

**SAN FAR PROPERTY LIMITED  
AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Three Months Ended March 31, 2025 and 2024**

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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 March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 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 March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flow for the three months ended March 31, 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)

May 13, 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

March 31, 2025, December 31, 2024, March 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets	March 31, 2025		December 31, 2024		March 31, 2024			Liabilities and Equity	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities:</b>						
1100 Cash and cash equivalents (note 6(a))	\$ 1,747,085	10	2,151,518	13	1,175,368	9	2100	Short-term borrowings (notes 6(g) and 8)	\$ 3,909,480	23	4,239,480	26	4,452,730	30
1150 Notes receivable, net (note 6(p))	602	-	549	-	1,677	-	2110	Short-term notes and bills payable (notes 6(h) and 8)	-	-	402,000	2	140,000	1
1160 Notes receivable due from related party, net (notes 6(p) and 7)	-	-	-	-	39,893	-	2130	Current contract liabilities (notes 6(j), (p), 7 and 9)	823,644	5	763,438	5	659,891	5
1170 Accounts receivable, net (note 6(p))	1,097	-	2,087	-	4,318	-	2150	Notes payable	131	-	7	-	38,970	-
1300 Inventories, merchandising business, net (note 6(c))	1,079	-	501	-	2,325	-	2170	Accounts payable	373,231	2	374,000	2	329,498	2
1320 Inventories (for construction business), net (notes 6(c), 7 and 8)	12,551,554	75	11,775,850	71	12,109,518	80	2200	Other payables (note 9(b))	186,989	1	168,489	1	147,285	1
1410 Prepayment	146,474	1	131,266	1	125,101	1	2230	Current tax liabilities	2,612	-	1,619	-	5,085	-
1476 Other financial assets-current (note 8)	198,388	1	628,958	4	137,716	1	2280	Current lease liabilities	8,181	-	8,561	-	3,392	-
1479 Other current assets, others	18,868	-	30,024	-	21,538	-	2399	Other current liabilities, others	28,765	-	27,830	-	50,736	-
1480 Current assets recognised as incremental costs to obtain contract with customers (note 6(d))	240,021	2	218,419	2	198,356	1			5,333,033	31	5,985,424	36	5,827,587	39
	14,905,168	89	14,939,172	91	13,815,810	92		<b>Non-Current liabilities:</b>						
<b>Non-current assets:</b>							2530	Bonds payable (notes 6(i) and 8)	4,785,649	29	3,795,728	23	2,596,292	17
1510 Non-current financial assets at fair value through profit or loss	5,313	-	5,246	-	5,120	-	2570	Deferred income tax liabilities	295	-	295	-	4	-
1517 Non-current financial assets at fair value through other comprehensive income (notes 6(b), and (n))	269,150	2	302,630	2	308,440	2	2580	Non-current lease liabilities	9,402	-	11,141	-	5,602	-
1600 Property, plant and equipment (notes 6(e) and 8)	76,221	-	76,554	-	77,445	-	2600	Guarantee deposits	7,075	-	6,138	-	3,909	-
1755 Right-of-use assets	17,427	-	19,593	-	8,947	-			4,802,421	29	3,813,302	23	2,605,807	17
1760 Investment property (notes 6(f) and 8)	443,015	3	394,544	3	253,536	2		<b>Total liabilities</b>	10,135,454	60	9,798,726	59	8,433,394	56
1780 Intangible assets	15,552	-	15,450	-	15,109	-		<b>Equity attributable to owners of parent (note 6(n)):</b>						
1840 Deferred tax assets	61,769	-	61,769	-	150,309	1	3100	Common stock	3,265,542	19	3,265,542	20	3,265,542	21
1980 Other financial assets, non-current (note 8)	982,456	6	683,821	4	428,856	3	3200	Capital surplus	35,740	-	35,740	-	185,955	1
1920 Refundable deposits	8,226	-	8,226	-	6,391	-	3300	Retained earnings	3,169,611	20	3,195,567	20	2,938,832	20
	1,879,129	11	1,567,833	9	1,254,153	8	3400	Other equity	177,950	1	211,430	1	246,240	2
<b>Total assets</b>	<b>\$ 16,784,297</b>	<b>100</b>	<b>16,507,005</b>	<b>100</b>	<b>15,069,963</b>	<b>100</b>		<b>Total equity</b>	6,648,843	40	6,708,279	41	6,636,569	44
								<b>Total liabilities and equity</b>	<b>\$ 16,784,297</b>	<b>100</b>	<b>16,507,005</b>	<b>100</b>	<b>15,069,963</b>	<b>100</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 Comprehensive Income****For the three months ended March 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)**

