

## Letter from the Chairman

As a result of COVID-19, 2020 has been a challenging year for many companies, particularly in the amusement industry. Nevertheless, the impact will not be permanent. As a leader in manufacturing entertainment equipment and providing entertainment services, Brogent has continued to focus on how we can provide our most important product, joy, in a post-pandemic environment.

Brogent's core values are perseverance, creativeness, people and excellence as we work on sustainability issues such as the environment, society, and corporate governance (ESG).

Despite the tough business environment in 2020, Brogent still dedicated its time to technological research and development, and product innovation. We did this by following four main objectives of "reorganization in light of the pandemic", "strengthen position", "green design and environmental sustainability", and "talent cultivation and social participation". Brogent was also able to demonstrate business sustainability to the stakeholders in three

dimensions of environment, society, and governance. We hope to accomplish our corporate mission of inspiring moments of joy through creativity with the technical advantage of core immersive technologies.

### Reorganization in Light of the Pandemic

After the world experienced COVID-19 in 2020, in relation to corporate governance, Brogent anticipated there would be challenges in allocating resources in various environments if it continued to outsource materials and procedures. Therefore, when facing the changes brought by the pandemic, Brogent acquired Brogent Mechanical Inc. as the manufacturing center, ensuring an improvement of operating efficiency and communication. After the pandemic, Brogent will target the development of digital content with artificial intelligence, and combine them with the amusement industry to create more effective and enjoyable products.





## Strengthen Position

Overall revenue decreased 20 to 30 percent as a result of COVID-19, but Brogent believes that when the pandemic eases and country border restrictions lift, the global economy will recover with an increase in consumer demand for entertainment. Therefore, during the pandemic, Brogent continued to invest in research, development, and innovation, improving technology and developing new products. It is estimated that official openings in 2021 will hit a record high of around 20 immersive rides opening in one year, including the United States, Canada, Denmark, the United Kingdom, China, Kazakhstan, Vietnam, and Japan.

## Green Design and Environmental Sustainability

In terms of environmental issues, Brogent holds to sustainable product design concepts such as no service life limit, modular equipment design, and research and development devoted to extending the life cycle of the products. In 2020, through product design improvements, the dynamic structure of large amusement rides will be adjusted from traditional hydraulic power to electric system control, which will greatly reduce equipment and fuel consumption. This new type of energy-efficient amusement ride provides theme park customers with energy savings and carbon reductions.

## Talent Cultivation and Social Participation

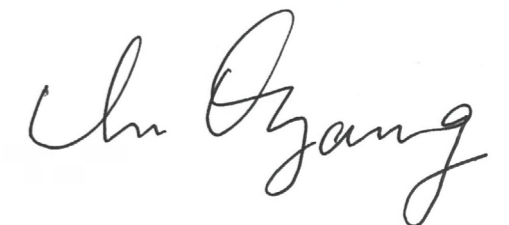
Brogent is committed to talent cultivation in the immersive technology industry, with collaborations within schools regarding research, development, and technology transfer methods. It provides diversified ways to cultivate talent internally and encourages innovation. There is also internal crossover in terms of course training that cultivates outstanding talent for Taiwan's immersive technology industry. It's

beneficial for Brogent and the development of Taiwan's immersive technology industry as a whole.

For years Brogent has invested in social welfare for the underprivileged, and in 2020, invited organizations including the Garden of Hope Foundation, Children Are Us Foundation, and Boyo Social Welfare Foundation, to take rides on our flying theater and experience the immersive technology. Brogent will continue to keep in touch and cooperate with disadvantaged groups and launch more diversified products to bring joy to all.

## Future Prospects

Brogent aims to develop immersive simulation equipment that is closer to real-life experiences. We want to allow people to feel a sense of freedom and creativity through technology and to achieve relaxation no matter where they are. This is particularly relevant in relation to times of lockdown because of the pandemic. With this, we can accomplish our corporate mission of inspiring moments of joy through creativity.



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