

**SAN FAR PROPERTY LIMITED  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Nine Months Ended September 30, 2025 and 2024**

Address : 12F., No. 30, Sec. 3, Bade Rd., Songshan Dist., Taipei City, Taiwan

Telephone : (02)2570-9988

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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## **Independent Auditors' Review Report**

To the Board of Directors of SAN FAR PROPERTY LIMITED:

### **Introduction**

We have reviewed the accompanying consolidated balance sheets of SAN FAR PROPERTY LIMITED and its subsidiaries as of September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, as well as the changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### **Scope of Review**

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusions**

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material aspects, the consolidated financial position of SAN FAR PROPERTY LIMITED and its subsidiaries as of September 30, 2025 and 2024, and of its consolidated financial performance for the three months and nine months ended September 30, 2025 and 2024, as well as its consolidated cash flow for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

**Emphasis of Matter**

As mentioned in note 12(3) of the consolidated financial statements, the Ministry of Justice Investigation Bureau, Kaohsiung City has conducted an investigation in the group on February 17, 2022 and seized its subsidiary ledgers, as well as all the contracts entered into with, and the vouchers of commission paid to, the related three advertising companies, Yueteng Advertising Co., Ltd., Dage Advertising Co., Ltd., and Hong Tai Advertising Co., Ltd., within 2014 to 2020. Please refer to note 12(3) for information related to the above transactions. We did not revise the review opinion.

KPMG

Taipei, Taiwan (Republic of China)

November 11, 2025

**Notes to Readers**

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

The auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditors' review report and consolidated financial statements, the Chinese version shall prevail.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

## Consolidated Balance Sheets

September 30, 2025, December 31, 2024, September 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets	September 30, 2025		December 31, 2024		September 30, 2024			Liabilities and Equity	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities:</b>						
1100 Cash and cash equivalents (note 6(a))	\$ 1,683,590	10	2,151,518	13	2,000,953	12	2100	Short-term borrowings (notes 6(g) and 8)	\$ 5,070,745	29	4,239,480	26	4,362,480	27
1150 Notes receivable, net (note 6(p))	365	-	549	-	1,532	-	2110	Short-term notes and bills payable (notes 6(h) and 8)	-	-	402,000	2	-	-
1170 Accounts receivable, net (note 6(p))	1,277	-	2,087	-	2,604	-	2130	Current contract liabilities (notes 6(j), (p), 7 and 9)	983,281	6	763,438	5	786,494	5
1300 Inventories, merchandising business, net (note 6(c))	704	-	501	-	1,578	-	2150	Notes payable	104	-	7	-	406	-
1320 Inventories (for construction business), net (notes 6(c), 7 and 8)	13,399,116	76	11,775,850	71	11,794,838	73	2170	Accounts payable	333,041	2	374,000	2	308,500	2
1410 Prepayment	178,890	1	131,266	1	132,852	1	2200	Other payables (note 9(b))	160,234	1	168,489	1	164,575	1
1476 Other financial assets-current (note 8)	205,373	1	628,958	4	175,684	1	2230	Current tax liabilities	2,237	-	1,619	-	-	-
1479 Other current assets, others	29,022	-	30,024	-	26,384	-	2280	Current lease liabilities	6,973	-	8,561	-	6,280	-
1480 Current assets recognised as incremental costs to obtain contract with customers (note 6(d))	252,612	2	218,419	2	234,472	2	2399	Other current liabilities, others	78,226	-	27,830	-	40,116	-
	<u>15,750,949</u>	<u>90</u>	<u>14,939,172</u>	<u>91</u>	<u>14,370,897</u>	<u>89</u>			<u>6,634,841</u>	<u>38</u>	<u>5,985,424</u>	<u>36</u>	<u>5,668,851</u>	<u>35</u>
<b>Non-current assets:</b>								<b>Non-Current liabilities:</b>						
1510 Non-current financial assets at fair value through profit or loss	4,401	-	5,246	-	5,064	-	2530	Bonds payable (notes 6(i) and 8)	4,787,460	27	3,795,728	23	3,795,346	24
1517 Non-current financial assets at fair value through other comprehensive income (notes 6(b), and (n))	245,390	1	302,630	2	389,034	3	2570	Deferred income tax liabilities	295	-	295	-	4	-
1600 Property, plant and equipment (notes 6(e) and 8)	75,626	-	76,554	-	76,884	-	2580	Non-current lease liabilities	6,330	-	11,141	-	8,449	-
1755 Right-of-use assets	13,094	-	19,593	-	14,673	-	2645	Guarantee deposits	6,888	-	6,138	-	4,372	-
1760 Investment property (notes 6(f) and 8)	440,661	3	394,544	3	393,680	3			<u>4,800,973</u>	<u>27</u>	<u>3,813,302</u>	<u>23</u>	<u>3,808,171</u>	<u>24</u>
1780 Intangible assets	15,706	-	15,450	-	15,057	-		<b>Total liabilities</b>	<u>11,435,814</u>	<u>65</u>	<u>9,798,726</u>	<u>59</u>	<u>9,477,022</u>	<u>59</u>
1840 Deferred tax assets	61,769	-	61,769	-	150,309	1		<b>Equity attributable to owners of parent (note 6(n)):</b>						
1980 Other financial assets, non-current (note 8)	983,259	6	683,821	4	682,456	4	3100	Common stock	3,265,542	19	3,265,542	20	3,265,542	20
1920 Refundable deposits	7,846	-	8,226	-	7,926	-	3200	Capital surplus	35,740	-	35,740	-	35,740	-
1900 Other non-current assets, others	-	-	-	-	738	-	3300	Retained earnings	2,752,363	15	3,195,567	20	3,031,694	19
	<u>1,847,752</u>	<u>10</u>	<u>1,567,833</u>	<u>9</u>	<u>1,735,821</u>	<u>11</u>	3400	Other equity	154,190	1	211,430	1	296,720	2
							3500	Treasury shares	(44,948)	-	-	-	-	-
<b>Total assets</b>	<u>\$ 17,598,701</u>	<u>100</u>	<u>16,507,005</u>	<u>100</u>	<u>16,106,718</u>	<u>100</u>		<b>Total equity</b>	<u>6,162,887</u>	<u>35</u>	<u>6,708,279</u>	<u>41</u>	<u>6,629,696</u>	<u>41</u>
								<b>Total liabilities and equity</b>	<u>\$ 17,598,701</u>	<u>100</u>	<u>16,507,005</u>	<u>100</u>	<u>16,106,718</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the three months and nine months ended September 30, 2025 and 2024**  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	For the three months ended				For the nine months ended				
	September 30				September 30				
	2025		2024		2025		2024		
	Amount	%	Amount	%	Amount	%	Amount	%	
4000	<b>Operating revenue (notes 6(k), (p) and 7)</b>	\$ 30,451	100	251,517	100	92,959	100	1,342,454	100
5000	<b>Operating cost (notes 6(c) and (l))</b>	15,826	52	172,947	69	46,916	50	950,503	71
5900	<b>Gross profit from operations</b>	14,625	48	78,570	31	46,043	50	391,951	29
6000	<b>Operating expenses:</b>								
6100	Selling expenses (notes 6(d), and (l))	1,830	6	15,615	6	7,480	8	77,768	6
6200	Administrative expenses (notes 6(l), (q), and 7)	34,556	113	42,207	17	105,505	114	102,771	8
		36,386	119	57,822	23	112,985	122	180,539	14
6900	<b>Net operating (loss) income</b>	(21,761)	(71)	20,748	8	(66,942)	(72)	211,412	15
7000	<b>Non-operating income and expenses:</b>								
7100	Interest income	6,366	21	5,122	2	24,777	27	12,257	1
7010	Other income (note 6(b))	14,658	48	11,577	5	20,272	22	13,155	1
7020	Other gains and losses (note 6(r))	4,100	13	(1,984)	(1)	(7,945)	(8)	(2,295)	-
7050	Finance costs (note 6(r))	(20,250)	(67)	(7,461)	(3)	(48,098)	(52)	(16,914)	(1)
		4,874	15	7,254	3	(10,994)	(11)	6,203	1
7900	<b>Profit (loss) before tax</b>	(16,887)	(56)	28,002	11	(77,936)	(83)	217,615	16
7950	<b>Less: Income tax expense (note 6(m))</b>	743	2	1,249	-	27,483	30	6,041	-
8200	<b>Profit (loss)</b>	(17,630)	(58)	26,753	11	(105,419)	(113)	211,574	16
8300	<b>Other comprehensive (loss) income:</b>								
8310	<b>Items that will not be reclassified to profit or loss</b>								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (notes 6(b) and (n))	37,135	122	(34,480)	(14)	(57,240)	(62)	167,840	13
8349	Less: income tax related to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
8300	<b>Other comprehensive (loss) income</b>	37,135	122	(34,480)	(14)	(57,240)	(62)	167,840	13
8500	<b>Comprehensive income</b>	<u>\$ 19,505</u>	<u>64</u>	<u>(7,727)</u>	<u>(3)</u>	<u>(162,659)</u>	<u>(175)</u>	<u>379,414</u>	<u>29</u>
	<b>Earnings (loss) per share (note 6(o))</b>								
9750	<b>Basic net income (loss) per share</b>	<u>\$ (0.05)</u>		<u>0.08</u>		<u>(0.32)</u>		<u>0.65</u>	
9850	<b>Diluted net income (loss) per share</b>	<u>\$ (0.05)</u>		<u>0.08</u>		<u>(0.32)</u>		<u>0.65</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Consolidated Statements of Changes in Equity**  
**For the nine months ended September 30, 2025 and 2024**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Retained earnings					Other equity	Treasury shares	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings	Total	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income		
<b>Balance at January 1, 2024</b>	\$ 3,265,542	185,955	616,845	2,281,648	2,898,493	128,880	-	6,478,870
Profit for the nine months ended September 30, 2024	-	-	-	211,574	211,574	-	-	211,574
Other comprehensive income	-	-	-	-	-	167,840	-	167,840
Total comprehensive income	-	-	-	211,574	211,574	167,840	-	379,414
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	8,886	(8,886)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(78,373)	(78,373)	-	-	(78,373)
Other changes in capital surplus:								
Cash dividends from capital surplus	-	(150,215)	-	-	-	-	-	(150,215)
<b>Balance at September 30, 2024</b>	<b>\$ 3,265,542</b>	<b>35,740</b>	<b>625,731</b>	<b>2,405,963</b>	<b>3,031,694</b>	<b>296,720</b>	<b>-</b>	<b>6,629,696</b>
<b>Balance at January 1, 2025</b>	\$ 3,265,542	35,740	625,731	2,569,836	3,195,567	211,430	-	6,708,279
Loss for the nine months ended September 30, 2025	-	-	-	(105,419)	(105,419)	-	-	(105,419)
Other comprehensive income	-	-	-	-	-	(57,240)	-	(57,240)
Total comprehensive income	-	-	-	(105,419)	(105,419)	(57,240)	-	(162,659)
Appropriation and distribution of retained earnings:								
Legal reserve appropriated	-	-	37,544	(37,544)	-	-	-	-
Cash dividends of ordinary share	-	-	-	(337,785)	(337,785)	-	-	(337,785)
Treasury shares acquired	-	-	-	-	-	-	(44,948)	(44,948)
<b>Balance at September 30, 2025</b>	<b>\$ 3,265,542</b>	<b>35,740</b>	<b>663,275</b>	<b>2,089,088</b>	<b>2,752,363</b>	<b>154,190</b>	<b>(44,948)</b>	<b>6,162,887</b>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**For the nine months ended September 30, 2025 and 2024**

