

**PRESIDENT CHAIN STORE CORP. AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
SEPTEMBER 30, 2023 AND 2022**

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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  
SEPTEMBER 30, 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 September 30, 2023 and 2022, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine 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(7), 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\$60,765,063 thousand and NT\$47,832,183 thousand, constituting 24% and 21% of the consolidated total assets, and total liabilities of NT\$38,227,662 thousand and NT\$31,478,348 thousand, constituting 18% and 18% of the consolidated total liabilities as at September 30, 2023 and 2022, respectively, and total comprehensive income of NT\$711,000 thousand,

NT\$552,533 thousand, NT\$2,003,014 thousand and NT\$1,267,773 thousand, constituting 16%, 13%, 18% and 11% of the consolidated total comprehensive income for the three months and nine 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 September 30, 2023 and 2022, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine 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.

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Yi-Chang, Liang

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Se-Kai, Lin

For and on behalf of PricewaterhouseCoopers, Taiwan  
November 1, 2023

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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**  
**SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022**  
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	September 30, 2023		December 31, 2022		September 30, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 49,649,967	20	\$ 48,540,378	21	\$ 44,615,836	20
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		954,594	-	531,190	-	726,481	-
1136	Financial assets at amortized	6(3)						
	cost - current		6,235,790	2	-	-	-	-
1170	Accounts receivable, net	6(4) and 7	7,705,311	3	6,701,248	3	6,452,172	3
1200	Other receivables		4,287,413	2	2,581,316	1	3,662,194	2
1220	Current income tax assets	6(33)	6,098	-	1,093	-	7,720	-
130X	Inventories, net	6(5)	20,240,979	8	21,670,453	9	17,534,943	8
1410	Prepayments		1,693,919	1	2,086,823	1	1,770,724	1
1470	Other current assets		3,095,426	1	2,974,633	1	2,882,388	1
11XX	Total current Assets		93,869,497	37	85,087,134	36	77,652,458	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(6)						
	through other comprehensive							
	income - non-current		974,715	-	847,481	-	791,941	-
1550	Investments accounted for using	6(7)						
	equity method		14,066,207	6	8,555,500	4	8,667,617	4
1600	Property, plant and equipment	6(8) and 8	35,965,376	14	34,407,957	15	32,108,593	15
1755	Right-of-use assets	6(9) and 7	87,851,678	35	85,032,424	37	84,305,501	38
1760	Investment property, net	6(11) and 8	2,858,559	1	2,891,189	1	2,929,935	1
1780	Intangible assets	6(12) and 7	9,454,319	4	9,665,135	4	9,680,368	4
1840	Deferred income tax assets	6(33)	3,353,076	1	1,966,308	1	2,120,861	1
1900	Other non-current assets	6(13) and 8	5,716,628	2	4,671,192	2	4,624,863	2
15XX	Total non-current assets		160,326,038	63	148,122,666	64	145,315,159	65
1XXX	Total assets		\$ 254,195,535	100	\$ 233,209,800	100	\$ 222,967,617	100

(Continued)

**PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2023, DECEMBER 31, 2022 AND SEPTEMBER 30, 2022**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			September 30, 2023		December 31, 2022		September 30, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current Liabilities								
2100	Short-term borrowings	6(15)	\$ 14,417,438	6	\$ 9,250,522	4	\$ 8,594,068	4
2110	Short-term notes and bills payable	6(16)	4,198,011	2	-	-	-	-
2130	Contract liabilities - current	6(26)	7,344,644	3	6,849,919	3	6,741,273	3
2150	Notes payable	7	2,272,774	1	2,205,192	1	1,244,506	-
2170	Accounts payable		29,041,270	11	25,396,205	11	24,146,966	11
2180	Accounts payable - related parties	7	3,696,270	1	3,446,778	1	3,421,881	2
2200	Other payables	6(17)	32,007,190	13	30,795,358	13	26,284,786	12
2230	Current income tax liabilities	6(33)	1,763,854	1	1,897,728	1	1,321,681	-
2280	Lease liabilities - current	7	14,422,385	6	13,955,348	6	13,644,959	6
2320	Long-term liabilities, current portion	6(19) and 8	243,485	-	319,123	-	385,639	-
2399	Other current liabilities, others	6(18)	3,827,630	1	3,592,908	2	3,762,365	2
21XX	Total current Liabilities		113,234,951	45	97,709,081	42	89,548,124	40
Non-current liabilities								
2527	Contract liabilities - non-current	6(26)	624,765	-	588,317	-	669,486	-
2540	Long-term borrowings	6(19) and 8	782,076	-	492,617	-	651,762	-
2570	Deferred income tax liabilities	6(33)	6,338,833	3	4,919,600	2	4,889,905	2
2580	Lease liabilities - non-current	7	77,763,948	31	74,877,664	32	74,295,281	34
2640	Net defined benefit liability - non-current	6(20)	3,340,815	1	3,468,256	1	4,373,927	2
2670	Other non-current liabilities, others	6(21)	5,788,272	2	5,506,182	3	5,427,182	3
25XX	Total non-current liabilities		94,638,709	37	89,852,636	38	90,307,543	41
2XXX	Total Liabilities		207,873,660	82	187,561,717	80	179,855,667	81
Equity attributable to owners of the parent								
	Share capital	6(22)						
3110	Share capital - common stock		10,396,223	4	10,396,223	5	10,396,223	5
	Capital surplus	6(23)						
3200	Capital surplus		87,610	-	87,852	-	86,906	-
	Retained earnings	6(24)						
3310	Legal reserve		15,302,251	6	14,323,836	6	14,323,836	6
3320	Special reserve		54,625	-	1,921,515	1	1,921,515	1
3350	Unappropriated retained earnings		9,729,245	4	9,784,279	4	7,317,542	3
	Other equity	6(25)						
3400	Other equity interest		1,265,116	-	( 54,625)	-	531,224	-
31XX	Total equity attributable to owners of the parent		36,835,070	14	36,459,080	16	34,577,246	15
36XX	Non-controlling interest		9,486,805	4	9,189,003	4	8,534,704	4
3XXX	Total equity		46,321,875	18	45,648,083	20	43,111,950	19
3X2X	Total liabilities and equity		\$ 254,195,535	100	\$ 233,209,800	100	\$ 222,967,617	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 AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items		Notes	Three months ended September 30				Nine months ended September 30			
			2023		2022		2023		2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(26) and 7	\$ 82,531,464	100	\$ 75,846,879	100	\$ 235,592,008	100	\$ 214,644,668	100
5000	Operating costs	6(5)(27) and 7	( 54,157,486)	( 66)	( 50,304,931)	( 66)	( 155,248,855)	( 66)	( 142,644,297)	( 67)
5900	Gross profit		<u>28,373,978</u>	<u>34</u>	<u>25,541,948</u>	<u>34</u>	<u>80,343,153</u>	<u>34</u>	<u>72,000,371</u>	<u>33</u>
	Operating expenses	6(27)(28)								
6100	Selling expenses		( 21,402,434)	( 26)	( 19,476,977)	( 26)	( 60,771,462)	( 26)	( 54,847,363)	( 26)
6200	General and administrative expenses		( 3,068,558)	( 4)	( 2,787,025)	( 4)	( 8,705,506)	( 4)	( 7,775,736)	( 3)
6450	Expected credit losses	12(2)	( 454)	-	( 380)	-	( 18,368)	-	( 2,855)	-
6000	Total operating expenses		( 24,471,446)	( 30)	( 22,264,382)	( 30)	( 69,495,336)	( 30)	( 62,625,954)	( 29)
6900	Operating profit		<u>3,902,532</u>	<u>4</u>	<u>3,277,566</u>	<u>4</u>	<u>10,847,817</u>	<u>4</u>	<u>9,374,417</u>	<u>4</u>
	Non-operating income and expenses									
7100	Interest income	6(29)	396,478	-	103,570	-	1,077,616	-	200,783	-
7010	Other income	6(30)	527,032	1	747,901	1	1,676,016	1	1,865,441	1
7020	Other gains and losses	6(31)	( 47,760)	-	( 43,886)	-	( 86,138)	-	( 118,368)	-
7050	Finance costs	6(32)	( 355,533)	-	( 294,219)	-	( 998,779)	-	( 862,964)	-
7060	Share of profit of associates and joint ventures accounted for using equity method	6(7)	<u>126,558</u>	<u>-</u>	<u>157,141</u>	<u>-</u>	<u>166,908</u>	<u>-</u>	<u>361,408</u>	<u>-</u>
7000	Total non-operating income and expenses		<u>646,775</u>	<u>1</u>	<u>670,507</u>	<u>1</u>	<u>1,835,623</u>	<u>1</u>	<u>1,446,300</u>	<u>1</u>
7900	Profit before income tax		<u>4,549,307</u>	<u>5</u>	<u>3,948,073</u>	<u>5</u>	<u>12,683,440</u>	<u>5</u>	<u>10,820,717</u>	<u>5</u>
7950	Income tax expense	6(33)	( 1,056,408)	( 1)	( 810,501)	( 1)	( 2,832,346)	( 1)	( 2,218,211)	( 1)
8000	Profit for the period from continuing operations		<u>3,492,899</u>	<u>4</u>	<u>3,137,572</u>	<u>4</u>	<u>9,851,094</u>	<u>4</u>	<u>8,602,506</u>	<u>4</u>
8200	Profit for the period		<u>\$ 3,492,899</u>	<u>4</u>	<u>\$ 3,137,572</u>	<u>4</u>	<u>\$ 9,851,094</u>	<u>4</u>	<u>\$ 8,602,506</u>	<u>4</u>

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**PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2023		2022		2023		2022	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>Other comprehensive income (loss)</b>									
8316 Unrealized gain (loss) on valuation of equity instruments at fair value through other comprehensive income	6(6)(25)	\$ 57,321	-	(\$ 159,911)	-	\$ 127,234	-	(\$ 373,968)	-
8320 Share of other comprehensive income (loss) 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(25)	( 746)	-	( 42)	-	3,562	-	( 1,055)	-
8349 Income tax related to the components of other comprehensive income that will not be reclassified to profit or loss	6(25)(33)	( 516)	-	357	-	( 308)	-	3,029	-
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss		56,059	-	( 159,596)	-	130,488	-	( 371,994)	-
8361 Financial statements translation differences of foreign operations		910,641	1	1,402,859	2	1,288,668	1	2,801,351	1
8370 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss	6(25)	6,325	-	9,396	-	( 6,724)	-	19,231	-
8360 Components of other comprehensive income that will be reclassified to profit or loss		916,966	1	1,412,255	2	1,281,944	1	2,820,582	1
8300 <b>Total other comprehensive income for the period</b>		<u>\$ 973,025</u>	<u>1</u>	<u>\$ 1,252,659</u>	<u>2</u>	<u>\$ 1,412,432</u>	<u>1</u>	<u>\$ 2,448,588</u>	<u>1</u>
8500 <b>Total comprehensive income for the period</b>		<u>\$ 4,465,924</u>	<u>5</u>	<u>\$ 4,390,231</u>	<u>6</u>	<u>\$ 11,263,526</u>	<u>5</u>	<u>\$ 11,051,094</u>	<u>5</u>
Profit attributable to:									
8610 Owners of the parent		\$ 3,036,415	3	\$ 2,691,080	3	\$ 8,410,956	3	\$ 7,313,380	3
8620 Non-controlling interests		456,484	1	446,492	1	1,440,138	1	1,289,126	1
		<u>\$ 3,492,899</u>	<u>4</u>	<u>\$ 3,137,572</u>	<u>4</u>	<u>\$ 9,851,094</u>	<u>4</u>	<u>\$ 8,602,506</u>	<u>4</u>
Comprehensive income attributable to:									
8710 Owners of the parent		\$ 3,980,634	4	\$ 3,939,927	5	\$ 9,730,697	4	\$ 9,766,119	4
8720 Non-controlling interests		485,290	1	450,304	1	1,532,829	1	1,284,975	1
		<u>\$ 4,465,924</u>	<u>5</u>	<u>\$ 4,390,231</u>	<u>6</u>	<u>\$ 11,263,526</u>	<u>5</u>	<u>\$ 11,051,094</u>	<u>5</u>
9750 Basic earnings per share	6(34)	\$ 2.92		\$ 2.58		\$ 8.09		\$ 7.03	
9850 Diluted earnings per share	6(34)	\$ 2.91		\$ 2.58		\$ 8.07		\$ 7.02	