		<b>For the three months ended March 31</b>			
		<b>2025</b>		<b>2024</b>	
		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
4000	<b>Operating revenue (notes 6(k), (p) and 7)</b>	\$ 30,196	100	301,274	100
5000	<b>Operating cost (notes 6(c) and (l))</b>	<u>13,532</u>	<u>45</u>	<u>213,832</u>	<u>71</u>
5900	<b>Gross profit from operations</b>	<u>16,664</u>	<u>55</u>	<u>87,442</u>	<u>29</u>
6000	<b>Operating expenses:</b>				
6100	Selling expenses (notes 6(d), and (l))	3,048	10	18,264	6
6200	Administrative expenses (notes 6(l), (q), and 7)	<u>34,677</u>	<u>115</u>	<u>24,674</u>	<u>8</u>
		<u>37,725</u>	<u>125</u>	<u>42,938</u>	<u>14</u>
6900	<b>Operating profit</b>	<u>(21,061)</u>	<u>(70)</u>	<u>44,504</u>	<u>15</u>
7000	<b>Non-operating income and expenses:</b>				
7100	Interest income	5,908	20	1,080	-
7010	Other income	4,973	16	836	-
7020	Other gains and losses	(1,575)	(5)	(468)	-
7050	Finance costs (note 6(r))	<u>(13,178)</u>	<u>(44)</u>	<u>(4,112)</u>	<u>(1)</u>
		<u>(3,872)</u>	<u>(13)</u>	<u>(2,664)</u>	<u>(1)</u>
7900	<b>Profit (loss) before tax</b>	(24,933)	(83)	41,840	14
7950	<b>Less: Income tax expense (note 6(m))</b>	<u>1,023</u>	<u>3</u>	<u>1,501</u>	<u>-</u>
8200	<b>Profit (loss)</b>	<u>(25,956)</u>	<u>(86)</u>	<u>40,339</u>	<u>14</u>
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))	(33,480)	(111)	117,360	39
8349	Less: income tax related to items that will not be reclassified to profit or loss	-	-	-	-
		<u>(33,480)</u>	<u>(111)</u>	<u>117,360</u>	<u>39</u>
8300	<b>Other comprehensive (loss) income</b>	<u>(33,480)</u>	<u>(111)</u>	<u>117,360</u>	<u>39</u>
8500	<b>Comprehensive income</b>	<u><u>\$ (59,436)</u></u>	<u><u>(197)</u></u>	<u><u>157,699</u></u>	<u><u>53</u></u>
	<b>Earnings (loss) per share (note 6(o))</b>				
9750	<b>Basic net income (loss) per share</b>	<u><u>\$ (0.08)</u></u>		<u><u>0.12</u></u>	
9850	<b>Diluted net income (loss) per share</b>	<u><u>\$ (0.08)</u></u>		<u><u>0.12</u></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 three months ended March 31, 2025 and 2024**

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

	Equity attributable to owners of parent						Total equity
	Retained earnings				Total	Other equity Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
	Ordinary shares	Capital surplus	Legal reserve	Unappropriated retained earnings			
<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 three months ended March 31, 2024	-	-	-	40,339	40,339	-	40,339
Other comprehensive income	-	-	-	-	-	117,360	117,360
Total comprehensive income	-	-	-	40,339	40,339	117,360	157,699
<b>Balance at March 31, 2024</b>	<b>\$ 3,265,542</b>	<b>185,955</b>	<b>616,845</b>	<b>2,321,987</b>	<b>2,938,832</b>	<b>246,240</b>	<b>6,636,569</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
Profit for the three months ended March 31, 2025	-	-	-	(25,956)	(25,956)	-	(25,956)
Other comprehensive income	-	-	-	-	-	(33,480)	(33,480)
Total comprehensive income	-	-	-	(25,956)	(25,956)	(33,480)	(59,436)
<b>Balance at March 31, 2025</b>	<b>\$ 3,265,542</b>	<b>35,740</b>	<b>625,731</b>	<b>2,543,880</b>	<b>3,169,611</b>	<b>177,950</b>	<b>6,648,843</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 three months ended March 31, 2025 and 2024**

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

	<b>For the three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit (loss) before tax</b>	\$ (24,933)	41,840
<b>Adjustments:</b>		
Adjustments to reconcile profit (loss):		
Depreciation expense	3,638	1,906
Amortization expense	334	393
Expected credit gains	(13)	(22)
Net gain on financial assets at fair value through profit or loss	(67)	(207)
Interest expense	13,178	4,112
Interest income	(5,908)	(1,080)
Gain on lease modification	-	(17)
Total adjustments to reconcile profit (loss)	11,162	5,085
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Decrease in contract assets	-	79,786
Increase in notes receivable (including related parties)	(53)	(22,158)
Decrease (increase) in accounts receivable (including related parties)	1,003	(1,773)
Increase in inventories	(779,880)	(89,755)
Increase in other prepayments	(15,208)	(6,445)
Decrease in other current assets	11,724	640
Decrease in other financial assets	86,581	210
Increase in assets recognised as incremental costs to obtain contract with customers	(21,602)	(38,745)
<b>Total changes in operating assets</b>	(717,435)	(78,240)
<b>Changes in operating liabilities:</b>		
Increase in contract liabilities	60,206	99,778
Increase (decrease) in notes payable (including related parties)	124	(26,056)
(Decrease) increase in accounts payable	(769)	7,769
Increase in other payables	7,416	43,083
Increase in other current liabilities	935	4,334
<b>Total changes in operating liabilities</b>	67,912	128,908
<b>Total changes in operating assets and liabilities</b>	(649,523)	50,668
<b>Total adjustments</b>	(638,361)	55,753
Cash (outflow) inflow generated from operations	(663,294)	97,593
Interest paid	(47,205)	(54,996)
Income taxes paid	(598)	(109)
<b>Net cash flows from (used in) operating activities</b>	(711,097)	42,488

