company designs and integrates upstream software and hardware systems and technologies, selling them to downstream operators, including theme parks, museums, shopping malls, and urban experience center. With the increasing popularity and word of mouth of the Company as well as partnering with internationally well-known companies, the Company has expanded from the domestic market to China, North American regions, and Euroasian regions, effectively reducing its reliance on a single customer, thereby mitigating the risk of sales concentration.The upstream industries associated with the simulator ride equipment comprise the hardware section, including precision machinery industry and manufacturers of spherical screens and projectors, and the software section, including wireless embedded control system, spherical projector and playback control systems, and digital contents.

(10) Impact of mass transfer of equity by or change of directors, supervisors, or shareholders holding more than 10% interests on the Company, associated risks and response measures:

During recent years up to the annual report publishing date, there were no mass transfers of equity by or change of directors, supervisors, or shareholders holding more than 10% interests on the Company.

(11) Impact of change of management rights on the Company, associated risk and response measures:

In 2022 and 2023 of the annual report publishing date, there were no negative impacts from changes in management rights.

(12) Litigation or non-litigation events

(A) Disclose the litigation facts, target amount, litigation start date, main parties involved, and current progress regarding concluded or pending litigious, non-litigious, or administrative litigation events, the potential effects of the outcomes on shareholder equity or security prices during the recent two years up to the annual report publishing date: None.

(B) The outcome of concluded or pending litigious, non-litigious, or administrative litigation events involving the director, supervisor, president, de facto responsible person, major shareholders holding more than 10% interest, or subsidiary of the Company during the recent two years up to the annual report publishing date: None.

(C) The involvement of the director, supervisor, president, and major shareholders holding more than 10% interest in events regulated in Article 157 of the Securities and Exchange Act during the recent two years up to the annual report publishing date, and the Company's current progress in handling such events: None.

(13) Other significant risks and response measures: None.

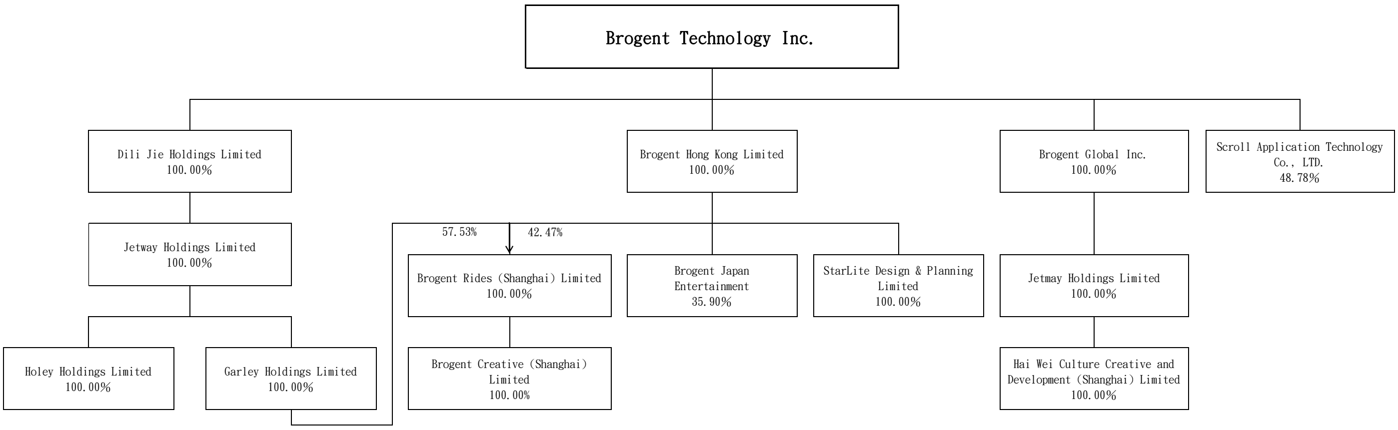
7.Other important events: None.

VIII. Important Notices

1. Profile on affiliates and subsidiaries

(1) Subsidiaries Iperation Report

A. Subsidiary Chart



B. Business Scope of each subsidiary

Investee Company	Date of Establishment	Location	Investment Amount	Business Scope
Brogent Global Inc.	2015.09	Kaohsiung, Taiwan	NTD 300,000,000	Development and management business of self-operated outlets, site planning and film production
Brogent Hong Kong Limited	2015.06	Kowloon,Hong Kong	USD 12,203,392	Investment , holding company and trading business
Brogent Rides (Shanghai) Limited	2015.07	Shanghai, China	USD 7,300,000	Import and export business
Brogent Creative (Shanghai) Limited	2015.09	Shanghai, China	RMB 13,000,000	Development and management business of self-operated outlets
Brogent Japan Entertainment Joint-Stock Corporation	2016.08	Tokyo, Japan	JPY 35,000,000	Management business development and sales of the peripheral products of simulator rides in Japan
Dili Jie Holdings Limited	2018.01	British Virgin Islands	USD 9,872,333	Investment and holding company business
Jetway Holdings Limited	2018.03	Cayman Islands.	USD 9,872,333	Investment and holding company business
Garlay Holdings Limited	2018.03	British Virgin Islands	USD 4,300,000	Investment and holding company business
Holey Holdings Limited	2018.11	British Virgin Islands	USD 5,522,333	Investment and holding company business
Jetmay Holdings Limited	2018.11	British Virgin Islands	USD3,173,415	Investment and holding company business
Hai Wei Culture Creative and Development (Shanghai) Limited	2019.01	Shanghai, China	RMB 20,000,000	Design and management business
Starlite Design & Planning Limited	2018.12	Richmond,Canada	CAD1,000,000	Design and management business

Investee Company	Date of Establishment	Location	Investment Amount	Business Scope
Scroll Application Technology Co., LTD.	2023.05	Taipei, Taiwan	NTD 20,000,000	Management business development and sales of software service

C. Shareholders in Common of Brogent and Its Subsidiaries with Deemed Control and Subordination: None.

D. Business of Brogent Technologies Inc. and Its Affiliated Enterprises

（1）Brogent Global Inc.:
Development and management business of self-operated outlets, site planning and film production.

（2）Brogent Hong Kong Limited:
holding company, it invests in Brogent Rides (Shanghai) Limited and Brogent Creative (Shanghai) Limited.

（3）Brogent Rides (Shanghai) Limited:
Import and export business.

（4）Brogent Creative (Shanghai) Limited:
Development and management business of self-operated outlets.

（5）Brogent Japan Entertainment Joint-Stock Corporation:
Management business development and sales of the peripheral products of simulator rides in Japan.

（6）Hai Wei Culture Creative and Development (Shanghai) Limited:
Design and management business.

（7）Starlite Design & Planning Limited:
Design and management business.

（8）Scroll Application Technology Co., LTD.:
Management business development and sales of software service.

E. Rosters of Directors, Supervisors, and Presidents of Brogent's Subsidiaries

Investee	Title	Name or Representative	Shares Held	
			Shares	Percentatge
Brogent Hong Kong Limited	Chairman	Brogent Technologies Inc. Representative：Pei-Chi Ho	-	100%
	Director	Brogent Technologies Inc. Representative：Chih-Hung Ouyang	-	100%
Brogent Rides (Shanghai) Limited	Chairman	Brogent Technologies Inc. Representative：Pei-Chi Ho	-	100%
	Supervisor	Brogent Technologies Inc. Representative：Pei-Kuan Lee	-	100%
Brogent Creative (Shanghai) Limited	Chairman	Brogent Technologies Inc. Representative：Pei-Chi Ho	-	100%
	Supervisor	Brogent Technologies Inc. Representative：Pei-Kuan Lee	-	100%
Brogent Global Inc.	Chairman	Brogent Technologies Inc. Representative：Chih-Hung Ouyang	36,214,332	100%
	Director	Brogent Technologies Inc. Representative：Pei-Chi Ho	36,214,332	100%
	Director	Brogent Technologies Inc. Representative：Ming-Chi Chang	36,214,332	100%
	Supervisor	Brogent Technologies Inc. Representative：Sui-Chuan Lin	36,214,332	100%
Brogent Japan Entertainment Joint-Stock Corporation	Chairman	Kodansha Company, Limited Representative：Kohei Furukawa	1,000	51.30%
	Director	Kodansha Company, Limited Representative：Mikinosuke Sugihara	1,000	51.30%
	Director	Brogent Hong Kong Limited Representative：Chih-Hung Ouyang	700	35.90%
	Director	Brogent Hong Kong Limited Representative：Stefan Rothaug	700	35.90%
	Director	DAISAKU SONODA	-	-
	Director	Kodansha Company, Limited Representative：Hiroshi Nakada	1,000	51.30%
	Director	DENTSU INC. Representative：Shinjiro Yokoyama	250	12.80%
	Supervisor	Kodansha Company, Limited Representative：Mitusyuki Shiraishi	1,000	51.30%
	Supervisor	Brogent Hong Kong Limited Representative：Sui-Chuan Lin	700	35.90%
Dili Jie Holdings Limited	Chairman	Brogent Technologies Inc. Representative：Pei-Chi Ho	-	100%

Investee	Title	Name or Representative	Shares Held	
			Shares	Percentatge
Jetway Holdings Limited	Chairman	Dili Jie Holdings Limited Representative：Pei-Chi Ho	-	100%
Garlay Holdings Limited	Chairman	Jetway Holdings Limited Representative：Pei-Chi Ho	-	100%
Holey Holdings Limited	Chairman	Jetway Holdings Limited. Representative：Pei-Chi Ho	-	100%
Jetmay Holdings Limited	Chairman	Brogent Global Inc. Representative：Pei-Kuan Lee	-	100%
Starlite Design & Planning Limited	Chairman	Brogent Hong Kong Limited Representative：Pei-Kuan Lee	-	100%
Hai Wei Culture Creative and Development (Shanghai) Limited	Chairman	Jetmay Holdings Limited Representative：Pei-Kuan Lee	-	100%
	Supervisor	Jetmay Holdings Limited Representative：Yen-Lun Peng	-	100%
Scroll Application Technology Co., LTD.	Chairman	Chih-Cheng Liu	50,000	0.12%
	Director	9SPLAY ENTERTAINMENT TECHNOLOGY CO., LTD.	2,025,000	49.39%
	Director	Brogent Technologies Inc.	2,000,000	48.78%
	Supervisor	Fei-Hsiu Hsu	-	-

(2) Operational Highlights of Subsidiaries

Unit: NT$1,000 As of Dec. 31, 2023

Investee	Capital	Total Asset	Total Liabilities	Net Value	Revenue	Profit	Net Income (After Tax)	EPS (NTD)
Brogent Global Inc.	362,144	613,963	327,538	286,425	76,931	31,359	(3,472)	(0.10)
Brogent Hong Kong Limited	374,766	357,430	95,220	262,210	-	(25,328)	(42,195)	-
BrogentRides Limited(Shanghai)	214,128	616,254	295,106	321,148	1,722	13,414	(28,626)	-
Brogent Creative (Shanghai) Limited	56,277	195,337	111,366	83,971	1,372	(1,728)	(907)	-
Brogent Japan Entertainment Joint-Stock Corporation	28,304	32,682	13,498	19,184	35,668	6,284	15,022	-
Dili Jie Holdings Limited	303,179	432,973	-	432,973	-	-	27,457	-
Jetway Holdings Limited	303,179	432,952	-	432,952	-	(231)	27,459	-
Garlay Holdings Limited	132,053	187,492	-	187,492	-	(86)	(16,525)	-
Holey Holdings Limited	169,591	245,173	-	245,173	-	(97)	44,210	-
Jetmay Holdings Limited	97,456	117,561	-	117,561	-	-	(36,272)	-
Hai Wei Culture Creative and Development (Shanghai) Limited	86,580	309,779	192,243	117,536	(7,386)	(48,170)	(36,272)	-
Starlite Design & Planning Limited	46,440	14,306	4,445	9,861	17,397	(5,528)	(5,225)	-
Scroll Application Technology Co., LTD.	41,000	31,308	6,835	24,473	215	(20,656)	(16,527)	(4.03)

(3) Consolidated Financial Statements: Please refer to Appendix 3.

(4) Consolidated Report: N/A.

2. Private placement of corporate bonds in the past years to the date of the annual report:
   N/A.

3. Holding or disposal of stocks of the Company by subsidiaries in the past year and up to the date of report:
   N/A.

4. Other supplemental information
   Items of Commitment: The Company has executed or signed letter of understanding regarding items of commitment to listing and trading over the counter.

IX. Items of impact of interests of shareholders or stock price

None.

Appendix

Appendix 1：Statement of Internal Control System

Brogent Technologies Inc.

Statement of Internal Control System

Date: March 12, 2024

Based on the findings of a self-assessment, Brogent Technologies Inc. (Brogent) states the following with regard to its internal control system during the year of 2023：

1. Brogent's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and Brogent takes immediate remedial actions in response to any identified deficiencies.
3. Brogent evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component also includes several items which can be found in the Regulations.
4. Brogent has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, Brogent believes that, on December 31, 2023, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement is an integral part of Brogent's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement was passed by the Board of Directors in their meeting held on March 12, 2024, with none of the eight attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Brogent Technologies Inc.

Chairman：Chih-Hung Ouyang

President：Chih-Hung Ouyang

Appendix 2：Audit Committee Audit Report

Brogent Technologies Inc.
Audit Committee Audit Report

The Business Report, Financial statements and Deficit Compensation Statement of 2023 prepared by the Board of Directors have been audited and certified by Chiu-Yen Wu and Li-Yuan Kuo of Deloitte & Touche. After reviewing such documents, this Audit Committee found no nonconformity, in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2024 Annual Shareholders Meeting of Brogent Technologies Inc.

Audit Committee Convener: 李明憲

March 12, 2024

Appendix 3：Consolidated Financial Statements 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, 2023 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, 2024

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, 2023 and 2022, 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, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2023 is stated as follows:

<u>The recognition of project contract revenue</u>

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, there may be a calculation error; therefore, it 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 audit procedures on the above key audit matter:

1. We obtained an understanding of and tested the design and operating effectiveness of the internal control relevant to the accuracy of recognition of the 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 it 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, 2023 and 2022, on which we have issued an unmodified opinion.

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

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

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

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

Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 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, 2024

<u>*Notice to Readers*</u>

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, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 839,730	17	$ 721,736	15
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	32	-	118,819	2
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	64,300	1	130,000	3
Financial assets at amortized cost - current (Notes 4, 9 and 33)	148,010	3	144,788	3
Accounts receivable, net (Notes 4, 5 and 10)	638,706	13	270,332	6
Contract assets - current (Notes 4, 5 and 25)	954,078	19	1,303,225	26
Finance lease receivables, net (Notes 4 and 11)	1,851	-	-	-
Current tax assets (Notes 4 and 27)	1,659	-	891	-
Inventories (Notes 4 and 12)	251,618	5	311,350	6
Prepayments	77,832	1	63,702	1
Refundable deposits - current	5,567	-	-	-
Other current assets	19,017	-	33,397	1
Total current assets	3,002,400	59	3,098,240	63
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	409,515	8	378,155	8
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	1,379	-	-	-
Financial assets at amortized cost - non-current (Notes 4, 9 and 33)	54,413	1	56,950	1
Investments accounted for using the equity method (Notes 4 and 14)	18,824	1	1,755	-
Property, plant and equipment (Notes 4, 15 and 33)	736,179	15	758,358	15
Right-of-use assets (Notes 4 and 16)	356,727	7	287,013	6
Intangible assets (Notes 4 and 17)	203,030	4	196,740	4
Deferred tax assets (Notes 4 and 27)	125,223	3	90,499	2
Refundable deposits	14,651	-	19,484	-
Long-term finance lease receivables (Notes 4 and 11)	15,117	-	-	-
Other non-current assets	112,935	2	64,179	1
Total non-current assets	2,047,993	41	1,853,133	37
TOTAL	$ 5,050,393	100	$ 4,951,373	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 18)	$ 495,000	10	$ 321,840	7
Notes payable (Note 20)	487	-	11,772	-
Accounts payable (Note 20)	55,272	1	110,649	2
Contract liabilities - current (Note 25)	134,490	3	68,223	1
Other payables (Note 21)	88,914	2	83,290	2
Current tax liabilities (Notes 4 and 27)	877	-	2,490	-
Provisions - current (Note 4)	4,964	-	8,620	-
Lease liabilities - current (Notes 4 and 16)	64,323	1	64,414	1
Current portion of long-term borrowings (Note 18)	30,502	1	49,334	1
Current portion of bonds payable (Notes 4 and 19)	163,102	3	219,204	5
Other current liabilities	2,445	-	3,190	-
Total current liabilities	1,040,376	21	943,026	19
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 19)	79,014	2	261,577	5
Long-term borrowings (Note 18)	438,089	9	268,220	5
Provisions - non-current (Note 4)	1,000	-	-	-
Deferred tax liabilities (Notes 4 and 27)	13,003	-	27,010	1
Lease liabilities - non-current (Notes 4 and 16)	329,287	6	257,167	5
Guarantee deposits received	450	-	-	-
Total non-current liabilities	860,843	17	813,974	16
Total liabilities	1,901,219	38	1,757,000	35
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 24)				
Share capital				
Ordinary shares	647,786	13	614,431	13
Advance receipts for ordinary share	571	-	10,743	-
Total share capital	648,357	13	625,174	13
Capital surplus	2,672,817	53	2,648,189	54
Retained earnings (deficit to be compensated)				
Legal reserve	-	-	127,421	3
Special reserve	-	-	14,857	-
Accumulated deficit	(167,662)	(4)	(243,005)	(5)
Total deficit to be compensated	(167,662)	(4)	(100,727)	(2)
Other equity	(4,338)	-	21,484	-
Total equity attributable to owners of the Corporation	3,149,174	62	3,194,120	65
NON-CONTROLLING INTERESTS (Note 24)	-	-	253	-
Total equity	3,149,174	62	3,194,373	65
TOTAL	$ 5,050,393	100	$ 4,951,373	100

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, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2023		2022	
	Amount	**%**	**Amount**	**%**
NET OPERATING REVENUE (Notes 4, 5, 25 and 32)	$ 862,703	100	$ 803,766	100
OPERATING COSTS (Notes 12 and 26)	500,891	58	473,249	59
GROSS PROFIT	361,812	42	330,517	41
OPERATING EXPENSES (Notes 9, 25 and 26)				
Selling and marketing expenses	87,209	10	74,973	9
General and administrative expenses	313,728	36	293,387	37
Research and development expenses	106,891	13	189,445	24
Expected credit loss	78,352	9	19,975	2
Total operating expenses	586,180	68	577,780	72
OPERATING LOSS	(224,368)	(26)	(247,263)	(31)
NON-OPERATING INCOME AND EXPENSES (Note 26)				
Interest income	13,762	1	8,514	1
Other income	7,851	1	19,022	2
Other gains and losses	10,474	1	159,954	20
Finance costs	(27,294)	(3)	(23,717)	(3)
Share of profit or loss of associates accounted for using the equity method	(2,708)	-	(468)	-
Total non-operating income and expenses	2,085	-	163,305	20
LOSS BEFORE INCOME TAX	(222,283)	(26)	(83,958)	(11)
INCOME TAX BENEFIT (Notes 4 and 27)	42,308	5	21,560	3
NET LOSS FOR THE YEAR	(179,975)	(21)	(62,398)	(8)
OTHER COMPREHENSIVE INCOME (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	(4,536)	(1)	30,000	4
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(12,217)	(1)	30,911	4