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  
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
		Retained Earnings					Other equity interest				
								Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income			
							Financial statements translation differences of foreign operations				
Notes	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings				Total	Non-controlling interest	Total equity
<u>Nine months ended September 30, 2022</u>											
	\$ 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	
	-	-	-	-	7,313,380	-	-	7,313,380	1,289,126	8,602,506	
Other comprehensive income (loss) for the period	6(25)	-	-	-	-	2,823,535	( 370,796 )	2,452,739	( 4,151 )	2,448,588	
Total comprehensive income (loss) for the period		-	-	-	7,313,380	2,823,535	( 370,796 )	9,766,119	1,284,975	11,051,094	
Distribution of 2021 earnings:	6(24)										
Legal reserve		-	-	804,972	-	( 804,972 )	-	-	-	-	
Special reserve		-	-	-	588,894	( 588,894 )	-	-	-	-	
Cash dividends		-	-	( 1,860,924 )	-	( 7,495,676 )	-	( 9,356,600 )	-	( 9,356,600 )	
Non-controlling interest		-	-	-	-	-	-	-	( 1,378,755 )	( 1,378,755 )	
Adjustment to 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		-	-	-	-	4,035	-	4,035	-	4,035	
Balance at September 30, 2022		\$ 10,396,223	\$ 86,906	\$ 14,323,836	\$ 1,921,515	\$ 7,317,542	\$ 46,640	\$ 484,584	\$ 34,577,246	\$ 8,534,704	\$ 43,111,950
<u>Nine months ended September 30, 2023</u>											
	\$ 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	
	-	-	-	-	8,410,956	-	-	8,410,956	1,440,138	9,851,094	
Other comprehensive income (loss) for the period	6(25)	-	-	-	-	1,189,357	130,384	1,319,741	92,691	1,412,432	
Total comprehensive income (loss) for the period		-	-	-	8,410,956	1,189,357	130,384	9,730,697	1,532,829	11,263,526	
Distribution of 2022 earnings:	6(24)										
Legal reserve		-	-	978,415	-	( 978,415 )	-	-	-	-	
Cash dividends		-	-	-	-	( 9,356,600 )	-	( 9,356,600 )	-	( 9,356,600 )	
Non-controlling interest		-	-	-	-	-	-	-	( 1,235,027 )	( 1,235,027 )	
Reversal of special reserve	6(24)	-	-	-	( 1,866,890 )	1,866,890	-	-	-	-	
Adjustment to 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		-	-	-	-	2,135	-	2,135	-	2,135	
Payments of unpaid cash dividends from previous year transferred to capital reserve		-	( 293 )	-	-	-	-	( 293 )	-	( 293 )	
Balance at September 30, 2023		\$ 10,396,223	\$ 87,610	\$ 15,302,251	\$ 54,625	\$ 9,729,245	\$ 599,339	\$ 665,777	\$ 36,835,070	\$ 9,486,805	\$ 46,321,875

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 CASH FLOWS  
NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30 2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated profit before income tax for the period		\$ 12,683,440	\$ 10,820,717
Adjustments to reconcile profit 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)	( 8,751 )	( 2,996 )
Expected credit losses	12(2)	18,368	2,855
Depreciation expense	6(8)(9)(27)	17,033,320	15,930,669
Amortization expense	6(27)	544,464	493,433
Depreciation on investment property	6(11)(31)	118,351	116,270
Finance costs	6(32)	998,778	862,964
Share of profit of associates and joint ventures accounted for using equity method	6(7)	( 166,908 )	( 361,408 )
Loss on disposal of property, plant and equipment, net		24,958	57,272
Loss (gain) on disposal of investment property	6(31)	365	( 29,507 )
Gain from lease modification	6(9)(31)	( 70,070 )	( 97,296 )
Interest income	6(29)	( 1,077,616 )	( 200,783 )
Dividend income	6(30)	( 51,596 )	( 118,432 )
Other income recognized from rent concession	6(9)	-	( 86,200 )
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		( 414,653 )	( 63,330 )
Accounts receivable		( 1,022,431 )	29,594
Other receivables		( 1,655,140 )	( 989,042 )
Inventories		1,429,474	904,836
Prepayments		392,904	215,443
Other current assets		( 120,793 )	638,719
Net changes in liabilities relating to operating activities			
Contract liabilities - current		494,725	88,709
Accounts payable		3,894,557	1,267,077
Notes payable		67,582	( 783,302 )
Other payables		3,336,051	( 2,617,018 )
Advance receipts		234,722	192,391
Contract liabilities - non-current		36,448	132,303
Net defined benefit liabilities		( 127,441 )	( 226,421 )
Cash inflow generated from operations		36,593,108	26,177,517
Interest received		1,026,659	191,450
Income tax paid		( 2,939,068 )	( 2,400,593 )
Interest paid		( 999,066 )	( 862,549 )
Dividend received		149,784	472,316
Net cash flows from operating activities		33,831,417	23,578,141

(Continued)

**PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine months ended September 30 2023	2022
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of financial assets at amortized cost - current		( \$ 6,235,790 )	\$ -
Acquisition of investments accounted for using equity method		( 5,442,963 )	-
Acquisition of property, plant and equipment	6(35)	( 9,511,657 )	( 8,731,418 )
Proceeds from disposal of property, plant and equipment		241,986	251,936
Acquisition of investment property	6(11)	( 32,268 )	-
Proceeds from disposal of investment property		-	37,933
Increase in guarantee deposits paid		( 117,485 )	( 91,828 )
Acquisition of intangible assets	6(12)	( 222,964 )	( 261,532 )
Prepaid land	6(13)	( 300,000 )	( 600,000 )
Increase in other non-current assets		( 697,975 )	( 228,015 )
Net cash flows used in investing activities		( 22,319,116 )	( 9,622,924 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Increase in short-term borrowings	6(36)	5,166,916	3,498,086
Increase in short-term notes and bills payable	6(36)	4,198,011	-
Increase in long-term borrowings	6(36)	486,302	183,860
Repayment of long-term borrowings	6(36)	( 278,469 )	( 642,187 )
Payments of lease liabilities	6(9)(36)	( 10,885,373 )	( 10,319,499 )
Guarantee deposits received	6(36)	230,297	210,624
Decrease in other non-current liabilities	6(36)	( 10,524 )	( 2,780 )
Change in non-controlling interests		( 1,512 )	( 29,149 )
Payment of cash dividends - the company	6(24)(36)	( 9,356,600 )	( 9,356,600 )
Payment of cash dividends - subsidiaries	6(36)	( 1,233,515 )	( 1,349,606 )
Payments of unpaid cash dividends from previous year transferred to capital reserve		( 293 )	-
Net cash flows used in financing activities		( 11,684,760 )	( 17,807,251 )
Effect of foreign exchange rate changes on cash and cash equivalents		1,282,048	2,819,384
Increase (decrease) in cash and cash equivalents		1,109,589	( 1,032,650 )
Cash and cash equivalents at beginning of period		48,540,378	45,648,486
Cash and cash equivalents at end of period		\$ 49,649,967	\$ 44,615,836

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022

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

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 November 1, 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:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
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
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 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

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
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
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	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.	

(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:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
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
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 21, 'Lack of exchangeability'	January 1, 2025
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 MATERIAL 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:

<u>Name of the subsidiaries</u>	<u>September 30, 2023</u>	<u>September 30, 2022</u>
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:

<u>Name of investor</u>	<u>Name of subsidiary</u>	<u>Main business activities</u>	<u>Ownership (%)</u>			<u>Description</u>
			<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>	
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	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2023	December 31, 2022	September 30, 2022	
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	
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	



Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2023	December 31, 2022	September 30, 2022	
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	
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	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2023	December 31, 2022	September 30, 2022	
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	
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) Financial assets at amortized cost

A. Financial assets at amortized cost are those that meet all of the following criteria:

- (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
- (b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognised using trade date accounting.

C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.

D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(5) 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.

(6) 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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Cash on hand and petty cash	\$ 1,827,808	\$ 1,483,726	\$ 1,306,243
Checking accounts and demand deposits	17,072,475	17,632,283	13,239,962
Cash equivalents			
Time deposits	21,109,579	23,955,017	23,832,807
Short-term financial instruments	9,640,105	5,469,352	6,236,824
	<u>\$ 49,649,967</u>	<u>\$ 48,540,378</u>	<u>\$ 44,615,836</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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Financial assets mandatorily measured at fair value through profit or loss			
Current items:			
Beneficiary certificates	\$ 953,775	\$ 531,052	\$ 725,745
Valuation adjustment	819	138	736
	<u>\$ 954,594</u>	<u>\$ 531,190</u>	<u>\$ 726,481</u>
Non-current items:			
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 \$40,115 and \$39,985 in relation to financial assets at fair value through profit or loss for the nine months ended September 30, 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) Financial asset at amortized cost

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Current items:			
Time deposits with a maturity of over one year	\$ 6,235,790	\$ -	\$ -

- A. The Group recognized interest income in profit or loss on financial assets at amortized cost amounting to \$71,373, \$0, \$71,373 and \$0 for three months and nine months ended September 30, 2023 and 2022, respectively.
- B. As of September 30, 2023, December 31, 2022 and September 30, 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 amortized cost held by the Group was its book value.
- C. The Group has no financial assets at amortized cost pledged to others as of September 30, 2023, December 31, 2022 and September 30, 2022.
- D. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposits are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(4) Accounts receivable

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Accounts receivable	\$ 7,803,455	\$ 6,780,096	\$ 6,594,426
Less: Allowance for doubtful accounts	( 98,144)	( 78,848)	( 142,254)
	<u>\$ 7,705,311</u>	<u>\$ 6,701,248</u>	<u>\$ 6,452,172</u>

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Not past due	\$ 7,598,682	\$ 6,607,707	\$ 6,483,253
Up to 90 days	195,602	167,057	106,111
91 to 180 days	8,913	4,825	3,755
181 to 365 days	237	404	1,225
Over 365 days	21	103	82
	<u>\$ 7,803,455</u>	<u>\$ 6,780,096</u>	<u>\$ 6,594,426</u>

The above aging analysis was based on past due date.

- B. As of September 30, 2023, December 31, 2022 and September 30, 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 September 30, 2023, December 31, 2022 and September 30, 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 \$7,705,311, \$6,701,248, and \$6,452,172, respectively.
- D. Information relating to credit risk is provided in Note 12(2).

(5) Inventories

	September 30, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 123,879	\$ -	\$ 123,879
Merchandise and finished goods	20,300,082	( 182,982)	20,117,100
	<u>\$ 20,423,961</u>	<u>(\$ 182,982)</u>	<u>\$ 20,240,979</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>\$ 21,804,208</u>	<u>(\$ 133,755)</u>	<u>\$ 21,670,453</u>
	September 30, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 119,477	\$ -	\$ 119,477
Merchandise and finished goods	17,536,037	( 120,571)	17,415,466
	<u>\$ 17,655,514</u>	<u>(\$ 120,571)</u>	<u>\$ 17,534,943</u>

The cost of inventories recognized as expense for the period:

	Three months ended September 30, 2023	Three months ended September 30, 2022
Cost of goods sold and service costs	\$ 53,557,080	\$ 49,737,732
Loss on valuation of inventories	31,976	19,764
Spoilage	457,873	446,558
Others	110,557	100,877
	<u>\$ 54,157,486</u>	<u>\$ 50,304,931</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Cost of goods sold and service costs	\$ 153,512,883	\$ 141,011,289
Loss on valuation of inventories	49,227	30,423
Spoilage	1,399,861	1,356,431
Others	286,884	246,154
	<u>\$ 155,248,855</u>	<u>\$ 142,644,297</u>

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Equity instruments</u>			
Listed stocks	\$ 265,606	\$ 265,606	\$ 265,606
Unlisted stocks	4,348	4,348	4,348
	269,954	269,954	269,954
Valuation adjustment	704,761	577,527	521,987
	<u>\$ 974,715</u>	<u>\$ 847,481</u>	<u>\$ 791,941</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 \$974,715, \$847,481 and \$791,941 as at September 30, 2023, December 31, 2022 and September 30, 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:

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	\$ 57,321	(\$ 159,911)
Dividend income recognized in profit or loss	\$ -	\$ -
	<u>Nine months ended September 30, 2023</u>	<u>Nine months ended September 30, 2022</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	\$ 127,234	(\$ 373,968)
Dividend income recognized in profit or loss	\$ 20,232	\$ 81,443

- C. As at September 30, 2023, December 31, 2022 and September 30, 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 \$974,715, \$847,481 and \$791,941, 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).

