

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Jun. 30, 2022, Dec. 31, 2021 and Jun. 30, 2021
(In thousands of New Taiwan Dollars, Except Par Value)

Code	Assets	2022/6/30 (Reviewed)		2021/12/31 (Audited)		2021/6/30 (Reviewed)	
		Amount	%	Amount	%	Amount	%
CURRENT ASSETS							
1100	Cash and cash equivalents	\$ 10,878,077	9	\$ 19,532,090	15	\$ 8,237,475	7
1110	Financial assets at fair value through profit or loss - current	447,654	-	434,650	-	433,107	-
1120	Current financial assets at fair value through other comprehensive income	292,030	-	262,709	-	262,044	-
1136	Current financial assets at amortized cost	1,230,311	1	1,184,222	1	2,184,020	2
1150	Notes receivable	1,115	-	671	-	10,343	-
1170	Accounts receivable	608,656	1	1,178,651	1	390,466	-
1180	Accounts receivable due from related parties	80,620	-	169,643	-	85,912	-
1200	Other receivables	922,172	1	904,572	1	575,454	1
1220	Current tax assets	2,586	-	991	-	821	-
130X	Inventories	2,261,283	2	2,441,255	2	2,150,614	2
1429	Prepayments	367,177	-	265,776	-	312,914	-
1470	Other current assets	72,250	-	60,485	-	94,310	-
11XX	Total current assets	<u>17,163,931</u>	<u>14</u>	<u>26,435,715</u>	<u>20</u>	<u>14,737,480</u>	<u>12</u>
NONCURRENT ASSETS							
1517	Non-current financial assets at fair value through other comprehensive income	4,866,678	4	4,815,595	4	5,304,951	4
1535	Non-current financial assets at amortized cost	149,566	-	123,000	-	124,000	-
1550	Investments accounted for by equity method	9,831,974	8	10,151,421	8	10,190,635	8
1600	Property, plant and equipment	33,881,860	28	33,782,868	26	33,587,984	28
1755	Right-of-use assets	41,265,594	34	39,551,296	30	41,213,276	34
1760	Investment properties	8,958,105	7	8,978,133	7	8,968,135	7
1780	Intangible assets	2,417,409	2	2,428,534	2	2,613,055	2
1840	Deferred tax assets	569,815	1	597,004	1	532,360	1
1975	Net defined benefit asset	218,482	-	196,769	-	220,898	-
1985	Long-term prepayments for lease	-	-	1,844,391	1	1,730,806	2
1990	Other noncurrent assets	1,954,006	2	1,822,585	1	1,848,502	2
15XX	Total noncurrent assets	<u>104,113,489</u>	<u>86</u>	<u>104,291,596</u>	<u>80</u>	<u>106,334,602</u>	<u>88</u>
1XXX	TOTAL	<u>\$ 121,277,420</u>	<u>100</u>	<u>\$ 130,727,311</u>	<u>100</u>	<u>\$ 121,072,082</u>	<u>100</u>
LIABILITIES AND EQUITY							
CURRENT LIABILITIES							
2100	Short-term debts	\$ 14,156,665	12	\$ 9,868,799	8	\$ 13,342,184	11
2110	Short-term notes and bills payable	1,304,361	1	3,190,706	3	2,197,111	2
