

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

Sep. 30, 2023, Dec. 31, 2022 and Sep. 30, 2022

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

Code	Assets	2023/9/30		2022/12/31		2022/9/30	
		Amount	%	Amount	%	Amount	%
CURRENT ASSETS							
1100	Cash and cash equivalents	\$ 13,378,364	11	\$ 17,254,680	14	\$ 11,600,005	10
1110	Financial assets at fair value through profit or loss - current	74,494	-	284,762	-	431,676	-
1120	Financial assets at fair value through other comprehensive income - current	880,283	1	840,485	1	293,468	-
1136	Financial assets at amortized cost - current	2,404,905	2	2,210,526	2	577,610	1
1150	Notes receivable	845	-	471	-	777	-
1170	Trade receivables	1,278,596	1	1,162,412	1	716,946	1
1180	Trade receivables from related parties	114,568	-	152,611	-	87,363	-
1200	Other receivables	1,567,315	1	703,143	-	779,542	1
1220	Current tax assets	3,539	-	2,746	-	4,315	-
130X	Inventories	2,699,240	2	2,372,926	2	2,691,861	2
1429	Prepayments	384,368	1	267,762	-	349,601	-
1470	Other current assets	56,354	-	56,533	-	51,095	-
11XX	Total current assets	<u>22,842,871</u>	<u>19</u>	<u>25,309,057</u>	<u>20</u>	<u>17,584,259</u>	<u>15</u>
NONCURRENT ASSETS							
1517	Financial assets at fair value through other comprehensive income - non-current	4,429,107	4	4,627,437	4	4,577,294	4
1535	Financial assets at amortized cost - non-current	73,000	-	123,200	-	123,200	-
1550	Investments accounted for using the equity method	8,542,195	7	9,749,294	8	9,848,283	8
1600	Property, plant and equipment	32,638,036	27	33,279,076	26	33,500,067	28
1755	Right-of-use assets	37,257,649	31	39,630,425	31	40,765,001	34
1760	Investment properties	8,950,248	8	8,971,146	7	8,954,580	7
1780	Intangible assets	2,397,477	2	2,413,602	2	2,406,281	2
1840	Deferred tax assets	429,250	-	584,173	-	599,700	-
1975	Net defined benefit assets	399,892	-	285,329	-	224,367	-
1990	Other non-current assets	2,063,174	2	1,970,204	2	2,047,626	2
15XX	Total noncurrent assets	<u>97,180,028</u>	<u>81</u>	<u>101,633,886</u>	<u>80</u>	<u>103,046,399</u>	<u>85</u>
1XXX	TOTAL	<u>\$ 120,022,899</u>	<u>100</u>	<u>\$ 126,942,943</u>	<u>100</u>	<u>\$ 120,630,658</u>	<u>100</u>
LIABILITIES AND EQUITY							
CURRENT LIABILITIES							
2100	Short-term borrowings	\$ 11,320,444	10	\$ 13,722,144	11	\$ 12,002,835	10
2110	Short-term bills payable	555,800	1	1,590,845	1	2,294,281	2
2130	Contract liabilities - current	9,486,436	8	10,279,939	8	9,453,563	8
2150	Notes payable	-	-	3,500	-	3,770	-
2170	Trade payables	13,543,371	11	17,050,545	13	11,837,725	10
2180	Trade payables to related parties	59,666	-	116,859	-	66,249	-
2219	Other payables	3,960,860	3	4,089,361	3	3,583,231	3
2230	Current tax liabilities	593,037	1	626,356	1	364,674	-
2250	Provisions - current	3,000	-	3,000	-	3,000	-
2280	Lease liabilities - current	2,519,973	2	3,191,599	3	3,193,935	3
2310	Advance receipts	440,141	-	509,317	-	532,492	-
2322	Current portion of long-term borrowings	25,954	-	950,000	1	5,360,000	5
2399	Other current liabilities	406,085	-	395,209	-	391,673	-
21XX	Total current liabilities	<u>42,914,767</u>	<u>36</u>	<u>52,528,674</u>	<u>41</u>	<u>49,087,428</u>	<u>41</u>
NONCURRENT LIABILITIES							
2540	Long-term borrowings	13,686,876	11	9,900,000	8	7,540,000	6
2550	Provisions - non-current	25,672	-	25,500	-	25,443	-
2570	Deferred tax liabilities	2,339,731	2	2,349,887	2	2,356,115	2
2580	Lease liabilities - non-current	18,845,149	16	20,489,572	16	20,992,453	17
2640	Net defined benefit liabilities	451,791	-	581,832	1	671,103	1
2670	Other non-current liabilities	514,749	1	520,214	-	512,096	-
25XX	Total non-current liabilities	<u>35,863,968</u>	<u>30</u>	<u>33,867,005</u>	<u>27</u>	<u>32,097,210</u>	<u>26</u>
2XXX	Total liabilities	<u>78,778,735</u>	<u>66</u>	<u>86,395,679</u>	<u>68</u>	<u>81,184,638</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	3,343,595	3	3,341,024	3	3,341,024	3
Retained earnings							
3310	Legal reserve	3,930,366	3	3,729,018	3	3,729,018	3
3320	Special reserve	2,648,051	2	2,657,978	2	2,657,978	2
3350	Unappropriated earnings	3,284,082	3	2,798,561	2	2,086,090	2
3300	Total retained earnings	<u>9,862,499</u>	<u>8</u>	<u>9,185,557</u>	<u>7</u>	<u>8,473,086</u>	<u>7</u>
3400	Other equity	4,791,074	4	4,940,666	4	4,843,036	4
3500	Treasury stock	(97,110)	-	(97,110)	-	(97,110)	-
31XX	Total equity attributable to owners of the Company	<u>32,069,464</u>	<u>27</u>	<u>31,539,543</u>	<u>25</u>	<u>30,729,442</u>	<u>26</u>
36XX	NON-CONTROLLING INTERESTS	<u>9,174,700</u>	<u>7</u>	<u>9,007,721</u>	<u>7</u>	<u>8,716,578</u>	<u>7</u>
3XXX	Total equity	<u>41,244,164</u>	<u>34</u>	<u>40,547,264</u>	<u>32</u>	<u>39,446,020</u>	<u>33</u>
TOTAL		<u>\$ 120,022,899</u>	<u>100</u>	<u>\$ 126,942,943</u>	<u>100</u>	<u>\$ 120,630,658</u>	<u>100</u>