(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 three months ended March 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the three months ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from (used in) investing activities:</b>		
Acquisition of property, plant and equipment	(85)	(2,171)
Increase in refundable deposits	-	(1,003)
Acquisition of intangible assets	(436)	(151)
Decrease in other financial assets	45,354	254,582
Interest received	<u>5,908</u>	<u>1,080</u>
<b>Net cash flows from investing activities</b>	<u>50,741</u>	<u>252,337</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term borrowings	268,000	127,000
Decrease in short-term borrowings	(598,000)	(20,000)
(Decrease) increase in short-term notes and bills payable	(402,000)	140,000
Proceeds from issuing bonds	989,105	-
Repayments of bonds	-	(1,200,000)
Payment of lease liabilities	(2,119)	(714)
Increase in other non-current liabilities	<u>937</u>	<u>369</u>
<b>Net cash flows from (used in) financing activities</b>	<u>255,923</u>	<u>(953,345)</u>
<b>Net decrease in cash and cash equivalents</b>	(404,433)	(658,520)
<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>\$ 1,747,085</b></u>	<u><b>1,175,368</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**

**March 31, 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 May 13, 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:

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

- (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>	January 1, 2027

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 17 “Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

#### 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
			March 31, 2025	December 31, 2024	March 31, 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.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES****Notes to the Consolidated Financial Statements****(3) Classification of current and non-current assets and liabilities**

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

- (i) It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- (ii) It holds the asset primarily for the purpose of trading;
- (iii) It expects to realize the asset within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

- (i) It expects to settle in its normal operating cycle;
- (ii) It holds the liability primarily for the purpose of trading;
- (iii) The liability is due to be settled within twelve months after the reporting period; or
- (iv) It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

**(4) 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 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.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### 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>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Petty cash	\$ 465	465	520
Demand and checking account deposits	1,237,334	1,802,688	1,169,848
Time deposits	359,365	18,837	5,000
Cash equivalents	<u>149,921</u>	<u>329,528</u>	<u>-</u>
	<u><b>\$ 1,747,085</b></u>	<u><b>2,151,518</b></u>	<u><b>1,175,368</b></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>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Equity investments at fair value through other comprehensive income:			
Listed common share of domestic company	\$ 269,150	302,630	307,440
Unlisted common share of domestic company	<u>-</u>	<u>-</u>	<u>1,000</u>
Total	<u><b>\$ 269,150</b></u>	<u><b>302,630</b></u>	<u><b>308,440</b></u>

(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.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

- (ii) The Group did not dispose any strategic investment for the three months ended March 31, 2025 and 2024, and the accumulated profits and losses during the period were not transferred in equity.
- (iii) For credit risk and market risk, please refer to note 6(s).
- (iv) The above financial assets have not been used as guarantees for long-term and short-term loans and financing collateral.
- (c) Inventory

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Inventories, merchandising business			
Merchandise inventory	\$ <u>1,079</u>	<u>501</u>	<u>2,325</u>
Construction			
Prepayment for land purchases	\$ 559,348	47,450	-
Land held for construction site	27,352	27,352	21,039
Construction in progress	10,243,075	9,923,148	9,860,498
Buildings and land held for sale	<u>1,721,779</u>	<u>1,777,900</u>	<u>2,227,981</u>
	<u>\$ 12,551,554</u>	<u>11,775,850</u>	<u>12,109,518</u>
Inventory that is expected to be recovered more than 12 months later	<u>\$ 6,744,188</u>	<u>6,018,528</u>	<u>9,247,442</u>

- (ii) The details of the cost of goods sold related to inventories recognized by the Group for the three months ended March 31, 2025 and 2024 were as follows:

	<u>For the three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Merchandising:		
Inventory that has been sold	\$ 344	779
Write-off on reversal of inventory	<u>87</u>	<u>81</u>
	<u>\$ 431</u>	<u>860</u>
Construction:		
Inventory that has been sold	<u>\$ 11,882</u>	<u>212,339</u>

- (iii) As of March 31, 2025, December 31, and March 31, 2024, please refer to note 8 for details of pledged inventory of the Group.
- (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 \$687 thousand, and \$15,451 thousand were recognized for the three months ended March 31, 2025 and 2024, respectively, under selling expense.

