

**PRESIDENT CHAIN STORE CORP. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2023 AND 2022**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2023 AND 2022
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INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Stockholders of President Chain Store Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of President Chain Store Corp. and subsidiaries as at March 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

As explained in Notes 4(3) and 6(6), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method were not reviewed by independent auditors. Those statements reflect total assets of NT\$49,778,587 thousand and NT\$47,072,435 thousand, constituting 22% and 22% of the consolidated total assets, and total liabilities of NT\$32,331,297 thousand and NT\$31,071,745 thousand, constituting 18% and 18% of the consolidated total liabilities as at March 31, 2023 and 2022, respectively, and total comprehensive income of NT\$656,116 thousand and NT\$181,105 thousand, constituting 21% and 5% of the consolidated total comprehensive income for the three months then ended.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method, been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of President Chain Store Corp. and subsidiaries as at March 31, 2023 and 2022, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” that came into effect as endorsed by the Financial Supervisory Commission.

Yi-Chang, Liang

Se-Kai, Lin

For and on behalf of PricewaterhouseCoopers, Taiwan
May 3, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors’ review report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

Assets			March 31, 2023		December 31, 2022		March 31, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 44,082,471	19	\$ 48,540,378	21	\$ 44,506,092	21
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		740,755	-	531,190	-	860,543	-
1170	Accounts receivable, net	6(3) and 7	5,745,489	3	6,701,248	3	5,564,171	3
1200	Other receivables		2,781,565	1	2,581,316	1	2,901,832	1
1220	Current income tax assets	6(32)	6,830	-	1,093	-	7,969	-
130X	Inventories, net	6(4)	20,305,187	9	21,670,453	9	16,809,883	8
1410	Prepayments		1,859,226	1	2,086,823	1	1,966,896	1
1470	Other current assets		3,064,847	1	2,974,633	1	2,903,445	1
11XX	Total current assets		78,586,370	34	85,087,134	36	75,520,831	35
Non-current assets								
1510	Financial assets at fair value	6(2)						
	through profit or loss -							
	non-current		85,480	-	85,480	-	85,480	-
1517	Financial assets at fair value	6(5)						
	through other comprehensive							
	income - non-current		876,086	1	847,481	-	1,126,702	1
1550	Investments accounted for using	6(6)						
	equity method		8,694,507	4	8,555,500	4	8,615,307	4
1600	Property, plant and equipment	6(7) and 8	34,879,629	15	34,407,957	15	30,209,171	14
1755	Right-of-use assets	6(8) and 7	85,589,311	38	85,032,424	37	79,922,094	37
1760	Investment property, net	6(10) and 8	2,871,766	1	2,891,189	1	3,015,866	1
1780	Intangible assets	6(11)	9,648,765	4	9,665,135	4	9,713,629	5
1840	Deferred income tax assets	6(32)	2,311,204	1	1,966,308	1	2,034,812	1
1900	Other non-current assets	6(12) and 8	5,440,362	2	4,671,192	2	3,881,537	2
15XX	Total non-current assets		150,397,110	66	148,122,666	64	138,604,598	65
1XXX	Total assets		\$ 228,983,480	100	\$ 233,209,800	100	\$ 214,125,429	100

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

Liabilities and Equity			March 31, 2023		December 31, 2022		March 31, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current Liabilities								
2100	Short-term borrowings	6(14)	\$ 7,050,648	3	\$ 9,250,522	4	\$ 4,716,241	2
2110	Short-term notes and bills payable	6(15)	2,794,091	1	-	-	-	-
2130	Contract liabilities - current	6(25)	6,986,208	3	6,849,919	3	6,491,851	3
2150	Notes payable	7	935,578	1	2,205,192	1	767,979	-
2170	Accounts payable		23,834,956	10	25,396,205	11	20,899,040	10
2180	Accounts payable - related parties	7	3,393,099	2	3,446,778	1	3,092,640	2
2200	Other payables	6(16)	23,333,095	10	30,795,358	13	26,334,417	12
2230	Current income tax liabilities	6(32)	2,641,238	1	1,897,728	1	2,138,085	1
2280	Lease liabilities - current	7	14,202,767	6	13,955,348	6	13,298,015	6
2320	Long-term liabilities, current portion	6(18) and 8	314,143	-	319,123	-	560,420	-
2399	Other current liabilities, others	6(17)	3,578,817	2	3,592,908	2	3,536,368	2
21XX	Total current liabilities		89,064,640	39	97,709,081	42	81,835,056	38
Non-current liabilities								
2527	Contract liabilities - non-current	6(25)	624,954	-	588,317	-	601,114	-
2540	Long-term borrowings	6(18) and 8	419,273	-	492,617	-	868,128	-
2570	Deferred income tax liabilities	6(32)	5,281,562	2	4,919,600	2	4,895,611	2
2580	Lease liabilities - non-current	7	75,830,205	33	74,877,664	32	70,217,057	33
2640	Net defined benefit liability - non-current	6(19)	3,341,933	2	3,468,256	1	4,371,499	2
2670	Other non-current liabilities, others	6(20)	5,602,918	3	5,506,182	3	5,250,673	3
25XX	Total non-current liabilities		91,100,845	40	89,852,636	38	86,204,082	40
2XXX	Total Liabilities		180,165,485	79	187,561,717	80	168,039,138	78
Equity attributable to owners of the parent								
	Share capital	6(21)						
3110	Share capital - common stock		10,396,223	5	10,396,223	5	10,396,223	5
	Capital surplus	6(22)						
3200	Capital surplus		87,903	-	87,852	-	86,906	-
	Retained earnings	6(23)						
3310	Legal reserve		14,323,836	6	14,323,836	6	15,379,788	7
3320	Special reserve		1,921,515	1	1,921,515	1	1,332,621	1
3350	Unappropriated retained earnings		12,604,831	5	9,784,279	4	11,061,879	6
	Other equity	6(24)						
3400	Other equity interest		(178,538)	-	(54,625)	-	(1,193,633)	(1)
31XX	Total equity attributable to owners of the parent		39,155,770	17	36,459,080	16	37,063,784	18
36XX	Non-controlling interest		9,662,225	4	9,189,003	4	9,022,507	4
3XXX	Total equity		48,817,995	21	45,648,083	20	46,086,291	22
3X2X	Total liabilities and equity		\$ 228,983,480	100	\$ 233,209,800	100	\$ 214,125,429	100

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Lo, Chih-Hsien

President: Huang, Jui-Tien

Accounting Manager: Lee, Johnyih

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)
(UNAUDITED)

Items		Notes	Three months ended March 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(25) and 7	\$ 75,474,209	100	\$ 67,667,170	100
5000	Operating costs	6(4)(26) and 7	(49,633,799)	(66)	(44,767,364)	(66)
5900	Gross profit		25,840,410	34	22,899,806	34
	Operating expenses	6(26)(27)				
6100	Selling expenses		(19,498,144)	(26)	(17,370,146)	(26)
6200	General and administrative expenses		(2,899,715)	(4)	(2,420,686)	(3)
6450	Expected credit losses	12(2)	(114)	-	(2,737)	-
6000	Total operating expenses		(22,397,973)	(30)	(19,793,569)	(29)
6900	Operating profit		3,442,437	4	3,106,237	5
	Non-operating income and expenses					
7100	Interest income	6(28)	304,138	-	36,783	-
7010	Other income	6(29)	543,629	1	469,397	1
7020	Other gains and losses	6(30)	(30,271)	-	(52,459)	-
7050	Finance costs	6(31)	(321,373)	-	(280,761)	(1)
7060	Share of profit of associates and joint ventures accounted for using equity method	6(6)	148,854	-	(28,145)	-
7000	Total non-operating income and expenses		644,977	1	144,815	-
7900	Profit before income tax		4,087,414	5	3,251,052	5
7950	Income tax expense	6(32)	(833,088)	(1)	(693,580)	(1)
8000	Profit for the period from continuing operations		3,254,326	4	2,557,472	4
8200	Profit for the period		\$ 3,254,326	4	\$ 2,557,472	4

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)
(UNAUDITED)

Items	Notes	Three months ended March 31			
		2023		2022	
		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)					
8316 Unrealized gain (loss) on valuation of equity instruments at fair value through other comprehensive income	6(5)	\$ 28,605	-	(\$ 39,207)	-
8320 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(24)	700	-	1,460	-
8349 Income tax related to the components of other comprehensive income that will not be reclassified to profit or loss	6(32)	(2,072)	-	2,571	-
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss		27,233	-	(35,176)	-
8361 Financial statements translation differences of foreign operations		(101,270)	-	798,088	1
8370 Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss	6(24)	(10,548)	-	2,324	-
8360 Components of other comprehensive (loss) income that will be reclassified to profit or loss		(111,818)	-	800,412	1
8300 Total other comprehensive (loss) income for the period		(\$ 84,585)	-	\$ 765,236	1
8500 Total comprehensive income for the period		\$ 3,169,741	4	\$ 3,322,708	5
Profit attributable to:					
8610 Owners of the parent		\$ 2,820,601	4	\$ 2,170,426	3
8620 Non-controlling interests		433,725	-	387,046	1
		\$ 3,254,326	4	\$ 2,557,472	4
Comprehensive income attributable to:					
8710 Owners of the parent		\$ 2,696,688	3	\$ 2,898,308	4
8720 Non-controlling interests		473,053	1	424,400	1
		\$ 3,169,741	4	\$ 3,322,708	5
9750 Basic earnings per share	6(33)	\$ 2.71		\$ 2.09	
9850 Diluted earnings per share	6(33)	\$ 2.71		\$ 2.08	

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Lo, Chih-Hsien

President: Huang, Jui-Tien

Accounting Manager: Lee, Johnyih

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

Equity attributable to owners of the parent										
<div><div><div></div><div>Retained Earnings</div><div></div></div><div><div></div><div>Other equity interest</div><div></div></div></div>										
Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total	Non-controlling interest	Total equity
<u>Three months ended March 31, 2022</u>										
Balance at January 1, 2022	\$ 10,396,223	\$ 86,222	\$ 15,379,788	\$ 1,332,621	\$ 8,889,669	(\$ 2,776,895)	\$ 855,380	\$ 34,163,008	\$ 8,628,484	\$ 42,791,492
Profit for the period	-	-	-	-	2,170,426	-	-	2,170,426	387,046	2,557,472
Other comprehensive (loss) income for the period	6(24)	-	-	-	-	759,591	(31,709)	727,882	37,354	765,236
Total comprehensive income (loss) for the period	-	-	-	-	2,170,426	759,591	(31,709)	2,898,308	424,400	3,322,708
Non-controlling interest	-	-	-	-	-	-	-	-	(30,377)	(30,377)
Adjustment of capital surplus due to associates' adjustment of capital surplus	-	684	-	-	-	-	-	684	-	684
Disposal of financial instruments designated at fair value through other comprehensive income of associates	-	-	-	-	1,784	-	-	1,784	-	1,784
Balance at March 31, 2022	\$ 10,396,223	\$ 86,906	\$ 15,379,788	\$ 1,332,621	\$ 11,061,879	(\$ 2,017,304)	\$ 823,671	\$ 37,063,784	\$ 9,022,507	\$ 46,086,291
<u>Three months ended March 31, 2023</u>										
Balance at January 1, 2023	\$ 10,396,223	\$ 87,852	\$ 14,323,836	\$ 1,921,515	\$ 9,784,279	(\$ 590,018)	\$ 535,393	\$ 36,459,080	\$ 9,189,003	\$ 45,648,083
Profit for the period	-	-	-	-	2,820,601	-	-	2,820,601	433,725	3,254,326
Other comprehensive (loss) income for the period	6(24)	-	-	-	-	(151,104)	27,191	(123,913)	39,328	(84,585)
Total comprehensive income (loss) for the period	-	-	-	-	2,820,601	(151,104)	27,191	2,696,688	473,053	3,169,741
Non-controlling interest	-	-	-	-	-	-	-	-	169	169
Adjustment of capital surplus due to associates' adjustment of capital surplus	-	51	-	-	-	-	-	51	-	51
Disposal of financial instruments designated at fair value through other comprehensive income of associates	-	-	-	-	(49)	-	-	(49)	-	(49)
Balance at March 31, 2023	\$ 10,396,223	\$ 87,903	\$ 14,323,836	\$ 1,921,515	\$ 12,604,831	(\$ 741,122)	\$ 562,584	\$ 39,155,770	\$ 9,662,225	\$ 48,817,995

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Lo, Chih-Hsien

President: Huang, Jui-Tien

Accounting Manager: LeeJohnyih

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Three months ended March 31 2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated profit before income tax for the period		\$ 4,087,414	\$ 3,251,052
Adjustments to reconcile before income tax to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Gain on valuation of financial assets at fair value through profit or loss	6(2)	(2,891)	(558)
Expected credit losses	12(2)	114	2,737
Depreciation expense	6(7)(8)(26)	5,596,948	5,222,688
Amortization expense	6(26)	177,333	161,935
Depreciation on investment property	6(10)(30)	38,829	38,765
Finance costs	6(31)	321,373	280,761
Share of profit of associates and joint ventures accounted for using equity method	6(6)	(148,854)	28,145
Loss on disposal of property, plant and equipment, net	6(30)	1,459	31,821
Gain from lease modification	6(8)(30)	(22,767)	(45,003)
Interest income	6(28)	(304,138)	(36,783)
Other income recognized from rent concessions	6(8)	-	(34,991)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		(206,674)	(199,830)
Accounts receivable		955,645	917,712
Other receivables		(198,591)	(235,806)
Inventories		1,365,266	1,629,896
Prepayments		227,597	19,271
Other current assets		(90,214)	617,662
Net changes in liabilities relating to operating activities			
Contract liabilities - current		136,289	(160,713)
Accounts payable		(1,614,928)	(2,310,090)
Notes payable		(1,269,614)	(1,259,829)
Other payables		(5,381,542)	(2,119,680)
Advance receipts		(14,091)	(33,606)
Contract liabilities - non-current		36,637	63,931
Net defined benefit liabilities		(126,323)	(228,850)
Cash generated from operations		3,564,277	5,600,637
Interest received		302,480	34,577
Income tax (paid) received		(80,321)	31,490
Interest paid		(321,343)	(280,542)
Net cash flows from operating activities		3,465,093	5,386,162

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Three months ended March 31 2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(34)	(\$ 4,062,335)	(\$ 3,268,979)
Proceeds from disposal of property, plant and equipment		148,817	23,116
Increase in guarantee deposits paid		(74,956)	(60,126)
Acquisition of intangible assets	6(11)	(128,213)	(38,263)
Prepaid land	6(12)	(300,000)	-
Increase in other non-current assets		(427,488)	(51,519)
Net cash flows used in investing activities		(4,844,175)	(3,395,771)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(35)	(2,199,874)	(381,127)
Decrease in short-term notes and bills payable	6(35)	2,794,091	-
Increase in long-term borrowings	6(35)	13,212	41,710
Repayment of long-term borrowings	6(35)	(94,355)	(127,577)
Payments of lease liabilities	6(8)(35)	(3,548,015)	(3,492,234)
Increase in guarantee deposits received	6(35)	71,185	63,691
Decrease in other non-current liabilities	6(35)	(3,462)	(3,816)
Change in non-controlling interests		169	(30,377)
Net cash flows used in financing activities		(2,967,049)	(3,929,730)
Effect of foreign exchange rate changes on cash and cash equivalents		(111,776)	796,945
Decrease in cash and cash equivalents		(4,457,907)	(1,142,394)
Cash and cash equivalents at beginning of period		48,540,378	45,648,486
Cash and cash equivalents at end of period		\$ 44,082,471	\$ 44,506,092

The accompanying notes are an integral part of these consolidated financial statements.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(UNAUDITED)

1. HISTORY AND ORGANIZATION

(1) President Chain Store Corp. (the “Company”) was established on June 10, 1987. The main businesses of the Company and its subsidiaries (collectively referred herein as the “Group”) are managing convenience stores, restaurants, drugstores, department stores, supermarkets and online shopping stores. Business areas include Taiwan, Mainland China, Philippines and Japan. The common shares of the Company have been listed on the Taiwan Stock Exchange since August 22, 1997. Details of the Group’s main operating activities and segment information are provided in Notes 4 and 14.