(7) Investments accounted for using the equity method

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
<u>Associates</u>			
PresiCarre Corp.	\$ 10,321,430	\$ 4,868,968	\$ 5,052,790
President Fair Development Corp.	2,256,682	2,177,267	2,161,763
Uni-President Development Corp.	770,852	778,387	767,839
President International Development Corp.	475,481	469,939	450,844
Tung Ho Development Corp.	51,996	55,640	56,451
Uni-President Organics Corp.	40,496	49,668	48,193
President Technology Corp.	24,840	27,583	23,183
	<u>13,941,777</u>	<u>8,427,452</u>	<u>8,561,063</u>
<u>Joint ventures</u>			
Mister Donut Taiwan Co., Ltd.	\$ 124,430	\$ 128,048	\$ 106,554
	<u>\$ 14,066,207</u>	<u>\$ 8,555,500</u>	<u>\$ 8,667,617</u>

- A. As of June 30, 2023, the Company acquired an additional 10.5% of common shares of PresiCarre Corp. The Company has paid US\$174,846 thousand to the sellers as the estimated consideration, which was determined based on the estimated financial condition of the target company on the closing date, and will be recomputed to determine the financial consideration according to the transaction agreement after the closing date.
- B. 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 September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
Total comprehensive income	<u>\$ 127,402</u>	<u>\$ 162,501</u>
	<u>Nine months ended September 30, 2023</u>	<u>Nine months ended September 30, 2022</u>
Total comprehensive income	<u>\$ 132,540</u>	<u>\$ 362,385</u>

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

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
Total comprehensive income	<u>\$ 4,735</u>	<u>\$ 3,994</u>
	<u>Nine months ended September 30, 2023</u>	<u>Nine months ended September 30, 2022</u>
Total comprehensive income	<u>\$ 31,206</u>	<u>\$ 17,199</u>

(8) 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	-	29,980	115,291	2,964,574	2,878,152	1,782,381	7,770,378
Disposals	-	-	( 41,594)	( 127,454)	( 97,877)	( 19)	( 266,944)
Transfer	( 5,828)	89,323	143,713	22,453	55,703	( 375,869)	( 70,505)
Depreciation charge	-	( 119,369)	( 428,719)	( 2,643,661)	( 1,854,973)	( 934,717)	( 5,981,439)
Net exchange differences	763	( 394)	713	( 2,582)	33,372	74,057	105,929
Closing net book amount as of September 30	<u>\$ 4,413,069</u>	<u>\$ 2,105,796</u>	<u>\$ 2,252,958</u>	<u>\$ 12,245,994</u>	<u>\$ 10,360,732</u>	<u>\$ 4,586,827</u>	<u>\$ 35,965,376</u>
At September 30							
Cost	\$ 4,417,001	\$ 5,031,773	\$ 7,774,132	\$ 30,462,116	\$ 26,757,808	\$ 13,804,496	\$ 88,247,326
Accumulated depreciation and impairment	( 3,932)	( 2,925,977)	( 5,521,174)	( 18,216,122)	( 16,397,076)	( 9,217,669)	( 52,281,950)
	<u>\$ 4,413,069</u>	<u>\$ 2,105,796</u>	<u>\$ 2,252,958</u>	<u>\$ 12,245,994</u>	<u>\$ 10,360,732</u>	<u>\$ 4,586,827</u>	<u>\$ 35,965,376</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	1,400,309	2,573	148,353	3,048,411	2,451,435	1,579,412	8,630,493
Disposals	-	-	( 9,068)	( 175,814)	( 106,213)	( 18,113)	( 309,208)
Transfer	122,437	2,374	200,637	79,494	171,177	( 551,320)	24,799
Depreciation charge	-	( 124,903)	( 405,705)	( 2,285,169)	( 1,685,822)	( 885,191)	( 5,386,790)
Net exchange differences	( 58)	2,976	579	11,310	( 1,197)	( 5,161)	8,449
Closing net book amount as of September 30	<u>\$ 4,417,748</u>	<u>\$ 2,139,325</u>	<u>\$ 2,266,215</u>	<u>\$ 10,950,444</u>	<u>\$ 8,574,227</u>	<u>\$ 3,760,634</u>	<u>\$ 32,108,593</u>
At September 30							
Cost	\$ 4,421,680	\$ 4,904,600	\$ 7,563,997	\$ 28,057,754	\$ 23,573,438	\$ 12,580,685	\$ 81,102,154
Accumulated depreciation and impairment	( 3,932)	( 2,765,275)	( 5,297,782)	( 17,107,310)	( 14,999,211)	( 8,820,051)	( 48,993,561)
	<u>\$ 4,417,748</u>	<u>\$ 2,139,325</u>	<u>\$ 2,266,215</u>	<u>\$ 10,950,444</u>	<u>\$ 8,574,227</u>	<u>\$ 3,760,634</u>	<u>\$ 32,108,593</u>

B. Impairment information about the property, plant and equipment is provided in Note 6(14).

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

(9) 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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 1,203,239	\$ 1,106,348	\$ 1,047,033
Buildings	86,645,923	83,901,999	83,223,984
Machinery and equipment	2,056	5,746	7,224
Other equipment	460	18,331	27,260
	<u>\$ 87,851,678</u>	<u>\$ 85,032,424</u>	<u>\$ 84,305,501</u>

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 50,091	\$ 41,475
Buildings	3,668,559	3,530,324
Machinery and equipment	1,056	1,555
Other equipment	12	8,920
	<u>\$ 3,719,718</u>	<u>\$ 3,582,274</u>

	<u>Nine months ended September 30, 2023</u>	<u>Nine months ended September 30, 2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 144,023	\$ 121,106
Buildings	10,886,297	10,390,075
Machinery and equipment	3,690	5,945
Other equipment	17,871	26,753
	<u>\$ 11,051,881</u>	<u>\$ 10,543,879</u>

C. For the three months and nine months ended September 30, 2023 and 2022, the additions to right-of-use assets were \$6,159,270, \$6,747,932, \$15,380,416 and \$18,931,724, respectively.

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

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 272,134	\$ 262,180
Expense on short-term lease contracts	171,924	104,330
Expense on leases of low-value assets	43,701	36,024
Expense on variable lease payments	130,108	120,522
Gain on sublease of right-of-use assets	157,069	147,311
Gain from lease modification	19,539	21,016

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 789,588	\$ 765,322
Expense on short-term lease contracts	439,677	336,452
Expense on leases of low-value assets	115,376	104,123
Expense on variable lease payments	451,446	378,193
Gain on sublease of right-of-use assets	469,054	420,125
Gain from lease modification	70,070	97,296

E. For the nine months ended September 30, 2023 and 2022, the Group's total cash outflow for leases was \$12,681,460 and \$11,903,589, 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 3.51% and 3.12% as at September 30, 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 \$4,514 and \$3,782 for the nine months ended September 30, 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 September 30, 2023, December 31, 2022 and September 30, 2022, amounted to \$3,346,806, \$4,056,564 and \$3,456,790, 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 \$0 and \$86,200, as other income for the three months and nine months ended September 30, 2022.

(10) 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 September 30, 2023	Three months ended September 30, 2022
Rental revenue	\$ 457,709	\$ 421,224
Rental revenue from variable lease payments	\$ 359,701	\$ 332,439
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Rental revenue	\$ 1,269,690	\$ 1,131,809
Rental revenue from variable lease payments	\$ 993,008	\$ 863,690

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

	September 30, 2023	December 31, 2022	September 30, 2022
Current year	\$ 67,247	\$ -	\$ 67,107
Within 1 year	182,092	257,142	231,925
1~2 years	150,684	147,314	141,872
2~3 years	118,597	123,977	121,582
3~4 years	100,149	95,692	94,601
4~5 years	68,209	79,040	77,738
Over 5 years	77,941	97,428	97,293
	<u>\$ 764,919</u>	<u>\$ 800,593</u>	<u>\$ 832,118</u>

(11) Investment property

2023				
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,370,990	\$ 411,607	\$ 1,108,592	\$ 2,891,189
Additions	-	32,268	-	32,268
Disposal	-	( 365)	-	( 365)
Transfer	5,828	47,990	-	53,818
Depreciation charge	-	( 14,420)	( 103,931)	( 118,351)
At September 30	<u>\$ 1,376,818</u>	<u>\$ 477,080</u>	<u>\$ 1,004,661</u>	<u>\$ 2,858,559</u>
2022				
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,400,611	\$ 431,642	\$ 1,247,166	\$ 3,079,419
Disposals	( 7,207)	( 1,219)	-	( 8,426)
Transfer	( 22,414)	( 2,374)	-	( 24,788)
Depreciation charge	-	( 12,339)	( 103,931)	( 116,270)
At September 30	<u>\$ 1,370,990</u>	<u>\$ 415,710</u>	<u>\$ 1,143,235</u>	<u>\$ 2,929,935</u>

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

	Three months ended September 30, 2023	Three months ended September 30, 2022
Rental income from investment property	<u>\$ 276,357</u>	<u>\$ 257,950</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 45,470</u>	<u>\$ 43,457</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Rental income from investment property	<u>\$ 743,337</u>	<u>\$ 665,994</u>
Direct operating expenses arising from the investment property that generated rental income during the period	<u>\$ 133,216</u>	<u>\$ 131,302</u>

B. The fair value of the investment property held by the Group ranged from \$5,725,760 to \$6,495,334 as at September 30, 2023, December 31, 2022 and September 30, 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.

(12) 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	222,032	-	-	932	222,964
Transfer	16,280	-	-	( 721)	15,559
Amortization expense	( 264,774)	-	( 145,620)	( 44,035)	( 454,429)
Net exchange differences	<u>2,207</u>	<u>2,883</u>	<u>-</u>	<u>-</u>	<u>5,090</u>
Closing net book amount as of September 30	<u>\$ 580,677</u>	<u>\$2,207,158</u>	<u>\$ 6,408,474</u>	<u>\$258,010</u>	<u>\$ 9,454,319</u>
At September 30					
Cost	\$2,902,032	\$2,207,158	\$ 7,524,890	\$600,102	\$13,234,182
Accumulated amortization and impairment	( 2,321,355)	-	( 1,116,416)	( 342,092)	( 3,779,863)
	<u>\$ 580,677</u>	<u>\$2,207,158</u>	<u>\$ 6,408,474</u>	<u>\$258,010</u>	<u>\$ 9,454,319</u>

	2022				
	License agreement and				
	Software	Goodwill	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	217,248	-	-	44,284	261,532
Transfer	6,422	-	-	-	6,422
Amortization expense	( 220,777)	-	( 145,620)	( 43,263)	( 409,660)
Net exchange differences	611	7,523	-	-	8,134
Closing net book amount as of September 30	<u>\$ 545,175</u>	<u>\$2,206,197</u>	<u>\$ 6,602,633</u>	<u>\$326,363</u>	<u>\$ 9,680,368</u>
At September 30					
Cost	\$2,539,651	\$2,206,197	\$ 7,524,890	\$609,045	\$12,879,783
Accumulated amortization and impairment	( 1,994,476)	-	( 922,257)	( 282,682)	( 3,199,415)
	<u>\$ 545,175</u>	<u>\$2,206,197</u>	<u>\$ 6,602,633</u>	<u>\$326,363</u>	<u>\$ 9,680,368</u>

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

B. Impairment information about the intangible assets in provided in Note 6(14).

(13) Other non-current assets

	September 30, 2023	December 31, 2022	September 30, 2022
Guarantee deposits paid	\$ 3,497,439	\$ 3,359,090	\$ 3,296,684
Prepaid land	900,000	600,000	600,000
Others	1,319,189	712,102	728,179
	<u>\$ 5,716,628</u>	<u>\$ 4,671,192</u>	<u>\$ 4,624,863</u>

The Group signed a contract for the acquisition of land located in Taoyuan Aerotropolis Industry Area for \$6,000,000 on September 27, 2022. The transaction will be paid in four installments. The second installment had been paid as of September 30, 2023.

(14) Impairment of non-financial assets

- There were neither impairment loss nor reversal of impairment loss recognized for the nine months ended September 30, 2023 and 2022.
- 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 is 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 were 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 on goodwill 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 is provided in Note 6(13) in the consolidated financial statements for the year ended December 31, 2022.

(15) Short-term borrowings

<u>Type of borrowings</u>	<u>September 30, 2023</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit loan	\$ <u>14,417,438</u>	1.43%~6.688%	None
<u>Type of borrowings</u>	<u>December 31, 2022</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit loan	\$ <u>9,250,522</u>	1.24%~2.10%	None
<u>Type of borrowings</u>	<u>September 30, 2022</u>	<u>Interest rate range</u>	<u>Collateral</u>
Bank borrowings			
Credit loan	\$ <u>8,594,068</u>	0.95%~1.57%	None

There was no capitalization of borrowing costs for the nine months ended September 30, 2023 and 2022. Relevant interest expense on borrowings is recognized as “finance costs”.

(16) Short-term notes and bills payable

<u>Type of borrowings</u>	<u>September 30, 2023</u>	<u>Pledged or secured</u>
Commerical papers payable	\$ 4,200,000	Please refer to the below for details
Less: Unamortized discount	( 1,989)	
	<u>\$ 4,198,011</u>	
Interest rate range	<u>1.408%~1.458%</u>	

A. There was no commercial papers payable at December 31, 2022 and September 30, 2022.

B. The above commercial papers were issued and secured by Sumitomo Mitsui Banking Corporation, Credit Agricole Corporate and Investment Bank, China Bills Finance Corporation and International Bills Finance Corporation for short-term financing.

