

**PRESIDENT CHAIN STORE CORP. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2022 AND 2021**

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2022 AND 2021
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INDEPENDENT AUDITORS' REVIEW REPORT

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

Introduction

We have reviewed the accompanying consolidated balance sheets of President Chain Store Corp. and subsidiaries as at March 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity, and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" 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 Statement of Auditing Standards No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

As explained in Notes 4(3) and 6(6), the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method were not reviewed by independent auditors. Those statements reflect total assets of NT\$47,072,435 thousand and NT\$47,013,016 thousand, constituting 22% and 23% of the consolidated total assets, and total liabilities of NT\$31,071,745 thousand and NT\$31,211,615 thousand, constituting 18% and 19% of the consolidated total liabilities as at March 31, 2022 and 2021, respectively, and total comprehensive income of NT\$181,105 thousand and NT\$89,554 thousand, constituting 5% and 3% of the consolidated total comprehensive income for the three months then ended.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method, been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of President Chain Store Corp. and subsidiaries as at March 31, 2022 and 2021, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Yi-Chang, Liang

Se-Kai, Lin

For and on behalf of PricewaterhouseCoopers, Taiwan

May 5, 2022

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
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2022 and 2021 are reviewed, not audited)

Assets		Notes	March 31, 2022		December 31, 2021		March 31, 2021	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 44,506,092	21	\$ 45,648,486	21	\$ 45,587,930	22
1110	Financial assets at fair value	6(2)						
	through profit or loss - current		860,543	-	660,155	-	2,090,632	1
1170	Accounts receivable, net	6(3) and 7	5,564,171	3	6,484,621	3	5,398,536	3
1200	Other receivables		2,901,832	1	2,663,819	1	2,250,633	1
1220	Current income tax assets	6(32)	7,969	-	7,708	-	1,591	-
130X	Inventories, net	6(4)	16,809,883	8	18,439,779	9	15,381,979	7
1410	Prepayments		1,966,896	1	1,986,167	1	1,533,903	1
1470	Other current assets		2,903,445	1	3,521,107	2	3,651,972	2
11XX	Total current Assets		75,520,831	35	79,411,842	37	75,897,176	37
Non-current assets								
1510	Financial assets at fair value	6(2)						
	through profit or loss -							
	non-current		85,480	-	85,480	-	85,523	-
1517	Financial assets at fair value	6(5)						
	through other comprehensive							
	income - non-current		1,126,702	1	1,165,909	-	1,135,820	-
1550	Investments accounted for using	6(6)						
	equity method		8,615,307	4	8,637,199	4	9,018,626	4
1600	Property, plant and equipment	6(7) and 8	30,209,171	14	29,140,850	14	27,972,259	14
1755	Right-of-use assets	6(8) and 7	79,922,094	37	77,317,014	36	75,478,460	36
1760	Investment property, net	6(10) and 8	3,015,866	1	3,079,419	1	2,824,550	1
1780	Intangible assets	6(11)	9,713,629	5	9,813,940	5	9,864,549	5
1840	Deferred income tax assets	6(32)	2,034,812	1	2,058,420	1	2,013,071	1
1900	Other non-current assets	6(12) and 8	3,881,537	2	3,793,962	2	3,802,474	2
15XX	Total non-current assets		138,604,598	65	135,092,193	63	132,195,332	63
1XXX	Total assets		\$ 214,125,429	100	\$ 214,504,035	100	\$ 208,092,508	100

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2022 and 2021 are reviewed, not audited)