**(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit (loss) before tax</b>	\$ (77,936)	217,615
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	11,123	6,102
Amortization expense	1,068	1,388
Expected credit gains	(22)	(108)
Net gain on financial assets at fair value through profit (loss)	845	(151)
Interest expense	48,098	16,914
Interest income	(24,777)	(12,257)
Dividend income	(11,208)	(10,914)
Gain on lease modification	-	(57)
Total adjustments to reconcile profit (loss)	<u>25,127</u>	<u>917</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Decrease in contract assets	-	79,786
Decrease in notes receivable (including related parties)	184	17,880
Decrease in accounts receivable (including related parties)	832	27
(Increase) decrease in inventories	(1,528,296)	172,951
Increase in other prepayments	(47,624)	(14,196)
Decrease (increase) in other current assets	1,682	(3,206)
Decrease in other financial assets	96,379	562
Increase in assets recognised as incremental costs to obtain contract with customers	<u>(34,193)</u>	<u>(74,861)</u>
<b>Total changes in operating assets</b>	<u>(1,511,036)</u>	<u>178,943</u>
<b>Changes in operating liabilities:</b>		
Increase in contract liabilities	219,843	226,381
Increase (decrease) in notes payable (including related parties)	97	(64,620)
Decrease in accounts payable	(40,959)	(13,229)
(Decrease) increase in other payables	(13,819)	66,501
Increase (decrease) in other current liabilities	<u>50,396</u>	<u>(6,285)</u>
<b>Total changes in operating liabilities</b>	<u>215,558</u>	<u>208,748</u>
<b>Total changes in operating assets and liabilities</b>	<u>(1,295,478)</u>	<u>387,691</u>
<b>Total adjustments</b>	<u>(1,270,351)</u>	<u>388,608</u>
Cash (outflow) inflow generated from operations	(1,348,287)	606,223
Interest paid	(184,605)	(162,182)
Income taxes paid	<u>(27,545)</u>	<u>(10,734)</u>
<b>Net cash flows from (used in) operating activities</b>	<u>(1,560,437)</u>	<u>433,307</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows (CONT'D)**

**For the nine months ended September 30, 2025 and 2024**

**(Expressed in Thousands of New Taiwan Dollars)**

	<u>For the nine months ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	-	(30,114)
Acquisition of property, plant and equipment	(288)	(2,645)
Decrease (increase) in refundable deposits	380	(2,538)
Acquisition of intangible assets	(1,324)	(1,094)
Decrease (increase) in other financial assets	27,768	(37,338)
Increase in other non-current assets	-	(738)
Interest received	24,777	12,257
Dividends received	<u>11,208</u>	<u>10,914</u>
<b>Net cash flows from investing activities</b>	<u>62,521</u>	<u>(51,296)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term borrowings	2,091,265	1,487,730
Decrease in short-term borrowings	(1,260,000)	(1,470,980)
Increase in short-term notes and bills payable	-	140,000
Decrease in short-term notes and bills payable	(402,000)	(140,000)
Proceeds from issuing bonds	989,105	1,198,389
Repayments of bonds	-	(1,200,000)
Increase in other non-current liabilities	750	832
Payment of lease liabilities	(6,399)	(2,329)
Cash dividends paid	(337,785)	(228,588)
Treasury shares acquired	<u>(44,948)</u>	<u>-</u>
<b>Net cash flows from (used in) financing activities</b>	<u>1,029,988</u>	<u>(214,946)</u>
<b>Net decrease in cash and cash equivalents</b>	(467,928)	167,065
<b>Cash and cash equivalents at beginning of period</b>	<u>2,151,518</u>	<u>1,833,888</u>
<b>Cash and cash equivalents at end of period</b>	<u><b>\$ 1,683,590</b></u>	<u><b>2,000,953</b></u>

See accompanying notes to consolidated financial statements.

**(English Translation of Consolidated Financial Statements Originally Issued in Chinese)**  
**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**September 30, 2025 and 2024**

**(Expressed in Thousands of New Taiwan Dollars , Unless Otherwise Specified)**

**1. Company history**

SAN FAR PROPERTY LIMITED (the “Company”) was incorporated in 1993 as a company limited by shares under the Company Act of the Republic of China (R.O.C.). The major business activities are residential and building development, leasing and sales, real estate leasing, and production, agency with import & export trading of various music, and film & television & information software.

The Company was renamed SAN FAR PROPERTY LIMITED in May 2012 by a resolution of the shareholders’ meeting. It was listed and traded on the Taiwan Stock Exchange since September 17, 2013.

**2. Approval date and procedures of the consolidated financial statements:**

These consolidated financial statements were approved for issuance by the Board of Directors on November 11, 2025.

**3. New standards, amendments and interpretations adopted:**

- (a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS 21 “Lack of Exchangeability”

- (b) The impact of IFRS endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity

- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statements subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>• Management performance measures (MPMs): the new standard introduced a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul>	<p>January 1, 2027</p> <p>Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.</p>

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the above-mentioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 4. Summary of significant accounting policies

##### (1) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

##### (2) Basis of consolidation

###### (i) List of subsidiaries in the consolidated financial statements

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

Name of investor	Subsidiaries	Principal activity	Shareholding			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Jing Fu Xiang Construction Co., Ltd . (here in after referred to as Jing Fu Xiang Company)	Civil and building works	100.00%	100.00%	100.00%	Note 1
"	Jingo International Records Co., Ltd . (here in after referred to as Jingo Company)	Various CD and DVD production, production, publication and import and export trades	100.00%	100.00%	100.00%	Note 1
"	Jingo Asset Development Co., Ltd. (here in after referred to as Jingo Asset)	Real estate development	100.00%	100.00%	-%	Note 1、2

Note 1: Subsidiaries in which the Company holds more than 50% of its total outstanding common shares.

Note 2: The Company approved establishment of Jingo Asset Development Co., Ltd. in the Boards of Directors meeting held on December 17, 2024, and completed the registration on January 17, 2025.

###### (ii) Subsidiaries excluded from the consolidated financial statements: None.

##### (3) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standard 34, Interim Reporting.

Income tax expenses for the period are the best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

#### 5. Significant accounting assumptions and judgments, and major sources of estimates uncertainty

In preparing these consolidated financial statements in conformity with the Regulations and the IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC), management has made judgments, estimates about future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The preparation of these consolidated financial statements, estimates and underlying assumptions are received on an ongoing basis which is in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2024.

#### 6. Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to note 6 of the 2024 annual consolidated financial statements.