(Continued)

Brogent Technologies Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2023		2022	
	Amount	**%**	**Amount**	**%**
Share of the other comprehensive loss of associates accounted for using the equity method	$ (163)	-	$ (33)	-
Other comprehensive income (loss) for the year, net of income tax	(16,916)	(2)	60,878	8
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	$ (196,891)	(23)	$ (1,520)	-
NET LOSS ATTRIBUTABLE TO:				
Owners of the Corporation	$ (179,764)	(21)	$ (60,726)	(8)
Non-controlling interests	(211)	-	(1,672)	-
	$ (179,975)	(21)	$ (62,398)	(8)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:				
Owners of the Corporation	$ (196,662)	(23)	$ 189	-
Non-controlling interests	(229)	-	(1,709)	-
	$ (196,891)	(23)	$ (1,520)	-
LOSS PER SHARE (Note 28)				
Basic	$ (2.79)		$ (0.99)	
Diluted	$ (2.79)		$ (0.99)	

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, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation											
				Retained Earnings (Deficit to be Compensated)			Other Equity					
	Ordinary Shares	Advance Receipts for Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Accumulated Deficit	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or loss On financial Assets at FVTOCI	Total	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2022	$ 573,641	$ 36,003	$ 2,501,234	$ 127,421	$ 14,857	$ (181,725)	$ (39,431)	$ -	$ (39,431)	$ 3,032,000	$ 1,408	$ 3,033,408
Net loss in 2022	-	-	-	-	-	(60,726)	-	-	-	(60,726)	(1,672)	(62,398)
Other comprehensive income in 2022, net of income tax	-	-	-	-	-	-	30,915	30,000	60,915	60,915	(37)	60,878
Total comprehensive loss in 2022	-	-	-	-	-	(60,726)	30,915	30,000	60,915	189	(1,709)	(1,520)
Convertible bonds converted to ordinary shares (Note 19)	40,790	(25,260)	146,205	-	-	-	-	-	-	161,735	-	161,735
Changes in percentage of ownership interest in subsidiaries (Note 13)	-	-	-	-	-	(554)	-	-	-	(554)	554	-
Changes in equity of associates accounted for using the equity method	-	-	750	-	-	-	-	-	-	750	-	750
BALANCE AT DECEMBER 31, 2022	614,431	10,743	2,648,189	127,421	14,857	(243,005)	(8,516)	30,000	21,484	3,194,120	253	3,194,373
Offset the deficit of 2022 (Note 24)												
Legal reserve used to offset accumulated deficits	-	-	-	(127,421)	-	127,421	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	(14,857)	14,857	-	-	-	-	-	-
	-	-	-	(127,421)	(14,857)	142,278	-	-	-	-	-	-
Other changes in capital surplus												
Capital surplus used to offset accumulated deficits	-	-	(100,727)	-	-	100,727	-	-	-	-	-	-
Cash dividends from capital surplus	-	-	(93,776)	-	-	-	-	-	-	(93,776)	-	(93,776)
	-	-	(194,503)	-	-	100,727	-	-	-	(93,776)	-	(93,776)
Net loss in 2023	-	-	-	-	-	(179,764)	-	-	-	(179,764)	(211)	(179,975)
Other comprehensive loss in 2023, net of income tax	-	-	-	-	-	-	(12,362)	(4,536)	(16,898)	(16,898)	(18)	(16,916)
Total comprehensive loss in 2023	-	-	-	-	-	(179,764)	(12,362)	(4,536)	(16,898)	(196,662)	(229)	(196,891)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	12,102	-	(12,102)	(12,102)	-	-	-
Convertible bonds converted to ordinary shares (Note 19)	33,355	(10,172)	219,131	-	-	-	-	-	-	242,314	-	242,314
Disposal of subsidiaries (Note 13)	-	-	-	-	-	-	3,178	-	3,178	3,178	(24)	3,154
BALANCE AT DECEMBER 31, 2023	$ 647,786	$ 571	$ 2,672,817	$ -	$ -	$ (167,662)	$ (17,700)	$ 13,362	$ (4,338)	$ 3,149,174	$ -	$ 3,149,174

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, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	$ (222,283)	$ (83,958)
Adjustments for:		
Income and expenses		
Depreciation expense	146,702	145,045
Amortization expense	31,324	31,336
Expected credit loss	78,352	19,975
Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss	1,956	(7,537)
Finance cost	27,294	23,717
Interest income	(13,762)	(8,514)
Dividend income	(4,000)	-
Share of profit or loss of associates accounted for using the equity method	2,708	468
Net gain on disposal of property, plant and equipment	-	(74,931)
Net loss on disposal of intangible assets	-	703
Loss on disposal of subsidiaries	3,178	-
Gain on disposal of investments accounted for using equity method	(2,276)	-
Loss on inventories	4,524	1,642
Net loss (gain) on foreign currency exchange	2,742	(5,941)
Income from the subleasing of right-of-use assets	(12,402)	-
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	124,420	170,415
Accounts receivable	(428,258)	(55,195)
Contract assets	330,811	(148,784)
Inventories	55,208	(98,949)
Prepayments	(14,130)	55,978
Other current assets	15,012	(6,939)
Notes payable	(11,285)	10,384
Accounts payable	(55,377)	23,413
Contract liabilities	66,267	2,451
Other payables	1,075	4,553
Provisions	(3,656)	3,498
Other current liabilities	(745)	874
Cash generated from operations	123,399	3,704
Income tax paid	(8,733)	(11,683)
Net cash generated from (used in) operating activities	114,666	(7,979)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	-	(100,000)

(Continued)

Brogent Technologies Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
Proceeds from disposal of financial assets at fair value through other comprehensive income	$ 61,465	$ -
Purchase of financial assets at amortized cost	(133,446)	(207,283)
Proceeds from disposal of financial assets at amortized cost	130,073	169,233
Purchase of financial instruments at fair value through profit or loss	(43,258)	(61,288)
Acquisition of investments accounted for using equity method	(20,000)	-
Payments for property, plant and equipment	(68,856)	(61,002)
Proceeds from disposal of property, plant and equipment	-	263,402
Increase in refundable deposits	(704)	(4,393)
Acquisition of intangible assets	(37,762)	(14,839)
Decrease in long-term lease receivables	917	-
Increase in other non-current assets	(48,756)	(37,921)
Interest received	13,762	8,514
Dividends received	4,000	-
Net cash used in investing activities	(142,565)	(45,577)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	173,160	166,755
Proceeds from long-term borrowings	300,000	224,867
Repayment of long-term borrowings	(149,002)	(240,014)
Repayment of the principal portion of lease liabilities	(53,418)	(46,293)
Increase in guarantee deposits received	450	-
Cash dividends from capital surplus	(93,776)	-
Interest paid	(23,196)	(15,237)
Change in non-controlling interests	(24)	-
Net cash generated from financing activities	154,194	90,078
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(8,301)	9,729
NET INCREASE IN CASH AND CASH EQUIVALENTS	117,994	46,251
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	721,736	675,485
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 839,730	$ 721,736

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, 2023 AND 2022
(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 FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation's board of directors on March 12, 2024.

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

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

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

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

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 financial position and financial performance.

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

New, Amended and Revised Standards and Interpretations	**Effective Date Announced by IASB (Note 1)**
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings.

As of the date the consolidated financial statements were approved, the Group is continuously assessing the possible impact of the application of the above standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments 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 quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

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

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the 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 an unconditional right 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 Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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 about ownership and operating items refer to Note 13, Table 5 and Table 6.

e. Foreign currencies

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

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

Non-monetary items 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.

f. Inventories

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

g. Investments 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.

h. 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.

Land is not depreciated.

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

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

i. 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.

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified or designated as at FVTPL, including investments in equity instruments 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. Fair value is determined in the manner described in Note 31.

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.

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

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

iii Investments in equity instruments at FVTOCI

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

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

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

b) Impairment of financial assets and contract assets

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

The Group always recognizes lifetime expected credit losses (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.

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

For internal credit risk management purposes, the Group 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.

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.

l. 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.

m. 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.

5) Rental revenue

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

n. 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 is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Group, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

Under finance leases, the lease payments comprise fixed payments and in-substance fixed payments. The net investment in a lease is measured at (a) the present value of the sum of the lease payments receivable by a lessor and any unguaranteed residual value accrued to the lessor plus (b) initial direct costs and is presented as a finance lease receivable. Finance lease income is allocated to the relevant accounting periods so as to reflect a constant, periodic rate of return on the Group’s net investment outstanding in respect of leases.

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.

o. 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.

p. Employee benefits

1) Short-term employee benefits

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

q. 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.

r. 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 the inflation and interest rate fluctuations and other relevant material estimates. 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

	December 31	
	2023	2022
Cash on hand	$ 1,461	$ 1,291
Checking accounts and demand deposits	563,391	398,447
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	274,878	321,998
	$ 839,730	$ 721,736

7. FINANCIAL INSTRUMENTS AT FVTPL

	December 31	
	2023	2022
Financial assets		
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Redemption options and put options of convertible bonds	$ 32	$ 429
Non-derivative financial assets		
Mutual funds	-	118,390
Unquoted shares	409,515	378,155
	409,515	496,545
	$ 409,547	$ 496,974
Current	$ 32	$ 118,819
Non-current	409,515	378,155
	$ 409,547	$ 496,974

The Group acquired the ordinary shares of Discover NY Project Company, LLC (DNY) for $31,437 thousand (US$1,050 thousand) in August 2022, increasing its shareholding to 23.22%. In addition, the Group acquired the preferred shares of DNY for $29,851 thousand (US$972 thousand) in December 2022. 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 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

	December 31	
	2023	2022
Current		
Domestic investments in equity instruments		
Listed shares	$ 64,300	$ 130,000
Non-current		
Foreign investments in equity instruments		
Unlisted equity investments	$ 1,379	$ -

The Group acquired the ordinary shares of Ruentex Industries Limited for $100,000 thousand in September 2022. Accordingly, the Group elected to designate the investments in equity instruments as financial assets at FVTOCI as it was not held for trading or short-term profit.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31	
	2023	2022
Time deposits with original maturities of more than 3 months	$ 48,941	$ 15,912
Pledged time deposits	105,338	151,082
Pledged demand deposits	14,134	2,004
Unquoted preferred shares	34,010	32,740
	$ 202,423	$ 201,738
Current	$ 148,010	$ 144,788
Non-current	54,413	56,950
	$ 202,423	$ 201,738

a. The counterparties of the time deposit of the Group were banks with sound credit ratings and no significant default concerns, and therefore, there was no expected credit losses.

b. The investment in preferred shares will expire in February 2025, and 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.

c. Refer to Note 33 for the information on financial assets at amortized cost pledged as collateral.

10. ACCOUNTS RECEIVABLE

	December 31	
	2023	2022
Accounts receivable		
At amortized cost		
Gross carrying amount	$ 747,098	$ 318,840
Less: Allowance for impairment loss	(108,392)	(48,508)
	$ 638,706	$ 270,332

The main credit period is 90 days, unless agreed upon in a specific contract. In order 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. In this regard, the 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 ECLs. The expected credit losses 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 engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

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

December 31, 2023

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	2-3	10-40	100	
Gross carrying amount	$ 131,427	$ 2,299	$ 4,345	$ 46,477	$ 96,106	$ 280,654
Loss allowance (lifetime ECLs)	(396)	(24)	(95)	(11,771)	(96,106)	(108,392)
Amortized cost	$ 131,031	$ 2,275	$ 4,250	$ 34,706	$ -	$ 172,262

Segment B

	Not Past Due	1 Months Past Due	2-3 Months Past Due	4-6 Months Past Due	Over 7 Months	Total
Gross carrying amount	$ 466,444	$ -	$ -	$ -	$ -	$ 466,444
Loss allowance (lifetime ECLs)	-	-	-	-	-	-
Amortized cost	$ 466,444	$ -	$ -	$ -	$ -	$ 466,444

December 31, 2022

Segment A

	Up to 3 Months	4-6 Months	7-12 Months	Over 1 Year	With Signs of Default	Total
Expected credit loss rate(%)	-	-	0.1-5	10	10-100	
Gross carrying amount	$ 107,655	$ 17,739	$ 39,378	$ 40,496	$ 95,222	$ 300,490
Loss allowance (lifetime ECLs)	-	-	(30)	(3,945)	(44,533)	(48,508)
Amortized cost	$ 107,655	$ 17,739	$ 39,348	$ 36,551	$ 50,689	$ 251,982

Segment B

	Not Past Due	1 Months Past Due	2-3 Months Past Due	4-6 Months Past Due	Over 7 Months	Total
Gross carrying amount	$ 18,350	$ -	$ -	$ -	$ -	$ 18,350
Loss allowance (lifetime ECLs)	-	-	-	-	-	-
Amortized cost	$ 18,350	$ -	$ -	$ -	$ -	$ 18,350

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 48,508	$ 47,592
Impairment loss recognized	59,882	916
Effect of foreign currency exchange differences	2	-
Balance at December 31	$ 108,392	$ 48,508

11. FINANCE LEASE RECEIVABLES

	December 31, 2023
Undiscounted lease payments	
Year 1	$ 2,170
Year 2	2,170
Year 3	2,170
Year 4	2,170
Year 5	2,170
Year 5 onwards	7,600
	18,450
Less: Unearned finance income	(1,482)
Net investment in leases presented as finance lease receivables	$ 16,968
Current	$ 1,851
Non-current	15,117
	$ 16,968

The Group will sublease part of the leased business premises in Keelung City, Taiwan, in 2023, with the leasing term ending in June 2032 and annual fixed lease payments of $2,170 thousand. As the Group subleases the retail stores for all the remaining leasing terms of the main lease to the sublessee, the subleasing contract is classified as a finance lease, wherein the right-of-use asset sublease gain of $12,402 thousand was recognized.

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 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 amount of variable lease revenue received in 2023 is $1,135 thousand.

The Group measures the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of December 31, 2023, no finance lease receivable was past due. The Group has not recognized 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 operate, together with the value of collateral held over these finance lease receivables.

12. INVENTORIES

	December 31	
	2023	2022
Project materials	$ 246,598	$ 307,592
Merchandise	5,020	3,758
	$ 251,618	$ 311,350

The operating costs recognized as losses on inventories for the years ended December 31, 2023 and 2022 were $4,524 thousand and $1,642 thousand, respectively.

13. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements

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

			Proportion of Ownership (%)		
			December 31		
Investor	Investee	Nature of Activities	2023	2022	Remark
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 Holdings Limited (Dili Jie)	Reinvestment and trading business	100	100	-
Dili Jie	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	58	58	-
Brogent HK	Brogent Rides	Import and export business	42	42	-
	hexaRide the first LLP	Development and management business of self-operated outlets	-	94	Note

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2023	2022	Remark
	StarLite Design & Planning Limited (StarLite)	Design and management business	100	100	-
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	-

(Concluded)

Note: Brogent HK subscribed for additional new shares of hexaRide at a percentage different from its existing ownership percentage in 2022, increasing its continuing interest from 93% to 94%. The above transaction was accounted for as an equity transaction since the Group did not cease to have control over the subsidiary. The difference between the investment cost and the net assets acquired was recognized as a deduction of retained earnings of $554 thousand.

hexaRide was liquidated in December 2023, and the disposal loss of $3,178 thousand was recognized.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31 2023	2022
Investments in associates - not individually material	$ 18,824	$ 1,755

Aggregate information of associates that are not individually material:

	For the Year Ended December 31 2023	2022
The Group's share of:		
Net loss	$ (2,708)	$ (468)
Other comprehensive loss	(163)	(33)
Total comprehensive loss for the year	$ (2,871)	$ (501)

In May 2023, the Group invested $20,000 thousand in cash to establish Scroll Application Technology Co., Ltd. and acquired 48.78% equity interest.

The Group originally held a 35% equity interest in Beijing Huawei Global Cultural Development Co., Ltd. In July 2023, the Group subscribed for additional new shares of Beijing Huawei Global Cultural Development Co., Ltd. at a percentage different from its existing ownership percentage, reducing its continuing interest from 35% to 17.5%, and thus losing significant influence and discontinuing the use of the equity method. Therefore, the investment was reclassified to financial assets at FVTOCI - non-current, and a disposal gain of $2,276 thousand was recognized.

15. PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2023	2022
Assets used by the Group	$ 727,141	$ 751,320
Assets leased under operation	9,038	7,038
	$ 736,179	$ 758,358

For the year ended December 31, 2023

	Assets Used by the Group					Assets Leased under Operation
	Land	Buildings	Other Equipment	Equipment to be Inspected and Property under Construction	Total	Other Equipment
Cost						
Balance at January 1	$ -	$ 642,629	$ 455,777	$ 48,513	$ 1,146,919	$ 11,301
Additions	-	-	101,530	(31,023)	70,507	3,744
Disposals	-	-	(35,144)	-	(35,144)	-
Effect of foreign currency exchange differences	-	-	50	-	50	-
Balance at December 31	$ -	$ 642,629	$ 522,213	$ 17,490	$ 1,182,332	$ 15,045
Accumulated depreciation						
Balance at January 1	$ -	$ 195,839	$ 199,760	$ -	$ 395,599	$ 4,263
Depreciation expense	-	26,283	68,425	-	94,708	1,744
Disposals	-	-	(35,144)	-	(35,144)	
Effect of foreign currency exchange differences	-	-	28	-	28	-
Balance at December 31	$ -	$ 222,122	$ 233,069	$ -	$ 455,191	$ 6,007
Carrying amount at December 31	$ -	$ 420,507	$ 289,144	$ 17,490	$ 727,141	$ 9,038

For the year ended December 31, 2022

	Assets Used by the Group					Assets Leased under Operation
	Land	Buildings	Other Equipment	Equipment to be Inspected and Property under Construction	Total	Other Equipment
Cost						
Balance at January 1	$ 139,868	$ 691,513	$ 327,856	$ 140,644	$ 1,299,881	$ 1,302
Additions	-	8,264	144,309	(92,131)	60,442	160
Disposals	(139,868)	(55,883)	(6,688)	-	(202,439)	-
Reclassification	-	-	(9,839)	-	(9,839)	9,839
Effect of foreign currency exchange differences	-	(1,265)	139	-	(1,126)	-
Balance at December 31	$ -	$ 642,629	$ 455,777	$ 48,513	$ 1,146,919	$ 11,301
Accumulated depreciation						
Balance at January 1	$ -	$ 183,433	$ 141,291	$ -	$ 324,724	$ 43
Depreciation expense	-	29,826	68,510	-	98,336	448
Disposals	-	(16,930)	(6,387)	-	(23,317)	-

(Continued)

	Assets Used by the Group					Assets Leased under Operation
	Land	Buildings	Other Equipment	Equipment to be Inspected and Property under Construction	Total	Other Equipment
Reclassification	$ -	$ -	$ (3,772)	$ -	$ (3,772)	$ 3,772
Effect of foreign currency exchange differences	-	(490)	118	-	(372)	-
Balance at December 31	$ -	$ 195,839	$ 199,760	$ -	$ 395,599	$ 4,263
Carrying amount at December 31	$ -	$ 446,790	$ 256,017	$ 48,513	$ 751,320	$ 7,038

(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	2-20 years	-
Other equipment	2-15 years	5-10 years

b. To revitalize assets and effectively utilize capital, the Group sold the land and buildings located in JhongShan, Sinwu District, Taoyuan City, to a non-related party for $268,000 thousand (tax included) in August 2022 and immediately leased them back for short-term operation. The lease terms are 3 years and 6 months and expire in February 2026 with no renewal or bargain purchase options. As a result of the above transaction, the Group recognized gains on disposal of property of $83,606 thousand and recognized right-of-use assets of $16,647 thousand and lease liabilities of $25,996 thousand.

c. The Group rents the simulator rides under operating lease. All operating leases include the rights to adjust the rental according to the market rate when the lessee extends the lease terms, and the lessee does not have bargain purchase options to acquire the asset at the end of the lease terms.

d. Refer to Note 33 for the carrying amount of property, plant and equipment pledged as collateral for borrowings.

e. The reconciliation of the additions and the payments stated in the statements of cash flows was as follows:

	For the Year Ended December 31	
	2023	2022
Additions to property, plant and equipment	$ 74,251	$ 60,602
Decrease in payables for equipment (increase)	(4,395)	400
Increase in provisions	(1,000)	-
Cash paid	$ 68,856	$ 61,002

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31	
	2023	2022
Carrying amount		
Land	$ 199,362	$ 98,122
Buildings	147,741	172,702
Transportation equipment	9,624	16,189
	$ 356,727	$ 287,013

	For the Year Ended December 31	
	2023	2022
Additions to right-of-use assets	$ 125,447	$ 24,940
Depreciation of right-of-use assets		
Land	$ 12,183	$ 10,607
Buildings	31,257	28,478
Transportation equipment	6,810	7,176
	$ 50,250	$ 46,261

b. Lease liabilities

	December 31	
	2023	2022
Carrying amount		
Current	$ 64,323	$ 64,414
Non-current	$ 329,287	$ 257,167

Range of discount rates (%) for lease liabilities		
Land	1.71-2.17	1.71
Buildings	1.71-1.98	1.71-1.85
Transportation equipment	1.71-2.17	1.71-1.80

c. Material lease activities and terms

The Group leases land and buildings for the use as business spaces and for self-operated outlets with lease terms that will expire between March 2032 and July 2053 at the latest. The lease contract for land specifies that lease payments will be adjusted on the basis of changes in the announced land value and price. Lease contracts for self-operating outlets contain variable payments which are determined at a specific percentage of sales generated from the self-operating outlets. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

	For the Year Ended December 31	
	2023	2022
Expenses relating to short-term leases	$ 5,397	$ 2,404
Expenses relating to low-value asset leases	$ 369	$ 367
Expenses relating to variable leases payments not included in the measurement of lease liabilities	$ 195	$ -
Total cash outflow for leases	$ 65,588	$ 54,001

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

17. INTANGIBLE ASSETS

For the year ended December 31, 2023

	Film	Other	Total
Cost			
Balance at January 1	$ 238,187	$ 52,575	$ 290,762
Additions	26,396	11,366	37,762
Write-off and disposals	-	(6,206)	(6,206)
Effect of foreign currency exchange differences	(275)	-	(275)
Balance at December 31	$ 264,308	$ 57,735	$ 322,043
Accumulated amortization			
Balance at January 1	$ 67,229	$ 26,793	$ 94,022
Amortization expense	22,807	8,517	31,324
Write-off and disposals	-	(6,206)	(6,206)
Effect of foreign currency exchange differences	(127)	-	(127)
Balance at December 31	$ 89,909	$ 29,104	$ 119,013
Carrying amount at December 31	$ 174,399	$ 28,631	$ 203,030

For the year ended December 31, 2022

	Film	Other	Total
Cost			
Balance at January 1	$ 201,548	$ 49,449	$ 250,997
Additions	7,844	9,935	17,779
Transferred from other non-current assets	40,945	-	40,945
Write-off and disposals	(16,189)	(6,767)	(22,956)
Effect of foreign currency exchange differences	4,039	(42)	3,997
Balance at December 31	$ 238,187	$ 52,575	$ 290,762

(Continued)

Accumulated amortization	Film	Other	Total
Balance at January 1	$ 59,399	$ 25,598	$ 84,997
Amortization expense	24,079	7,257	31,336
Write-off and disposals	(16,169)	(6,084)	(22,253)
Effect of foreign currency exchange differences	(80)	22	(58)
Balance at December 31	$ 67,229	$ 26,793	$ 94,022
Carrying amount at December 31	$ 170,958	$ 25,782	$ 196,740

(Concluded)

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

Film	3-10 years
Others	1-25 years

18. BORROWINGS

a. Short-term borrowings

	December 31	
	2023	2022
Secured bank loans (Note 33)	$ -	$ 21,840
Unsecured bank loans	495,000	300,000
	$ 495,000	$ 321,840
Interest rate (%)	1.90-2.59	1.50-2.33

b. Long-term borrowings

	December 31	
	2023	2022
Secured borrowings (Note 33)		
Bank loans - repayable before October 2031	$ 464,842	$ 296,187
Unsecured borrowings		
Bank loans - repayable before February 2026	3,749	20,460
Loans from the government (Note)	-	907
	468,591	317,554
Current portion	(30,502)	(49,334)
Long-term borrowings	$ 438,089	$ 268,220
Interest rate (%)		
Bank loans	2.10-2.70	1.85-2.57

Note: The subsidiary StarLite obtained an interest-free loan from the local government and was repaid in December 2023.

19. BONDS PAYABLE

	December 31	
	2023	2022
3rd domestic unsecured convertible bonds	$ 79,014	$ 219,204
4th domestic unsecured convertible bonds	163,102	261,577
	242,116	480,781
Current portion	(163,102)	(219,204)
	$ 79,014	$ 261,577

a. In October 2020, the Corporation issued its 3rd domestic five-year unsecured zero-coupon 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 conversion price was set at $103.8 per share. Bondholders are entitled to convert bonds into the Corporation's ordinary shares from January 13, 2021 to October 12, 2025.

   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 date 40 days prior to 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 (1.2547%) after two and a half years from the issuance.

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

   As of December 31, 2023, the total amount of the bonds converted by the bondholders was $621,100 thousand.

b. In October 2020, the Corporation issued its 4th domestic four-year unsecured zero-coupon convertible bonds with an aggregate principal amount of $500,000 thousand and a par value of $100 thousand per bond certificate.

   The conversion price was set at $105.3 per share. Bondholders are entitled to convert bonds into the Corporation's ordinary shares from January 16, 2021 to October 15, 2024.

   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 date 40 days prior to 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 (0.7514%) after two years from the issuance.

The amount of the face value of the convertible bonds plus interest compensation (1.5085%) has to be fully paid off in cash at maturity by the Corporation.

As of December 31, 2023, the total amount of bonds converted by the bondholders was $337,600 thousand.

c. In order to repay bank loans to improve the financial structure and save interest expenses, in November 2023, the board of directors approved the resolution to issue the 5th domestic three-year secured zero-coupon convertible bonds with an aggregate principal amount of $800,000 thousand and a par value of $100 thousand per bond certificate. The Registration Statement for Issuing Convertible Bonds declared to the competent authority has become effective in January 2023 and has been issued in March 2024.

   Due to the issuance of the 5th domestic secured convertible bonds, according to the terms of the issuance and conversion, on the date of the issuance of the 5th domestic secured convertible bonds, the 3rd and 4th domestic convertible bonds were amended from unsecured to secured with a security interest of the same grade or class as the 5th domestic secured convertible bonds, and Shin Kong Commercial Bank Co., Ltd. was entrusted as the guarantee bank.

d. 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% and 1% per annum, respectively, on initial recognition.

	For the Year Ended December 31	
	2023	2022
Liability component at January 1	$ 480,781	$ 634,318
Interest charged at an effective interest rate	3,944	8,357
Converted into ordinary shares	(242,609)	(161,894)
Liability component at December 31	$ 242,116	$ 480,781

20. NOTES PAYABLE AND ACCOUNTS PAYABLE

The Group’s notes payable and accounts payable were generated from operating activities. The average credit period of purchases of goods 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, there was no interest charged on the outstanding balance.

21. OTHER PAYABLES

	December 31	
	2023	2022
Payables for salaries	$ 37,734	$ 36,303
Payables for insurance	3,937	3,757
Payables for service fee	3,870	3,168
Payables for equipment	5,806	1,411
Others	37,567	38,651
	$ 88,914	$ 83,290

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
December 31, 2023			
Assets			
Financial assets at amortized cost - current	$ 50,953	$ 97,057	$ 148,010
Accounts receivable, net	273,148	365,558	638,706
Contract assets - current	108,028	846,050	954,078
	$ 432,129	$ 1,308,665	$ 1,740,794
Liabilities			
Contract liabilities - current	$ 68,511	$ 65,979	$ 134,490
December 31, 2022			
Assets			
Financial assets at amortized cost - current	$ 72,137	$ 72,651	$ 144,788
Accounts receivable, net	263,829	6,503	270,332
Contract assets - current	800,243	502,982	1,303,225
	$ 1,136,209	$ 582,136	$ 1,718,345
Liabilities			
Contract liabilities - current	$ 37,320	$ 30,903	$ 68,223

24. EQUITY

a. Ordinary shares

	December 31	
	2023	2022
Number of shares authorized (in thousands)	90,000	90,000
Shares authorized	$ 900,000	$ 900,000
Number of shares issued and fully paid (in thousands)	64,779	61,443
Shares issued	$ 647,786	$ 614,431

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

The change in the Corporation's ordinary shares is due to the conversion of the 3rd and 4th domestic unsecured convertible bonds. As of December 31, 2023 and 2022, there were 57 thousand and 1,074 thousand shares, respectively, which have not yet been registered and were recognized as advance receipts for ordinary shares of $571 thousand and $10,743 thousand, respectively. The above transactions with subscription base dates determined to be January 23, 2024 and January 13, 2023, respectively, were registered before the date of approval of the consolidated financial statements.

b. Capital surplus

	December 31	
	2023	2022
May be used to offset deficit, distributed as cash dividends or transferred to share capital (Note)		
Issuance of ordinary shares	$ 2,663,243	$ 2,626,897
May only be used to offset deficit		
Share of changes in capital surplus of associates	-	750
May not be used for any purpose		
Equity component of convertible bonds payable	9,574	20,542
	$ 2,672,817	$ 2,648,189

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 2021 had been approved by the shareholders in their meeting on May 27, 2022.

The offset of the deficit for 2022 was approved by the shareholders in their meeting in May 2023, which resolved to reverse the special reserve of $14,857 thousand, offset the deficit by the legal reserve of $127,421 thousand and the capital surplus of $100,727 thousand. Moreover, in March 2023, the Corporation's board of directors resolved to distribute $93,776 thousand in cash from its capital surplus at $1.5 per share.

On March 12, 2024, the Corporation's board of directors proposed to offset the deficit with the capital surplus of $167,662 thousand and resolved to distribute cash from the capital surplus at $0.5 per share. Based on the number of outstanding shares of 64,836 thousand on the date of resolution of the Corporation's board of directors, the amount of distribution would be $32,418 thousand, and if the number of outstanding shares subsequently changed, the chairman was fully authorized to adjust the amount of distribution from the capital surplus. The offset of the deficit for 2023 will be resolved by the shareholders in their meeting to be held in May 2024.

d. Other equity items

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

	For the Year Ended December 31	
	2023	**2022**
Balance at January 1	$ (8,516)	$ (39,431)
Recognized for the year		
Exchange differences on translation of financial statements of foreign operations	(12,199)	30,948
Share from associates accounted for using the equity method	(163)	(33)
Reclassification adjustment		
Disposal of foreign operations	3,178	-
Balance at December 31	$ (17,700)	$ (8,516)

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

	For the Year Ended December 31	
	2023	**2022**
Balance at January 1	$ 30,000	$ -
Recognized for the year		
Unrealized gains (losses) - equity instruments	(4,536)	30,000
Reclassification adjustment		
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	(12,102)	-
Balance at December 31	$ 13,362	$ 30,000

e. Non-controlling interests

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 253	$ 1,408
Share in loss for the year	(211)	(1,672)
Other comprehensive income (loss) for the year		
Exchange differences on translation of financial statements of foreign operations	(18)	(37)
Changes in percentage of ownership interest in subsidiaries	-	554
Disposal of subsidiaries	(24)	-
Balance at December 31	$ -	$ 253

25. REVENUE

	For the Year Ended December 31	
	2023	2022
Project contract revenue	$ 696,738	$ 655,326
Licensing revenue	7,558	39,916
Sales of tickets and merchandise	57,590	42,763
Service revenue	88,417	51,198
Rental revenue	12,400	14,563
	$ 862,703	$ 803,766

Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Accounts receivable	$ 638,706	$ 270,332	$ 216,053
Contract assets			
Project contract	$ 980,806	$ 1,321,371	$ 1,153,510
Reserves of project contract	91,265	81,511	100,588
Less: Allowance for impairment loss	(117,993)	(99,657)	(81,365)
	$ 954,078	$ 1,303,225	$ 1,172,733
Contract liabilities			
Project contract	$ 90,558	$ 34,158	$ 42,956
Others	43,932	34,065	22,816
	$ 134,490	$ 68,223	$ 65,772

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 of contract assets were as follows:

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 99,657	$ 81,365
Loss allowance recognized	18,465	18,259
Effect of exchange rate	(129)	33
Balance at December 31	$ 117,993	$ 99,657

26. LOSS BEFORE INCOME TAX

a. Interest income

	For the Year Ended December 31	
	2023	2022
Bank deposits	$ 13,476	$ 8,227
Others	286	287
	$ 13,762	$ 8,514

b. Other income

	For the Year Ended December 31	
	2023	2022
Dividends	$ 4,000	$ -
Government grants	410	16,043
Others	3,441	2,979
	$ 7,851	$ 19,022

c. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Net gain (loss) on financial assets at FVTPL	$ (1,956)	$ 7,537
Net foreign exchange gain	950	78,527
Net gain on disposal of property, plant and equipment (Note 15)	-	74,931
Net loss on disposal of intangible assets	-	(703)
Loss on disposal of subsidiaries (Note 13)	(3,178)	-
Gain on disposal of associates (Note 14)	2,276	-
Gain on right-of-use assets sublease (Note 11)	12,402	-
Others	(20)	(338)
	$ 10,474	$ 159,954

d. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	$ 17,141	$ 10,423
Interest on lease liabilities	6,209	4,937
Interest on convertible bonds	3,944	8,357
	$ 27,294	$ 23,717

e. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
Property, plant and equipment	$ 96,452	$ 98,784
Right-of-use assets	50,250	46,261
Intangible assets	31,324	31,336
	$ 178,026	$ 176,381
An analysis of depreciation by function		
Operating costs	$ 52,644	$ 50,038
Operating expenses	94,058	95,007
	$ 146,702	$ 145,045
An analysis of amortization by function		
Operating costs	$ 23,016	$ 18,638
Operating expenses	8,308	12,698
	$ 31,324	$ 31,336

f. Employee benefits

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	$ 288,008	$ 284,347
Post-employment benefits (Note 22)		
Defined contribution plans	11,821	11,497
	$ 299,829	$ 295,844
An analysis by function		
Operating costs	$ 81,421	$ 68,974
Operating expenses	218,408	226,870
	$ 299,829	$ 295,844

g. Compensation of employees and remuneration of directors

According to the Articles of Incorporation of the Corporation, 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 offset of the deficit. The board of directors resolved not to accrue compensation of employees and remuneration of directors for 2022 and 2023 due to net loss before income tax.

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

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 benefit were as follows:

	For the Year Ended December 31	
	2023	2022
Current tax		
In respect of the current year	$ 6,156	$ 6,867
Adjustments for prior years	196	27
Land value incremental tax	-	271
	6,352	7,165
Deferred tax		
In respect of the current year	(48,660)	(28,725)
	$ (42,308)	$ (21,560)

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

	For the Year Ended December 31	
	2023	2022
Loss before income tax	$ (222,283)	$ (83,958)
Income tax benefit calculated at the statutory rate	$ (52,360)	$ (15,958)
Tax-exempt proceeds from land transactions	-	(15,704)
Permanent differences	782	(930)
Tax-exempt net income from investments	(592)	-
Deferred tax effect of earnings of subsidiaries	8,485	-
Unrecognized net loss of foreign investments	13	701
Unrecognized loss carryforwards	-	8,048
Adjustments for prior years' tax	196	27
Land value incremental tax	-	271
Withholding tax	1,168	1,985
	$ (42,308)	$ (21,560)

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	
	2023	2022
Current tax assets		
Tax refund receivable	$ 1,659	$ 891
Current tax liabilities		
Income tax payable	$ 877	$ 2,490

d. Deferred tax assets and liabilities

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

For the year ended December 31, 2023

	Balance, Beginning of Year	Recognized in Profit or Loss	Exchange Differences	Balance, End of Year
Deferred tax assets				
Temporary differences				
Allowance for impairment loss	$ 25,024	$ 15,142	$ -	$ 40,166
Unrealized loss on foreign currency exchange	257	4,568	-	4,825
Loss on financial instruments at FVTPL	1,672	4,815	(36)	6,451
Others	3,929	8,979	(188)	12,720
	30,882	33,504	(224)	64,162
Loss carryforwards	59,617	1,450	(6)	61,061
	$ 90,499	$ 34,954	$ (230)	$ 125,223
Deferred tax liabilities				
Temporary differences				
Unrealized gross margin	$ 16,931	$ (3,913)	$ (198)	$ 12,820
Others	10,079	(9,793)	(103)	183
	$ 27,010	$ (13,706)	$ (301)	$ 13,003

For the year ended December 31, 2022

	Balance, Beginning of Year	Recognized in Profit or Loss	Exchange Differences	Balance, End of Year
Deferred tax assets				
Temporary differences				
Allowance for impairment loss	$ 22,920	$ 2,104	$ -	$ 25,024

(Continued)

	Balance, Beginning of Year	Recognized in Profit or Loss	Exchange Differences	Balance, End of Year
Unrealized loss on foreign currency exchange	$ 8,572	$ (8,315)	$ -	$ 257
Loss on financial instruments at FVTPL	3,198	(1,526)	-	1,672
Others	2,869	1,060	-	3,929
	37,559	(6,677)	-	30,882
Loss carryforwards	38,885	20,726	6	59,617
	$ 76,444	$ 14,049	$ 6	$ 90,499
Deferred tax liabilities				
Temporary differences				
Unrealized gross margin	$ 28,571	$ (12,003)	$ 363	$ 16,931
Others	12,570	(2,673)	182	10,079
	$ 41,141	$ (14,676)	$ 545	$ 27,010

(Concluded)

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

	December 31	
	2023	2022
Loss carryforwards		
Expiry in 2030	$ 904	$ 904
Expiry in 2031	18,286	18,286
Expiry in 2032	40,238	40,238
	$ 59,428	$ 59,428
Deductible temporary differences		
Foreign investment loss	$ 108,737	$ 63,330

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

As of December 31, 2023 and 2022, the taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities have been recognized were $110,740 thousand and $169,991 thousand, respectively.

g. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2023 comprised:

Unused Amount	Expiry Year
$ 621	2025
1,549	2027
17,505	2030

(Continued)

Unused Amount	Expiry Year
$ 156,252	2031
141,544	2032
46,717	2033
$ 364,188	

(Concluded)

h. Income tax assessments

The income tax returns of the Corporation and the domestic subsidiaries through 2021 have been assessed by the tax authorities.

