

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Dec. 31, 2023 and Dec. 31, 2022
(In thousands of New Taiwan Dollars)

Code	Assets	2023/12/31		2022/12/31	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents	\$ 19,957,709	15	\$ 17,254,680	14
1110	Financial assets at fair value through profit or loss - current	83,054	-	284,762	-
1120	Current financial assets at fair value through other comprehensive income	951,448	1	840,485	1
1136	Current financial assets at amortized cost	1,817,858	1	2,210,526	2
1150	Notes receivable	649	-	471	-
1170	Accounts receivable	1,220,390	1	1,162,412	1
1180	Accounts receivable due from related parties	118,779	-	152,611	-
1200	Other receivables	650,022	-	703,143	-
1220	Current tax assets	2,635	-	2,746	-
130X	Inventories	2,107,659	2	2,372,926	2
1410	Prepayments	290,506	-	267,762	-
1470	Other current assets	44,529	-	56,533	-
11XX	Total current assets	<u>27,245,238</u>	<u>20</u>	<u>25,309,057</u>	<u>20</u>
	NONCURRENT ASSETS				
1517	Non-current financial assets at fair value through other comprehensive income	4,688,905	4	4,627,437	4
1535	Non-current financial assets at amortized cost	73,000	-	123,200	-
1550	Investments accounted for by equity method	8,540,496	6	9,749,294	8
1600	Property, plant and equipment	32,462,952	24	33,279,076	26
1755	Right-of-use assets	46,536,255	35	39,630,425	31
1760	Investment properties	9,022,885	7	8,971,146	7
1780	Intangible assets	2,394,245	2	2,413,602	2
1840	Deferred tax assets	348,451	-	584,173	-
1975	Net defined benefit asset	503,364	-	285,329	-
1990	Other noncurrent assets	2,015,247	2	1,970,204	2
15XX	Total noncurrent assets	<u>106,585,800</u>	<u>80</u>	<u>101,633,886</u>	<u>80</u>
1XXX	TOTAL	<u>\$133,831,038</u>	<u>100</u>	<u>\$126,942,943</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term debts	\$ 11,700,188	9	\$ 13,722,144	11
2110	Short-term notes and bills payable	1,686,518	1	1,590,845	1
2130	Contract liabilities-Current	9,615,412	7	10,279,939	8
2150	Notes payable	1,480	-	3,500	-
2170	Accounts payable	18,047,911	14	17,050,545	13
2180	Notes and accounts payable to related parties	103,222	-	116,859	-
2200	Other payables	4,063,454	3	4,089,361	3
2230	Current tax liabilities	932,204	1	626,356	1
2250	Provision-current	3,000	-	3,000	-
2280	Current lease liabilities	2,923,309	2	3,191,599	3
2310	Advance receipts	410,335	-	509,317	-
2322	Long-term borrowings – current portion	518,039	1	950,000	1
2399	Other current liabilities	414,256	-	395,209	-
21XX	Total current liabilities	<u>50,419,328</u>	<u>38</u>	<u>52,528,674</u>	<u>41</u>
	NONCURRENT LIABILITIES				
2540	Long-term borrowings	14,562,121	11	9,900,000	8
2550	Provision-noncurrent	25,729	-	25,500	-
2570	Deferred tax liabilities	2,304,264	2	2,349,887	2
2580	Lease liabilities - non-current	28,085,073	21	20,489,572	16
2640	Net defined benefit liability, non-current	483,823	-	581,832	1
2670	Other noncurrent liabilities	476,892	-	520,214	-
25XX	Total noncurrent liabilities	<u>45,937,902</u>	<u>34</u>	<u>33,867,005</u>	<u>27</u>
2XXX	Total liabilities	<u>96,357,230</u>	<u>72</u>	<u>86,395,679</u>	<u>68</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
	Share Capital				
3110	Ordinary share	14,169,406	11	14,169,406	11
3200	Capital surplus	3,343,595	2	3,341,024	3
	Retained earnings				
3310	Legal reserve	3,930,366	3	3,729,018	3
3320	Special reserve	2,648,051	2	2,657,978	2
3350	Unappropriated earnings	2,086,045	1	2,798,561	2
3300	Total retained earnings	8,664,462	6	9,185,557	7
3400	Other equity	5,242,133	4	4,940,666	4
3500	Treasury stock	(97,110)	-	(97,110)	-
31XX	Total equity attributable to owners of the Company	<u>31,322,486</u>	<u>23</u>	<u>31,539,543</u>	<u>25</u>
36XX	NON-CONTROLLING INTERESTS	<u>6,151,322</u>	<u>5</u>	<u>9,007,721</u>	<u>7</u>
3XXX	Total equity	<u>37,473,808</u>	<u>28</u>	<u>40,547,264</u>	<u>32</u>
	TOTAL	<u>\$133,831,038</u>	<u>100</u>	<u>\$126,942,943</u>	<u>100</u>

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Year ended Dec. 31, 2023 and 2022