##### (a) Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Petty cash	\$ 568	465	515
Demand and checking account deposits	604,126	1,802,688	611,040
Time deposits	1,078,896	18,837	1,253,395
Cash equivalents	-	329,528	136,003
	<u>\$ 1,683,590</u>	<u>2,151,518</u>	<u>2,000,953</u>

Please refer to note 6(s) for the credit risk, interest rate risk and sensitivity analysis of the financial assets and liabilities of the Group.

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Equity investments at fair value through other comprehensive income:			
Listed common share of domestic company	\$ 245,390	302,630	387,920
Unlisted common share of domestic company	-	-	1,114
Total	<u>\$ 245,390</u>	<u>302,630</u>	<u>389,034</u>

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- (i) The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes.
- (ii) For the nine months ended September 30, 2025 and 2024, the dividends of \$11,208 thousand and \$10,914 thousand, respectively, related to equity investments at fair value through other comprehensive income held on September 30, 2025 and 2024, were recognized as other income by the Group.
- (iii) The Group did not dispose any strategic investment for the nine months ended September 30, 2025 and 2024, and the accumulated profits and losses during the period were not transferred in equity.
- (iv) For credit risk and market risk, please refer to note 6(s).
- (v) The above financial assets have not been used as guarantees for long-term and short-term loans and financing collateral.

(c) Inventory

	September 30, 2025	December 31, 2024	September 30, 2024
Inventories, merchandising business			
Merchandise inventory	\$ 704	501	1,578
Construction			
Prepayment for land purchases	\$ -	47,450	47,450
Land held for construction site	27,352	27,352	27,352
Construction in progress	11,670,038	9,923,148	10,358,112
Buildings and land held for sale	1,701,726	1,777,900	1,361,924
	\$ 13,399,116	11,775,850	11,794,838
Inventory that is expected to be recovered more than 12 months later	\$ 7,278,830	6,018,528	9,720,557

- (i) The details of the cost of goods sold related to inventories recognized by the Group for the three months and nine months ended September 30, 2025 and 2024 were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Merchandising:				
Inventory that has been sold	\$ 564	947	1,373	2,308
Write-off on reversal of inventory	19	(254)	145	(29)
	\$ 583	693	1,518	2,279
Construction:				
Inventory that has been sold	\$ 13,897	171,367	39,911	944,862

- (ii) As of September 30, 2025, December 31, and September 30, 2024, please refer to note 8 for details of pledged inventory of the Group.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(d) Incremental costs to obtaining a contract

The Group expects to recover the commission paid to the agency company for obtaining the real estate sales contract, therefore, it is recognized as an asset. It is amortized when the revenue from the sale of real estate is recognized, and the amortization expenses of \$0 thousand, \$14,907 thousand, \$1,654 thousand, and \$70,844 thousand were recognized for the three months and nine months ended September 30, 2025 and 2024, respectively under selling expense.

(e) Property, plant and equipment

	Land	Buildings and construction	Leasehold improvements	Other equipment (including transportation and office equipment)	Total
Carrying amounts:					
Balance on January 1, 2025	\$ 57,169	16,325	-	3,060	76,554
Balance on September 30, 2025	\$ 57,169	15,802	125	2,530	75,626
Balance on January 1, 2024	\$ 57,169	17,022	49	1,580	75,820
Balance on September 30, 2024	\$ 57,169	16,498	-	3,217	76,884

There were no significant additions, disposals, impairments, or reversals of property, plant and equipment for the nine months ended September 30, 2025 and 2024. Information on depreciation for the period is discussed in note 12. Please refer to note 6(f) of the 2024 annual consolidated financial statement for the other related information.

As of September 30, 2025, December 31, and September 30, 2024, please refer to note 8 for more information on pledged inventories and financing collateral of the Group.

(f) Investment property

Investment property comprises office buildings that are leased to third parties under operating leases, as well as properties that are owned by the Group. The leases of investment properties contain an initial non-cancellable lease term of 1 to 10 years. Some leases provide the lessees with options to extend at the end of the term. For all investment property leases, the rental income is fixed under the contracts.

	Land	Buildings and construction	Total
Cost:			
Balance on January 1, 2025	\$ 200,256	202,362	402,618
Transfer from inventory	11,749	37,776	49,525
Balance on September 30, 2025	<u>\$ 212,005</u>	<u>240,138</u>	<u>452,143</u>
Balance on January 1, 2024	\$ 106,361	128,336	234,697
Transfer from inventory	93,895	72,179	166,074
Balance on September 30, 2024	<u>\$ 200,256</u>	<u>200,515</u>	<u>400,771</u>

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

	<u>Land</u>	<u>Buildings and construction</u>	<u>Total</u>
Depreciation and Impairment:			
Balance on January 1, 2025	\$ -	8,074	8,074
Depreciation	-	3,408	3,408
Balance on September 30, 2025	<u>\$ -</u>	<u>11,482</u>	<u>11,482</u>
Balance on January 1, 2024	\$ -	4,960	4,960
Depreciation	-	2,131	2,131
Balance on September 30, 2024	<u>\$ -</u>	<u>7,091</u>	<u>7,091</u>
Carrying amounts:			
Balance on January 1, 2025	<u>\$ 200,256</u>	<u>194,288</u>	<u>394,544</u>
Balance on September 30, 2025	<u>\$ 212,005</u>	<u>228,656</u>	<u>440,661</u>
Balance on January 1, 2024	<u>\$ 106,361</u>	<u>123,376</u>	<u>229,737</u>
Balance on September 30, 2024	<u>\$ 200,256</u>	<u>193,424</u>	<u>393,680</u>

Investment property includes the Company's own assets leased out by operating leases to third parties. Please refer to note 6(k) and (p) for other related information (including rental income and direct operating expenses incurred).

The fair value of the investment property was not significantly different from those disclosed in the note 6(g) of the annual consolidated financial statements for the year ended December 31, 2024.

As of September 30, 2025, December 31, and September 30, 2024, please refer to note 8 for detail of information on pledged investment properties of the Group.

(g) Short-term borrowings

The short-term borrowings were summarized as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Unsecured bank loans	\$ 337,000	263,000	263,000
Secured bank loans	4,733,745	3,976,480	4,099,480
Total	<u>\$ 5,070,745</u>	<u>4,239,480</u>	<u>4,362,480</u>
Unused credit time	<u>\$ 5,421,655</u>	<u>3,676,930</u>	<u>5,460,050</u>
Range of interest rates	<u>2.40%~3.00%</u>	<u>1.98%~2.91%</u>	<u>2.095%~2.915%</u>

(i) The issue of bank loan and repayment

For the nine months ended September 30, 2025 and 2024, the incremental amounts are \$2,091,265 thousand and \$1,487,730 thousand, respectively; the repayment amounts are \$1,260,000 thousand and \$1,470,980 thousand, respectively.

(ii) Collateral for bank loans

For the collateral for short-term borrowings, please refer to note 8.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

(h) Short-term notes payable

<b>December 31, 2024</b>			
	<b>Guarantee or acceptance institute</b>	<b>Range of interest rate</b>	<b>Amount</b>
Commercial Papers Issued	Mega Bills Finance Co., Ltd	2.8%~3.288%	<u><u>\$ 402,000</u></u>

(i) The issue of short-terms notes and repayment

For the nine months ended September 30, 2025 and 2024, the incremental amounts are \$0 thousand and \$140,000 thousand, respectively; the repayment amounts are \$402,000 thousand and \$140,000 thousand, respectively.

(ii) Collateral for Short-terms notes

For the collateral for short-term notes payable, please refer to note 8.

(i) Bonds payable/ Bonds due or executed within one year or one business cycle

The details of secured corporate bonds were as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Secured corporate bonds, non-current	\$ 4,787,460	3,795,728	3,795,346
Less: Bonds due or executed with one year or one business cycle	-	-	-
	<u><u>\$ 4,787,460</u></u>	<u><u>3,795,728</u></u>	<u><u>3,795,346</u></u>

(i) Please refer to note 6(r) for information of the Group's recognition on ordinary bonds and amortized interest expenses for the nine months ended September 30, 2025 and 2024.

