

Stock code: 5314

**Myson Century, Inc.**  
**Parent Company Only Financial Report**  
**and Independent Auditors' Report**  
**For the Years Ended December 31, 2024 and 2023**

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## **Independent Auditors' Report**

To the Board of Directors of Myson Century, Inc.:

### **Opinion**

We have audited the accompanying parent company only balance sheets of Myson Century, Inc. (hereinafter referred to as the “Company”) as of December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, parent company only statements of changes in equity, parent company only statements of cash flows as of January 1 to December 31, 2024 and 2023, and notes to the parent company only financial statements (including a summary of significant accounting policies).

In our opinion, based on our audit results and the audit reports of other public accountants, the aforementioned parent company only financial statements present fairly, in all material aspects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and parent company only cash flows as of January 1 to December 31, 2024 and 2023 in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

### **Basis for Opinion**

We are engaged to conduct our audits in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and the auditing standards. Our responsibility under such standards will be further explained in the section titled Auditors’ Responsibilities for the Audit of the Parent Company Only Financial Statements. Our staffs subject to the independence requirements are complied with the Codes of Professional Ethics for Certified Public Accountants, independent of the Company, and have fulfilled other ethical responsibilities in accordance with the Codes. 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 refer to those matters that, in our professional judgment, were of most significance in the audit of the Company’s parent company only financial statements for the year ended December 31, 2024. 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, we do not provide a separate opinion on these matters. Key audit matters for the Company's parent company only financial statements are stated as follows:

#### Recognition of revenue from food and clothing segments

Please refer to Note 4(14) "Revenue recognition" of the parent company only financial statements for the accounting policy for the recognition of the revenue of health food and clothing segments, and Note 6(19) "Revenue from contracts with customers" of the parent company only financial statements for the relevant disclosure of revenue.

#### Description of Key Audit Matters:

The Company is a TPEX-listed company involving in public interests. Investors are highly concerned about its operating performance. Therefore, the revenue from the health food and clothing segments is recognized as one of the key audit matters in the parent company only financial statements when conducting our audit.

#### Responsive audit procedures:

Our audit procedures for the above key audit matters primarily include the following: understanding the relevant internal controls on recognition of revenue of the health food and clothing segments; understanding the transaction method and conditions to evaluate whether the accounting policies at the time of revenue recognition of health food and clothing segments are appropriate; reviewing samples of sales contracts or orders, assessing the impact of the contract terms and transaction conditions on the revenue recognition of health food and clothing segments, determining whether the accounting treatment is appropriate; and assessing whether the relevant information of revenue has been appropriately disclosed.

### **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 the 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 Company'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 Company or to cease operation, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Company's financial reporting process.

### **Auditor's 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 a 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 auditing principles will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Such misstatements 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 auditing principles, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial report, 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 Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the directors.
4. Conclude on the appropriateness of the directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the parent company only financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the investment in other entities accounted for under the equity method 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 the directors, 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 stated in the Codes of Professional Ethics for

Certified Public Accountants, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine the key audit matters for the Company's parent company only financial statements for the year ended December 31, 2024. We describe these matters in our auditor's 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.

KPMG Taiwan

CPAs:

高鈺倫   
許振隆 

Reference  
number of  
Competent  
Authority's  
approval of  
attestation  
March 12, 2025

Jin-Guan-Zheng-VI-Zi  
: No.1130332775  
Jin-Guan-Zheng-VI-Zi No.  
0960069825

**Myson Century, Inc.**  
**Balance Sheet**  
**December 31, 2024 and 2023**



Unit: NT\$ thousand

Assets	2024.12.31		2023.12.31			Liabilities and equity	2024.12.31		2023.12.31	
	Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>				
1100 Cash and cash equivalents (Note 6(1))	\$ 103,274	20	30,725	13	2130	Contract liabilities - current (Notes 6(19) and 7)	\$ 3,467	1	2,033	1
1110 Financial assets at fair value through profit or loss - current (Note 6(2))	70,744	14	-	-	2150	Notes payable	3,561	1	-	-
1136 Financial assets at amortized cost - current (Note 6(4))	1,764	-	1,811	1	2170	Accounts payable	38,647	7	40,949	17
1140 Contract assets - current (Notes 6(19) and 7)	705	-	-	-	2200	Other payables (Note 6(20))	15,148	3	2,905	1
1170 Accounts receivable, net (Note 6(5), (19))	12,143	3	-	-	2220	Other payables - related parties (Note 7)	-	-	10,021	5
1180 Accounts receivable - related parties, net (Note 6(5), (19) and 7)	41,111	8	78,312	33	2250	Liability reserve - current (Note 6(14))	5,000	1	-	-
1200 Other receivables	2,526	-	1,197	1	2280	Lease liabilities - current (Note 6(12), (25) and 7)	838	-	353	-
1210 Other receivables - related parties (Note 7)	25,041	5	3,004	1	2399	Other current liabilities	157	-	39	-
1220 Current tax assets for the period	146	-	6	-		<b>Total current liabilities</b>	<b>66,818</b>	<b>13</b>	<b>56,300</b>	<b>24</b>
130x Inventories (Note 6(6))	20,580	4	-	-		<b>Non-current liabilities:</b>				
1410 Prepayments	7,980	2	5,151	2	2570	Deferred income tax liabilities (Note 6(16))	22	-	-	-
1470 Other current assets	217	-	83	-	2580	Lease liabilities - non-current (Note 6(12), (25) and 7)	1,087	-	545	-
<b>Total current assets</b>	<b>286,231</b>	<b>56</b>	<b>120,289</b>	<b>51</b>		<b>Total non-current liabilities</b>	<b>1,109</b>	<b>-</b>	<b>545</b>	<b>-</b>
<b>Non-current assets:</b>						<b>Total liabilities</b>	<b>67,927</b>	<b>13</b>	<b>56,845</b>	<b>24</b>
1517 Financial assets at fair value through other comprehensive profit or loss - non-current (Note 6(3))	50,220	10	84,901	36		<b>Equity attributable to shareholders of the parent (Note 6(3), (8) and (17)):</b>				
1550 Investments accounted for under the equity method (Notes 6(7) and 7)	169,227	32	30,389	13	3100	Share capital	147,000	29	147,000	62
1600 Property, plant and equipment (Note 6(9))	2,941	1	341	-	3200	Capital surplus	208	-	169	-
1755 Right-of-use assets (Note 6(10) and 7)	1,902	-	873	-	3300	Retained earnings	299,191	58	29,537	13
1780 Intangible assets, net (Note 6(11))	3,564	1	52	-	3400	Other equity	-	-	3,391	1
1920 Refundable deposits (Note 7)	241	-	97	-		<b>Total equity</b>	<b>446,399</b>	<b>87</b>	<b>180,097</b>	<b>76</b>
<b>Total non-current assets</b>	<b>228,095</b>	<b>44</b>	<b>116,653</b>	<b>49</b>		<b>Total liabilities and equity</b>	<b>\$ 514,326</b>	<b>100</b>	<b>236,942</b>	<b>100</b>
<b>Total assets</b>	<b>\$ 514,326</b>	<b>100</b>	<b>236,942</b>	<b>100</b>						

(Please refer to the Notes to Parent Company Only Financial Statements for detail)

Chairman: Chang, Yu-Ming



Managerial Officer: Chang, Shuo-Wen



Chief Accounting Officer: Chu, Li-Chuan



**Myson Century, Inc.**  
**Statement of Comprehensive Income**  
**December 31, 2024 and 2023**

Unit: NT\$ thousand

	2024		2023	
	Amount	%	Amount	%
4000 <b>Operating revenues (Note 6(19) and 7)</b>	\$ 336,337	100	66,774	100
5000 <b>Operating costs (Note 6(6), (15) and 12)</b>	140,688	42	54,855	82
5900 <b>Gross profit</b>	195,649	58	11,919	18
5910 Less: Unrealized sales profit or loss	28	-	-	-
5950 <b>Net gross profit</b>	195,621	58	11,919	18
<b>Operating expenses (Note 6(12), (15), (20), 7 and 12):</b>				
6100 Selling expenses	12,441	4	29	-
6200 Administrative expenses	21,906	6	17,551	26
6300 Research and development expenses	2,252	1	-	-
<b>Total operational expenses</b>	36,599	11	17,580	26
6900 <b>Operating profit (loss)</b>	159,022	47	(5,661)	(8)
<b>Non-operating income and expenses (Note 6(3), (12), (13), (21) and 7):</b>				
7100 Interest revenue	1,854	1	168	-
7010 Other income	1,091	-	3,580	5
7020 Other gains and losses	(5,801)	(1)	34,584	52
7050 Finance cost	(47)	-	(661)	(1)
7070 Share of profit or loss of subsidiaries accounted for using equity method	112,200	33	(960)	(1)
<b>Total non-operating income and expenses</b>	109,297	33	36,711	55
7900 <b>Net profit before tax</b>	268,319	80	31,050	47
7950 <b>Less: Income tax expenses (Note 6(16))</b>	28	-	-	-
8200 <b>Net profit for the period</b>	268,291	80	31,050	47
8300 <b>Other comprehensive income (loss):</b>				
8310 <b>Items not reclassified subsequently to profit or loss</b>				
8316 Unrealized gains and losses on valuation of investment in equity instruments measured at fair value through other comprehensive income/loss (Note 6(17))	24,432	7	26,520	40
8349 Less: Income tax related to not recategorized items	-	-	-	-
<b>Other comprehensive income/loss of the period</b>	24,432	7	26,520	40
8500 <b>Total comprehensive income/loss for the period</b>	\$ 292,723	87	57,570	87
<b>Earnings per share (Unit: NT\$(Note 6(18)):</b>				
9750 <b>Basic earnings per share</b>	\$ 18.25		2.11	
9850 <b>Diluted earnings per share</b>	\$ 18.25		2.11	

(Please refer to the Notes to Parent Company Only Financial Statements for detail)

Chairman: Chang, Yu-Ming      Managerial Officer: Chang, Shuo-Wen      Chief Accounting Officer: Chu, Li-Chuan



**Myson Century, Inc.**  
**Statement of Changes in Equity**  
**December 31, 2024 and 2023**

**Unit: NT\$ thousand**

			Retained earnings		Total	Other equity interest		Total equity
	Share capital - common stock	Capital surplus	Legal reserve	Retained earnings (deficit to be offset)		Unrealized gain or losses on financial assets at fair value through other comprehensive income/loss		
<b>Balance on January 1, 2023</b>	<b>\$ 147,000</b>	<b>103</b>	-	<b>(4,386)</b>	<b>(4,386)</b>	<b>(20,256)</b>	<b>122,461</b>	
Net profit for the period	-	-	-	31,050	31,050	-	31,050	
Other comprehensive income/loss of the period	-	-	-	-	-	26,520	26,520	
Total comprehensive income/loss for the period	-	-	-	31,050	31,050	26,520	57,570	
Changes in ownership interest of subsidiaries	-	66	-	-	-	-	66	
Disposal of financial instrument measured at fair value through other comprehensive income	-	-	-	2,873	2,873	(2,873)	-	
<b>Balance on December 31, 2023</b>	<b>147,000</b>	<b>169</b>	-	<b>29,537</b>	<b>29,537</b>	<b>3,391</b>	<b>180,097</b>	
Net profit for the period	-	-	-	268,291	268,291	-	268,291	
Other comprehensive income/loss of the period	-	-	-	-	-	24,432	24,432	
Total other comprehensive income/loss for the period	-	-	-	268,291	268,291	24,432	292,723	
Appropriation and distribution of retained earnings:								
Appropriation of legal reserve	-	-	2,954	(2,954)	-	-	-	
Common share cash dividends	-	-	-	(26,460)	(26,460)	-	(26,460)	
Changes in ownership interest of subsidiaries	-	39	-	-	-	-	39	
Disposal of financial instrument measured at fair value through other comprehensive income	-	-	-	27,823	27,823	(27,823)	-	
<b>Balance on December 31, 2024</b>	<b>\$ 147,000</b>	<b>208</b>	<b>2,954</b>	<b>296,237</b>	<b>299,191</b>	<b>-</b>	<b>446,399</b>	

(Please refer to the Notes to Parent Company Only Financial Statements for detail)

