

# FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

Mar. 31, 2022, Dec. 31, 2021 and Mar. 31, 2021

(In thousands of New Taiwan Dollars, Except Par Value)

Code	Assets	2022/3/31 (Reviewed)		2021/12/31 (Audited)		2021/3/31 (Reviewed)	
		Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>							
1100	Cash and cash equivalents	\$ 13,496,718	11	\$ 19,532,090	15	\$ 9,750,650	8
1110	Financial assets at fair value through profit or loss - current	435,291	-	434,650	-	466,666	-
1120	Current financial assets at fair value through other comprehensive income	310,551	-	262,709	-	271,720	-
1136	Current financial assets at amortized cost	552,866	1	1,184,222	1	1,671,648	1
1150	Notes receivable	2,226	-	671	-	2,201	-
1170	Trade receivable	641,097	1	1,178,651	1	483,263	1
1180	Trade receivable due from related parties	77,526	-	169,643	-	98,330	-
1200	Other receivables	852,773	1	904,572	1	606,233	1
1220	Current tax assets	1,143	-	991	-	1,236	-
130X	Inventories	2,646,603	2	2,441,255	2	2,705,987	2
1429	Prepayments	414,610	-	265,776	-	340,063	-
1470	Other current assets	68,308	-	60,485	-	98,910	-
11XX	Total current assets	<u>19,499,712</u>	<u>16</u>	<u>26,435,715</u>	<u>20</u>	<u>16,496,907</u>	<u>13</u>
<b>NON-CURRENT ASSETS</b>							
1517	Non-current financial assets at fair value through other comprehensive income	5,156,696	4	4,815,595	4	5,027,700	4
1535	Non-current financial assets at amortized cost	126,133	-	123,000	-	24,000	-
1550	Investments accounted for using the equity method	10,203,777	8	10,151,421	8	10,247,861	8
1600	Property, plant and equipment	34,179,582	27	33,782,868	26	33,849,623	28
1755	Right-of-use assets	41,992,097	34	39,551,296	30	42,240,315	34
1760	Investment properties	8,973,458	7	8,978,133	7	9,001,213	7
1780	Intangible assets	2,427,920	2	2,428,534	2	2,607,784	2
1840	Deferred tax assets	604,139	1	597,004	1	559,348	1
1975	Net defined benefit assets	206,716	-	196,769	-	211,323	-
1985	Long-term prepayments for lease	-	-	1,844,391	1	1,620,384	1
1990	Other non-current assets	1,830,736	1	1,822,585	1	1,875,174	2
15XX	Total non-current assets	<u>105,701,254</u>	<u>84</u>	<u>104,291,596</u>	<u>80</u>	<u>107,264,725</u>	<u>87</u>
1XXX	TOTAL	<u>\$ 125,200,966</u>	<u>100</u>	<u>\$ 130,727,311</u>	<u>100</u>	<u>\$ 123,761,632</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>							
<b>CURRENT LIABILITIES</b>							
2100	Short-term debts	\$ 10,556,357	8	\$ 9,868,799	8	\$ 10,064,139	8
2110	Short-term notes and bills payable	1,907,480	2	3,190,706	3	2,531,323	2
2130	Contract liabilities-Current	9,651,994	8	9,659,984	7	8,355,500	7
2150	Notes payable	3,894	-	5,830	-	6,404	-
2170	Trade payables	11,720,176	9	16,806,804	13	11,493,671	9
2180	Notes and accounts payable to related parties	52,909	-	96,397	-	33,735	-
2219	Other payables	3,935,246	3	3,768,878	3	3,226,678	3
2230	Current tax liabilities	701,942	1	470,027	-	713,826	1
2250	Provisions-current	3,000	-	3,000	-	3,000	-
2280	Lease liabilities - current	3,178,832	3	3,189,336	3	3,420,550	3
2310	Advance receipts	584,101	-	517,771	-	500,623	-
2322	Long-term borrowings – current portion	1,960,000	2	-	-	299,959	-
2399	Other current liabilities	398,923	-	395,085	-	381,317	-
21XX	Total current liabilities	<u>44,654,854</u>	<u>36</u>	<u>47,972,617</u>	<u>37</u>	<u>41,030,725</u>	<u>33</u>
<b>NON-CURRENT LIABILITIES</b>							
2540	Long-term borrowings	13,919,730	11	17,589,721	13	14,359,332	12
2550	Provision-non-current	25,329	-	25,272	-	25,103	-
2570	Deferred tax liabilities	2,325,962	2	2,295,710	2	2,355,888	2
2580	Lease liabilities - non-current	22,064,996	18	21,763,708	17	23,799,654	19
2640	Net defined benefit liability	695,084	-	718,441	1	712,446	1
2670	Other non-current liabilities	530,327	-	526,684	-	318,438	-
25XX	Total noncurrent liabilities	<u>39,561,428</u>	<u>31</u>	<u>42,919,536</u>	<u>33</u>	<u>41,570,861</u>	<u>34</u>
2XXX	Total liabilities	<u>84,216,282</u>	<u>67</u>	<u>90,892,153</u>	<u>70</u>	<u>82,601,586</u>	<u>67</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>							
Share Capital							
3110	Ordinary share	14,169,406	11	14,169,406	11	14,169,406	11
3200	Capital surplus	3,341,024	3	3,340,982	3	3,338,878	3
Retained earnings							
3310	Legal reserve	3,611,319	3	3,611,319	3	3,424,615	3
3320	Special reserve	2,619,569	2	2,619,569	2	2,709,263	2
3350	Unappropriated earnings	2,752,677	2	2,216,433	1	3,398,746	3
3300	Total retained earnings	8,983,565	7	8,447,321	6	9,532,624	8
3400	Other equity	5,564,645	5	5,188,031	4	5,321,927	4
3500	Treasury shares	( 97,110 )	-	( 97,110 )	-	( 97,110 )	-
31XX	Total equity attributable to owners of the Company	<u>31,961,530</u>	<u>26</u>	<u>31,048,630</u>	<u>24</u>	<u>32,265,725</u>	<u>26</u>
36XX	NON-CONTROLLING INTERESTS	<u>9,023,154</u>	<u>7</u>	<u>8,786,528</u>	<u>6</u>	<u>8,894,321</u>	<u>7</u>
3XXX	Total equity	<u>40,984,684</u>	<u>33</u>	<u>39,835,158</u>	<u>30</u>	<u>41,160,046</u>	<u>33</u>
TOTAL		<u>\$ 125,200,966</u>	<u>100</u>	<u>\$ 130,727,311</u>	<u>100</u>	<u>\$ 123,761,632</u>	<u>100</u>