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

(e) Property, plant and equipment

	<u>Land</u>	<u>Buildings and construction</u>	<u>Leasehold improvements</u>	<u>Other equipment (including transportation and office equipment)</u>	<u>Total</u>
Carrying amounts:					
Balance on January 1, 2025	\$ <u>57,169</u>	<u>16,325</u>	-	<u>3,060</u>	<u>76,554</u>
Balance on March 31, 2025	\$ <u>57,169</u>	<u>16,151</u>	-	<u>2,901</u>	<u>76,221</u>
Balance on January 1, 2024	\$ <u>57,169</u>	<u>17,022</u>	<u>49</u>	<u>1,580</u>	<u>75,820</u>
Balance on March 31, 2024	\$ <u>57,169</u>	<u>16,847</u>	-	<u>3,429</u>	<u>77,445</u>

There were no significant additions, disposals, impairments, or reversals of property, plant and equipment for the three months ended March 31, 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 March 31, 2025, December 31, and March 31, 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 5 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.

	<u>Land</u>	<u>Buildings and construction</u>	<u>Total</u>
Cost:			
Balance on January 1, 2025	\$ 200,256	202,362	402,618
Transfer from inventory	<u>11,749</u>	<u>37,776</u>	<u>49,525</u>
Balance on March 31, 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	<u>7,394</u>	<u>17,038</u>	<u>24,432</u>
Balance on March 31, 2024	<u>\$ 113,755</u>	<u>145,374</u>	<u>259,129</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, 2024	\$ -	8,074	8,074
Depreciation	<u>-</u>	<u>1,054</u>	<u>1,054</u>
Balance on March 31, 2024	<u>\$ -</u>	<u>9,128</u>	<u>9,128</u>
Balance on January 1, 2023	\$ -	4,960	4,960
Depreciation	<u>-</u>	<u>633</u>	<u>633</u>
Balance on March 31, 2023	<u>\$ -</u>	<u>5,593</u>	<u>5,593</u>
Carrying amounts:			
Balance on January 1, 2024	<u>\$ 200,256</u>	<u>194,288</u>	<u>394,544</u>
Balance on March 31, 2024	<u>\$ 212,005</u>	<u>231,010</u>	<u>443,015</u>
Balance on January 1, 2023	<u>\$ 106,361</u>	<u>123,376</u>	<u>229,737</u>
Balance on March 31, 2023	<u>\$ 113,755</u>	<u>139,781</u>	<u>253,536</u>

Investment property includes the Company's own assets leased out by operating leases to third parties. Please refer to note 6(k) 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 March 31, 2025, December 31, and March 31, 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>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unsecured bank loans	\$ 35,000	263,000	195,000
Secured bank loans	<u>3,874,480</u>	<u>3,976,480</u>	<u>4,257,730</u>
Total	<u>\$ 3,909,480</u>	<u>4,239,480</u>	<u>4,452,730</u>
Unused credit time	<u>\$ 3,401,920</u>	<u>3,676,930</u>	<u>3,739,470</u>
Range of interest rates	<u>2.64%~2.78%</u>	<u>1.98%~2.91%</u>	<u>2.095%~2.79%</u>

(iv) The issue of bank loan and repayment

For the three months ended March 31, 2025 and 2024, the incremental amounts are \$268,000 thousand and \$127,000 thousand, respectively; the repayment amounts are \$598,000 thousand and \$20,000 thousand, respectively.

(v) 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%	<b>\$ 402,000</b>
<b>March 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	2.738%	<b>\$ 140,000</b>

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

For the three months ended March 31, 2025 and 2024, the incremental amounts are \$0 thousand and \$140,000 thousand, respectively; the repayment amounts are \$402,000 thousand and \$0 thousand, respectively.

(vii) 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 unsecured convertible bonds were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Secured convertible bonds, non-current	\$ 4,785,649	3,795,728	2,596,292
Less: Bonds due or executed with one year or one business cycle	-	-	-
	<b>\$ 4,785,649</b>	<b>3,795,728</b>	<b>2,596,292</b>

(viii) Please refer to note 6<sup>®</sup> for information of the Group's recognition on ordinary bonds and amortized interest expenses for the three months ended March 31, 2025 and 2024.

(ii) The Group issued the first secured ordinary of 2025 in the amount of \$1,000,000 thousand for the three months ended March 31, 2025; the repayment amounts of first secured ordinary corporate bond in 2019 are \$1,200,000 thousand for the three months ended March 31, 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 Cooperative Bank

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

<b>Item</b>	<b>First secured ordinary corporate bond in 2021</b>
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
<b>Item</b>	<b>Second secured ordinary corporate bond in 2021</b>
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.
<b>Item</b>	<b>First secured ordinary corporate bond in 2022</b>
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
<b>Item</b>	<b>First secured ordinary corporate bond in 2024</b>
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	Agricultural Bank of Taiwan
<b>Item</b>	<b>First secured ordinary corporate bond in 2025</b>
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, CO., LTD.