Liabilities and Equity		Notes	March 31, 2022		December 31, 2021		March 31, 2021	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current Liabilities								
2100	Short-term borrowings	6(14)	\$ 4,716,241	2	\$ 5,095,702	2	\$ 4,540,507	2
2110	Short-term notes and bills payable	6(15)	-	-	-	-	1,949,570	1
2130	Contract liabilities - current	6(25)	6,491,851	3	6,652,564	3	5,675,580	3
2150	Notes payable	7	767,979	-	2,027,808	1	1,485,141	1
2170	Accounts payable		20,899,040	10	23,255,735	11	20,379,463	10
2180	Accounts payable - related parties	7	3,092,640	2	3,046,035	1	2,925,627	1
2200	Other payables	6(16)	26,334,417	12	28,885,785	14	22,249,858	11
2230	Current income tax liabilities	6(32)	2,138,085	1	1,410,650	1	2,349,002	1
2280	Lease liabilities - current	7	13,298,015	6	14,119,100	7	12,825,550	6
2320	Long-term liabilities, current portion	6(18) and 8	560,420	-	534,666	-	325,179	-
2399	Other current liabilities, others	6(17)	3,536,368	2	3,569,973	2	3,413,103	2
21XX	Total current Liabilities		81,835,056	38	88,598,018	42	78,118,580	38
Non-current liabilities								
2527	Contract liabilities - non-current	6(25)	601,114	-	537,183	-	457,439	-
2540	Long-term borrowings	6(18) and 8	868,128	-	963,418	-	1,229,856	-
2570	Deferred income tax liabilities	6(32)	4,895,611	2	4,923,894	2	5,053,616	3
2580	Lease liabilities - non-current	7	70,217,057	33	66,918,530	31	66,168,218	32
2640	Net defined benefit liability - non-current	6(19)	4,371,499	2	4,600,348	2	4,914,694	2
2670	Other non-current liabilities, others	6(20)	5,250,673	3	5,171,152	3	4,742,649	2
25XX	Total non-current liabilities		86,204,082	40	83,114,525	38	82,566,472	39
2XXX	Total Liabilities		168,039,138	78	171,712,543	80	160,685,052	77
Equity attributable to owners of parent								
	Share capital	6(21)						
3110	Share capital - common stock		10,396,223	5	10,396,223	5	10,396,223	5
	Capital surplus	6(22)						
3200	Capital surplus		86,906	-	86,222	-	47,622	-
	Retained earnings	6(23)						
3310	Legal reserve		15,379,788	7	15,379,788	7	14,369,228	7
3320	Special reserve		1,332,621	1	1,332,621	1	380,187	-
3350	Unappropriated retained earnings		11,061,879	6	8,889,669	4	14,217,664	7
	Other equity	6(24)						
3400	Other equity interest		(1,193,633)	(1)	(1,921,515)	(1)	(1,156,809)	-
31XX	Total equity attributable to owners of parent		37,063,784	18	34,163,008	16	38,254,115	19
36XX	Non-controlling interest	6(34)	9,022,507	4	8,628,484	4	9,153,341	4
3XXX	Total equity		46,086,291	22	42,791,492	20	47,407,456	23
3X2X	Total liabilities and equity		\$ 214,125,429	100	\$ 214,504,035	100	\$ 208,092,508	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
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)
(UNAUDITED)

Items		Notes	Three months ended March 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(25) and 7	\$ 67,667,170	100	\$ 65,053,203	100
5000	Operating costs	6(4)(26) and 7	(44,767,364) (66)		(42,871,964) (66)	
5900	Gross profit		<u>22,899,806</u>	<u>34</u>	<u>22,181,239</u>	<u>34</u>
	Operating expenses	6(26)(27)				
6100	Selling expenses		(17,370,146) (26)		(16,471,542) (25)	
6200	General and administrative expenses		(2,420,686) (3)		(2,528,991) (4)	
6450	Expected credit losses	12(2)	(2,737) -		(23,108) -	
6000	Total operating expenses		(19,793,569) (29)		(19,023,641) (29)	
6900	Operating profit		<u>3,106,237</u>	<u>5</u>	<u>3,157,598</u>	<u>5</u>
	Non-operating income and expenses					
7100	Interest income	6(28)	36,783	-	54,419	-
7010	Other income	6(29)	469,397	1	416,130	-
7020	Other gains and losses	6(30)	(52,459) -		(15,610) -	
7050	Finance costs	6(31)	(280,761) (1)		(306,871) -	
7060	Share of profit of associates and joint ventures accounted for using equity method	6(6)	(28,145) -		(96,514) -	
7000	Total non-operating income and expenses		<u>144,815</u>	<u>-</u>	<u>244,582</u>	<u>-</u>
7900	Profit before income tax		<u>3,251,052</u>	<u>5</u>	<u>3,402,180</u>	<u>5</u>
7950	Income tax expense	6(32)	(693,580) (1)		(430,363) -	
8000	Profit for the period from continuing operations		<u>2,557,472</u>	<u>4</u>	<u>2,971,817</u>	<u>5</u>
8200	Profit for the period		<u>\$ 2,557,472</u>	<u>4</u>	<u>\$ 2,971,817</u>	<u>5</u>