28. LOSS PER SHARE

Due to the net loss incurred for the years ended December 31, 2023 and 2022, there was no dilutive effect on the computation of diluted loss per share. The loss and weighted average number of ordinary shares outstanding used in the computation of loss per share were as follows:

a. Net loss for the year

	For the Year Ended December 31	
	2023	2022
Net loss attributable to owners of the Corporation	$ (179,764)	$ (60,726)

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

	For the Year Ended December 31	
	2023	2022
Weighted average number of shares	64,328	61,133

29. SHARE-BASED PAYMENT ARRANGEMENTS

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 about Brogent Global's employee share options was as follows:

	For the Year Ended December 31			
	2023		2022	
	Number of Options	Weighted-average Exercise Price ($)	Number of Options	Weighted-average Exercise Price ($)
Balance at January 1	28	$ 10	31	$ 10
Options forfeited	-	-	(3)	10
Balance at December 31	28	10	28	10
Options exercisable, end of the year	28	10	28	10

30. CAPITAL MANAGEMENT

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

31. 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, 2023 and 2022 were as follows:

	December 31	
	2023	**2022**
Book value	$ 242,116	$ 480,781
Fair value	$ 239,996	$ 470,825

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, 2023

	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at FVTPL				
Unquoted shares	$ -	$ -	$ 409,515	$ 409,515
Derivative instruments	-	-	32	32
	$ -	$ -	$ 409,547	$ 409,547
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 64,300	$ -	$ -	$ 64,300
Unquoted shares	-	-	1,379	1,379
	$ 64,300	$ -	$ 1,379	$ 65,679

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 118,390	$ -	$ -	$ 118,390
Unquoted shares	-	-	378,155	378,155
Derivative instruments	-	-	429	429
	$ 118,390	$ -	$ 378,584	$ 496,974
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 130,000	$ -	$ -	$ 130,000

There were no transfers between Level 1 and Level 2 for the years ended December 31, 2023 and 2022.

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

For the Year Ended December 31, 2023

	At FVTPL		At FVTOCI	
	Derivatives	Equity Instruments	Equity Instruments	Total
Balance at January 1	$ 429	$ 378,155	$ -	$ 378,584
Additions	-	43,258	-	43,258
Transferred from investments using the equity method	-	-	2,336	2,336
Convertible bonds converted into ordinary share	(295)	-	-	(295)
Recognized in loss	(102)	(8,646)	-	(8,748)
Recognized in other comprehensive loss	-	-	(938)	(938)
Effect of foreign currency exchange differences	-	(3,252)	(19)	(3,271)
Balance at December 31	$ 32	$ 409,515	$ 1,379	$ 410,926

For the Year Ended December 31, 2022

	Derivatives	Equity Instruments	Total
Balance at January 1	$ 1,983	$ 291,657	$ 293,640
Additions	-	61,288	61,288
Convertible bonds converted into ordinary share	(159)	-	(159)

(Continued)

	Derivatives	Equity Instruments	Total
Recognized in profit or loss	$ (1,395)	$ 7,929	$ 6,534
Effect of foreign currency exchange differences	-	17,281	17,281
Balance at December 31	$ 429	$ 378,155	$ 378,584

(Concluded)

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

a) Equity Instrument Investments

The fair values of unquoted shares 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. The fair values of unquoted shares at FVTOCI were 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	
	2023	2022
Financial assets		
Financial assets at amortized cost (1)	$ 1,701,077	$ 1,213,290
Financial assets at FVTPL	409,547	496,974
Financial assets at FVTOCI	65,679	130,000
Financial liabilities		
Amortized cost (2)	1,350,830	1,325,886

1) The balances comprise cash and cash equivalents, financial assets at amortized cost, accounts 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 35.

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 the functional currency weakening 1% against the relevant currency.

	For the Year Ended December 31	
	2023	**2022**
USD	$ 2,033	$ 3,599
RMB	6,992	6,456

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	
	2023	**2022**
Fair value interest rate risk		
Financial assets	$ 475,358	$ 519,166
Financial liabilities	1,050,726	1,095,109
Cash flow interest rate risk		
Financial assets	582,249	402,964
Financial liabilities	548,591	346,647

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 interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by $337 thousand and decreased/increased by $563 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.

If equity prices had been 1% higher/lower, the pre-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by $4,095 thousand and $4,965 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, 2023 and 2022 would have increased/decreased by $657 thousand and $1,300 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 risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the reporting period, the Group's maximum exposure to credit risk could be equal to the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

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 groups accounted for 73% and 53% of net accounts receivable as of December 31, 2023 and 2022, respectively.

	December 31	
	2023	**2022**
Group A	$ 464,692	$ 43,157
Group B	359	62,533
Group C	-	38,479
	$ 465,051	$ 144,169

3) Liquidity risk

The Corporation 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
December 31, 2023					
Non-interest bearing liabilities	$ 144,673	$ -	$ -	$ 450	$ 145,123
Lease liabilities	71,099	108,326	94,239	174,808	448,472
Variable interest rate liabilities	120,447	161,378	163,253	143,818	588,896
Fixed interest rate liabilities	515,044	80,892	-	-	595,936
	$ 851,263	$ 350,596	$ 257,492	$ 319,076	$ 1,778,427
December 31, 2022					
Non-interest bearing liabilities	$ 205,711	$ -	$ -	$ -	$ 205,711
Lease liabilities	69,427	101,810	84,575	84,886	340,698
Variable interest rate liabilities	84,163	167,578	43,529	68,893	364,163
Fixed interest rate liabilities	517,465	267,982	-	-	785,447
	$ 876,766	$ 537,370	$ 128,104	$ 153,779	$ 1,696,019

32. TRANSACTIONS WITH RELATED PARTIES

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

a. Related party name and category

Related Party Name	Related Party Category
Brogent Japan Entertainment	Associates
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	For the Year Ended December 31	
		2023	2022
Rental revenue	Associates	$ 6,946	$ 14,182
Service revenue	Associates	$ 1,841	$ 155
Licensing revenue	Associates	$ 253	$ -

c. Operating costs

Line Item	Related Party Type	For the Year Ended December 31	
		2023	2022
Operating costs	Associates	$ -	$ 318

d. Lease arrangements

Under an operating lease agreement, the Group leased a building in the Xinxing District, Kaohsiung City, from Shen-Hao Cheng, the key management of the Group, for the use of equipment display. The lease term is 1 year and may be renewed upon expiration by mutual consent. Rental expenses in 2023 and 2022 were $816 thousand and $476 thousand, respectively, recognized under operating expenses.

e. Chih-Hung Ouyang, the key management members of the Group, provided the guarantees for some borrowings of the Group.

f. 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	
	2023	2022
Short-term employee benefits	$ 9,258	$ 8,860
Post-employment benefits	108	135
	$ 9,366	$ 8,995

33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for construction guarantee, lease development, government grants, and borrowings:

	December 31	
	2023	2022
Financial assets at amortized cost - current		
Demand deposits and time deposits	$ 99,069	$ 128,876
Financial assets at amortized cost - non-current		
Time deposits	20,403	24,210
Property, plant and equipment		
Buildings	391,681	411,773
	$ 511,153	$ 564,859

34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2023, the Group’s outstanding notes payable for performance and warranty under various construction projects were $15,468 thousand; letters of guarantee for warranty under various construction projects were $175,526 thousand.

35. 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)
December 31, 2023				
Financial assets				
Monetary items				
USD	$ 6,937	30.71	(USD:NTD)	$ 213,026
RMB	160,497	4.33	(RMB:NTD)	694,790
RMB	1,023	0.14	(RMB:USD)	4,430
Financial liabilities				
Monetary items				
USD	101	30.71	(USD:NTD)	3,099
USD	215	7.09	(USD:RMB)	6,596
December 31, 2022				
Financial assets				
Monetary items				
USD	11,982	30.70	(USD:NTD)	367,848
RMB	124,813	4.41	(RMB:NTD)	550,299
RMB	21,619	0.14	(RMB:USD)	95,317
Financial liabilities				
Monetary items				
USD	45	30.70	(USD:NTD)	1,377
USD	215	6.96	(USD:RMB)	6,593

For the years ended December 31, 2023 and 2022, realized and unrealized net foreign exchange gains were $950 thousand and $78,527 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.

36. ADDITIONAL DISCLOSURES

a. Information about significant transactions:

1) Financing provided to others: Table 1

2) Endorsements/guarantees provided: Table 2

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Table 3

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: None

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 4

9) Trading in derivative instruments: Note 7

10) Intercompany relationships and significant intercompany transactions: Table 7

b. Information on investees: Table 5

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 6

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	Purchase	Accounts Payable
The Corporation	Brogent Rides	$ 1,446	$ -

b) 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	$ 16,370	$ 241,677
The Corporation	HaiWei Creative	709	-
Brogent Global	HaiWei Creative	22,792	136,836

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: Table 7

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 8

37. 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 2023 and 2022 is the same as the corporate financial statements. Refer to the balance sheets and the statements of comprehensive income for 2023 and 2022.

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 For the Year Ended December 31		Non-current Assets December 31	
	2023	**2022**	**2023**	**2022**
Taiwan	$ 83,439	$ 53,378	$ 1,283,769	$ 1,161,567
Asia	322,023	299,665	82,397	89,938
Europe	13,945	19,011	40,369	53,825
Americas	298,563	396,005	2,336	960
Others	144,733	35,707	-	-
	$ 862,703	$ 803,766	$ 1,408,871	$ 1,306,290

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			
	2023		**2022**	
	Amount	**Proportion of Net Operating Revenue (%)**	**Amount**	**Proportion of Net Operating Revenue (%)**
Group A	$ 156,534	18	$ 124,749	16
Group B	127,052	15	790	-
Group C	107,021	12	6,134	1
Group D	21,848	3	233,417	29
Group E	9,656	1	82,519	10
	$ 422,111	49	$ 447,609	56

Brogent Technologies Inc. and Subsidiaries

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(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 (Note 2)	Interest Rate (%)	Nature of Financing	Transaction Amount	Reason for Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrowing Company (Note 1)	Financing Company's Total Financing Limit (Note 1)	Note
													Item	Value			
0	The Corporation	Brogent Global	Other receivables - related parties	Yes	$ 150,000	$ 150,000	$ -	-	Short-term financing	$ -	Operating Capital	$ -	-	$ -	$ 314,917	$ 1,259,669	
0	The Corporation	Brogent HK	Other receivables - related parties	Yes	150,000	150,000	-	-	Short-term financing	-	Operating Capital	-	-	-	314,917	1,259,669	

Note 1: The financing limit for each borrowing company and the total financing limit shall not exceed 10% and 40% respectively of the latest equity of the Corporation.

Note 2: The exchange rate was US$1=$30.71.

TABLE 2

Brogent Technologies Inc. and Subsidiaries

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		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	The Corporation	Brogent Creative	Subsidiary	$ 944,751	$ 43,290	$ 43,290	$ 3,911	$ 4,329	1.37	$ 1,574,586	Y	N	Y	
0	The Corporation	Brogent Global	Subsidiary	944,751	50,000	50,000	35,000	-	1.59	1,574,586	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=$4.329.

Brogent Technologies Inc. and Subsidiaries

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Holding Company	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Value	Percentage of Ownership (%)	Fair Value	
The Corporation	Ordinary Shares							
	Ruentex Industries Ltd.	-	Financial assets at FVTOCI - current	1,000,000	$ 64,300	0.09	$ 64,300	
Brogent Global	Equity Investment							
	Jump Media International Co., Ltd.	-	Financial assets at FVTPL - current	264,001	$ -	0.93	$ -	
	This is Holland B.V.	-	Financial assets at FVTPL - non-current	100	10,883	10	10,883	
					$ 10,883		$ 10,883	
	Preference Shares							
	This is Holland B.V.	-	Financial assets at amortized cost - non-current	200	$ 34,010	-	$ 34,010	
Holey Holdings Limited	Equity Investment							
	Discover NY Project Company, LLC	-	Financial assets at FVTPL - non-current	2,310	$ 111,383	19.09	$ 111,383	
	Preference Shares							
	Discover NY Project Company, LLC	-	Financial assets at FVTPL - non-current	1,223	$ 132,391	-	$ 132,391	
Brogent HK	Equity Investment							
	Discover NY Project Company, LLC	-	Financial assets at FVTPL - non-current	500	$ 24,109	4.13	$ 24,109	
Brogent Rides	Equity Investment							
	Fly Over The World Cultural Development Co., Ltd.	-	Financial assets at FVTPL - non-current	27,900,000	$ 130,749	4.75	$ 130,749	
	Equity Investment							
	Beijing Huawei Global Cultural Development Co., Ltd.	-	Financial assets at FVTPL - non-current	1,050,000	$ 1,379	17.50	$ 1,379	

Brogent Technologies Inc. and Subsidiaries

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
The Corporation	Brogent Rides	Subsidiaries	$ 241,677	-	$ -	-	$ -	$ -
Brogent Global	HaiWei Creative	Subsidiaries	136,836	-	-	-	12,680	-

TABLE 5

Brogent Technologies Inc. and Subsidiaries

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of shares	(%)	Carrying Amount			
The Corporation	Brogent HK	Hong Kong	Reinvestment and trading business	$ 370,947	$ 306,287	-	100.00	$ 262,210	$ (42,195)	$ (42,195)	Subsidiary
The Corporation	Brogent Global	Taiwan	Development and management business of self-operated outlets, site planning and film production	300,000	300,000	36,214,332	100.00	288,084	(3,472)	213	Subsidiary
The Corporation	Dili Jie	British Virgin Islands	Reinvestment and trading business	296,593	296,593	-	100.00	432,973	27,457	27,457	Subsidiary
The Corporation	Scroll Application Technology Co., Ltd.	Taiwan	Sales and research and development of software services	20,000	-	2,000,000	48.78	11,938	(16,527)	(8,062)	Associates
Brogent HK	Brogent Japan Entertainment	Japan	Management business development and sales of the peripheral products of simulator rides in Japan	10,161	10,161	-	35.90	6,886	15,022	5,392	Associates
Brogent HK	hexaRide the first LLP	Japan	Development and management business of self-operated outlets	81,552	81,552	-	-	-	(1,390)	(1,180)	Note 4
Brogent HK	StarLite	Canada	Design and management business	37,505	37,505	-	100.00	9,861	(5,225)	(5,225)	Subsidiary
Dili Jie	Jetway	Cayman Islands	Reinvestment and trading business	298,659	298,659	-	100.00	432,952	27,459	27,459	Subsidiary
Jetway	Garley	British Virgin Islands	Reinvestment and trading business	131,258	131,258	-	100.00	187,492	(16,525)	(16,525)	Subsidiary
Jetway	Holey Holdings Limited	British Virgin Islands	Reinvestment and trading business	168,391	168,391	-	100.00	245,173	44,210	44,210	Subsidiary
Brogent Global	Jetmay	British Virgin Islands	Reinvestment and trading business	99,276	99,276	-	100.00	117,561	(36,272)	(35,872)	Subsidiary

Note 1: The share of profit (loss) recognized for the year ended December 31, 2023 included eliminated unrealized gains or losses.

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

Note 3: Refer to Table 6 for the information on investments in mainland China.

Note 4: hexaRide had been liquidated in December 2023.

TABLE 6

Brogent Technologies Inc. and Subsidiaries

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(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, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023	Note
					Outward	Inward							
Brogent Rides	Import and export business	$ 214,127	Reinvested through the third region Brogent HK and Garley	$ 222,712	$ -	$ -	$ 222,712	$ (28,626)	100.00	$ (28,626)	$ 321,148	$ -	Note 2
Brogent Creative	Development and management business of self-operated outlets	56,277	Reinvested through the third region Brogent Rides	-	-	-	-	(907)	100.00	(907)	83,971	-	Note 2
HaiWei Creative	Whole planning business	86,580	Reinvested through the third region Jetmay	88,454	-	-	88,454	(36,272)	100.00	(36,272)	117,536	-	Note 2
Beijing Huawei Global Cultural Development Co., Ltd.	Development and management business of self-operated outlets	25,974	Reinvested through the third region Brogent Rides	-	-	-	-	(5,467)	17.50	(38)	-	-	Notes 3 and 4

Investee Company	Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
The Corporation	$ 311,166	$ 311,166	$ 1,889,503

Note 1: The exchange rate was RMB1=$4.329.

Note 2: The investment gain (loss) was recognized based on the financial statements audited by the Corporation's CPA.

Note 3: The investment gain (loss) was recognized based on the financial statements not audited.

Note 4: The ownership percentage decreased due to non-proportionate subscriptions for additional new shares in July 2023 and thus lost significant influence. Therefore, the investment was reclassified to the financial asset at FVTOCI - non-current. Refer to Note 14 and Table 3.