(Concluded)

# FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Year ended Mar. 31, 2022 and 2021

(In thousands of New Taiwan Dollars, Except Par Value)

Code		2022		2021	
		Year ended Mar. 31		Year ended Mar. 31	
		Amount	%	Amount	%
4000	REVENUE	\$ 9,062,173	100	\$ 9,342,221	100
5000	COSTS	<u>4,260,709</u>	<u>47</u>	<u>4,589,564</u>	<u>49</u>
5900	GROSS PROFIT	<u>4,801,464</u>	<u>53</u>	<u>4,752,657</u>	<u>51</u>
	OPERATING EXPENSES				
6100	Selling	212,433	2	211,781	2
6200	General and administrative	3,348,367	37	3,264,304	35
6450	Expected credit loss (Gain)	<u>11</u>	<u>-</u>	<u>2,015</u>	<u>-</u>
6000	Total operating expenses	<u>3,560,811</u>	<u>39</u>	<u>3,478,100</u>	<u>37</u>
6900	OPERATING INCOME	<u>1,240,653</u>	<u>14</u>	<u>1,274,557</u>	<u>14</u>
	NON-OPERATING INCOME AND EXPENSES				
7100	Interest income	16,781	-	15,535	-
7020	Other gains and losses	32,007	-	65,208	1
7050	Finance costs	( 208,127)	( 2)	( 198,728)	( 2)
7060	Share of profit (loss) of associates accounted for using equity method	( <u>47,309</u> )	<u>-</u>	<u>89,796</u>	<u>1</u>
7000	Total Non-operating income and expenses	( <u>206,648</u> )	( <u>2</u> )	( <u>28,189</u> )	<u>-</u>
7900	Profit BEFORE INCOME TAX	1,034,005	12	1,246,368	14
7950	INCOME TAX EXPENSE	<u>246,871</u>	<u>3</u>	<u>250,647</u>	<u>3</u>
8200	NET Profit	<u>787,134</u>	<u>9</u>	<u>995,721</u>	<u>11</u>