(Continued)

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

		Three months ended March 31				
			2022		2021	
Items	Notes		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)						
8316	Unrealized (loss) gain on valuation of equity instruments at fair value through other comprehensive income	6(5)	(\$ 39,207)	-	\$ 175,993	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(24)	1,460	-	1,074	-
8349	Income tax related to the components of other comprehensive income that will not be reclassified to profit or loss	6(24)(32)	2,571	-	4,567	-
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		(35,176)	-	181,634	-
8361	Financial statements translation differences of foreign operations		798,088	1	(20,869)	-
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(24)	2,324	-	(2,419)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		800,412	1	(23,288)	-
8300	Total other comprehensive income for the period		<u>\$ 765,236</u>	<u>1</u>	<u>\$ 158,346</u>	<u>-</u>
8500	Total comprehensive income for the period		<u>\$ 3,322,708</u>	<u>5</u>	<u>\$ 3,130,163</u>	<u>5</u>
Profit attributable to:						
8610	Owners of the parent		\$ 2,170,426	3	\$ 2,709,602	5
8620	Non-controlling interests		387,046	1	262,215	-
			<u>\$ 2,557,472</u>	<u>4</u>	<u>\$ 2,971,817</u>	<u>5</u>
Comprehensive income attributable to:						
8710	Owners of the parent		\$ 2,898,308	4	\$ 2,885,414	5
8720	Non-controlling interests		424,400	1	244,749	-
			<u>\$ 3,322,708</u>	<u>5</u>	<u>\$ 3,130,163</u>	<u>5</u>
6(33)						
9750	Basic earnings per share		<u>\$ 2.09</u>		<u>\$ 2.61</u>	
6(33)						
9850	Diluted earnings per share		\$ 2.08		\$ 2.60	

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
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

		Equity attributable to owners of the parent									
		Retained Earnings					Other equity interest				
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on valuation of financial assets at fair value through other comprehensive income	Total	Non-controlling interest	Total equity
Notes											
<u>Three months ended March 31, 2021</u>											
		\$ 10,396,223	\$ 47,628	\$ 14,369,228	\$ 380,187	\$ 12,159,546	(\$ 1,973,268)	\$ 640,647	\$ 36,020,191	\$ 8,957,508	\$ 44,977,699
		-	-	-	-	2,709,602	-	-	2,709,602	262,215	2,971,817
	6(24)	-	-	-	-	-	(6,220)	182,032	175,812	(17,466)	158,346
		-	-	-	-	2,709,602	(6,220)	182,032	2,885,414	244,749	3,130,163
		-	-	-	-	-	-	-	-	22,489	22,489
		-	-	-	-	(650,393)	-	-	(650,393)	(71,405)	(721,798)
		-	(6)	-	-	-	-	-	(6)	-	(6)
		-	-	-	-	(1,091)	-	-	(1,091)	-	(1,091)
		\$ 10,396,223	\$ 47,622	\$ 14,369,228	\$ 380,187	\$ 14,217,664	(\$ 1,979,488)	\$ 822,679	\$ 38,254,115	\$ 9,153,341	\$ 47,407,456
<u>Three months ended March 31, 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
		-	-	-	-	2,170,426	-	-	2,170,426	387,046	2,557,472
	6(24)	-	-	-	-	-	759,591	(31,709)	727,882	37,354	765,236
		-	-	-	-	2,170,426	759,591	(31,709)	2,898,308	424,400	3,322,708
		-	-	-	-	-	-	-	-	(30,377)	(30,377)
		-	684	-	-	-	-	-	684	-	684
		-	-	-	-	1,784	-	-	1,784	-	1,784
		\$ 10,396,223	\$ 86,906	\$ 15,379,788	\$ 1,332,621	\$ 11,061,879	(\$ 2,017,304)	\$ 823,671	\$ 37,063,784	\$ 9,022,507	\$ 46,086,291