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Contract liability – Real Estate Sales	\$ <u>823,644</u>	<u>763,438</u>	<u>659,891</u>
Amount expected to be realized after twelve months	\$ <u>143,683</u>	<u>93,762</u>	<u>372,237</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:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Less than one year	\$ 23,453	19,801	10,944
One to two years	24,059	19,808	10,795
Two to three years	23,447	19,464	9,483
Three to four years	23,473	19,199	8,433
Four to five years	22,149	18,245	8,006
More than five years	<u>94,880</u>	<u>76,635</u>	<u>27,088</u>
	<u>\$ 211,461</u>	<u>173,152</u>	<u>74,749</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:

	<u>For the three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Operating costs	\$ 527	1,009
Selling expenses	33	51
Administrative expenses	<u>434</u>	<u>254</u>
Total	<u>\$ 994</u>	<u>1,314</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 March 31,</b>	
	<b>2025</b>	<b>2024</b>
Current tax expense		
Current period	\$ 1,005	2,277
Land value increment tax	<u>18</u>	<u>7</u>
Subtotal	<u>1,023</u>	<u>2,284</u>
Deferred tax expense		
Change in reversal and unrecognized deductible temporary differences	<u>-</u>	<u>(783)</u>
Income tax expense	<b><u>\$ 1,023</u></b>	<b><u>1,501</u></b>

(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 three months ended March 31, 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:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Capital surplus –			
premium from issuance of stock	\$ 18,521	18,521	168,736
Employee share options	16,860	16,860	16,860
Other	<u>359</u>	<u>359</u>	<u>359</u>
	<b><u>\$ 35,740</u></b>	<b><u>35,740</u></b>	<b><u>185,955</u></b>

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 10% of the total common stock outstanding.

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

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

**(ii) Retain earning**

According to the Company's articles of association, 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 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.

**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 2023 had been approved in the shareholders' meeting held on May 29, 2024.

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

The relevant dividend distributions to shareholders were as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Dividend per share (\$)</u>	<u>Total amount</u>	<u>Dividend per share (\$)</u>	<u>Total amount</u>
Dividends distributed to common shareholders:				
Cash	\$ 1.03	<u>337,785</u>	0.24	<u>78,373</u>
(iii) Other equity, net of tax				

	<u>Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income</u>	
Balance on January 1, 2025	\$	211,430
Unrealized losses on financial assets measured at fair value through other comprehensive income		<u>(33,480)</u>
Balance on March 31, 2025	<u>\$</u>	<u>177,950</u>
Balance on January 1, 2024	\$	128,880
Unrealized gains on financial assets measured at fair value through other comprehensive income		<u>117,360</u>
Balance on March 31, 2024	<u>\$</u>	<u>246,240</u>
(o) Earnings (loss) per share		

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

	<u>For the three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
<b>Basic earnings (loss) per share</b>		
Profit (loss) attributable to ordinary shareholders of the Company	<u>\$ (25,956)</u>	<u>40,339</u>
Weighted average number of ordinary shares outstanding (shares in thousands)	<u>326,554</u>	<u>326,554</u>
Basic earnings (loss) per share (NT dollars)	<u>\$ (0.08)</u>	<u>0.12</u>
<b>Diluted earnings (loss) per share</b>		
Profit (loss) attributable to ordinary shareholders of the Company (after adjustment of potential dilutes ordinary shares)	<u>\$ (25,956)</u>	<u>40,339</u>
Weighted average number of ordinary shares (thousand shares)	326,554	326,554
Effect of employee share bonus	-	86
Weighted average number of ordinary shares outstanding (after adjustment of potential dilutes ordinary shares)	<u>326,554</u>	<u>326,640</u>
Diluted earnings per share (NT dollars)	<u>\$ (0.08)</u>	<u>0.12</u>

**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 March 31, 2025</b>		
	<b>Construction Department</b>	<b>Audio/video</b>	<b>Total</b>
Primary geographical markets:			
Taiwan	<b>\$ 25,602</b>	<b>4,594</b>	<b>30,196</b>
Major products/services lines:			
Sales of real estates	\$ 20,776	-	20,776
Rental income	4,826	3,713	8,539
Sale of goods	-	186	186
Other	-	695	695
	<b>\$ 25,602</b>	<b>4,594</b>	<b>30,196</b>
	<b>For the three months ended March 31, 2024</b>		
	<b>Construction Department</b>	<b>Audio/video</b>	<b>Total</b>
Primary geographical markets:			
Taiwan	<b>\$ 296,061</b>	<b>5,213</b>	<b>301,274</b>
Major products/services lines:			
Sales of real estates	\$ 293,653	-	293,653
Rental income	2,408	3,702	6,110
Sale of goods	-	927	927
Other	-	584	584
	<b>\$ 296,061</b>	<b>5,213</b>	<b>301,274</b>