(17) Other payables

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Store collections	\$ 15,318,205	\$ 12,745,952	\$ 12,318,910
Wages, salaries and bonus payable	5,810,617	5,655,203	5,282,416
Sales receipt on behalf of others	1,961,909	1,266,851	873,153
Incentive bonus payable to franchisees	1,171,166	1,143,698	1,075,366
Payables for acquisition of property, plant and equipment	1,009,240	2,750,519	1,285,047
Employees' compensation and remuneration for directors and supervisors	718,277	799,080	625,227
Payables for labor and health insurance	303,015	326,038	297,395
Rent payable	75,756	68,875	59,732
Others	5,639,005	6,039,142	4,467,540
	<u>\$ 32,007,190</u>	<u>\$ 30,795,358</u>	<u>\$ 26,284,786</u>

(18) Other current liabilities

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>
Advance receipts of deposits	\$ 2,027,413	\$ 1,826,832	\$ 1,947,812
Advance receipts for gift certificates	1,479,437	1,474,459	1,455,714
Others	320,780	291,617	358,839
	<u>\$ 3,827,630</u>	<u>\$ 3,592,908</u>	<u>\$ 3,762,365</u>

(19) Long-term borrowings

<u>Type of borrowings</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>September 30, 2023</u>
Long-term bank borrowings			
Credit loan	1.35%~4.40%	None	\$ 498,764
Secured borrowings	2.18%~2.46%	Property, plant and equipment	526,797
			<u>1,025,561</u>
Less: Current portion			( 243,485)
			<u>\$ 782,076</u>
<u>Type of borrowings</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>December 31, 2022</u>
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	September 30, 2022
Long-term bank borrowings			
Credit loan	4.125%~4.40%	None	\$ 418,441
Secured borrowings	1.702%~2.07%	Property, plant and equipment	618,960
			1,037,401
Less: Current portion			( 385,639)
			\$ 651,762

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

## (20) 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 \$29,683, \$28,154, \$88,570 and \$84,977 for the three months and nine months ended September 30, 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 nine months ended September 30, 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 and nine months ended September 30, 2023 and 2022 were \$281,890, \$271,871, \$834,340 and \$784,490, respectively.

(21) Other non-current liabilities

	September 30, 2023	December 31, 2022	September 30, 2022
Guarantee deposit received	\$ 4,563,683	\$ 4,326,458	\$ 4,254,884
Provision for decommissioning liability	763,150	707,761	692,632
Others	461,439	471,963	479,666
	<u>\$ 5,788,272</u>	<u>\$ 5,506,182</u>	<u>\$ 5,427,182</u>

(22) Share capital

As of September 30, 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 September 30, 2023 and January 1, 2023.

(23) 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.

(24) 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 reverse 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 shareholders on May 30, 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

(25) 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	-	127,234	127,234
– Associates	-	3,458	3,458
Revaluation-tax	- (	308)	( 308)
Currency translation differences:			
– Group	1,195,977	-	1,195,977
– Associates	( 6,620)	-	( 6,620)
At September 30	<u>\$ 599,339</u>	<u>\$ 665,777</u>	<u>\$ 1,265,116</u>

	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	- (	373,968)	( 373,968)
– Associates	-	143	143
Revaluation-tax	-	3,029	3,029
Currency translation differences:			
– Group	2,805,502	-	2,805,502
– Associates	18,033	-	18,033
At September 30	<u>\$ 46,640</u>	<u>\$ 484,584</u>	<u>\$ 531,224</u>

(26) Operating revenue

	Three months ended September 30, 2023	Three months ended September 30, 2022
Revenue from contracts with customers	<u>\$ 82,531,464</u>	<u>\$ 75,846,879</u>

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Revenue from contracts with customers	<u>\$ 235,592,008</u>	<u>\$ 214,644,668</u>

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 September 30, 2023	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 51,293,973	\$ 19,795,040	\$ 1,702	\$ 6,658,053	\$ 77,748,768
– Over time	<u>254,471</u>	<u>3,735,229</u>	<u>603,232</u>	<u>189,764</u>	<u>4,782,696</u>
	<u>\$ 51,548,444</u>	<u>\$ 23,530,269</u>	<u>\$ 604,934</u>	<u>\$ 6,847,817</u>	<u>\$ 82,531,464</u>

Three months ended September 30, 2022	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 47,768,799	\$ 17,480,183	\$ 2,731	\$ 5,907,138	\$ 71,158,851
– Over time	<u>234,293</u>	<u>3,639,562</u>	<u>567,374</u>	<u>246,799</u>	<u>4,688,028</u>
	<u>\$ 48,003,092</u>	<u>\$ 21,119,745</u>	<u>\$ 570,105</u>	<u>\$ 6,153,937</u>	<u>\$ 75,846,879</u>

Nine months ended September 30, 2023	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 145,788,014	\$ 57,317,963	\$ 6,253	\$ 18,583,984	\$ 221,696,214
– Over time	<u>758,356</u>	<u>10,665,818</u>	<u>1,798,883</u>	<u>672,737</u>	<u>13,895,794</u>
	<u>\$ 146,546,370</u>	<u>\$ 67,983,781</u>	<u>\$ 1,805,136</u>	<u>\$ 19,256,721</u>	<u>\$ 235,592,008</u>

Nine months ended September 30, 2022	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 134,157,414	\$ 50,540,051	\$ 8,782	\$ 16,334,477	\$ 201,040,724
– Over time	<u>668,035</u>	<u>10,601,420</u>	<u>1,698,207</u>	<u>636,282</u>	<u>13,603,944</u>
	<u>\$ 134,825,449</u>	<u>\$ 61,141,471</u>	<u>\$ 1,706,989</u>	<u>\$ 16,970,759</u>	<u>\$ 214,644,668</u>

B. Contract liabilities

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2022</u>	<u>January 1, 2022</u>
Contract liabilities – advance receipts of gift certificates and gift payments	\$ 4,835,886	\$ 4,598,978	\$ 4,492,709	\$ 4,599,304
Contract liabilities – customer loyalty programs	1,406,561	1,223,582	1,311,630	977,909
Contract liabilities – members' deposits	924,340	888,700	875,231	843,002
Contract liabilities – franchise fee	487,710	441,384	424,425	405,485
Contract liabilities – others	314,912	285,592	306,764	364,047
	<u>\$ 7,969,409</u>	<u>\$ 7,438,236</u>	<u>\$ 7,410,759</u>	<u>\$ 7,189,747</u>

(b) Revenues recognized that were included in the contract liabilities balance at the beginning were \$4,916,259 and \$5,142,693 for the nine months ended September 30, 2023 and 2022, respectively.

(27) Expenses by nature

	<u>Three months ended September 30, 2023</u>	<u>Three months ended September 30, 2022</u>
Net cost of goods sold	\$ 48,640,439	\$ 44,931,980
Employee benefit expenses	7,883,983	7,262,009
Incentive bonuses for franchisees	6,975,385	6,564,997
Depreciation and amortization	5,944,178	5,570,810
Utilities expenses	1,811,470	1,530,573
Operating lease payments	345,733	260,876
Other costs and expenses	7,027,744	6,448,068
Total operating costs and operating expenses	<u>\$ 78,628,932</u>	<u>\$ 72,569,313</u>
	<u>Nine months ended September 30, 2023</u>	<u>Nine months ended September 30, 2022</u>
Net cost of goods sold	\$ 139,225,188	\$ 127,083,750
Employee benefit expenses	22,818,935	20,961,435
Incentive bonuses for franchisees	19,552,097	18,091,557
Depreciation and amortization	17,577,784	16,424,102
Utilities expenses	4,548,438	3,809,041
Operating lease payments	1,006,499	818,768
Other costs and expenses	20,015,250	18,081,598
Total operating costs and operating expenses	<u>\$ 224,744,191</u>	<u>\$ 205,270,251</u>

(28) Employee benefit expense

	Three months ended September 30, 2023	Three months ended September 30, 2022
Wages and salaries	\$ 6,487,537	\$ 5,971,037
Labor and health insurance fees	605,545	552,519
Pension costs	311,573	300,025
Other personnel expenses	479,328	438,428
	<u>\$ 7,883,983</u>	<u>\$ 7,262,009</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Wages and salaries	\$ 18,709,038	\$ 17,205,932
Labor and health insurance fees	1,814,634	1,654,522
Pension costs	922,910	869,467
Other personnel expenses	1,372,353	1,231,514
	<u>\$ 22,818,935</u>	<u>\$ 20,961,435</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 and nine months ended September 30, 2023 and 2022, employees' compensation was accrued at 165,997, \$144,778, \$458,477 and \$390,594, respectively; while directors' and supervisors' remuneration was accrued at \$55,459, \$48,370, \$153,176 and \$130,496, 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 nine months ended September 30, 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.

(29) Interest income

	Three months ended September 30, 2023	Three months ended September 30, 2022
Interest income	\$ 325,105	\$ 103,570
Interest income from financial assets measured at amortized cost	71,373	-
	<u>\$ 396,478</u>	<u>\$ 103,570</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Interest income	\$ 1,006,243	\$ 200,783
Interest income from financial assets measured at amortized cost	71,373	-
	<u>\$ 1,077,616</u>	<u>\$ 200,783</u>

(30) Other income

	Three months ended September 30, 2023	Three months ended September 30, 2022
Grants income	\$ 258,815	\$ 274,077
Rental revenue	79,563	68,129
Dividend income	-	-
Others	188,654	405,695
	<u>\$ 527,032</u>	<u>\$ 747,901</u>

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Grants income	\$ 688,722	\$ 618,886
Rental revenue	217,713	205,873
Dividend income	51,596	118,432
Others	717,985	922,250
	<u>\$ 1,676,016</u>	<u>\$ 1,865,441</u>

(31) Other gains and losses

	Three months ended September 30, 2023	Three months ended September 30, 2022
Gain from lease modification	\$ 19,539	\$ 21,016
(Loss) gain on disposal of investment property	( 365)	-
Loss on disposal of property, plant and equipment	( 10,517)	( 5,534)
Depreciation of investment property	( 39,956)	( 38,746)
Other gains and losses	( 16,461)	( 20,622)
	<u>(\$ 47,760)</u>	<u>(\$ 43,886)</u>

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Gain from lease modification	\$ 70,070	\$ 97,296
(Loss) gain on disposal of investment property	( 365)	29,507
Loss on disposal of property, plant and equipment	( 24,958)	( 57,272)
Depreciation of investment property	( 118,351)	( 116,270)
Other gains and losses	( 12,534)	( 71,629)
	<u>(\$ 86,138)</u>	<u>(\$ 118,368)</u>

(32) Finance costs

	Three months ended September 30, 2023	Three months ended September 30, 2022
Interest expense on lease liabilities	\$ 272,134	\$ 262,180
Financial expense, others	83,399	32,039
	<u>\$ 355,533</u>	<u>\$ 294,219</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Interest expense on lease liabilities	\$ 789,588	\$ 765,322
Financial expense, others	209,191	97,642
	<u>\$ 998,779</u>	<u>\$ 862,964</u>

(33) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended September 30, 2023	Three months ended September 30, 2022
Current tax:		
Current tax on profit for the period	\$ 1,053,518	\$ 863,547
Tax on undistributed surplus earnings	-	-
Over provision of prior year's income tax	( 36)	( 50)
Total current tax	<u>1,053,482</u>	<u>863,497</u>
Deferred tax:		
Origination and reversal of temporary differences	2,926	( 52,996)
Income tax expense	<u>\$ 1,056,408</u>	<u>\$ 810,501</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Current tax:		
Current tax on profit for the period	\$ 2,820,961	\$ 2,334,368
Tax on undistributed surplus earnings	65,808	-
Over provision of prior year's income tax	( 86,580)	( 22,756)
Total current tax	<u>2,800,189</u>	<u>2,311,612</u>
Deferred tax:		
Origination and reversal of temporary differences	32,157	( 93,401)
Income tax expense	<u>\$ 2,832,346</u>	<u>\$ 2,218,211</u>



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

	Three months ended September 30, 2023	Three months ended September 30, 2022
Changes in fair value of financial assets at fair value through other comprehensive income	\$ <u>516</u>	(\$ <u>357</u> )
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Changes in fair value of financial assets at fair value through other comprehensive income	\$ <u>308</u>	(\$ <u>3,029</u> )

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

(34) Earnings per share

	Three months ended September 30, 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 parent	\$ <u>3,036,415</u>	<u>1,039,622</u>	\$ <u>2.92</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 3,036,415	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	<u>-</u>	<u>632</u>	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ <u>3,036,415</u>	<u>1,040,254</u>	\$ <u>2.91</u>