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
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Three months ended March 31	
		2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated profit before income tax for the period		\$ 3,251,052	\$ 3,402,180
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)	(558)	(1,484)
Expected credit losses	12(2)	2,737	23,108
Depreciation expense	6(7)(8)(26)	5,222,688	5,004,067
Amortization expense	6(26)	161,935	140,556
Depreciation on investment property	6(10)(30)	38,765	38,596
Finance costs	6(31)	280,761	306,871
Share of profit of associates and joint ventures accounted for using equity method	6(6)	28,145	(96,514)
Loss (gain) on disposal of property, plant and equipment	6(30)	31,821	(5,191)
Gain from lease modification	6(8)(30)	(45,003)	(26,750)
Interest income	6(28)	(36,783)	(54,419)
Other income recognized from rent concessions	6(8)	(34,991)	(17,106)
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		(199,830)	16,348
Accounts receivable		917,712	793,123
Other receivables		(235,806)	(300,152)
Inventories		1,629,896	1,254,076
Prepayments		19,271	(356,008)
Other current assets		617,662	(164,890)
Net changes in liabilities relating to operating activities			
Contract liabilities - current		(160,713)	440,783
Accounts payable		(2,310,090)	(1,751,746)
Notes payable		(1,259,829)	405,645
Other payables		(2,119,680)	(1,992,594)
Advance receipts		(33,606)	115,808
Contract liabilities - non-current		63,931	(106,396)
Net defined benefit liabilities		(228,850)	(55,197)
Cash generated from operations		5,600,637	7,012,714
Interest received		34,577	54,924
Income tax paid		31,490	(16,932)
Interest paid		(280,542)	(306,901)
Net cash flows from operating activities		<u>5,386,162</u>	<u>6,743,805</u>

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	<u>Three months ended March 31</u>	
		<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(35)	(\$ 3,268,979)	(\$ 2,362,500)
Proceeds from disposal of property, plant and equipment		23,116	50,117
Acquisition of subsidiary		-	(2,913)
Increase in guarantee deposits paid		(60,126)	(38,811)
Acquisition of intangible assets	6(11)	(38,263)	(21,423)
Increase in other non-current assets		(51,519)	(221,096)
Net cash flows used in investing activities		(3,395,771)	(2,596,626)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(36)	(381,127)	(198,904)
Decrease in short-term notes and bills payable	6(36)	-	(1,449,577)
Increase in long-term borrowings	6(36)	41,710	298,901
Repayment of long-term borrowings	6(36)	(127,577)	(57,286)
Payments of lease liabilities	6(8)(36)	(3,492,234)	(3,058,890)
Increase in guarantee deposits received	6(36)	63,691	64,136
(Decrease) increase in other non-current liabilities	6(36)	(3,816)	2,459
Change in non-controlling interests		(30,377)	22,489
Acquisition of additional equity interest in a subsidiary	6(34)	-	(721,798)
Net cash flows used in financing activities		(3,929,730)	(5,098,470)
Effect of foreign exchange rate changes on cash and cash equivalents		796,945	(23,686)
Decrease in cash and cash equivalents		(1,142,394)	(974,977)
Cash and cash equivalents at beginning of period		45,648,486	46,562,907
Cash and cash equivalents at end of period		<u>\$ 44,506,092</u>	<u>\$ 45,587,930</u>

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2022 AND 2021

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

1. HISTORY AND ORGANIZATION

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

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

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

These consolidated financial statements were authorized for issuance by the Board of Directors on May 5, 2022.

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”) as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC effective from 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022
Amendments to IAS 37, ‘Onerous contracts—cost of fulfilling a contract’	January 1, 2022
Annual improvements to IFRS Standards 2018–2020	January 1, 2022

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 as endorsed by the FSC but not yet adopted by the Group

None.

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

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

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 1, 'Classification of liabilities as current or non-current'	January 1, 2023
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

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'

The amendments require an entity to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The Group recognises deferred income tax on all deductible and taxable temporary differences associated with right-of-use assets, provision for decommissioning liability and its corresponding right-of-use assets. The impacted amount will be disclosed when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the compliance statement, basis of preparation, basis of consolidation, and the additional descriptions described below, the other principal accounting policies are in agreement with Note 4 of the consolidated financial statements for the year ended December 31, 2021. 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" 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, 2021.