(ii) The Group issued the first secured ordinary of 2025 in the amount of \$1,000,000 thousand for the nine months ended September 30, 2025; the repayment amounts of first secured ordinary corporate bond in 2019 are \$1,200,000 thousand for the nine months ended September 30, 2024. The principal information of the Group's secured bonds was as follows:

<b>Item</b>	<b>First secured ordinary corporate bond in 2019</b>
1)Total issuance	\$1,200,000 thousand
2)Issuance date	2019.01.07
3)Interest rate	0.96%
4)Period ended	2019.01.07~2024.01.07
5)Repayment	Due five years from the issuance date
6)Guarantee agency	Taiwan Business Bank

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

<u>Item</u>	<u>First secured ordinary corporate bond in 2021</u>
1)Total issuance	\$600,000 thousand
2)Issuance date	2021.12.24
3)Interest rate	0.67%
4)Period ended	2021.12.24~2026.12.24
5)Repayment	Due five years from the issuance date
6)Guarantee agency	Agricultural Bank of Taiwan
<u>Item</u>	<u>Second secured ordinary corporate bond in 2021</u>
1)Total issuance	\$1,000,000 thousand
2)Issuance date	2022.01.10
3)Interest rate	0.68%
4)Period ended	2022.01.10~2027.01.10
5)Repayment	Due five years from the issuance date
6)Guarantee agency	Hua Nan Commercial Bank, Co., Ltd.
<u>Item</u>	<u>First secured ordinary corporate bond in 2022</u>
1)Total issuance	\$1,000,000 thousand
2)Issuance date	2022.09.14
3)Interest rate	1.70%
4)Period ended	2022.09.14~2027.09.14
5)Repayment	Due five years from the issuance date
6)Guarantee agency	Agricultural Bank of Taiwan
<u>Item</u>	<u>First secured ordinary corporate bond in 2024</u>
1)Total issuance	\$1,200,000 thousand
2)Issuance date	2024.07.18
3)Interest rate	2.08%
4)Period ended	2024.07.18~2029.07.18
5)Repayment	Due five years from the issuance date
6)Guarantee agency	Taiwan Business Bank
<u>Item</u>	<u>First secured ordinary corporate bond in 2025</u>
1)Total issuance	\$1,000,000 thousand
2)Issuance date	2025.01.13
3)Interest rate	2.01%
4)Period ended	2025.01.13~2030.01.13
5)Repayment	Due five years from the issuance date
6)Guarantee agency	Bank of Kaohsiung

Please refer to note 8 for details of pledged assets with guarantee.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

(j) Contract liability

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Contract liability – Real Estate Sales	<u>\$ 983,281</u>	<u>763,438</u>	<u>786,494</u>
Amount expected to be realized after twelve months	<u>\$ 164,662</u>	<u>93,762</u>	<u>656,804</u>

Please refer to note 9(a) for the total price of the real estate of signed provisions listed above.

(k) Operating lease

A maturity analysis of lease payment, showing the undiscounted lease payments to be received after the reporting date are as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Less than one year	\$ 23,857	19,801	18,632
One to two years	23,695	19,808	19,721
Two to three years	23,512	19,464	19,495
Three to four years	22,911	19,199	19,312
Four to five years	22,084	18,245	18,661
More than five years	<u>83,817</u>	<u>76,635</u>	<u>81,061</u>
	<u>\$ 199,876</u>	<u>173,152</u>	<u>176,882</u>

(l) Employee benefit

Defined contribution plans

The Group recognized its pension expenses under the defined contribution plans were as follows, which have been allocated to the Bureau of Labor Insurance:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Operating costs	\$ 468	424	1,402	1,870
Selling expenses	34	41	104	141
Administrative expenses	<u>538</u>	<u>437</u>	<u>1,524</u>	<u>1,102</u>
Total	<u>\$ 1,040</u>	<u>902</u>	<u>3,030</u>	<u>3,113</u>

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**

## (m) Income taxes

(i) The components of income tax were as follows:

	<b>For the three months ended</b>		<b>For the nine months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Current tax expense				
Current period	\$ 702	1,249	2,286	3,636
Land value increment tax	41	-	25,197	3,188
Subtotal	<u>743</u>	<u>1,249</u>	<u>27,483</u>	<u>6,824</u>
Deferred tax expense				
Change in reversal and unrecognizable deductible temporary differences	-	-	-	(783)
Income tax expense	<u>\$ 743</u>	<u>1,249</u>	<u>27,483</u>	<u>6,041</u>

(ii) The Group has income tax returns approved by the Tax Authority were as follows:

<u>Name</u>	<u>Approved year</u>
The Company	2023
Jing Fu Xiang Construction Co., Ltd .	2022
Jingo International Records Co., Ltd .	2023

## (n) Capital and other equity

Except for the following disclosure, there were no significant changes for capital and other equity for the nine months ended September 30, 2025 and 2024. For the relevant information, please refer to note 6(o) of the consolidated financial statements for the year ended December 31, 2024.

## (i) Capital surplus

The balances of capital surplus were as follows:

	<b>September 30,</b>	<b>December 31,</b>	<b>September 30,</b>
	<b>2025</b>	<b>2024</b>	<b>2024</b>
Capital surplus –			
premium from issuance of stock	\$ 18,521	18,521	18,521
Employee share options	16,860	16,860	16,860
Other	359	359	359
	<u>\$ 35,740</u>	<u>35,740</u>	<u>35,740</u>

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

10% of the total common stock outstanding.

The cash dividend of \$150,215 thousand by using the additional paid-in capital had been decided in the Board of Directors meeting held on April 10, 2024, and had been reported in the shareholders' meeting held on May 29, 2024.

#### (ii) Retain earnings

In accordance with the Company's articles of incorporation as amended on May 27, 2025, the distribution of earnings or offsetting of losses may be carried out after the end of each quarter. When distributing earnings for the first three quarters of the fiscal year, the Company is required to estimate and retain provisions for income taxes, employee remuneration, and directors' remuneration, and to offset prior years' losses and appropriate the legal reserve in accordance with applicable laws and regulations. However, if the legal reserve has reached the amount of paid-in capital, no further appropriation is required.

Any proposal for the distribution of earnings or offsetting of losses for the first three quarters shall be submitted, along with the business report and financial statements, to the Audit Committee for review before the end of the following quarter, and subsequently resolved by the Board of Directors.

If there is a surplus after the annual accounts, it shall be distributed in the following order:

- 1) Tax payment;
- 2) Recovery of loss;
- 3) Attribute ten percent of the current net profit as a statutory surplus reserve unless the statutory surplus reserve has reached the paid-in capital.
- 4) The special surplus reserve shall be set aside or transferred as required by laws and regulations or operations.
- 5) If there is a balance, it will be combined with the accumulated undistributed surplus of the previous year. Then the board of directors shall decide to retain or distribute shareholder dividends according to the capital condition and economic development of the current year, and finally submit it to the shareholders' meeting for approval.

To pursue sustainable and stable business development, the Company considers capital needs and long-term financial planning, set dividend policies, and considers retained earnings and future profitability comprehensively to determine the amount that can be allocated each year. Dividends are issued in two ways: stock dividends and cash dividends. The proportion of cash dividends shall not be less than 10% of the total dividends for the year by principle. However, when the cash dividend per share is less than \$0.5, issuing stock dividends is allowed.

If the Company's profit distribution is made in cash, it shall be handled by the resolution of the board of directors in accordance with the Company Act, Article 228-1 and Article 240, Paragraph 5 and reported to the shareholders' meeting, without submitting to the shareholders' meeting for approval.

#### 1) Legal reserve

When a company incurs no loss for the year, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 2) Earnings distribution

The amount of cash dividends of appropriations of earnings for 2024 and 2023 had been decided, in the Board of Directors meetings held on April 15, 2025 and April 10, 2024, respectively. The amount of cash dividends of appropriations of earnings for 2024 and 2023 had been reported in the shareholders' meeting held on May 27, 2025 and May 29, 2024, respectively.

The relevant dividend distributions to shareholders were as follows:

	2024		2023	
	Dividend per share (\$)	Total amount	Dividend per share (\$)	Total amount
Dividends distributed to common shareholders:				
Cash	\$ 1.0411823	<b>337,785</b>	0.24	<b>78,373</b>

#### (iii) Treasury shares

For the nine months ended September 30, 2025, in accordance with Article 28-2 of the Securities and Exchange Act, the Company repurchased a total of 2,130 thousand shares as treasury shares for the purpose of transferring shares to employees. The total repurchase amount was \$44,948 thousand.

As of September 30, 2025, the total number of shares not yet cancelled amounted to 2,130 thousand shares.

In accordance with the Securities and Exchange Act, treasury shares held by the Company may not be pledged and shall not carry any shareholders' rights prior to their transfer.