Brogent Technologies Inc. and Subsidiaries

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

No.	Transaction Party	Counterparty	Relationship	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Operating Revenues (Assets)
0	The Corporation	Brogent Rides	Parent to subsidiary	Accounts receivable	$ 241,677	According to the contract	5.00
0	The Corporation	Brogent Rides	Parent to subsidiary	Project contract revenue	16,370	According to the contract	2.00
0	The Corporation	Brogent Rides	Parent to subsidiary	Service revenue	191	According to the contract	-
0	The Corporation	Brogent Global	Parent to subsidiary	Accounts receivable	3,483	According to the contract	-
0	The Corporation	Brogent Global	Parent to subsidiary	Other receivables	7,940	According to the contract	-
0	The Corporation	Brogent Global	Parent to subsidiary	Rental revenue	12,469	According to the contract	1.00
0	The Corporation	Brogent HK	Parent to subsidiary	Interest income	1,904	According to the contract	-
0	The Corporation	HaiWei Creative	Parent to subsidiary	Other receivables	86	According to the contract	-
0	The Corporation	HaiWei Creative	Parent to subsidiary	Project contract revenue	709	According to the contract	-
1	Brogent Global	The Corporation	Subsidiary to parent	Accounts receivable	4,247	According to the contract	-
1	Brogent Global	The Corporation	Subsidiary to parent	Service revenue	14,594	According to the contract	2.00
1	Brogent Global	The Corporation	Subsidiary to parent	Sales of tickets and merchandise	1,491	According to the contract	-
1	Brogent Global	HaiWei Creative	Subsidiary to subsidiary	Accounts receivable	136,836	According to the contract	3.00
1	Brogent Global	HaiWei Creative	Subsidiary to subsidiary	Project contract revenue	22,792	According to the contract	3.00
2	Brogent Rides	The Corporation	Subsidiary to subsidiary	Sales	1,446	According to the contract	-
2	Brogent Rides	HaiWei Creative	Subsidiary to subsidiary	Accounts receivable	15,548	According to the contract	-
3	StarLite	The Corporation	Subsidiary to subsidiary	Accounts receivable	1,757	According to the contract	-
3	StarLite	The Corporation	Subsidiary to parent	Service revenue	4,851	According to the contract	1.00

TABLE 8

Brogent Technologies Inc. and Subsidiaries

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Name of the Shareholder	Shares	
	Number of Shares Owned	Percentage of Ownership (%)
Chih-Hung Ouyang	3,807,191	5.87

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, including shares that have been issued without physical registration by the Corporation as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, refer to Market Observation Post System.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Brogent Technologies Inc.

Opinion

We have audited the accompanying parent company only financial statements of Brogent Technologies Inc. (the "Corporation"), which comprise the balance sheets as of December 31, 2023 and 2022, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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 Parent Company Only Financial Statements section of our report. We are independent of the Corporation 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 parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Corporation's parent company only financial statements for the year ended December 31, 2023 is stated as follows:

The recognition of project contract revenue

Project contract revenue is the main operating revenue of the Corporation. The Corporation 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, there may be a calculation error; therefore, it was deemed to be a key audit matter.

Refer to Notes 4, 5 and 23 for accounting policy on project contract, accounting estimates and assumptions, and details of project revenue.

We performed the following audit procedures on the above key audit matter:

1. We obtained an understanding of and tested the design and operating effectiveness of the internal control relevant to the accuracy of recognition of the 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 it was recognized correctly.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Corporation'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 Corporation 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 Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 parent company only 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 parent company only 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 Corporation'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 Corporation'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 parent company only 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 Corporation to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 Corporation to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 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, 2024

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only 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 parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only 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 parent company only financial statements shall prevail.

Brogent Technologies Inc.

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	December 31, 2023		December 31, 2022	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 621,181	13	$ 443,698	10
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	32	-	86,702	2
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	64,300	2	130,000	3
Financial assets at amortized cost - current (Notes 4, 9 and 30)	145,601	3	110,307	2
Accounts receivable, net (Notes 4, 5 and 10)	157,265	3	214,234	5
Accounts receivable - related parties (Notes 4, 10 and 29)	245,160	5	113,004	2
Contract assets - current (Notes 4, 5 and 23)	940,357	20	956,399	21
Other receivables (Note 4)	1,407	-	10,951	-
Other receivables - related parties (Note 29)	8,026	-	82,181	2
Current tax assets (Notes 4 and 25)	1,516	-	857	-
Inventories (Notes 4 and 11)	245,558	5	307,592	7
Prepayments	64,010	1	57,257	1
Refundable deposits - current	5,567	-	-	-
Other current assets	12,187	-	10,451	-
Total current assets	2,512,167	52	2,523,633	55
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 4, 9 and 30)	20,403	1	15,000	-
Investments accounted for using the equity method (Notes 4 and 12)	995,205	21	943,254	21
Property, plant and equipment (Notes 4, 13 , 29 and 30)	725,253	15	753,565	16
Right-of-use assets (Notes 4 and 14)	238,203	5	147,894	3
Intangible assets (Notes 4 and 15)	76,768	2	79,235	2
Deferred tax assets (Notes 4 and 25)	105,374	2	76,460	2
Refundable deposits	7,820	-	12,904	-
Other non-current assets	108,175	2	37,437	1
Total non-current assets	2,277,201	48	2,065,749	45
TOTAL	$ 4,789,368	100	$ 4,589,382	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	$ 430,000	9	$ 230,000	5
Notes payable (Note 18)	487	-	11,772	-
Accounts payable (Note 18)	54,064	1	100,412	2
Accounts payable - related parties (Note 29)	921	-	-	-
Contract liabilities (Note 23)	145,626	3	79,323	2
Other payables (Notes 19 and 29)	80,852	2	76,253	2
Provisions - current (Note 4)	4,964	-	8,620	-
Lease liabilities - current (Notes 4 and 14)	27,071	1	25,685	1
Current portion of long-term borrowings (Note 16)	15,203	-	15,043	-
Current portion of bonds payable (Notes 4 and 17)	163,102	3	219,204	5
Other current liabilities	2,249	-	2,263	-
Total current liabilities	924,539	19	768,575	17
NON-CURRENT LIABILITIES				
Bonds payable (Notes 4 and 17)	79,014	2	261,577	5
Long-term borrowings (Note 16)	414,367	9	229,438	5
Deferred tax liabilities (Notes 4 and 25)	-	-	632	-
Lease liabilities - non-current (Notes 4 and 14)	222,274	4	135,040	3
Total non-current liabilities	715,655	15	626,687	13
Total liabilities	1,640,194	34	1,395,262	30
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 22)				
Share capital				
Ordinary shares	647,786	14	614,431	14
Advance receipts for ordinary share	571	-	10,743	-
Total share capital	648,357	14	625,174	14
Capital surplus	2,672,817	56	2,648,189	58
Retained earnings (deficit to be compensated)				
Legal reserve	-	-	127,421	3
Special reserve	-	-	14,857	-
Accumulated deficit	(167,662)	(4)	(243,005)	(5)
Total deficit to be compensated	(167,662)	(4)	(100,727)	(2)
Other equity	(4,338)	-	21,484	-
Total equity	3,149,174	66	3,194,120	70
TOTAL	$ 4,789,368	100	$ 4,589,382	100

The accompanying notes are an integral part of the parent company only financial statements.

Brogent Technologies Inc.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2023		2022	
	Amount	**%**	**Amount**	**%**
NET OPERATING REVENUE (Notes 4, 5, 23 and 29)	$ 847,582	100	$ 763,368	100
OPERATING COSTS (Notes 11, 24 and 29)	501,088	59	402,185	53
GROSS PROFIT	346,494	41	361,183	47
OPERATING EXPENSES (Notes 10, 23, 24 and 29)				
Selling and marketing expenses	88,571	10	76,131	10
General and administrative expenses	262,968	31	252,932	33
Research and development expenses	106,891	13	189,444	25
Expected credit loss	77,047	9	11,136	1
Total operating expenses	535,477	63	529,643	69
OPERATING LOSS	(188,983)	(22)	(168,460)	(22)
NON-OPERATING INCOME AND EXPENSES (Notes 24 and 29)				
Interest income	12,341	2	7,462	1
Other income	5,629	1	18,176	2
Other gains and losses	7,053	1	154,694	20
Finance costs	(21,595)	(3)	(17,648)	(2)
Share of profit or loss of subsidiaries accounted for using the equity method	(22,587)	(3)	(68,096)	(9)
Total non-operating income and expenses	(19,159)	(2)	94,588	12
LOSS BEFORE INCOME TAX	(208,142)	(24)	(73,872)	(10)
INCOME TAX BENEFIT (Notes 4 and 25)	28,378	3	13,146	2
NET LOSS FOR THE YEAR	(179,764)	(21)	(60,726)	(8)
OTHER COMPREHENSIVE INCOME (Notes 20 and 22)				
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	(3,598)	(1)	30,000	4
Share of other comprehensive income of subsidiaries accounted for using the equity method	(938)	-	-	-

(Continued)

Brogent Technologies Inc.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Loss Per Share)

	2023		2022	
	Amount	**%**	**Amount**	**%**
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income (loss) of subsidiaries accounted for using the equity method	$ (12,362)	(1)	$ 30,915	4
Other comprehensive loss for the year, net of income tax	(16,898)	(2)	60,915	8
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	$ (196,662)	(23)	$ 189	-
LOSS PER SHARE (Note 26)				
Basic	$ (2.79)		$ (0.99)	
Diluted	$ (2.79)		$ (0.99)	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

Brogent Technologies Inc.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

				Retained Earnings (Deficit to be Compensated)			Other Equity			
	Ordinary shares	Advance Receipts for Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Accumulated Deficit	Exchange Differences on Translation of Foreign Operations	Unrealized Gain or loss On financial Assets at FVTOCI	Total	Total Equity
BALANCE AT JANUARY 1, 2022	$ 573,641	$ 36,003	$ 2,501,234	$ 127,421	$ 14,857	$ (181,725)	$ (39,431)	$ -	$ (39,431)	$ 3,032,000
Net loss in 2022	-	-	-	-	-	(60,726)	-	-	-	(60,726)
Other comprehensive income in 2022, net of income tax	-	-	-	-	-	-	30,915	30,000	60,915	60,915
Total comprehensive loss in 2022	-	-	-	-	-	(60,726)	30,915	30,000	60,915	189
Convertible bonds converted to ordinary shares (Note 17)	40,790	(25,260)	146,205	-	-	-	-	-	-	161,735
Changes in percentage of ownership interest in subsidiaries	-	-	-	-	-	(554)	-	-	-	(554)
Changes in equity of associates accounted for using the equity method	-	-	750	-	-	-	-	-	-	750
BALANCE AT DECEMBER 31, 2022	614,431	10,743	2,648,189	127,421	14,857	(243,005)	(8,516)	30,000	21,484	3,194,120
Offset the deficit of 2022 (Note 23)										
Legal reserve used to offset accumulated deficits	-	-	-	(127,421)	-	127,421	-	-	-	-
Reversal of special reserve	-	-	-	-	(14,857)	14,857	-	-	-	-
	-	-	-	(127,421)	(14,857)	142,278	-	-	-	-
Other changes in capital surplus (Note 23)										
Capital surplus used to offset accumulated deficits	-	-	(100,727)	-	-	100,727	-	-	-	-
Cash dividends from capital surplus	-	-	(93,776)	-	-	-	-	-	-	(93,776)
	-	-	(194,503)	-	-	100,727	-	-	-	(93,776)
Net loss in 2023	-	-	-	-	-	(179,764)	-	-	-	(179,764)
Other comprehensive loss in 2023, net of income tax	-	-	-	-	-	-	(12,362)	(4,536)	(16,898)	(16,898)
Total comprehensive loss in 2023	-	-	-	-	-	(179,764)	(12,362)	(4,536)	(16,898)	(196,662)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	12,102	-	(12,102)	(12,102)	-
Convertible bonds converted to ordinary shares (Note 17)	33,355	(10,172)	219,131	-	-	-	-	-	-	242,314
Disposal of subsidiaries	-	-	-	-	-	-	3,178	-	3,178	3,178
BALANCE AT DECEMBER 31, 2023	$ 647,786	$ 571	$ 2,672,817	$ -	$ -	$ (167,662)	$ (17,700)	$ 13,362	$ (4,338)	$ 3,149,174

The accompanying notes are an integral part of the parent company only financial statements.

Brogent Technologies Inc.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	$ (208,142)	$ (73,872)
Adjustments for:		
Income and expenses		
Depreciation expense	119,586	115,627
Amortization expense	16,916	14,938
Expected credit loss	77,047	11,136
Net loss (gain) on fair value changes of financial assets and liabilities at fair value through profit or loss	(6,437)	2,029
Finance cost	21,595	17,648
Interest income	(12,341)	(7,462)
Dividend income	(4,000)	-
Share of profit or loss of subsidiaries accounted for using the equity method	22,587	68,096
Net gain on disposal of property, plant and equipment	-	(83,606)
Net loss (gain) on foreign currency exchange	4,082	(6,506)
Loss on inventories	4,244	1,039
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	92,812	73,553
Accounts receivable	(1,608)	(23,924)
Accounts receivable - related parties	(132,156)	(37,512)
Contract assets	(2,423)	(142,533)
Other receivables	10,234	(7,603)
Other receivables - related parties	12,573	(3,484)
Inventories	57,790	(94,206)
Prepayments	(6,753)	12,068
Other current assets	(1,736)	(4,870)
Notes payable	(11,285)	10,384
Accounts payable	(46,348)	45,334
Accounts payable - related parties	921	-
Contract liabilities	66,303	3,758
Other payables	58	591
Provisions	(3,656)	4,403
Other current liabilities	(14)	76
Cash generated (used in) from operations	69,849	(104,898)
Income tax paid	(1,827)	(2,809)
Net cash generated from (used in) operating activities	68,022	(107,707)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	-	(100,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	61,465	-

(Continued)

Brogent Technologies Inc.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	2023	2022
Purchase of financial assets at amortized cost	$ (133,396)	$ (207,283)
Proceeds from disposal of financial assets at amortized cost	91,673	169,233
Acquisition of investments accounted for using the equity method	(20,000)	-
Payments for property, plant and equipment	(61,353)	(65,657)
Proceeds from disposal of property, plant and equipment	-	263,402
Increase in refundable deposits	(14,449)	(11,493)
Acquisition of intangible assets	(483)	(4,866)
Decrease in other receivables from related parties	58,344	-
Increase in other non-current assets	(70,738)	(32,671)
Interest received	12,465	7,327
Dividends received	4,000	-
Net cash generated from (used in) investing activities	(72,472)	17,992
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	200,000	100,000
Proceeds from long-term borrowings	300,000	200,000
Repayment of long-term borrowings	(114,911)	(114,853)
Repayment of the principal portion of lease liabilities	(27,270)	(20,899)
Cash dividends from capital surplus	(93,776)	-
Acquisition of additional interests in subsidiaries	(64,660)	(64,198)
Interests paid	(17,450)	(8,379)
Net cash generated from financing activities	181,933	91,671
NET INCREASE IN CASH AND CASH EQUIVALENTS	177,483	1,956
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	443,698	441,742
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 621,181	$ 443,698

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

(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 parent company only financial statements are presented in the Corporation's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Corporation's board of directors on March 12, 2024.

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

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

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

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2024

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024 (Note 2)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024 (Note 3)

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

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: The amendments provide some transition relief regarding disclosure requirements.

As of the date the parent company only financial statements were approved, the Corporation assessed that the application of the above standards and interpretations will not have a material impact on the Corporation's financial position and financial performance.

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 2)

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: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments, the entity recognizes any effect as an adjustment to the opening balance of retained earnings.

As of the date the parent company only financial statements were approved, the Corporation is continuously assessing the possible impact of the application of the above standards and interpretations on the Corporation's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

The parent company only 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 quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing the parent company only financial statements, the Corporation used the equity method to account for its investments in subsidiaries. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same as the amounts attributable to the owners of the Corporation in its consolidated financial statements, adjustments arising from the differences in accounting treatments between the parent company only basis and the consolidated basis were made to investments accounted for using the equity method, the share of profit or loss of subsidiaries, the share of other comprehensive income of subsidiaries and the related equity items, as appropriate, in these parent company only financial statements.

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

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the 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 Corporation does not have an unconditional right 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 Corporation 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 Corporation's project contracts-related assets and liabilities.

d. Foreign currencies

In preparing the parent company only financial statements, transactions in currencies other than the 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 parent company only financial statements, the functional currencies of the entities in the Corporation (including subsidiaries 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.

On the disposal of the Corporation'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

Corporation are reclassified to profit or loss.

e. 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.

f. Investments in subsidiaries

The Corporation uses the equity method to account for its investments in subsidiaries.

A subsidiary is an entity that is controlled by the Corporation.

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

Changes in the Corporation's ownership interest in a subsidiary that do not result in the Corporation losing control of the subsidiary are equity transactions. The Corporation recognizes directly in equity any difference between the carrying amount of the investment and the fair value of the consideration paid or received.

The Corporation assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on cash generating units in financial statements. If the recoverable amount of the investment subsequently increases, the Corporation recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount. An impairment loss recognized on goodwill cannot be reversed in a subsequent period.

When the Corporation loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between: (a) the aggregate of the fair value of consideration received and the fair value of any remaining investment in the former subsidiary at the date control is lost; and (b) the previous carrying amount of the assets, and liabilities of the subsidiary and any non-controlling interest. The Corporation shall account for all amounts recognized in other comprehensive income in relation to the subsidiary on the same basis as would be required if the Corporation had directly disposed of the related assets and liabilities.

Profit or loss resulting from downstream transactions is eliminated in full only in the parent company only financial statements. Profit and loss resulting from upstream transactions and transactions between subsidiaries are recognized in the parent company only financial statements only to the extent that interests in the subsidiaries that are not related to the Corporation.

g. Investments in associates

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

The Corporation 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 Corporation's share of the profit or loss and other comprehensive income of the associate. The Corporation also recognizes the changes in the Corporation's share of the equity of associates.

When the Corporation 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 Corporation's proportionate interest in the associate. The Corporation 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 Corporation'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 Corporation'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 Corporation's net investment in the associate), the Corporation discontinues recognizing its share of further loss. Additional losses and liabilities are recognized only to the extent that the Corporation 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.

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

h. 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.

Land is not depreciated.

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

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

i. 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.

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

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

k. Financial instruments

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

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

1) Financial assets

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

a) Measurement categories

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

i Financial assets at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified or designated as at FVTPL, including investments in equity instruments 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. Fair value is determined in the manner described in Note 28.

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.

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

Cash equivalents include time deposits and repurchase agreement collateralized by bonds 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 Corporation 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 Corporation’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 Corporation recognizes a loss allowance for expected credit losses on financial assets at amortized cost and contract assets.

The Corporation always recognizes lifetime expected credit losses (ECLs) for accounts receivable and contract assets. For all other financial instruments, the Corporation 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 Corporation measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

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

For internal credit risk management purposes, the Corporation 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 Corporation).

The Corporation 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 Corporation 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 Corporation are recognized at the proceeds received, net of direct issue costs.

3) Financial liabilities

a) Subsequent measurement

Financial liabilities held by the Corporation 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 Corporation 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.

l. Provisions

Provisions, including warranty 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.

m. Revenue recognition

The Corporation 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 Corporation 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 Corporation 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 Corporation adequately completes all of its contractual obligations. Such retention receivables are recognized as contract assets until the Corporation 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

Revenue comes from sales of tickets for simulator rides at operated outlets. Sales of tickets are recognized at the point when services are performed.