(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 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, 2021.
 (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>March 31, 2022</u>	<u>March 31, 2021</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, 2021 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>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</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	
The Company	President Drugstore Business Corp.	Sales of cosmetics, medicine and daily items	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2022	December 31, 2021	March 31, 2021	
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	-	(b)
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Professional investment	100.00	100.00	100.00	
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Professional investment	100.00	100.00	100.00	
PCSC (China) Drugstore Limited	President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Wholesale of merchandise	100.00	100.00	100.00	
Wisdom Distribution Service Corp.	President Logistics International Corp.	Trucking	20.00	20.00	20.00	
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Trucking	25.00	25.00	25.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2022	December 31, 2021	March 31, 2021	
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	
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	54.88	54.88	53.86	(c)
Philippine Seven Corporation	Convenience Distribution Inc.	Logistics, warehousing and retail	100.00	100.00	100.00	
Philippine Seven Corporation	Store Sites Holding, Inc.	Professional investment	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	Professional investment	7.80	7.80	7.80	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Shanghai) Ltd.	Convenience store	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Shanghai President Logistics Co., Ltd.	Logistics and warehousing	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Shan Dong President Yinzuo Commercial Limited	Supermarkets	40.00	40.00	40.00	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Taizhou) Ltd.	Logistics and warehousing	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Zhejiang) Ltd.	Convenience store	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Beauty Wonder (Zhejiang) Trading Co., Ltd.	Sales of cosmetics and medicine	100.00	100.00	100.00	
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 acquired an additional 70.87% shares of Connection Labs Ltd., in June 2021, and has control over it.
- (c) The Company acquired an additional 1.64% and 1.02% shares of the subsidiary, Philippine Seven Corp., in February and September 2021.
- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.
- F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Defined benefit plans

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

(5) Income tax

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

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

There have been no significant changes during the period. Please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2021.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2022	December 31, 2021	March 31, 2021
Cash on hand and petty cash	\$ 1,370,988	\$ 1,385,063	\$ 1,500,567
Checking accounts and demand deposits	14,741,077	16,753,260	14,966,280
Cash equivalents			
Time deposits	22,437,060	23,071,796	23,366,727
Short-term financial instruments	5,956,967	4,438,367	5,754,356
	<u>\$ 44,506,092</u>	<u>\$ 45,648,486</u>	<u>\$ 45,587,930</u>

- A. The Group transacts with a variety of financial institutions, all with high credit quality, to disperse credit risk, so it considers the probability of counterparty default as remote.
- B. Information about time deposits provided as security for performance guarantees and reclassified as “Other non-current assets – guarantee deposits paid” is provided in Note 8.

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Financial assets mandatorily measured at fair value through profit or loss			
<u>Current items:</u>			
Beneficiary certificates	\$ 860,246	\$ 660,092	\$ 2,090,352
Valuation adjustment	297	63	280
	<u>\$ 860,543</u>	<u>\$ 660,155</u>	<u>\$ 2,090,632</u>
<u>Non-current items:</u>			
Unlisted stocks	\$ 241,515	\$ 241,515	\$ 275,243
Valuation adjustment	(156,035)	(156,035)	(189,720)
	<u>\$ 85,480</u>	<u>\$ 85,480</u>	<u>\$ 85,523</u>

- A. The Group recognized net profit of \$558 and \$1,484 in relation to financial assets at fair value through profit or loss for the three months ended March 31, 2022 and 2021, respectively.
- B. No financial assets at fair value through profit or loss of the Group were pledged to others.
- C. Information relating to credit risk is provided in Note 12(2).

(3) Accounts receivable

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Accounts receivable	\$ 5,710,613	\$ 6,629,529	\$ 5,528,491
Less: Allowance for doubtful accounts	(146,442)	(144,908)	(129,955)
	<u>\$ 5,564,171</u>	<u>\$ 6,484,621</u>	<u>\$ 5,398,536</u>

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Not past due	\$ 5,458,522	\$ 6,264,349	\$ 5,442,951
Up to 90 days	198,347	358,791	80,018
91 to 180 days	53,492	5,211	3,232
181 to 365 days	169	1,071	1,035
Over 365 days	83	107	1,255
	<u>\$ 5,710,613</u>	<u>\$ 6,629,529</u>	<u>\$ 5,528,491</u>

The above aging analysis was based on past due date.