2130	Contract liabilities-Current	9,534,218	8	9,659,984	7	8,305,194	7
2150	Notes payable	101,350	-	5,830	-	6,200	-
2170	Accounts payables	8,797,228	7	16,806,804	13	5,712,165	5
2180	Notes and accounts payable to related parties	52,897	-	96,397	-	17,620	-
2219	Other payables	5,491,331	5	3,768,878	3	4,675,387	4
2230	Current tax liabilities	306,295	-	470,027	-	221,987	-
2250	Provision-current	3,000	-	3,000	-	3,000	-
2280	Lease liabilities - current	3,135,553	3	3,189,336	3	3,352,837	3
2310	Advance receipts	537,064	-	517,771	-	486,384	-
2322	Long-term borrowings – current portion	1,960,000	2	-	-	-	-
2399	Other current liabilities	386,456	-	395,085	-	382,976	-
21XX	Total current liabilities	<u>45,766,418</u>	<u>38</u>	<u>47,972,617</u>	<u>37</u>	<u>38,703,045</u>	<u>32</u>
NONCURRENT LIABILITIES							
2540	Long-term borrowings	11,770,000	10	17,589,721	13	16,188,442	13
2550	Provision-noncurrent	25,386	-	25,272	-	25,159	-
2570	Deferred tax liabilities	2,306,875	2	2,295,710	2	2,360,073	2
2580	Lease liabilities - non-current	21,470,232	18	21,763,708	17	22,996,176	19
2640	Net defined benefit liability	682,506	-	718,441	1	708,474	1
2670	Other noncurrent liabilities	516,335	-	526,684	-	311,416	-
25XX	Total noncurrent liabilities	<u>36,771,334</u>	<u>30</u>	<u>42,919,536</u>	<u>33</u>	<u>42,589,740</u>	<u>35</u>
2XXX	Total liabilities	<u>82,537,752</u>	<u>68</u>	<u>90,892,153</u>	<u>70</u>	<u>81,292,785</u>	<u>67</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY							
Share Capital							
3110	Ordinary share	14,169,406	12	14,169,406	11	14,169,406	12
3200	Capital surplus	3,341,024	3	3,340,982	3	3,338,878	3
Retained earnings							
3310	Legal reserve	3,729,018	3	3,611,319	3	3,611,319	3
3320	Special reserve	2,657,978	2	2,619,569	2	2,619,569	2
3350	Unappropriated earnings	1,295,259	1	2,216,433	1	1,619,579	1
3300	Total retained earnings	7,682,255	6	8,447,321	6	7,850,467	6
3400	Other equity	5,150,111	4	5,188,031	4	5,597,447	5
3500	Treasury stock	(97,110)	-	(97,110)	-	(97,110)	-
31XX	Total equity attributable to owners of the Company	<u>30,245,686</u>	<u>25</u>	<u>31,048,630</u>	<u>24</u>	<u>30,859,088</u>	<u>26</u>
36XX	NON-CONTROLLING INTERESTS	<u>8,493,982</u>	<u>7</u>	<u>8,786,528</u>	<u>6</u>	<u>8,920,209</u>	<u>7</u>
3XXX	Total equity	<u>38,739,668</u>	<u>32</u>	<u>39,835,158</u>	<u>30</u>	<u>39,779,297</u>	<u>33</u>
TOTAL		<u>\$ 121,277,420</u>	<u>100</u>	<u>\$ 130,727,311</u>	<u>100</u>	<u>\$ 121,072,082</u>	<u>100</u>