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Code		2022		2021	
		Year ended Mar. 31		Year ended Mar. 31	
		Amount	%	Amount	%
	OTHER COMPREHENSIVE INCOME (LOSS)				
	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	\$ 376,375	4	\$ 366,188	4
8320	Share of other comprehensive income of associates accounted for using the equity method	( 3,614 )	-	8,403	-
8310		<u>372,761</u>	<u>4</u>	<u>374,591</u>	<u>4</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	( 49,790 )	-	7,685	-
8370	Share of other comprehensive (loss) income of associates accounted for using the equity method	39,368	-	( 6,347 )	-
8360		( 10,422 )	-	1,338	-
8300	Other comprehensive income , net of income tax	362,339	4	375,929	4
8500	COMPREHENSIVE INCOME	<u>\$ 1,149,473</u>	<u>13</u>	<u>\$ 1,371,650</u>	<u>15</u>
8600	NET PROFIT ATTRIBUTED TO :				
8610	Owners of the Company	\$ 536,127	6	\$ 703,212	8
8620	Non-controlling interests	251,007	3	292,509	3
		<u>\$ 787,134</u>	<u>9</u>	<u>\$ 995,721</u>	<u>11</u>
8700	CONPREHENSIVE INCOME ATTRIBUTABLE TO :				
8710	Owners of the Company	\$ 912,858	10	\$ 1,071,718	12
8720	Non-controlling interests	236,615	3	299,932	3
		<u>\$ 1,149,473</u>	<u>13</u>	<u>\$ 1,371,650</u>	<u>15</u>
	EARNINGS PER SHARE				
9750	Basic	<u>\$ 0.38</u>		<u>\$ 0.50</u>	
9850	Diluted	<u>\$ 0.38</u>		<u>\$ 0.50</u>	

(Concluded)

# FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended Mar. 31, 2022 and 2021

(In thousands of New Taiwan Dollars)

Code		2022 Year ended Mar. 31	2021 Year ended Mar. 31
	CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
A00010	Profit before income tax	\$ 1,034,005	\$ 1,246,368
A20010	Adjustments to reconcile profit(loss)		
A20100	Depreciation expense	1,364,053	1,318,236
A20200	Amortization expense	19,222	22,283
A20300	Expected credit loss (gain) recognized on receivables	11	2,015
A20400	Net loss (gain) on financial assets and liabilities at fair value through profit or loss	3,408	( 5,653 )
A20900	Finance costs	208,127	198,728
A22800	Losses on disposals of intangible assets	-	28
A24600	Loss (gain) on fair value adjustment of investment property	5,277	20,394
A29900	Amortization of prepayments	13,351	18,341
A21200	Interest income	( 16,781 )	( 15,535 )
A22300	Share of loss (profit) of associates accounted for using equity method	47,309	( 89,796 )
A22500	Loss (gain) on disposal of property, plant and equipment	1,209	318
A23800	Unrealized loss (gain) on physical and slow-moving inventories	( 2,574 )	( 3,561 )
A29900	Lease liabilities concessions	( 10,652 )	( 8,646 )
A30000	Net changes in operating assets and liabilities		
A31115	Decrease (increase) in financial assets at fair value through profit or loss, measured at fair value	( 4,049 )	( 10,967 )
A31130	Notes receivable	( 1,555 )	( 337 )
A31150	Accounts receivable	537,395	113,907
A31160	Notes and accounts receivable due from related parties	92,298	26,910
A31180	Other receivables	38,903	403,323
A31200	Inventories	( 202,774 )	( 327,967 )
A31230	Prepayments	( 161,109 )	( 128,654 )
A31240	Other current assets	( 7,823 )	4,977

