

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Dec. 31, 2021 and Dec. 31, 2020
(In thousands of New Taiwan Dollars, Except Par Value)

Code	Assets	2021/12/31		2020/12/31	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents	\$ 19,532,090	15	\$ 14,791,434	12
1110	Financial assets at fair value through profit or loss - current	434,650	-	450,046	-
1120	Current financial assets at fair value through other comprehensive income	262,709	-	278,539	-
1136	Current financial assets at amortized cost	1,184,222	1	1,171,058	1
1150	Notes receivable	671	-	1,864	-
1170	Accounts receivable	1,178,651	1	600,242	-
1180	Accounts receivable due from related parties	169,643	-	124,738	-
1200	Other receivables	904,572	1	1,007,684	1
1220	Current tax assets	991	-	1,063	-
130X	Inventories	2,441,255	2	2,374,459	2
1410	Prepayments	265,776	-	211,102	-
1470	Other current assets	60,485	-	103,887	-
11XX	Total current assets	<u>26,435,715</u>	<u>20</u>	<u>21,116,116</u>	<u>16</u>
	NONCURRENT ASSETS				
1517	Non-current financial assets at fair value through other comprehensive income	4,815,595	4	4,659,302	4
1535	Non-current financial assets at amortized cost	123,000	-	24,000	-
1550	Investments accounted for by equity method	10,151,421	8	10,164,724	8
1600	Property, plant and equipment	33,782,868	26	33,945,566	26
1755	Right-of-use assets	39,551,296	30	42,712,637	33
1760	Investment properties	8,978,133	7	9,021,607	7
1780	Intangible assets	2,428,534	2	2,581,127	2
1840	Deferred tax assets	597,004	1	572,186	1
1975	Net defined benefit asset	196,769	-	205,863	-
1985	Long-term prepayments for lease	1,844,391	1	1,517,865	1
1990	Other noncurrent assets	1,822,585	1	1,902,776	2
15XX	Total noncurrent assets	<u>104,291,596</u>	<u>80</u>	<u>107,307,653</u>	<u>84</u>
1XXX	TOTAL	<u>\$130,727,311</u>	<u>100</u>	<u>\$128,423,769</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term debts	\$ 9,868,799	8	\$ 9,045,746	7
2110	Short-term notes and bills payable	3,190,706	3	3,729,003	3
2130	Contract liabilities-Current	9,659,984	7	8,121,734	6
2150	Notes payable	5,830	-	6,626	-
2170	Accounts payable	16,806,804	13	15,844,472	12
2180	Notes and accounts payable to related parties	96,397	-	68,101	-
2200	Other payables	3,768,878	3	3,721,330	3
2230	Current tax liabilities	470,027	-	485,553	1
2250	Provision-current	3,000	-	3,000	-
2280	Current lease liabilities	3,189,336	3	3,473,928	3
2310	Advance receipts	517,771	-	510,474	1
2322	Long-term borrowings – current portion	-	-	299,933	-
2399	Other current liabilities	395,085	-	373,784	-
21XX	Total current liabilities	<u>47,972,617</u>	<u>37</u>	<u>45,683,684</u>	<u>36</u>
	NONCURRENT LIABILITIES				
2540	Long-term borrowings	17,589,721	13	15,139,828	12
2550	Provision-noncurrent	25,272	-	25,047	-
2570	Deferred tax liabilities	2,295,710	2	2,348,055	2
2580	Lease liabilities - non-current	21,763,708	17	24,335,088	19
2640	Net defined benefit liability, non-current	718,441	1	737,454	-
2670	Other noncurrent liabilities	526,684	-	366,325	-
25XX	Total noncurrent liabilities	<u>42,919,536</u>	<u>33</u>	<u>42,951,797</u>	<u>33</u>
2XXX	Total liabilities	<u>90,892,153</u>	<u>70</u>	<u>88,635,481</u>	<u>69</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
	Share Capital				
3110	Ordinary share	14,169,406	11	14,169,406	11
3200	Capital surplus	3,340,982	3	3,338,791	2
	Retained earnings				
3310	Legal reserve	3,611,319	3	3,424,615	3
3320	Special reserve	2,619,569	2	2,709,263	2
3350	Unappropriated earnings	2,216,433	1	2,695,084	2
3300	Total retained earnings	8,447,321	6	8,828,962	7
3400	Other equity	5,188,031	4	4,953,871	4
3500	Treasury stock	(97,110)	-	(97,110)	-
31XX	Total equity attributable to owners of the Company	<u>31,048,630</u>	<u>24</u>	<u>31,193,920</u>	<u>24</u>
36XX	NON-CONTROLLING INTERESTS	<u>8,786,528</u>	<u>6</u>	<u>8,594,368</u>	<u>7</u>
3XXX	Total equity	<u>39,835,158</u>	<u>30</u>	<u>39,788,288</u>	<u>31</u>
	TOTAL	<u>\$130,727,311</u>	<u>100</u>	<u>\$128,423,769</u>	<u>100</u>