(2) The Group’s ultimate parent company is Uni-President Enterprises Corp., which holds a 45.4% equity interest in the Company.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on May 3, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments that came into effect as endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs that came into effect as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.	

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the compliance statement, basis of preparation, basis of consolidation, and the additional descriptions described below, the other principal accounting policies are in agreement with Note 4 of the consolidated financial statements for the year ended December 31, 2022. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IAS 34, 'Interim Financial Reporting' that came into effect as endorsed by the FSC.
- B. The consolidated financial statements should be read together with the consolidated financial statements for the year ended December 31, 2022.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less the present value of defined benefit obligations.
- B. The preparation of financial statements, in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs"), requires the use of certain critical accounting estimates, and the exercise of management's judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. The basis for preparation of consolidated financial statements is as follows:

- (a) The basis for preparation of these consolidated financial statements is consistent with those for the preparation of consolidated financial statements for the year ended December 31, 2022.
- (b) The details of the individual financial statements of the Company's subsidiaries reviewed or unreviewed by the independent auditors are summarized below:

Name of the subsidiaries	March 31, 2023	March 31, 2022
Retail Support International Corp.	Financial statements were reviewed	Financial statements were reviewed
President Chain Store (BVI) Holdings Ltd.	"	"
Shan Dong President Yinzuo Commercial Limited	"	"
Mech-President Corp.	"	"
President Transnet Corp.	"	"
President Drugstore Business Corp.	"	"
Books.com. Co., Ltd.	"	"
Uni-President Cold-Chain Corp.	"	"
President Chain Store (Hong Kong) Holdings Limited	"	"
President Pharmaceutical Corp.	"	"
Uni-Wonder Corp.	"	"
Other subsidiaries	Financial statements were unreviewed	Financial statements were unreviewed

- (c) The financial statements of the subsidiary, Philippine Seven Corp., for the year ended December 31, 2022 were audited by other independent auditors, and the financial statements of other subsidiaries were audited by the same independent auditors as that appointed by the Company.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
The Company	President Chain Store (BVI) Holdings Ltd.	Professional investment	100.00	100.00	100.00	
The Company	PCSC (China) Drugstore Limited	Professional investment	92.20	92.20	92.20	
The Company	Wisdom Distribution Service Corp.	Logistics and storage of publication and e-commerce	100.00	100.00	100.00	
The Company	President Drugstore Business Corp.	Sales of cosmetics, medicine and daily items	100.00	100.00	100.00	
The Company	Ren-Hui Investment Corp.	Professional investment	100.00	100.00	100.00	
The Company	Capital Marketing Consultant Corp.	Enterprise management consultancy	100.00	100.00	100.00	
The Company	President Lanyang Art Corporation	Art and cultural exhibition	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
The Company	Cold Stone Creamery Taiwan Ltd.	Sales of ice cream	100.00	100.00	100.00	
The Company	President Chain Store Corporation Insurance Brokers Co., Ltd.	Insurance brokers	100.00	100.00	100.00	
The Company	21 Century Co., Ltd.	Operation of chain restaurants	100.00	100.00	100.00	
The Company	President Being Corp.	Sports and entertainment business	100.00	100.00	100.00	
The Company	Uni-President Oven Bakery Corp.	Bread and pastry retailer	100.00	100.00	100.00	
The Company	President Chain Store Tokyo Marketing Corp.	Trade and enterprise management consultancy	100.00	100.00	100.00	
The Company	ICASH Corp.	Electronic ticketing and electronic payment	100.00	100.00	100.00	
The Company	Uni-President Superior Commissary Corp.	Fresh food manufacture	90.00	90.00	90.00	
The Company	Q-ware Systems & Services Corp.	Information software services	86.76	86.76	86.76	
The Company	President Information Corp.	Enterprise information management and consultancy	86.00	86.00	86.00	
The Company	Mech-President Corp.	Gas station, installment and maintenance of elevators	80.87	80.87	80.87	
The Company	President Pharmaceutical Corp.	Sales of various health care products, cosmetics, and pharmaceuticals	73.74	73.74	73.74	
The Company	President Collect Service Corp.	Collection agent	70.00	70.00	70.00	
The Company	Uni-President Department Store Corp.	Department stores	70.00	70.00	70.00	
The Company	President Transnet Corp.	Delivery service	70.00	70.00	70.00	
The Company	Uni-President Cold-Chain Corp.	Low-temperature logistics and warehousing	60.00	60.00	60.00	
The Company	Uni-Wonder Corp.	Coffee chain store	60.00	60.00	60.00	
The Company	Duskin Serve Taiwan Co., Ltd.	Cleaning instruments leasing and selling	51.00	51.00	51.00	
The Company	Books.com. Co., Ltd.	Retail business without shop	50.03	50.03	50.03	
The Company	Retail Support International Corp.	Room-temperature logistics and warehousing	25.00	25.00	25.00	(a)
The Company	Connection Labs Ltd.	Other software and internet-related	100.00	100.00	100.00	
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Professional investment	100.00	100.00	100.00	
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Professional investment	100.00	100.00	100.00	
PCSC (China) Drugstore Limited	President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Wholesale of merchandise	100.00	100.00	100.00	
Wisdom Distribution Service Corp.	President Logistics International Corp.	Trucking	20.00	20.00	20.00	
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Trucking	25.00	25.00	25.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
Uni-President Cold-Chain Corp.	Uni-President Logistics (BVI) Holdings Limited	Professional investment	100.00	100.00	100.00	
Retail Support International Corp.	Retail Support Taiwan Corp.	Room-temperature logistics and warehousing	51.00	51.00	51.00	
Retail Support International Corp.	President Logistics International Corp.	Trucking	49.00	49.00	49.00	
Retail Support Taiwan Corp.	President Logistics International Corp.	Trucking	6.00	6.00	6.00	
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Trucking	100.00	100.00	100.00	
Capital Marketing Consultant Corp.	Uni-Capital Marketing Consultant Holding Co., Ltd.	Professional investment	100.00	100.00	-	(b)
Uni-Capital Marketing Consultant Holding Co., Ltd.	Uni-Capital Marketing Consultant Corp.	Enterprise management consultancy	100.00	100.00	-	(c)
Capital Marketing Consultant Corp.	Uni-Sogood Marketing Consultant Philippines Corporation	Enterprise management consultancy	100.00	-	-	(d)
Mech-President Corp.	Tong Ching Corporation	Gas station	60.00	60.00	60.00	
President Pharmaceutical Corp.	President Pharmaceutical (Hong Kong) Holdings Limited	Sales of various health care products, cosmetics, and pharmaceuticals	100.00	100.00	100.00	
President Pharmaceutical (Hong Kong) Holdings Limited	President (Shanghai) Health Product Trading Company Ltd.	Sales of various health care products, cosmetics, and pharmaceuticals	100.00	100.00	100.00	
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corporation	Convenience store	55.32	55.32	54.88	(e)
Philippine Seven Corporation	Convenience Distribution Inc.	Logistics, warehousing and retail	100.00	100.00	100.00	
Philippine Seven Corporation	Store Sites Holding, Inc.	Professional investment	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	Professional investment	7.80	7.80	7.80	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Shanghai) Ltd.	Convenience store	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Shanghai President Logistics Co., Ltd.	Logistics and warehousing	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Shan Dong President Yinzuo Commercial Limited	Supermarkets	40.00	40.00	40.00	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Taizhou) Ltd.	Logistics and warehousing	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Zhejiang) Ltd.	Convenience store	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Beauty Wonder (Zhejiang) Trading Co., Ltd.	Sales of cosmetics and medicine	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
Shanghai President Logistics Co., Ltd.	Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehousing	50.00	50.00	50.00	
Shanghai President Logistics Co., Ltd.	President Logistic ShanDong Co., Ltd.	Logistics and warehousing	100.00	100.00	100.00	
Uni-President Logistics (BVI) Holdings Limited	Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehousing	50.00	50.00	50.00	
Ren-Hui Investment Corp.	Ren Hui Holding Co., Ltd.	Professional investment	100.00	100.00	100.00	
Ren-Hui Holdings Co., Ltd.	Shan Dong President Yinzuo Commercial Limited	Supermarkets	15.00	15.00	15.00	

- (a) As the Company controls the financial and operating policies of Retail Support International Corp., the latter is included as a subsidiary in the consolidated financial statements.
- (b) The company established a new subsidiary in November 2022.
- (c) The company established a new subsidiary in November 2022.
- (d) The company established a new subsidiary in January 2023.
- (e) The Company acquired an additional 0.44% shares of the subsidiary, Philippine Seven Corp., in October 2022.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Defined benefit plans

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. And, the related information is disclosed accordingly.

(5) Income tax

- A. The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.
- B. If a change in tax rate is enacted or substantively enacted in an interim period, the Group recognizes the effect of the change immediately in the interim period in which the change occurs. The effect of the change on items recognized outside profit or loss is recognized in other comprehensive income or equity while the effect of the change on items recognized in profit or loss is recognized in profit or loss.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There have been no significant changes during the period. Please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2022.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Cash on hand and petty cash	\$ 1,452,914	\$ 1,483,726	\$ 1,370,988
Checking accounts and demand deposits	13,534,311	17,632,283	14,741,077
Cash equivalents			
Time deposits	23,525,338	23,955,017	22,437,060
Short-term financial instruments	5,569,908	5,469,352	5,956,967
	<u>\$ 44,082,471</u>	<u>\$ 48,540,378</u>	<u>\$ 44,506,092</u>

A. The Group transacts with a variety of financial institutions, all with high credit quality, to disperse credit risk, so it considers the probability of counterparty default as remote.

B. Information about time deposits provided as security for performance guarantees and reclassified as “Other non-current assets – guarantee deposits paid” is provided in Note 8.

(2) Financial assets at fair value through profit or loss

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Financial assets mandatorily measured at fair value through profit or loss			
<u>Current items:</u>			
Beneficiary certificates	\$ 739,801	\$ 531,052	\$ 860,246
Valuation adjustment	954	138	297
	<u>\$ 740,755</u>	<u>\$ 531,190</u>	<u>\$ 860,543</u>
<u>Non-current items:</u>			
Unlisted stocks	\$ 241,515	\$ 241,515	\$ 241,515
Valuation adjustment	(156,035)	(156,035)	(156,035)
	<u>\$ 85,480</u>	<u>\$ 85,480</u>	<u>\$ 85,480</u>

A. The Group recognized net profit of \$2,891 and \$558 in relation to financial assets at fair value through profit or loss for the three months ended March 31, 2023 and 2022, respectively.

B. No financial assets at fair value through profit or loss of the Group were pledged to others.

C. Information relating to credit risk is provided in Note 12(2).

(3) Accounts receivable

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Accounts receivable	\$ 5,825,617	\$ 6,780,096	\$ 5,710,613
Less: Allowance for doubtful accounts	(80,128)	(78,848)	(146,442)
	<u>\$ 5,745,489</u>	<u>\$ 6,701,248</u>	<u>\$ 5,564,171</u>

A. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Not past due	\$ 5,714,556	\$ 6,607,707	\$ 5,458,522
Up to 90 days	109,357	167,057	198,347
91 to 180 days	1,565	4,825	53,492
181 to 365 days	118	404	169
Over 365 days	21	103	83
	<u>\$ 5,825,617</u>	<u>\$ 6,780,096</u>	<u>\$ 5,710,613</u>

The above aging analysis was based on past due date.

B. As of March 31, 2023, December 31, 2022 and March 31, 2022, accounts receivable were all from contracts with customers. And as of January 1, 2022, the balance of receivables from contracts with customers amounted to \$6,484,621.

C. As at March 31, 2023, December 31, 2022 and March 31, 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable were \$5,745,489, \$6,701,248, and \$5,564,171, respectively.