Three months ended September 30, 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 parent	\$ 2,691,080	1,039,622	\$ 2.58
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 2,691,080	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	512	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,691,080	1,040,134	\$ 2.58

Nine months ended September 30, 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	\$ 8,410,956	1,039,622	\$ 8.09
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 8,410,956	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	2,157	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 8,410,956	1,041,779	\$ 8.07

Nine months ended September 30, 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	\$ 7,313,380	1,039,622	\$ 7.03
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 7,313,380	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,768	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 7,313,380	1,041,390	\$ 7.02

(35) Supplemental cash flow information

Investing activities with partial cash payments

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Purchase of property, plant and equipment	\$ 7,770,378	\$ 8,630,493
Add: Opening balance of payable on equipment	2,750,519	1,385,972
Less: Ending balance of payable on equipment	(1,009,240)	(1,285,047)
Cash paid during the period	\$ 9,511,657	\$ 8,731,418

(36) Changes in liabilities from financing activities

	2023							
	Short-term borrowings	Short-term notes and bills payable	Dividend 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	5,166,916	4,198,011	( 10,590,115)	207,833	( 10,885,373)	230,297	( 10,524)	( 11,682,955)
Interest paid (Note)	-	-	-	-	( 789,588)	-	-	( 789,588)
Impact of changes in foreign exchange rate	-	-	-	1,198	167,124	6,928	-	175,250
Changes in other non-cash items	-	-	10,590,115	80,428	14,861,158	-	55,389	25,587,090
At September 30	<u>\$ 14,417,438</u>	<u>\$ 4,198,011</u>	<u>\$ -</u>	<u>\$ 782,076</u>	<u>\$ 92,186,333</u>	<u>\$ 4,563,683</u>	<u>\$ 1,224,589</u>	<u>\$ 117,372,130</u>
	2022							
	Short-term borrowings	Dividend payable	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	3,498,086	( 10,706,206)	( 458,327)	( 10,319,499)	210,624	( 2,780)	( 17,778,102)	
Interest paid (Note)	-	-	-	( 765,322)	-	-	( 765,322)	
Impact of changes in foreign exchange rate	280	-	( 1,369)	41,330	( 99)	-	40,142	
Changes in other non-cash items	-	10,706,206	148,040	17,946,101	-	48,285	28,848,632	
At September 30	\$ 8,594,068	\$ -	\$ 651,762	\$ 87,940,240	\$ 4,254,884	\$ 1,172,298	\$ 102,613,252	

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 September 30, 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
Mister Donut Taiwan Co., Ltd.	Investee of the Company accounted for using the equity method
Uni-President Organics Corp.	"
President Technology Corp.	"
President Fair Development Corp.	"
Uni-President Development Corp.	"
Presco Netmarketing Inc.	Subsidiary of ultimate parent company
Tait Marketing & Distribution Co., Ltd.	"
President Packaging Industrial Corp.	"
President Tokyo Corp.	"
President Natural Industrial Corp.	"
Uni-President Express Corp.	"
Presicarre Corp.	Originally was investee of the Group accounted for using the equity method. In June 2023, the Company acquired additional shares of Presicarre Corp., and accordingly, the latter was included as a subsidiary of ultimate parent company
Kai Ya Food Co., Ltd.	Sub-subsidiary of ultimate parent company
Tung Ang Enterprises Corp.	"
Lien Bo Corp.	"
Zhenzhou President Enterprises Co., Ltd.	"
President (Kunshan) Trading Co., Ltd.	"
Shanghai Songjiang President Enterprises Co., Ltd.	"
President Property Corporation	"
Jinan President Enterprises Co., Ltd.	"
Woogjin Foods Co., Ltd.	"
Uni-President (Philippines) Corp.	"
Uni-President Shanghai Pearly Century Co., Ltd.	"
Kuang Chuan Dairy Co., Ltd.	Investee of ultimate parent company accounted for using the equity method
Wei Lih Food Industrial Co., Ltd.	"
Master Channels Corp.	"
Prince Housing Development Corp.	"
President Securities Corp.	"

Names of related parties	Relationship with the Group
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 September 30, 2023	Three months ended September 30, 2022
<u>Sales of goods</u>		
Ultimate parent company	\$ 162,072	\$ 156,947
Associates	46,352	44,329
Sister companies	133,467	80,307
Other related parties	13,250	13,353
<u>Sales of services</u>		
Ultimate parent company	3,940	3,689
Associates	28,426	31,073
Sister companies	9,591	7,003
Other related parties	1,609	1,232
	<u>\$ 398,707</u>	<u>\$ 337,933</u>
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
<u>Sales of goods</u>		
Ultimate parent company	\$ 481,454	\$ 455,135
Associates	140,693	134,893
Sister companies	364,778	288,112
Other related parties	43,933	50,777
<u>Sales of services</u>		
Ultimate parent company	13,442	13,084
Associates	73,261	87,540
Sister companies	25,853	18,170
Other related parties	4,659	3,197
	<u>\$ 1,148,073</u>	<u>\$ 1,050,908</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 September 30, 2023	Three months ended September 30, 2022
Ultimate parent company	\$ 5,244,830	\$ 4,742,915
Associates	108,981	120,424
Sister companies	2,109,445	1,945,944
Other related parties	653,973	597,451
	<u>\$ 8,117,229</u>	<u>\$ 7,406,734</u>

  

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Ultimate parent company	\$ 15,057,447	\$ 13,403,671
Associates	417,196	410,145
Sister companies	5,909,988	5,205,875
Other related parties	1,887,662	1,734,155
	<u>\$ 23,272,293</u>	<u>\$ 20,753,846</u>

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

C. Receivables from related parties

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Accounts receivable</u>			
Ultimate parent company	\$ 267,841	\$ 314,296	\$ 294,099
Associates	95,551	85,334	80,833
Sister companies	75,202	120,317	44,040
Other related parties	8,022	6,649	4,529
	<u>\$ 446,616</u>	<u>\$ 526,596</u>	<u>\$ 423,501</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

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Notes payable and accounts payable</u>			
Ultimate parent company	\$ 2,131,698	\$ 2,095,348	\$ 1,980,320
Associates	103,200	232,560	234,725
Sister companies	1,112,653	880,858	919,977
Other related parties	469,574	409,435	351,888
	<u>\$ 3,817,125</u>	<u>\$ 3,618,201</u>	<u>\$ 3,486,910</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

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Ultimate parent company	\$ 7,016	\$ 115,169
Sister companies	20,009	44,390
Other related parties	191,349	-
	<u>\$ 218,374</u>	<u>\$ 159,559</u>

(c) Lease expenses

	Three months ended September 30, 2023	Three months ended September 30, 2022
Ultimate parent company	\$ 3,037	\$ 157
Associates	11,469	22,298
Sister companies	13,697	4,516
Other related parties	303	1,667
	<u>\$ 28,506</u>	<u>\$ 28,638</u>

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Ultimate parent company	\$ 5,094	\$ 469
Associates	42,401	49,614
Sister companies	21,280	13,122
Other related parties	2,028	4,091
	<u>\$ 70,803</u>	<u>\$ 67,296</u>

(d) Lease liabilities

	September 30, 2023	December 31, 2022	September 30, 2022
Ultimate parent company	\$ 93,068	\$ 133,229	\$ 152,009
Associates	2,593,600	2,880,561	2,976,586
Sister companies	166,635	191,401	206,999
Other related parties	577,869	440,008	455,297
	<u>\$ 3,431,172</u>	<u>\$ 3,645,199</u>	<u>\$ 3,790,891</u>



F. Property transactions

	Accounts	Three months ended September 30, 2023	Three months ended September 30, 2022
Associates	Intangible assets	\$ 19,614	\$ 8,429
Sister companies	"	-	-
	Property, plant and equipment	16,350	-
Ultimate parent company	"	-	8,128
Associates	"	40,236	-
Sister companies	"	5,049	-
Other related parties	"	\$ 81,249	\$ 16,557
	Accounts	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Associates	Intangible assets	\$ 43,518	\$ 62,428
Sister companies	"	718	1,600
	Property, plant and equipment	16,350	-
Ultimate parent company	"	182	8,128
Associates	"	49,143	87
Sister companies	"	10,534	-
Other related parties	"	\$ 120,445	\$ 72,243

(4) Key management compensation

	Three months ended September 30, 2023	Three months ended September 30, 2022
Short-term employee benefits	\$ 154,773	\$ 146,744
	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Short-term employee benefits	\$ 488,583	\$ 405,921

## 8. PLEDGED ASSETS

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

Pledged assets	Book value			Purpose
	September 30, 2023	December 31, 2022	September 30, 2022	
Land	\$ 218,675	\$ 218,675	\$ 218,675	Guarantee facilities and performance guarantee
Buildings	18,480	23,229	24,812	Long-term borrowings and guarantee facilities
Transportation equipment	738,760	822,881	804,502	Long-term borrowings
Investment property	56,608	56,687	56,713	Performance guarantee
Pledged time deposits (Recognized as "Other non-current assets - guarantee deposits paid")	94,631	95,454	112,882	Performance guarantee
	<u>\$ 1,127,154</u>	<u>\$ 1,216,926</u>	<u>\$ 1,217,584</u>	

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) The Group signed a contract for the acquisition of land located in Taoyuan Aerotropolis Industry Area for \$6,000,000. As of September 30, 2023, the amount the Group has signed but not paid is \$5,100,000.

(2) As of September 30, 2023, the remaining balance due for construction in progress and prepayments for equipment was \$2,017,668.

## 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>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 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>\$ 1,040,074</u>	<u>\$ 616,670</u>	<u>\$ 811,961</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	<u>\$ 974,715</u>	<u>\$ 847,481</u>	<u>\$ 791,941</u>
Financial assets at amortized cost			
Cash and cash equivalents	\$ 49,649,967	\$ 48,540,378	\$ 44,615,836
Financial assets at amortized cost	6,235,790	-	-
Accounts receivable, net	7,705,311	6,701,248	6,452,172
Other receivables	4,287,413	2,581,316	3,662,194
Other current assets (Note)	1,919,793	1,868,589	1,932,186
Guarantee deposits paid	3,497,569	3,359,220	3,296,814
Other non-current assets (Note)	14,150	33,886	33,964
	<u>\$ 73,309,993</u>	<u>\$ 63,084,637</u>	<u>\$ 59,993,166</u>
<u>Financial liabilities</u>			
Financial liabilities at amortized cost			
Short-term borrowings	\$ 14,417,438	\$ 9,250,522	\$ 8,594,068
Short-term notes and bills payable	4,198,011	-	-
Notes payable	2,272,774	2,205,192	1,244,506
Accounts payable (including related parties)	32,737,540	28,842,983	27,568,847
Other payables	32,007,190	30,795,358	26,284,786
Long-term borrowings (including current portion)	1,025,561	811,740	1,037,401
Guarantee deposits received	4,563,683	4,326,458	4,254,884
	<u>\$ 91,222,197</u>	<u>\$ 76,232,253</u>	<u>\$ 68,984,492</u>
Lease liabilities	<u>\$ 92,186,333</u>	<u>\$ 88,833,012</u>	<u>\$ 87,940,240</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)	September 30, 2023			December 31, 2022		
	Foreign currency amount	Exchange	Book value	Foreign currency amount	Exchange	Book value
	(In thousands)	rate	(NTD)	(In thousands)	rate	(NTD)
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$ 8,897	32.2700	\$ 287,106	\$ 9,101	30.7100	\$ 279,492
RMB : NTD	569	4.4218	2,516	1,524	4.4516	6,784
JPY : NTD	92,667	0.2162	20,035	15,319	0.2324	3,560
HKD : NTD	611	4.1210	2,518	999	3.9364	3,932
EUR : NTD	122	33.9100	4,137	28	32.7200	916
<u>Non-monetary items</u>						
JPY : NTD	\$ 972,000	0.2162	\$ 210,146	\$ 897,600	0.2324	\$ 208,602
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$ 3,724	32.2700	\$ 120,173	\$ 3,824	30.7100	\$ 117,435
RMB : NTD	1,045	4.4218	4,621	191	4.4516	850
JPY : NTD	148,050	0.2162	32,008	145,673	0.2324	33,854

(Foreign currency: functional currency)	September 30, 2022		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 4,328	31.7500	\$ 137,414
RMB : NTD	993	4.4618	4,431
JPY : NTD	1,467	0.2201	323
HKD : NTD	1,116	4.0447	4,514
EUR : NTD	561	31.2600	17,537
<u>Non-monetary items</u>			
JPY : NTD	\$ 852,000	0.2201	\$ 187,525
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	\$ 5,133	31.7500	\$ 162,973
RMB : NTD	1,046	4.4618	4,667
JPY : NTD	111,653	0.2201	24,575