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Year ended Dec. 31, 2021 and 2020

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

Code		2021		2020	
		Year ended Dec. 31		Year ended Dec. 31	
		Amount	%	Amount	%
4000	REVENUES	\$ 35,308,464	100	\$ 37,287,949	100
5000	COSTS	<u>17,898,398</u>	<u>51</u>	<u>18,580,671</u>	<u>50</u>
5900	GROSS PROFIT	<u>17,410,066</u>	<u>49</u>	<u>18,707,278</u>	<u>50</u>
	OPERATING EXPENSES				
6100	Selling	868,950	2	987,735	3
6200	General and administrative	12,908,103	37	13,639,718	36
6450	Expected credit loss (Gain)	<u>367</u>	<u>-</u>	<u>(5,139)</u>	<u>-</u>
6000	Total operating expenses	<u>13,777,420</u>	<u>39</u>	<u>14,622,314</u>	<u>39</u>
6900	OPERATING INCOME	<u>3,632,646</u>	<u>10</u>	<u>4,084,964</u>	<u>11</u>
	NONOPERATING INCOME AND EXPENSES				
7100	Interest income	57,683	-	66,244	-
7010	Other income	318,847	1	312,581	1
7020	Other gains and losses	(748,359)	(2)	(651,295)	(2)
7050	Finance costs	(796,860)	(2)	(851,591)	(2)
7060	Share of profit (loss) of associates accounted for using equity method	<u>(27,562)</u>	<u>-</u>	<u>39,868</u>	<u>-</u>
7000	Total Non-operating income and expenses	<u>(1,196,251)</u>	<u>(3)</u>	<u>(1,084,193)</u>	<u>(3)</u>
7900	INCOME BEFORE INCOME TAX	2,436,395	7	3,000,771	8
7950	INCOME TAX EXPENSE	<u>531,079</u>	<u>2</u>	<u>455,874</u>	<u>1</u>
8200	NET INCOME	<u>1,905,316</u>	<u>5</u>	<u>2,544,897</u>	<u>7</u>

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Code		2021		2020	
		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				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	\$ 169,399	1	(\$ 384,300)	(1)
8311	Gains (losses) on remeasurements of defined benefit plans	(48,000)	-	(96,805)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income	79,079	-	31,283	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>9,648</u>	<u>-</u>	<u>19,377</u>	<u>-</u>
		<u>210,126</u>	<u>1</u>	<u>(430,445)</u>	<u>(1)</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	4,859	-	(25,068)	-
8370	Share of other comprehensive income of associates accounted for using equity method	(<u>6,726</u>)	<u>-</u>	<u>25,525</u>	<u>-</u>
		(<u>1,867</u>)	<u>-</u>	<u>457</u>	<u>-</u>
8300	Total other comprehensive income, net	<u>208,259</u>	<u>1</u>	<u>(429,988)</u>	<u>(1)</u>
8500	COMPREHENSIVE INCOME	<u>\$ 2,113,575</u>	<u>6</u>	<u>\$ 2,114,909</u>	<u>6</u>
8600	NET INCOME ATTRIBUTED TO :				
8610	Owners of parent	\$ 1,208,100	3	\$ 1,939,139	5
8620	Non-controlling interests	<u>697,216</u>	<u>2</u>	<u>605,758</u>	<u>2</u>
		<u>\$ 1,905,316</u>	<u>5</u>	<u>\$ 2,544,897</u>	<u>7</u>
8700	TOTAL COMPREHENSIVE INCOME ATTRIBUTED TO :				
8710	Owners of the Company	\$ 1,411,154	4	\$ 1,525,741	4
8720	Non-controlling interests	<u>702,421</u>	<u>2</u>	<u>589,168</u>	<u>2</u>
		<u>\$ 2,113,575</u>	<u>6</u>	<u>\$ 2,114,909</u>	<u>6</u>
	EARNINGS PER SHARE :				
9750	Basic	<u>\$ 0.86</u>		<u>\$ 1.38</u>	
9850	Diluted	<u>\$ 0.86</u>		<u>\$ 1.37</u>	

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended Dec. 31, 2021 and 2020

(In thousands of New Taiwan Dollars)