D. Information relating to credit risk is provided in Note 12(2).

(4) Inventories

		March 31, 2023		
		Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$	151,395	\$ -	\$ 151,395
Merchandise and finished goods		20,293,417	(139,625)	20,153,792
	<u>\$</u>	<u>20,444,812</u>	<u>(\$ 139,625)</u>	<u>\$ 20,305,187</u>
		December 31, 2022		
		Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$	113,954	\$ -	\$ 113,954
Merchandise and finished goods		21,690,254	(133,755)	21,556,499
	<u>\$</u>	<u>21,804,208</u>	<u>(\$ 133,755)</u>	<u>\$ 21,670,453</u>
		March 31, 2022		
		Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$	107,045	\$ -	\$ 107,045
Merchandise and finished goods		16,802,860	(100,022)	16,702,838
	<u>\$</u>	<u>16,909,905</u>	<u>(\$ 100,022)</u>	<u>\$ 16,809,883</u>

The cost of inventories recognized as expense for the period:

	Three months ended March 31, 2023	Three months ended March 31, 2022
Cost of goods sold and service costs	\$ 49,035,814	\$ 44,170,942
Loss on valuation of inventories	5,870	9,874
Spoilage	506,833	500,663
Others	85,282	85,885
	<u>\$ 49,633,799</u>	<u>\$ 44,767,364</u>

(5) Financial assets at fair value through other comprehensive income - non-current

	March 31, 2023	December 31, 2022	March 31, 2022
<u>Equity instruments</u>			
Listed stocks	\$ 265,606	\$ 265,606	\$ 265,606
Unlisted stocks	<u>4,348</u>	<u>4,348</u>	<u>4,348</u>
	269,954	269,954	269,954
Valuation adjustment	<u>606,132</u>	<u>577,527</u>	<u>856,748</u>
	<u>\$ 876,086</u>	<u>\$ 847,481</u>	<u>\$ 1,126,702</u>

- A. The Group has elected to classify the listed and unlisted stocks that are considered to be strategic investments and steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$876,086, \$847,481 and \$1,126,702 as at March 31, 2023, December 31, 2022 and March 31, 2022, respectively.
- B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended March 31, 2023	Three months ended March 31, 2022
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	<u>\$ 28,605</u>	<u>(\$ 39,207)</u>

- C. As at March 31, 2023, December 31, 2022 and March 31, 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was \$876,086, \$847,481 and \$1,126,702, respectively.
- D. No financial assets at fair value through other comprehensive income of the Group were pledged to others.
- E. Information relating to credit risk is provided in Note 12(2).

(6) Investments accounted for using the equity method

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
<u>Associates</u>			
PresiCarre Corp.	\$ 4,960,219	\$ 4,868,968	\$ 5,014,071
President Fair Development Corp.	2,202,163	2,177,267	2,134,398
Uni-President Development Corp.	787,717	778,387	766,000
President International Development Corp.	467,309	469,939	454,436
Tung Ho Development Corp.	54,818	55,640	59,047
Uni-President Organics Corp.	51,786	49,668	52,582
President Technology Corp.	26,292	27,583	25,384
	<u>8,550,304</u>	<u>8,427,452</u>	<u>8,505,918</u>
<u>Joint ventures</u>			
Mister Donut Taiwan Co., Ltd.	\$ 144,203	\$ 128,048	\$ 109,389
	<u>\$ 8,694,507</u>	<u>\$ 8,555,500</u>	<u>\$ 8,615,307</u>

The investments in associates or joint ventures are not significant to the Group. The details of the Group's share of the operating results in the aforementioned investments are as follows:

- A. The Group's share of the operating results in all individually immaterial associates is summarized below:

	<u>Three months ended March 31, 2023</u>	<u>Three months ended March 31, 2022</u>
Total comprehensive income (loss)	\$ 122,851	(\$ 36,023)

- B. The Group's share of the operating results in all individually immaterial joint ventures is summarized below:

	<u>Three months ended March 31, 2023</u>	<u>Three months ended March 31, 2022</u>
Total comprehensive income	\$ 16,155	\$ 11,662

(7) Property, plant and equipment

A. The details of property, plant and equipment are as follows:

	2023						
	Land	Buildings	Transportation equipment	Operating equipment	Leasehold improvements	Others	Total
At January 1							
Cost	\$ 4,422,066	\$ 4,912,426	\$ 7,848,113	\$ 29,352,582	\$ 24,538,350	\$ 13,231,880	\$ 84,305,417
Accumulated depreciation and impairment	(3,932)	(2,806,170)	(5,384,559)	(17,319,918)	(15,191,995)	(9,190,886)	(49,897,460)
	<u>\$ 4,418,134</u>	<u>\$ 2,106,256</u>	<u>\$ 2,463,554</u>	<u>\$ 12,032,664</u>	<u>\$ 9,346,355</u>	<u>\$ 4,040,994</u>	<u>\$ 34,407,957</u>
Opening net book amount as of January 1	\$ 4,418,134	\$ 2,106,256	\$ 2,463,554	\$ 12,032,664	\$ 9,346,355	\$ 4,040,994	\$ 34,407,957
Additions	-	1,740	17,892	987,710	1,020,695	512,924	2,540,961
Disposals	-	-	(5,506)	(104,531)	(39,662)	(577)	(150,276)
Transfer	(5,828)	(12,618)	71,377	26,757	60,167	(159,731)	(19,876)
Depreciation charge	-	(39,707)	(144,845)	(856,852)	(602,131)	(300,901)	(1,944,436)
Net exchange differences	<u>359</u>	<u>(353)</u>	<u>236</u>	<u>(2,562)</u>	<u>14,744</u>	<u>32,875</u>	<u>45,299</u>
Closing net book amount as of March 31	<u>\$ 4,412,665</u>	<u>\$ 2,055,318</u>	<u>\$ 2,402,708</u>	<u>\$ 12,083,186</u>	<u>\$ 9,800,168</u>	<u>\$ 4,125,584</u>	<u>\$ 34,879,629</u>
At March 31							
Cost	\$ 4,416,597	\$ 4,883,715	\$ 7,855,102	\$ 29,381,807	\$ 25,443,068	\$ 13,692,567	\$ 85,672,856
Accumulated depreciation and impairment	(3,932)	(2,828,397)	(5,452,394)	(17,298,621)	(15,642,900)	(9,566,983)	(50,793,227)
	<u>\$ 4,412,665</u>	<u>\$ 2,055,318</u>	<u>\$ 2,402,708</u>	<u>\$ 12,083,186</u>	<u>\$ 9,800,168</u>	<u>\$ 4,125,584</u>	<u>\$ 34,879,629</u>

	2022						
	Land	Buildings	Transportation equipment	Operating equipment	Leasehold improvements	Others	Total
At January 1							
Cost	\$ 2,898,992	\$ 4,895,812	\$ 7,436,663	\$ 26,507,703	\$ 21,860,526	\$ 11,730,544	\$ 75,330,240
Accumulated depreciation and impairment	(3,932)	(2,639,507)	(5,105,244)	(16,235,491)	(14,115,679)	(8,089,537)	(46,189,390)
	<u>\$ 2,895,060</u>	<u>\$ 2,256,305</u>	<u>\$ 2,331,419</u>	<u>\$ 10,272,212</u>	<u>\$ 7,744,847</u>	<u>\$ 3,641,007</u>	<u>\$ 29,140,850</u>
Opening net book amount as of January 1	\$ 2,895,060	\$ 2,256,305	\$ 2,331,419	\$ 10,272,212	\$ 7,744,847	\$ 3,641,007	\$ 29,140,850
Additions	671,834	630	13,066	918,393	847,116	340,036	2,791,075
Disposals	-	-	(2,023)	(22,179)	(28,965)	(1,770)	(54,937)
Transfer	122,437	2,374	80,627	91,495	49,966	(323,295)	23,604
Depreciation charge	-	(43,371)	(134,473)	(743,416)	(554,494)	(292,611)	(1,768,365)
Net exchange differences	409	4,806	1,307	17,058	17,113	36,251	76,944
Closing net book amount as of March 31	<u>\$ 3,689,740</u>	<u>\$ 2,220,744</u>	<u>\$ 2,289,923</u>	<u>\$ 10,533,563</u>	<u>\$ 8,075,583</u>	<u>\$ 3,399,618</u>	<u>\$ 30,209,171</u>
At March 31							
Cost	\$ 3,693,672	\$ 4,906,374	\$ 7,490,936	\$ 27,100,496	\$ 22,517,559	\$ 11,815,548	\$ 77,524,585
Accumulated depreciation and impairment	(3,932)	(2,685,630)	(5,201,013)	(16,566,933)	(14,441,976)	(8,415,930)	(47,315,414)
	<u>\$ 3,689,740</u>	<u>\$ 2,220,744</u>	<u>\$ 2,289,923</u>	<u>\$ 10,533,563</u>	<u>\$ 8,075,583</u>	<u>\$ 3,399,618</u>	<u>\$ 30,209,171</u>

B. Impairment information about the property, plant and equipment is provided in Note 6(13).

C. Information about the property, plant and equipment pledged to others as collateral is provided in Note 8.

(8) Leasing arrangements — lessee

- A. The Group leases various assets including land, buildings, transportation equipment, etc. Rental contracts are typically made for periods of 1 to 60 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 1,108,622	\$ 1,106,348	\$ 1,220,916
Buildings	84,466,954	83,901,999	78,645,822
Machinery and equipment	4,334	5,746	10,775
Other equipment	9,401	18,331	44,581
	<u>\$ 85,589,311</u>	<u>\$ 85,032,424</u>	<u>\$ 79,922,094</u>
	<u>Three months ended</u>	<u>Three months ended</u>	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>	
	<u>Depreciation charge</u>	<u>Depreciation charge</u>	
Land	\$ 43,091	\$ 38,480	
Buildings	3,599,079	3,404,534	
Machinery and equipment	1,412	2,394	
Other equipment	8,930	8,915	
	<u>\$ 3,652,512</u>	<u>\$ 3,454,323</u>	

- C. For the three months ended March 31, 2023 and 2022, the additions to right-of-use assets were \$5,068,657 and \$6,442,531, respectively.

- D. The information on profit and loss accounts relating to lease contracts is as follows:

	<u>Three months ended</u>	<u>Three months ended</u>
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 262,886	\$ 250,089
Expense on short-term lease contracts	125,270	120,786
Expense on leases of low-value assets	39,423	34,097
Expense on variable lease payments	178,158	146,020
Gain on sublease of right-of-use assets	158,890	139,111
Gain from lease modification	22,767	45,003

- E. For the three months ended March 31, 2023 and 2022, the Group's total cash outflow for leases was \$4,153,752 and \$4,043,226, respectively.

- F. Variable lease payments

- (a) Some of the Group's lease contracts contain variable lease payment terms that are linked to sales generated from a store or department store counter. For the above-mentioned stores, approximately 4.18% and 3.65% as at March 31, 2023 and 2022, respectively, are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons. Various lease payments that depend on sales are recognized in profit or loss in the period in which the event or condition that triggers those payments occurs.
- (b) A 1% increase in the aggregate sales amount of all stores with such variable lease contracts would increase total lease payments by approximately \$1,782 and \$1,460 for the three months ended March 31, 2023 and 2022, respectively.

G. The Group's leases not yet commenced to which the lessee is committed are business premises for the lessees, and the lease liabilities undiscounted as at March 31, 2023, December 31, 2022 and March 31, 2022, amounted to \$3,256,179, \$4,056,564 and \$3,154,481, respectively.

H. The Group has applied the practical expedient to "Covid-19-related rent concessions" and recognized the gain from changes in lease payments arising from the rent concessions amounting to \$34,991, as other income for the three months ended March 31, 2022.

(9) Leasing arrangements – lessor

A. The Group leases various assets including land, buildings, machinery and equipment, etc. Rental contracts are typically made for periods of 1 and 35 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended March 31, 2023	Three months ended March 31, 2022
Rental revenue	\$ 408,475	\$ 377,715
Rental revenue from variable lease payments	\$ 320,399	\$ 288,950

C. The maturity analysis of the undiscounted lease payments in the operating leases is as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Current year	\$ 200,715	\$ -	\$ 176,499
Within 1 year	166,669	257,142	181,383
1~2 years	140,547	147,314	100,625
2~3 years	112,149	123,977	78,271
3~4 years	93,827	95,692	55,464
4~5 years	64,983	79,040	43,584
Over 5 years	75,615	97,428	73,697
	<u>\$ 854,505</u>	<u>\$ 800,593</u>	<u>\$ 709,523</u>

(10) Investment property

2023				
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,370,990	\$ 411,607	\$ 1,108,592	\$ 2,891,189
Transfer	5,828	13,578	-	19,406
Depreciation charge	-	(4,186)	(34,643)	(38,829)
At March 31	<u>\$ 1,376,818</u>	<u>\$ 420,999</u>	<u>\$ 1,073,949</u>	<u>\$ 2,871,766</u>
2022				
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,400,611	\$ 431,642	\$ 1,247,166	\$ 3,079,419
Transfer	(22,414)	(2,374)	-	(24,788)
Depreciation charge	-	(4,121)	(34,644)	(38,765)
At March 31	<u>\$ 1,378,197</u>	<u>\$ 425,147</u>	<u>\$ 1,212,522</u>	<u>\$ 3,015,866</u>

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Three months ended March 31,	
	2023	2022
Rental income from investment property	\$ 233,177	\$ 223,187
Direct operating expenses arising from the investment property that generated rental income during the period	\$ 147,126	\$ 147,092

B. The fair value of the investment property held by the Group ranged from \$5,755,592 to \$6,115,336 as at March 31, 2023, December 31, 2022 and March 31, 2022, which was assessed based on recent settlement prices of similar and comparable properties, as well as the reports of independent appraisers. Valuations were made using the comparison approach and income approach which is categorized within level 3 in the fair value hierarchy. Key assumptions are discount rates between 1.14% to 2.41% and growth rate of 3%.