(In thousands of New Taiwan Dollars, Except Earnings Per Share)

C o d e		2023		2022	
		Year ended Dec. 31	%	Year ended Dec. 31	%
		Amount	%	Amount	%
4000	REVENUES	\$ 36,725,103	100	\$ 35,863,910	100
5000	COSTS	<u>16,180,018</u>	<u>44</u>	<u>16,544,425</u>	<u>46</u>
5900	GROSS PROFIT	<u>20,545,085</u>	<u>56</u>	<u>19,319,485</u>	<u>54</u>
	OPERATING EXPENSES				
6100	Selling	863,321	2	896,918	2
6200	General and administrative	14,160,019	39	13,977,027	39
6450	Expected credit loss (Gain)	<u>21,133</u>	<u>-</u>	<u>(826)</u>	<u>-</u>
6000	Total operating expenses	<u>15,044,473</u>	<u>41</u>	<u>14,873,119</u>	<u>41</u>
6900	OPERATING INCOME	<u>5,500,612</u>	<u>15</u>	<u>4,446,366</u>	<u>13</u>
	NONOPERATING INCOME AND EXPENSES				
7100	Interest income	187,036	1	92,888	-
7010	Other income	257,872	1	357,816	1
7020	Other gains and losses	67,178	-	(347,821)	(1)
7050	Finance costs	(962,332)	(3)	(869,978)	(2)
7060	Share of profit (loss) of associates accounted for using equity method	<u>123,200</u>	<u>-</u>	<u>(170,711)</u>	<u>(1)</u>
7000	Total Non-operating income and expenses	<u>(327,046)</u>	<u>(1)</u>	<u>(937,806)</u>	<u>(3)</u>
7900	INCOME BEFORE INCOME TAX	5,173,566	14	3,508,560	10
7950	INCOME TAX EXPENSE	<u>1,211,035</u>	<u>3</u>	<u>803,394</u>	<u>3</u>
8200	NET INCOME	<u>3,962,531</u>	<u>11</u>	<u>2,705,166</u>	<u>7</u>

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C o d e		2023		2022	
		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	\$ 186,399	1	(\$ 105,862)	-
8311	Gains (losses) on remeasurements of defined benefit plans	85,271	-	128,947	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income	43,552	-	(79,295)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(17,058)	-	(25,499)	-
		<u>298,164</u>	<u>1</u>	<u>(81,709)</u>	<u>-</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	26,913	-	(48,973)	-
8370	Share of other comprehensive income of associates accounted for using equity method	(18,660)	-	(25,615)	-
		<u>8,253</u>	<u>-</u>	<u>(74,588)</u>	<u>-</u>
8300	Total other comprehensive income, net	<u>306,417</u>	<u>1</u>	<u>(156,297)</u>	<u>-</u>
8500	COMPREHENSIVE INCOME	<u>\$ 4,268,948</u>	<u>12</u>	<u>\$ 2,548,869</u>	<u>7</u>
8600	NET INCOME ATTRIBUTED TO :				
8610	Owners of parent	\$ 2,752,303	8	\$ 1,930,174	5
8620	Non-controlling interests	<u>1,210,228</u>	<u>3</u>	<u>774,992</u>	<u>2</u>
		<u>\$ 3,962,531</u>	<u>11</u>	<u>\$ 2,705,166</u>	<u>7</u>
8700	TOTAL CONPREHENSIVE INCOME ATTRIBUTED TO :				
8710	Owners of the Company	\$ 3,055,547	9	\$ 1,766,118	5
8720	Non-controlling interests	<u>1,213,401</u>	<u>3</u>	<u>782,751</u>	<u>2</u>
		<u>\$ 4,268,948</u>	<u>12</u>	<u>\$ 2,548,869</u>	<u>7</u>
	EARNINGS PER SHARE :				
9750	Basic	<u>\$ 1.95</u>		<u>\$ 1.37</u>	
9850	Diluted	<u>\$ 1.95</u>		<u>\$ 1.37</u>	

(Concluded)

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended Dec. 31, 2023 and 2022

(In thousands of New Taiwan Dollars)