(ii) Contract balances

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Notes receivable (including related parties)	\$ 602	549	41,570
Accounts receivable (including related parties)	1,171	2,174	4,469
Less: allowance for impairment	(74)	(87)	(151)
Total	<b>\$ 1,699</b>	<b>2,636</b>	<b>45,888</b>
Contract liabilities-Sales of real estates	<b>\$ 823,644</b>	<b>763,438</b>	<b>659,891</b>

- 1) The amount of revenue recognized for the three months ended March 31, 2025 and 2024 that were included in the contract liabilities balance at the beginning of the period were \$0 thousand and \$58,973 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.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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

According to the 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 by the Board of Directors.

The remunerations to employees amounted to \$0 thousand and \$410 thousand, as well as the remunerations to directors amounted to \$0 thousand and \$410 thousand for the three months ended March 31, 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) Finance costs

The details of finance expenses were as follows:

	<b>For the three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Interest expense:		
Bank loans	\$ 26,774	28,664
Interest on corporate bonds (including discount and amortization expense)	32,121	15,113
Interest expense, others	210	77
Less: Capitalized interest	(45,927)	(39,742)
Finance costs, net	<b>\$ 13,178</b>	<b>4,112</b>
Average capitalized interest rate	<b>0.67%~2.78%</b>	<b>0.67%~2.79%</b>

(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

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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>1 year</u>	<u>1-5 years</u>	<u>Over 5 years</u>
<b>March 31, 2025</b>					
Non derivative financial liabilities					
Floating-interest-rate instruments	\$ 3,909,480	4,206,654	531,699	1,924,002	1,750,953
Fixed-interest-rate instruments	4,785,649	4,988,215	72,880	4,915,335	-
Non-interest-bearing liabilities	567,426	567,426	561,702	646	5,078
Lease liabilities (including current and non-current)	17,583	18,165	8,553	9,612	-
	<u>\$ 9,280,138</u>	<u>9,780,460</u>	<u>1,174,834</u>	<u>6,849,595</u>	<u>1,756,031</u>
<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)	19,702	20,412	8,991	11,421	-
	<u>\$ 9,005,544</u>	<u>9,482,501</u>	<u>2,139,710</u>	<u>5,847,417</u>	<u>1,495,374</u>
<b>March 31, 2024</b>					
Non derivative financial liabilities					
Floating-interest-rate instruments	\$ 4,452,730	4,898,360	578,669	3,746,894	572,797
Fixed-interest-rate instruments	2,736,292	2,831,945	171,086	2,660,859	-
Non-interest-bearing liabilities	519,662	519,662	517,198	753	1,711
Lease liabilities (including current and non-current)	8,994	9,346	3,575	5,771	-
	<u>\$ 7,717,678</u>	<u>8,259,313</u>	<u>1,270,528</u>	<u>6,414,277</u>	<u>574,508</u>

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

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

#### (iii) Market risk

1) Currency risk: None

2) Interest rate analysis

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 \$7,819 thousand and \$8,905 thousand for the three months ended March 31, 2025 and 2024, respectively, with all other variable factors remaining constant. The Group's net profit from interest capitalization would have decreased (increased) by \$1,743 thousand and \$835 thousand for the three months ended March 31, 2025 and 2024, respectively. This is mainly due to the Group's borrowing at variable interest rates.

3) Other market price risk

For the three months ended March 31, 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:

<u>Price of securities at reporting date</u>	<u>For the three months ended March 31, 2025</u>		<u>For the three months ended March 31, 2024</u>	
	<u>Other comprehensive income after tax</u>	<u>Net income</u>	<u>Other comprehensive income after tax</u>	<u>Net income</u>
Increasing 5%	<u>\$ 13,458</u>	<u>266</u>	<u>15,422</u>	<u>256</u>
Decreasing 5%	<u>\$ (13,458)</u>	<u>(266)</u>	<u>(15,422)</u>	<u>(256)</u>