Chairman: Chang, Yu-Ming




Managerial Officer: Chang, Shuo-Wen



Chief Accounting Officer: Chu, Li-Chuan



  
**Myson Century, Inc.**  
**Statement of Cash Flows**  
**December 31, 2024 and 2023**

Unit: NT\$ thousand

	2024	2023
<b>Cash flows from operating activities:</b>		
Net income before income tax	\$ 268,319	31,050
<b>Adjustments:</b>		
Profit/loss		
Depreciation expense	960	2,002
Amortization expense	252	115
Valuation loss of financial assets at fair value through profit or loss	5,764	-
Interest expense	47	661
Interest revenue	(1,854)	(168)
Dividend revenue	(496)	(142)
Share of profit or loss of subsidiaries accounted for using equity method	(112,200)	960
Gains on disposal of property, plant and equipment	-	(34,788)
Unrealized gain from sale	28	-
Unrealized foreign currency exchange gain	(107)	(67)
Loss in lease modification	-	271
Total adjustments to reconcile profit (loss)	(107,606)	(31,156)
Changes in operating assets/liabilities:		
Changes in operating assets, net:		
Increase in contract assets	(705)	-
Increase in accounts receivable	(12,143)	-
Decrease (increase) in accounts receivable - related parties	37,201	(71,238)
Increase in other receivables	(2,071)	(125)
Increase in inventory	(20,580)	-
Increase in prepayments	(2,829)	(4,986)
Decrease (increase) in other current assets	(134)	53
Total changes in operating assets, net	(1,261)	(76,296)
Changes in operating liabilities, net:		
Increase in contract liabilities	1,434	2,033
Increase in notes payable	3,561	-
Increase (decrease) in accounts payable	(2,302)	40,949
Increase (decrease) in other payables	12,243	(3,700)
Increase in provision for liabilities	5,000	-
Increase in other current liabilities	118	6
Total changes in operating liabilities, net	20,054	39,288
Total changes in operating assets and liabilities, net	18,793	(37,008)
Total adjustments	(88,813)	(68,164)
Cash flows generated from operation	179,506	(37,114)
Interest received	1,817	167
Dividends received	417	142
Interest paid	(68)	(565)
Income tax returned (paid)	(146)	24
<b>Net cash generated from (used in) operating activities</b>	<b>181,526</b>	<b>(37,346)</b>
<b>Cash flow from investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income/loss	(50,220)	-
Disposal of financial assets at fair value through other comprehensive income	110,405	26,544
Disposal of financial assets measured at amortized cost	47	1,588
Financial assets acquired at fair value through profit or loss	(94,278)	-
Financial assets disposed at fair value through profit or loss	17,692	-
Acquisition of investments accounted for under the equity method	(22,500)	(14,900)
Acquisition of property, plant and equipment	(3,130)	-
Disposal of property, plant and equipment	-	71,086
Increase in refundable deposits	(144)	-
Increase in other receivables- related parties	(25,000)	(3,000)
Decrease in other receivables- related parties	3,000	-
Acquisition of intangible assets	(3,764)	-
<b>Net cash inflow (outflow) from investing activities</b>	<b>(67,892)</b>	<b>81,318</b>
<b>Cash flow from financing activities:</b>		
Repayment of long-term borrowings	-	(34,968)
Decrease in guarantee deposits received	-	(9,044)
Increase in other receivables - related parties	-	10,000
Decrease in other payables - related parties	(10,000)	-
Repayment of lease principal	(432)	(738)
Cash dividends paid	(26,460)	-
Acquisition of equity in subsidiaries	(4,300)	-
<b>Cash outflow generated from financing activities, net</b>	<b>(41,192)</b>	<b>(34,750)</b>
Effect of exchange rate changes on cash and cash equivalents	107	67
<b>Net increase in cash and cash equivalents for the current period</b>	<b>72,549</b>	<b>9,289</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>30,725</b>	<b>21,436</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 103,274</b>	<b>\$ 30,725</b>

(Please refer to the Notes to Parent Company Only Financial Statements for detail)

Chairman: Chang, Yu-Ming

Managerial Officer: Chang, Shuo-Wen

Chief Accounting Officer: Chu, Li-Chuan

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements**  
**For the Years Ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**1. Company Profile**

Myson Century, Inc. (hereinafter referred to as “the Company”) was incorporated on July 29, 1991 with the approval by the Ministry of Economic Affairs. Its registered address is 8F., No. 248, Sec. 2, Yonghua Rd., Anping Dist., Tainan City. The principal business items of the Company are the sales of integrated circuit systems, retail of food and grocery, trading of building materials, interior decoration and advertisement and marketing. Sun Yad Construction Co., Ltd. is the parent company of the Company.

**2. Date and Procedure for Approval of Financial Statements**

The parent company only financial statements were approved and authorized for issuance by the Board of Directors on March 12, 2025.

**3. Application of New and Revised Standards and Interpretations**

- (1) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission (referred to as “FSC”) which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its parent company only financial statements, from January 1, 2024.

- Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”
- Amendments to IAS 1 “Noncurrent Liabilities with Covenants”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendment to IFRS 16 “Lease Liability in a Sale and Leaseback”

- (2) Effect of not adopting the IFRS endorsed by the FSC

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its parent company only financial statements.

- Amendments to IAS 21 “Lack of Exchangeability”
- Amendments to IFRS 9 and IFRS 7 “Amendment to Classification and Measurement of Financial Instruments” and application index of Section 4.1 of IFRS 9 and relevant disclosure requirements of IFRS 7

- (3) The standards and interpretations of IFRS issued by IASB but not yet endorsed by the FSC

The standards and interpretations issued by IASB but not yet endorsed and issued into effect by the FSC that may be related to the Company are as follows:

**Myson Century, Inc.**

**Notes to Parent Company Only Financial Statements (Continued)**

<b><u>New Announcement or Amendment of Standards</u></b>	<b><u>Main Content of Amendment</u></b>	<b><u>Effective Date per IASB</u></b>
IFRS 18 “Expression and Disclosure of Financial Statements”	<p>The new standards introduce three types of income and expenses, two subtotals for the income statement, and one single note related to the management performance measurement. These three amendments and enhancements provide a guideline on how to further classify information in the financial statements, in order to provide a foundation to users with better and more consistent information, which will affect all companies.</p> <ul style="list-style-type: none"> <li>• More structured income statement: According to the current standards, companies use different formats to express their operating results, so that investors cannot easily compare the financial performance of different companies. The new standard adopts a more structured income statement, and introduces new definition of "operating profits" as a subtotal, and also specifies that all income and expenses are classified into three new different categories based on company's main operating activities.</li> <li>• Management Performance Measurement (MPM): The new standard introduces the definition of management performance measurement, and requires companies to provide the information on each measurement indicator in a single note to the financial statements, and to explain the calculation and how to adjust the measured indicator and the amount recognized in the IFRS accounting standards.</li> <li>• More detailed information: The new standard includes a guideline on how companies can strengthen information classification in the financial statements. This</li> </ul>	January 1, 2027

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

includes the guideline on whether the information needs to be included in the main financial statements or further classified in the notes.

The Company is currently assessing the impact of the aforementioned standards and interpretations on the financial status and business result of the Company, and relevant impacts will be disclosed after the completion of the assessment.

The Company does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its financial statements.

- Amendments to IFRSs 10 and IAS 28 "The Assets Sale or Investment between Investors and Their Affiliates or Joint Ventures"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17
- IFRS 19 "Subsidiaries not Publicly Responsible for Public Expenditure: Disclosure"
- Amendments to IFRS 9 and IFRS 7 "Amendment to Classification and Measurement of Financial Instruments" and application index of Sections 3.1 and 3.3 of IFRS 9 and relevant disclosure requirements of IFRS 7
- Annual Improvements to IFRSs
- Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

#### **4. Summary of Significant Accounting Policies**

Significant accounting policies adopted during the preparation of the parent company only financial statements are summarized as follows: The following accounting policies have been applied consistently throughout the presented periods in the unconsolidated financial statements.

(1) 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."

(2) Basis of preparation

i. Basis of measurement

Except for the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, which are measured at fair value, these parent company only financial statements have been prepared on a historical cost basis.

ii. Functional currency and presentation currency

The functional currency of the Company is determined based on the primary economic environment in which the entity operates. The parent company only financial statements are presented in NTD, which is the Company's functional currency. All

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

financial information presented in New Taiwan Dollar has been rounded to the nearest thousand.

(3) Foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period (referred to as the "reporting date"), monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for differences relating to investments in equity securities designated as at fair value through other comprehensive income, which are recognized in other comprehensive income.

(4) Criteria for classifying assets and liabilities into current and non-current

The Company classifies an asset as current asset under one of the following criteria, and all other assets are classified as non-current:

- i. Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
- ii. Assets held mainly for trading purposes;
- iii. The asset is expected to be realized within twelve months after the reporting period; or
- iv. The asset is cash or cash equivalents (as defined in IAS 7), unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

The Company classifies a liability as current liability under one of the following criteria, and all other liabilities are classified as non-current:

- i. Liabilities that are expected to be settled within the normal operating cycle;
- ii. Liabilities held mainly for trading purposes;
- iii. Liabilities due to be settled within 12 months after the reporting period; or
- iv. Liabilities devoid of the right to defer the settlement for at least 12 months after the reporting period at the end of the reporting date.

(5) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term,

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

highly liquid time deposits or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(6) Financial instruments

Accounts receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is an account receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. An account receivable without a significant financing component is initially measured at the transaction price.

i. Financial assets

For the purchase or sale of financial assets complying with regular trading, the Company uses the same method to classify the financial assets. All of the purchase and sale disposals of financial assets are recognized using trade-date accounting.

During the initial recognition, the financial assets are classified into the following categories: financial assets measured at amortized cost, financial assets measured at fair value through profit or loss, and financial assets measured at fair value through other comprehensive income. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(i) Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The objective of the Company's business model is achieved by collecting contractual cash flows.
- The assets' contractual cash flows represent solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus the cumulative

## **Myson Century, Inc.**

### **Notes to Parent Company Only Financial Statements (Continued)**

amortization using the effective interest method, adjusted for any allowance for losses. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

#### **(ii) Financial assets at fair value through other comprehensive income**

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income derived from equity investments is recognized on the date that the Company's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

#### **(iii) Financial assets at fair value through profit or loss**

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income (e.g., held for trading and financial assets that are managed and evaluated at fair value on a fair value basis) are measured at fair value through profit or loss, including derivative financial assets. At the initial recognition, in order to eliminate or significantly reduce the improper accounting ratio, the Company may designate the financial assets measured at amortized cost or at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

Subsequently, such assets are measured at fair value, and the net profit or loss (including any dividend and interest income) is recognized in profit or loss.

#### **(iv) Assessment of business model**

The Company assesses the business model of the financial assets held for the purpose of assembly, which is the most reflective of the business management method and the way to provide information to the management. The information considered includes:

- Investment portfolio policy and objective, and the operation of such policies, including whether the management's strategy is to earn contractual cash flows, maintain a specific interest rate portfolio, match the duration of the financial asset

## Myson Century, Inc.

### Notes to Parent Company Only Financial Statements (Continued)

with the duration of the related liabilities or expected cash outflow, or realize cash flows by selling financial assets; how to assess the performance of the business model and the financial assets held under the business model, and how to report to the key management personnel of the enterprise;

- Risks affecting the performance of the business model (and the financial assets held under the business model), and how to manage such risks;
- Determination of the remuneration to managerial officers of the business, such as: the remuneration is determined based on the fair value of the assets managed or the contractual cash flows received; and
- Frequency, amount and timing of the sold financial assets in previous periods, reasons for selling, and expectation of future selling activities.

If the transaction of financial asset transfer to a third party for the above-mentioned business purpose does not meet the criteria of derecognition, it is not classified as the sale described above, which is consistent with the purpose of the Company for recognition of such asset.

- (v) Assess whether the contractual cash flows are fully for paying the principal and the interest of the outstanding principal amount

For the purpose of assessment, the principal refers to the fair value of the financial assets at the time of initial recognition, and the interest consists of the following considerations: time value of money, credit risk related to the outstanding principal amount within a specific period, other basic lending risks and costs, and profit margins.

The Company assesses whether the contractual cash flows are fully for paying the principal and the interest of the outstanding principal amount. The Company also considers the terms of the financial instrument contract, including whether the financial assets contain a contractual term that changes the point or amount of the contractual cash flows, resulting in it not meeting this condition. During assessment, the Company considers the following:

- Any contingency that would change the point or amount of the contractual cash flow;
- Terms that may adjust the contractual coupon rate, including the characteristics of floating interest rate;
- Early repayment and extension features; and
- Claim right of the Company is limited to the terms of the cash flow from a specific asset (e.g. non-recourse characteristics).

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

(vi) Impairment of financial assets

The Company recognizes allowance for losses for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, accounts receivable, other receivable, and guarantee deposit paid) and contract assets.

The Company measures allowance for losses at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equals to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment as well as forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if the contract has an overdue amount for more than 30 days.

The Company considers a financial asset to be in default when the contract has an overdue amount for more than 90 days.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 month after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Lifetime ECLs of financial instruments are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

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**Notes to Parent Company Only Financial Statements (Continued)**

At each reporting date, the Company assesses whether financial assets carried at amortized cost is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial assets is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the Company, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the Company would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Allowance for losses for financial assets measured at amortized cost is deducted from the gross carrying amount of the assets. Allowance for losses for debt instruments measured at fair value through other comprehensive income are gains or losses on adjustment, which are recognized in other comprehensive income, rather than deducted from the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For the corporate borrowers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due. Based on the Company's experience, collecting overdue amounts from corporate borrowers becomes impossible once they are 90 days past due.

(vii) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does

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**Notes to Parent Company Only Financial Statements (Continued)**

not retain control of the financial asset.

The Company enters into transactions whereby it transfers financial assets, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets shall still be recognized in its balance sheet.

ii. Financial liabilities and equity instruments

(i) Classification of debt or equity

Debt and equity instruments issued by the Company are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity transactions

An equity instrument refers to any contract in which the Company has residual equity after deducting all liabilities from assets. The equity instruments issued by the Company are recognized at the acquisition price net of the direct issue cost.

(iii) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iv) Derecognition of financial liabilities

The Company derecognize financial liabilities when its contractual obligations are discharged or canceled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(v) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(7) Inventories

i. Purchase and sales

Inventories are measured at the lower of cost and net realizable value. The costs include necessary costs to make it available for sale, and is calculated using the weighted average method.

