

FAR EASTERN DEPARTMENT STORES, LTD.  
BALANCE SHEETS  
Dec. 31, 2020 and Dec. 31, 2019  
(In thousands of New Taiwan Dollars, Expect Par Value)

Code	Assets	2020/12/31		2019/12/31	
		Amount	%	Amount	%
	<b>CURRENT ASSETS</b>				
1100	Cash and cash equivalents	\$ 812,706	1	\$ 538,361	1
1147	Current financial assets at amortized cost	25,424	-	25,271	-
1150	Notes receivable	-	-	3	-
1170	Accounts receivable	246,868	-	345,747	1
1180	Accounts receivable due from related parties	75,243	-	79,534	-
1200	Other receivables	255,872	1	279,279	-
130X	Inventories	353,129	1	512,976	1
1410	Prepayments	247,525	-	215,686	-
1470	Other current assets	60,981	-	64,807	-
11XX	Total current assets	<u>2,077,748</u>	<u>3</u>	<u>2,061,664</u>	<u>3</u>
	<b>NONCURRENT LIABILITIES</b>				
1517	Non-current financial assets at fair value through other comprehensive income	2,845,620	4	3,101,049	4
1550	Investments accounted for by equity method	20,054,557	26	19,821,401	25
1600	Property, plant and equipment	18,176,915	23	18,724,837	24
1755	Right-of-use assets	24,929,817	32	25,836,205	32
1761	Investment property	9,023,303	11	8,997,056	11
1780	Intangible assets	69,628	-	55,892	-
1840	Deferred tax assets	80,218	-	70,344	-
1975	Net defined benefit asset	205,863	-	234,035	-
1990	Other noncurrent assets	562,571	1	536,733	1
15XX	Total noncurrent assets	<u>75,948,492</u>	<u>97</u>	<u>77,377,552</u>	<u>97</u>
1XXX	TOTAL	<u>\$ 78,026,240</u>	<u>100</u>	<u>\$ 79,439,216</u>	<u>100</u>
C o d e	<b>LIABILITIES AND EQUITY</b>				
	<b>CURRENT LIABILITIES</b>				
2100	Short-term debts	\$ 4,650,000	6	\$ 5,000,000	6
2110	Short-term notes and bills payable	2,449,280	3	2,499,312	3
2130	Contract liabilities-Current	3,202,942	4	3,024,526	4
2170	Accounts and notes payables	3,822,290	5	3,612,036	5
2180	Notes and accounts payable to related parties	49,983	-	56,943	-
2200	Other payables	1,827,132	3	2,075,491	3
2230	Current tax liabilities	111,095	-	161,580	-
2280	Current lease liabilities	941,237	1	929,821	1
2310	Advance receipts	243,905	-	193,734	-
2322	Long-term borrowings - current portion	299,933	1	2,500,000	3
2399	Other current liabilities	128,603	-	154,488	-
21XX	Total current liabilities	<u>17,726,400</u>	<u>23</u>	<u>20,207,931</u>	<u>25</u>
	<b>NONCURRENT LIABILITIES</b>				
2540	Long-term borrowings	12,999,828	16	11,799,757	15
2570	Deferred tax liabilities	2,183,467	3	2,142,641	3
2580	Lease liabilities - non-current	13,844,089	18	14,397,967	18
2670	Other noncurrent liabilities	78,536	-	100,514	-
25XX	Total noncurrent liabilities	<u>29,105,920</u>	<u>37</u>	<u>28,440,879</u>	<u>36</u>
2XXX	Total liabilities	<u>46,832,320</u>	<u>60</u>	<u>48,648,810</u>	<u>61</u>
	<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>				
	Share Capital				
3110	Ordinary share	14,169,406	18	14,169,406	18
3200	Capital surplus	3,338,791	4	3,327,466	4
	Retained earnings				
3310	Legal reserve	3,424,615	4	3,298,695	4
3320	Special reserve	2,709,263	4	2,865,351	4
3350	Unappropriated earnings	2,695,084	3	1,931,429	2
3300	Total retained earnings	8,828,962	11	8,095,475	10
3400	Other equity	4,953,871	7	5,295,169	7
3500	Treasury stock	(97,110)	-	(97,110)	-
3XXX	Total equity	<u>31,193,920</u>	<u>40</u>	<u>30,790,406</u>	<u>39</u>
	TOTAL	<u>\$ 78,026,240</u>	<u>100</u>	<u>\$ 79,439,216</u>	<u>100</u>