#### (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:



**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

	<b>December 31, 2024</b>				
	<b>Book Value</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
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>
	<b>March 31, 2024</b>				
	<b>Book Value</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets at fair value through other comprehensive income					
Stocks listed on domestic markets	\$ 307,440	307,440	-	-	307,440
Equity instruments without public quotations measured at fair value	1,000	-	-	1,000	1,000
Subtotal	308,440	307,440	-	1,000	308,440
Financial assets at fair value through profit or loss					
Privately offered fund	\$ 5,120	-	-	5,120	5,120
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 1,175,368	-	-	-	-
Notes and accounts receivable (including related parties)	45,888	-	-	-	-
Other financial assets, current	137,716	-	-	-	-
Other financial assets, non-current	428,856	-	-	-	-
Refundable deposits	6,391	-	-	-	-
Subtotal	1,794,219	-	-	-	-
<b>Total</b>	<b>\$ 2,107,779</b>	<b>307,440</b>	<b>-</b>	<b>6,120</b>	<b>313,560</b>
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 4,452,730	-	-	-	-
Short-term notes and bills payables	140,000	-	-	-	-
Corporate bonds payable (including current portion)	2,596,292	-	2,568,185	-	2,568,185
Notes and accounts payable (including related parties)	368,468	-	-	-	-
Other payables (including related parties)	147,285	-	-	-	-
Guarantee deposits	3,909	-	-	-	-
Lease liabilities (including non-current)	8,994	-	-	-	-
<b>Total</b>	<b>\$ 7,717,678</b>	<b>-</b>	<b>2,568,185</b>	<b>-</b>	<b>2,568,185</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 three months ended March 31, 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) Related-party transactions

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
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
Note: The company was previously other related party of the Group and, after acquiring shares of	

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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) Revenue-sales 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 March 31, 2025, the Group had received the full contract consideration of \$1,100 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) Revenue-servicing rights

<u>Related Party Categories</u>	<u>For the three months ended March 31,</u>	
	2025	2024
Other related parties	\$ 37	-

(iii) Purchases

	<u>Purchasing (the amount of the</u>		<u>Accumulated amount</u>	
	<u>current period)</u>		<u>For the three months ended March 31,</u>	
	2025	2024	2025	2024
Other related party- Min Far	\$ 19,048	-	19,048	-
Other related party-XianLing Yang	558,960	-	558,960	-
	<b>\$ 578,008</b>	<b>-</b>	<b>578,008</b>	<b>-</b>

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. As of March 31, 2025, an amount of \$558,960 thousand had been paid, with the remaining \$372,640 thousand unpaid. 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) Accounts receivable from related parties

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

<b>Accounted items</b>	<b>Catagories</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Notes receivable	Other Related party - Allmind Holding	\$ -	-	<b>39,893</b>

(v) Prepayments of related parties

<b>Account items</b>	<b>Related party category</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Prepayments	Other Related party - Allmind Holding	\$ -	-	225
	Other Related party - He Yi Architecture	81	-	-
		<b>\$ 81</b>	<b>-</b>	<b>225</b>

(vi) Lease

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

	<b>For the three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Other Related party - Allmind Holding	\$ -	75
Other Related party - He Yi Architecture	81	-
	<b>\$ 81</b>	<b>75</b>

(vii) Guarantee

As of March 31, 2025 and 2024, the Group signed joint and several guarantees for pre-sale housing with other related parties—Sanfu Property Limited., other related parties—Mingding Construction Co., Ltd., 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), Yongkang District, Tainan City, Yongxing Section (Dream Style) , Yongkang District, Tainan City, and Chengde Section (Melody Forest) , Renwu District, Kaohsiung City. The amounts of handling fee were both \$0 thousand for the three months ended March 31, 2025 and 2024.

(3) Transactions with key management personnel

The compensation of key management is as follows:

	<b>For the three months ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 8,253	5,887
Post-employment benefits	123	132
	<b>\$ 8,376</b>	<b>6,019</b>

The aforementioned short-term employee benefits include non-monetary benefits arising from the provision of leased housing to key management personnel for use as employee dormitories. Such non-monetary benefits were recognized as administrative expenses in the amounts of \$684 thousand and \$0 for the three months ended March 31, 2025 and 2024, respectively.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**  
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**8. Pledged assets:**

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

<u>Pledged assets</u>	<u>Object</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Inventories	Mortgage, bonds payable and short-term notes and bill payable	\$ 8,456,572	8,230,974	10,095,459
Other financial assets-current and non-current	Mortgage, bonds payable, short-term notes and bill payable and joint construction performance guarantee	983,056	1,229,321	429,456
Property, plant and equipment	Short-term notes and bill payable	73,319	73,494	74,016
Investment property	Mortgage and bonds payable	374,253	325,589	199,044
		<u>\$ 9,887,200</u>	<u>9,859,378</u>	<u>10,797,975</u>

**9. Commitments and contingencies:**

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Signed contract price</u>			
Sale of real estates	<u>\$ 5,428,314</u>	<u>5,017,262</u>	<u>3,569,636</u>
Purchase of construction land	<u>\$ 931,600</u>	<u>948,998</u>	<u>-</u>
<u>Price charged or paid</u>			
Sale of real estates	<u>\$ 823,644</u>	<u>763,348</u>	<u>659,891</u>
Purchase of construction land	<u>\$ 558,960</u>	<u>47,450</u>	<u>-</u>

(2) The legal litigation cases related to the Group demanded an approximate amount totaling \$6,000 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 three ended March 31, 2025 and 2024.