IV. Total exchange gain (loss), including realized and unrealized from significant foreign exchange variations on monetary items held by the Group amounted to (\$392), (\$8,425), \$28,423 and (\$19,749) for the three months and nine months ended September 30, 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 nine months ended September 30, 2023 and 2022 would increase/decrease by \$8,347 and \$1,278, 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 nine months ended September 30, 2023 and 2022 would increase/decrease by \$9,909 and \$8,164, 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 nine months ended September 30, 2023 and 2022 would have increased/decreased by \$6,661 and \$6,090, 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 \$48,736 and \$39,597, 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 nine months ended September 30, 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 nine months ended September 30, 2023 and 2022 would have decreased/increased by \$2,564 and \$2,594, 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	18,368	2,855
Reversal of impairment loss to other revenue	( 480)	-
Write-offs	( 1,079)	( 2,145)
Effect of foreign exchange	2,487	( 3,364)
At September 30	<u>\$ 98,144</u>	<u>\$ 142,254</u>

- VI. The Group has no written-off financial assets that are still under recourse procedures on September 30, 2023, December 31, 2022 and September 30, 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 \$954,594, \$531,190 and \$726,481 as at September 30, 2023, December 31, 2022 and September 30, 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 \$36,928,267, \$30,441,614 and \$21,858,821 as of September 30, 2023, December 31, 2022 and September 30, 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
September 30, 2023				
Short-term borrowings	\$ 14,461,597	\$ -	\$ -	\$ -
Short-term notes and bills payable	4,200,000	-	-	-
Lease liabilities	15,344,019	15,156,859	13,869,318	53,478,670
Long-term borrowings (including current portion)	265,374	158,040	132,937	533,344

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
September 30, 2022				
Short-term borrowings	\$ 8,603,707	\$ -	\$ -	\$ -
Lease liabilities	15,601,325	15,136,479	13,127,274	51,533,698
Long-term borrowings (including current portion)	415,149	173,186	142,630	364,528

- 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(11).

- 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.

	September 30, 2023			
	Book value	Fair value		
		Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 3,497,569	\$ -	\$ -	\$ 3,411,499
<u>Financial liabilities:</u>				
Guarantee deposits received	\$ 4,563,683	\$ -	\$ -	\$ 4,423,134



December 31, 2022				
	Book value	Fair value		
		Level 1	Level 2	Level 3
<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>
September 30, 2022				
	Book value	Fair value		
		Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	<u>\$ 3,296,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,245,654</u>
<u>Financial liabilities:</u>				
Guarantee deposits received	<u>\$ 4,254,884</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,173,983</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>September 30, 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	\$ 954,594	\$ -	\$ -	\$ 954,594
Equity securities	-	-	85,480	85,480
Subtotal	<u>954,594</u>	<u>-</u>	<u>85,480</u>	<u>1,040,074</u>
Financial assets at fair value through other comprehensive income				
Equity securities	970,367	-	4,348	974,715
	<u>\$ 1,924,961</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 2,014,789</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	531,190	-	85,480	616,670
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>September 30, 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	\$ 726,481	\$ -	\$ -	\$ 726,481
Equity securities	-	-	85,480	85,480
Subtotal	726,481	-	85,480	811,961
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	787,593	-	4,348	791,941
	<u>\$ 1,514,074</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 1,603,902</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 nine months ended September 30, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- F. For the nine months ended September 30, 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 is 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 September 30, 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 September 30, 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 nine months ended September 30, 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:

Nine months ended September 30, 2023

	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	Total
External revenue (net)	\$ 146,546,370	\$ 67,983,781	\$ 1,805,136	\$ 19,256,721	\$ -	\$ 235,592,008
Internal department revenue	1,398,072	2,606,896	13,555,377	8,303,959	( 25,864,304)	-
Total segment revenue	<u>\$ 147,944,442</u>	<u>\$ 70,590,677</u>	<u>\$ 15,360,513</u>	<u>\$ 27,560,680</u>	<u>(\$ 25,864,304)</u>	<u>\$ 235,592,008</u>
Segment income	<u>\$ 9,879,820</u>	<u>\$ 3,921,809</u>	<u>\$ 1,108,677</u>	<u>\$ 2,256,470</u>	<u>(\$ 4,483,336)</u>	<u>\$ 12,683,440</u>

Nine months ended September 30, 2022

	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	Total
External revenue (net)	\$ 134,825,449	\$ 61,141,471	\$ 1,706,989	\$ 16,970,759	\$ -	\$ 214,644,668
Internal department revenue	1,149,555	2,640,580	12,982,499	7,007,761	( 23,780,395)	-
Total segment revenue	<u>\$ 135,975,004</u>	<u>\$ 63,782,051</u>	<u>\$ 14,689,488</u>	<u>\$ 23,978,520</u>	<u>(\$ 23,780,395)</u>	<u>\$ 214,644,668</u>
Segment income (loss)	<u>\$ 8,416,991</u>	<u>\$ 3,437,373</u>	<u>\$ 1,087,952</u>	<u>\$ 245,709</u>	<u>(\$ 2,367,308)</u>	<u>\$ 10,820,717</u>

(4) Reconciliation of segment income

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  
Nine months ended September 30, 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	Balance at	Actual amount	Interest rate	Nature of loan	Amount of transactions with the	Reason for short-term financing	Allowance for	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					the nine months ended September 30, 2023	September 30, 2023	drawn down			borrower		doubtful accounts	Item	Value	(Note)	(Note)	
1	President Pharmaceutical Corp.	President Being Corp.	Other receivables	Y	\$ 48,000	\$ 48,000	\$ -		- Short-term financing	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 294,646	\$ 294,646	

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)  
September 30, 2023

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

				As of September 30, 2023				
Securities held by	Type and name of securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
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	760,221	2.79	760,221	
President Chain Store Corp.	Duskin Co., Ltd.	None	"	300,000	210,146	0.62	210,146	
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	5,327,431	\$ 60,088	-	\$ 60,088	
Books.com. Co., Ltd.	Union Money Market Fund	"	"	2,367,056	32,030	-	32,030	
Chieh Shun Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	4,216,536	72,076	-	72,076	
Uni-President Department Store Corp.	Jih Sun Money Market Fund	"	"	6,561,289	99,757	-	99,757	
Uni-President Department Store Corp.	SinoPac TWD Money Market Fund	"	"	8,056,529	114,828	-	114,828	
Uni-President Department Store Corp.	Taishin 1699 Money Market Fund	"	"	16,966,581	235,683	-	235,683	
President Information Corp.	UPAMC James Bond Money Market Fund	"	"	4,645,930	79,416	-	79,416	
President Information Corp.	Capital Money Market Fund	"	"	2,373,055	39,236	-	39,236	
President Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	703,045	12,018	-	12,018	
President Pharmaceutical Corp.	Jih Sun Money Market Fund	"	"	447,399	6,803	-	6,803	
President Pharmaceutical Corp.	Taishin 1699 Money Market Fund	"	"	1,451,369	20,170	-	20,170	
Q-ware Systems & Services Corp.	Taishin 1699 Money Market Fund	"	"	13,131,568	182,489	-	182,489	



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  
Nine months ended September 30, 2023

Table 3

Expressed in thousands of NTD  
(Except as otherwise indicated)

						Balance as at January 1, 2023		Addition		Disposal			Other increase (decrease)		Balance as at September 30, 2023	
Investor	Type and name of securities	General ledger account	Counterparty	Relationship with the investor	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	149,868,840	\$ 2,265,728	151,959,302	\$ 2,297,402	\$ 2,296,360	\$ 1,042	-	\$ -	6,561,289	\$ 99,757
Uni-President Department Store Corp.	SinoPac TWD Money Market Fund	"	"	"	-	-	24,727,774	352,098	16,671,245	237,357	237,270	87	-	-	8,056,529	114,828
Uni-President Department Store Corp.	Taishin 1699 Money Market Fund	"	"	"	-	-	62,753,084	870,603	45,786,503	635,300	634,920	380	-	-	16,966,581	235,683
Books.com. Co., Ltd.	CTBC Hua Win Money Market Fund	"	"	"	-	-	180,996,947	2,034,000	175,669,516	1,975,236	1,974,000	1,236	-	88	5,327,431	60,088
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	74,369,627	1,027,000	85,266,672	1,177,241	1,177,000	241	-	-	-	-
Chieh Shun Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	"	2,325,497	32,011	34,240,976	473,000	36,566,473	505,333	505,000	333	-	( 11)	-	-
Chieh Shun Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	"	1,180,491	20,005	32,784,444	558,500	29,748,399	506,717	506,445	272	-	16	4,216,536	72,076
President Pharmaceutical Corp.	Taishin 1699 Money Market Fund	"	"	"	10,393,748	143,072	44,394,194	613,400	53,336,573	737,507	736,218	1,289	-	( 84)	1,451,369	20,170
President Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	"	3,597,260	49,517	18,953,756	262,000	22,551,016	311,637	311,500	137	-	( 17)	-	-
President Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	"	295,248	5,003	18,240,064	311,000	17,832,267	304,108	303,987	121	-	2	703,045	12,018
President Information Corp.	UPAMC James Bond Money Market Fund	"	"	"	-	-	32,326,835	549,800	27,680,905	471,087	470,518	569	-	134	4,645,930	79,416
Q-ware Systems & Services Corp.	Taishin 1699 Money Market Fund	"	"	"	-	-	26,158,061	362,000	13,026,493	180,696	180,000	696	-	489	13,131,568	182,489
Stock:																
President Chain Store Corp.	Presicarre Corp.	Note 2	Carrefour Nederland B.V. and Carrefour S.A.	Not applicable	145,172,360	\$ 4,868,968	78,171,196	\$ 5,442,963	-	\$ -	\$ -	\$ -	-	\$ 9,499	223,343,556	\$ 10,321,430

Note 1: The security was recognized as "Financial assets at fair value through profit or loss–current".  
Note 2: The security was recognized as "Investments accounted for using equity method".

Table 4

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES													
Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more													
Nine months ended September 30, 2023													
Expressed in thousands of NTD (Except as otherwise indicated)													
Name of 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 1)	Based on the comprehensive planning of the company	Not applicable
President Chain Store Corp.	Taoyuan Aerotropolis Industry Area base H	May 2, 2023	615,000	12% of price was paid	Uni-President Express Corp. etc.	Note 2	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	As a logistics park for the Group	Not applicable
President Chain Store Corp.	Mandated construction on rented land in Mingde Section, Tucheng Dist., New Taipei City	August 1, 2023	733,237	2% of price was paid	Uni-President Enterprises Corp. and CHENG-SHI CONSTRUCTION CO., LTD. etc.	Note 3	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Based on the comprehensive planning of the company	Not applicable

Note 1: Public tendering land from Taoyuan City Government and Civil Aeronautics Administration.  
Note 2: Uni-President Express Corp.,the counter-party, is the subsidiary of ultimate parent company.  
Note 3: Uni-President Enterprises Corp.,the counter-party, is the ultimate parent company and CHENG-SHI CONSTRUCTION CO., LTD.,the counter-party, is subsidiary of investee of ultimate parent company accounted for using the equity method.