Net realized value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

ii. Manufacturing

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(8) Investment in subsidiaries

In preparing its parent company only financial statements, the Company accounts the investee companies that it possesses control using the equity. Using the equity method, the profit or loss during the period and other comprehensive income presented in parent company only financial reports shall be the same as the allocations of profit or loss during the period and of other comprehensive income attributable to owners of the parent presented in the financial reports prepared on a consolidated basis, and the owners' equity presented in the parent company only financial reports shall be the same as the equity attributable to owners of the parent presented in the financial reports prepared on a consolidated basis.

The Company accounts the changes in equity, under the condition that control is still present, as equity transactions between the proprietors.

(9) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are considered as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated as the cost of an asset less its residual value and is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives of property, plant and equipment for the current and comparative years are as follows:

Building and structure	3 years
Machinery and equipment	5 years
Other equipment	5~10 years

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted as necessary.

(10) Lease

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use period or the end of the leasing period. In addition, the Company shall periodically

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**Notes to Parent Company Only Financial Statements (Continued)**

evaluate whether the right-of-use asset is impaired, deal with the impairment loss that has incurred, and adjust the right-of-use assets for remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. If the implicit rate in the lease can be reliably determined, the rate shall serve as the discount rate. If the rate cannot be reliably determined, the Company's incremental borrowing rate shall apply. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of lease liabilities comprise:

- (i) fixed payments, including in-substance fixed payments;
- (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- (iii) amounts expected to be payable under a residual value guarantee; and
- (iv) payments for exercise prices related to purchase options or penalties for termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- (i) there is a change in future lease payments arising from the change in an index or rate;
- (ii) there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee;
- (iii) there is a change of its assessment on whether it will exercise an option to purchase the underlying asset;
- (iv) there is a change of its assessment on the lease term resulting from a change of its assessment on whether it will exercise an extension or termination option; or
- (v) there is any lease modifications affecting the underlying asset, scope, or other terms of the lease.

When the lease liability is remeasured due to the aforementioned changes in an index or rate, changes in amount expected to be payable under a residual value guarantee, or changes in its assessment on whether to exercise an extension or termination option, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

For lease modifications that reduce the scope of the lease, the carrying amount of the right-of-use asset shall be reduced to reflect the partial or full termination of the lease and recognizes the difference between this amount and the re-measurement amount of the lease liability in profit or loss.

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**Notes to Parent Company Only Financial Statements (Continued)**

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. As a lessor

In the transaction where the Company serves as a lessor, the lease is classified based on whether it transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Company applies the exemption, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS15 to allocate the consideration in the contract.

(11) Intangible assets

i. Recognition and measurement

The intangible assets with finite useful lives acquired by the Company, including the cost of computer software, are measured at costs less accumulated amortization and accumulated impairment.

ii. Subsequent expenses

Subsequent expenditure is capitalized only if it is possible to increase the future economic benefits of the relevant specific assets. All other expenditures, including the goodwill and brand developed internally, are recognized in profit or loss as incurred.

iii. Amortization

Amortization is calculated as the cost of an asset less its estimated residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives from the intangible asset becoming available for use.

The estimated useful lives of property, plant and equipment for the current and comparative years are as follows:

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

Cost of computer software	3~5 years
Know-how	10 years

Amortization methods, useful lives, and residual values of intangible assets are reviewed at each reporting date and adjusted as necessary.

(12) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than contract assets and inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

For non-financial assets, excluding goodwill, their impairment can be reversed within the carrying amount (less depreciation or amortization) of the asset if no impairment loss was recognized in previous years.

(13) Provision for liabilities

Provisions for liabilities are recognized when the Company has an obligation as a result of past events, and the Company is likely to be subject to an outflow of economic resources that will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions for liabilities are discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense.

The reserve for warranty and liabilities is recognized when the goods or services are sold. The reserve for warranty and liabilities is measured weighted according to the relevant

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

probability based on the historical warranty information and all possible results.

(14) Revenue recognition

i. Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The Company's main types of revenue are explained below.

(i) Sales of goods

The Company recognizes revenue when control of the products has transferred, when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company any has objective evidence that all criteria for acceptance have been satisfied. In addition, if the Company has not acquired the control over a specific product before transferring it to the customer, the revenue shall be recognized at a net amount.

The Company recognizes accounts receivable when the goods are delivered, as the Company is entitled the right to unconditionally collect the consideration at that time. Contractual liabilities are mainly due to the advance collected from goods sales contracts, which are transferred to revenue when the products are delivered to customers.

(ii) Construction contracts

The Company is engaged in the contracting business of decoration engineering. Because the assets are controlled by the customer during construction, the revenue is gradually recognized over time based on either the proportion of the engineering cost incurred so far to the estimated total contract cost or the percentage of completion of the contract work. The contract includes fixed consideration. The customer makes a fixed amount of payment in accordance with the agreed schedule. If the amount of recognized revenue has not yet been paid, it is recognized as a contract asset. When the Company has an unconditional right to the consideration, the contract asset is transferred to accounts receivable.

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**Notes to Parent Company Only Financial Statements (Continued)**

If the degree of completion of the performance obligation under the construction contract cannot be reasonably measured, the contract revenue is recognized only within the range of the expected recoverable cost.

When the Company expects that the unavoidable cost of meeting the obligation under the construction contract exceeds the economic benefits expected from the contract, the provision for the onerous contract is recognized.

If the situation changes, the estimates of revenue, cost, and level of completion shall be revised, and the resulting changes shall be reflected in the profit or loss during the period in which the management is aware of such change.

(iii) Advertisement Service

The advertisement service of the Company is based on individual pricing or negotiation, and the services are provided during the contract period. Since the Company provides services during the contract period, the customers will be entitled to the benefits of the services during the contract period, which is a performance obligation that will be gradually fulfilled over time, so the revenue is recognized by the straight-line method over time.

Most contracts of the Company have collected partial consideration from the customers at the time of signing the contract, and the Company must assume the obligation to provide labor services subsequently. Therefore, it is recognized as a contract liability.

(iv) Financing components

The Company expects all customer contracts will transfer goods or services to customers at intervals of no more than one year, as well as payment by the customer. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(15) Employee Benefits

i. Definite contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

ii. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

(16) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

- i. Temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination, that (i) affects neither accounting nor taxable profits (losses), and that (ii) generates no equivalent taxable and deductible temporary difference at the time of the transaction;
- ii. Temporary differences arising from equity investments in subsidiaries, associates and joint ventures, where the Company is able to control the reverse of the temporary difference and where there is a highly probability that such temporary differences will not reverse in the future; and
- iii. Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

- i. the Company has a legally enforceable right to set off current tax assets against current tax liabilities ; and
- ii. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

same taxation authority on either:

- (i) the same taxable entity; or
- (ii) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**(17) Earnings Per Share**

The Company discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated by the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding adjusted for the dilutive effects of all potential ordinary shares, respectively. The Company's potential ordinary shares with dilutive effects include employee remuneration that can be distributed in shares.

**(18) Segment Information**

The Company has already disclosed related information of its operating segments in the consolidated financial report, thus no additional information will be disclosed herein.

**5. Critical Accounting Judgments, Estimates and Assumptions on Uncertainty**

When the parent company only financial statements are prepared by the management, it is necessary to make judgments and estimates about the future (including climate-related risks and opportunities), which will affect the adoption of accounting policies and the amount of assets, liabilities, revenues and expenses reported. Actual results may differ from these estimates.

The management of the Company continues to review the estimates and basic assumptions, which are consistent with the risk management and climate-related commitments of the Company. Changes in the estimated value are deferred and recognized in the period of change and the affected future period.

There are no critical judgments in applying accounting policies that have significant effect on the amounts recognized in these parent company only financial statements.

The estimations and assumptions made by the Company do not involve significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**6. Description of Important Accounting Items**

**(1) Cash and cash equivalents**

	<b>2024.12.31</b>	<b>2023.12.31</b>
Cash and petty cash	\$ 90	40

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**Notes to Parent Company Only Financial Statements (Continued)**

Check deposits and demand deposits	103,184	30,685
Cash and cash equivalents listed in the Statement of Cash Flows	<b>\$ 103,274</b>	<b>30,725</b>

Please refer to Note 6(22) for the disclosure of the exchange rate risk and sensitivity analysis of the Company's financial assets.

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

	<b>2024.12.31</b>	<b>2023.12.31</b>
Financial assets compulsorily measured at fair value through profit or loss - current:		
Stocks of TWSE/TPEX-listed company	\$ 24,780	-
Beneficiary certificates	45,964	-
	<b>\$ 70,744</b>	<b>-</b>

Please refer to Note 6(21) for the amount of remeasurement recognized in profit or loss at fair value.

Please refer to Note 6(22) for market risk information related to the aforementioned financial assets.

The financial assets at fair value through profit or loss of Company are not used as collateral for security.

(3) Financial assets at fair value through other comprehensive income/loss

	<b>2024.12.31</b>	<b>2023.12.31</b>
Financial assets at fair value through other comprehensive income/loss - non-current:		
Stocks of TWSE/TPEX-listed company	\$ -	84,901
Stocks of non-TWSE/TPEX-listed company	50,220	-
	<b>\$ 50,220</b>	<b>84,901</b>

The Company's investments in the above-mentioned equity instruments are strategic investments and not held for trading purposes, and therefore have been designated to be measured at fair value through other comprehensive income.

The Company recognized dividends income of NT\$0 thousand and NT\$142 thousand for the years ended December 31, 2024 and 2023, respectively, from the aforementioned equity instrument designated as investment at fair value through other comprehensive income.

In 2024 and 2023, due to a change in investment strategy, the Company sold the equity instruments designated to be measured at fair value through other comprehensive income.

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

The fair values at the time of disposal was NT\$109,333 thousand and NT\$27,616 thousand, respectively. The accumulated gain on disposal was NT\$27,823 thousand and NT\$2,873 thousand, respectively. The Company has transferred the aforementioned accumulated gain on disposal from other equity to retained earnings.

Please refer to Note 6(22) for market risk information.

None of the Company's financial assets measured at fair value through other comprehensive income had been pledged as collateral.

(4) Financial assets at amortized cost

	<b>2024.12.31</b>	<b>2023.12.31</b>
Time deposits with original maturities of more than three months	<b>\$ 1,764</b>	<b>1,811</b>

The Company evaluates these assets with the intention of holding them until their maturity date to collect contractual cash flows. The cash flows generated by these financial assets are solely for the repayment of principal and interest on the outstanding principal amount. Therefore, they are recognized as financial assets at amortized cost.

Please refer to Note 6(22) for credit risk information.

For the financial assets measured at amortized cost held by the Company, there was no collateral provided as security.

(5) Accounts receivable

	<b>2024.12.31</b>	<b>2023.12.31</b>
Accounts receivable - measured at amortized cost	\$ 12,143	-
Accounts receivable - related parties - measured at amortized cost	41,111	78,312
Less: Loss provision	-	-
	<b>\$ 53,254</b>	<b>78,312</b>

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected credit loss provision. To measure the expected credit losses, accounts receivables have been grouped based on shared credit risk characteristics regarding to the customers' ability to pay the full amount due according to contractual terms, as well as incorporated forward-looking information, including macroeconomic and relevant industry information. The Company's expected credit loss of accounts receivable was analyzed as follows:

**2024.12.31**

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

	<u>Carrying amount of accounts receivable</u>	<u>Weighted-averag e expected credit loss rate</u>	<u>Loss allowance provision</u>
Not past due	<u>\$ 53,254</u>	- %	<u>-</u>

**2023.12.31**

	<u>Carrying amount of accounts receivable</u>	<u>Weighted-averag e expected credit loss rate</u>	<u>Allowance provision for lifetime expected credit losses</u>
Not past due	<u>\$ 78,312</u>	- %	<u>-</u>

None of the aforementioned financial assets has been pledged as collateral.

Please refer to Note 6(22) for other credit risk information.

(6) Inventories

	<u>2024.12.31</u>	<u>2023.12.31</u>
Raw materials	\$ 1,424	-
Work in process	788	-
Merchandise inventory	17,488	-
Finished goods	880	-
	<u>\$ 20,580</u>	<u>-</u>

The details of the cost of sales were as follows:

	<u>2024</u>	<u>2023</u>
Decoration engineering cost	\$ 71,398	54,855
Marketing costs	36,910	-
Sales reclassified as cost of goods sold	32,380	-
	<u>\$ 140,688</u>	<u>54,855</u>

The Company did not provide any inventories as collateral.

(7) Investments accounted for under the equity method

The components of the investments accounted for under equity method at the reporting date were as follows:

	<u>2024.12.31</u>	<u>2023.12.31</u>
Subsidiaries	<u>\$ 169,227</u>	<u>-</u>

Please refer to the 2024 consolidated financial statements for detail.

The Company did not provide any of its investments accounted for under the equity method as collateral.

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

(8) Changes of ownership in subsidiaries

In February 2024, the Company participated in the cash capital increase of its subsidiary, Yuan Qiao Limited, with NT\$ 4,300 thousand in cash, which was not in proportion to its shareholding percentage, resulting in a decline in its shareholding percentage from 82.78% to 80.00%. The changes in shareholding percentage led to an increase in net equity value attributable to the Company increased of NT\$39 thousand, which was adjusted to the capital surplus.