C. Information on investment property pledged to others as collateral is provided in Note 8.

(11) Intangible assets

	2023				
	Software	Goodwill	License agreement and customer list	Others	Total
At January 1					
Cost	\$ 2,702,212	\$ 2,204,275	\$ 7,524,890	\$ 599,891	\$ 13,031,268
Accumulated amortization and impairment	(2,097,280)	-	(970,796)	(298,057)	(3,366,133)
	<u>\$ 604,932</u>	<u>\$ 2,204,275</u>	<u>\$ 6,554,094</u>	<u>\$ 301,834</u>	<u>\$ 9,665,135</u>
Opening net book amount as of January 1	\$ 604,932	\$ 2,204,275	\$ 6,554,094	\$ 301,834	\$ 9,665,135
Additions	127,714	-	-	499	128,213
Transfer	2,578	-	-	-	2,578
Amortization expense	(84,135)	-	(48,540)	(15,118)	(147,793)
Net exchange differences	<u>1,113</u>	<u>(481)</u>	<u>-</u>	<u>-</u>	<u>632</u>
Closing net book amount as of March 31	<u>\$ 652,202</u>	<u>\$ 2,203,794</u>	<u>\$ 6,505,554</u>	<u>\$ 287,215</u>	<u>\$ 9,648,765</u>
At March 31					
Cost	\$ 2,827,497	\$ 2,203,794	\$ 7,524,890	\$ 600,390	\$ 13,156,571
Accumulated amortization and impairment	(2,175,295)	-	(1,019,336)	(313,175)	(3,507,806)
	<u>\$ 652,202</u>	<u>\$ 2,203,794</u>	<u>\$ 6,505,554</u>	<u>\$ 287,215</u>	<u>\$ 9,648,765</u>

	2022				
	License agreement and customer list				
	Software	Goodwill	License agreement and customer list	Others	Total
At January 1					
Cost	\$2,325,904	\$2,198,674	\$ 7,524,890	\$565,251	\$12,614,719
Accumulated amortization and impairment	(1,784,233)	-	(776,637)	(239,909)	(2,800,779)
	<u>\$ 541,671</u>	<u>\$2,198,674</u>	<u>\$ 6,748,253</u>	<u>\$325,342</u>	<u>\$ 9,813,940</u>
Opening net book amount as of January 1	\$ 541,671	\$2,198,674	\$ 6,748,253	\$325,342	\$ 9,813,940
Additions	37,483	-	-	780	38,263
Transfer	2,111	-	-	(10,614)	(8,503)
Amortization expense	(71,505)	-	(48,540)	(14,142)	(134,187)
Net exchange differences	2,369	1,747	-	-	4,116
Closing net book amount as of March 31	<u>\$ 512,129</u>	<u>\$2,200,421</u>	<u>\$ 6,699,713</u>	<u>\$301,366</u>	<u>\$ 9,713,629</u>
At March 31					
Cost	\$2,370,768	\$2,200,421	\$ 7,524,890	\$554,928	\$12,651,007
Accumulated amortization and impairment	(1,858,639)	-	(825,177)	(253,562)	(2,937,378)
	<u>\$ 512,129</u>	<u>\$2,200,421</u>	<u>\$ 6,699,713</u>	<u>\$301,366</u>	<u>\$ 9,713,629</u>

A. Amortization expense on intangible assets are recognized as operating expenses.

B. Impairment information about the intangible assets in provided in Note 6(13).

(12) Other non-current assets

	March 31, 2023	December 31, 2022	March 31, 2022
Guarantee deposits paid	\$ 3,434,046	\$ 3,359,090	\$ 3,264,982
Prepaid land	900,000	600,000	-
Others	1,106,316	712,102	616,555
	<u>\$ 5,440,362</u>	<u>\$ 4,671,192</u>	<u>\$ 3,881,537</u>

The Group signed a contract for the acquisition of land located in Taoyuan Aerotropolis Industry Area for approximately \$6,000,000 on September 27, 2022. The transaction will be paid in four installments. The second installment had been paid as of March 31, 2023.

(13) Impairment of non-financial assets

A. There were neither impairment loss nor reversal of impairment loss recognized for the three months ended March 31, 2023 and 2022.

B. The Group performs impairment testing on license agreement and customer list annually. The recoverable amount has been determined based on value-in-use and replacement cost calculations. The calculations of value-in-use use after-tax cash flow projections based on financial budgets approved by the management. The calculations of replacement cost use the actual selling expense. The recoverable amount calculated using the value-in-use and the replacement cost exceeded their carrying amount for the quarter ended December 31, 2022, so license agreement and customer list was not impaired. The key assumptions used for value-in-use calculations are provided in Note 6(13) in the consolidated financial statements for the year ended December 31, 2022.

C. The Group performs impairment testing annually. The recoverable amount has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period. The recoverable amount calculated using the value-in-use exceeded their carrying amount for the quarter ended December 31, 2022, so goodwill was not impaired. The key assumptions used for value-in-use calculations provided in Note 6(13) in the consolidated financial statements for the year ended December 31, 2022.

(14) Short-term borrowings

Type of borrowings	March 31, 2023	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 7,050,648	1.26%~6.375%	None
Type of borrowings	December 31, 2022	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 9,250,522	1.24%~2.10%	None
Type of borrowings	March 31, 2022	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 4,716,241	0.57%~3.465%	None

There was no capitalization of borrowing costs for the three months ended March 31, 2023 and 2022. Relevant interest expense on borrowings is recognized as “finance costs”.

(15) Short-term notes and bills payable

Type of borrowings	March 31, 2023	Pledged or secured
Commercial papers payable	\$ 2,800,000	Please refer to the below for details
Less: Unamortized discount	(5,909)	
	<u>\$ 2,794,091</u>	
Interest rate range	<u>1.298%</u>	

A. There was no commercial papers payable at December 31, 2022 and March 31, 2022.

B. The above commercial papers were issued and secured by Sumitomo Mitsui Banking Corporation and China Bills Finance Corporation for short-term financing.

(16) Other payables

	March 31, 2023	December 31, 2022	March 31, 2022
Store collections	\$ 11,158,593	\$ 12,745,952	\$ 14,135,166
Wages, salaries and bonus payable	2,942,565	5,655,203	3,135,976
Payables for acquisition of property, plant and equipment	1,229,145	2,750,519	908,068
Incentive bonus payable to franchisees	1,214,825	1,143,698	1,109,751
Employees' compensation and remuneration for directors and supervisors	1,042,108	799,080	948,971
Sales receipt on behalf of others	872,738	1,266,851	1,443,311
Payables for labor and health insurance	281,713	326,038	271,675
Rent payable	67,680	68,875	69,978
Others	4,523,728	6,039,142	4,311,521
	<u>\$ 23,333,095</u>	<u>\$ 30,795,358</u>	<u>\$ 26,334,417</u>

(17) Other current liabilities

	March 31, 2023	December 31, 2022	March 31, 2022
Advance receipts of deposits	\$ 1,815,660	\$ 1,826,832	\$ 1,754,788
Advance receipts for gift certificates	1,450,982	1,474,459	1,487,427
Others	312,175	291,617	294,153
	<u>\$ 3,578,817</u>	<u>\$ 3,592,908</u>	<u>\$ 3,536,368</u>

(18) Long-term borrowings

Type of borrowings	Interest rate range	Collateral	March 31, 2023
Long-term bank borrowings			
Credit loan	1.225%~4.40%	None	\$ 153,232
Secured borrowings	2.05%~2.46%	Property, plant and equipment	580,184
			<u>733,416</u>
Less: Current portion			(314,143)
			<u>\$ 419,273</u>
Type of borrowings	Interest rate range	Collateral	December 31, 2022
Long-term bank borrowings			
Credit loan	4.40%	None	\$ 172,207
Secured borrowings	1.91%~2.35%	Property, plant and equipment	639,533
			<u>811,740</u>
Less: Current portion			(319,123)
			<u>\$ 492,617</u>
Type of borrowings	Interest rate range	Collateral	March 31, 2022
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 812,380
Secured borrowings	1.44%~1.8%	Property, plant and equipment	616,168
			<u>1,428,548</u>
Less: Current portion			(560,420)
			<u>\$ 868,128</u>

There was no capitalization of borrowing costs for the above period. Relevant interest expense on borrowings is recognized as “finance costs”.

(19) Pensions

- A. The Company and its domestic subsidiaries operate a defined benefit pension plan, in accordance with the Labor Standards Law, which covers all regular employees’ service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last six months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2%~8% of employees’ monthly salaries and wages to a retirement fund at the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in

the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March. Furthermore, the subsidiary, Philippine Seven Corporation has a defined benefit pension plan.

For the aforementioned pension plan, the Group recognized pension costs of \$29,473 and \$28,248 for the three months ended March 31, 2023 and 2022, respectively.

- B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (a) The Company’s mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentage of employees’ monthly salaries and wages. The contribution percentage for the three months ended March 31, 2023 and 2022 were 14%~20%. Other than the monthly contributions, the Group has no further obligations.
- (b) The pension costs under the defined contribution pension plans of the Group for the three months ended March 31, 2023 and 2022 were \$274,768 and \$259,913, respectively.

(20) Other non-current liabilities

	March 31, 2023	December 31, 2022	March 31, 2022
Guarantee deposit received	\$ 4,400,859	\$ 4,326,458	\$ 4,112,441
Provision for decommissioning liability	733,558	707,761	659,602
Others	468,501	471,963	478,630
	<u>\$ 5,602,918</u>	<u>\$ 5,506,182</u>	<u>\$ 5,250,673</u>

(21) Share capital

As of March 31, 2023, the Company’s authorized capital was \$10,500,000, consisting of 1,050,000 thousand shares of ordinary stock, and the paid-in capital was \$10,396,223 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected. The number of the Company’s outstanding ordinary shares was both 1,039,622,255 as of March 31, 2023 and January 1, 2023.

(22) Capital surplus

In accordance with the Company Act of the Republic of China, any capital surplus arising from paid-in capital in excess of the par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Law of the Republic of China requires that the amount of capital surplus to be capitalized, as above, should not exceed 10% of paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(23) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, must first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount is to be set aside as a legal reserve. The Company may then set aside or reserve a certain amount as special reserve according to the relevant regulations. The appropriation of the remaining earnings and prior years' unappropriated retained earnings should be proposed by the Board of Directors and voted on by the shareholders at the shareholders' meeting. The dividends and bonus to be distributed to shareholders may be 50%~100% of the total distributable amount, and 50%~100% of dividends are to be distributed as cash dividends, and the remaining undistributed amount to be set aside as unappropriated retained earnings.
- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of the legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside a special reserve for the debit balance on other equity items at the balance sheet date before distributing earnings. When the debit balance on other equity items is reversed subsequently, the reversed amount should be included in the distributable earnings.
- D. The appropriations for 2022 and 2021 were resolved by the Board of Directors and by the shareholders on February 23, 2023 and May 26, 2022, respectively, as follows:

	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 978,415		\$ 804,972	
Special reserve appropriated	-		588,894	
Reversal of special reserve	(1,866,890)		-	
Cash dividends - Retained earnings	9,356,600	\$ 9.00	7,495,676	\$ 7.21
Cash dividends - Legal reserve	-	-	1,860,924	1.79

As of May 3, 2023, the appropriations for 2022 has not been resolved by the stockholders.

(24) Other equity items

	2023		
	Financial statements translation differences of foreign operations	Unrealized gains (or loss) on valuation of financial assets at fair value through other comprehensive income	Total
At January 1	(\$ 590,018)	\$ 535,393	(\$ 54,625)
Revaluation and transfer			
– Group	-	28,605	28,605
– Associates	-	658	658
Revaluation-tax	- (	2,072)	(2,072)
Currency translation differences:			
– Group	(140,598)	-	(140,598)
– Associates	(10,506)	-	(10,506)
At March 31	(\$ 741,122)	\$ 562,584	(\$ 178,538)

	2022		
	Financial statements translation differences of foreign operations	Unrealized gains (or loss) on valuation of financial assets at fair value through other comprehensive income	Total
At January 1	(\$ 2,776,895)	\$ 855,380	(\$ 1,921,515)
Revaluation and transfer			
– Group	- (	39,207)	(39,207)
– Associates	-	4,927	4,927
Revaluation-tax	-	2,571	2,571
Currency translation differences:			
– Group	760,734	-	760,734
– Associates	(1,143)	-	(1,143)
At March 31	(\$ 2,017,304)	\$ 823,671	(\$ 1,193,633)

(25) Operating revenue

	Three months ended March 31, 2023	Three months ended March 31, 2022
Revenue from contracts with customers	\$ 75,474,209	\$ 67,667,170

A. Disaggregation of revenue from contracts with customers

The Group operates a chain of retail stores and derives revenue from the transfer of goods and services overtime and at a point in time. The operating revenue is categorized based on operating departments provided in Note 14(3) and goods or services recognition timing as follows:

Three months ended March 31, 2023	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 46,377,176	\$ 18,325,327	\$ 2,234	\$ 6,202,036	\$ 70,906,773
– Over time	254,214	3,469,516	601,427	242,279	4,567,436
	<u>\$ 46,631,390</u>	<u>\$ 21,794,843</u>	<u>\$ 603,661</u>	<u>\$ 6,444,315</u>	<u>\$ 75,474,209</u>
Three months ended March 31, 2022	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 42,136,581	\$ 15,525,203	\$ 3,152	\$ 5,538,185	\$ 63,203,121
– Over time	220,812	3,450,691	565,287	227,259	4,464,049
	<u>\$ 42,357,393</u>	<u>\$ 18,975,894</u>	<u>\$ 568,439</u>	<u>\$ 5,765,444</u>	<u>\$ 67,667,170</u>

B. Contract liabilities

(a) The Group has recognized the following revenue-related contract liabilities:

	March 31, 2023	December 31, 2022	March 31, 2022	January 1, 2022
Contract liabilities – advance receipts of gift certificates and gift payments	\$ 4,722,014	\$ 4,598,978	\$ 4,416,902	\$ 4,599,304
Contract liabilities – customer loyalty programs	1,243,691	1,223,582	1,094,593	977,909
Contract liabilities – members' deposits	895,212	888,700	854,766	843,002
Contract liabilities – franchise fee	458,865	441,384	408,351	405,485
Contract liabilities – others	291,380	285,592	318,353	364,047
	<u>\$ 7,611,162</u>	<u>\$ 7,438,236</u>	<u>\$ 7,092,965</u>	<u>\$ 7,189,747</u>

(b) Revenues recognized that were included in the contract liabilities balance at the beginning were \$3,673,022 and \$3,645,330 for the three months ended March 31, 2023 and 2022, respectively.