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

From Apr. 1 to June 30, 2022 and 2021, and Year ended June 30, 2021 and 2020

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

Code		From Apr. 1 to June 30, 2022		From Apr. 1 to June 30, 2021		Year ended June 30, 2022		Year ended June 30, 2021	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	REVENUES	\$ 7,144,766	100	\$ 7,083,303	100	\$ 16,206,939	100	\$ 16,425,524	100
5000	COSTS	<u>3,219,458</u>	<u>45</u>	<u>3,673,433</u>	<u>52</u>	<u>7,480,167</u>	<u>46</u>	<u>8,262,997</u>	<u>50</u>
5900	GROSS PROFIT	<u>3,925,308</u>	<u>55</u>	<u>3,409,870</u>	<u>48</u>	<u>8,726,772</u>	<u>54</u>	<u>8,162,527</u>	<u>50</u>
	OPERATING EXPENSES								
6100	Selling	159,558	2	124,480	2	371,991	3	336,261	2
6200	General and administrative	3,475,341	49	3,188,372	45	6,823,708	42	6,452,676	40
6450	Expected credit loss (Gain)	<u>61</u>	<u>-</u>	<u>(705)</u>	<u>-</u>	<u>72</u>	<u>-</u>	<u>1,310</u>	<u>-</u>
6000	Total operating expenses	<u>3,634,960</u>	<u>51</u>	<u>3,312,147</u>	<u>47</u>	<u>7,195,771</u>	<u>45</u>	<u>6,790,247</u>	<u>42</u>
6900	OPERATING INCOME	<u>290,348</u>	<u>4</u>	<u>97,723</u>	<u>1</u>	<u>1,531,001</u>	<u>9</u>	<u>1,372,280</u>	<u>8</u>
	NONOPERATING INCOME AND EXPENSES								
7100	Interest income	17,932	-	14,042	-	34,713	-	29,577	-
7010	Other income	810	-	-	-	810	-	-	-
7020	Other gains and losses	95,275	1	(22,915)	-	127,282	1	42,293	-
7050	Finance costs	(211,882)	(3)	(198,873)	(2)	(420,009)	(2)	(397,601)	(2)
7060	Share of profit (loss) of associates accounted for using equity method	(<u>85,482</u>)	(<u>1</u>)	<u>15,709</u>	<u>-</u>	(<u>132,791</u>)	(<u>1</u>)	<u>105,505</u>	<u>1</u>
7000	Total Non-operating income and expenses	(<u>183,347</u>)	(<u>3</u>)	(<u>192,037</u>)	(<u>2</u>)	(<u>389,995</u>)	(<u>2</u>)	(<u>220,226</u>)	(<u>1</u>)
7900	INCOME BEFORE INCOME TAX	107,001	1	(94,314)	(1)	1,141,006	7	1,152,054	7
7950	INCOME TAX EXPENSE	<u>94,864</u>	<u>1</u>	<u>13,901</u>	<u>-</u>	<u>341,735</u>	<u>2</u>	<u>264,548</u>	<u>2</u>
8200	NET INCOME	<u>12,137</u>	<u>-</u>	(<u>108,215</u>)	(<u>1</u>)	<u>799,271</u>	<u>5</u>	<u>887,506</u>	<u>5</u>
	OTHER COMPREHENSIVE INCOME								
	Components of other comprehensive income that will not be reclassified to profit or loss								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(315,787)	(4)	283,465	4	60,588	-	649,653	4
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method	(<u>60,846</u>)	(<u>1</u>)	<u>230</u>	<u>-</u>	(<u>64,460</u>)	<u>-</u>	<u>8,633</u>	<u>-</u>
8310		(<u>376,633</u>)	(<u>5</u>)	<u>283,695</u>	<u>4</u>	(<u>3,872</u>)	<u>-</u>	<u>658,286</u>	<u>4</u>
	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Other comprehensive income, before tax, exchange differences on translation	(1,204)	-	10,250	-	(50,994)	-	17,935	-
8370	Share of other comprehensive income of associates accounted for using equity method	(<u>42,500</u>)	(<u>1</u>)	(<u>7,844</u>)	<u>-</u>	(<u>3,132</u>)	<u>-</u>	(<u>14,191</u>)	<u>-</u>
8360		(<u>43,704</u>)	(<u>1</u>)	<u>2,406</u>	<u>-</u>	(<u>54,126</u>)	<u>-</u>	<u>3,744</u>	<u>-</u>
8300	Total other comprehensive income, net	(<u>420,337</u>)	(<u>6</u>)	<u>286,101</u>	<u>4</u>	(<u>57,998</u>)	<u>-</u>	<u>662,030</u>	<u>4</u>
8500	COMPREHENSIVE INCOME	(<u>\$ 408,200</u>)	(<u>6</u>)	<u>\$ 177,886</u>	<u>3</u>	<u>\$ 741,273</u>	<u>5</u>	<u>\$ 1,549,536</u>	<u>9</u>
8600	NET INCOME ATTRIBUTED TO :								
8610	Owners of parent	(\$ 25,844)	-	(\$ 126,204)	(1)	\$ 510,283	3	\$ 577,008	3
8620	Non-controlling interests	<u>37,981</u>	<u>-</u>	<u>17,989</u>	<u>-</u>	<u>288,988</u>	<u>2</u>	<u>310,498</u>	<u>2</u>
		<u>\$ 12,137</u>	<u>-</u>	(<u>\$ 108,215</u>)	(<u>1</u>)	<u>\$ 799,271</u>	<u>5</u>	<u>\$ 887,506</u>	<u>5</u>
8700	CONPREHENSIVE INCOME CONTRIBUTED TO :								
8710	Owners of parent	(\$ 440,597)	(6)	\$ 151,998	2	\$ 472,261	3	\$ 1,223,716	7
8720	Non-controlling interests	<u>32,397</u>	<u>-</u>	<u>25,888</u>	<u>1</u>	<u>269,012</u>	<u>2</u>	<u>325,820</u>	<u>2</u>
		(<u>\$ 408,200</u>)	(<u>6</u>)	<u>\$ 177,886</u>	<u>3</u>	<u>\$ 741,273</u>	<u>5</u>	<u>\$ 1,549,536</u>	<u>9</u>
	EARNINGS PER SHARE								
9750	Basic	(<u>\$ 0.02</u>)		(<u>\$ 0.09</u>)		<u>\$ 0.36</u>		<u>\$ 0.41</u>	
9850	Diluted	(<u>\$ 0.02</u>)		(<u>\$ 0.09</u>)		<u>\$ 0.36</u>		<u>\$ 0.41</u>	

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended Jun. 30, 2022 and 2021

(In thousands of New Taiwan Dollars)