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD

Statement of comprehensive income

Year ended Dec. 31, 2020 and 2019

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

C o d e		2020		2019	
		Year ended Dec. 31		Year ended Dec. 31	
		Amount	%	Amount	%
4000	REVENUES	\$ 11,037,055	100	\$ 10,614,744	100
5000	COSTS	<u>4,405,831</u>	<u>40</u>	<u>4,168,762</u>	<u>39</u>
5900	GROSS PROFIT	<u>6,631,224</u>	<u>60</u>	<u>6,445,982</u>	<u>61</u>
	OPERATING EXPENSES				
6100	Selling	355,331	3	378,762	4
6200	General and administrative	4,288,347	39	3,941,540	37
6450	Expected credit loss (Gain)	<u>801</u>	<u>-</u>	<u>513</u>	<u>-</u>
6000	Total operating expenses	<u>4,644,479</u>	<u>42</u>	<u>4,320,815</u>	<u>41</u>
6900	OPERATING INCOME	<u>1,986,745</u>	<u>18</u>	<u>2,125,167</u>	<u>20</u>
	NONOPERATING INCOME AND EXPENSES				
7100	Interest income	933	-	242	-
7010	Other income	181,578	2	177,242	2
7020	Other gains and losses	65,005	-	( 28,844)	-
7050	Finance costs	( 466,377)	( 4)	( 377,869)	( 4)
7070	Share of profit (loss) of subsidiaries and associates accounted for using equity method	<u>462,395</u>	<u>4</u>	<u>298,615</u>	<u>3</u>
7000	Total Non-operating income and expenses	<u>243,534</u>	<u>2</u>	<u>69,386</u>	<u>1</u>
7900	INCOME BEFORE INCOME TAX	2,230,279	20	2,194,553	21
7950	INCOME TAX EXPENSE	<u>291,140</u>	<u>2</u>	<u>412,710</u>	<u>4</u>
8200	NET INCOME	<u>1,939,139</u>	<u>18</u>	<u>1,781,843</u>	<u>17</u>

( Continued )

( Continued )

C o d e		2020		2019	
		Year ended Dec. 31		Year ended Dec. 31	
		Amount	%	Amount	%
	OTHER COMPREHENSIVE INCOME				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(\$ 71,053)	( 1)	\$ 288,102	3
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	( 255,429)	( 2)	746,698	7
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income	( 109,861)	( 1)	307,216	3
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>14,211</u>	<u>-</u>	( <u>57,620</u> )	( <u>1</u> )
		( <u>422,132</u> )	( <u>4</u> )	<u>1,284,396</u>	<u>12</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8380	Share of other comprehensive income of subsidiaries and associates accounted for using equity method	<u>8,734</u>	<u>-</u>	( <u>22,191</u> )	<u>-</u>
		<u>8,734</u>	<u>-</u>	( <u>22,191</u> )	<u>-</u>
8300	Total other comprehensive income, net	( <u>413,398</u> )	( <u>4</u> )	<u>1,262,205</u>	<u>12</u>
8500	COMPREHENSIVE INCOME	<u>\$ 1,525,741</u>	<u>14</u>	<u>\$ 3,044,048</u>	<u>29</u>
	EARNINGS PER SHARE				
9750	Basic	<u>\$ 1.38</u>		<u>\$ 1.26</u>	
9850	Diluted	<u>\$ 1.37</u>		<u>\$ 1.26</u>	

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD.