(26) Expenses by nature

	Three months ended March 31, 2023	Three months ended March 31, 2022
Net cost of goods sold	\$ 44,430,951	\$ 39,783,461
Employee benefit expenses	7,488,400	6,746,962
Incentive bonuses for franchisees	6,123,227	5,528,994
Depreciation and amortization	5,774,281	5,384,623
Utilities expenses	1,304,933	1,092,463
Operating lease payments	342,851	300,903
Other costs and expenses	6,567,129	5,723,527
Total operating costs and operating expenses	<u>\$ 72,031,772</u>	<u>\$ 64,560,933</u>

(27) Employee benefit expense

	Three months ended March 31, 2023	Three months ended March 31, 2022
Wages and salaries	\$ 6,137,177	\$ 5,519,034
Labor and health insurance fees	619,436	560,408
Pension costs	304,241	288,161
Other personnel expenses	427,546	379,359
	<u>\$ 7,488,400</u>	<u>\$ 6,746,962</u>

- A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.
- B. For the three months ended March 31, 2023 and 2022, employees' compensation was accrued at \$150,340 and \$117,184, respectively; while directors' and supervisors' remuneration was accrued at \$50,228 and \$39,151, respectively.

The employees' compensation and directors' remuneration were estimated and accrued based on 4.37% and 1.46%, respectively, of distributable profit of the current period for the three months ended March 31, 2023.

Employees' compensation and directors' remuneration for 2022 as resolved by the Board of Directors were in agreement with those amounts recognized in the 2022 financial statements and the employees' compensation distributed in the form of cash.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the 'Market Observation Post System' at the website of the Taiwan Stock Exchange.

(28) Interest income

	Three months ended March 31, 2023	Three months ended March 31, 2022
Interest income	<u>\$ 304,138</u>	<u>\$ 36,783</u>

(29) Other income

	Three months ended March 31, 2023	Three months ended March 31, 2022
Grants income	\$ 214,873	\$ 176,784
Rental revenue	68,138	68,362
Others	260,618	224,251
	<u>\$ 543,629</u>	<u>\$ 469,397</u>

(30) Other gains and losses

	Three months ended March 31, 2023	Three months ended March 31, 2022
Gain from lease modification	\$ 22,767	\$ 45,003
Loss on disposal of property, plant and equipment	(1,459)	(31,821)
Depreciation of investment property	(38,829)	(38,765)
Other gains and losses	(12,750)	(26,876)
	<u>(\$ 30,271)</u>	<u>(\$ 52,459)</u>

(31) Finance costs

	Three months ended March 31, 2023	Three months ended March 31, 2022
Interest expense on lease liabilities	\$ 262,886	\$ 250,089
Financial expense, others	58,487	30,672
	<u>\$ 321,373</u>	<u>\$ 280,761</u>

(32) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended March 31, 2023	Three months ended March 31, 2022
Current tax:		
Current tax on profit for the period	\$ 867,828	\$ 695,684
Over provision of prior year's income tax	(49,734)	-
Total current tax	<u>818,094</u>	<u>695,684</u>
Deferred tax:		
Origination and reversal of temporary differences	14,994	(2,104)
Income tax expense	<u>\$ 833,088</u>	<u>\$ 693,580</u>

(b) The income tax charge relating to the components of other comprehensive income is as follows:

	Three months ended March 31, 2023	Three months ended March 31, 2022
Changes in fair value of financial assets at fair value through other comprehensive income	\$ 2,072	(\$ 2,571)
	<u>\$ 2,072</u>	<u>(\$ 2,571)</u>

B. The Company's income tax returns through 2020 have been assessed and approved by the Tax Authority.

(33) Earnings per share

Three months ended March 31, 2023			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,820,601	1,039,622	\$ 2.71
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,820,601	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,789	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,820,601	1,041,411	\$ 2.71

Three months ended March 31, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,170,426	1,039,622	\$ 2.09
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 2,170,426	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,603	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,170,426	1,041,225	\$ 2.08

(34) Supplemental cash flow information

Investing activities with partial cash payments

	Three months ended March 31, 2023	Three months ended March 31, 2022
Purchase of property, plant and equipment	\$ 2,540,961	\$ 2,791,075
Add: Opening balance of payable on equipment	2,750,519	1,385,972
Less: Ending balance of payable on equipment	(1,229,145)	(908,068)
Cash paid during the period	\$ 4,062,335	\$ 3,268,979

(35) Changes in liabilities from financing activities

	2023						
	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Total liabilities from financing activities
At January 1	\$ 9,250,522	\$ -	\$ 492,617	\$ 88,833,012	\$ 4,326,458	\$ 1,179,724	\$ 104,082,333
Changes in cash flow from financing activities	(2,199,874)	2,794,091	(81,143)	(3,548,015)	71,185	(3,462)	(2,967,218)
Interest paid (Note)	-	-	-	(262,886)	-	-	(262,886)
Impact of changes in foreign exchange rate	-	-	564	72,849	3,216	-	76,629
Changes in other non-cash items	-	-	7,235	4,938,012	-	25,797	4,971,044
At March 31	<u>\$ 7,050,648</u>	<u>\$ 2,794,091</u>	<u>\$ 419,273</u>	<u>\$ 90,032,972</u>	<u>\$ 4,400,859</u>	<u>\$ 1,202,059</u>	<u>\$ 105,899,902</u>
	2022						
	Short-term borrowings	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Total liabilities from financing activities	
At January 1	\$ 5,095,702	\$ 963,418	\$ 81,037,630	\$ 4,044,359	\$ 1,126,793	\$ 92,267,902	
Changes in cash flow from financing activities	(381,127)	(85,867)	(3,492,234)	63,691	(3,816)	(3,899,353)	
Interest paid (Note)	-	-	(250,089)	-	-	(250,089)	
Impact of changes in foreign exchange rate	1,666	9,491	175,945	4,391	-	191,493	
Changes in other non-cash items	-	(18,914)	6,043,820	-	15,255	6,040,161	
At March 31	<u>\$ 4,716,241</u>	<u>\$ 868,128</u>	<u>\$ 83,515,072</u>	<u>\$ 4,112,441</u>	<u>\$ 1,138,232</u>	<u>\$ 94,350,114</u>	

Note: Presented in cash flows from operating activities.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's parent company and the Group's ultimate parent company is Uni-President Enterprises Corp. which holds a 45.4% equity interest in the Company as of March 31, 2023.

(2) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Uni-President Enterprises Corp.	Ultimate parent company
President Fair Development Corp.	Investee of the Company accounted for using the equity method
Uni-President Development Corp.	"
Presco Netmarketing Inc.	Subsidiary of ultimate parent company
Tait Marketing & Distribution Co., Ltd.	"
President Packaging Industrial Corp.	"
President Tokyo Corp.	"
Kai Ya Food Co., Ltd.	Sub-subsidiary of ultimate parent company
Tung Ang Enterprises Corp.	"
Lien Bo Corp.	"
Shanghai Songjiang President Enterprises Co., Ltd.	"
Kuang Chuan Dairy Co., Ltd.	Investee of ultimate parent company accounted for using the equity method
Wei Lih Food Industrial Co., Ltd.	"
Prince Housing Development Corp.	"
Tong Zhan Co., Ltd.	Investees of subsidiaries of ultimate parent company accounted for using the equity method
Koasa Yamako Corp.	The Company is a director of Koasa Yamako Corp.
Kao Chuan Investment Co., Ltd.	Director of ultimate parent company

(3) Significant related party transactions and balances

A. Operating revenue

	Three months ended March 31, 2023	Three months ended March 31, 2022
<u>Sales of goods</u>		
Ultimate parent company	\$ 160,239	\$ 150,780
Associates	46,377	38,577
Sister companies	115,759	105,681
Other related parties	13,954	14,678
<u>Sales of services</u>		
Ultimate parent company	6,224	5,385
Associates	19,992	24,118
Sister companies	7,324	4,310
Other related parties	1,192	1,102
	<u>\$ 371,061</u>	<u>\$ 344,631</u>

Goods are sold based on the price lists in force and terms that would be available to third parties.

B. Purchases

	Three months ended March 31, 2023	Three months ended March 31, 2022
Ultimate parent company	\$ 4,709,802	\$ 4,255,465
Associates	158,143	134,091
Sister companies	1,756,053	1,576,242
Other related parties	616,701	564,197
	<u>\$ 7,240,699</u>	<u>\$ 6,529,995</u>

Goods and services are purchased from related parties on normal commercial terms and conditions.

C. Receivables from related parties

	March 31, 2023	December 31, 2022	March 31, 2022
<u>Accounts receivable</u>			
Ultimate parent company	\$ 182,960	\$ 314,296	\$ 133,836
Associates	61,303	85,334	63,728
Sister companies	52,369	120,317	52,149
Other related parties	4,020	6,649	5,041
	<u>\$ 300,652</u>	<u>\$ 526,596</u>	<u>\$ 254,754</u>

Receivables from related parties arise mainly from sales transactions. Receivables are unsecured in nature and are non-interest bearing. There are no provisions for receivables from related parties.

D. Payables to related parties

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
<u>Notes payable and accounts payable</u>			
Ultimate parent company	\$ 2,106,129	\$ 2,095,348	\$ 1,908,838
Associates	101,891	232,560	87,013
Sister companies	892,916	880,858	805,663
Other related parties	345,381	409,435	314,525
	<u>\$ 3,446,317</u>	<u>\$ 3,618,201</u>	<u>\$ 3,116,039</u>

Payables to related parties arise mainly from purchase transactions. Payables bear no interest.

E. Leasing arrangements — lessee

(a) The Group holds various lease agreements with related parties based on the market price. The leases were paid on a monthly basis.

(b) Acquisition of right-of-use assets

	<u>Three months ended March 31, 2023</u>	<u>Three months ended March 31, 2022</u>
Ultimate parent company	\$ 7,016	\$ -
Sister companies	1,595	5,987
	<u>\$ 8,611</u>	<u>\$ 5,987</u>

(c) Lease liabilities

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Ultimate parent company	\$ 123,798	\$ 133,229	\$ 74,364
Associates	2,784,232	2,880,561	3,170,611
Sister companies	176,809	191,401	200,947
Other related parties	435,216	440,008	484,982
	<u>\$ 3,520,055</u>	<u>\$ 3,645,199</u>	<u>\$ 3,930,904</u>

(4) Key management compensation

	<u>Three months ended March 31, 2023</u>	<u>Three months ended March 31, 2022</u>
Short-term employee benefits	<u>\$ 190,519</u>	<u>\$ 133,456</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged assets	Book value			Purpose
	March 31, 2023	December 31, 2022	March 31, 2022	
Land	\$ 218,675	\$ 218,675	\$ 218,675	Guarantee facilities and performance guarantee
Buildings	21,646	23,229	27,978	Long-term borrowings and guarantee facilities
Transportation equipment	764,222	822,881	794,172	Long-term borrowings
Investment property	56,661	56,687	56,766	Performance guarantee
Pledged time deposits (Recognized as "Other non-current assets - guarantee deposits paid ")	95,879	95,454	100,133	Performance guarantee
	<u>\$ 1,157,083</u>	<u>\$ 1,216,926</u>	<u>\$ 1,197,724</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

The Group's objectives in this area are to retain the confidence of investors and the market, to fund future capital expenditures and stable dividend flows for ordinary shares, and to maintain the most appropriate capital structure to maximize the equity interest of shareholders.

(2) Financial instruments

A. Financial instruments by category

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 826,235</u>	<u>\$ 616,670</u>	<u>\$ 946,023</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	<u>\$ 876,086</u>	<u>\$ 847,481</u>	<u>\$ 1,126,702</u>
Financial assets at amortized cost			
Cash and cash equivalents	\$ 44,082,471	\$ 48,540,378	\$ 44,506,092
Accounts receivable, net	5,745,489	6,701,248	5,564,171
Other receivables	2,781,565	2,581,316	2,901,832
Other current assets (Note)	1,933,051	1,868,589	1,919,091
Guarantee deposits paid	3,434,176	3,359,220	3,264,982
Other non-current assets (Note)	33,721	33,886	33,715
	<u>\$ 58,010,473</u>	<u>\$ 63,084,637</u>	<u>\$ 58,189,883</u>
<u>Financial liabilities</u>			
Financial liabilities at amortized cost			
Short-term borrowings	\$ 7,050,648	\$ 9,250,522	\$ 4,716,241
Short-term notes and bills payable	2,794,091	-	-
Notes payable	935,578	2,205,192	767,979
Accounts payable (including related parties)	27,228,055	28,842,983	23,991,680
Other payables	23,333,095	30,795,358	26,334,417
Long-term borrowings (including current portion)	733,416	811,740	1,428,548
Guarantee deposits received	4,400,859	4,326,458	4,112,441
	<u>\$ 66,475,742</u>	<u>\$ 76,232,253</u>	<u>\$ 61,351,306</u>
Lease liabilities	<u>\$ 90,032,972</u>	<u>\$ 88,833,012</u>	<u>\$ 83,515,072</u>

Note: The Group's trust account for advance receipts of gift certificates and deposits.