4) Service revenue

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

5) Rental revenue

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

n. Leases

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

1) The Corporation as lessor

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

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

2) The Corporation as lessee

The Corporation 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 parent company only 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 Corporation 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 Corporation 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 Corporation 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 parent company only balance sheets.

o. Government grants

Government grants are not recognized until there is reasonable assurance that the Corporation 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 Corporation with no future related costs are recognized in profit or loss in the period in which they are received.

p. Employee benefits

1) Short-term employee benefits

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

q. 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, except where the Corporation 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 Corporation 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 Corporation'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 Corporation considers the possible impact of the inflation and interest rate fluctuations and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

<u>Key Sources of Estimation Uncertainty</u>

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 Corporation uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Corporation'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

	December 31	
	2023	**2022**
Cash on hand	$ 979	$ 913
Checking accounts and demand deposits	347,691	132,180
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	272,511	310,605
	$ 621,181	$ 443,698

7. FINANCIAL INSTRUMENTS AT FVTPL - CURRENT

Financial assets	December 31 2023	December 31 2022
Financial assets mandatorily classified as at FVTPL		
Derivative financial assets (not under hedge accounting)		
Redemption options and put options of convertible bonds	$ 32	$ 429
Non-derivative financial assets		
Mutual funds	-	86,273
	$ 32	$ 86,702

8. FINANCIAL ASSETS AT FVTOCI - CURRENT

Current	December 31 2023	December 31 2022
Domestic investments in equity instruments		
Listed shares	$ 64,300	$ 130,000

The Corporation acquired the ordinary shares of Ruentex Industries Limited for $100,000 thousand in September 2022. Accordingly, the Corporation elected to designate the investments in equity instruments as financial assets at FVTOCI as it was not held for trading or short-term profit.

9. FINANCIAL ASSETS AT AMORTIZED COST

	December 31 2023	December 31 2022
Time deposits with original maturities of more than 3 months	$ 46,532	$ 13,607
Pledged time deposits	105,338	109,696
Pledged demand deposits	14,134	2,004
	$ 166,004	$ 125,307
Current	$ 145,601	$ 110,307
Non-current	20,403	15,000
	$ 166,004	$ 125,307

a. The counterparties of the time deposit of the Corporation were banks with sound credit ratings and no significant default concerns, and therefore, there was no expected credit losses.

b. Refer to Note 30 for information on financial assets at amortized cost pledged as collateral.

10. ACCOUNTS RECEIVABLE

	December 31 2023	December 31 2022
Accounts receivable- third parties		
At amortized cost		
Gross carrying amount	$ 264,350	$ 262,742
Allowance for impairment loss	(107,085)	(48,508)
	$ 157,265	$ 214,234
Accounts receivable - related parties		
At amortized cost		
Gross carrying amount	$ 245,160	$ 113,004

The main credit period is 90 days, unless agreed upon in a specific contract. In order to minimize credit risk, the management of the Corporation 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 Corporation 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. In this regard, the management believes the Corporation's credit risk was significantly reduced.

The Corporation measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated by reference to the past default experience of the customer and the customer's current financial position, as well as the industry outlook. The Corporation determined that the accounts receivable from related parties would be recovered, so no loss allowance was made. As the Corporation's historical credit loss experience does not show significantly different loss patterns for different customer segments of third parties, the provision for loss allowance based on past due status is not further distinguished according to the Corporation's different customer base.

The Corporation 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 Corporation continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

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

December 31, 2023

	Up to 3 Months	4-6 Months	7-12 Months	Over 1 Year	With Signs of Default	Total
Expected credit loss rate (%)	0-0.3	0-1	0-3	0-40	100	
Gross carrying amount	$ 131,617	$ 2,299	$ 239,427	$ 40,061	$ 96,106	$ 509,510
Loss allowance (lifetime ECLs)	(396)	(24)	(95)	(10,464)	(96,106)	(107,085)
Amortized cost	$ 131,221	$ 2,275	$ 239,332	$ 29,597	$ -	$ 402,425

December 31, 2022

	Up to 3 Months	4-6 Months	7-12 Months	Over 1 Year	With Signs of Default	Total
Expected credit loss rate (%)	-	-	0.1-5	10	10-100	
Gross carrying amount	$ 129,076	$ 12,080	$ 30,548	$ 108,820	$ 95,222	$ 375,746
Loss allowance (lifetime ECLs)	-	-	(30)	(3,945)	(44,533)	(48,508)
Amortized cost	$ 129,076	$ 12,080	$ 30,518	$ 104,875	$ 50,689	$ 327,238

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 48,508	$ 47,592
Impairment loss recognized	58,577	916
Balance at December 31	$ 107,085	$ 48,508

11. INVENTORIES

	December 31	
	2023	2022
Project materials	$ 245,558	$ 307,592

The operating costs recognized as losses on inventories for the years ended December 31, 2023 and 2022 were $4,244 thousand and $1,039 thousand, respectively.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2023	2022
Investment in subsidiaries	$ 983,267	$ 943,254
Investment in associates	11,938	-
	$ 995,205	$ 943,254

Refer to Note 5 for investments accounted for using the equity method Information.

a. Investment in subsidiaries

	December 31			
	2023		2022	
Unlisted Company	Carrying Amount	Percentage of Ownership	Carrying Amount	Percentage of Ownership
Dili Jie Holdings Limited (Dili Jie)	$ 432,973	100	$ 410,375	100

(Continued)

Unlisted Company	December 31			
	2023		2022	
	Carrying Amount	Percentage of Ownership	Carrying Amount	Percentage of Ownership
Brogent Hong Kong Limited (Brogent HK)	$ 262,210	100	$ 242,957	100
Brogent Global Inc. (Brogent Global)	288,084	100	289,922	100
	$ 983,267		$ 943,254	

(Concluded)

1) The Corporation subscribed for the cash capital increase of Dili Jie for $28,638 thousand (US$972 thousand) in 2022.

2) The Corporation subscribed for the cash capital increase of Brogent HK for the years ended December 31, 2023 and 2022, and the amounts were $64,660 thousand (US$2,000 thousand) and $35,560 thousand (US$850 thousand and JPY52,000 thousand), respectively.

b. Investments in associates

	December 31	
	2023	2022
Associates that are not individually material	$ 11,938	$ -

Aggregate information of associates that are not individually material:

	For the Year Ended December 31	
	2023	2022
The Corporation's share of:		
Net losses and total comprehensive loss for the year	$ (8,062)	$ -

In May 2023, the Corporation invested $20,000 thousand in cash to establish Scroll Application Technology Co., Ltd. and acquired 48.78% equity interest.

13 PROPERTY, PLANT AND EQUIPMENT

	December 31	
	2023	2022
Assets used by the Corporation	$ 594,060	$ 689,333
Assets leased under operation	131,193	64,232
	$ 725,253	$ 753,565

For the year ended December 31, 2023

	Assets Used by the Corporation					Assets Leased under Operation
	Land	Buildings	Other Equipment	Equipment to be Inspected and Property under Construction	Total	Other Equipment
Cost						
Balance at January 1	$ -	$ 642,629	$ 338,552	$ 48,348	$ 1,029,529	$ 106,625
Additions	-	-	14,987	49,796	64,783	910
Reclassification	-	-	-	(80,654)	(80,654)	80,654
Disposals	-	-	(27,557)	-	(27,557)	-
Balance at December 31	$ -	$ 642,629	$ 325,982	$ 17,490	$ 986,101	$ 188,189
Accumulated depreciation						
Balance at January 1	$ -	$ 195,839	$ 144,357	$ -	$ 340,196	$ 42,393
Depreciation expense	-	26,283	53,119	-	79,402	14,603
Disposals	-	-	(27,557)	-	(27,557)	-
Balance at December 31	$ -	$ 222,122	$ 169,919	$ -	$ 392,041	$ 56,996
Carrying amount at December 31	$ -	$ 420,507	$ 156,063	$ 17,490	$ 594,060	$ 131,193

For the year ended December 31, 2022

	Assets Used by the Corporation					Assets Leased under Operation
	Land	Buildings	Other Equipment	Equipment to be Inspected and Property under Construction	Total	Other Equipment
Cost						
Balance at January 1	$ 139,868	$ 673,973	$ 195,489	$ 134,579	$ 1,143,909	$ 106,465
Additions	-	8,265	143,063	(86,231)	65,097	160
Disposals	(139,868)	(39,609)	-	-	(179,477)	-
Balance at December 31	$ -	$ 642,629	$ 338,552	$ 48,348	$ 1,029,529	$ 106,625
Accumulated depreciation						
Balance at January 1	$ -	$ 177,119	$ 88,179	$ -	$ 265,298	$ 31,592
Depreciation expense	-	27,750	56,178	-	83,928	10,801
Disposals	-	(9,030)	-	-	(9,030)	-
Balance at December 31	$ -	$ 195,839	$ 144,357	$ -	$ 340,196	$ 42,393
Carrying amount at December 31	$ -	$ 446,790	$ 194,195	$ 48,348	$ 689,333	$ 64,232

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

	Assets Used by the Corporation	Assets Leased under Operation
Buildings		
Main buildings	50 years	-
Others	3-20 years	-
Other equipment	2-15 years	5-10 years

b. To revitalize assets and effectively utilize capital, the Corporation sold the land and buildings located in JhongShan, Sinwu District, Taoyuan City, to a non-related party for $268,000 thousand (tax included) in August 2022, and immediately leased them back for short-term operation. The lease terms are 3 years and 6 months and expire in February 2026 with no renewal or bargain purchase options. As a result of the above transaction, the Corporation recognized gains on disposal of property of $83,606 thousand and recognized right-of-use assets of $16,647 thousand and lease liabilities of $25,996 thousand.

c. The Corporation rents the simulator rides under operating lease. All operating leases include the rights to adjust the rental according to the market rate when the lessee extends the lease terms, and the lessee does not have bargain purchase options to acquire the asset at the end of the lease terms.

d. Refer to Note 30 for the carrying amount of property, plant and equipment pledged as collateral for borrowings.

e. The reconciliation of the additions and the payments stated in the statements of cash flows was as follows:

	For the Year Ended December 31	
	2023	**2022**
Additions to property, plant and equipment	$ 65,693	$ 65,257
Decrease (increase) in payables for equipment	(4,340)	400
Cash paid	$ 61,353	$ 65,657

14. LEASE ARRANGEMENTS

a. Right-of-use assets

For the year ended December 31, 2023

	Land	Buildings	Transportation Equipment	Total
Cost				
Balance at January 1	$ 140,523	$ 52,796	$ 19,284	$ 212,603
Additions	113,423	-	2,467	115,890
Derecognized	-	-	(12,202)	(12,202)
Balance at December 31	$ 253,946	$ 52,796	$ 9,549	$ 316,291
Accumulated depreciation				
Balance at January 1	$ 42,401	$ 8,615	$ 13,693	$ 64,709
Depreciation expense	12,183	8,727	4,671	25,581
Derecognized	-	-	(12,202)	(12,202)
Balance at December 31	$ 54,584	$ 17,342	$ 6,162	$ 78,088
Carrying amount at December 31	$ 199,362	$ 35,454	$ 3,387	$ 238,203

For the year ended December 31, 2022

	Land	Buildings	Transportation Equipment	Total
Cost				
Balance at January 1	$ 140,523	$ 33,927	$ 15,147	$ 189,597
Additions	-	18,869	6,071	24,940
Derecognized	-	-	(1,934)	(1,934)
Balance at December 31	$ 140,523	$ 52,796	$ 19,284	$ 212,603
Accumulated depreciation				
Balance at January 1	$ 31,794	$ 3,362	$ 10,589	$ 45,745
Depreciation expense	10,607	5,253	5,038	20,898
Derecognized	-	-	(1,934)	(1,934)
Balance at December 31	$ 42,401	$ 8,615	$ 13,693	$ 64,709
Carrying amount at December 31	$ 98,122	$ 44,181	$ 5,591	$ 147,894

b. Lease liabilities

	December 31 2023	December 31 2022
Carrying amount		
Current	$ 27,071	$ 25,685
Non-current	$ 222,274	$ 135,040
Range of discount rates (%) for lease liabilities		
Land	1.71-2.17	1.71
Buildings	1.71-1.85	1.71-1.85
Transportation equipment	1.71-2.17	1.71

c. Material lease activities and terms

The Corporation leases land and buildings for the use as business spaces and for the use of offices and plants with lease terms that will expire between March 2032 and July 2053. The lease contract for land specifies that lease payments will be adjusted on the basis of changes in the announced land value and price. The Corporation does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

	For the Year Ended December 31 2023	For the Year Ended December 31 2022
Expenses relating to short-term leases	$ 2,227	$ 552
Expenses relating to low-value asset leases	$ 369	$ 367
Total cash outflow for leases	$ 33,488	$ 24,395

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

15. INTANGIBLE ASSETS

For the year ended December 31, 2023

	Film	Other	Total
Cost			
Balance at January 1	$ 71,862	$ 47,521	$ 119,383
Additions	3,202	11,247	14,449
Write-off and disposals	-	(6,206)	(6,206)
Balance at December 31	$ 75,064	$ 52,562	$ 127,626
Accumulated amortization			
Balance at January 1	$ 15,993	$ 24,155	$ 40,148
Amortization expense	8,855	8,061	16,916
Write-off and disposals	-	(6,206)	(6,206)
Balance at December 31	$ 24,848	$ 26,010	$ 50,858
Carrying amount at December 31	$ 50,216	$ 26,552	$ 76,768

For the year ended December 31, 2022

	Film	Other	Total
Cost			
Balance at January 1	$ 68,761	$ 37,683	$ 106,444
Additions	3,101	9,838	12,939
Balance at December 31	$ 71,862	$ 47,521	$ 119,383
Accumulated amortization			
Balance at January 1	$ 7,521	$ 17,689	$ 25,210
Amortization expense	8,472	6,466	14,938
Balance at December 31	$ 15,993	$ 24,155	$ 40,148
Carrying amount at December 31	$ 55,869	$ 23,366	$ 79,235

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

Film	3-10 years
Others	1-25 years

16. BORROWINGS

a. Short-term borrowings

	December 31	
	2023	2022
Unsecured bank loans	$ 430,000	$ 230,000
Interest rate (%)	1.90-1.95	1.50-1.61

b. Long-term borrowings

	December 31	
	2023	2022
Secured borrowings (Note 30)		
Bank loans - repayable before October 2031	$ 429,570	$ 244,481
Current portion	(15,203)	(15,043)
Long-term borrowings	$ 414,367	$ 229,438
Interest rate (%)	2.10-2.17	1.85-1.92

17. BONDS PAYABLE

	December 31	
	2023	2022
3rd domestic unsecured convertible bonds (a)	$ 79,014	$ 219,204
4th domestic unsecured convertible bonds (b)	163,102	261,577
	242,116	480,781
Current portion	(163,102)	(219,204)
	$ 79,014	$ 261,577

a. In October 2020, the Corporation issued its 3rd domestic five-year unsecured zero-coupon 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 conversion price was set at $103.8 per share. Bondholders are entitled to convert bonds into the Corporation's ordinary shares from January 13, 2021 to October 12, 2025.

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 date 40 days prior to 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 (1.2547%) after two and a half years from the issuance.

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

As of December 31, 2023, the total amount of the bonds converted by the bondholders was $621,100 thousand.

b. In October 2020, the Corporation issued its 4th domestic four-year unsecured zero-coupon convertible bonds with an aggregate principal amount of $500,000 thousand and a par value of $100 thousand per bond certificate.

The conversion price was set at $105.3 per share. Bondholders are entitled to convert bonds into the Corporation's ordinary shares from January 16, 2021 to October 15, 2024.

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 date 40 days prior to 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 (0.7514%) after two years from the issuance.

The amount of the face value of the convertible bonds plus interest compensation (1.5085%) has to be fully paid off in cash at maturity by the Corporation.

As of December 31, 2023, the total amount of bonds converted by the bondholders was $337,600 thousand.

c. In order to repay bank loans to improve the financial structure and save interest expenses, in November 2023, the board of directors approved the resolution to issue the 5th domestic three-year secured zero-coupon convertible bonds with an aggregate principal amount of $800,000 thousand and a par value of $100 thousand per bond certificate. The Registration Statement for Issuing Convertible Bonds declared to the competent authority has become effective in January 2023 and has been issued in March 2024.

Due to the issuance of the 5th domestic secured convertible bonds, according to the terms of the issuance and conversion, on the date of the issuance of the 5th domestic secured convertible bonds, the 3rd and 4th domestic convertible bonds were amended from unsecured to secured with a security interest of the same grade or class as the 5th domestic secured convertible bonds, and Shin Kong Commercial Bank Co., Ltd. was entrusted as the guarantee bank.

d. 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% and 1% per annum, respectively, on initial recognition.

	For the Year Ended December 31	
	2023	**2022**
Liability component at January 1	$ 480,781	$ 634,318
Interest charged at an effective interest rate	3,944	8,357
Converted into ordinary shares	(242,609)	(161,894)
Liability component at December 31	$ 242,116	$ 480,781

18. NOTES PAYABLE AND ACCOUNTS PAYABLE

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

19. OTHER PAYABLES

	December 31	
	2023	**2022**
Payables for salaries	$ 34,573	$ 33,487
Payables for equipment	5,751	1,411
Payables for travel expense	2,223	3,011
Payables for service fee	3,870	3,168
Payables for insurance	3,591	3,518
Others	30,844	31,658
	$ 80,852	$ 76,253

20. RETIREMENT BENEFIT PLANS

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

21. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The current/non-current classification of the Corporation'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:

December 31, 2023	Within 12 Months	More Than 12 Months	Total
Assets			
Financial assets at amortized cost - current	$ 48,544	$ 97,057	$ 145,601
Accounts receivable, net (including related parties)	167,343	235,082	402,425
Contract assets - current	106,194	834,163	940,357
	$ 322,081	$ 1,166,302	$ 1,488,383
Liabilities			
Contract liabilities - current	$ 58,495	$ 87,131	$ 145,626

(Continued)

December 31, 2022	Within 12 Months	More Than 12 Months	Total
Assets			
Financial assets at amortized cost - current	$ 37,656	$ 72,651	$ 110,307
Contract assets - current	460,064	496,335	956,399
	$ 497,720	$ 568,986	$ 1,066,706
Liabilities			
Contract liabilities - current	$ 27,066	$ 52,257	$ 79,323

(Concluded)

22. EQUITY

a. Ordinary shares

	December 31 2023	December 31 2022
Number of shares authorized (in thousands)	90,000	90,000
Shares authorized	$ 900,000	$ 900,000
Number of shares issued and fully paid (in thousands)	64,779	61,443
Shares issued	$ 647,786	$ 614,431

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

The change in the Corporation's ordinary shares is due to the conversion of the 3rd and 4th domestic unsecured convertible bonds. As of December 31, 2023 and 2022, there were 57 thousand and 1,074 thousand shares, respectively, which have not yet been registered and were recognized as advance receipts for ordinary shares of $571 thousand and $10,743 thousand, respectively.

The above transactions with subscription base dates determined to be January 23, 2024 and January 13, 2023, respectively, were registered before the date of approval of the parent company only financial statements.

b. Capital surplus

	December 31 2023	December 31 2022
May be used to offset deficit, distributed as cash dividends or transferred to share capital (Note)		
Issuance of ordinary shares	$ 2,663,243	$ 2,626,897
May only be used to offset deficit		
Share of changes in capital surplus of associates	-	750

(Continued)

	December 31	
	2023	2022
May not be used for any purpose		
Equity component of convertible bonds payable	$ 9,574	$ 20,542
	$ 2,672,817	$ 2,648,189

(Concluded)

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 2021 had been approved by the shareholders in their meeting on May 27, 2022.