STATEMENTS OF CASH FLOWS

Year ended Dec. 31, 2020 and 2019

(In thousands of New Taiwan Dollars)

<u>C o d e</u>		<u>2020</u> Year ended Dec. 31	<u>2019</u> Year ended Dec. 31
	CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
A00010	INCOME BEFORE INCOME TAX	\$ 2,230,279	\$ 2,194,553
A20010	Adjustments to reconcile profit(loss)		
A20100	Depreciation expense	2,034,760	1,654,458
A20200	Amortization expense	50,182	26,757
A20300	Expected credit loss (gain)	801	513
A29900	Amortization of prepayments	1,576	-
A20900	Finance costs	466,377	377,869
A22400	Share of loss (profit) of subsidiaries and associates accounted for using equity method	( 462,395)	( 298,615)
A21200	Interest income	( 933)	( 242)
A21300	Dividend income	( 181,578)	( 177,242)
A22500	Loss (gain) on disposal of property, plant and equipment, net	5,157	6,229
A22700	Loss (gain) on disposal of Investment property, net	116	247
A23700	Impairment loss on of Intangible assets	6,307	-
A24600	Loss (gain) on change in fair value of investment properties	( 19,544)	75,802
A29900	Lease liabilities concessions	( 113,828)	-
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	3	137
A31150	Accounts receivable	98,078	363,880
A31160	Notes and accounts receivable due from related parties	4,291	( 9,482)
A31180	Other receivable	23,407	58,349
A31200	Inventories	159,847	( 134,788)
A31230	Prepayments	( 31,839)	22,134
A31240	Other current assets	3,826	( 51,027)
A32125	Contract liability-Current	178,416	176,694
A32150	Accounts payable	210,254	( 1,266,804)
A32160	Accounts payable to related parties	( 6,960)	( 19,205)
A32180	Other payables	31,563	51,696
A32210	Advance receipts	145,551	89,656
A32230	Other current liabilities	( 25,885)	( 412)
A32240	Net defined benefit liability	( 42,881)	( 34,934)
A33000	Cash inflow (outflow) generated from operations	4,764,948	3,106,223

( Continued )

( Continued )

<u>C o d e</u>		2020 <u>Year ended Dec. 31</u>	2019 <u>Year ended Dec. 31</u>
A33300	Interests paid	( \$ 445,758 )	( \$ 427,523 )
A33100	Interests received	933	242
A33200	Dividends received	321,015	332,030
A33500	Income taxes paid	( 296,462 )	( 257,461 )
AAAA	Net cash flows from (used in) operating activities	<u>4,344,676</u>	<u>2,753,511</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
B00040	Acquisition of financial assets at amortized cost	( 25,424 )	( 25,271 )
B00050	Proceeds from disposal of financial assets at amortized cost	25,271	25,495
B01800	Acquisition of investments accounted for using equity method	-	( 400,000 )
B02700	Acquisition of property, plant and equipment	( 760,367 )	( 986,290 )
B02800	Proceeds from disposal of property, plant and equipment	484	39
B05400	Acquisition of investment properties	( 6,819 )	( 8,369 )
B06800	Decrease (increase) in other non-current assets	( 55,669 )	( 1,421,459 )
B05350	Acquisition of Right-of-use assets	( 97,504 )	-
B04500	Acquisition of intangible assets	( 27,035 )	( 26,080 )
BBBB	Net cash flows from (used in) investing activities	<u>947,063</u>	<u>2,841,935</u>
Cash flows from (used in) financing activities			
C00100	Increase in short-term loans	73,550,000	77,850,000
C00200	Decrease in short-term loans	( 73,900,000 )	( 79,560,000 )
C00500	Increase in short-term notes and bills payable	26,283,806	22,093,578
C00600	Decrease in short-term notes and bills payable	( 26,333,838 )	( 21,893,298 )
C01600	Proceeds from long-term debt	111,250,004	65,199,757
C01700	Repayment of long-term debt	( 112,250,000 )	( 62,000,000 )
C04020	Payments of lease liabilities	( 570,201 )	( 620,491 )
C04300	Increase in other non-current liabilities	( 21,978 )	13,791
C04500	Dividends paid	( 1,131,061 )	( 1,202,733 )
CCCC	Net cash flows from (used in) financing activities	<u>3,123,268</u>	<u>119,396</u>
EEEE	Net increase (decrease) in cash and cash equivalents	274,345	( 207,820 )
E00100	Cash and cash equivalents at beginning of period	<u>538,361</u>	<u>746,181</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 812,706</u>	<u>\$ 538,361</u>

(Concluded)