B. Risk management policies

- (a) The Group's risk management and hedging policies mainly focus on hedging business risk. The Group also establishes hedge positions when trading derivative financial instruments. The choice of instruments should hedge risks relating to interest expense, assets or liabilities arising from business operations.
- (b) For managing derivative instruments, the treasury department is responsible for managing trading positions of derivative instruments and assesses market values periodically. If transactions and gains (losses) are unusual, the treasury will respond accordingly and report to the Board of Directors immediately.
- (c) There is no related transaction with derivative financial instruments that are used to hedge certain exchange rate risk.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- I. The Group operates internationally and is exposed to foreign exchange risk arising from of the Company and its subsidiaries used in various functional currency, the transactions primarily with respect to the USD and RMB. Exchange risk arises from future commercial transactions and recognized assets and liabilities.
- II. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currencies.
- III. The Company's and certain subsidiaries' functional currency is the New Taiwan dollar (NTD), and for other certain subsidiaries, the functional currency is the Renminbi (RMB). The details of assets and liabilities denominated in foreign currencies whose values would be materially affected by exchange rate fluctuations are as follows:

(Foreign currency: functional currency)	March 31, 2023			December 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$ 8,904	30.4500	\$ 271,127	\$ 9,101	30.7100	\$ 279,492
RMB : NTD	1,092	4.4300	4,838	1,524	4.4516	6,784
JPY : NTD	45,418	0.2288	10,392	15,319	0.2324	3,560
HKD : NTD	620	3.8791	2,405	999	3.9364	3,932
EUR : NTD	105	33.1500	3,481	28	32.7200	916
<u>Non-monetary items</u>						
JPY : NTD	\$ 957,000	0.2288	\$ 218,962	\$ 897,600	0.2324	\$ 208,602
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$ 5,264	30.4500	\$ 160,289	\$ 3,824	30.7100	\$ 117,435
RMB : NTD	-	4.4300	-	191	4.4516	850
JPY : NTD	82,205	0.2288	18,809	145,673	0.2324	33,854

(Foreign currency: functional currency)	March 31, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 1,080	28.6250	\$ 30,915
RMB : NTD	1,192	4.5150	5,382
JPY : NTD	48,661	0.2353	11,450
HKD : NTD	1,090	3.6546	3,984
EUR : NTD	409	31.9200	13,055
<u>Non-monetary items</u>			
JPY : NTD	\$ 806,700	0.2353	\$ 189,817
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 3,960	28.6250	\$ 113,355
RMB : NTD	2,501	4.5150	11,292
JPY : NTD	123,989	0.2353	29,175

IV. Total exchange loss, including realized and unrealized from significant foreign exchange variations on monetary items held by the Group amounted to \$472 and \$3,936 for the three months ended March 31, 2023 and 2022, respectively.

V. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Foreign exchange risk with respect to USD primarily arises from the exchange gain or loss resulting from foreign currency translation of cash and cash equivalents, accounts receivable and accounts payable denominated in USD. If the NTD:USD exchange rate appreciates/depreciates by 5% with all other factors remaining constant, the Group's profit for the three months ended March 31, 2023 and 2022 would increase/decrease by \$5,542 and \$4,122, respectively. Foreign exchange risk with respect to JPY primarily arises from the exchange gain or loss resulting from foreign currency translation of cash, financial assets at fair value through other comprehensive income – non-current and accounts payable denominated in JPY. If the NTD:JPY exchange rate appreciates/depreciates by 5%, with all other factors remaining constant, the Group's comprehensive income for the three months ended March 31, 2023 and 2022 would increase/decrease by \$10,527 and \$8,605, respectively.

Price risk

- I. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- II. The Group's investments in equity securities comprise shares and open-ended funds issued by the domestic companies. The prices of equity securities would change due to change of the future value of investee companies. If the prices of these equity securities increase/decrease by 5%, and open-ended funds increase/decrease by 0.25%, with all other variables held constant, the post-tax profit for the three months ended March 31, 2023 and 2022 would have increased/decreased by \$6,126 and \$6,425, respectively, as a result of gains/losses on equity securities and open-ended funds classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$43,804 and \$56,335, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- I. The Group's interest rate risk arises from short-term borrowings and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, which are partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the three months ended March 31, 2023 and 2022, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and Philippine Peso.
- II. If the borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, profit, net of tax for the three months ended March 31, 2023 and 2022 would have decreased/increased by \$1,834 and \$3,571, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

(b) Credit risk

- I. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full of the contract cash flows of the accounts receivable based on the agreed terms.
- II. The Group manages their credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.
- III. The Group adopts management of credit risk, whereby the default occurs when the contract payments are past due over 90 days.
- IV. The Group assesses whether there has been a significant increase in credit risk on that instrument since initial recognition if the contract payments were past due over 30 days based on the terms.
- V. The Group operates a chain of retail stores, thus the ratio of accounts receivable to total asset is low and the probability that accounts receivable cannot be received is low. For accounts receivable from other transactions, the Group manages individually and follows up regularly. The Group classifies customers' accounts receivable in accordance with credit rating of customer. The Group applies the simplified approach to estimate expected credit loss to assess the default possibility of accounts receivable. Movements in relation to the group applying the simplified approach to provide loss allowance for accounts receivable are as follows:

	2023	2022
	<u>Accounts receivable</u>	<u>Accounts receivable</u>
At January 1	\$ 78,848	\$ 144,908
Provision for impairment	114	2,737
Write-offs	(6)	(1,370)
Effect of foreign exchange	1,172	167
At March 31	<u>\$ 80,128</u>	<u>\$ 146,442</u>

- VI. The Group has no written-off financial assets that are still under recourse procedures on March 31, 2023, December 31, 2022 and March 31, 2022.

(c) Liquidity risk

- I. Cash flow forecasting is performed by the operating entities of the Group and aggregated by the Group's finance department. It monitors rolling forecasts of liquidity requirements to ensure the Group has sufficient cash to meet operational needs, while maintaining sufficient headroom on its undrawn committed borrowing facilities, at all times, so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, and compliance with internal balance sheet ratio targets.
- II. The Group invests surplus cash in interest bearing current accounts, time deposits, money market fund and marketable securities, and chooses instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the aforementioned forecasting. The Group held money market funds of \$740,755, \$531,190 and \$860,543 as at March 31, 2023, December 31, 2022 and March 31, 2022, respectively, which are expected to readily generate cash inflows for the purpose of managing liquidity risk.
- III. The Group has undrawn borrowing facilities of \$25,362,306, \$30,441,614 and \$18,929,833 as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively.
- IV. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. Except for notes payable, accounts payable and other payables, whose contractual undiscounted cash flows are approximate to book value, maturing within one year, and except for guarantee deposit received, maturing above three years, the amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
March 31, 2023				
Short-term borrowings	\$ 7,061,733	\$ -	\$ -	\$ -
Short-term notes and bills payable	2,794,091	-	-	-
Lease liabilities	14,944,017	15,148,777	13,089,818	51,186,092
Long-term borrowings (including current portion)	333,703	164,743	121,471	148,968

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
December 31, 2022				
Short-term borrowings	\$ 9,296,238	\$ -	\$ -	\$ -
Lease liabilities	14,834,803	14,396,123	12,869,805	50,337,549
Long-term borrowings (including current portion)	340,482	176,018	137,789	198,955

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
March 31, 2022				
Short-term borrowings	\$ 4,720,483	\$ -	\$ -	\$ -
Lease liabilities	14,167,549	14,204,709	12,593,106	46,366,637
Long-term borrowings (including current portion)	607,821	176,505	154,769	589,133

- V. The Group neither expected the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

- A. The different levels of the inputs used in valuation techniques to measure the fair value of financial and non-financial instruments are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, beneficiary certificates and on-the-run Taiwan central government bonds is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in equity investments without an active market is included in Level 3.

- B. Fair value information of the Group's investment property at cost is provided in Note 6(10).

- C. Financial instruments not measured at fair value

- (a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, accounts receivable, other receivables, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable, other payables and long-term borrowings are approximate to their fair values.

	March 31, 2023			
	Book value	Fair value		
		Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 3,434,176	\$ -	\$ -	\$ 3,356,334
<u>Financial liabilities:</u>				
Guarantee deposits received	\$ 4,400,859	\$ -	\$ -	\$ 4,279,791

	December 31, 2022			
		Fair value		
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Financial assets:</u>				
Guarantee deposits paid	<u>\$ 3,359,220</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,287,721</u>
<u>Financial liabilities:</u>				
Guarantee deposits received	<u>\$ 4,326,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,214,719</u>

	March 31, 2022			
		Fair value		
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Financial assets:</u>				
Guarantee deposits paid	<u>\$ 3,264,982</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,242,264</u>
<u>Financial liabilities:</u>				
Guarantee deposits received	<u>\$ 4,112,441</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,080,744</u>

(b) Guarantee deposits paid/received are measured at fair value, which is calculated based on the discounted future cash flow.

D. The related information for financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) Classification according to the nature of assets and liabilities, relevant information is as follows:

<u>March 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 740,755	\$ -	\$ -	\$ 740,755
Equity securities	-	-	85,480	85,480
Subtotal	<u>740,755</u>	<u>-</u>	<u>85,480</u>	<u>826,235</u>
Financial assets at fair value through other comprehensive income				
Equity securities	871,738	-	4,348	876,086
	<u>\$ 1,612,493</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 1,702,321</u>

<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Beneficiary certificates	\$ 531,190	\$ -	\$ -	\$ 531,190
Equity securities	-	-	85,480	85,480
Subtotal	<u>531,190</u>	<u>-</u>	<u>85,480</u>	<u>616,670</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	843,133	-	4,348	847,481
	<u>\$ 1,374,323</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 1,464,151</u>
 <u>March 31, 2022</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Beneficiary certificates	\$ 860,543	\$ -	\$ -	\$ 860,543
Equity securities	-	-	85,480	85,480
Subtotal	<u>860,543</u>	<u>-</u>	<u>85,480</u>	<u>946,023</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	1,122,354	-	4,348	1,126,702
	<u>\$ 1,982,897</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 2,072,725</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- I. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-ended fund</u>	<u>Government bond</u>
Market quoted price	Closing price	Net asset value	Closing price

- II. Except for financial instruments with active markets, the fair value of other financial instruments is measured using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, by discounted cash flow method or other valuation methods, including calculations by applying models using market information available at the consolidated balance sheet date.

- E. For the three months ended March 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- F. For the three months ended March 31, 2023 and 2022, there was no significant transfer in or out of Level 3.

- G. The Group is in charge of valuation procedures for fair value measurements being categorized within Level 3, which to verify the independent fair value of financial instruments. Such assessments are to ensure the valuation results are reasonable by applying independent information to compare the results to current market conditions, confirming the information resources are independent, reliable and in line with other resources, and represented as the exercisable price, and frequently making any other necessary adjustments to the fair value. Investment property is assessed by independent appraisers or based on recent closing prices of similar property in the neighboring area.
- H. The qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement are provided below:

	Fair value at March 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 89,828	Market comparable companies	Price to book ratio multiplier	2.42	The higher the multiplier, the higher the fair value
		Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value
	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 89,828	Market comparable companies	Price to book ratio multiplier	2.42	The higher the multiplier, the higher the fair value
		Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value
	Fair value at March 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 89,828	Market comparable companies	Price to book ratio multiplier	2.47	The higher the multiplier, the higher the fair value
		Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, the use of different valuation models or assumptions may result in different measurements. If valuation assumptions from financial assets and liabilities categorized within Level 3 had increased or decreased by 1%, net income or other comprehensive income would not have been significantly impacted for the three months ended March 31, 2023 and 2022.

13. SUPPLEMENTARY DISCLOSURE

(1) Significant transactions information

- A. Loans to others: Please refer to Table 1.
- B. Provision of endorsements and guarantees to others: None.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to Table 2.
- D. Acquisition or sale of the same security with the accumulated cost reaching \$300 million or 20% of the Company's paid-in capital: Please refer to Table 3.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to Table 4.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to Table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to Table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Please refer to Table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Table 8.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to Table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

(4) Major shareholders information

List of shareholders holding more than 5% (inclusive) of shares: Please refer to Table 10.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on reports reviewed by the chief operating decision-maker and used to make strategic decisions.

There was no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information during this period.

The chief operating decision-maker considers the business from industry and geographic perspectives. By industry, the Group focuses on convenience stores, retail business groups, logistics business groups and others. Geographically, the Group focuses on Taiwan and mainland China where most of its business premises are located. As the operation of convenience stores in Taiwan is the focus of the Group, it is classified as a single operating segment. The whole of mainland China is considered the same operating segment.

The revenue of the Group's reportable segments is derived from the operations of convenience stores, retail business group and logistics business group. Other operating segments include a restaurant-related business group, supporting business group and China business. The supporting business group mainly provides services relating to the Group's business, such as system maintenance and development and food manufacturing and supply.

(2) Measurement of segment information

The chief operating decision-maker evaluates the performance of the operating segments based on operating revenue and profit before income tax, which are the basis for measuring performance.

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Three months ended March 31, 2023						
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	Total
External revenue (net)	\$ 46,631,390	\$ 21,794,843	\$ 603,661	\$ 6,444,315	\$ -	\$ 75,474,209
Internal department revenue	491,620	839,408	4,284,357	2,555,001	(8,170,386)	-
Total segment revenue	<u>\$ 47,123,010</u>	<u>\$ 22,634,251</u>	<u>\$ 4,888,018</u>	<u>\$ 8,999,316</u>	<u>(\$ 8,170,386)</u>	<u>\$ 75,474,209</u>
Segment income (loss)	<u>\$ 3,239,714</u>	<u>\$ 1,096,185</u>	<u>\$ 361,777</u>	<u>\$ 652,436</u>	<u>(\$ 1,262,698)</u>	<u>\$ 4,087,414</u>
Three months ended March 31, 2022						
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	Total
External revenue (net)	\$ 42,357,393	\$ 18,975,894	\$ 568,439	\$ 5,765,444	\$ -	\$ 67,667,170
Internal department revenue	408,967	838,237	4,107,973	2,291,334	(7,646,511)	-
Total segment revenue	<u>\$ 42,766,360</u>	<u>\$ 19,814,131</u>	<u>\$ 4,676,412</u>	<u>\$ 8,056,778</u>	<u>(\$ 7,646,511)</u>	<u>\$ 67,667,170</u>
Segment income (loss)	<u>\$ 2,525,220</u>	<u>\$ 893,514</u>	<u>\$ 354,122</u>	<u>\$ 63,753</u>	<u>(\$ 585,557)</u>	<u>\$ 3,251,052</u>

(4) Reconciliation of segment income (loss)

Revenue from external customers and segment income (loss) reported to the Chief Operating Decision-Maker are measured using the same method as for revenue and profit before tax in the financial statements. Thus, no reconciliation is needed.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Loans to others
Three months ended March 31, 2023

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended	Balance at March 31, 2023	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note)	Ceiling on total loans granted (Note)	Footnote
					March 31, 2023								Item	Value			
1	President Pharmaceutical Corp.	President Being Corp.	Other receivables	Y	\$ 48,000	\$ 48,000	\$ 48,000	0.85%	Short-term financing	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 328,255	\$ 328,255	

