

FAR EASTERN DEPARTMENT STORES, LTD.

BALANCE SHEETS

Dec. 31, 2022 and Dec. 31, 2021

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

Code	Assets	2022/12/31		2021/12/31	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents	\$ 838,566	1	\$ 965,361	1
1147	Current financial assets at amortized cost	25,600	-	25,508	-
1170	Accounts receivable	525,632	1	556,103	1
1180	Accounts receivable due from related parties	86,973	-	91,986	-
1200	Other receivables	102,064	-	280,143	-
130X	Inventories	353,112	1	406,593	1
1410	Prepayments	262,890	-	236,804	-
1470	Other current assets	8,134	-	8,686	-
11XX	Total current assets	<u>2,202,971</u>	<u>3</u>	<u>2,571,184</u>	<u>3</u>
	NONCURRENT ASSETS				
1517	Non-current financial assets at fair value through other comprehensive income	2,793,214	4	2,903,935	4
1535	Non-current financial assets at amortized cost	200	-	-	-
1550	Investments accounted for by equity method	22,573,000	29	21,086,222	27
1600	Property, plant and equipment	17,083,127	22	17,627,670	22
1755	Right-of-use assets	22,963,693	29	23,901,501	31
1761	Investment property	9,018,266	12	9,067,580	12
1780	Intangible assets	60,986	-	59,660	-
1840	Deferred tax assets	87,144	-	80,496	-
1975	Net defined benefit asset	283,748	-	196,701	-
1990	Other noncurrent assets	562,391	1	514,881	1
15XX	Total noncurrent assets	<u>75,425,769</u>	<u>97</u>	<u>75,438,646</u>	<u>97</u>
1XXX	TOTAL	<u>\$ 77,628,740</u>	<u>100</u>	<u>\$ 78,009,830</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term debts	\$ 8,500,000	11	\$ 4,800,000	6
2110	Short-term notes and bills payable	599,932	1	1,549,515	2
2130	Contract liabilities-Current	4,076,038	5	3,938,860	5
2170	Accounts and notes payables	4,707,626	6	4,237,424	6
2180	Notes and accounts payable to related parties	53,419	-	50,629	-
2200	Other payables	1,703,701	2	1,664,367	2
2230	Current tax liabilities	180,160	-	101,329	-
2280	Current lease liabilities	950,111	1	945,167	1
2310	Advance receipts	265,297	1	202,282	1
2322	Long-term borrowings – current portion	950,000	1	-	-
2399	Other current liabilities	166,546	-	160,013	-
21XX	Total current liabilities	<u>22,152,830</u>	<u>28</u>	<u>17,649,586</u>	<u>23</u>
	NONCURRENT LIABILITIES				
2540	Long-term borrowings	\$ 9,100,000	12	\$ 13,949,720	18
2570	Deferred tax liabilities	2,155,083	3	2,132,730	2
2580	Lease liabilities - non-current	12,595,824	16	13,145,744	17
2670	Other noncurrent liabilities	85,460	-	83,420	-
25XX	Total noncurrent liabilities	<u>23,936,367</u>	<u>31</u>	<u>29,311,614</u>	<u>37</u>
2XXX	Total liabilities	<u>46,089,197</u>	<u>59</u>	<u>46,961,200</u>	<u>60</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
	Share Capital				
3110	Ordinary share	14,169,406	18	14,169,406	18
3200	Capital surplus	3,341,024	4	3,340,982	4
	Retained earnings				
3310	Legal reserve	3,729,018	5	3,611,319	5
3320	Special reserve	2,657,978	3	2,619,569	3
3350	Unappropriated earnings	2,798,561	4	2,216,433	3
3300	Total retained earnings	<u>9,185,557</u>	<u>12</u>	<u>8,447,321</u>	<u>11</u>
3400	Other equity	4,940,666	7	5,188,031	7
3500	Treasury stock	(97,110)	-	(97,110)	-
3XXX	Total equity	<u>31,539,543</u>	<u>41</u>	<u>31,048,630</u>	<u>40</u>
	TOTAL	<u>\$ 77,628,740</u>	<u>100</u>	<u>\$ 78,009,830</u>	<u>100</u>