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  
Nine months ended September 30, 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)
President Chain Store Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	\$ 14,403,463	15	Net 30~40 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 1,610,536) (	7)	
	Uni-President Superior Commissary Corp.	Subsidiary	"	3,946,038	4	Net 45 days from the end of the month when invoice is issued	"	"	( 979,695) (	4)	
	Tung Ang Enterprises Corp.	Sister company	"	1,992,660	2	Net 30 days from the end of the month when invoice is issued	"	"	( 246,702) (	1)	
	21 Century Co., Ltd.	Subsidiary	"	869,410	1	Net 30~60 days from the end of the month when invoice is issued	"	"	( 193,004) (	1)	
	Q-ware Systems & Services Corp.	"	"	756,112	1	Net 40 days from the end of the month when invoice is issued	"	"	( 117,400) (	1)	
	Kai Ya Food Co., Ltd.	Sister company	"	664,028	1	Net 40 days from the end of the month when invoice is issued	"	"	( 151,704) (	1)	
	Lien Bo Corp.	"	"	630,649	1	Net 10~54 days from the end of the month when invoice is issued	"	"	( 166,361) (	1)	
	Tait Marketing & Distribution Co., Ltd.	"	"	545,237	1	Net 20~70 days from the end of the month when invoice is issued	"	"	( 173,068) (	1)	
	President Packaging Industrial Corp.	"	"	446,122	-	Net 15~60 days from the end of the month when invoice is issued	"	"	( 106,624)	-	
	President Pharmaceutical Corp.	Subsidiary	"	409,132	-	Net 60~70 days from the end of the month when invoice is issued	"	"	( 129,274) (	1)	
	President Transnet Corp.	"	"	385,916	-	Net 60 days from the end of the month when invoice is issued	"	"	( 75,207)	-	
	Kuang Chuan Dairy Co., Ltd.	Other related party	"	340,794	-	Net 30~65 days from the end of the month when invoice is issued	"	"	( 135,373) (	1)	
	Wei Lih Food Industrial Co., Ltd.	"	"	236,608	-	Net 30~60 days from the end of the month when invoice is issued	"	"	( 88,010)	-	
	ICASH Corp.	Subsidiary	"	179,073	-	Net 60 days from the end of the month when invoice is issued	"	"	( 46,586)	-	
Capital Marketing Consultant Corp.	President Chain Store Corp.	Parent company	Service revenue	( 215,830) (	67)	Net 45~65 days from the end of the month when invoice is issued	"	"	63,191	75	
Chieh Shun Logistics International Corp.	President Logistics International Corp.	"	Delivery revenue	( 1,152,970) (	65)	Net 20 days from the end of the month when invoice is issued	"	"	141,979	48	
	President Transnet Corp.	Subsidiary of President Chain Store Corp.	"	( 526,096) (	30)	Net 40 days from the end of the month when invoice is issued	"	"	148,551	50	
President Transnet Corp.	Chieh Shun Logistics International Corp.	"	Service cost	526,096	6	Net 40 days from the end of the month when invoice is issued	"	"	( 148,551) (	7)	
	President Collect Service Corp.	"	Service revenue	( 181,709) (	2)	Net 30 days from the end of the month when invoice is issued	"	"	26,266	1	
	President Chain Store Corp.	Parent company	Sales revenue	( 385,916) (	56)	Net 60 days from the end of the month when invoice is issued	"	"	75,207	4	
Uni-Wonder Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	417,313	9	Net 30 days from the end of the month when invoice is issued	"	"	( 54,210) (	6)	
	Tong Zhan Corporation Ltd.	Other related party	"	977,996	21	Net 25 days from the end of the month when invoice is issued	"	"	( 121,964) (	12)	
	Retail Support International Corp.	Subsidiary of President Chain Store Corp.	"	237,263	5	Net 29 days from the end of the month when invoice is issued	"	"	( 34,736) (	4)	
	Tait Marketing & Distribution Co., Ltd.	Other related party	"	133,653	3	Net 30 days from the end of the month when invoice is issued	"	"	( 31,799) (	3)	

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  
Nine months ended September 30, 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)
President Information Corp.	President Chain Store Corp.	Parent company	Service revenue	( 1,023,389)	( 68)	Net 30 days from the end of the month when invoice is issued	No significant differences	No significant differences	\$ 296,473	63	
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Subsidiary	Service cost	\$ 1,152,970	38	Net 20 days from the end of the month when invoice is issued	"	"	( 141,979)	( 32)	
	Retail Support International Corp.	Parent company	Delivery revenue	( 773,451)	( 24)	Net 20 days from the end of the month when invoice is issued	"	"	94,780	24	
	Uni-President Cold-Chain Corp.	Subsidiary of President Chain Store Corp.	"	( 1,110,490)	( 35)	Net 20 days from the end of the month when invoice is issued	"	"	134,379	33	
	Wisdom Distribution Service Corp.	"	"	( 1,015,831)	( 32)	Net 20 days from the end of the month when invoice is issued	"	"	137,268	34	
	Retail Support International Corp.	President Logistics International Corp.	Subsidiary	Service cost	773,451	49	Net 20 days from the end of the month when invoice is issued	"	"	( 94,780)	( 46)
Retail Support International Corp.	Uni-Wonder Corp.	Subsidiary of President Chain Store Corp.	Delivery revenue	( 237,263)	( 9)	Net 29 days from the end of the month when invoice is issued	"	"	34,736	7	
	Retail Support Taiwan Corp.	Subsidiary	Service cost	260,034	17	Net 15~20 days from the end of the month when invoice is issued	"	"	( 34,990)	( 17)	
	Uni-President Cold-Chain Corp.	President Logistics International Corp.	Subsidiary of President Chain Store Corp.	"	1,110,490	38	Net 20 days from the end of the month when invoice is issued	"	"	( 134,379)	( 2)
Wisdom Distribution Service Corp.	President Logistics International Corp.	"	"	1,015,831	36	Net 20 days from the end of the month when invoice is issued	"	"	( 137,268)	( 38)	
	Books.com. Co., Ltd.	"	Service revenue	( 207,212)	( 6)	Net 30~90 days from the end of the month when invoice is issued	"	"	27,859	3	
Q-ware Systems & Services Corp.	President Chain Store Corp.	Parent company	"	( 756,112)	( 51)	Net 40 days from the end of the month when invoice is issued	"	"	117,400	47	
President Drugstore Business Corp.	President Pharmaceutical Corp.	Subsidiary of President Chain Store Corp.	Purchases	440,524	5	Net 70 days from the end of the month when invoice is issued	"	"	( 31,854)	( 1)	
President Pharmaceutical Corp.	President Drugstore Business Corp.	"	Sales revenue	( 440,524)	( 28)	Net 70 days from the end of the month when invoice is issued	"	"	31,854	5	
	President Chain Store Corp.	Parent company	"	( 409,132)	( 26)	Net 60~70 days from the end of the month when invoice is issued	"	"	129,274	21	
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	"	( 3,946,038)	( 97)	Net 45 days from the end of the month when invoice is issued	"	"	979,695	92	
	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	191,726	7	Net 60 days from the end of the month when invoice is issued	"	"	( 65,012)	( 6)	
	Koasa Yamako Corp.	Other related party	"	219,506	8	Net 60 days from the end of the month when invoice is issued	"	"	( 85,241)	( 8)	
	21 Century Co., Ltd.	Subsidiary of President Chain Store Corp.	Sales revenue	( 136,757)	( 3)	Net 60 days from the end of the month when invoice is issued	"	"	56,418	5	
21 Century Co., Ltd.	President Chain Store Corp.	Parent company	"	( 869,410)	( 50)	Net 30~60 days from the end of the month when invoice is issued	"	"	193,004	54	
	Uni-President Superior Commissary Corp.	Subsidiary of President Chain Store Corp.	Purchases	136,757	12	Net 60 days from the end of the month when invoice is issued	"	"	( 56,418)	( 14)	
Duskin Serve Taiwan Co., Ltd.	President Chain Store Corp.	Parent company	Service revenue	( 252,938)	( 21)	Net 15~60 days from the end of the month when invoice is issued	"	"	67,890	27	
Retail Support Taiwan Corp.	Retail Support International Corp.	"	Delivery revenue	( 260,034)	( 87)	Net 15~20 days from the end of the month when invoice is issued	"	"	34,990	84	
ICASH Corp.	President Chain Store Corp.	"	Sales revenue	( 179,073)	( 27)	Net 60 days from the end of the month when invoice is issued	"	"	46,586	21	

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  
Nine months ended September 30, 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)	
President Collect Service Corp.	President Transnet Corp.	Subsidiary of President Chain Store Corp.	Service cost	181,709	87	Net 30 days from the end of the month when invoice is issued	No significant differences	No significant differences	( 26,266)	( 100)	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more  
September 30, 2023

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Receivable from related parties			Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			General ledger account	Balance as of September 30, 2023	Turnover rate	Amount	Action taken		
President Information Corp.	President Chain Store Corp.	Parent company	Accounts receivable	\$ 296,473	5.13	\$ -	None	\$ 92,707	\$ -
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	Accounts receivable	979,695	5.78	-	"	488,883	-
Q-ware Systems & Services Corp.	President Chain Store Corp.	"	Accounts receivable	117,400	8.01	-	"	40,203	-
President Pharmaceutical Corp.	President Chain Store Corp.	"	Accounts receivable	129,274	3.73	-	"	66,481	-
21 Century Co., Ltd.	President Chain Store Corp.	"	Accounts receivable	193,004	6.08	-	"	20,196	-
President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary of President Chain Store Corp.	Accounts receivable	137,268	8.69	-	"	-	-
President Logistics International Corp.	Uni-President Cold-Chain Corp.	"	Accounts receivable	134,379	10.96	-	"	-	-
Chieh Shun Logistics International Corp.	President Logistics International Corp.	"	Accounts receivable	141,979	10.98	-	"	-	-
Chieh Shun Logistics International Corp.	President Transnet Corp.	"	Accounts receivable	148,551	4.92	-	"	43,751	-
President Chain Store Corp.	ICASH Corp.	"	Other receivable	145,980	-	-	"	-	-
President Chain Store Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Other receivable	111,465	-	-	"	23,002	-

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
Nine months ended September 30, 2023

Table 7

Expressed in thousands of NTD  
(Except as otherwise indicated)

				Transaction			
Number	Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
1	President Chain Store Corp.	Uni-President Enterprises Corp.	Subsidiary to parent company	Other receivable	\$ 111,465	–	0.04
1	President Chain Store Corp.	ICASH Corp.	Parent company to subsidiary	Other receivable	145,980	–	0.06
2	Uni-President Cold-Chain Corp.	President Chain Store Corp.	Subsidiary to parent company	Other operating revenue	( 517,165)	Net 20 days from the end of the month when invoice is issued	0.22
3	Capital Marketing Consultant Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	( 215,830)	Net 45~65 days from the end of the month when invoice is issued	0.09
4	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	( 1,023,389)	Net 30 days from the end of the month when invoice is issued	0.43
4	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	296,473	Net 30 days from the end of the month when invoice is issued	0.12
5	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	( 756,112)	Net 40 days from the end of the month when invoice is issued	0.32
5	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	117,400	Net 40 days from the end of the month when invoice is issued	0.05
6	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	( 3,946,038)	Net 45 days from the end of the month when invoice is issued	1.67
6	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	979,695	Net 45 days from the end of the month when invoice is issued	0.39
6	Uni-President Superior Commissary Corp.	21 Century Co., Ltd.	Subsidiary to subsidiary	Sales revenue	( 136,757)	Net 60 days from the end of the month when invoice is issued	0.06
7	President Pharmaceutical Corp.	President Drugstore Business Corp.	Subsidiary to subsidiary	Sales revenue	( 440,524)	Net 70 days from the end of the month when invoice is issued	0.19
7	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	( 409,132)	Net 60~70 days from the end of the month when invoice is issued	0.17
7	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	129,274	Net 60~70 days from the end of the month when invoice is issued	0.05
8	President Transnet Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	( 385,916)	Net 60 days from the end of the month when invoice is issued	0.16
8	President Transnet Corp.	President Collect Service Corp.	Subsidiary to subsidiary	Service revenue	( 181,709)	Net 30 days from the end of the month when invoice is issued	0.08
9	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Delivery revenue	( 1,152,970)	Net 20 days from the end of the month when invoice is issued	0.49
9	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Accounts receivable	141,979	Net 20 days from the end of the month when invoice is issued	0.06
9	Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary to subsidiary	Delivery revenue	( 526,096)	Net 40 days from the end of the month when invoice is issued	0.22
9	Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary to subsidiary	Accounts receivable	148,551	Net 40 days from the end of the month when invoice is issued	0.06
10	President Logistics International Corp.	Retail Support International Corp.	Subsidiary to subsidiary	Delivery revenue	( 773,451)	Net 20 days from the end of the month when invoice is issued	0.33
10	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Delivery revenue	( 1,110,490)	Net 20 days from the end of the month when invoice is issued	0.47
10	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Accounts receivable	134,379	Net 20 days from the end of the month when invoice is issued	0.05
10	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Delivery revenue	( 1,015,831)	Net 20 days from the end of the month when invoice is issued	0.43
10	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Accounts receivable	137,268	Net 20 days from the end of the month when invoice is issued	0.05

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
Significant inter-company transactions during the reporting periods  
Nine months ended September 30, 2023

Table 7

Expressed in thousands of NTD  
(Except as otherwise indicated)

Transaction							
Number	Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets
11	Duskin Serve Taiwan Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(\$ 252,938)	Net 15~60 days from the end of the month when invoice is issued	0.11
12	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	( 869,410)	Net 30~60 days from the end of the month when invoice is issued	0.37
12	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	193,004	Net 30~60 days from the end of the month when invoice is issued	0.08
13	Wisdom Distribution Service Corp.	Books.com. Co., Ltd.	Subsidiary to subsidiary	Service revenue	( 207,212)	Net 30~90 days from the end of the month when invoice is issued	0.09
14	Retail Support Taiwan Corp.	Retail Support International Corp.	Subsidiary to subsidiary	Delivery revenue	( 260,034)	Net 15~20 days from the end of the month when invoice is issued	0.11
15	ICASH Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	( 179,073)	Net 60 days from the end of the month when invoice is issued	0.08
16	Retail Support International Corp.	Uni-Wonder Corp.	Subsidiary to subsidiary	Delivery revenue	( 237,263)	Net 29 days from the end of the month when invoice is issued	0.10

Note:Transaction among the company and subsidiaries with amount over one hundred million, only one side of the transactions are disclosed.