<u>C o d e</u>		<u>Year ended June 30,</u> <u>2022</u>	<u>Year ended June 30,</u> <u>2021</u>
	CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
A00010	INCOME BEFORE INCOME TAX	\$ 1,141,006	\$ 1,152,054
A20010	Adjustments to reconcile profit(loss)		
A20100	Depreciation expense	2,736,387	2,625,112
A20200	Amortization expense	37,792	42,773
A20300	Expected credit loss (gain)	72	1,310
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	4,400	(5,826)
A20900	Finance costs	420,009	397,601
A21300	Dividend revenue	(810)	-
A22800	Loss (gain) on disposal of Intangible assets	-	28
A22900	Gain (loss) on modifications of lease	-	(45)
A24600	Loss (gain) on change in fair value of investment properties	20,630	53,930
A29900	Amortization of prepayments	23,520	32,485
A21200	Interest income	(34,713)	(29,577)
A22300	Share of loss (profit) of associates accounted for using equity method	132,791	(105,505)
A22500	Loss (gain) on disposal of property, plant and equipment, net	4,730	2,237
A23100	Loss (gain) on disposal of investments	-	(4,267)
A23800	Loss for market price decline and obsolete and slow-moving inventories	4,628	7,858
A29900	Lease liabilities concessions	(19,019)	(17,563)
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	(17,404)	27,032
A31130	Notes receivable	(444)	(8,479)
A31150	Accounts receivable	569,615	206,181
A31160	Notes and accounts receivable due from related parties	89,425	39,806
A31180	Other receivable	130,657	490,172
A31200	Inventories	175,344	215,987

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<u>C o d e</u>		<u>Year ended June 30,</u> <u>2022</u>	<u>Year ended June 30,</u> <u>2021</u>
A31230	Prepayments	(\$ 122,129)	(\$ 101,072)
A31240	Other current assets	(11,765)	9,577
A32125	Contract liability-current	(125,766)	183,460
A32130	Notes payable	95,520	(426)
A32150	Accounts payable	(8,009,576)	(10,132,307)
A32160	Notes and accounts payable to related parties	(43,500)	(50,481)
A32180	Other payables	(662,055)	(461,762)
A32210	Advance receipts	108,544	52,703
A32230	Other current liabilities	(8,629)	9,192
A32240	Net defined benefit assets	(21,713)	(15,035)
A32240	Net defined benefit liability	(<u>35,935</u>)	(<u>28,980</u>)
A33000	cash inflow (outflow) generated from operations	(3,418,388)	(5,411,827)
A33100	Interests received	33,811	29,392
A33300	Interests paid	(374,042)	(368,137)
A33500	Income tax returned	214	287
A33500	Income tax paid	(<u>474,875</u>)	(<u>476,281</u>)
AAAA	Net cash flows from (used in) operating activities	(<u>4,233,280</u>)	(<u>6,226,566</u>)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
B00010	Acquisition of financial assets at fair value through other comprehensive income	(24,077)	(18,189)
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	4,860	38,506
B00040	Acquisition of financial assets at amortized cost	(2,498,292)	(2,013,846)
B00050	Proceeds from disposal of financial assets at amortized cost	2,429,913	899,379
B02700	Acquisition of property, plant and equipment	(690,177)	(813,587)
B02800	Proceeds from disposal of property, plant and equipment	64	37
B04500	Acquisition of intangible assets	(26,645)	(74,757)
B05350	Acquisition of Right-of-use assets	(379,432)	(88,420)
B05400	Acquisition of investment properties	(602)	(458)
B06700	Increase (decrease) in other non-current assets	(<u>115,310</u>)	(<u>153,444</u>)
BBBB	Net cash flows from (used in) investing activities	(<u>1,299,698</u>)	(<u>2,224,779</u>)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES			
C00100	Increase in short-term loans	56,774,913	50,684,493
C00200	Decrease in short-term loans	(52,587,062)	(46,340,430)
C00500	Increase in short-term notes and bills payable	9,011,859	11,944,838
C00600	Decrease in short-term notes and bills payable	(10,898,204)	(13,476,730)

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<u>C o d e</u>		<u>Year ended June 30, 2022</u>	<u>Year ended June 30, 2021</u>
C01600	Proceeds from long-term debt	\$ 60,040,279	\$ 63,248,681
C01700	Repayment of long-term debt	(63,900,000)	(62,500,000)
C04020	Repayment of the principal portion of lease liabilities	(1,570,264)	(1,593,940)
C04400	Decrease in other non-current liabilities	(<u>12,299</u>)	(<u>54,909</u>)
CCCC	Net cash flows from (used in) financing activities	(<u>3,140,778</u>)	(<u>1,912,003</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>19,743</u>	(<u>14,617</u>)
EEEE	Net increase (decrease) in cash and cash equivalents	(8,654,013)	(6,553,959)
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>\$ 10,878,077</u>	<u>\$ 8,237,475</u>

(Concluded)