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

**11. Subsequent Events: None**

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

**12. Others**

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

By item	By function	For the three months ended March 31,					
		2025			2024		
		Operating costs	Operating expense	Total	Operating costs	Operating expense	Total
Employee benefits							
Salary		11,518	12,081	23,599	25,985	8,519	34,504
Labor and health insurance		1,127	1,153	2,280	1,974	619	2,593
Pension		527	467	994	1,009	305	1,314
Others		405	1,611	2,016	566	559	1,125
Depreciation		1,054	2,584	3,638	633	1,273	1,906
Amortization		120	214	334	132	261	393

(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 group assessed that the above matter will not have an impact on its financial statements.

	<u>2020.12.31</u>	<u>2019.12.31</u>	<u>2018.12.31</u>	<u>2017.12.31</u>	<u>2016.12.31</u>	<u>2015.12.31</u>	<u>2014.12.31</u>
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	-	-
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
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

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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 three months ended March 31, 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										
1	Jin Fu Xiang Co., Ltd	The Company	3, 7	1,193,526	1,200,000	1,200,000	414,600	-	18.05%	3,069,067	N	Y	N

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: Jin Fu Xiang 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 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.

Note 3: The transactions were written off in the consolidated financial statements.

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

## Notes to the Consolidated Financial Statements

(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	Stock - Pleasant Hotels International Inc.	Other related parties	Financial assets at fair value through other comprehensive income, non-current	3,600	239,400	4.11%	239,400	
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	-	5,313	-%	5,313	

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

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 Co., Ltd	Subsidiary Company	Contracting project	180,568	20.11%	Pay by contract terms	-		(344,250)	(99.00)%	Note 1
Jin Fu Xiang Co., Ltd	The Company	Parent Company	Contracting project	(147,675)	(100.00)%	Receive by contract terms	-		344,250	90.55%	Note 1
The Company	O Ling, Yang	Other related parties	Purchase land	558,960	62.24%	Payments are made in line with the progress of title transfer procedures.	-		-	- %	
Jingo Asset Development Co., Ltd.	The Company	Parent Company	Purchase land	761,200	99.95%	Payments are made in line with the progress of title transfer procedures.	-		-	- %	Note 1 - 2

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

Note 2: As the land title transfer procedures have not yet been completed, the payment has been recorded as prepayment for land purchases.

(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 Co., Ltd	The Company	Parent Company	344,250 (Note)	1.86 times	-		66,013	-

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
1	Jin Fu Xiang Construction Co., Ltd	The Company	2	Sale revenue	147,675	As agreed in the agreement	489.05%
			2	Receivables	344,250	"	2.05%
2	Jingo Asset Development Co., Ltd.	The Company	2	Prepayment for land purchases	761,200	"	4.54%

## SAN FAR PROPERTY LIMITED AND SUBSIDIARIES

### Notes to the Consolidated Financial Statements

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 three months ended March 31, 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	Jing Fu Xiang Construction Co., Ltd.	Taiwan	Construction industry	295,875	295,875	30,000	100.00%	252,380	4,044	(1,118)	
"	Jingo International Records Co., Ltd.	Taiwan	Record industry	22,529	22,529	2,000	100.00%	29,655	951	951	
"	Jingo Asset Development Co., Ltd.	Taiwan	Construction industry	1,200,000	-	120,000	100.00%	1,200,166	166	166	

Note: The transactions were written off in 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 four 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.

**SAN FAR PROPERTY LIMITED AND SUBSIDIARIES**

**Notes to the Consolidated Financial Statements**

(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><u>For the three months ended March 31,2025</u></b>				
Revenue:				
Revenue from external customers	\$ 25,602	4,594	-	30,196
Intersegment revenues	<u>147,690</u>	<u>54</u>	<u>(147,744)</u>	<u>-</u>
Total revenue	<u>\$ 173,292</u>	<u>4,648</u>	<u>(147,744)</u>	<u>30,196</u>
Reportable segment profit or loss	<u>\$ (25,884)</u>	<u>951</u>	<u>-</u>	<u>(24,933)</u>
<b><u>For the three months ended March 31,2024</u></b>				
Revenue:				
Revenue from external customers	\$ 296,061	5,213	-	301,274
Intersegment revenues	<u>256,653</u>	<u>31</u>	<u>(256,684)</u>	<u>-</u>
Total revenue	<u>\$ 552,714</u>	<u>5,244</u>	<u>(256,684)</u>	<u>301,274</u>
Reportable segment profit or loss	<u>\$ 39,963</u>	<u>1,877</u>	<u>-</u>	<u>41,840</u>
Reportable segment assets				
March 31, 2025	<u>\$ 16,732,655</u>	<u>52,333</u>	<u>(691)</u>	<u>16,784,297</u>
December 31, 2024	<u>\$ 16,456,240</u>	<u>51,390</u>	<u>(625)</u>	<u>16,507,005</u>
March 31, 2024	<u>\$ 15,026,782</u>	<u>43,332</u>	<u>(151)</u>	<u>15,069,963</u>