In November 2023, the Company participated in the cash capital increase of its subsidiary, Yuan Qiao Limited, with cash of NT\$ 6,900 thousand, which was not in proportion to its shareholding percentage, resulting in a decline in its shareholding percentage from 88.89% to 82.78%. The changes in shareholding percentage led to an increase in net equity value attributable to the Company increased of NT\$66 thousand, which was adjusted to the capital surplus.

(9) Property, plant and equipment

The statement of changes in property, plant and equipment of the Company is as follows:

	<b>Building and structure</b>	<b>Machinery and equipment</b>	<b>Other equipment</b>	<b>Total</b>
Cost or deemed cost:				
Balance on January 1, 2024	\$ 138	-	2,253	2,391
Additions	-	128	3,002	3,130
Balance on December 31, 2024	<b>\$ 138</b>	<b>128</b>	<b>5,255</b>	<b>5,521</b>
Balance on January 1, 2023	\$ 68,457	-	2,253	70,710
Disposals	(68,319)	-	-	(68,319)
Balance on December 31, 2023	<b>\$ 138</b>	<b>-</b>	<b>2,253</b>	<b>2,391</b>
Depreciation:				
Balance on January 1, 2024	\$ 111	-	1,939	2,050
Depreciation	27	13	490	530
Balance on December 31, 2024	<b>\$ 138</b>	<b>13</b>	<b>2,429</b>	<b>2,580</b>
Balance on January 1, 2023	\$ 31,159	-	1,488	32,647
Depreciation	973	-	451	1,424
Disposals	(32,021)	-	-	(32,021)
Balance on December 31, 2023	<b>\$ 111</b>	<b>-</b>	<b>1,939</b>	<b>2,050</b>
Carrying amount:				
December 31, 2024	<b>\$ -</b>	<b>115</b>	<b>2,826</b>	<b>2,941</b>
January 1, 2023	<b>\$ 37,298</b>	<b>-</b>	<b>765</b>	<b>38,063</b>

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

December 31, 2023 \$ 27 - 314 341

The Company did not provide any property, plant and equipment as collateral.

(10) Right-of-use assets

The statement of changes in cost and depreciation of right-of-use assets recognized for land and buildings in leases where the Company act as a lessee is presented below:

	<u>Land</u>	<u>Building and structure</u>	<u>Total</u>
Cost of right-of-use assets:			
Balance on January 1, 2024	\$ -	1,717	1,717
Additions	-	1,459	1,459
Balance on December 31, 2024	<u>\$ -</u>	<u>3,176</u>	<u>3,176</u>
Balance on January 1, 2023	\$ 10,868	1,717	12,585
Decrease	(10,868)	-	(10,868)
Balance on December 31, 2023	<u>\$ -</u>	<u>1,717</u>	<u>1,717</u>
Accumulated depreciation of right-of-use assets:			
Balance on January 1, 2024	\$ -	844	844
Depreciation recognized	-	430	430
Balance on December 31, 2024	<u>\$ -</u>	<u>1,274</u>	<u>1,274</u>
Balance on January 1, 2023	\$ 1,425	494	1,919
Depreciation recognized	228	350	578
Decrease	(1,653)	-	(1,653)
Balance on December 31, 2023	<u>\$ -</u>	<u>844</u>	<u>844</u>
Carrying amount:			
December 31, 2024	<u>\$ -</u>	<u>1,902</u>	<u>1,902</u>
January 1, 2023	<u>\$ 9,443</u>	<u>1,223</u>	<u>10,666</u>
December 31, 2023	<u>\$ -</u>	<u>873</u>	<u>873</u>

(11) Intangible assets

The statement of changes in the Company's intangible assets is as follows:

	<u>Computer software</u>	<u>Know-how</u>	<u>Total</u>
Cost:			
Balance on January 1, 2024	\$ 515	-	515
Independent acquisition	104	3,660	3,764
Disposals	(515)	-	(515)
Balance on December 31, 2024	<u>\$ 104</u>	<u>3,660</u>	<u>3,764</u>
Balance on January 1, 2023	\$ 818	-	818
Disposals	(303)	-	(303)

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

Balance on December 31, 2023	<u>\$</u>	<u>515</u>	<u>-</u>	<u>515</u>
Amortization and impairment:				
Balance on January 1, 2024	\$	463	-	463
Amortization		69	183	252
Disposals		(515)	-	(515)
Balance on December 31, 2024	<u>\$</u>	<u>17</u>	<u>183</u>	<u>200</u>
Balance on January 1, 2023	\$	651	-	651
Amortization		115	-	115
Disposals		(303)	-	(303)
Balance on December 31, 2023	<u>\$</u>	<u>463</u>	<u>-</u>	<u>463</u>
Carrying amount:				
December 31, 2024	<u>\$</u>	<u>87</u>	<u>3,477</u>	<u>3,564</u>
January 1, 2023	<u>\$</u>	<u>167</u>	<u>-</u>	<u>167</u>
December 31, 2023	<u>\$</u>	<u>52</u>	<u>-</u>	<u>52</u>

The amortization expense of intangible assets is recognized in the following items in the Statement of Comprehensive Income:

	<u>2024</u>	<u>2023</u>	
Operating Expense	<u>\$</u>	<u>252</u>	<u>115</u>

The Company did not provide any intangible assets as collateral.

(12) Lease liabilities

The carrying amounts of the Company's lease liabilities were as follows:

	<u>2024.12.31</u>	<u>2023.12.31</u>	
current	<u>\$</u>	<u>838</u>	<u>353</u>
non-current	<u>\$</u>	<u>1,087</u>	<u>545</u>

For information on liquidity risk exposure, please refer to Note 6(22) Financial instruments.

The amount recognized in profit or loss for the lease were as follows:

	<u>2024</u>	<u>2023</u>	
Interest expenses on lease liabilities	<u>\$</u>	<u>22</u>	<u>129</u>
Rent expenses relating to short-term leases	<u>\$</u>	<u>53</u>	<u>43</u>
Loss in lease modification	<u>\$</u>	<u>-</u>	<u>271</u>
Expense of low-value lease assets	<u>\$</u>	<u>5</u>	<u>-</u>

The amounts recognized in the Statement of Cash Flows are as follows:

	<u>2024</u>	<u>2023</u>	
Total cash outflow for leases	<u>\$</u>	<u>512</u>	<u>781</u>

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

i. Lease of land and buildings

The Company leases buildings for its office space with a lease period of 3~5 years. In addition, the original lease contract of the land was terminated early on August 11, 2023.

ii. Other leases

The Company leases the parking space, which is classified as a short-term lease. It has elected to apply the recognition exemption and not to recognize related right-of-use assets and lease liabilities.

(13) Operating lease

The underlying assets lease, in which the Company acts as a lessor, include buildings and construction. The lease contract periods are from 2022 to 2026. The lease contracts are individually negotiated and include various terms and conditions. The maturity analysis is presented by the total amount of undiscounted lease payments to be received after the reporting date as shown in the following table:

	<b>2024.12.31</b>	<b>2023.12.31</b>
Within 1 year	\$ 11	11
1 to 2 years	6	11
2 to 3 years	-	6
Total undiscounted lease payments	<b>\$ 17</b>	<b>28</b>

The rent revenue arising from the aforesaid transactions in 2024 and 2023 amounted to NT\$11 thousand and NT\$3,420 thousand, respectively and recognized under other income.

(14) Provision for liabilities

	<b>Warranty</b>
Balance on January 1, 2024	\$ -
Newly added provision for liabilities in the current period	5,000
Balance on December 31, 2024	<b>\$ 5,000</b>

The reserve for warranty and liabilities of the Company referred to above is mainly related to the contracting of decoration work. The reserve for warranty and liabilities is estimated based on the historical warranty information that can be collected. The Company expects that most of the liabilities would be incurred in one to three years after the completion of the work, and there was no such transaction in 2023.

(15) Employee Benefits

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

The Company's defined contribution plan is based on the Labor Pension Act, and the

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

contribution rate is 6% of the employees' monthly wages to employees' personal pension accounts at the Bureau of Labor Insurance Under this plan, the Company has no legal or constructive obligations to pay additional amounts after making a fixed contribution to the Bureau of Labor Insurance.

The Company's pension expenses under the defined contribution pension plan were \$462 thousand and \$215 thousand for 2024 and 2023, respectively.

(16) Income taxes

i. Income tax expenses

	<b>2024</b>	<b>2023</b>
Current income tax expense		
Generated in the current period	\$ 25,500	6,518
Deferred tax expense (gain)		
Origination and reversal of temporary differences	22	-
Recognition of taxable loss not recognized in previous period	(25,494)	(6,518)
	(25,472)	(6,518)
	<b>\$ 28</b>	<b>-</b>

The Company had no income tax expense recognized directly in equity and other comprehensive income in 2024 and 2023.

Reconciliation of income tax expense to net profit before tax is as follows:

	<b>2024</b>	<b>2023</b>
Net profit before tax	<b>\$ 268,319</b>	<b>31,050</b>
Income tax based on the domestic tax rate of the Company's jurisdiction	\$ 53,663	6,210
Adjustments for tax return according to laws and regulations	(21,102)	843
Tax-exempted income pursuant to the tax laws	(7,051)	(535)
Tax losses unrecognized in prior periods	(25,494)	(6,518)
Change of unrecognized temporary differences	6	-
Additional tax for undistributed earnings	6	-
Income tax	<b>\$ 28</b>	<b>-</b>

ii. Deferred tax assets and liabilities

(i) Unrecognized deferred tax assets

The items that have not been recognized by the Company as deferred tax assets are

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

as follows:

	<b>2024.12.31</b>	<b>2023.12.31</b>
Deductible temporary differences	\$ 2,865	2,849
Tax losses	527,694	660,232
	<b>\$ 530,559</b>	<b>663,081</b>

According to the R.O.C Income Tax Act, tax losses refer to net losses, as assessed by the tax authorities, which can be used to offset taxable income over a period of ten years for local tax reporting purposes. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the temporary differences therefrom.

As of December 31, 2024, the Company's unutilized tax losses, for which no deferred tax assets were recognized, expire in the following years:

<b>Loss occurrence year</b>	<b>Loss not yet deducted</b>	<b>Final year for deduction</b>
2015	\$ 186,876	2025
2016	77,944	2026
2017	83,151	2027
2018	28,298	2028
2019	31,370	2029
2020	65,779	2030
2021	33,082	2031
2022	21,194	2032
Total	<b>\$ 527,694</b>	

(ii) Unrecognized deferred tax liabilities: None.

(iii) Recognized deferred tax assets and liabilities:

Changes in deferred income tax liabilities were as follows:

	<b>Unrealized Foreign Exchange Gain</b>
<b>January 1, 2024</b>	\$ -
Debit balance sheet	22
<b>December 31, 2024</b>	<b>\$ 22</b>

There were no changes in the differed tax liabilities in 2023.

There were no changes in the differed tax assets in 2024 and 2023.

iii. Status of income tax assessment

The Company's income tax returns have been assessed by the tax authorities through

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

2022.

(17) Capital and other equity

i. Common stock capital

As of December 31, 2024 and 2023, the Company's total authorized capital is NT\$3,500,000 (NT\$330,000 of the total shares are retained for the issuance of employee stock options) and the paid-in capital is NT\$147,000 with a par value of NT\$10 per share and 14,700 thousand shares. Payment for the shares issued has all been received.

Reconciliation of the number of the Company's outstanding shares for 2024 and 2023 is as follows:

	<b>Common shares</b>	
(expressed in thousand shares)	<b>2024</b>	<b>2023</b>
Ending balance on December 31 (same as beginning balance of the period)	<b>14,700</b>	<b>14,700</b>

In order to enrich the working capital, the Board of Directors resolved to introduce strategic investors through private placement to raise funds on February 24, 2023. The Company is to issue up to 20,000 thousand common shares for the private placement, totaling NT\$200,000 thousand, which was resolved by the shareholders' meeting on June 6, 2023. According to the resolution of the Board on February 27, 2024, it was not to be further continued.

ii. Capital surplus

The balances of the Company's capital surplus are as follows:

	<b>2024.12.31</b>	<b>2023.12.31</b>
Recognition of changes in ownership interest of subsidiaries	<b>\$ 208</b>	<b>169</b>

In accordance with the Company Act, capital surplus must first be used to make up for losses before new shares or cash can be issued or cash can be paid in proportion to the shareholders' original shares based on the realized capital surplus. The realized capital surplus referred to in the preceding paragraph includes the proceeds from the issuance of shares in excess of par value and the proceeds from the receipt of gifts. In accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital surplus may be capitalized as equity in an amount not exceeding 10% of the paid-in capital each year.

iii. Retained earnings

According to the Articles of Incorporation of the Company, when the Company has a

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

surplus earning at the end of a fiscal year, the earning should be used for tax payments first and for offsetting the accumulated losses, following by appropriating 10% of the earning as legal reserve. However, this does not apply to the circumstance where the legal reserves are equivalent to the Company's paid-in capital. The balance of the special reserve appropriated or reversed in accordance with the laws or regulations or the competent authority may be added to the undistributed earnings at the beginning of the period. After considering the business situation and balance of the dividend policy, the remaining balance may be added to the undistributed earnings of previous years, and the Board of Directors shall prepare an earnings distribution proposal and submit it to the shareholders' meeting for resolution. If it is done in cash, it shall be resolved by the Board of Directors for special resolution.