#### (iv) Other equity, net of tax

	<b>Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income</b>
Balance on January 1, 2025	\$ 211,430
Unrealized losses on financial assets measured at fair value through other comprehensive income	(57,240)
Balance on September 30, 2025	<b>\$ 154,190</b>
Balance on January 1, 2024	\$ 128,880
Unrealized gains on financial assets measured at fair value through other comprehensive income	167,840
Balance on September 30, 2024	<b>\$ 296,720</b>

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

(o) Earnings (loss) per share

The calculations of basic and diluted earnings (loss) per share were as follows:

	<b>For the three months ended</b>		<b>For the nine months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Basic earnings (loss) per share</b>				
Profit (loss) attributable to ordinary shareholders of the Company	\$ (17,630)	26,753	(105,419)	211,574
Weighted average number of ordinary shares outstanding (shares in thousands)	324,424	326,554	325,491	326,554
Basic earnings (loss) per share (NT dollars)	\$ (0.05)	0.08	(0.32)	0.65
<b>Diluted earnings (loss) per share</b>				
Profit (loss) attributable to ordinary shareholders of the Company (after adjustment of potential dilutes ordinary shares)	\$ (17,630)	26,753	(105,419)	211,574
Weighted average number of ordinary shares (thousand shares)	324,424	326,554	325,491	326,554
Effect of employee share bonus	-	80	-	103
Weighted average number of ordinary shares outstanding (after adjustment of potential dilutes ordinary shares) (thousand shares)	324,424	326,634	325,491	326,657
Diluted earnings per share (NT dollars)	\$ (0.05)	0.08	(0.32)	0.65

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

(p) Revenue from contracts with customers

(i) Disaggregation of revenue

	<b>For the three months ended September 30, 2025</b>		
	<b>Construction Department</b>	<b>Audio/video</b>	<b>Total</b>
Primary geographical markets:			
Taiwan	<b>\$ 25,864</b>	<b>4,587</b>	<b>30,451</b>
Major products/services lines:			
Sales of real estates	\$ 20,205	-	20,205
Rental income	5,659	3,505	9,164
Sale of goods	-	166	166
Other	-	916	916
	<b>\$ 25,864</b>	<b>4,587</b>	<b>30,451</b>
	<b>For the three months ended September 30, 2024</b>		
	<b>Construction Department</b>	<b>Audio/video</b>	<b>Total</b>
Primary geographical markets:			
Taiwan	<b>\$ 246,820</b>	<b>4,697</b>	<b>251,517</b>
Major products/services lines:			
Sales of real estates	\$ 243,770	-	243,770
Rental income	3,050	3,624	6,674
Sale of goods	-	194	194
Other	-	879	879
	<b>\$ 246,820</b>	<b>4,697</b>	<b>251,517</b>
	<b>For the nine months ended September 30, 2025</b>		
	<b>Construction Department</b>	<b>Audio/video</b>	<b>Total</b>
Primary geographical markets:			
Taiwan	<b>\$ 79,175</b>	<b>13,784</b>	<b>92,959</b>
Major products/services lines:			
Sales of real estates	\$ 63,318	-	63,318
Rental income	15,857	10,817	26,674
Sale of goods	-	677	677
Other	-	2,290	2,290
	<b>\$ 79,175</b>	<b>13,784</b>	<b>92,959</b>

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

	<b>For the nine months ended September 30, 2024</b>		
	<b>Construction Department</b>	<b>Audio/video</b>	<b>Total</b>
Primary geographical markets:			
Taiwan	<b>\$ 1,327,392</b>	<b>15,062</b>	<b>1,342,454</b>
Major products/services lines:			
Sales of real estates	\$ 1,319,282	-	1,319,282
Rental income	8,110	11,036	19,146
Sale of goods	-	1,494	1,494
Other	-	2,532	2,532
	<b>\$ 1,327,392</b>	<b>15,062</b>	<b>1,342,454</b>
(ii) Contract balances			
	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Notes receivable (including related parties)	\$ 365	549	1,532
Accounts receivable (including related parties)	1,342	2,174	2,669
Less: allowance for impairment	(65)	(87)	(65)
Total	<b>\$ 1,642</b>	<b>2,636</b>	<b>4,136</b>
Contract liabilities-Sales of real estates	<b>\$ 983,281</b>	<b>763,438</b>	<b>786,494</b>

1) The amount of revenue recognized for the nine months ended September 30, 2025 and 2024 that were included in the contract liabilities balance at the beginning of the period were \$0 thousand and \$217,576 thousand, respectively.

2) The contract liabilities differences primarily relate to the time when the Group meets its performance obligations, which is transferring goods or services to the customers, and the time the payments are made.

(q) Employee compensation and directors' and supervisors' remuneration

In accordance with the Company's articles of incorporation as amended on May 27, 2025, the profit before tax not included in the employees' and Directors' remuneration during the year, if there is a surplus after making up for the losses, no more than 5% should be provided for directors' remuneration, and no less than 1% for employees' remuneration. Of the total employee remuneration, an amount not less than 10% shall be allocated to junior employees. The recipients of shares and cash may include the employees of affiliated companies who meet certain conditions, such conditions shall be stipulated by the Board of Directors.

According to the previous Articles of Association of the Company, the profit before tax not included in the employees' and Directors' remuneration during the year, if there is a surplus after making up for the losses, no more than 5% should be provided for directors' remuneration, and no less than 1% for employees' remuneration. The recipients of shares and cash may include the employees of affiliated companies who meet certain conditions, such conditions shall be stipulated

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

by the Board of Directors.

The remunerations to employees amounted to \$0 thousand, \$179 thousand, \$0 thousand and \$2,289 thousand, as well as the remunerations to directors amounted to \$0 thousand, \$179 thousand, \$0 thousand and \$2,289 thousand for the three months and nine months ended September 30, 2025 and 2024, respectively. These amounts were calculated using the Company's net income before tax without the remunerations to employees and directors for each period, multiplied by the percentage which is stated under the Company's Article of Association. These remunerations were expensed under operating expenses for each period. If there is a discrepancy between the actual distribution amount and the estimated amount in the next year, it will be treated as a change in accounting estimate, and the difference will be recognized as profit or loss for the next year. If the Board of Directors decides to issue stock compensation to employees, the basis for calculating the number of shares for stock compensation is based on the closing price of common stock on the day before the board of directors resolution.

The Company's employee remuneration provision in 2024 and 2023 was \$4,778 thousand and \$2,757 thousand respectively, and the director's remuneration provision was \$4,778 thousand and \$919 thousand, which was no different from the actual distribution. Relevant information can be found at MOPS.

(r) Non-operating income and expenses

(i) Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Foreign currency exchange (losses) gains	\$ 3,956	(1,105)	(4,558)	(1,076)
Compensation for losses	(350)	(705)	(2,940)	(705)
Other gains and losses	494	(174)	(447)	(514)
Other gains and losses, net	<u>\$ 4,100</u>	<u>(1,984)</u>	<u>(7,945)</u>	<u>(2,295)</u>

(ii) Finance expenses

The details of finance expenses were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest expense:				
Bank loans	\$ 35,450	30,510	94,569	91,445
Interest on corporate bonds (including discount and amortization expense)	32,979	24,007	97,802	53,939
Other interest expense	100	71	425	193
Less: Capitalized interest	(48,279)	(47,127)	(144,698)	(128,663)
Finance expenses, net	<u>\$ 20,250</u>	<u>7,461</u>	<u>48,098</u>	<u>16,914</u>
Average capitalized interest rate	<u>0.67%~3%</u>	<u>0.67%~2.92%</u>	<u>0.67%~3%</u>	<u>0.67%~2.92%</u>

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(s) Financial instruments

Except for the contention mentioned below, there has been no significant change in the fair value of the Group financial instruments and degree of exposure to credit risk, liquidity risk, and market risk arising from financial instruments. For the related information, please refer to note 6(t) of the consolidated financial statements for the year ended December 31, 2024.

(i) Credit risk

1) Credit risk exposure

The carrying amounts of financial assets and contract assets represented the maximum amount exposed to credit risk.

2) Concentration of credit risk

As the Group has a large customer base, it does not significantly concentrate on transactions with a single customer and the sales scope scattered; hence, geographically, there was no concentration of credit risk. To reduce credit risk, the Group also regularly and continuously evaluates the financial situation of customers, and usually does not require customers to provide collateral.

(ii) Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1-5 years</u>	<u>Over 5 years</u>
<b>September 30, 2025</b>					
Non derivative financial liabilities					
Floating-interest-rate instruments	\$ 5,070,745	5,535,264	1,925,238	3,237,186	372,840
Fixed-interest-rate instruments	4,787,460	5,027,996	72,880	4,955,116	-
Non-interest-bearing liabilities	500,267	500,267	494,543	646	5,078
Lease liabilities (including current and non-current)	<u>13,303</u>	<u>13,669</u>	<u>7,238</u>	<u>6,431</u>	<u>-</u>
	<b><u>\$ 10,371,775</u></b>	<b><u>11,077,196</u></b>	<b><u>2,499,899</u></b>	<b><u>8,199,379</u></b>	<b><u>377,918</u></b>
<b>December 31, 2024</b>					
Non derivative financial liabilities					
Floating-interest-rate instruments	\$ 4,239,480	4,529,497	1,131,287	1,906,894	1,491,316
Fixed-interest-rate instruments	4,197,728	4,383,958	455,502	3,928,456	-
Non-interest-bearing liabilities	548,634	548,634	543,930	646	4,058
Lease liabilities (including current and non-current)	<u>19,702</u>	<u>20,412</u>	<u>8,991</u>	<u>11,421</u>	<u>-</u>
	<b><u>\$ 9,005,544</u></b>	<b><u>9,482,501</u></b>	<b><u>2,139,710</u></b>	<b><u>5,847,417</u></b>	<b><u>1,495,374</u></b>

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	Carrying amount	Contractual cash flows	Within 1 year	1-5 years	Over 5 years
<b>September 30, 2024</b>					
Non derivative financial liabilities					
Floating-interest-rate instruments	\$ 4,362,480	5,095,829	777,445	3,818,927	499,457
Fixed-interest-rate instruments	3,795,346	3,994,539	52,780	3,941,759	-
Non-interest-bearing liabilities	477,853	477,853	474,919	396	2,538
Lease liabilities (including current and non-current)	14,729	15,260	6,591	8,669	-
	<b>\$ 8,650,408</b>	<b>9,583,481</b>	<b>1,311,735</b>	<b>7,769,751</b>	<b>501,995</b>

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

#### (iii) Market risk

##### 1) Exposure to foreign currency risk

The Group's significant financial assets and liabilities exposed to foreign currency risk were as follows:

	September 30, 2025			December 31, 2024			September 30, 2024			
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	
<b>Financial assets</b>										
<u>Monetary items</u>										
USD	\$	3,428	30,458	104,410	2,348	32.79	76,991	2,324	31.71	73,694

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents that are denominated in foreign currency. If an appreciation (depreciation) 5% of NTD against USD as of September 30, 2025 and 2024, the Group's net (loss) profit before tax would have increased or decreased by \$5,221 thousand and \$3,685 thousand for the nine months ended September 30, 2025 and 2024, respectively, with all other variable factors remaining constant.