(Conclude)

FAR EASTERN DEPARTMENT STORES, LTD
Statement of comprehensive income
Year ended Dec. 31, 2022 and 2021
(In thousands of New Taiwan Dollars, Expect Par Value)

C o d e		2022		2021	
		Year ended Dec. 31		Year ended Dec. 31	
		Amount	%	Amount	%
4000	REVENUES	\$ 11,287,323	100	\$ 10,013,982	100
5000	COSTS	<u>3,665,034</u>	<u>32</u>	<u>3,918,627</u>	<u>39</u>
5900	GROSS PROFIT	<u>7,622,289</u>	<u>68</u>	<u>6,095,355</u>	<u>61</u>
	OPERATING EXPENSES				
6100	Selling	398,555	4	374,713	4
6200	General and administrative	4,794,877	42	3,973,921	40
6450	Expected credit loss (Gain)	-	-	2,535	-
6000	Total operating expenses	<u>5,193,432</u>	<u>46</u>	<u>4,351,169</u>	<u>44</u>
6900	OPERATING INCOME	<u>2,428,857</u>	<u>22</u>	<u>1,744,186</u>	<u>17</u>
	NONOPERATING INCOME AND EXPENSES				
7100	Interest income	165	-	130	-
7010	Other income	201,628	2	201,956	2
7020	Other gains and losses	(181,610)	(2)	(342,600)	(3)
7050	Finance costs	(473,255)	(4)	(438,433)	(4)
7070	Share of profit (loss) of subsidiaries and associates accounted for using equity method	<u>264,276</u>	<u>2</u>	<u>221,348</u>	<u>2</u>
7000	Total Non-operating income and expenses	<u>(188,796)</u>	<u>(2)</u>	<u>(357,599)</u>	<u>(3)</u>
7900	INCOME BEFORE INCOME TAX	2,240,061	20	1,386,587	14
7950	INCOME TAX EXPENSE	<u>309,887</u>	<u>3</u>	<u>178,487</u>	<u>2</u>
8200	NET INCOME	<u>1,930,174</u>	<u>17</u>	<u>1,208,100</u>	<u>12</u>

(Continued)

(Continued)

C o d e		2022		2021	
		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	\$ 45,616	-	(\$ 30,278)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(110,721)	(1)	58,315	-
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income	(31,751)	-	171,943	2
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(9,123)	-	6,055	-
		(105,979)	(1)	206,035	2
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	(58,077)	-	(2,981)	-
		(58,077)	-	(2,981)	-
8300	Other comprehensive income for the year, net of income tax	(164,056)	(1)	203,054	2
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,766,118</u>	<u>16</u>	<u>\$ 1,411,154</u>	<u>14</u>
	EARNINGS PER SHARE				
9750	Basic	<u>\$ 1.37</u>		<u>\$ 0.86</u>	
9850	Diluted	<u>\$ 1.37</u>		<u>\$ 0.86</u>	

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD.

STATEMENTS OF CASH FLOWS

Year ended Dec. 31, 2022 and 2021

(In thousands of New Taiwan Dollars)