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<u>Code</u>		<u>2022</u> <u>Year ended Mar. 31</u>	<u>2021</u> <u>Year ended Mar. 31</u>
A32125	Contract liability- current	( \$ 7,990 )	\$ 233,766
A32130	Notes payable	( 1,936 )	( 222 )
A32150	Accounts payable	( 5,086,628 )	( 4,350,801 )
A32160	Notes and accounts payable to related parties	( 43,488 )	( 34,366 )
A32180	Other payables	( 534,915 )	( 368,068 )
A32210	Advance receipts	108,946	28,258
A32230	Other current liabilities	3,838	7,533
A32240	Net defined benefit assets	( 9,947 )	( 5,460 )
A32240	Net defined benefit liabilities	( <u>23,357</u> )	( <u>25,008</u> )
A33000	Cash inflow (outflow) generated from operations	( 2,638,226 )	( 1,729,656 )
A33100	Interest received	20,730	15,450
A33300	Interest paid	( 177,670 )	( 180,675 )
A33500	Income tax paid	( <u>1,127</u> )	( <u>431</u> )
AAAA	Net cash flows from (used in) operating activities	( <u>2,796,293</u> )	( <u>1,895,312</u> )
	CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
B00010	Purchase of financial assets at fair value through other comprehensive income	( 14,974 )	( 11,711 )
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	2,683	16,336
B00040	Purchase of financial assets at amortized cost	( 1,613,641 )	( 650,987 )
B00050	Proceeds from disposal of financial assets at amortized cost	2,249,882	149,252
B02700	Acquisition of property, plant and equipment	( 468,244 )	( 577,009 )
B02800	Proceeds from disposal of property, plant and equipment	20	-
B04500	Acquisition of intangible assets	( 18,554 )	( 48,984 )
B05350	Acquisition of Right-of-use assets	( 45,565 )	( 88,381 )
B05400	Acquisition of investment properties	( 602 )	-
B06700	Increase (decrease) in other non-current assets	( <u>1,084</u> )	( <u>82,112</u> )
BBBB	Net cash flows from (used in) investing activities	<u>89,921</u>	( <u>1,293,596</u> )
	Cash flows from (used in) financing activities		
C00100	Proceeds from short-term borrowings	19,666,948	25,125,419
C00200	Repayments of short-term borrowings	( 19,150,390 )	( 24,089,377 )
C00500	Proceeds from short-term bills payable	4,714,242	6,492,285
C00600	Repayments of short-term bills payable	( 5,997,468 )	( 7,689,965 )
C01600	Proceeds from long-term borrowings	27,890,009	28,269,530
C01700	Repayments of long-term borrowings	( 29,600,000 )	( 29,050,000 )
C04020	Repayment of the principal portion of lease liabilities	( 915,991 )	( 857,346 )

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<u>Code</u>		<u>2022</u> <u>Year ended Mar. 31</u>	<u>2021</u> <u>Year ended Mar. 31</u>
C04400	Decrease in other non-current liabilities	<u>\$ 2,672</u>	<u>( \$ 47,887 )</u>
CCCC	Net cash flows from (used in) financing activities	<u>( 3,389,978 )</u>	<u>( 1,847,341 )</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>60,978</u>	<u>( 4,535 )</u>
EEEE	Net decrease in cash and cash equivalents	<u>( 6,035,372 )</u>	<u>( 5,040,784 )</u>
E00100	Cash and cash equivalents at beginning of period	<u>19,532,090</u>	<u>14,791,434</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 13,496,718</u>	<u>\$ 9,750,650</u>

(Concluded)