Percentage of cash and stock dividends: The Company distributes dividends to shareholders in cash dividends and stock dividends after earnings are finalized each year. In consideration of maintaining a balanced dividend policy, the Company appropriates at least 30% of the earnings shareholders' dividends, but when the surplus for distribution is less than 10% of the paid-in capital, the Board of Directors may decide not to distribute the dividends. Dividends may be distributed in stock or cash, with cash dividends of no less than 10% of the total dividends.

For the distribution of the aforementioned earnings, the Board of Directors may adjust the proportion of cash and stock dividends distribution after considering the Company's operation and capital expenditure needs, and draft a distribution proposal in the form of new shares issuance. Issue of new shares shall be approved at the shareholders' meeting.

(i) Legal reserve

The Company may issue new shares or pay cash from the legal reserve upon resolution of the shareholders' meeting when the Company has no losses, but limited to the part of the legal reserve exceeding 25% of the paid-in capital.

(ii) Earnings distribution

The amount of cash dividends for the 2023 earnings distribution proposal was resolved by the Board of Directors of the Company on February 27, 2024. The amounts of dividends distributed to shareholders were as follows:

	<b>2023</b>
	<b>Distribution rate (NT\$)</b>
	<b>Amount</b>
Dividends distributed to common shareholders:	

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

Cash	\$	1.8	<u><u>26,460</u></u>
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The Company was in a cumulative loss position in 2022. On June 6, 2023, the shareholders' meeting resolved the proposal for the loss make-up in 2022. The relevant information can be obtained from the MOPS and other pipelines.

The amount of cash dividends for the 2024 earnings distribution proposal was resolved by the Board of Directors on March 12, 2025. The amounts of dividends distributed to shareholders were as follows:

		<u>2024</u>	
		<u>Distribution</u>	<u>Amount</u>
		<u>rate (NT\$)</u>	
Dividends distributed to common shareholders:			
Cash	\$	5.45	<u><u>80,115</u></u>

iv. Other equity (net of tax)

		<u>Unrealized gain or losses on financial assets at fair value through other comprehensive income/loss</u>
Balance on January 1, 2024	\$	3,391
Unrealized gain on the valuation of financial assets at fair value through other comprehensive income		24,432
Disposal of financial instrument measured at fair value through other comprehensive income		<u>(27,823)</u>
Balance on December 31, 2024	<u>\$</u>	<u>-</u>
Balance on January 1, 2023	\$	(20,256)
Unrealized gain on the valuation of financial assets at fair value through other comprehensive income		26,520
Disposal of financial instrument measured at fair value through other comprehensive income		<u>(2,873)</u>
Balance on December 31, 2023	<u>\$</u>	<u>3,391</u>

(18) Earnings per share

The calculations of basic and diluted earnings per share are as follows:

		<u>2024</u>		<u>2023</u>
<b>Basic earnings per share</b>				
Net profit for the period attributable to shareholders of the Company's common shares	\$	<u>268,291</u>		<u>31,050</u>
Weighted average number of common shares outstanding (thousand shares)		<u>14,700</u>		<u>14,700</u>
Basic earnings per share (NT\$)	<u>\$</u>	<u>18.25</u>		<u>2.11</u>

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

**Diluted earnings per share**

Net income attributable to common shareholders of the Company (diluted)	<u>\$ 268,291</u>	<u>31,050</u>
Weighted average number of common shares outstanding (thousand shares)	14,700	14,700
Effect of dilutive potential common shares		
- Compensation to employees (thousand shares)	<u>4</u>	<u>3</u>
Weighted average number of common shares outstanding (thousand shares) (after adjustment for the effect of dilutive potential common shares)	<u>14,704</u>	<u>14,703</u>
Diluted earnings per share (NT\$)	<u>\$ 18.25</u>	<u>2.11</u>

(19) Revenue from contracts with customers

i. Breakdown of revenue

	<u>2024</u>	<u>2023</u>
Major market by region:		
Taiwan	<u>\$ 336,337</u>	<u>66,774</u>
Main product/service lines:		
Engineering work revenue	\$ 122,318	64,216
Sales revenue	140,550	-
Advertisement Service Income	68,700	-
Sale of building materials	829	2,558
Others	<u>3,940</u>	<u>-</u>
Total	<u>\$ 336,337</u>	<u>66,774</u>

ii. Contract balance

	<u>2024.12.31</u>	<u>2023.12.31</u>	<u>2023.1.1</u>
Accounts receivable	\$ 12,143	-	-
Accounts receivable - related parties	41,111	78,312	7,074
Less: Loss provision	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 53,254</u>	<u>78,312</u>	<u>7,074</u>
Contract asset - decoration engineering works	\$ 705	-	-
Less: Loss provision	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 705</u>	<u>-</u>	<u>-</u>

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

Contract liability - decoration engineering works	\$ 2,851	2,033	-
Contract liability - sales of goods	<u>616</u>	<u>-</u>	<u>-</u>
	<u><b>\$ 3,467</b></u>	<u><b>2,033</b></u>	<u><b>-</b></u>

Please refer to Note 6(5) for the disclosure of accounts receivable (including related parties) and the impairment thereof.

The opening balance of contract liabilities transferred to income in 2024 and 2023 were NT\$2,033 and NT\$0 thousand, respectively.

(20) Remuneration of employees and directors

In accordance with the Company's Articles of Incorporation, if the Company makes a profit in a year, it shall allocate 1% to 10% of the total amount for employee remuneration and not more than 0.5% for director remuneration. However, if the Company still has accumulated deficit, the amount shall be retained in advance to compensate for the deficit. The aforementioned remuneration to employees may be paid in the form of shares or cash, and the rewards in shares or cash may include employees of the Company's controlling or subordinate companies meeting certain criteria, and the Board of Directors is authorized to determine such relevant regulations.

In 2024 and 2023, the Company allocated NT\$2,710 thousand and NT\$269 thousand in remuneration for employees, respectively and NT\$0 for directors in both 2024 and 2023. These remunerations were calculated by multiplying the Company's net profit before tax before deducting remuneration for employees and directors by the percentages of remuneration for employees and directors, stipulated in the Company's Articles of Incorporation. They were recognized as operating expenses for the period. If there is any difference between the actual distribution amount in the next year and the estimated amount, it is handled according to the accounting estimate change, and such difference is recognized in the profit or loss of the next fiscal year. The aforementioned amounts of remunerations of employees and remunerations according to the resolution of the Board of Directors were consistent with the estimated amounts indicated in the 2023 parent company only financial statements. Relevant information is available on the MOPS website.

(21) Non-operating income and expenses

i. Interest revenue

Breakdown of the Company's interest revenue is as follows:

	<u>2024</u>	<u>2023</u>
Interest from bank deposits	\$ 1,171	89
Financial assets of interest income at amortized cost	60	66

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**Notes to Parent Company Only Financial Statements (Continued)**

Others	623	13
	<b>\$ 1,854</b>	<b>168</b>

ii. Other income

Breakdown of the Company's other income is as follows:

	2024	2023
Rental revenue	\$ 11	3,420
Dividend revenue	496	142
Others	584	18
	<b>\$ 1,091</b>	<b>3,580</b>

iii. Other gains and losses

Breakdown of the Company's other gains and losses is as follows:

	2024	2023
Valuation loss of financial assets at fair value through profit or loss	\$ (5,764)	-
Foreign currency exchange gain	113	67
Net gains on disposal of property, plant and equipment	-	34,788
Loss in lease modification	-	(271)
Others	(150)	-
	<b>\$ (5,801)</b>	<b>34,584</b>

iv. Financial costs

Breakdown of the Company's financial costs is as follows:

	2024	2023
Borrowings from banks	\$ -	(430)
Others	(47)	(231)
	<b>\$ (47)</b>	<b>(661)</b>

(22) Financial instruments

i. Credit risk

(i) Amount of maximum credit risk exposure

The carrying amounts of financial assets and accounts receivable (including related parties) represent the amount of maximum credit risk exposure.

(ii) Concentration of credit risk

To reduce credit risk of accounts receivable, the Company continuously evaluates the financial position of its customers and requires collateral from customers if necessary. The Company regularly evaluates the possibility of accounts receivable

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recovery and recognizes allowance for losses. The impairment loss is always within management's expectations. As of December 31, 2024 and 2023, approximately 67% and 72% of the Company's accounts receivable (including related parties) were contributed by two customers and one customer, respectively.

(iii) Credit risk associated with accounts receivable

Please refer to Note 6(5) for the information regarding the exposure to credit risk associated with accounts receivable (including related parties).

Other financial assets at amortized cost include other receivables (including related parties), refundable deposits, and time deposit (recognized under "financial assets at amortized cost - current"), all of which are financial assets with low credit risk. Therefore, the allowance for losses for the period is measured based on the 12-month expected credit losses. After assessment, it has been determined that no expected credit loss should be recognized.

ii. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest but excluding the effect of net agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Less than 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
<b>December 31, 2024</b>							
Non-derivative financial liabilities							
Notes payable	\$ 3,561	3,561	3,561	-	-	-	-
Accounts payable	38,647	38,647	38,647	-	-	-	-
Other payables	11,681	11,681	11,681	-	-	-	-
Lease liabilities	1,925	1,983	437	437	689	420	-
	<u>\$ 55,814</u>	<u>55,872</u>	<u>54,326</u>	<u>437</u>	<u>689</u>	<u>420</u>	<u>-</u>
<b>December 31, 2023</b>							
Non-derivative financial liabilities							
Accounts payable	\$ 40,949	40,949	40,949	-	-	-	-
Other payables	2,905	2,905	2,905	-	-	-	-
Other payables - related parties	10,021	10,021	21	10,000	-	-	-
Lease liabilities	898	925	185	185	370	185	-
	<u>\$ 54,773</u>	<u>54,800</u>	<u>44,060</u>	<u>10,185</u>	<u>370</u>	<u>185</u>	<u>-</u>

The Company does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

iii. Exchange rate risk

The Company's financial assets and liabilities exposed to significant foreign

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currency exchange rate risk were as follows:

	2024.12.31			2023.12.31			
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	
<u>Financial assets</u>							
<u>Monetary items</u>							
USD	\$	51	32.735	1,685	50	30.655	1,522

(i) Sensitivity analysis

The Company's exchange rate risk arises mainly from foreign-currency denominated cash and cash equivalents, as well as financial assets at amortized cost, which result in foreign currency exchange gains or losses upon translation. As of December 31, 2024 and 2023, if NTD had depreciated or appreciated by 1% against USD, with all other factors held constant, net profit before tax would be increased or decreased by NT\$17 thousand and NT\$15 thousand for 2024 and 2023, respectively. The same basis was used in the analysis for both periods.

Due to fluctuations in the exchange rate of the Company's functional currency, the foreign currency exchange gains (including both realized and unrealized) for 2024 and 2023 were NT\$113 thousand and NT\$67 thousand, respectively.

iv. Other price risks

If the price of financial instruments had changed at the reporting date (the same basis is used for the analysis of both periods and other variables are assumed to be constant), the impact on the comprehensive income items would have been as follows:

	2024		2023	
	Impact on other comprehensive income after tax	Profit or loss after tax	Impact on other comprehensive income after tax	Profit or loss after tax
Price of securities at reporting date				
Increase by 3%	<u>\$ 1,507</u>	<u>2,122</u>	<u>2,038</u>	<u>-</u>
Decrease by 3%	<u>\$ (1,507)</u>	<u>(2,122)</u>	<u>(2,038)</u>	<u>-</u>

v. Fair value information

(i) Types and fair values of financial instruments

The financial assets measured at fair price through profit or loss and the financial assets measured at FVOIC of the Company are measured at fair price based on the repetitiveness. Carrying amount and fair value of the Company's financial assets and financial liabilities (including information on fair value hierarchy; however, for financial instruments that are not measured at fair value, whose carrying amount is a

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reasonable approximation of fair values, and lease liabilities, the disclosure of fair value information is not required) were presented as below:

	2024.12.31				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through other comprehensive income/loss</b>					
Stocks of non-TWSE/TPEX-listed company	\$ 50,220	-	-	50,220	50,220
<b>Financial assets at fair value through profit or loss</b>					
Stocks of TWSE/TPEX-listed company	24,780	24,780	-	-	24,780
Beneficiary certificates	45,964	45,964	-	-	45,964
Subtotal	<u>70,744</u>				
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	103,274	-	-	-	-
Financial assets at amortized cost - current	1,764	-	-	-	-
Accounts receivable (including related parties)	53,254	-	-	-	-
Other receivables (including related parties)	27,567	-	-	-	-
Refundable deposits	241	-	-	-	-
Subtotal	<u>186,100</u>				
<b>Total financial assets</b>	<u>\$ 307,064</u>				

<b>Financial liabilities measured at amortized cost</b>					
Notes payable	\$ 3,561	-	-	-	-
Accounts payable	38,647	-	-	-	-
Other payables	11,681	-	-	-	-
Lease liabilities	1,925	-	-	-	-
<b>Total financial liabilities</b>	<u>\$ 55,814</u>				

	2023.12.31				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at fair value through other comprehensive income/loss</b>					
Stocks of TWSE/TPEX-listed company	\$ 84,901	84,901	-	-	84,901
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	30,725	-	-	-	-
Financial assets at amortized cost- current	1,811	-	-	-	-
Accounts receivable - related parties	78,312	-	-	-	-
Other receivables (including related parties)	4,201	-	-	-	-
Refundable deposits	97	-	-	-	-
Subtotal	<u>115,146</u>				
<b>Total financial assets</b>	<u>\$ 200,047</u>				
<b>Financial liabilities measured at amortized cost</b>					
Accounts payable	\$ 40,949	-	-	-	-
Other payables (including related parties)	12,926	-	-	-	-
Lease liabilities	898	-	-	-	-
<b>Total financial liabilities</b>	<u>\$ 54,773</u>				

The Company strives to use market observable inputs when measuring assets and liabilities. Different levels of the fair value hierarchy to be used in determining the fair value of financial instruments are as follows:

Level 1: quoted prices (unadjusted) in active markets for identifiable assets or liabilities.