Note: The maximum amount for total loan and the maximum amount of individual enterprise are 40% of its net worth.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
March 31, 2023

Table 2 Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Type and name of securities	Relationship with the securities issuer	General ledger account	As of March 31, 2023				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
President Chain Store Corp.	Stock: President Investment Trust Corp.	Director of President Investment Trust Corp.	Financial assets at fair value through profit or loss — non-current	2,667,600	\$ 45,298	7.60	\$ 45,298	
President Chain Store Corp.	Career Consulting Co. Ltd.	None	"	837,753	14,461	5.37	14,461	
President Chain Store Corp.	Kaohsiung Rapid Transit Corp.	"	"	2,572,127	25,721	0.92	25,721	
Mech-President Corp.	Yamay International Development Corp.	"	"	9	-	-	-	
President Chain Store Corp.	President Securities Corp.	Investee of Uni-President Enterprises Corp. under the equity method	Financial assets at fair value through other comprehensive income — non-current	40,545,111	652,776	2.79	652,776	
President Chain Store Corp.	Duskin Co., Ltd.	None	"	300,000	218,962	0.62	218,962	
President Chain Store Corp.	Koasa Yamako Corp.	Director of Koasa Yamako Corp.	"	650,000	4,348	10.00	4,348	
Books.com. Co., Ltd.	Beneficiary certificates: CTBC Hua Win Money Market Fund	None	Financial assets at fair value through profit or loss — current	5,799,664	\$ 65,017	-	\$ 65,017	
Chieh Shun Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	3,622,086	50,020	-	50,020	
Chieh Shun Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	2,825,180	48,009	-	48,009	
President Drugstore Business Corp.	Taishin 1699 Money Market Fund	"	"	724,145	10,000	-	10,000	
Uni-President Department Store Corp.	Jih Sun Money Market Fund	"	"	404,947	6,120	-	6,120	
President Information Corp.	UPAMC James Bond Money Market Fund	"	"	4,612,341	78,380	-	78,380	
President Pharmaceutical Corp.	Jih Sun Money Market Fund	"	"	79,164	1,196	-	1,196	
President Pharmaceutical Corp.	Taishin 1699 Money Market Fund	"	"	11,732,040	162,012	-	162,012	
Q-ware Systems & Services Corp.	Jih Sun Money Market Fund	"	"	15,877,088	239,952	-	239,952	
Q-ware Systems & Services Corp.	Taishin 1699 Money Market Fund	"	"	5,796,724	80,049	-	80,049	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES

Acquisition or sale of the same security with the accumulated cost reaching \$300 million or 20% of the Company's paid-in capital
Three months ended March 31, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Type and name of securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2023		Addition		Disposal			Other increase (decrease)		Balance as at March 31, 2023		
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	Number of shares	Amount
Beneficiary certificates:																
Uni-President Department Store Corp.	Jih Sun Money Market Fund	Note 1	Not applicable	Not applicable	8,651,751	\$ 130,389	69,895,126	\$ 1,054,750	78,141,930	\$ 1,179,532	\$ 1,179,019	\$ 513	-	\$ -	404,947	\$ 6,120
Books.com. Co., Ltd.	CTBC Hua Win Money Market Fund	"	"	"	-	-	35,701,059	400,000	29,901,395	335,189	335,000	189	-	17	5,799,664	65,017
Books.com. Co., Ltd.	Yuanta Wan Tai Money Market Fund	"	"	"	-	-	20,148,102	310,000	20,148,102	310,182	310,000	182	-	-	-	-
President Drugstore Business Corp.	Taishin 1699 Money Market Fund	"	"	"	10,897,045	150,000	45,462,582	627,000	55,635,482	767,185	767,000	185	-	-	724,145	10,000

Note 1: The security was recognized as "Financial assets at fair value through profit or loss--current".

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more
Three months ended March 31, 2023

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Acquiring company	Name of property	Date of acquisition	Trade amount	Status of payment of proceeds	Name of the counter-party	Relationship	The last transfer data od counter-party				Basis for price determination	Reason for acquisition	Other terms
							Owner	Relationship	Transfer Day	Amount			
President Chain Store Corp.	Taoyuan Aerotropolis Industry Area	July 28, 2022	6,000,000	The second installment was paid. Total amount is 900 million.	Taoyuan City Government and Civil Aeronautics Administration	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Based on the market conditions. (Note)	Based on the comprehensive planning of the company	Not applicable

Note: Public tendering land from Taoyuan City Government and Civil Aeronautics Administration.

Table 5

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Three months ended March 31, 2023

Expressed in thousands of NTD
(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
President Chain Store Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	\$ 4,472,385	14	Net 30~40 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 1,572,471) (	9)	
	Uni-President Superior Commissary Corp.	Subsidiary	"	1,242,115	4	Net 45 days from the end of the month when invoice is issued	"	"	(866,894) (	5)	
	Tung Ang Enterprises Corp.	Sister company	"	546,496	2	Net 30 days from the end of the month when invoice is issued	"	"	(269,886) (	1)	
	21 Century Co., Ltd.	Subsidiary	"	251,812	1	Net 30~60 days from the end of the month when invoice is issued	"	"	(146,209) (	1)	
	Lien Bo Corp.	Sister company	"	195,545	1	Net 10~54 days from the end of the month when invoice is issued	"	"	(131,875) (	1)	
	Q-ware Systems & Services Corp.	Subsidiary	"	182,406	1	Net 40 days from the end of the month when invoice is issued	"	"	(124,812) (	1)	
	Kai Ya Food Co., Ltd.	Sister company	"	162,404	1	Net 40 days from the end of the month when invoice is issued	"	"	(114,060) (	1)	
	President Pharmaceutical Corp.	Subsidiary	"	158,240	1	Net 60~70 days from the end of the month when invoice is issued	"	"	(194,005) (	1)	
	President Packaging Industrial Corp.	Sister company	"	143,303	-	Net 15~60 days from the end of the month when invoice is issued	"	"	(93,130) (	1)	
	Tait Marketing & Distribution Co., Ltd.	"	"	136,565	-	Net 20~70 days from the end of the month when invoice is issued	"	"	(110,823) (	1)	
	President Transnet Corp.	Subsidiary	"	133,211	-	Net 60 days from the end of the month when invoice is issued	"	"	(81,757)	-	
	Kuang Chuan Dairy Co., Ltd.	Other related party	"	109,535	-	Net 30~65 days from the end of the month when invoice is issued	"	"	(115,691) (	1)	
	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Parent company	Delivery revenue	(366,299) (65)	Net 20 days from the end of the month when invoice is issued	"	"	128,688	59
President Transnet Corp.		Subsidiary of President Chain Store Corp.	"	(175,156) (	31)	Net 40 days from the end of the month when invoice is issued	"	"	83,354	38	
President Transnet Corp.	Chieh Shun Logistics International Corp.	"	Service cost	175,156	7	Net 40 days from the end of the month when invoice is issued	"	"	(83,354) (	5)	
	President Chain Store Corp.	Parent company	Sales revenue	(133,211) (	52)	Net 60 days from the end of the month when invoice is issued	"	"	81,757	6	
Uni-Wonder Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	139,321	9	Net 30 days from the end of the month when invoice is issued	"	"	(55,963) (	10)	
	Tong Zhan Corporation Ltd.	Other related party	"	332,243	22	Net 25 days from the end of the month when invoice is issued	"	"	(113,892) (	21)	
President Information Corp.	President Chain Store Corp.	Parent company	Service revenue	(316,311) (	68)	Net 30 days from the end of the month when invoice is issued	"	"	274,839	66	
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Subsidiary	Service cost	366,299	38	Net 20 days from the end of the month when invoice is issued	"	"	(128,688) (	43)	
	Retail Support International Corp.	Parent company	Delivery revenue	(234,874) (	24)	Net 20 days from the end of the month when invoice is issued	"	"	84,043	23	
	Uni-President Cold-Chain Corp.	Subsidiary of President Chain Store Corp.	"	(329,484) (	33)	Net 20 days from the end of the month when invoice is issued	"	"	120,272	33	
	Wisdom Distribution Service Corp.	"	"	(375,702) (	38)	Net 20 days from the end of the month when invoice is issued	"	"	132,875	37	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Three months ended March 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Retail Support International Corp.	President Logistics International Corp.	Subsidiary	Service cost	\$ 234,874	49	Net 20 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 84,043)	(49)	
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Subsidiary of President Chain Store Corp.	”	329,484	37	Net 20 days from the end of the month when invoice is issued	”	”	(120,272)	(2)	
Wisdom Distribution Service Corp.	President Logistics International Corp.	”	”	375,702	40	Net 20 days from the end of the month when invoice is issued	”	”	(132,875)	(44)	
Q-ware Systems & Services Corp.	President Chain Store Corp.	Parent company	Service revenue	(182,406)	(37)	Net 40 days from the end of the month when invoice is issued	”	”	124,812	56	
President Drugstore Business Corp.	President Pharmaceutical Corp.	Subsidiary of President Chain Store Corp.	Purchases	153,325	5	Net 70 days from the end of the month when invoice is issued	”	”	(45,367)	(2)	
President Pharmaceutical Corp.	President Drugstore Business Corp.	”	Sales revenue	(153,325)	(26)	Net 70 days from the end of the month when invoice is issued	”	”	45,367	8	
	President Chain Store Corp.	Parent company	”	(158,240)	(27)	Net 60~70 days from the end of the month when invoice is issued	”	”	194,005	33	
Uni-President Superior Commissary Corp.	President Chain Store Corp.	”	”	(1,242,115)	(98)	Net 45 days from the end of the month when invoice is issued	”	”	866,894	96	
21 Century Co., Ltd.	President Chain Store Corp.	”	”	(251,812)	(49)	Net 30~60 days from the end of the month when invoice is issued	”	”	146,209	63	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
March 31, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as of March 31, 2023	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
President Information Corp.	President Chain Store Corp.	Parent company	\$ 274,839	4.95	\$ -	None	\$ 2,094	\$ -
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	866,894	5.82	-	"	416,248	-
Q-ware Systems & Services Corp.	President Chain Store Corp.	"	124,812	5.63	-	"	74,305	-
President Pharmaceutical Corp.	President Chain Store Corp.	"	194,005	3.55	-	"	71,906	-
21 Century Co., Ltd.	President Chain Store Corp.	"	146,209	6.02	-	"	145,649	-
President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary of President Chain Store Corp.	132,875	9.77	-	"	-	-
President Logistics International Corp.	Uni-President Cold-Chain Corp.	"	120,272	10.30	-	"	-	-
Chieh Shun Logistics International Corp.	President Logistics International Corp.	"	128,688	10.99	-	"	-	-

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Three months ended March 31, 2023

							Expressed in thousands of NTD (Except as otherwise indicated)
Transaction							Percentage of consolidated total operating revenues or total assets
Number	Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	
1	Uni-President Cold-Chain Corp.	President Chain Store Corp.	Subsidiary to parent company	Other operating revenue	(\$ 153,619)	Net 20 days from the end of the month when invoice is issued	0.20
2	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(316,311)	Net 30 days from the end of the month when invoice is issued	0.42
2	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	274,839	Net 30 days from the end of the month when invoice is issued	0.12
3	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(182,406)	Net 40 days from the end of the month when invoice is issued	0.24
3	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	124,812	Net 40 days from the end of the month when invoice is issued	0.05
4	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(1,242,115)	Net 45 days from the end of the month when invoice is issued	1.65
4	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	866,894	Net 45 days from the end of the month when invoice is issued	0.38
5	President Pharmaceutical Corp.	President Drugstore Business Corp.	Subsidiary to subsidiary	Sales revenue	(153,325)	Net 70 days from the end of the month when invoice is issued	0.20
5	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(158,240)	Net 60~70 days from the end of the month when invoice is issued	0.21
5	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	194,005	Net 60~70 days from the end of the month when invoice is issued	0.08
6	President Transnet Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(133,211)	Net 60 days from the end of the month when invoice is issued	0.18
7	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Delivery revenue	(366,299)	Net 20 days from the end of the month when invoice is issued	0.49
7	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Accounts receivable	128,688	Net 20 days from the end of the month when invoice is issued	0.06
7	Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary to subsidiary	Delivery revenue	(175,156)	Net 40 days from the end of the month when invoice is issued	0.23
8	President Logistics International Corp.	Retail Support International Corp.	Subsidiary to subsidiary	Delivery revenue	(234,874)	Net 20 days from the end of the month when invoice is issued	0.31
8	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Delivery revenue	(329,484)	Net 20 days from the end of the month when invoice is issued	0.44
8	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Accounts receivable	120,272	Net 20 days from the end of the month when invoice is issued	0.05
8	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Delivery revenue	(375,702)	Net 20 days from the end of the month when invoice is issued	0.50
8	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Accounts receivable	132,875	Net 20 days from the end of the month when invoice is issued	0.06
9	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(251,812)	Net 30~60 days from the end of the month when invoice is issued	0.33
9	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	146,209	Net 30~60 days from the end of the month when invoice is issued	0.06