<u>C o d e</u>		<u>2022</u> Year ended Dec. 31	<u>2021</u> Year ended Dec. 31
	CASH FLOWS FROM OPERATING ACTIVITIES		
A00010	INCOME BEFORE INCOME TAX	\$ 2,240,061	\$ 1,386,587
A20010	Adjustments to reconcile profit(loss)		
A20100	Depreciation expense	1,907,923	1,972,608
A20200	Amortization expense	30,298	42,530
A20300	Expected credit loss (gain)	190,000	2,535
A29900	Amortization of prepayments	525	1,721
A20900	Finance costs	473,255	438,433
A22400	Share of loss (profit) of subsidiaries and associates accounted for using equity method	(264,276)	(221,348)
A21200	Interest income	(165)	(130)
A21300	Dividend income	(201,628)	(201,956)
A22500	Loss (gain) on disposal of property, plant and equipment, net	10,486	2,199
A22700	Loss (gain) on disposal of Investment property, net	538	335
A23700	Impairment loss on of Intangible assets	-	437,462
A24600	Loss (gain) on change in fair value of investment properties	50,970	(42,435)
A29900	Lease liabilities concessions	(54,625)	(170,191)
A30000	Net changes in operating assets and liabilities		
A31150	Accounts receivable	30,471	(311,850)
A31160	Notes and accounts receivable due from related parties	5,013	(16,743)
A31180	Other receivable	(11,919)	(24,191)
A31200	Inventories	53,481	(53,464)
A31230	Prepayments	(26,086)	10,721
A31240	Other current assets	552	52,295
A32125	Contract liability-Current	137,178	735,918
A32150	Accounts payable	470,202	415,134
A32160	Accounts payable to related parties	2,790	646
A32180	Other payables	176,744	22,485
A32210	Advance receipts	159,053	29,475
A32230	Other current liabilities	6,533	31,410
A32240	Net defined benefit liability	(41,431)	(21,116)
A33000	Cash inflow (outflow) generated from operations	5,345,943	4,519,070
A33300	Interests paid	(438,350)	(411,284)

(Continued)

(Continued)

<u>C o d e</u>		<u>2022</u> <u>Year ended Dec. 31</u>	<u>2021</u> <u>Year ended Dec. 31</u>
A33100	Interests received	\$ 163	\$ 130
A33200	Dividends received	689,340	625,330
A33500	Income taxes paid	(<u>224,474</u>)	(<u>233,213</u>)
AAAA	Net cash flows from (used in) operating activities	<u>5,372,622</u>	<u>4,500,033</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
B00040	Acquisition of financial assets at amortized cost	(25,800)	(25,508)
B00050	Proceeds from disposal of financial assets at amortized cost	25,508	25,424
B01800	Acquisition of investments accounted for using equity method	(1,800,000)	(1,500,000)
B02700	Acquisition of property, plant and equipment	(502,424)	(572,647)
B02800	Proceeds from disposal of property, plant and equipment	60	89
B04500	Acquisition of intangible assets	(23,813)	(22,465)
B05350	Acquisition of Right-of-use assets	(41,681)	(117,836)
B05400	Acquisition of investment properties	(2,194)	(2,177)
B06700	(Increase) decrease in other non-current assets	(<u>37,932</u>)	(<u>46,642</u>)
BBBB	Net cash flows from (used in) investing activities	(<u>2,408,276</u>)	(<u>2,168,478</u>)
CASH FLOWS FROM FINANCING ACTIVITIES			
C00100	Increase in short-term loans	63,370,000	58,270,000
C00200	Decrease in short-term loans	(59,670,000)	(58,120,000)
C00500	Increase in short-term notes and bills payable	7,546,731	12,916,598
C00600	Decrease in short-term notes and bills payable	(8,496,314)	(13,816,363)
C01600	Proceeds from long-term debt	111,000,280	133,249,959
C01700	Repayment of long-term debt	(114,900,000)	(132,600,000)
C04020	Payments of lease liabilities	(670,801)	(527,684)
C04300	Increase in other non-current liabilities	2,040	4,884
C04500	Dividends paid	(<u>1,273,077</u>)	(<u>1,556,294</u>)
CCCC	Net cash flows from (used in) financing activities	(<u>3,091,141</u>)	(<u>2,178,900</u>)
EEEE	Net increase (decrease) in cash and cash equivalents	(126,795)	152,655
E00100	Cash and cash equivalents at beginning of period	<u>965,361</u>	<u>812,706</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 838,566</u>	<u>\$ 965,361</u>

(Concluded)