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

From Jul. 1 to Sep 30, 2023 and 2022, and Year ended Sep 30, 2023 and 2022

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

Code		From Jul. 1 to Sep 30, 2023		From Jul. 1 to Sep 30, 2022		Year ended Sep 30, 2023		Year ended Sep 30, 2022	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	OPERATING REVENUE	\$ 8,248,735	100	\$ 8,226,357	100	\$ 25,786,990	100	\$ 24,433,296	100
5000	OPERATING COSTS	<u>3,471,963</u>	<u>42</u>	<u>3,579,457</u>	<u>44</u>	<u>10,975,315</u>	<u>43</u>	<u>11,059,624</u>	<u>45</u>
5900	GROSS PROFIT	<u>4,776,772</u>	<u>58</u>	<u>4,646,900</u>	<u>56</u>	<u>14,811,675</u>	<u>57</u>	<u>13,373,672</u>	<u>55</u>
	OPERATING EXPENSES								
6100	Selling and marketing expenses	155,942	2	158,543	2	498,346	2	530,534	3
6200	General and administrative expenses	3,490,669	42	3,475,216	42	10,190,761	39	10,298,924	42
6450	Expected credit loss (gain)	<u>4,260</u>	<u>-</u>	<u>5,802</u>	<u>-</u>	<u>14,838</u>	<u>-</u>	<u>5,874</u>	<u>-</u>
6000	Total operating expenses	<u>3,650,871</u>	<u>44</u>	<u>3,639,561</u>	<u>44</u>	<u>10,703,945</u>	<u>41</u>	<u>10,835,332</u>	<u>45</u>
6900	OPERATING PROFIT	<u>1,125,901</u>	<u>14</u>	<u>1,007,339</u>	<u>12</u>	<u>4,107,730</u>	<u>16</u>	<u>2,538,340</u>	<u>10</u>
	NONOPERATING INCOME AND EXPENSES								
7100	Interest income	44,549	1	23,172	-	134,219	-	57,885	-
7010	Other income	257,074	3	356,193	4	257,078	1	357,003	1
7020	Other gains and losses	39,635	-	37,696	1	146,791	1	164,978	1
7050	Finance costs	(228,132)	(3)	(217,004)	(2)	(680,849)	(3)	(637,013)	(3)
7060	Share of profit (loss) of associates accounted for using equity method	(<u>14,609</u>)	<u>-</u>	<u>17,553</u>	<u>-</u>	<u>63,926</u>	<u>-</u>	(<u>115,238</u>)	<u>-</u>
7000	NONOPERATING INCOME AND EXPENSES	<u>98,517</u>	<u>1</u>	<u>217,610</u>	<u>3</u>	(<u>78,835</u>)	(<u>1</u>)	(<u>172,385</u>)	(<u>1</u>)
7900	INCOME BEFORE INCOME TAX	1,224,418	15	1,224,949	15	4,028,895	15	2,365,955	9
7950	INCOME TAX EXPENSE	<u>247,012</u>	<u>3</u>	<u>208,363</u>	<u>3</u>	<u>831,028</u>	<u>3</u>	<u>550,098</u>	<u>2</u>