##### 2) Foreign exchange gain and loss on monetary items

The exchange gains and losses (including realized and unrealized) arising from the translation of the Group's monetary items into its functional currency, as well as the translation into the Company's functional currency, NTD (which is also the presentation currency of the Group), are summarized below along with the relevant exchange rate information.

	For the three months ended September 30,			
	2025		2024	
	Exchange gains and losses	Average exchange rate	Exchange gains and losses	Exchange gains and losses
USD	<b>\$ 3,956</b>	<b>29.87</b>	<b>(1,105)</b>	<b>32.05</b>
	For the nine months ended September 30,			
	2025		2024	
	Exchange gains and losses	Exchange gains and losses	Exchange gains and losses	Exchange gains and losses
USD	<b>\$ (4,558)</b>	<b>31.62</b>	<b>(1,076)</b>	<b>31.18</b>

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 3) Interest rate risk

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding assets with variable interest rates, the analysis is based on the assumption that the amount of assets outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 1% when reporting to management internally, which also represents the Group management's assessment of the reasonably possible interest rate change.

If the interest rate had increased (decreased) by 1% basis points, the Group's interest expense would have decreased (increased) by \$30,424 thousand and \$26,175 thousand for the nine months ended September 30, 2025 and 2024, respectively, with all other variable factors remaining constant. The Group's net profit from interest capitalization would have decreased (increased) by \$7,590 thousand and \$3,041 thousand for the nine months ended September 30, 2025 and 2024, respectively. This is mainly due to the Group's borrowing at variable interest rates.

#### 4) Other market price risk

For the nine months ended September 30, 2025 and 2024, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

Price of securities at reporting date	For the nine months ended September 30, 2025		For the nine months ended September 30, 2024	
	Other		Other	
	comprehensive income after tax	Net income	comprehensive income after tax	Net income
Increasing 5%	\$ 12,270	220	19,452	253
Decreasing 5%	\$ (12,270)	(220)	(19,452)	(253)

#### (iv) Information of fair value

##### 1) Valuation techniques for financial instruments measured at fair value

The fair value of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial institutions not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities disclosure of fair value information is not required:

	September 30, 2025				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income					
Stocks listed on domestic markets	\$ 245,390	245,390	-	-	245,390
Financial assets at fair value through profit or loss					
Privately offered fund	\$ 4,401	-	-	4,401	4,401



## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

		December 31, 2024				
		Book Value	Fair Value			Total
			Level 1	Level 2	Level 3	
Financial liabilities measured at amortized cost						
Short-term borrowings	\$	4,239,480	-	-	-	-
Short-term notes and bills payables		402,000	-	-	-	-
Corporate bonds payable (including current portion)		3,795,728	-	3,774,565	-	3,774,565
Notes and accounts payable (including related parties)		374,007	-	-	-	-
Other payables (including related parties)		168,489	-	-	-	-
Guarantee deposits		6,138	-	-	-	-
Lease liabilities (including non-current)		19,702	-	-	-	-
<b>Total</b>		<b>\$ 9,005,544</b>	<b>-</b>	<b>3,774,565</b>	<b>-</b>	<b>3,774,565</b>
		September 30, 2024				
		Book Value	Fair Value			Total
			Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income						
Stocks listed on domestic markets	\$	387,920	387,920	-	-	387,920
Equity instruments without public quotations measured at fair value		1,114	-	-	1,114	1,114
Subtotal		389,034	387,920	-	1,114	389,034
Financial assets at fair value through profit or loss						
Privately offered fund	\$	5,064	-	-	5,064	5,064
Financial assets measured at amortized cost						
Cash and cash equivalents	\$	2,000,953	-	-	-	-
Notes and accounts receivable (including related parties)		4,136	-	-	-	-
Other financial assets, current		175,684	-	-	-	-
Other financial assets, non-current		682,456	-	-	-	-
Refundable deposits		7,926	-	-	-	-
Subtotal		2,871,155	-	-	-	-
<b>Total</b>		<b>\$ 3,265,253</b>	<b>387,920</b>	<b>-</b>	<b>6,178</b>	<b>394,098</b>
Financial liabilities measured at amortized cost						
Short-term borrowings	\$	4,362,480	-	-	-	-
Corporate bonds payable (including current portion)		3,795,346	-	3,771,892	-	3,771,892
Notes and accounts payable (including related parties)		308,906	-	-	-	-
Other payables (including related parties)		164,575	-	-	-	-
Guarantee deposits		4,372	-	-	-	-
Lease liabilities (including non-current)		14,729	-	-	-	-
<b>Total</b>		<b>\$ 8,650,408</b>	<b>-</b>	<b>3,771,892</b>	<b>-</b>	<b>3,771,892</b>

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 2) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

##### a) Financial liabilities measured at amortized cost

If the quoted prices in active markets are available, the market price is established as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted. The fair value of ordinary corporate bonds payable is measured by Level 2 input value, and the fair value is calculated based on the weighted average price of one hundred dollars at the reporting date of the Taipei Exchange.

#### 3) Valuation techniques for financial instruments measured at fair value

##### a) Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date.

If the financial instruments held by the Group have an active market, the fair values are listed below according to their categories and attributes:

- Fair value of listed redeemable corporate bonds listed (counter) company stocks, bills of exchange and corporate bonds are financial assets and financial liabilities that coordinate standard terms and conditions, are determined with reference to market quotes.

Except for the above-mentioned financial instruments with active markets, the fair value of the other financial instruments is based on valuation techniques or by referring to the counterparty's quotation. The fair value obtained through valuation techniques may be calculated by reference to the current fair value of other financial instruments with substantially similar conditions and characteristics, discounted cash flow method or other valuation techniques, including the use of models based on market information available at the reporting date (e.g., over-the-counter (OTC) reference yield curves, Reuters average quoted commercial paper rates).

If the financial instruments held by the Group do not have an active market, the fair values are listed below according to their categories and attributes:

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- Equity instruments without public quotations: the fair value is estimated using the market comparable company method, the main assumption is based on the estimated earnings before tax, interest, depreciation, and amortization of the investee and the earnings multiplier derived from market quotations of comparable listed (over-the-counter) companies. The estimate has been adjusted for the effect of discount on the lack of marketability of the equity securities.

#### 4) Transfers between Level 1 and Level 2

There were no transfers from one level to another of the Group for the nine months ended September 30, 2025 and 2024.

#### (t) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 6(u) of the consolidated financial statements for the year ended December 31, 2024.

#### (u) Capital management

The capital management objectives, policies, and procedures of the consolidated company are consistent with those disclosed in the consolidated financial statements of 2024; and the aggregated quantitative data of capital management items have not changed significantly from those disclosed in the consolidated financial statements of 2024. For relevant information, please refer to note 6(v) of the consolidated financial statements for the year ended December 31, 2024.

## 7. Related-party transactions:

### (1) Name of related party and their relationships

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
Sanfu Property Limited	The chairman of the company is a director of the company
Allmind Holding Corporation (Formerly: Pleasant Hotels International Inc.)	An entity with significant influence over the Group (Note)
Sanfar Education Foundation	Other related parties
Maikeweid Marketing Co., Ltd.	Other related parties
Zenfar Architecture Co., Ltd.	Other related parties
Mingding Construction Co., Ltd.	Other related parties
Yueteng Advertising Co., Ltd.	Other related parties
Dage Advertising Co., Ltd.	Other related parties
Hong Tai Advertising Co., Ltd	Other related parties
Min Far Real Estate Development Co., Ltd.	Other related parties
He Yi Architecture Co., Ltd.	Other related parties
ChunHao Wu	Other related parties
XianLing Yang	Other related parties

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Note: The company was previously other related party of the Group and, after acquiring shares of the Group through a public tender offer in the first quarter of 2025, has obtained significant influence over the Group.

#### (2) Significant transactions with related parties

##### (i) Operating revenue of real estates

In accordance with a resolution approved by the Board of Directors, the Group entered into a contract to sell real estate (pre-sold property) to the other related party, ChunHao Wu, for a total consideration of \$12,990 thousand (inclusive of tax). As of September 30, 2025, the Group had received the full contract consideration of \$1,280 thousand, which was recognized as a contract liability. The transaction price and payment terms were comparable to those offered in similar transactions with unrelated third parties, and no material differences were identified.