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

Level 3: inputs for the assets or liability that are not based on observable market data (non-observable inputs).

(ii) Fair value measurement techniques for financial instruments at fair value

Non-derivative financial instruments

If there is an active market for a financial instrument, the fair value is based on the quoted market price in the active market. The market price announced by major exchanges and the OTC trading centers for central government bonds, which are judged to be popular, are the basis for the fair value of listed equity instruments and debt instruments with active market quotations.

Stocks of TWSE/TPEX-listed company held by the Company are financial assets with standard terms and are publicly traded in active markets. Their fair values are calculated based on the market's quoted prices.

Except for the aforementioned financial instruments that are traded in active markets, other financial instruments are measured with fair values provided by using the valuation techniques. Fair values provided by using the valuation techniques may be based on the present fair value of other financial instruments with similar practical conditions and characteristics, the discounted cash flow method, or other available methods. The main assumption underlying the fair value determined through the discounted cash flow method is that the expected future cash flows of the investee are discounted at a rate of return that accounts for both the time value of money and investment risk.

(iii) Fair value measurement techniques for financial instruments at fair value

(iii-1) Non-derivative financial instruments

If a financial instrument held by the Company has no active market, then its fair value is determined according to the category and attribute as follows:

- Equity instrument without open quote: The cash flow discount model is used to estimate the fair value, and its main assumption is to use the expected future cash flow of the investee, and to discount according to the rate of return of the currency time value and investment risk reflected for measurement.
- Equity instrument without open quote: The market comparable company method is used to estimate the fair value. The estimated value has been adjusted for the

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discount effect of the equity-based securities with insufficient market circulation.

In 2024, the Company's non-listed stocks were classified as financial assets measured at fair value through other comprehensive income. The fair value on December 31, 2024 was NT\$50,220 thousand. Since the stocks of the company had no open market quotation and the fair value was measured with significant unobservable inputs, they were classified as Level 3. No such transaction as of December 31, 2024.

(iv) Transfers between Level 1 and Level 2 of the fair value hierarchy

There were no transfers between levels of the fair value hierarchy for the years ended December 31, 2024 and 2023.

(v) Statement of changes in Level 3

	<b>Measured at fair value through other comprehensive income/loss</b>
	<b>Equity instrument without open quotation</b>
<b>Balance on January 1, 2024</b>	\$ -
Purchase	50,220
<b>Balance on December 31, 2024</b>	<b>\$ 50,220</b>

(vi) Quantitative information on the fair value measurement of significant unobservable inputs (Level 3)

Equity securities in financial assets measured at fair value through other comprehensive income or loss classified as Level 3 for the fair value measurement of the Company.

The financial assets held by the Company are equity instrument investments without an active market and have multiple significant unobservable inputs. The significant unobservable input value of equity instrument investment without an active market is independent from each other, so there is no interconnection.

The quantitative information on the significant unobservable inputs is as follows:

<b>Item</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Relationship between material unobservable inputs and fair value</b>
Financial assets measured at fair value through other	Comparable company method	<ul style="list-style-type: none"> <li>• Discount for lack of marketability (7.69% as of 2024.12.31)</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the discount for lack of marketability, the lower the fair</li> </ul>

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**Notes to Parent Company Only Financial Statements (Continued)**

value

comprehensive  
income - equity  
instrument  
investment  
without an  
active market

(vii) Fair value measurement for Level 3, and sensitivity analysis of fair value on reasonably possible alternative assumptions

The Company's fair value measurement on the financial instruments is considered reasonable; however, when different valuation model or valuation parameters are used, it may lead to different valuation results. If valuation parameters change, financial instruments classified as Level 3 will have effects on the profit/loss or other comprehensive income, stated as follows:

	Input	Increase or decrease Changes	Fair value change reflected in other comprehensive income	
			Favorable changes	Unfavorable changes
<b>December 31, 2024</b>				
Financial assets at fair value through other comprehensive income/loss				
Investments in equity instrument without active market	Discount for lack of marketability	1% \$	544	(544)

The Company's favorable and unfavorable changes refer to fluctuation of fair value, and the fair value is calculated according to unobservable inputs of different level via the valuation technique. The fair value of the financial instrument is affected by more than one inputs, the table above only reflects the effect caused by the change of one single input, and the correlation and difference among inputs are not considered.

(23) Financial risk management

i. Overview

The Company has exposures to the following risks from its financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

This Note presents information regarding the Company's exposure to risks mentioned above, as well as its objectives, policies and processes for measuring and managing said risks. For more disclosures about the quantitative effects, please refer to the respective notes in the accompanying parent only financial statements.

ii. Structure of risk management

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**Notes to Parent Company Only Financial Statements (Continued)**

The Board of Directors holds sole responsibility for establishing and overseeing the Company's risk management structure.

The Company adopts a comprehensive risk management and control system to identify all the Company's risks (including market risk, Credit risk, liquidity risk and cash flow risk). Hence, the Company's management is able to effectively control and measure market risk, credit risk, liquidity risk and cash flow risk, and mitigate potential adverse effects on the Company's financial position and financial performance.

iii. Credit risk

In accordance with the Company's policy, the Company can only provide financial guarantees to subsidiaries wholly owned by the Company. As of December 31, 2024 and 2023, the Company did not provide any endorsements or guarantees.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It mainly stems from the counterparty's failure to pay the contractual cash flows associated with accounts receivable, other receivables, and time deposits classified for measurement at amortized cost, as per the collection terms.

The Company has established its credit risk management from a corporate perspective. For trading banks and financial institutes, only those with good credit can be accepted as trading counterparties. According to the loan policy formulated by the Company, each business unit within the Company shall conduct the management and credit risk analysis on each new customer before setting payment and proposing the delivery terms and conditions. The internal risk control evaluates customers' credit quality by taking into consideration the customers' financial position, and past experience and other factors. The individual risk limit is formulated by the Board of Directors according to the internal or external ratings, and the use of the credit limit is monitored regularly.

iv. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as much as possible, that it will have sufficient current funds under both normal and pressured conditions to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation. In addition, the Company's unused loan facilities as of December 31, 2024 and 2023, were both NT\$0.

v. Market risk

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The Company's market risk management objectives are to reach the optimal risk exposure, maintain appropriate liquidity and manage all market risks centrally with proper consideration of the economic environment, competitive circumstances and the impact of market value risk.

(i) Exchange rate risk

The Company's foreign currency transactions are mainly due to the export and import of goods, which are mainly in U.S. dollars. The related exchange rate risk arises from assets and liabilities recognized in future business transactions. The Company adopts a conservative and prudent approach to handle foreign-currency deposits so as to reduce the risk arising from sharp fluctuations in market exchange rates.

(ii) Other market price risk

The equity price risk is the risk of uncertainty in the future prices of the equity instruments held by the Company. The Company manages the price risk of equity instruments through diversification of investments and regularly obtaining an understanding of the financial status of equity instruments.

(24) Capital management

The Company's capital management objectives are to protect the Company's continuing operations, to maintain an optimal capital structure in order to reduce the cost of capital, thus providing returns for shareholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company uses the debt-to-equity ratio as the basis for managing its capital. This ratio is the total net debt divided by the total capital. The net debt from the balance sheet is derived from the total liabilities less cash and cash equivalents. The total capital is all components of the equity (i.e., share capital, capital surplus, retained earnings, and other equity). The Company's capital management strategy in 2024 is the same as that in 2023. The debt-to-equity ratios at the reporting date were as follows:

	<u>2024.12.31</u>	<u>2023.12.31</u>
Total liabilities	\$ 67,927	56,845
Less: Cash and cash equivalents	<u>103,274</u>	<u>30,725</u>
Net debt	<u>\$ (35,347)</u>	<u>26,120</u>
Total equity	<u>\$ 446,399</u>	<u>180,097</u>
Debt-to-equity ratio	<u>(7.92)%</u>	<u>14.50%</u>

The decrease in the debt-to-capital ratio on December 31, 2024 was mainly due to the

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revenue growth in 2024, which benefited from the good accounts receivable turnover rate, and the increase in cash and cash equivalents, resulting in a decrease in net liabilities. Due to the decrease in net liabilities, the improvement in profitability and the decrease in accounts receivable managed, the dividends paid in 2024 increased to NT\$26,460 thousand (no dividends paid in 2023).

(25) Financing activities of non-cash transactions

Changes in liabilities arising from financing activities were as follows:

	<u>2024.1.1</u>	<u>Cash flow</u>	<u>Non-monetary changes</u>	<u>2024.12.31</u>
Lease liabilities	\$ <u>898</u>	<u>(432)</u>	<u>1,459</u>	<u>1,925</u>
	<u>2023.1.1</u>	<u>Cash flow</u>	<u>Non-monetary changes</u>	<u>2023.12.31</u>
Long-term borrowings (including those due within a year)	\$ 34,968	(34,968)	-	-
Lease liabilities	10,451	(738)	(8,815)	898
Guarantee deposits received	<u>9,044</u>	<u>(9,044)</u>	<u>-</u>	<u>-</u>
Total liabilities from financing activities	<u>\$ 54,463</u>	<u>(44,750)</u>	<u>(8,815)</u>	<u>898</u>

**7. Related Party Transactions**

(1) The name and relationship of the related party

The followings are the Company's subsidiaries and other related parties that have had transactions with the Company during the periods covered in the financial statements.

<u>Name of Related Party</u>	<u>Relationship with the Company</u>
Sun Yad Construction Co., Ltd. (hereinafter referred to as "Sun-Yad")	Parent company
ZAVIO INC. (hereinafter referred to as "ZAVIO")	Subsidiary
Yuan Qiao Limited (hereinafter referred to as "Yuan-Qiao")	Subsidiary
Yun Kang Century Co., Ltd. hereafter referred to as "Yun Kang")	Subsidiary
Shang Yu Construction Co., Ltd. (hereinafter referred to as "Shang Yu")	Other related party
U-BEST INNOVATIVE TECHNOLOGY CO., LTD. (hereinafter referred to as "U-BEST")	Other related party
Boromi Optronics Corp.	Other related party
HSIN-LI CHEMICAL INDUSTRIAL CORP.	Other related party
Feei Cherng Develop Technology Co., Ltd	Other related party
Sen Tai Construction Co., Ltd.	Other related party

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PONY LEATHER CORPORATION	Other related party
Huo Jui Investment Co. Lit.	Other related party
Metropolitan International Development Co., Ltd.	Other related party
Sun Yad Construction Co., Ltd. Employee Welfare Committee	Other related party
ZAVIO Inc. Employee Welfare Committee	Other related party
U-BEST Innovative Technology Co., Ltd. Employee Welfare Committee	Other related party
HSIN-LI CHEMICAL INDUSTRIAL CORP. Employee Welfare Committee	Other related party

(2) Significant related-party transactions

i. Operating Revenue

The amount of significant sales by the Company to related parties were as follows:

	<u>2024</u>	<u>2023</u>
Parent - Sun-Yad	\$ 172,418	64,216
Subsidiary	3,151	-
Other related parties:		
U-BEST	34,012	-
Others	31,285	2,558
	<u>\$ 240,866</u>	<u>66,774</u>

Except for the price of some sales orders signed with related parties due to the internal pricing negotiation, there is no homogeneity of non-related party transactions to compare. In addition, the revenue is collected in accordance with the agreed payment terms. Except for the construction projects, which are collected in accordance with the contract terms, there is no significant difference between the advertisement and health food monthly settlement 100% in cash and the general sales customers.

ii. Construction works:

The construction contract total and amounts collected according to the contract of the Company contracting works of the Parent - Sun-Yad and Other related party - U-BEST are as follows:

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<u>Related party category</u>	<u>2024.12.31</u>		<u>2023.12.31</u>	
	<b>Contract price for signed contracts</b>	<b>Payment requested according to contracts</b>	<b>Contract price for signed contracts</b>	<b>Payment requested according to contracts</b>
Parent - Sun-Yad	\$ 1,488,290	186,167	172,857	66,249
Other related party - U-BEST	22,750	2,275	-	-
	<b><u>\$ 1,511,040</u></b>	<b><u>188,442</u></b>	<b><u>172,857</u></b>	<b><u>66,249</u></b>

The construction works contracted by the Company for related parties are based on the construction budget plus reasonable management fees and profits, and the contract price is submitted to the supervisor for approval. There is no non-related party transaction to compare the profit rate and payment terms of the Company's construction works.