8200	NET INCOME	<u>977,406</u>	<u>12</u>	<u>1,016,586</u>	<u>12</u>	<u>3,197,867</u>	<u>12</u>	<u>1,815,857</u>	<u>7</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	(512,734)	(6)	(290,731)	(3)	(149,125)	-	(230,143)	(1)
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method	(<u>8,235</u>)	<u>-</u>	(<u>27,112</u>)	<u>-</u>	(<u>10,552</u>)	<u>-</u>	(<u>91,572</u>)	<u>-</u>
8310		(<u>520,969</u>)	(<u>6</u>)	(<u>317,843</u>)	(<u>3</u>)	(<u>159,677</u>)	<u>-</u>	(<u>321,715</u>)	(<u>1</u>)
	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Other comprehensive income, before tax, exchange differences on translation	(36,510)	(1)	(1,038)	-	(18,923)	-	(52,032)	-
8370	Share of other comprehensive income of associates accounted for using equity method	<u>56,517</u>	<u>1</u>	<u>8,647</u>	<u>-</u>	<u>31,267</u>	<u>-</u>	<u>5,515</u>	<u>-</u>
8360		<u>20,007</u>	<u>-</u>	<u>7,609</u>	<u>-</u>	<u>12,344</u>	<u>-</u>	(<u>46,517</u>)	<u>-</u>
8300	Total other comprehensive income, net	(<u>500,962</u>)	(<u>6</u>)	(<u>310,234</u>)	(<u>3</u>)	(<u>147,333</u>)	<u>-</u>	(<u>368,232</u>)	(<u>1</u>)
8500	COMPREHENSIVE INCOME	<u>\$ 476,444</u>	<u>6</u>	<u>\$ 706,352</u>	<u>9</u>	<u>\$ 3,050,534</u>	<u>12</u>	<u>\$ 1,447,625</u>	<u>6</u>
8600	NET INCOME ATTRIBUTED TO :								
8610	Owners of parent	\$ 718,159	9	\$ 794,160	9	\$ 2,230,389	8	\$ 1,304,443	5
8620	Non-controlling interests	<u>259,247</u>	<u>3</u>	<u>222,426</u>	<u>3</u>	<u>967,478</u>	<u>4</u>	<u>511,414</u>	<u>2</u>
		<u>\$ 977,406</u>	<u>12</u>	<u>\$ 1,016,586</u>	<u>12</u>	<u>\$ 3,197,867</u>	<u>12</u>	<u>\$ 1,815,857</u>	<u>7</u>
8700	COMPREHENSIVE INCOME CONTRIBUTED TO :								
8710	Owners of parent	\$ 223,242	3	\$ 483,756	6	\$ 2,085,985	8	\$ 956,017	4
8720	Non-controlling interests	<u>253,202</u>	<u>3</u>	<u>222,596</u>	<u>3</u>	<u>964,549</u>	<u>4</u>	<u>491,608</u>	<u>2</u>
		<u>\$ 476,444</u>	<u>6</u>	<u>\$ 706,352</u>	<u>9</u>	<u>\$ 3,050,534</u>	<u>12</u>	<u>\$ 1,447,625</u>	<u>6</u>
	EARNINGS PER SHARE								
9750	Basic	<u>\$ 0.51</u>		<u>\$ 0.56</u>		<u>\$ 1.58</u>		<u>\$ 0.93</u>	
9850	Diluted	<u>\$ 0.51</u>		<u>\$ 0.56</u>		<u>\$ 1.58</u>		<u>\$ 0.92</u>	

(Conclude)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended Sep. 30, 2023 and 2022
(In thousands of New Taiwan Dollars)