Table 8

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
Names, locations and other information of investee companies (not including investees in Mainland China)  
Nine months ended September 30, 2023

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2023			Investment income (loss)		
				Balance as at	Balance as at	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended	recognized by the Company for the nine months ended	Footnote
				September 30, 2023	December 31, 2022				September 30, 2023	September 30, 2023	
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	\$ 27,830,394	\$ 1,189,251	\$ 1,189,251	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	2,128,184	330,300	330,300	Subsidiary
President Chain Store Corp.	President Transnet Corp.	Taiwan	Delivery service	711,576	711,576	103,496,399	70.00	2,181,114	978,049	684,634	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	807,156	162,868	131,713	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	701,978	112,038	82,617	Subsidiary
President Chain Store Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	840,000	840,000	27,999,999	70.00	490,490	150,040	105,028	Subsidiary
President Chain Store Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	520,141	520,141	48,519,890	90.00	599,132	67,021	60,319	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	1,242,768	367,387	220,425	Subsidiary
President Chain Store Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	320,741	320,741	25,714,475	86.00	525,672	110,930	95,399	Subsidiary
President Chain Store Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	332,482	332,482	24,382,921	86.76	399,732	94,270	81,787	Subsidiary
President Chain Store Corp.	Wisdom Distribution Service Corp.	Taiwan	Logistics and storage of publication and e-commerce	50,000	50,000	73,100,000	100.00	1,174,186	270,117	269,996	Subsidiary
President Chain Store Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	100,400	100,400	9,999,999	50.03	244,672	14,043	7,018	Subsidiary
President Chain Store Corp.	President Lanyang Art Corporation	Taiwan	Art and cultural exhibition	20,000	20,000	2,000,000	100.00	24,900	66	66	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	209,537	160,857	82,037	Subsidiary
President Chain Store Corp.	ICASH Corp.	Taiwan	Electronic ticketing and electronic payment	700,000	700,000	70,000,000	100.00	392,296 (	26,686) (	26,686)	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	770,852	134,044	26,809	Note
President Chain Store Corp.	Uni-Wonder Corp.	Taiwan	Coffee chain store	3,286,206	3,286,206	21,382,674	60.00	4,727,574	480,473	218,387	Subsidiary
President Chain Store Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	91,414	91,414	6,429,999	25.00	163,748	149,044	37,253	Subsidiary
President Chain Store Corp.	Presicarre Corp.	Taiwan	Hypermarket and supermarket	12,554,991	7,112,028	223,343,556	30.00	10,321,430 (	1,387,496)	9,499	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	2,256,682	417,974	79,415	Note
President Chain Store Corp.	President International Development Corp.	Taiwan	Professional investment	500,000	500,000	44,100,000	3.33	475,481	402,594	14,896	Note
President Chain Store Corp.	Tung Ho Development Corp.	Taiwan	Management of entertainment business	861,696	861,696	9,965,000	6.23	51,996 (	58,488) (	3,644)	Note
President Chain Store Corp.	Ren-Hui Investment Corp.	Taiwan	Professional investment	637,231	637,231	6,500,000	100.00	4,710 (	22,560) (	22,560)	Subsidiary
President Chain Store Corp.	Capital Marketing Consultant Corp.	Taiwan	Enterprise management consultancy	9,506	9,506	2,500,000	100.00	91,599	42,665	42,665	Subsidiary
President Chain Store Corp.	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	277,805	277,805	8,746,008	92.20	73,875	3,691	3,403	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	41,207	22,458	22,455	Subsidiary

Table 8

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
Names, locations and other information of investee companies (not including investees in Mainland China)  
Nine months ended September 30, 2023

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2023			Net profit (loss) of the investee for the nine months ended September 30, 2023	Investment income (loss) recognized by the Company for the nine months ended September 30, 2023		Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value				
President Chain Store Corp.	Cold Stone Creamery Taiwan Ltd.	Taiwan	Sales of ice cream	\$ 170,000	\$ 170,000	12,244,390	100.00	\$ 49,241	\$ 15,104	\$ 15,104		Subsidiary
President Chain Store Corp.	President Being Corp.	Taiwan	Sports and entertainment business	170,000	170,000	1,500,000	100.00	( 207,822)	( 58,055)	( 58,055)		Subsidiary
President Chain Store Corp.	21 Century Co., Ltd.	Taiwan	Operation of chain restaurants	160,680	160,680	10,000,000	100.00	187,237	993	993		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	89,916	9,208	9,208		Subsidiary
President Chain Store Corp.	Uni-President Oven Bakery Corp.	Taiwan	Bread and pastry retailer	681,300	681,300	29,000,000	100.00	( 36,002)	( 64,594)	( 64,594)		Subsidiary
President Chain Store Corp.	President Collect Service Corp.	Taiwan	Collection agent	10,500	10,500	1,049,999	70.00	68,039	68,158	47,711		Subsidiary
President Chain Store Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	200,000	200,000	7,500,049	50.00	124,430	62,412	31,206		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	40,496	10,837	3,969		Note
President Chain Store Corp.	President Technology Corp.	Taiwan	Software development and telephone customer service	7,500	7,500	750,000	15.00	24,840	31,715	4,758		Note
President Chain Store Corp.	Connection Labs Ltd.	Taiwan	Other software and internet-related	202,963	202,963	21,722,779	100.00	( 95,534)	( 124,320)	( 124,319)		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	14,170	2,279	2,279		Subsidiary of a subsidiary
Capital Marketing Consultant Corp.	Uni-Sogood Marketing Consultant Philippines Corp.	Philippines	Enterprise management consultancy	22,632	-	40,000,000	100.00	21,091	( 1,680)	( 1,680)		Subsidiary of a subsidiary
Mech-President Corp.	Tong Ching Corporation	Taiwan	Gas station	9,600	9,600	960,000	60.00	17,048	6,180	3,708		Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	23,880	23,880	740,000	7.80	6,250	3,691	288		Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Malaysia	Professional investment	2,309,222	2,309,222	71,559,390	100.00	3,642,588	703,361	703,361		Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Hong Kong	Professional investment	5,026,275	5,026,275	134,603,354	100.00	3,014,550	( 214,640)	( 214,640)		Subsidiary of a subsidiary
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	Philippines	Convenience store	2,308,317	2,308,317	418,467,647	55.32	3,641,593	1,251,001	703,704		Subsidiary of a subsidiary
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Taiwan	Trucking	180,000	180,000	26,670,000	100.00	339,849	30,175	30,175		Subsidiary of a subsidiary
President Pharmaceutical Corp.	President Pharmaceutical (Hong Kong) Holdings Limited	Hong Kong	Sales of various health care products, cosmetics, and pharmaceuticals	394,432	178,024	12,911,833	100.00	160,220	( 31,674)	( 31,674)		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	-	-	1	-	-	14,043	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	-	-	1	-	-	150,040	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Mech-President Corp.	Taiwan	Gas station, installment and maintenance of elevators	-	-	1	-	-	162,868	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	-	-	1	-	-	110,930	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Transnet Corp.	Taiwan	Delivery service	-	-	1	-	-	978,049	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	-	-	1	-	-	94,270	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Duskin Serve Taiwan Co., Ltd.	Taiwan	Cleaning instruments leasing and selling	-	-	1	-	-	160,857	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Pharmaceutical Corp.	Taiwan	Sales of various health care products, cosmetics, and pharmaceuticals	-	-	1	-	-	112,038	-		Subsidiary of a subsidiary

Table 8

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
Names, locations and other information of investee companies (not including investees in Mainland China)  
Nine months ended September 30, 2023

Expressed in thousands of NTD  
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at September 30, 2023			Net profit (loss) of the investee for the nine months ended September 30, 2023	Investment income (loss) recognized by the Company for the nine months ended September 30, 2023		Footnote
				Balance as at September 30, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value				
Ren-Hui Investment Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	\$ -	\$ -	1	-	\$ -	\$ 62,412	\$ -	-	Note
Ren-Hui Investment Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	-	-	1	-	-	67,021	-	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Cold-Chain Corp.	Taiwan	Low-temperature logistics and warehousing	-	-	1	-	-	367,387	-	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	-	-	1	-	-	149,044	-	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Collect Service Corp.	Taiwan	Collection agent	-	-	1	-	-	68,158	-	-	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	( 20,904)	( 26,554)	( 26,554)	-	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	61,243	31,060	15,840	-	Subsidiary of a subsidiary
Retail Support International Corp.	President Logistics International Corp.	Taiwan	Trucking	44,975	44,975	9,481,500	49.00	182,622	75,915	37,198	-	Subsidiary of a subsidiary
Retail Support Taiwan Corp.	President Logistics International Corp.	Taiwan	Trucking	5,425	5,425	1,161,000	6.00	22,362	75,915	4,555	-	Subsidiary of a subsidiary
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Taiwan	Trucking	23,850	23,850	4,837,500	25.00	93,175	75,915	18,979	-	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	111,555	( 8,012)	( 8,012)	-	Subsidiary of a subsidiary
Wisdom Distribution Service Corp.	President Logistics International Corp.	Taiwan	Trucking	18,850	18,850	3,870,000	20.00	74,535	75,915	15,179	-	Subsidiary of a subsidiary
Philippine Seven Corp.	Convenience Distribution Inc.	Philippines	Logistic, warehousing and retail	25,660	25,660	12,500,000	100.00	25,660	24,120	-	-	Subsidiary of a subsidiary
Philippine Seven Corp.	Store Sites Holding, Inc.	Philippines	Professional investment	27,794	27,794	40,000	100.00	27,794	1,118	-	-	Subsidiary of a subsidiary

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

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES														
Information on investments in Mainland China														
Nine months ended September 30, 2023														
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 nine months ended September 30, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2023	Net profit(loss) of investee for the nine months ended September 30, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine months ended September 30, 2023		Book value of investments in September 30, 2023	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan								
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Wholesale of merchandise	\$ 442,176	Note 1	\$ 303,896	\$ -	\$ -	\$ 303,896	\$ 3,787	100.00	\$ 3,786	\$ 79,924	\$ -	Note 3	
President Chain Store (Shanghai) Ltd.	Cvenience Store	3,095,232	Note 1	3,095,232	-	-	3,095,232	( 160,174)	100.00	( 160,179)	195,339	-	Note 3	
Shanghai President Logistic Co., Ltd.	Logistics and warehousing	64,540	Note 1	64,540	-	-	64,540	80,022	100.00	80,020	705,031	-	Note 3	
Shan Dong President Yinzuo Commercial Limited	Supermarkets	265,306	Note 1	131,608	-	-	131,608	( 179,626)	55.00	( 98,059)	( 124,022)	8,390	Note 2	
President (Shanghai) Health Product Trading Company Ltd.	Sales of various health care products, cosmetics, and pharmaceuticals	394,232	Note 1	173,144	221,088	-	394,232	( 30,403)	73.74	( 22,419)	101,161	59,755	Note 3	
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehousing	176,870	Note 1	178,453	-	-	178,453	( 15,874)	80.00	( 13,162)	178,425	27,505	Note 3	
President Chain Store (Taizhou) Ltd.	Logistics and warehousing	265,306	Note 1	265,306	-	-	265,306	42,564	100.00	42,565	497,014	-	Note 3	
President Logistic ShanDong Co., Ltd.	Logistics and warehousing	221,088	Note 1	221,088	-	-	221,088	( 3,303)	100.00	( 2,108)	235,862	-	Note 3	
President Chain Store (Zhejiang) Ltd.	Cvenience Store	928,570	Note 1	928,570	-	-	928,570	( 137,825)	100.00	( 137,821)	21,885	-	Note 3	
Beauty Wonder (Zhejiang) Trading Co.,Ltd.	Sales of cosmetics and daily items	265,306	Note 1	265,306	-	-	265,306	( 27,411)	100.00	( 27,411)	64,828	-	Note 3	
Uni-Capital Marketing Consultant Corp.	Enterprise management consultancy	13,265	Note 1	13,265	-	-	13,265	2,365	100.00	2,365	12,649			

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	Investment amount approved		
	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2023	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.	\$ 5,382,904	\$ 10,366,694	\$ 27,793,125
President Pharmaceutical Corp.	394,232	394,232	441,968
Capital Marketing Consultant Corp.	13,265	13,265	80,000
Uni-President Cold-Chain Corp.	95,759	95,759	1,230,451
Ren-Hui Investment Corp.	55,611	55,611	80,000

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES  
List of shareholders holding more than 5% (inclusive) of shares  
September 30, 2023

Table 10

Shareholder name	Shares held as at September 30, 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.