The offset of the deficit for 2022 was approved by the shareholders in their meeting in May 2023, which resolved to reverse the special reserve of $14,857 thousand, offset the deficit by the legal reserve of $127,421 thousand and the capital surplus of $100,727 thousand. Moreover, in March 2023, the Corporation's board of directors resolved to distribute $93,776 thousand in cash from its capital surplus at $1.5 per share.

On March 12, 2024, the Corporation's board of directors proposed to offset the deficit with the capital surplus of $167,662 thousand and resolved to distribute cash from the capital surplus at $0.5 per share. Based on the number of outstanding shares of 64,836 thousand on the date of resolution of the Corporation's board of directors, the amount of distribution would be $32,418 thousand, and if the number of outstanding shares subsequently changed, the chairman was fully authorized to adjust the amount of distribution from the capital surplus. The offset of the deficit for 2023 will be resolved by the shareholders in their meeting to be held in May 2024.

d. Other equity items

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ (8,516)	$ (39,431)
Recognized for the year		
Share from subsidiaries accounted for using the equity method	(12,362)	30,915
Reclassification adjustment		
Disposal of foreign operations	3,178	-
Balance at December 31	$ (17,700)	$ (8,516)

2) Unrealized gain on financial asset at FVTOCI

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 30,000	$ -
Recognized for the year		
Unrealized gains (losses) - equity instruments	(3,598)	30,000
Share from subsidiaries accounted for using the equity method	(938)	-
Reclassification adjustment		
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	(12,102)	-
Balance at December 31	$ 13,362	$ 30,000

23. REVENUE

	For the Year Ended December 31	
	2023	2022
Project contract revenue	$ 719,832	$ 672,630
Licensing revenue	6,936	5,874
Sales of tickets	21,326	12,951
Service revenue	75,754	45,419
Rental revenue	23,734	26,494
	$ 847,582	$ 763,368

Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Accounts receivable (including related parties)	$ 402,425	$ 327,238	$ 266,718

(Continued)

	December 31, 2023	December 31, 2022	January 1, 2022
Contract assets			
Project contract	$ 958,401	$ 965,673	$ 804,063
Reserves of project contract	91,206	81,511	100,588
Less: Allowance for impairment loss	(109,250)	(90,785)	(81,365)
	$ 940,357	$ 956,399	$ 823,286
Contract liabilities			
Project contract	$ 111,710	$ 52,351	$ 56,178
Others	33,916	26,972	19,387
	$ 145,626	$ 79,323	$ 75,565

(Concluded)

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

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

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 90,785	$ 81,365
Loss allowance recognized	18,465	9,420
Balance at December 31	$ 109,250	$ 90,785

24. LOSS BEFORE INCOME TAX

a. Interest income

	For the Year Ended December 31	
	2023	2022
Bank deposits	$ 10,324	$ 5,965
Others (Note 29)	2,017	1,497
	$ 12,341	$ 7,462

b. Other income

	For the Year Ended December 31	
	2023	2022
Dividends	$ 4,000	$ -
Government grants	390	15,965
Others	1,239	2,211
	$ 5,629	$ 18,176

c. Other gains and losses

	For the Year Ended December 31	
	2023	2022
Net gain (loss) on financial assets at FVTPL	$ 6,437	$ (2,029)
Net foreign exchange gain	616	73,117
Net gain on disposal of property, plant and equipment (Note13)	-	83,606
	$ 7,053	$ 154,694

d. Finance costs

	For the Year Ended December 31	
	2023	2022
Interest on bank loans	$ 14,029	$ 6,714
Interest on lease liabilities	3,622	2,577
Interest on convertible bonds	3,944	8,357
	$ 21,595	$ 17,648

e. Depreciation and amortization

	For the Year Ended December 31	
	2023	2022
Property, plant and equipment	$ 94,005	$ 94,729
Right-of-use assets	25,581	20,898
Intangible assets	16,916	14,938
	$ 136,502	$ 130,565
An analysis of depreciation by function		
Operating costs	$ 29,125	$ 23,780
Operating expenses	90,461	91,847
	$ 119,586	$ 115,627
An analysis of amortization by function		
Operating costs	$ 8,855	$ 8,494
Operating expenses	8,061	6,444
	$ 16,916	$ 14,938

f. Employee benefits

	For the Year Ended December 31	
	2023	2022
Short-term employee benefits	$ 255,464	$ 249,708
Post-employment benefits (Note 20)		
Defined contribution plans	11,139	10,764
	$ 266,603	$ 260,472

(Continued)

	For the Year Ended December 31	
	2023	**2022**
An analysis by function		
Operating costs	$ 70,186	$ 60,678
Operating expenses	196,417	199,794
	$ 266,603	$ 260,472

(Concluded)

g. Compensation of employees and remuneration of directors

According to the Articles of Incorporation of the Corporation, 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 offset of the deficit. The board of directors resolved not to accrue compensation of employees and remuneration of directors for 2022 and 2023 due to net loss before income tax.

If there is a change in the amounts after the annual parent company only 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.

25. INCOME TAX

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

	For the Year Ended December 31	
	2023	**2022**
Current tax		
In respect of the current year	$ 1,168	$ 1,985
Adjustments for prior years	-	(2)
Land value incremental tax	-	271
	1,168	2,254
Deferred tax		
In respect of the current year	(29,546)	(15,400)
	$ (28,378)	$ (13,146)

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

	For the Year Ended December 31	
	2023	**2022**
Loss before income tax	$ (208,142)	$ (73,872)
Income tax benefit calculated at the statutory rate	$ (41,629)	$ (14,774)
Tax-exempt proceeds from land transactions	-	(15,704)

(Continued)

	For the Year Ended December 31	
	2023	2022
Domestic investment income	$ (75)	$ 12,145
Unrecognized net loss of foreign investments	11,446	1,156
Permanent differences	712	1,777
Adjustments for prior years' tax	-	(2)
Land value incremental tax	-	271
Withholding tax	1,168	1,985
	$ (28,378)	$ (13,146)

(Concluded)

b. Current tax assets and liabilities

	December 31	
	2023	2022
Current tax assets		
Tax refund receivable	$ 1,516	$ 857

c. Deferred tax assets and liabilities

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

For the year ended December 31, 2023

	Balance, Beginning of Year	Recognized in Profit or Loss	Balance, End of Year
Deferred tax assets			
Temporary differences			
Allowance for impairment loss	$ 25,024	$ 15,142	$ 40,166
Difference on depreciation expense	1,149	(29)	1,120
Unrealized loss on foreign currency exchange	-	4,353	4,353
Others	2,419	118	2,537
	28,592	19,584	48,176
Loss carryforwards	47,868	9,330	57,198
	$ 76,460	$ 28,914	$ 105,374
Deferred tax liabilities			
Temporary differences	$ 632	$ (632)	$ -

For the year ended December 31, 2022

Deferred tax assets	Balance, Beginning of Year	Recognized in Profit or Loss	Balance, End of Year
Temporary differences			
Allowance for impairment loss	$ 22,920	$ 2,104	$ 25,024
Difference on depreciation expense	1,178	(29)	1,149
Unrealized loss on foreign currency exchange	6,734	(6,734)	-
Others	2,462	(43)	2,419
	33,294	(4,702)	28,592
Loss carryforwards	27,134	20,734	47,868
	$ 60,428	$ 16,032	$ 76,460
Deferred tax liabilities			
Temporary differences	$ -	$ 632	$ 632

d. The aggregate amount of deductible temporary differences for which deferred tax assets have not been recognized

	December 31	
	2023	**2022**
Foreign investment loss	$ 108,737	$ 63,330

e. The aggregate amount of temporary differences associated with investments for which deferred tax liabilities have not been recognized.

As of December 31, 2023 and 2022, the taxable temporary differences associated with investments in subsidiaries for which no deferred tax liabilities have been recognized were $110,740 thousand and $169,991 thousand, respectively.

f. Information about unused loss carryforwards

Loss carryforwards as of December 31, 2023 comprised:

Unused Amount	Expiry Year
$ 137,966	2031
101,306	2032
46,717	2033
$ 285,989	

g. Income tax assessments

The income tax returns of the Corporation through 2021 have been assessed by the tax authorities.

26. LOSS PER SHARE

Due to the net loss incurred for the years ended December 31, 2023 and 2022, there was no dilutive effect on the computation of diluted loss per share. The loss and weighted average number of ordinary shares outstanding used in the computation of loss per share were as follows:

a. Net loss for the year

	For the Year Ended December 31	
	2023	2022
Net loss for the year	$ (179,764)	$ (60,726)

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

	For the Year Ended December 31	
	2023	2022
Weighted average number of shares	64,328	61,133

27. CAPITAL MANAGEMENT

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

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

28. FINANCIAL INSTRUMENTS

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

The Corporation'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, 2023 and 2022 were as follows:

	December 31	
	2023	2022
Book value	$ 242,116	$ 480,781
Fair value	$ 239,996	$ 470,825

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, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative instruments	$ -	$ -	$ 32	$ 32
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 64,300	$ -	$ -	$ 64,300

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Mutual funds	$ 86,273	$ -	$ -	$ 86,273
Derivative instruments	-	-	429	429
	$ 86,273	$ -	$ 429	$ 86,702
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares	$ 130,000	$ -	$ -	$ 130,000

There were no transfers between Level 1 and Level 2 for the years ended December 31, 2023 and 2022.

2) Reconciliation of Level 3 fair value measurements of financial assets at FVTPL

	For the Year Ended December 31	
	2023	2022
Balance at January 1	$ 429	$ 1,983
Convertible bonds converted into ordinary share	(295)	(159)
Recognized in loss	(102)	(1,395)
Balance at December 31	$ 32	$ 429

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

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	
	2023	2022
Financial assets		
Financial assets at amortized cost (1)	$ 1,212,430	$ 1,002,279
Financial assets at FVTPL	32	86,702
Financial assets at FVTOCI	64,300	130,000
Financial liabilities		
Amortized cost (2)	1,238,010	1,143,699

1) The balances comprise cash and cash equivalents, financial assets at amortized cost, accounts receivable (including related parties), other receivables (including related parities) and refundable deposits, etc.

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

d. Financial risk management objectives and policies

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

1) Market risk

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

a) Foreign currency risk

The carrying amounts of the Corporation's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 32.

Sensitivity analysis

The Corporation 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 the functional currency weakening 1% against the relevant currency.

	For the Year Ended December 31	
	2023	2022
USD	$ 2,098	$ 3,214
RMB	5,579	3,637

b) Interest rate risk

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

	December 31	
	2023	**2022**
Fair value interest rate risk		
Financial assets	$ 424,380	$ 495,309
Financial liabilities	841,461	841,506
Cash flow interest rate risk		
Financial assets	361,773	134,131
Financial liabilities	509,570	274,481

Sensitivity analysis

The sensitivity analysis below was determined based on the Corporation'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 interest rates had been 1% higher/lower and all other variables were held constant, the Corporation's pre-tax profit for the years ended December 31, 2023 and 2022 would have decreased/increased by $1,478 thousand and $1,404 thousand, respectively, which was mainly attributable to the Corporation's variable-rate bank deposits and borrowings.

c) Other price risk

The Corporation was exposed to equity price risk through its investments in equity securities. The Corporation 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.

If equity prices had been 1% higher/lower, the pre-tax profit for the year ended December 31, 2022 would have increased/decreased by $863 thousand, as a result of the changes in the fair value of financial assets at FVTPL; other comprehensive income for the years ended December 31, 2023 and 2022 would have increased/decreased by $643 and $1,300 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 risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Corporation. At the end of the reporting period, the Corporation's maximum exposure to credit risk could be equal to the carrying amount of the respective recognized financial assets as stated in the parent company only balance sheets.

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

The Corporation's credit risk was mainly concentrated in the following groups accounted for 75% and 57% of net accounts receivable (excluding from subsidiaries) as of December 31, 2023 and 2022, respectively.

	December 31	
	2023	2022
Group A	$ -	$ 38,479
Group B	42,863	-
Group C	29,789	-
Group D	21,208	88
Group E	18,418	-
Group F	4,763	21,982
Group G	359	62,533
	$ 117,400	$ 123,082

3) Liquidity risk

The Corporation manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Corporation'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 Corporation'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 Corporation 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
December 31, 2023					
Non-interest bearing liabilities	$ 136,324	$ -	$ -	$ -	$ 136,324
Lease liabilities	31,672	52,647	42,849	170,758	297,926
Variable interest rate liabilities	104,372	137,623	162,733	143,818	548,546
Fixed interest rate liabilities	514,931	80,892	-	-	595,823
Financial guarantee contracts	38,911	-	-	-	38,911
	$ 826,210	$ 271,162	$ 205,582	$ 314,576	$ 1,617,530
December 31, 2022					
Non-interest bearing liabilities	$ 188,437	$ -	$ -	$ -	$ 188,437
Lease liabilities	28,269	49,201	33,834	60,541	171,845
Variable interest rate liabilities	49,544	135,820	35,180	68,893	289,437
Fixed interest rate liabilities	424,652	267,982	-	-	692,634
Financial guarantee contracts	43,983	-	-	-	43,983
	$ 734,885	$ 453,003	$ 69,014	$ 129,434	$ 1,386,336

29. TRANSACTIONS WITH RELATED PARTIES

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

a. Related party name and category

Related Party Name	Related Party Category
Brogent Global	Subsidiary
StarLite Design & Planning Limited (StarLite)	Subsidiary
Brogent HK	Subsidiary
Brogent Rides (Shanghai) Limited (Brogent Rides)	Subsidiary
Brogent Creative (Shanghai) Limited (Brogent Creative)	Subsidiary
HaiWei Culture Creative and Development (Shanghai) Limited (HaiWei Creative)	Subsidiary
Brogent Japan Entertainment	Associates
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/Name	For the Year Ended December 31	
		2023	2022
Project contract revenue	Subsidiaries	$ 17,079	$ 41,523
Rental revenue	Subsidiaries		
	Brogent Global	$ 12,469	$ 10,025
	Others	-	1,906
		12,469	11,931
	Associates	6,946	14,182
		$ 19,415	$ 26,113
Service revenue	Subsidiaries	$ 191	$ 494
	Associates	1,841	155
		$ 2,032	$ 649
Licensing revenue	Subsidiaries	$ -	$ 11
	Associates	121	-
		$ 121	$ 11

The Corporation undertook the project contract from the related party, negotiated and determined the price based on the estimated project costs plus reasonable management fees and profits, and collected the payments according to the payment terms stipulated in the contract.

c. Purchase of goods, operating costs and operating expenses

Line Item	Related Party Type/Name	For the Year Ended December 31	
		2023	2022
Operating costs	Subsidiaries		
	Brogent Global	$ 14,594	$ 9,566
	Others	1,446	-
	Associates	-	318
		$ 16,040	$ 9,884
Operating expenses	Subsidiaries		
	Brogent Global	$ 1,491	$ 3,641
	StarLite	4,851	7,056
	Key Managements	816	476
		$ 7,158	$ 11,173

1) The prices of purchases from related parties were made under arm's length terms, and there were no similar transactions with third parties for comparison; payment terms were similar to those of third parties.

2) The Corporation entrusted its subsidiary, Brogent Global, to operate and manage the operating premises and business, and provide film licensing and project services, etc. The related fees were recognized under the operating costs and expenses.

3) For advertising and research development, the Corporation entrusted its subsidiary, StarLite, to provide design services. The fees were recognized under the operating expenses.

4) Lease arrangements

   In January 2022, the Corporation leased a building in the Xinxing District, Kaohsiung City, from Shen-Hao Cheng, the key management of the Corporation, for the use of equipment display, under an operating lease agreement. The lease term is 1 year and may be renewed upon expiration by mutual consent. Rental expenses in 2023 and 2022 were $816 thousand and $476 thousand, respectively, recognized under the operating expenses.

d. Contract assets and contract liabilities

Line Item	Related Party Type/Name	December 31	
		2023	2022
Contract assets	Subsidiaries		
	Brogent HK	$ 14,382	$ 12,571
	Brogent Rides	-	232,599
		$ 14,382	$ 245,170
Contract liabilities	Subsidiaries		
	Brogent HK	$ 10,201	$ 10,201
	Brogent Rides	20,402	20,402
		$ 30,603	$ 30,603

e. Receivables from related parties

Line Item	Related Party Type/Name	December 31 2023	December 31 2022
Accounts receivable - related parties	Subsidiaries		
	Brogent Rides	$ 241,677	$ 111,197
	Brogent Global	3,483	1,807
		$ 245,160	$ 113,004
Other receivables - related parties	Subsidiaries		
	Brogent Global	$ 7,940	$ 20,599
	HaiWei Creative	86	-
		$ 8,026	$ 20,599

The outstanding receivables from related parties are unsecured and without the allowance for losses.

f. Payables to related parties

Line Item	Related Party Type/Name	December 31 2023	December 31 2022
Accounts payable	Subsidiaries	$ 921	$ -
Other payables	Subsidiaries		
	Brogent Global	$ 4,247	$ 4,326
	StarLite	836	-
		$ 5,083	$ 4,326

The outstanding payables to related parties are unsecured.

g. Acquisition of property, plant and equipment

The Corporation acquired equipment from its subsidiary, Brogent Global, for $5,670 thousand in 2022.

h. Loans to related parties

Line Item	Related Party Type/Name	December 31 2023	December 31 2022
Other receivables - related parties	Subsidiaries		
	Brogent HK	$ -	$ 61,582

Line Item	Related Party Type/Name	For the Year Ended December 31 2023	For the Year Ended December 31 2022
Interest income	Subsidiaries		
	Brogent HK	$ 1,904	$ 1,210

The Corporation provided unsecured loans to the related party with interest rates of 3.5% and 1%-3.5% in 2023 and 2022, respectively.

i. The Corporation signed a labor service contract with its subsidiary, Brogent Global, and the service fees were determined based on the actual costs agreed upon by both parties. The service revenues recognized as a deduction from operating expenses in 2023 and 2022 were $704 thousand and $5,521 thousand, respectively.

j. The Corporation signed a project technical service contract with its subsidiary, HaiWei Creative, and the service fees were determined based on the actual costs agreed upon by both parties. The service revenue recognized as a deduction from operating expenses in 2023 was $86 thousand.

k. Endorsements and guarantees

	December 31	
Related Party Category	**2023**	**2022**
Subsidiaries		
Amount endorsed	$ 93,290	$ 94,090
Amount utilized	$ 38,911	$ 43,983

l. Chih-Hung Ouyang, the key management members of the Corporation, provided the guarantees for some borrowings of the Corporation.

m. 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	
	2023	**2022**
Short-term employee benefits	$ 9,258	$ 8,860
Post-employment benefits	108	135
	$ 9,366	$ 8,995

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for construction guarantee, lease development, government grants and borrowings:

	December 31	
	2023	**2022**
Financial assets at amortized cost - current		
Demand deposits and time deposits	$ 99,069	$ 96,700
Financial assets at amortized cost - non-current		
Time deposits		
Property, plant and equipment	20,403	15,000
Buildings	391,681	411,773
	$ 511,153	$ 523,473

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

As of December 31, 2023, the Corporation's outstanding notes payable for performance and warranty under various construction projects were $15,468 thousand; letters of guarantee for warranty under various construction projects were $175,526 thousand.