##### (ii) Operating revenue of service

Related Party Categories	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Other related parties	\$ 25	-	120	-

##### (iii) Purchases

	Purchasing (the amount of the current period)				Accumulated amount	
	For the three months ended		For the nine months ended		September 30, 2025	September 30, 2024
	September 30,		September 30,			
	2025	2024	2025	2024		
Other related party						
Min Far	\$ -	-	19,048	-	19,048	-
XianLing Yang	-	-	931,600	-	931,600	-
	\$ -	-	950,648	-	950,648	-

In January 2025, the Group entered into a purchase agreement with the other related party, XianLing Yang, to acquire a parcel of land located at number 49 of Jincheng Section, Anping District, Tainan City, for construction purposes. The total contract consideration amounted to \$931,600 thousand and the transfer has been completed. The transaction price was determined with reference to a valuation report issued by a professional real estate appraiser and through negotiations between both parties. Payments are being made in accordance with the payment terms stipulated in the contract. The transaction price and payment terms were not more favorable than those available in comparable transactions with non-related parties.

In January 2025, the Group entered into a purchase agreement with the other related party, Min Far Real Estate Development Co., Ltd., acquire a building permit for the property located at number 49 of Jincheng Section, Anping District, Tainan City, for construction purposes. The total contract consideration amounted to \$20,000 thousand and the transfer has been completed. The transaction price was determined with reference to a valuation report issued by a professional real estate appraiser and through negotiations between both parties. Payments are being made in accordance with the payment terms stipulated in the contract. The transaction price and payment terms were not more favorable than those available in comparable transactions with non-related parties.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

(iv) Prepayments of related parties

The amounts of prepayments between the Group and related parties were as follows:

Accounted items	Categories	September 30, 2025	December 31, 2024	September 30, 2024
Prepayments	Other Related party - Allmind Holding	\$ -	-	75

(v) Lease (recognized under administrative expenses)

The sublease situation between the Group and related parties were as follows:

Related Party Categories	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Other Related party				
Allmind Holding	\$ -	75	-	225
He Yi Architecture	155	-	390	-
Maikeweid	-	57	-	57
	<b>\$ 155</b>	<b>132</b>	<b>390</b>	<b>282</b>

(vi) Guarantee

As of September 30, 2025 and 2024, the Group signed joint and several guarantees for pre-sale housing with other related parties—Sanfu Property Limited and other related parties—Zenfar Architecture Co., Ltd. Contracts, respectively acted as the joint guarantee company for the pre-sale house sales contract of Liujiading Section (Grand Bridge) and Chengde Section (Melody Forest), Renwu District, Kaohsiung City. The amounts of handling fee were both \$0 thousand for the nine months ended September 30, 2025 and 2024. Furthermore, the project located at Yongxing Section, Yongkang District, Tainan City (Dream Style) was completed on March 31, 2024, and the transfer of legal title and handover of units have been carried out progressively. As of September 30, 2024, Mingding Construction Co., Ltd. no longer holds any joint guarantee for pre-sale housing purchase agreements.

(3) Transactions with key management personnel

The compensation of key management is as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 5,279	6,711	18,459	17,483
Post-employment benefits	103	126	334	379
	<b>\$ 5,382</b>	<b>6,837</b>	<b>18,793</b>	<b>17,862</b>

The aforementioned short-term employee benefits include non-monetary benefits. Such non-monetary benefits were recognized as administrative expenses in the amounts of \$682 thousand, \$0, \$2,045 thousand, and \$0 for the three months and nine months ended September 30, 2025 and 2024, respectively.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**8. Pledged assets:**

The carrying amounts of the assets pledged as collateral are detailed below:

<b>Pledged assets</b>	<b>Object</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
Inventories	Mortgage, bonds payable and short-term notes and bill payable	\$ 11,076,140	8,230,974	9,785,450
Other financial assets- current and non-current	Mortgage, bonds payable, short-term notes and bill payable and joint construction performance guarantee	983,859	1,229,321	777,956
Property, plant and equipment	Short-term notes and bill payable	72,971	73,494	73,668
Investment property	Mortgage and bonds payable	372,284	325,589	324,532
		<b><u>\$ 12,505,254</u></b>	<b><u>9,859,378</u></b>	<b><u>10,961,606</u></b>

**9. Commitments and contingencies:**

(1) The Group's unrecognized contractual commitments are as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>	<b>September 30, 2024</b>
<u>Signed contract price</u>			
Sale of real estates	<b><u>\$ 5,668,454</u></b>	<b><u>5,017,262</u></b>	<b><u>4,650,291</u></b>
Purchase of construction land	<b><u>\$ -</u></b>	<b><u>948,998</u></b>	<b><u>948,998</u></b>
<u>Price charged or paid</u>			
Sale of real estates	<b><u>\$ 983,281</u></b>	<b><u>763,348</u></b>	<b><u>786,494</u></b>
Purchase of construction land	<b><u>\$ -</u></b>	<b><u>47,450</u></b>	<b><u>47,450</u></b>

(2) The legal litigation cases related to the Group demanded an approximate amount totaling \$1,000 thousand, plus legal interest from the Group. Currently, the estimated liability provision amounted to \$184 thousand. All cases were still in progress as of the reporting date.

(3) The Group made a donation, with an amount not exceeding \$2,500 thousand, to Sanfar Education Foundation for the purpose of promoting the Foundation's business, based on the resolutions approved by the Boards of Directors on December 17, 2024. The actual amount were both \$0 thousand for the nine ended September 30, 2025 and 2024.

**10. Losses due to major disasters: None**

**11. Subsequent Events: None**

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

**September 30, 2025 and 2024**

(Expressed in Thousands of New Taiwan Dollars , Unless Otherwise Specified)

**12. Others**

(1) Statements of Labor, Depreciation and Amortization by Function :

By function	For the three months ended September 30,					
	2025			2024		
	Operating costs	Operating expense	Total	Operating costs	Operating expense	Total
Employee benefits						
Salary	7,579	17,803	25,382	10,325	17,186	27,511
Labor and health insurance	909	952	1,861	862	906	1,768
Pension	468	572	1,040	424	478	902
Others	307	962	1,269	384	1,544	1,928
Depreciation	1,177	2,565	3,742	774	1,588	2,362
Amortization	199	228	427	199	247	446

By function	For the nine months ended September 30,					
	2025			2024		
	Operating costs	Operating expense	Total	Operating costs	Operating expense	Total
Employee benefits						
Salary	27,261	45,527	72,788	45,814	44,261	90,075
Labor and health insurance	2,769	3,395	6,164	3,674	2,478	6,152
Pension	1,402	1,628	3,030	1,870	1,243	3,113
Others	1,426	4,303	5,729	1,304	3,786	5,090
Depreciation	3,408	7,715	11,123	2,131	3,971	6,102
Amortization	432	636	1,068	587	801	1,388

(2) Seasonality of operation:

The construction department of the Group is affected by the cyclical factors of the completion time of construction projects.

(3) Other

The Ministry of Justice Investigation Bureau, Kaohsiung City has conducted an investigation on the group on February 17, 2022, wherein it seized the group's subsidiary ledgers, within the year of 2014 to 2020, as well as all the contracts entered into with, and the vouchers of commission paid to, the related three advertising companies. Since the case is still in progress, the Company assessed that the above matter will not have an impact on its financial statements.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

	2020.12.31	2019.12.31	2018.12.31	2017.12.31	2016.12.31	2015.12.31	2014.12.31
Current assets recognized as incremental costs to obtain contract with customers	\$ -	47,550	109,612	47,974	23,786	11,034	-
Notes payable	\$ -	2,694	7,282	8,743	8,494	-	-
Construction Retainage Received (account on Accounts Payable)	\$ 4,662	4,461	1,778	1,907	205	-	-
Other payables	\$ -	6,814	5,313	932	5,911	-	-
	2020	2019	2018	2017	2016	2015	2014
Selling expense	\$ 66,062	204,103	24,076	47,693	77,332	-	995

- (i) On February 17, 2022, the Company was prosecuted and searched. Since it is still in the investigation stage and based on the principle of secret investigation, the general finding and legal liability will wait for the investigation by the Prosecutors Office and the Judiciary to clarify before taking relative measures. At present, according to the project audit accountants appointed by the audit committee of the Company, the project attorney appointed by the Board of Directors and the Company's own review, the consignment sales and construction transactions between the three advertising companies, Dage Advertising Co., Ltd., Yuedeng Advertising Co., Ltd. and Hongtai Advertising Co., Ltd. and the Company are authentic. The transaction conditions have no significant unreasonable circumstances compared with the same industry in the market.
- (ii) In order to be conservative, although the case is still under investigation, the Company disclosed the above three advertising companies in the form of other related parties in the 2021 financial report based on protecting the rights and interests of investors. Due to the principle of secret investigation, the method of prior disclosure may not be the final result. The Company will deal with the case appropriately after the case is clarified by the judicial proceeding.
- (iii) At present, the Company's finance and business are normal, and the investigation case has no significant impact on the Company's operations.