iii. Receivables from related parties

The Company's receivables from related parties are as follows:

<u>Account</u>	<u>Related party category</u>	<u>2024.12.31</u>	<u>2023.12.31</u>
Accounts receivable - related parties	Parent - Sun-Yad	\$ 28,671	56,262
Accounts receivable - related parties	Subsidiary	541	-
Accounts receivable - related parties	Other related party - Shang Yu	2,766	22,050
Accounts receivable - related parties	Other related party	9,133	-
		<b><u>\$ 41,111</u></b>	<b><u>78,312</u></b>

iv. Contract assets and liabilities - current

The breakdown of the Company's contract liabilities - current is as follows:

<u>Account</u>	<u>Related party category</u>	<u>2024.12.31</u>	<u>2023.12.31</u>
Contract assets - current	Other related party - U-BEST	<b><u>\$ 705</u></b>	<b><u>-</u></b>
Contract liabilities - current	Parent - Sun-Yad	<b><u>\$ 2,851</u></b>	<b><u>2,033</u></b>

v. Loans from related parties

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		<b>2024.12.31</b>				
	<b>Date of the highest balance used</b>	<b>Highest balance of actual usage</b>	<b>Ending balance of actual usage</b>	<b>Annual interest rate</b>	<b>Interest expense</b>	<b>Interest payable at the ending of period</b>
Parent - Sun-Yad	113.01	\$ 10,000	<u>-</u>	3%	<u>25</u>	<u>-</u>
		<b>2023.12.31</b>				
	<b>Date of the highest balance used</b>	<b>Highest balance of actual usage</b>	<b>Ending balance of actual usage</b>	<b>Annual interest rate</b>	<b>Interest expense</b>	<b>Interest payable at the ending of period</b>
Parent - Sun-Yad	112.07	\$ 10,000	<u>10,000</u>	3%	<u>46</u>	<u>21</u>

vi. Loans to related parties

		<b>2024.12.31</b>				
	<b>Date of the highest balance used</b>	<b>Highest balance of actual usage</b>	<b>Ending balance of actual usage</b>	<b>Annual interest rate</b>	<b>Interest revenue</b>	<b>Interest receivable at the ending of period</b>
Subsidiary - ZAVIO	113.12	\$ 25,000	25,000	3%	404	41
Subsidiary - Yuan-Qiao	113.12	15,000	<u>-</u>	3%	<u>13</u>	<u>-</u>
			<u>\$ 25,000</u>		<u>417</u>	<u>41</u>
		<b>2023.12.31</b>				
	<b>Date of the highest balance used</b>	<b>Highest balance of actual usage</b>	<b>Ending balance of actual usage</b>	<b>Annual interest rate</b>	<b>Interest revenue</b>	<b>Interest receivable at the ending of period</b>
Subsidiary - Yuan-Qiao	112.11	\$ 3,000	<u>3,000</u>	3%	<u>12</u>	<u>4</u>

It is an unsecured loan and no impairment loss is required after assessment.

vii. Leases

The Company rented an office space from U-BEST, its other related party, and signs a five-year lease contract. The rent was determined with reference to neighboring offices.

As of December 31, 2024 and 2023, the balances of net right-of-use assets were NT\$524 thousand and NT\$873 thousand, respectively.

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

As of December 31, 2024 and 2023, the balances of refundable deposits amounted to NT\$97 thousand each.

As of December 31, 2024 and 2023, the balances of lease liabilities were NT\$545 thousand and NT\$898 thousand, respectively.

Interest expenses of NT\$17 thousand and NT\$25 thousand were recognized in 2024 and 2023, respectively.

viii. Rental revenue

The Company had the office leased from the related party sublet to the subsidiary - ZAVIO. For the years ended December 31, 2024 and 2023, the Company recognized the amount of NT\$11 thousand as rental revenue in both years.

ix. Dividends received

The Company received cash dividends of NT\$173 thousand from the subsidiary - ZAVIO in 2024.

The Company received cash dividends of NTD 142 thousand from Sun-Yad, its parent company, in 2023.

x. Equity transactions

The Company's participation in capital increase by subsidiaries is as follows:

	2024	2023
Yuan-Qiao	\$ 4,300	6,900

xi. Others

The operating expense incurred by the Company in the transactions with other related parties in 2024 was NT\$37 thousand.

(3) Transactions related to key management

Key management personnel compensation comprised:

	2024	2023
Short-term employee benefits	\$ 5,477	5,090

**8. Pledged Assets: None.**

**9. Significant Contingent Liabilities and Unrecognized Contract Commitments**

As of December 31, 2024 and 2023, the Company had signed a construction contract for decoration work for an amount of NT\$108,212 thousand and NT\$79,518 thousand, respectively, and the amount of NT\$87,517 thousand and NT\$21,543 thousand, respectively, that had not been completed and priced.

**10. Significant disaster loss: None.**

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

**11. Significant Subsequent Events**

The Company's extraordinary shareholders' meeting on January 17, 2025 approved the change of the par value of the shares to NT\$0.5, with a total of 294,000 thousand shares issued, and the change of registration was completed on January 22, 2025.

**12. Others**

(1) Employee benefits, depreciation, depletion and amortization expense by functions are summarized as follows:

By nature	2024			2023		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefits expense (Note)						
Salary expenses	1,458	10,614	12,072	198	4,744	4,942
Labor/national health insurance expenses	196	961	1,157	23	539	562
Pension expenses	89	373	462	10	205	215
Directors' remuneration	-	5,477	5,477	-	5,090	5,090
Other personnel expenses	112	706	818	44	206	250
Depreciation expense	-	960	960	-	2,002	2,002
Amortization expense	-	252	252	-	115	115

Additional information on the number of employees and employee benefits expenses of the Company for 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Number of employees	<u>24</u>	<u>12</u>
Number of directors who were not concurrently employees	<u>6</u>	<u>6</u>
Average employee benefits expenses	<u>\$ 611</u>	<u>995</u>
Average employee salary expenses	<u>\$ 508</u>	<u>824</u>
Adjustment to average employee salary expenses	<u>(38.35)%</u>	
Remuneration to supervisors	<u>-</u>	

Information on the Company's salary and remuneration policy (including directors, managerial officers, and employees) is as follows:

In accordance with the Company's articles of incorporation, the board of directors is authorized to determine remuneration to directors of the Company based on the extent of their participation in the Company's operations and the value of their contributions in line

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

with the industry norm. The remunerations to directors and managers are all proposed by the remuneration committee and approved by the board of directors in accordance with the regulations.

Regarding the Company's employee remuneration policy, the Company pays bonuses according to the operating conditions to boost the morale and retain outstanding employees promptly. For the annual salary adjustment, the items and amounts of salary adjustment are determined according to the employees' grades and performance appraisals.

**13. Disclosure of notes**

(1) Information on significant transactions:

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the Company should disclose the following information regarding material transactions in 2024:

i. Lending funds to others:

Unit: NT\$ thousand

No.	Lending company	Borrowing party	Transaction item	Whether it is a related party	Highest balance during the period	Balance, ending	Actual usage during the period	Range of interest rate	Nature of loaning (Note 1)	Transaction amount	Reason for short-term financing needs	Allowance for Impairment Loss	Collateral		Limit of loaning to individual borrower (Note 2)	Maximum limitation on fund financing (Note 2)
													Name	Value		
0	The Company	ZAVIO Inc.	Other receivables - related parties	Yes	50,000	50,000	25,000	3%	2	-	Operating capital	-	None	-	111,599	178,559
1	The Company	Yun Kang Century Co., Ltd.	Other receivables - related parties	Yes	15,000	15,000	-	3%	2	-	Operating capital	-	None	-	111,599	178,559
2	The Company	Yuan Qiao Limited	Other receivables - related parties	Yes	15,000	15,000	-	3%	2	-	Operating capital	-	None	-	111,599	178,559

(Note 1) Purposes of fund financing for the borrowers are as follows:

- i. Those with business contact.
- ii. Those necessary for short-term financing

(Note 2) Individual and total maximum funding loan limits

- i. Capital loaned to other parties should not exceed 50% of the Company's net worth, of which the sum loaned to an individual enterprise should not exceed 205% of the Company's net worth.
- ii. Capital loaned to other entities for capital requirements should not exceed 40% of the Company's net worth.
- iii. Capital loaned to other entities with whom the Company engages in normal business transactions should not exceed 25% of the Company's net worth. The individual loan amount should not exceed the total business transaction amount conducted between the two parties in the most recent year. The so-called "business transaction amount" refers to the greater value of purchases or sales

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

between the two parties.

- ii. Providing endorsements or guarantees for others: None.
- iii. Holding of securities at the end of the period (excluding the portion held due to investment in a subsidiary or an associate, and the portion held due to an interest in a joint venture):

Unit: Share/NT\$ thousand

Holding company name	Marketable securities type and name	Relationship with the issuer	Account	Ending				Remark
				Number of shares	Carrying amount	Shareholding percentage	Fair value	
The Company	Common shares of Shin Kong Financial Holding Co., Ltd.	-	Financial assets measured at fair value through profit or loss - current	2,100,000	24,780	0.01 %	24,780	-
The Company	Yuanta U.S. Treasury 20+ Year Bond ETF	-	Financial assets measured at fair value through profit or loss - current	700,000	20,055	-	20,055	-
The Company	Cathay US Treasury 20+ YR ETF	-	Financial assets measured at fair value through profit or loss - current	870,000	25,909	-	25,909	-
The Company	Common shares of HuaHan Insurance Broker Co., Ltd.	-	Financial assets at fair value through other comprehensive income/loss - non-current	540,000	50,220	13.50 %	50,220	-

- iv. Acquisition or sale of the same security with the accumulated cost reaching NT\$300 million or 20% of paid-in capital or more:

Unit: NT\$ thousand

Buying and selling company	Securities type and name	Account	Counterparty	relation	Beginning		Buy		Sell				Ending	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Cost of face value	Profit or loss on disposal	Number of shares	Amount
The Company	Common shares of U-BEST Innovative Technology Co., Ltd.	Financial assets at fair value through other comprehensive income/loss	-	Other related party	2,997,000	39,965	-	-	2,997,000	63,958	39,965	23,993	-	-
The Company	Common shares of U-BEST Innovative Technology Co., Ltd.	Financial assets at fair value through profit or loss	-	Other related party	-	-	320,000	7,098	320,000	7,886	7,098	788	-	-
The Company	Common shares of H SIN-LI CHEMICAL INDUSTRIAL CORP.	Financial assets at fair value through other comprehensive income/loss	-	Other related party	1,775,000	33,959	-	-	1,775,000	38,836	33,959	4,877	-	-
The Company	Cathay US Treasury 20+ YR ETF	Financial assets at fair value through profit or loss	-	-	-	-	1,170,000	38,065	300,000	9,799	9,907	(108)	870,000	25,909

- v. Acquisition of property reaching NT\$300 million or 20% of paid-in capital or more: None.
- vii. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- vii. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20 percent of paid-in capital or more:

Unit: NT\$ thousand

Purchasing / (selling)	Counterparty	Relationship	Transaction details	Circumstances and reasons for the	Notes/accounts receivable (payable)
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**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

company							discrepancy in the transaction terms from normal transactions		Ending balance	% to total notes/accounts receivable (payable)
			Purchases / (sales)	Amount	Percentage of total purchase (sale)	Credit period	Unit price	Credit period		
The Company	Sun Yad Construction Co., Ltd.	Parent company of the Company	Sale of goods	172,418	51.26%	According to the contract, 100% of the advertising and health products are 100% cash monthly settlement	-	-	28,671	53.84%
The Company	U-BEST Innovative Technology Co., Ltd	Other related party	Sale of goods	34,012	10.11%	According to the contract, 100% of the advertising and health products are 100% cash monthly settlement	-	-	3,647	6.85%

viii. Accounts receivable from related parties reaching NT\$100 million or 20 percent of paid-in capital or more: None.

ix. Trading in derivative instruments: None.

(2) Information regarding investees (excluding those in Mainland China):

Information on the Company's investees for 2024 is Three years follows (excluding those in Mainland China):

Unit: shares/NT\$ thousand

Name of Investor	Name of investee	Location	Main business	Initial investment amount		End of term holding			Current profit/loss of investee	Current investment profit/loss recognized	Remarks
				End of current period (2024.12.31)	End of last year (2023.12.31)	Number of shares	Percentage	Carrying amount			
The Company	ZAVIO Inc.	Taiwan	Sales of garment and sales of security surveillance products	68,274	68,274	1,576,937	100%	106,481	90,106	90,106	
The Company	Yuan Qiao Limited	Taiwan	Restaurants	19,200	14,900	-	80%	18,173	29	21	
The Company	Yun Kang Century Co., Ltd.	Taiwan	Wholesale of foods and groceries	22,500	-	1,500,000	100%	44,573	22,073	22,073	(Note)

(Note) The current profit and loss refers to the profit and loss from October 1 to December 31, 2024.