Code		2021 Year ended Dec. 31	2020 Year ended Dec. 31
	CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
A00010	INCOME BEFORE INCOME TAX	\$ 2,436,395	\$ 3,000,771
A20010	Adjustments to reconcile profit(loss)		
A20100	Depreciation expense	5,230,418	5,790,171
A20200	Amortization expense	79,021	83,971
A20300	Expected credit loss (gain)	367	(5,139)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	163	11,520
A20900	Finance costs	796,860	851,591
A21200	Interest income	(57,683)	(66,244)
A21300	Dividend income	(318,847)	(312,581)
A22300	Share of loss (profit) of associates accounted for using equity method	27,562	(39,868)
A22500	Loss (gain) on disposal of property, plant and equipment, net	5,270	17,035
A22800	Losses on disposals of intangible assets	28	-
A22900	Gain (loss) on modifications of lease	(73)	(5,935)
A23100	Loss (gain) on disposal of investments	(4,330)	(553)
A23700	Impairment loss on intangible assets	437,462	6,384
A23700	Impairment loss recognized on property, plant and equipment	252,499	16,853
A23700	Impairment loss recognized on Right-of-use assets	231,371	613,770
A23800	Gain for market price decline and obsolete and slow-moving inventories	(2,463)	(32)
A24600	Loss (gain) on change in fair value of investment properties	44,277	71,617
A29900	Amortization of prepayments	61,219	39,674
A29900	Lease liabilities concessions	(227,979)	(280,698)
A29900	Reversal unrealized purchase discounts	389	(210)
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	(18,979)	(15,360)
A31130	Notes receivable	1,193	(732)
A31150	Accounts receivable	(581,023)	144,075
A31160	Notes and accounts receivable due from related parties	(42,437)	38,282
A31180	Other receivable	83,609	(120,004)

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C o d e		2021 Year ended Dec. 31	2020 Year ended Dec. 31
A31200	Inventories	(\$ 64,722)	\$ 406,672
A31230	Prepayments	(25,076)	188,606
A31240	Other current assets	43,402	6,208
A32125	Contract liability-Current	1,538,250	350,906
A32130	Notes payable	(796)	3,442
A32150	Accounts payable	962,332	723,562
A32160	Notes and accounts payable to related parties	28,296	(25,354)
A32180	Other payables	194,707	(58,840)
A32210	Provisions	157,631	239,964
A32230	Advance receipts	15,687	57,808
A32240	Other current liabilities	(42,606)	(53,507)
A33000	Cash inflow (outflow) generated from operations	11,241,394	11,677,825
A33200	Dividends received	441,004	431,307
A33300	Interests paid	(746,919)	(796,027)
A33100	Interests received	51,314	62,228
A33500	Income tax returned	287	2,801
A33500	Income taxes paid	(616,711)	(690,968)
AAAA	Net cash flows from (used in) operating activities	<u>10,370,369</u>	<u>10,687,166</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
B00010	Acquisition of financial assets at fair value through other comprehensive income	(37,894)	(41,279)
B00020	Disposal of financial assets at fair value through other comprehensive income	66,595	46,717
B00040	Acquisition of financial assets at amortized cost	(3,785,778)	(1,305,880)
B00050	Proceeds from disposal of financial assets at amortized cost	3,672,710	1,706,277
B01800	Acquisition of investments accounted for using equity method	(42,358)	-
B00200	Disposal of investments accounted for using equity method	38,542	11,603
B02700	Acquisition of property, plant and equipment	(2,317,029)	(2,011,132)
B02800	Proceeds from disposal of property, plant and equipment	13,793	1,473
B04500	Acquisition of intangible assets	(156,329)	(193,635)
B05350	Acquisition of Right-of-use assets	(152,185)	(110,833)
B05400	Acquisition of investment properties	(803)	(6,583)
B06800	Increase (decrease) in other non-current assets	(311,585)	(509,118)
BBBB	Net cash flows from (used in) investing activities	<u>(3,012,321)</u>	<u>(2,412,390)</u>
Cash flows from (used in) financing activities			
C00100	Increase in short-term loans	102,360,062	115,681,868

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<u>C o d e</u>		2021 <u>Year ended Dec. 31</u>	2020 <u>Year ended Dec. 31</u>
C00200	Decrease in short-term loans	(\$ 101,516,029)	(\$ 116,326,590)
C00500	Increase in short-term notes and bills payable	22,533,679	35,197,389
C00600	Decrease in short-term notes and bills payable	(23,071,976)	(35,091,379)
C01600	Proceeds from long-term debt	126,399,960	103,720,004
C01700	Repayment of long-term debt	(124,250,000)	(105,820,000)
C04020	Payments of lease liabilities	(2,990,437)	(2,957,964)
C04400	Decrease in other non-current liabilities	(42,940)	(90,834)
C04500	Dividends paid to owners of the Corporation	(1,556,294)	(1,131,061)
C05800	Dividends paid to non-controlling interests	(495,016)	(117,859)
CCCC	Net cash flows from (used in) financing activities	<u>(2,628,991)</u>	<u>(6,936,426)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>11,599</u>	<u>28,861</u>
EEEE	Net increase (decrease) in cash and cash equivalents	4,740,656	1,367,211
E00100	Cash and cash equivalents at beginning of period	<u>14,791,434</u>	<u>13,424,223</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 19,532,090</u>	<u>\$ 14,791,434</u>

(Concluded)