### 13. Other disclosures:

#### (1) Information on significant transactions:

The followings were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Group for the nine months ended September 30, 2025:

- (i) Loans to other parties: None
- (ii) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsements		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	Jingo Asset Development Co., Ltd.	2	7,395,464	1,000,000	1,000,000	759,700	-	16.23%	7,395,464	Y	N	N
1	Jin Fu Xiang Construction Co., Ltd.	The Company	3 - 7	1,211,380	1,200,000	1,200,000	431,520	-	19.47%	3,114,978	N	Y	N

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Note 1: The relationship between the guarantee and the guarantor are as follows:

- 1) Transactions between the companies.
- 2) The Company directly or indirectly holds more than 50% voting right.
- 3) When other companies directly or indirectly hold more than 50% voting rights of the Company.
- 4) The Company directly or indirectly holds more than 90% voting right.
- 5) A company that is mutually protected under contractual requirements based on the needs of the contractor.
- 6) A company that is endorsed by all the contributing shareholders in accordance with their shareholding ratio due to joint investment relationship.
- 7) Under the Consumer Protection Act, performance guarantees for pre-sale contracts for companies in the same industry.

Note 2: SAN FAR PROPERTY LIMITED endorsed the operation method for the total amount of guarantees and the limit for endorsement of a single enterprise:

- 1) The total amount of guarantee for external endorsement shall not exceed 120% of the net value of SAN FAR PROPERTY LIMITED.
- 2) The guarantee amount for a single enterprise endorsement shall not exceed 60% of the current net value of the Company. However, for subsidiaries in which the Company directly holds 90% or more of the voting shares, either individually or together with its subsidiaries, the guarantee amount shall not exceed 120% of the net value of the Company.

Note 3: Jin Fu Xiang Construction Co., Ltd endorsed the operation method for the total amount of guarantees and the limit for endorsement of a single enterprise:

- 1) The total amount of guarantee for external endorsement shall not exceed 9 times of the net value of Jin Fu Xiang Construction Co., Ltd.
- 2) The guarantee amount for a single enterprise endorsement shall not exceed 3.5 times of the current net value of the company.

(iii) Securities held (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Allmind Holding Corporation (Formerly: Pleasant Hotels International Inc.)	Other related parties	Financial assets at fair value through other comprehensive income, non-current	3,600	215,640	4.11%	215,640	
The Company	Stock O-Bank Co., Ltd. Series B Convertible Preferred Stock	-	Financial assets at fair value through other comprehensive income, non-current	2,500	29,750	-	29,750	
The Company	Privately offered fund-Sparklabs Taipei Fund I	-	Financial assets at fair value through profit or loss, non-current	-	4,401	-	4,401	

(iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock : (In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Jin Fu Xiang Construction Co., Ltd	Subsidiary Company	Contracting project	546,409	19.63%	Pay by contract terms	-		(339,690)	(86.91)%	Note 1
Jin Fu Xiang Construction Co., Ltd	The Company	Parent Company	Contracting project	(471,624)	(100.00)%	Receive by contract terms	-		339,690	100.00%	Note 1
The Company	O Ling, Yang	Other related parties	Purchase land	931,600	37.07%	Payments are made in line with the progress of title transfer procedures.	-		-	-	
The Company	Jingo Asset Development Co., Ltd.	Subsidiary Company	Sell land	(1,903,000)	(95.99)%	Receives are made in line with the progress of title transfer procedures.	-		-	-	Note 1
Jingo Asset Development Co., Ltd.	The Company	Parent Company	Purchase land	1,903,000	99.98%	Payments are made in line with the progress of title transfer procedures.	-		-	-	Note 1

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

Note 1: The transactions were written off in the consolidated financial statements.

- (v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: (In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Jin Fu Xiang Construction Co., Ltd	The Company	Parent Company	339,690 (Note)	2.00 times	-		58,515	-

Note: The transactions were written off in the consolidated financial statements

- (vi) Business relationships and significant intercompany transactions:

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
0	The Company	Jingo Asset Development Co., Ltd.	1	Sale revenue	1,903,000	As agreed in the agreement	2,047.14%
1	Jin Fu Xiang Construction Co., Ltd	The Company	2	Sale revenue	471,624	"	365.42%
			2	Receivables	339,690	"	1.93%

Note 1: The numbers denote the following

- (1) 0 represents the Company.
- (2) Subsidiaries are numbered sequentially from the Arabic numeral 1 according to the company.

Note 2: Relationship with the listed companies :

- (1) The Company to subsidiary.
- (2) Subsidiary to the Company.
- (3) Subsidiary to subsidiary.

Note 3: For the business and important transactions between the parent company and the subsidiary company, only the sales and accounts receivable information are disclosed, and the corresponding purchases and accounts payable will not be described in detail.

Note 4: It is calculated by dividing the transaction amount by the consolidated operating income or consolidated total assets.

Note 5: The transactions were written off in the consolidated financial statements.

- (2) Information on investees:

The following is the information on investees for the nine months ended September 30, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Ending shareholding			Net income (losses) of investee	Share of profits/ losses of investee	Note
				End of the period	End of last year	Shares (thousands)	Percentage of ownership	Carrying value			
The Company	Jin Fu Xiang Construction Co., Ltd.	Taiwan	Construction industry	295,875	295,875	30,000	100.00%	245,005	9,145	(8,492)	
"	Jingo International Records Co., Ltd.	Taiwan	Record industry	22,529	22,529	2,000	100.00%	25,830	2,572	2,572	
"	Jingo Asset Development Co., Ltd.	Taiwan	Construction industry	1,200,000	-	120,000	100.00%	442,055	(8,187)	(8,187)	Note 1

Note: The transactions were written off in the consolidated financial statements.

Note 1: The carrying amount at the end of the period includes unrealized gains of \$749,758 thousand arising from upstream transactions with the Company.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

(3) Information on investment in mainland China: None

**14. Segment information:**

(1) General information

The Group has two reportable segments, which are the Group's strategic divisions. The Group's strategic divisions provide different products and services, and are managed separately because they require different technology and marketing strategies. Operating results of the strategic divisions are quarterly reviewed by the Group's chief operating decision maker. The Group's reportable segments are described as follows:

- (i) Construction department: Mainly responsible for residential development, building, construction, civil and construction business.
- (ii) The AV department: Mainly responsible for CD and DVD production, Production, publication and import and export trading.

(2) Information about reportable segments and their measurement and reconciliations

	<u>Construction Department</u>	<u>Audio/ video</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
<b>For the three months ended September 30, 2025</b>				
Revenue:				
Revenue from external customers	\$ 25,864	4,587	-	30,451
Intersegment revenues	158,441	44	(158,485)	-
Total revenue	<u>\$ 184,305</u>	<u>4,631</u>	<u>(158,485)</u>	<u>30,451</u>
Reportable segment profit or loss	<u>\$ (18,372)</u>	<u>1,485</u>	<u>-</u>	<u>(16,887)</u>
<b>For the three months ended September 30, 2024</b>				
Revenue:				
Revenue from external customers	\$ 246,820	4,697	-	251,517
Intersegment revenues	241,568	70	(241,638)	-
Total revenue	<u>\$ 488,388</u>	<u>4,767</u>	<u>(241,638)</u>	<u>251,517</u>
Reportable segment profit or loss	<u>\$ 26,503</u>	<u>1,499</u>	<u>-</u>	<u>28,002</u>

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

	<u>Construction Department</u>	<u>Audio/ video</u>	<u>Adjustment and Elimination</u>	<u>Total</u>
<b>For the nine months ended September 30, 2025</b>				
Revenue:				
Revenue from external customers	\$ 79,175	13,784	-	92,959
Intersegment revenues	<u>2,374,860</u>	<u>162</u>	<u>(2,375,022)</u>	<u>-</u>
Total revenue	<u>\$ 2,454,035</u>	<u>13,946</u>	<u>(2,375,022)</u>	<u>92,959</u>
Reportable segment profit or loss	<u>\$ (80,508)</u>	<u>2,572</u>	<u>-</u>	<u>(77,936)</u>
<b>For the nine months ended September 30, 2024</b>				
Revenue:				
Revenue from external customers	\$ 1,327,392	15,062	-	1,342,454
Intersegment revenues	<u>593,241</u>	<u>173</u>	<u>(593,414)</u>	<u>-</u>
Total revenue	<u>\$ 1,920,633</u>	<u>15,235</u>	<u>(593,414)</u>	<u>1,342,454</u>
Reportable segment profit or loss	<u>\$ 212,219</u>	<u>5,396</u>	<u>-</u>	<u>217,615</u>
Reportable segment assets				
September 30, 2025	<u>\$ 17,555,589</u>	<u>43,760</u>	<u>(648)</u>	<u>17,598,701</u>
December 31, 2024	<u>\$ 16,456,240</u>	<u>51,390</u>	<u>(625)</u>	<u>16,507,005</u>
September 30, 2024	<u>\$ 16,062,621</u>	<u>44,228</u>	<u>(131)</u>	<u>16,106,718</u>