<u>C o d e</u>		<u>2023</u> Year ended Dec. 31	<u>2022</u> Year ended Dec. 31
	CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
A00010	INCOME BEFORE INCOME TAX	\$ 5,173,566	\$ 3,508,560
A20010	Adjustments to reconcile profit(loss)		
A20100	Depreciation expense	5,134,806	5,534,369
A20200	Amortization expense	60,787	70,246
A20300	Expected credit loss (gain)	3,437	212,589
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(10,534)	8,510
A20900	Finance costs	962,332	869,978
A21200	Interest income	(187,036)	(92,888)
A21300	Dividend income	(257,872)	(357,816)
A22300	Share of loss (profit) of associates accounted for using equity method	(123,200)	170,711
A22500	Loss (gain) on disposal of property, plant and equipment, net	50,676	14,660
A22800	Losses on disposals of intangible assets	-	1,090
A22900	Gain (loss) on modifications of lease	(1,288)	-
A23100	Loss (gain) on disposal of investments	59,989	(3,266)
A23700	Impairment loss recognized on property, plant and equipment	4,046	(64,393)
A23700	Impairment loss recognized on Right-of-use assets	120,343	432,343
A23800	Gain for market price decline and obsolete and slow-moving inventories	(22,058)	(10,271)
A24600	Loss (gain) on change in fair value of investment properties	(49,134)	8,083
A29900	Amortization of prepayments	5,579	36,100
A29900	Lease liabilities concessions	-	(149,877)
A29900	Reversal unrealized purchase discounts	(898)	917
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	144,644
A31130	Notes receivable	(178)	200
A31150	Accounts receivable	(70,141)	16,261
A31160	Notes and accounts receivable due from related parties	33,832	17,999
A31180	Other receivable	(34,326)	(14,790)

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C o d e		2023 Year ended Dec. 31	2022 Year ended Dec. 31
A31200	Inventories	\$ 288,223	\$ 77,683
A31230	Prepayments	(23,055)	(32,298)
A31240	Other current assets	6,791	3,952
A32125	Contract liability-Current	(664,527)	619,955
A32130	Notes payable	(2,020)	(2,330)
A32150	Accounts payable	973,941	243,741
A32160	Notes and accounts payable to related parties	(13,637)	20,462
A32180	Other payables	295,628	89,027
A32210	Provisions	65,665	167,831
A32230	Other current liability	19,047	124
	Net defined benefit assets	(97,424)	(88,560)
A32240	Net defined benefit liability	(<u>133,349</u>)	(<u>18,158</u>)
A33000	Cash inflow (outflow) generated from operations	11,781,230	11,435,388
A33200	Dividends received	339,924	508,921
A33300	Interests paid	(890,727)	(772,109)
A33100	Interests received	202,087	92,081
A33500	Income tax returned	165	214
A33500	Income taxes paid	(<u>709,418</u>)	(<u>585,121</u>)
AAAA	Net cash flows from (used in) operating activities	<u>10,723,261</u>	<u>10,679,374</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
B00010	Acquisition of financial assets at fair value through other comprehensive income	(8,975)	(539,724)
B00020	Disposal of financial assets at fair value through other comprehensive income	22,943	45,134
B00040	Acquisition of financial assets at amortized cost	(5,169,042)	(5,580,738)
B00050	Proceeds from disposal of financial assets at amortized cost	5,603,574	4,557,744
B01900	Proceeds from disposal of investments accounted for using equity method	46,222	-
B02100	Decrease in prepayments for investments	123,872	-
B02300	Proceeds from disposal of subsidiaries	(405,484)	-
B02400	Proceeds from capital reduction of investments accounted for using equity method	1,064,135	-
B02700	Acquisition of property, plant and equipment	(1,871,284)	(1,480,356)
B02800	Proceeds from disposal of property, plant and equipment	1,847	148
B04500	Acquisition of intangible assets	(35,859)	(56,385)
B05350	Acquisition of Right-of-use assets	(4,450)	(383,089)
B05400	Acquisition of investment properties	(2,605)	(1,096)

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<u>C o d e</u>		<u>2023</u> Year ended Dec. 31	<u>2022</u> Year ended Dec. 31
B06700	Increase (decrease) in other non-current assets	\$ -	(\$ 134,260)
B06800	Increase (decrease) in other non-current assets	<u>27,693</u>	<u>-</u>
BBBB	Net cash flows from (used in) investing activities	(<u>607,413</u>)	(<u>3,572,622</u>)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	99,972,968	115,930,553
C00200	Decrease in short-term loans	(101,922,033)	(112,170,593)
C00500	Increase in short-term notes and bills payable	12,686,113	19,553,794
C00600	Decrease in short-term notes and bills payable	(12,590,440)	(21,153,655)
C01600	Proceeds from long-term debt	129,180,160	109,760,279
C01700	Repayment of long-term debt	(124,950,000)	(116,500,000)
C04020	Payments of lease liabilities	(2,864,372)	(2,969,151)
C04400	Decrease in other non-current liabilities	(47,160)	(10,364)
C04500	Dividends paid to owners of the Corporation	(1,556,870)	(1,273,077)
C05400	Acquisition of ownership interests in subsidiaries	(4,498,463)	-
C05800	Dividends paid to non-controlling interests	(<u>797,574</u>)	(<u>554,934</u>)
CCCC	Net cash flows from (used in) financing activities	(<u>7,387,671</u>)	(<u>9,387,148</u>)
DDDD	Effect of exchange rate changes on cash and cash equivalents	(<u>25,148</u>)	<u>2,986</u>
EEEE	Net increase (decrease) in cash and cash equivalents	2,703,029	(2,277,410)
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>\$ 19,957,709</u>	<u>\$ 17,254,680</u>

(Concluded)