(3) Information on investments in the Mainland China:

(4) Information on major shareholders:

Unit: Shares

Name of major shareholder	Share	Number of shares held	Shareholding percentage
Sun Yad Construction Co., Ltd.		2,507,367	17.05%
Huo Jui Investment Co. Lit.		1,313,530	8.93%
Chi Hang Investment Co., Ltd.		1,308,229	8.89%
HSIN-LI CHEMICAL INDUSTRIAL CORP.		1,054,000	7.17%

Note: (i) The information about major shareholders herein is generated based on

**Myson Century, Inc.**  
**Notes to Parent Company Only Financial Statements (Continued)**

TDCC's calculation of the number of shares already registered and delivered by the shareholders (including treasury stock), totaling 5% or more, in intangible form at the last business day of each quarter. The capital stock referred to the Company's financial report and the number of shares already registered and delivered by the Company vary or be different due to the basis of calculation.

- (ii) If the shareholder puts the shares held by it under trust, said information shall be disclosed by the individual client of the trust account opened by the trustee. As for the insider declaration of the ownership percentage over 10% in accordance with the Securities and Exchange Act, the shares held shall include the shares held by the shareholder per se, plus the shares he puts under trust and with the right to decide and utilize the trust property. For the insider equity presentation information, please refer to the MOPS.

**14. Segment information**

Please refer to the consolidated financial statements for the Company's December 31, 2024.

**Myson Century, Inc.**  
**Statement of Cash and Cash Equivalents**

**December 31, 2024**

**Unit: NT\$ thousand**  
**/ foreign currency**  
**dollar**

<u>Item</u>	<u>Summary</u>	<u>Amount in original currency</u>	<u>Exchange rate</u>	<u>Amount</u>
Cash	Petty cash - NTD			\$ 90
	Demand deposits			102,963
	Foreign currency deposits in US dollars	USD6,742.03	32.735	<u>221</u>
Total				<u><u>\$ 103,274</u></u>

**Myson Century, Inc.**  
**Statement of Financial Assets Measured at Fair Value Through**  
**Profit or Loss - Current**

**For the years ended December 31, 2024**

Unit: shares/NT\$ thousand

<u>Name</u>	<u>Balance at beginning of the period</u>		<u>Increase in the current period</u>		<u>Decrease in current period</u>		<u>Amount valuation adjustment</u>	<u>Balance, ending</u>		<u>Collateral or pledge</u>
	<u>Number of shares</u>	<u>Fair value</u>	<u>Number of shares</u>	<u>Amount</u>	<u>Number of shares</u>	<u>Amount</u>		<u>Quantity of shares</u>	<u>Fair value</u>	
U-BEST Innovative Technology Co., Ltd. (Common shares)	-	\$ -	320,000	7,098	320,000	7,886	788	-	-	None
Shin Kong Financial Holding Co., Ltd. (Common shares)	-	-	2,100,000	27,304	-	-	(2,524)	2,100,000	24,780	None
Yuanta U.S. Treasury 20+ Year Bond ETF	-	-	700,000	21,811	-	85	(1,671)	700,000	20,055	None
Cathay US Treasury 20+ YR ETF	-	-	1,170,000	38,065	300,000	9,799	(2,357)	870,000	25,909	None
<b>Total</b>		<b>\$ -</b>		<b>94,278</b>		<b>17,770</b>	<b>(5,764)</b>		<b>70,744</b>	

(Note) It refers to the annual income standard

**Myson Century, Inc.**

**Financial assets at amortized cost - current**

**December 31, 2024**

**Unit: NT\$ thousand**

**/ foreign currency  
dollar**

<u>Item</u>	<u>Summary</u>	<u>Amount in original currency</u>	<u>Exchange rate</u>	<u>Amount</u>
Time deposits - NTD	The period is from October 8, 2024 to July 8, 2025, with an annual interest rate of 1.505%.			\$ 300
Time deposit - USD	The period is from October 24, 2024 to April 24, 2025, with an annual interest rate of 3.05%.	USD44,712.8	32.735	1,464
				<u><u>\$ 1,764</u></u>

**Statement of Net Accounts Receivable**

<u>Customer name</u>	<u>Amount</u>
Company A	\$ 7,161
Others (all less than 5% of this account)	4,982
	<u><u>\$ 12,143</u></u>

**Statement of Other Receivables**

<u>Item</u>	<u>Summary</u>	<u>Amount</u>
Other receivables	Dividends receivable	\$ 330
Other receivables	Advance payment	<u>2,196</u>
		<u><b>\$ 2,526</b></u>

**Myson Century, Inc.**

**Statement of Inventories**

**December 31, 2024**

**Unit: NT\$ thousand**

<b>Item</b>	<b>Amount</b>		<b>Remarks</b>
	<b>Cost</b>	<b>Net realizable value</b>	
Raw materials and supplies	\$ 1,424	1,424	
Work in process	788	788	
Finished goods	880	880	
Merchandise inventory	<u>17,488</u>	17,488	
Total	<u><u>\$ 20,580</u></u>		

**Statement of Prepayments**

<b>Item</b>	<b>Summary</b>	<b>Amount</b>
Prepayment for construction	Prepayment for decoration engineering	\$ 6,650
Other prepaid expenses	Prepaid rent and advertising fees	1,256
Others (all less than 5% of this account)		<u>74</u>
Total		<u><u>\$ 7,980</u></u>

**Myson Century, Inc.**

**Statement of Financial Assets Measured at Fair Value through Other  
Comprehensive Income - Current**

**For the years ended December 31, 2024**

**Unit: Share/NT\$ thousand**

<u>Financial instrument name</u>	<u>Beginning</u>		<u>Increase in the current period</u>		<u>Decrease in the current period</u>		<u>Valuation adjustment Amount</u>	<u>Ending</u>		<u>Collateral or pledge</u>	<u>Remarks</u>
	<u>Number of shares</u>	<u>Carrying amount</u>	<u>Number of shares</u>	<u>Amount</u>	<u>Number of shares</u>	<u>Amount</u>		<u>Number of shares</u>	<u>Carrying amount</u>		
Common shares of U-BEST Innovative Technology Co., Ltd.	2,997,000	\$ 40,610	-	-	2,997,000	63,958	23,348	-	-	None	
Common shares of HSIN-LI CHEMICAL INDUSTRIAL CORP.	1,775,000	38,251	-	-	1,775,000	38,836	585	-	-	None	
Common shares of Sun Yad Construction Co., Ltd.	258,291	3,280	-	-	258,291	3,331	51	-	-	None	
Common shares of Feei Cherng Develop Technology Co., Ltd.	240,000	2,760	-	-	240,000	3,208	448	-	-	None	
Common shares of HuaHan Insurance Broker Co., Ltd.	-	-	540,000	<u>50,220</u>	-	-	-	540,000	<u>50,220</u>	None	
<b>Total</b>		<b><u>\$ 84,901</u></b>		<b><u>50,220</u></b>		<b><u>109,333</u></b>	<b><u>24,432</u></b>		<b><u>50,220</u></b>		

**Myson Century, Inc.**

**Statement of Changes in Investments Accounted for Using the Equity  
Method**

**For the years ended December 31, 2024**

**Unit: Share/NT\$ thousand**

Name	Opening balance		Increase in the current period		Decrease in the current period		Share of profit or loss of subsidiaries accounted for using equity method	Capital surplus	Ending balance			Net value of equity		Collateral or pledge
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount			Number of shares	Shareholding percentage	Amount	Unit price	Total	
ZAVIO Inc.	1,576,937	\$ 16,576	-	-	-	201 (Note)	90,106	-	1,576,937	100.00%	106,481	-	106,481	None
Yuan Qiao Limited	-	13,813	-	4,300	-	-	21	39	-	80.00%	18,173	-	18,173	None
Yun Kang Century Co., Ltd.	-	-	1,500,000	22,500	-	-	22,073	-	1,500,000	100.00%	44,573	-	44,573	None
<b>Total</b>		<b>\$ 30,389</b>		<b>26,800</b>		<b>201</b>	<b>112,200</b>	<b>39</b>			<b>169,227</b>		<b>169,227</b>	

Note: It refers to cash dividends and unrealized gross profit from sales.

**Myson Century, Inc.**  
**Statement of Refundable Deposits**

**December 31, 2024**

**Unit: NT\$ thousand**

<b>Item</b>	<b>Summary</b>	<b>Amount</b>
Refundable deposits	Refundable deposits for office space	<b>\$ 241</b>

**Statement of Notes**

<b>Name of supplier</b>	<b>Summary</b>	<b>Amount</b>
Company A	Business	<b>\$ 3,561</b>

**Statement of Accounts Payable**

<b>Name of supplier</b>	<b>Summary</b>	<b>Amount</b>
Non-related party:		
Company B	Business	\$ 4,520
Company C	"	2,782
Company D	"	2,765
Company E	"	2,625
Company F	"	2,486
Company G	"	2,258
Others (the sum of accounts payable to an individual supplier whose balance does not reach the 5% benchmark)	"	21,211
Total		<b>\$ 38,647</b>

**Myson Century, Inc.**  
**Statement of Other Payables**

**December 31, 2024**

**Unit: NT\$ thousand**

<u>Item</u>	<u>Summary</u>	<u>Amount</u>
Salaries payable	Salaries and employees' remuneration payable for December	\$ 5,240
Accrued expenses	Travel expenses, labor and health insurance expenses, and various miscellaneous expenses	6,441
Tax payable	Business tax for November and December 2024	<u>3,467</u>
		<u><b>\$ 15,148</b></u>

**Statement of Lease Liabilities**

<u>Item</u>	<u>Summary</u>	<u>Lease period</u>	<u>Discount rate</u>	<u>Ending balance</u>
Building and structure	Tainan office	2021.7.1~2026.6.30	2.32%	\$ 545
Building and structure	Taichung Office	2024.11.1~ 2027.10.31	2.35%	1,380
			Less: Current portion of lease liabilities - non-current transferred	<u>(838)</u>
				<u><b>\$ 1,087</b></u>

**Statement of Operating Revenue**

**For the years ended December 31, 2024**

<b>Item</b>	<b>Amount</b>
Decoration engineering revenue	\$ 122,318
Net sales revenue from biotechnology products, services and accessories	140,550
Advertisement Service Income	68,700
Others	4,769
<b>Total</b>	<b><u>\$ 336,337</u></b>

Note: The above amount has been deducted by sales returns and allowances of NT\$27 thousand.

**Myson Century, Inc.**  
**Operating Cost Statement**

**For the years ended December 31, 2024**

**Unit: NT\$ thousand**

Item	Amount
Construction:	
Construction cost	\$ <u>71,398</u>
Advertisement service:	
Marketing costs	<u>36,910</u>
Trading of goods:	
Inventory at beginning of the period	-
Plus: Purchase in the current period	49,574
Less: Inventory at end of the current period	(17,488)
Others	<u>(67)</u>
	<u>32,019</u>
Manufacturing:	
Raw materials at beginning of the period	938
Plus: materials acquired during the period	1,752
Less: Raw materials at end of the period	(1,424)
Others	<u>(942)</u>
Raw material consumption	324
Manufacturing expenses	<u>95</u>
Manufacturing costs	<u>419</u>
Product in process at the beginning of period	1,899
Plus: Purchase in the current period	730
Less: Work in progress at end of the period	(788)
Others	<u>(1,899)</u>
Cost of finished goods	361
Finished goods at the beginning of period	-
Plus: Purchase in the current period	880
Less: Finished goods at end of the period	<u>(880)</u>
Sales cost of finished goods	<u>361</u>
	<u><u>\$ 140,688</u></u>

**Myson Century, Inc.**

**Statement of Operating Expenses**

**For the years ended December 31, 2024**

**Unit: NT\$ thousand**

<b>Item</b>	<b>Selling expenses</b>	<b>Administrative expenses</b>	<b>R&amp;D expenses</b>
Salary expenditure	\$ 342	9,380	892
Remuneration of directors	-	5,477	-
Advertisement Expense	6,437	28	-
Labor service expenditure	139	2,594	-
Others (all less than 5%)	5,523	4,427	1,360
	<u>\$ 12,441</u>	<u>21,906</u>	<u>2,252</u>

**Myson Century, Inc.**

For the Statement of Contract Assets-Current, please refer to Notes 6(19) and 7 of the financial statements.

For the Statement of Accounts Receivable - Related Parties and Other Receivables - Related Parties, please refer to Note 7 of the financial statements.

For the Statement of Changes in Property, Plant and Equipment, please refer to Note 6(9) of the financial statements.

For the Statement of Accumulated Depreciation Changes of Property, Plant and Equipment, please refer to Note 6(9) of the financial statements.

For the Statement of Changes in Right-of-Use Assets, please refer to Note 6(10) of the financial statements.

For the Statement of Accumulated Depreciation Changes of Right-of-Use Assets, please refer to Note 6(10) of the financial statements.

For the Statement of Changes in Intangible Assets, please refer to Note 6(11) of the financial statements.

For the Statement of Contract Liabilities-Current, please refer to Notes 6(19) and 7 of the financial statements.

For the Statement of Other Payables - Related Parties, please refer to Note 7 of the financial statements.

For the Statement of Provisions for Liabilities - Current, please refer to Notes 6(14) of the financial statements.

For the Statement of Interest Revenue, please refer to Note 6(21) of the financial statements.

For the Statement of Other Income, please refer to Note 6(21) of the financial statements.

For the Statement of Other Gains and Losses, please refer to Note 6(21) of the financial statements.

For the Statement of Financial Cost, please refer to Note 6(21) of the financial statements.

For Summary statement of current period employee benefits, depreciation, depletion and amortization expenses by function, please refer to Note 12 of the financial statements.