<u>Code</u>		<u>Year ended Sep 30,</u> <u>2023</u>	<u>Year ended Sep 30,</u> <u>2022</u>
	CASH FLOWS FROM (USED IN) OPERATING		
	ACTIVITIES		
A00010	INCOME BEFORE INCOME TAX	\$ 4,028,895	\$ 2,365,955
A20010	Adjustments to reconcile profit(loss)		
A20100	Depreciation expense	3,811,567	4,115,379
A20200	Amortization expense	45,703	54,662
A20300	Expected credit loss (gain)	(2,816)	5,874
A20400	Net loss (gain) on financial assets or		
	liabilities at fair value through profit		
	or loss	(3,445)	1,918
A20900	Finance costs	680,849	637,013
A21200	Interest income	(134,219)	(57,885)
A21300	Dividend income	(257,078)	(357,003)
A22300	Share of loss (profit) of associates		
	accounted for using equity method	(63,926)	115,238
A22900	Gain (loss) on modifications of lease	(16,056)	-
A24600	Loss (gain) on change in fair value of		
	investment properties	23,411	24,501
A22500	Loss (gain) on disposal of property, plant		
	and equipment, net	39,748	7,429
A23100	Loss (gain) on disposal of investments	494	802
A23800	Loss for market price decline and		
	obsolete and slow-moving		
	inventories	7,427	10,235
A29900	Amortization of prepayments	4,339	31,485
A29900	Lease liabilities concessions	-	(43,665)
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	213,219	254
A31130	Notes receivable	(374)	(106)
A31150	Accounts receivable	(116,454)	461,111
A31160	Notes and accounts receivable due		
	from related parties	38,043	82,896
A31180	Other receivable	183,507	152,931
A31200	Inventories	(333,741)	(260,841)
A31230	Prepayments	(119,818)	(110,973)
A31240	Other current assets	179	9,390

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<u>Code</u>		<u>Year ended Sep 30,</u> <u>2023</u>	<u>Year ended Sep 30,</u> <u>2022</u>
A32125	Contract liability-current	(\$ 793,503)	(\$ 206,421)
A32130	Notes payable	(3,500)	(2,060)
A32150	Accounts payable	(3,507,174)	(4,969,079)
A32160	Notes and accounts payable to related parties	(57,193)	(30,148)
A32180	Other payables	(63,874)	(439,300)
A32210	Advance receipts	56,610	147,456
A32230	Other current liabilities	10,876	(3,412)
A32240	Net defined benefit assets	(114,563)	(27,598)
A32240	Net defined benefit liability	(<u>130,041</u>)	(<u>47,338</u>)
A33000	Cash inflow (outflow) generated from operations	3,427,092	1,668,700
A33100	Interests received	132,091	66,591
A33200	Dividend received	335,198	458,693
A33300	Interests paid	(632,725)	(572,291)
A33500	Income tax returned	158	214
A33500	Income tax paid	(<u>724,585</u>)	(<u>608,032</u>)
AAAA	Cash inflow (outflow) generated from operations	<u>2,537,229</u>	<u>1,013,875</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
B00010	Acquisition of financial assets at fair value through other comprehensive income	(6,833)	(39,603)
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	16,240	18,199
B00040	Acquisition of financial assets at amortized cost	(4,027,029)	(2,755,186)
B00050	Proceeds from disposal of financial assets at amortized cost	3,892,655	3,368,288
B01900	Proceeds from disposal of investments accounted for using equity method	46,222	-
B02100	Decrease in prepayments for investments	104,510	-
B02400	Proceeds from capital reduction of investments accounted for using equity method	66,203	-
B02700	Acquisition of property, plant and equipment	(1,332,394)	(1,182,589)
B02800	Proceeds from disposal of property, plant and equipment	21	148
B04500	Acquisition of intangible assets	(24,629)	(32,379)
B05350	Acquisition of Right-of-use assets	(3,850)	(382,041)
B05400	Acquisition of investment properties	(2,513)	(948)
B06700	Increase (decrease) in other non-current assets	(<u>2,317</u>)	(<u>147,239</u>)
BBBB	Net cash flows from (used in) investing activities	(<u>1,273,714</u>)	(<u>1,153,350</u>)

(Continued)

(Continued)

C o d e		Year ended Sep 30, 2023	Year ended Sep 30, 2022
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	\$ 81,035,700	\$ 91,664,538
C00200	Decrease in short-term loans	(83,535,664)	(89,690,275)
C00500	Increase in short-term notes and bills payable	9,021,261	16,770,228
C00600	Decrease in short-term notes and bills payable	(10,056,306)	(17,666,653)
C01600	Proceeds from long-term debt	90,912,830	81,860,279
C01700	Repayment of long-term debt	(88,050,000)	(86,550,000)
C04020	Repayment of the principal portion of lease liabilities	(2,290,238)	(2,394,912)
C04400	Decrease in other non-current liabilities	(8,345)	(17,510)
C04500	Dividends paid by parent company	(1,556,870)	(1,272,739)
C05800	Dividends paid to non-controlling interests	(<u>650,035</u>)	(<u>554,934</u>)
CCCC	Net cash flows from (used in) financing activities	(<u>5,177,667</u>)	(<u>7,851,978</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>37,836</u>	<u>59,368</u>
EEEE	Net increase (decrease) in cash and cash equivalents	(3,876,316)	(7,932,085)
E00100	Cash and cash equivalents at beginning of period	<u>17,254,680</u>	<u>19,532,090</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 13,378,364</u>	<u>\$ 11,600,005</u>

(Concluded)