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Corporation'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)
December 31, 2023				
Financial assets				
Monetary items				
USD	$ 6,932	30.71	(USD:NTD)	$ 212,876
RMB	128,885	4.33	(RMB:NTD)	557,945
Financial liabilities				
Monetary items				
USD	101	30.71	(USD:NTD)	3,099
December 31, 2022				
Financial assets				
Monetary items				
USD	10,515	30.70	(USD:NTD)	322,806
RMB	82,484	4.41	(RMB:NTD)	363,673
Financial liabilities				
Monetary items				
USD	45	30.70	(USD:NTD)	1,377

For the years ended December 31, 2023 and 2022, realized and unrealized net foreign exchange gains were $616 thousand and $73,117 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 Corporation.

33. ADDITIONAL DISCLOSURES

a. Information about significant transactions:

1) Financing provided to others: Table 1

2) Endorsements/guarantees provided: Table 2

3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Table 3

4) Marketable securities acquired or disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None

6) Disposal of individual real estate at prices of at least NT$300 million or 20% of the paid-in capital: None

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: None

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 4

9) Trading in derivative instruments: Note 7

b. Information on investees: Table 5

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 6

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	Purchase	Accounts Payable
The Corporation	Brogent Rides	$ 1,446	$ -

b) 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	$ 16,370	$ 241,677
The Corporation	HaiWei Creative	709	-
Brogent Global	HaiWei Creative	22,792	136,836

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: Consolidated Financial Statements Table 7

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 7

TABLE 1

Brogent Technologies Inc. and Subsidiaries

FINANCING PROVIDED TO OTHERS
FOR THE YEAR ENDED DECEMBER 31, 2023
(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 (Note 2)	Interest Rate (%)	Nature of Financing	Transaction Amount	Reason for Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrowing Company (Note 1)	Financing Company's Total Financing Limit (Note 1)	Note
													Item	Value			
0	The Corporation	Brogent Global	Other receivables - related parties	Yes	$ 150,000	$ 150,000	$ -	-	Short-term financing	$ -	Operating Capital	$ -	-	$ -	$ 314,917	$ 1,259,669	
0	The Corporation	Brogent HK	Other receivables - related parties	Yes	150,000	150,000	-	-	Short-term financing	-	Operating Capital	-	-	-	314,917	1,259,669	

Note 1: The financing limit for each borrowing company and the total financing limit shall not exceed 10% and 40% respectively of the latest equity of the Corporation.

Note 2: The exchange rate was US$1=$30.71.

Brogent Technologies Inc. and Subsidiaries

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		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	The Corporation	Brogent Creative	Subsidiary	$ 944,751	$ 43,290	$ 43,290	$ 3,911	$ 4,329	1.37	$ 1,574,586	Y	N	Y	
0	The Corporation	Brogent Global	Subsidiary	944,751	50,000	50,000	35,000	-	1.59	1,574,586	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=$4.329.

Brogent Technologies Inc. and Subsidiaries

MARKETABLE SECURITIES HELD
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Holding Company	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2023				Note
				Number of Shares	Carrying Value	Percentage of Ownership (%)	Fair Value	
The Corporation								
	Ordinary Shares							
	Ruentex Industries Ltd.	-	Financial assets at FVTOCI - current	1,000,000	$ 64,300	0.09	$ 64,300	
Brogent Global	Equity Investment							
	Jump Media International Co., Ltd.	-	Financial assets at FVTPL - current	264,001	$ -	0.93	$ -	
	This is Holland B.V.	-	Financial assets at FVTPL - non-current	100	10,883	10	10,883	
					$ 10,883		$ 10,883	
	Preference Shares							
	This is Holland B.V.	-	Financial assets at amortized cost - non-current	200	$ 34,010	-	$ 34,010	
Holey Holdings Limited	Equity Investment							
	Discover NY Project Company, LLC	-	Financial assets at FVTPL - non-current	2,310	$ 111,383	19.09	$ 111,383	
	Preference Shares							
	Discover NY Project Company, LLC	-	Financial assets at FVTPL - non-current	1,223	$ 132,391	-	$ 132,391	
Brogent HK	Equity Investment							
	Discover NY Project Company, LLC	-	Financial assets at FVTPL - non-current	500	$ 24,109	4.13	$ 24,109	
Brogent Rides								
	Equity Investment							
	Fly Over The World Cultural Development Co., Ltd.	-	Financial assets at FVTPL - non-current	27,900,000	$ 130,749	4.75	$ 130,749	
	Equity Investment							
	Beijing Huawei Global Cultural Development Co., Ltd.	-	Financial assets at FVTPL - non-current	1,050,000	$ 1,379	17.50	$ 1,379	

TABLE 4

Brogent Technologies Inc. and Subsidiaries

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance (Note 1)	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
The Corporation	Brogent Rides	Subsidiaries	$ 241,677	-	$ -	-	$ -	$ -
Brogent Global	HaiWei Creative	Subsidiaries	136,836	-	-	-	12,680	-

TABLE 5

Brogent Technologies Inc. and Subsidiaries

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2023			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2023	December 31, 2022	Number of shares	(%)	Carrying Amount			
The Corporation	Brogent HK	Hong Kong	Reinvestment and trading business	$ 370,947	$ 306,287	-	100.00	$ 262,210	$ (42,195)	$ (42,195)	Subsidiary
The Corporation	Brogent Global	Taiwan	Development and management business of self-operated outlets, site planning and film production	300,000	300,000	36,214,332	100.00	288,084	(3,472)	213	Subsidiary
The Corporation	Dili Jie	British Virgin Islands	Reinvestment and trading business	296,593	296,593	-	100.00	432,973	27,457	27,457	Subsidiary
The Corporation	Scroll Application Technology Co., Ltd.	Taiwan	Sales and research and development of software services	20,000	-	2,000,000	48.78	11,938	(16,527)	(8,062)	Associates
Brogent HK	Brogent Japan Entertainment	Japan	Management business development and sales of the peripheral products of simulator rides in Japan	10,161	10,161	-	35.90	6,886	15,022	5,392	Associates
Brogent HK	hexaRide the first LLP	Japan	Development and management business of self-operated outlets	81,552	81,552	-	-	-	(1,390)	(1,180)	Note 3
Brogent HK	StarLite	Canada	Design and management business	37,505	37,505	-	100.00	9,861	(5,225)	(5,225)	Subsidiary
Dili Jie	Jetway	Cayman Islands	Reinvestment and trading business	298,659	298,659	-	100.00	432,952	27,459	27,459	Subsidiary
Jetway	Garley	British Virgin Islands	Reinvestment and trading business	131,258	131,258	-	100.00	187,492	(16,525)	(16,525)	Subsidiary
Jetway	Holey Holdings Limited	British Virgin Islands	Reinvestment and trading business	168,391	168,391	-	100.00	245,173	44,210	44,210	Subsidiary
Brogent Global	Jetmay	British Virgin Islands	Reinvestment and trading business	99,276	99,276	-	100.00	117,561	(36,272)	(35,872)	Subsidiary

Note 1: The share of profit (loss) recognized for the year ended December 31, 2023 included eliminated unrealized gains or losses.

Note 2: Refer to Table 6 for the information on investments in mainland China.

Note 3: hexaRide had been liquidated in December 2023.

TABLE 6

Brogent Technologies Inc. and Subsidiaries

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2023
(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, 2023	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2023	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note)	Carrying Amount as of December 31, 2023	Accumulated Repatriation of Investment Income as of December 31, 2023	Note
					Outward	Inward							
Brogent Rides	Import and export business	$ 214,127	Reinvested through the third region Brogent HK and Garley	$ 222,712	$ -	$ -	$ 222,712	$ (28,626)	100.00	$ (28,626)	$ 321,148	$ -	Note 2
Brogent Creative	Development and management business of self-operated outlets	56,277	Reinvested through the third region Brogent Rides	-	-	-	-	(907)	100.00	(907)	83,971	-	Note 2
HaiWei Creative	Whole planning business	86,580	Reinvested through the third region Jetmay	88,454	-	-	88,454	(36,272)	100.00	(36,272)	117,536	-	Note 2
Beijing Huawei Global Cultural Development Co., Ltd.	Development and management business of self-operated outlets	25,974	Reinvested through the third region Brogent Rides	-	-	-	-	(5,467)	17.50	(38)	-	-	Notes 3 and 4

Investee Company	Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2023	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
The Corporation	$ 311,166	$ 311,166	$ 1,889,503

Note 1: The exchange rate was RMB1=$4.329.

Note 2: The investment gain (loss) was recognized based on the financial statements audited by the Corporation's CPA.

Note 3: The investment gain (loss) was recognized based on the financial statements not audited.

Note 4: The ownership percentage decreased due to non-proportionate subscriptions for additional new shares in July 2023 and thus lost significant influence. Therefore, the investment was reclassified to the financial asset at FVTOCI - non-current. Refer to Table 3.

TABLE 7

Brogent Technologies Inc. and Subsidiaries

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2023

Name of the Shareholder	Shares	
	Number of Shares Owned	Percentage of Ownership (%)
Chih-Hung Ouyang	3,807,191	5.87

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, including shares that have been issued without physical registration by the Corporation as of the last business day for the current quarter. The share capital in the parent company only financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, refer to Market Observation Post System.

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

STATEMENT 1

Brogent Technologies Inc.

STATEMENT OF CASH
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Summary	Amount
Cash on hand		$ 979
Cash in banks		
Demand deposits		132,219
Checking deposits		53
Foreign currency deposits	USD1,399 thousand, RMB10,092 thousand, EUR376 thousand, CAD3,095 thousand, JPY257,725 thousand	215,419
		347,691
Cash equivalents		
Time deposits	Interest of 0.855%-2.80%, expire in 2024.01-2024.03	272,511
		$ 621,811

Note: Exchange rate:

USD1=NTD30.71

RMB1=NTD4.33

EUR1=NTD34.01

JPY1=NTD0.22

STATEMENT 2

Brogent Technologies Inc.

STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Client Name	Amount
Related parties	
Brogent Rides	$ 241,677
Brogent Global	3,483
	245,160
Unrelated parties	
Group A	69,109
Group B	42,994
Group C	29,900
Group D	24,444
Group E	21,275
Others (Note)	76,628
	264,350
Less: Allowance for impairment loss	(107,085)
	157,265
	$ 402,425

Note: The amount of individual clients included in others did not exceed 5% of the account balance.

Brogent Technologies Inc.

STATEMENT OF OTHER RECEIVABLES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Client Name	Amount
Related parties	
Brogent Global	$ 7,940
HaiWei Creative	86
	8,026
Non-related parties	
Interest receivables	672
Receivables from sale of investments	637
Others	98
	1,407
	$ 9,433

STATEMENT 4

Brogent Technologies Inc.

STATEMENT OF INVENTORIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount	
	Carrying Amount	Net Realizable Value (Note)
Project materials	$ 245,558	$ 253,280

Note: Refer to Note 4 accounting policies for information on the net realizable value.

STATEMENT 5

Brogent Technologies Inc.

STATEMENT OF PREPAYMENTS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Prepaid expenses	$ 26,329
Prepayments to suppliers	11,644
Offset against business tax payable	17,738
Input tax	4,315
Prepaid insurance	3,921
Others (Note)	63
	$ 64,010

Note: The amount of individual items included in others did not exceed 5% of the account balance.

STATEMENT 6

Brogent Technologies Inc.

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollar, Except Unit Price)

Name	Balance, January 1, 2023		Additions in Investment (Note 1)		Decrease in Investment (Note 1)		Balance, December 31, 2023			Net Assets Value (Note 2)		Collateral
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	% of Ownership	Amount	Unit Price (NT$)	Total Amount	
Brogent HK	-	$ 242,957	-	$ 64,660	-	$ 45,407	-	100	$ 262,210	$ -	$ 262,210	None
Brogent Global	362,143,320	289,922	-	-	-	1,838	362,143,320	100	288,084	7.91	288,425	None
Dili Jie	-	410,375	-	22,598	-	-	-	100	432,973	-	432,973	None
Scroll Application Technology	-	-	2,000,000	20,000	-	8,062	2,000,000	49	11,938	5.97	11,938	None
		$ 943,254		$ 107,258		$ 55,307			$ 995,205		$ 993,546	

Note 1: Changes in this year include acquisition of investments, the share of profits and losses of subsidiaries and associates accounted for using the equity method, exchange differences on translation of the financial statements of foreign operations, the share of other comprehensive income of the associate, and upstream and downstream transactions.

Note 2: The net equity value is calculated based on the financial statements of each invested company and the Corporation’s shareholding ratio.

STATEMENT 7

Brogent Technologies Inc.

STATEMENT OF SHORT-TERM BORROWINGS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Type/Bank Name	Contract Period	Interest Rate (%)	Balance, December 31, 2023	Loan Commitments	Collateral
Unsecured Borrowings					
CTBC Bank	2023/11-2024/05	1.90	$ 30,000	$ 430,000	None
CTBC Bank	2023/11-2024/05	1.90	50,000	430,000	None
CTBC Bank	2023/11-2024/05	1.90	70,000	430,000	None
CTBC Bank	2023/12-2024/06	1.90	100,000	430,000	None
First Commercial Bank	2023/12-2024/03	1.95	50,000	50,000	None
Taishin Bank	2023/12-2024/01	1.90	50,000	100,000	None
The Export-Import Bank of the Republic of China	2023/08-2024/02	1.90	80,000	80,000	None
			$ 430,000		

STATEMENT 8

Brogent Technologies Inc.

STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Vendor Name	Amount
Related parties	
StarLite	$ 921
Unrelated parties	
Company A	15,472
Company B	8,322
Company C	7,374
Company D	7,121
Company E	3,911
Company F	2,827
Others (Note)	9,037
	54,064
	$ 54,985

Note: The amount of individual vendors included in others did not exceed 5% of the account balance.

Brogent Technologies Inc.

STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Bank Name	Contract Period Contract Period and Repayment Terms	Interest Rates (%)	Balance, December 31, 2023 Current	 Non-current	 Total	Collateral
Collate raised Borrowing						
Taiwan Cooperative Bank	Repay monthly before October 2031	2.10	$ 15,203	$ 114,367	$ 129,570	Buildings
Taiwan Cooperative Bank	Repay in 10 installments from December 2025 to June 2030	2.17	-	300,000	300,000	Buildings
			$ 15,203	$ 414,367	$ 429,570	

STATEMENT 10

Brogent Technologies Inc.

STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Summary	Lease Term	Discount Rate （%）	Amount
Land	Business space	2012.03-2053.07	1.71-2.17	$ 203,539
Building	Offices and factories	2021.02-2030.05	1.71-1.85	42,397
Transportation equipment	Offical vehicle	2019.01-2023.12	1.71-2.17	3,409
				249,345
Less: current				(27,071)
Lease liabilities - non-current				$ 222,274

STATEMENT 11

Brogent Technologies Inc.

STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Amount
Cost of project contract	$ 396,674
Cost of Licensing	9,079
Cost of tickets sales	23,732
Cost of services	48,430
Cost of rental	23,173
	$ 501,088

STATEMENT 12

Brogent Technologies Inc.

STATEMENT OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(In Thousands of New Taiwan Dollars)

Item	Marketing Expense	General and Administrative Expense	Research and Development Expense	Total
Employee benefits (Note)	$ 33,272	$ 82,869	$ 80,276	$ 196,417
Depreciation	901	83,351	6,209	90,461
Miscellaneous purchases	1,055	870	9,689	11,614
Professional service expense	445	16,653	-	17,098
Amortization	1,388	5,162	1,511	8,061
Advertisement expense	31,166	1,155	-	32,321
Entertainment expense	2,570	5,575	74	8,219
Traveling expense	7,387	6,370	1,797	15,554
Others	10,387	60,963	7,335	78,685
	$ 88,571	$ 262,968	$ 106,891	458,430
Expected credit loss				77,047
				$ 535,477

Note: Refer to statement 13.

Brogent Technologies Inc.

STATEMENT OF EMPLOYEE BENEFIT, DEPRECIATION AND AMORTIZATION BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31					
	2023			2022		
	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Employee benefit						
Salaries	$ 56,774	$ 162,080	$ 218,854	$ 50,142	$ 167,253	$ 217,395
Labor and health insurance	7,061	15,005	22,066	5,527	15,907	21,434
Pension	3,554	7,626	11,180	2,822	8,220	11,042
Remuneration of directors	-	3,630	3,630	-	2,884	2,884
Others	2,797	8,862	11,659	2,187	10,995	13,182
	70,186	197,203	267,389	60,678	205,259	265,937
Less: Revenue from providing services to subsidiaries	-	(786)	(786)	-	(5,465)	(5,465)
	$ 70,186	$ 196,417	$ 266,603	$ 60,678	$ 199,794	$ 260,472
Depreciation	$ 29,125	$ 90,461	$ 119,586	$ 23,780	$ 91,847	$ 115,627
Amortization	8,855	8,061	16,916	8,494	6,444	14,938

Note 1: The average numbers of the Corporation's employees were 283 and 282, including 7 and 6 non-employee directors in 2023 and 2022, respectively.

Note 2: The average employee benefits and salaries of the Corporation were as follows:

a. The average employee benefits for the years ended December 31, 2023 and 2022 were $956 thousand and $953 thousand, respectively.

b. The average salaries for the years ended December 31, 2023 and 2022 were $793 thousand and $788 thousand, respectively.

c. The average salary increased by 0.6% year-on year.

d. The Corporation has set up an audit committee, replacing supervisors.

(Continued)

e. The Corporation's salary policies (including directors, executive officers and employees) are as follows:

1) Independent director

The Corporation may pay remuneration to independent directors on a monthly basis, regardless of profit or loss, subject to adjustment by the remuneration committee based on their participation and contribution to the Corporation's operations, and submitted to the board of directors for approval.

2) Directors

According to the Articles of the Corporation, the remuneration of directors shall not be higher than 2% of the annual profit, and the board of directors was authorized to determine the individual remuneration based on the degree of the participation and contribution to the Corporation's operations and the common level of peers.

3) Executive officers

The remuneration committee of the Corporation may determine the content and amount of the remuneration of the executive officers based on the degree of participation in the Corporation's operations, the value of the contribution, the achievement of the performance targets, as well as the common level of peers.

4) Employees

The Corporation shall formulate a reasonable salary policy based on the common level of peers and listed companies to maintain internal fairness and external competitiveness. In addition, according to the Corporation's Articles, where the Corporation makes a profit in a fiscal year, the compensation of employees shall be accrued at a rate between 5% and 15%.

(Concluded)

Brogent Technologies Inc. 

Chairman, Chih-Hung Ouyang