Note:Transaction among the company and subsidiaries with amount over NTD\$100,000, only one side of the transactions are disclosed.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Names, locations and other information of investee companies (not including investees in Mainland China)
Three months ended March 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Net profit (loss) of the investee for the three months ended March 31, 2023	Investment income (loss) recognized by the Company for the three months ended March 31, 2023		Footnote
				Balance as at March 31, 2023	Balance as at December 31,2022	Number of shares	Ownership (%)	Book value				
President Chain Store Corp.	President Chain Store (BVI) Holdings Ltd.	British Virgin Islands	Professional investment	\$ 6,712,138	\$ 6,712,138	171,589,586	100.00	\$ 25,609,956	\$ 305,083	\$ 305,083		Subsidiary
President Chain Store Corp.	President Drugstore Business Corp.	Taiwan	Sales of cosmetics, medicines and daily items	288,559	288,559	78,520,000	100.00	1,880,870	82,985	82,985		Subsidiary
President Chain Store Corp.	President Transnet Corp.	Taiwan	Delivery service	711,576	711,576	103,496,399	70.00	2,579,105	289,799	202,860		Subsidiary
President Chain Store Corp.	Mech-President Corp.	Taiwan	Gas station, installment and maintenance of elevators	904,475	904,475	55,858,815	80.87	866,038	56,509	45,698		Subsidiary
President Chain Store Corp.	President Pharmaceutical Corp.	Taiwan	Sales of various health care products, cosmetics, and pharmaceuticals	330,216	330,216	22,121,962	73.74	763,936	65,630	48,395		Subsidiary
President Chain Store Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	840,000	840,000	27,999,999	70.00	521,268	53,112	37,178		Subsidiary
President Chain Store Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	520,141	520,141	48,519,890	90.00	585,910	20,110	18,099		Subsidiary
President Chain Store Corp.	Uni-President Cold-Chain Corp.	Taiwan	Low-temperature logistics and warehousing	237,437	237,437	42,934,976	60.00	1,091,657	115,256	69,142		Subsidiary
President Chain Store Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	320,741	320,741	25,714,475	86.00	546,432	37,848	32,549		Subsidiary
President Chain Store Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	332,482	332,482	24,382,921	86.76	452,268	36,046	31,274		Subsidiary
President Chain Store Corp.	Wisdom Distribution Service Corp.	Taiwan	Logistics and storage of publication and e-commerce	50,000	50,000	40,591,436	100.00	991,706	87,181	87,181		Subsidiary
President Chain Store Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	100,400	100,400	9,999,999	50.03	313,946 (	7,412) (	3,708)		Subsidiary
President Chain Store Corp.	President Lanyang Art Corporation	Taiwan	Art and cultural exhibition	20,000	20,000	2,000,000	100.00	24,834	-	-		Subsidiary
President Chain Store Corp.	Duskin Serve Taiwan Co., Ltd.	Taiwan	Cleaning instruments leasing and selling	102,000	102,000	10,199,999	51.00	264,798	54,155	27,619		Subsidiary
President Chain Store Corp.	ICASH Corp.	Taiwan	Electronic ticketing and electronic payment	700,000	700,000	70,000,000	100.00	414,798 (	4,183) (	4,183)		Subsidiary
President Chain Store Corp.	Uni-President Development Corp.	Taiwan	Construction, development and operation of an MRT station	720,000	720,000	72,000,000	20.00	787,717	46,647	9,329		Note
President Chain Store Corp.	Uni-Wonder Corp.	Taiwan	Coffee chain store	3,286,206	3,286,206	21,382,674	60.00	5,049,344	218,602	107,862		Subsidiary
President Chain Store Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	91,414	91,414	6,429,999	25.00	199,051	53,911	13,479		Subsidiary
President Chain Store Corp.	Presicarre Corp.	Taiwan	Management of retail department store	7,112,028	7,112,028	145,172,360	19.50	4,960,219	520,340	91,251		Note
President Chain Store Corp.	President Fair Development Corp.	Taiwan	Operation of shopping mall, department store, international trade, etc.	3,191,700	3,191,700	190,000,000	19.00	2,202,163	131,031	24,896		Note
President Chain Store Corp.	President International Development Corp.	Taiwan	Professional investment	500,000	500,000	44,100,000	3.33	467,309	187,565	7,217		Note
President Chain Store Corp.	Tung Ho Development Corp.	Taiwan	Management of entertainment business	861,696	861,696	9,965,000	6.23	54,818 (	13,182) (	821)		Note
President Chain Store Corp.	Ren-Hui Investment Corp.	Taiwan	Professional investment	637,231	637,231	6,500,000	100.00	16,926 (	9,606) (	9,606)		Subsidiary
President Chain Store Corp.	Capital Marketing Consultant Corp.	Taiwan	Enterprise management consultancy	9,506	9,506	2,500,000	100.00	106,531	7,848	7,848		Subsidiary
President Chain Store Corp.	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	277,805	277,805	8,746,008	92.20	72,182	1,752	1,616		Subsidiary
President Chain Store Corp.	President Chain Store Corporation Insurance Brokers Co., Ltd.	Taiwan	Insurance brokers	213,000	213,000	1,500,000	100.00	41,026	407	405		Subsidiary

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Names, locations and other information of investee companies (not including investees in Mainland China)
Three months ended March 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Investment income (loss)		
				Balance as at March 31, 2023	Balance as at December 31,2022	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the three months ended March 31, 2023	Investment income (loss) recognized by the Company for the three months ended March 31, 2023	Footnote
President Chain Store Corp.	Cold Stone Creamery Taiwan Ltd.	Taiwan	Sales of ice cream	\$ 170,000	\$ 170,000	12,244,390	100.00	\$ 34,595	\$ 458	\$ 458	Subsidiary
President Chain Store Corp.	President Being Corp.	Taiwan	Sports and entertainment business	170,000	170,000	1,500,000	100.00	(166,691)	(16,924)	(16,924)	Subsidiary
President Chain Store Corp.	21 Century Co., Ltd.	Taiwan	Operation of chain restaurants	160,680	160,680	10,000,000	100.00	191,594	5,350	5,350	Subsidiary
President Chain Store Corp.	President Chain Store Tokyo Marketing Corp.	Japan	Trade and enterprise management consultancy	35,648	35,648	9,800	100.00	90,666	4,932	4,932	Subsidiary
President Chain Store Corp.	Uni-President Oven Bakery Corp.	Taiwan	Bread and pastry retailer	681,300	681,300	29,000,000	100.00	8,632	(19,959)	(19,959)	Subsidiary
President Chain Store Corp.	President Collect Service Corp.	Taiwan	Collection agent	10,500	10,500	1,049,999	70.00	103,468	21,272	14,890	Subsidiary
President Chain Store Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	200,000	200,000	7,500,049	50.00	144,203	32,310	16,155	Note
President Chain Store Corp.	Uni-President Organics Corp.	Taiwan	Health care products and organic food	47,190	47,190	1,833,333	36.67	51,786	5,780	2,118	Note
President Chain Store Corp.	President Technology Corp.	Taiwan	Software development and telephone customer service	7,500	7,500	750,000	15.00	26,292	(8,608)	(1,291)	Note
President Chain Store Corp.	Connection Labs Ltd.	Taiwan	Other software and internet-related	202,963	202,963	21,722,779	100.00	(4,122)	(32,909)	(32,909)	Subsidiary
Capital Marketing Consultant Corp.	Uni-Capital Marketing Consultant Holding Co., Ltd.	British Virgin Islands	Professional investment	14,868	14,868	463,907	100.00	11,608	(201)	(201)	Subsidiary of a subsidiary
Capital Marketing Consultant Corp.	Uni-Sogood Marketing Consultant Philippines Corp.	Philippines	Management of entertainment business	22,632	-	40,000,000	100.00	22,073	(327)	(327)	Subsidiary of a subsidiary
Mech-President Corp.	Tong Ching Corporation	Taiwan	Gas station	9,600	9,600	960,000	60.00	24,570	1,834	1,101	Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	22,533	22,533	740,000	7.80	6,107	1,752	137	Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Malaysia	Professional investment	2,178,983	2,178,983	71,559,390	100.00	3,040,648	169,749	169,749	Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Hong Kong	Professional investment	4,742,798	4,742,798	134,603,354	100.00	3,066,311	(77,308)	(77,308)	Subsidiary of a subsidiary
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	Philippines	Convenience store	2,178,130	2,178,130	418,467,647	55.32	3,039,453	287,714	169,831	Subsidiary of a subsidiary
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Taiwan	Trucking	180,000	180,000	26,670,000	100.00	360,588	9,418	9,418	Subsidiary of a subsidiary
President Pharmaceutical Corp.	President Pharmaceutical (Hong Kong) Holdings Limited	Hong Kong	Sales of various health care products, cosmetics, and pharmaceuticals	178,024	178,024	5,935,900	100.00	(38,482)	(7,940)	(7,940)	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	-	-	1	-	-	(7,412)	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	-	-	1	-	-	53,112	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Mech-President Corp.	Taiwan	Gas station, installment and maintenance of elevators	-	-	1	-	-	56,509	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	-	-	1	-	-	37,848	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Transnet Corp.	Taiwan	Delivery service	-	-	1	-	-	289,799	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	-	-	1	-	-	36,046	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Duskin Serve Taiwan Co., Ltd.	Taiwan	Cleaning instruments leasing and selling	-	-	1	-	-	54,155	-	Subsidiary of a subsidiary

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Names, locations and other information of investee companies (not including investees in Mainland China)
Three months ended March 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Net profit (loss) of the investee for the three months ended March 31, 2023	Investment income (loss) recognized by the Company for the three months ended March 31, 2023		Footnote
				Balance as at March 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value				
Ren-Hui Investment Corp.	President Pharmaceutical Corp.	Taiwan	Sales of various health care products, cosmetics, and pharmaceuticals	\$ -	\$ -	1	-	\$ -	\$ 65,630	\$ -	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	-	-	1	-	-	32,310	-	-	Note
Ren-Hui Investment Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	-	-	1	-	-	20,110	-	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Cold-Chain Corp.	Taiwan	Low-temperature logistics and warehousing	-	-	1	-	-	115,256	-	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	-	-	1	-	-	53,911	-	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Collect Service Corp.	Taiwan	Collection agent	-	-	1	-	-	21,272	-	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Ren Hui Holding Co., Ltd.	British Virgin Islands	Professional investment	60,374	60,374	2,000,000	100.00	(4,998)	(9,910)	(9,910)	(9,910)	Subsidiary of a subsidiary
Retail Support International Corp.	Retail Support Taiwan Corp.	Taiwan	Room-temperature logistics and warehousing	15,300	15,300	2,871,300	51.00	76,424	10,155	5,179	-	Subsidiary of a subsidiary
Retail Support International Corp.	President Logistics International Corp.	Taiwan	Trucking	44,975	44,975	9,481,500	49.00	200,958	23,373	11,453	-	Subsidiary of a subsidiary
Retail Support Taiwan Corp.	President Logistics International Corp.	Taiwan	Trucking	5,425	5,425	1,161,000	6.00	24,607	23,373	1,402	-	Subsidiary of a subsidiary
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Taiwan	Trucking	23,850	23,850	4,837,500	25.00	102,530	23,373	5,843	-	Subsidiary of a subsidiary
Uni-President Cold-Chain Corp.	Uni-President Logistics (BVI) Holdings Limited	British Virgin Islands	Professional investment	87,994	87,994	2,990	100.00	118,132	(1,722)	(1,722)	(1,722)	Subsidiary of a subsidiary
Wisdom Distribution Service Corp.	President Logistics International Corp.	Taiwan	Trucking	18,850	18,850	3,870,000	20.00	82,011	23,373	4,661	-	Subsidiary of a subsidiary
Philippine Seven Corp.	Convenience Distribution Inc.	Philippines	Logistic, warehousing and retail	25,204	25,204	12,500,000	100.00	25,204	622	-	-	Subsidiary of a subsidiary
Philippine Seven Corp.	Store Sites Holding, Inc.	Philippines	Professional investment	27,299	27,299	40,000	100.00	27,299	322	-	-	Subsidiary of a subsidiary

Note: The investee was recognized using equity method by the company.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Information on investments in Mainland China
Three months ended March 31, 2023

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023	Net profit(loss) of investee for the three months ended March 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three months ended March 31, 2023	Book value of investments in March 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Wholesale of merchandise	\$ 442,999	Note 1	\$ 286,756	\$ -	\$ -	\$ 286,756	\$ 1,752	100.00	\$ 1,752	\$ 78,005	\$ -	Note 3
President Chain Store (Shanghai) Ltd.	Convenience Store	3,100,993	Note 1	3,100,993	-	-	3,100,993	(56,217)	100.00	(56,218)	301,046	-	Note 3
Shanghai President Logistic Co., Ltd.	Logistics and warehousing	60,900	Note 1	60,900	-	-	60,900	29,359	100.00	29,360	654,989	-	Note 3
Shan Dong President Yinzuo Commercial Limited	Supermarkets	265,799	Note 1	124,186	-	-	124,186	(69,319)	55.00	(36,625)	(62,636)	7,917	Note 2
President (Shanghai) Health Product Trading Company Ltd.	Sales of various health care products, cosmetics, and pharmaceuticals	173,466	Note 1	173,466	-	-	173,466	(7,350)	73.74	(5,420)	(44,796)	56,247	Note 3
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehousing	177,200	Note 1	173,206	-	-	173,206	(3,426)	80.00	(2,741)	189,291	25,954	Note 3
President Chain Store (Taizhou) Ltd.	Logistics and warehousing	265,799	Note 1	265,799	-	-	265,799	9,763	100.00	9,763	464,782	-	Note 3
President Logistic ShanDong Co., Ltd.	Logistics and warehousing	221,500	Note 1	221,500	-	-	221,500	2,693	100.00	2,693	241,113	-	Note 3
President Chain Store (Zhejiang) Ltd.	Convenience Store	930,298	Note 1	930,298	-	-	930,298	(44,675)	100.00	(44,676)	116,251	-	Note 3
Beauty Wonder (Zhejiang) Trading Co.,Ltd.	Sales of cosmetics and daily items	265,799	Note 1	265,799	-	-	265,799	(7,755)	100.00	(7,755)	84,837	-	Note 3
Uni-Capital Marketing Consultant Corp.	Management Consulting	13,290	Note 1	13,290	-	-	13,290	(201)	100.00	(201)	10,089	-	Note 3

Note 1: Indirect investment in PRC through the existing company located in the third area.
Note 2: The financial statements were reviewed by the CPA of parent company in Taiwan.
Note 3: These amounts are based solely on their unreviewed financial statements.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
President Chain Store Corp.	\$ 5,079,312	\$ 9,782,022	\$ 29,290,797
President Pharmaceutical Corp.	173,466	173,466	492,382
Uni-Capital Marketing Consultant Corp.	13,290	13,290	80,000
Uni-President Cold-Chain Corp.	90,358	94,216	1,079,345
Ren-Hui Investment Corp.	52,474	54,715	80,000

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
List of shareholders holding more than 5% (inclusive) of shares
March 31, 2023

Table 10

Shareholder name	Shares held as at March 31, 2023	
	Number of shares	Ownership (%)
Uni-President Enterprises Corp.	471,996,430	45.40

Note : The above information is provided by the Taiwan Depository & Clearing Corp.