- B. As of March 31, 2022, December 31, 2021 and March 31, 2021, accounts receivable was all from contracts with customers. And as of January 1, 2021, the balance of receivables from contracts with customers amounted to \$6,215,272.
- C. As at March 31, 2022, December 31, 2021 and March 31, 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable were \$5,564,171, \$6,484,621, and \$5,398,536, respectively.
- D. Information relating to credit risk is provided in Note 12(2).

(4) Inventories

March 31, 2022			
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 107,045	\$ -	\$ 107,045
Merchandise and finished goods	16,802,860	(100,022)	16,702,838
	<u>\$ 16,909,905</u>	<u>(\$ 100,022)</u>	<u>\$ 16,809,883</u>
December 31, 2021			
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 86,325	\$ -	\$ 86,325
Merchandise and finished goods	18,443,602	(90,148)	18,353,454
	<u>\$ 18,529,927</u>	<u>(\$ 90,148)</u>	<u>\$ 18,439,779</u>
March 31, 2021			
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 81,675	\$ -	\$ 81,675
Merchandise and finished goods	15,398,435	(98,131)	15,300,304
	<u>\$ 15,480,110</u>	<u>(\$ 98,131)</u>	<u>\$ 15,381,979</u>

The cost of inventories recognized as expense for the period:

	Three months ended March 31, 2022	Three months ended March 31, 2021
Cost of goods sold and service costs	\$ 44,170,942	\$ 42,226,259
Loss on valuation of inventories	9,874	10,362
Spoilage	500,663	548,420
Others	85,885	86,923
	<u>\$ 44,767,364</u>	<u>\$ 42,871,964</u>

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

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Equity instruments</u>			
Listed stocks	\$ 265,606	\$ 265,606	\$ 265,606
Unlisted stocks	4,348	4,348	4,348
	<u>269,954</u>	<u>269,954</u>	<u>269,954</u>
Valuation adjustment	856,748	895,955	865,866
	<u>\$ 1,126,702</u>	<u>\$ 1,165,909</u>	<u>\$ 1,135,820</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 \$1,126,702, \$1,165,909 and \$1,135,820 as at March 31, 2022, December 31, 2021 and March 31, 2021, respectively.
- B. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Three months ended March 31, 2022	Three months ended March 31, 2021
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	(\$ 39,207)	\$ 175,993

C. As at March 31, 2022, December 31, 2021 and March 31, 2021, 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 \$1,126,702, \$1,165,909 and \$1,135,820, respectively.

D. No financial assets at fair value through other comprehensive income of the Group were pledged to others.

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

(6) Investments accounted for using the equity method

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Associates</u>			
PresiCarre Corp.	\$ 5,014,071	\$ 5,077,087	\$ 5,501,775
President Fair Development Corp.	2,134,398	2,123,492	2,098,145
Uni-President Development Corp.	766,000	757,554	764,610
President International Development Corp.	454,436	447,310	452,960
Tung Ho Development Corp.	59,047	60,012	30,949
Uni-President Organics Corp.	52,582	47,293	46,555
President Technology Corp.	25,384	26,723	24,163
	<u>8,505,918</u>	<u>8,539,471</u>	<u>8,919,157</u>
<u>Joint ventures</u>			
Mister Donut Taiwan Co., Ltd.	\$ 109,389	\$ 97,728	\$ 99,469
	<u>\$ 8,615,307</u>	<u>\$ 8,637,199</u>	<u>\$ 9,018,626</u>

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

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

	Three months ended March 31, 2022	Three months ended March 31, 2021
Total comprehensive (loss) income	(\$ 36,023)	\$ 94,254

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

	Three months ended March 31, 2022	Three months ended March 31, 2021
Total comprehensive income	\$ 11,662	\$ 915

C. PresiCarre Corp. experienced a fire accident in March 2022. The Group recognized its share of profit and loss of associates and joint ventures accounted for using equity method, which includes the estimated fire losses. Because the company has not yet been able to determine the amount of insurance claims, the Group will recognize its share of profit and loss in associates and joint ventures accounted for using equity method once the insurance claims is determined to be receivable.

(7) Property, plant and equipment

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

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

	2021						
	Land	Buildings	Transportation equipment	Operating equipment	Leasehold improvements	Others	Total
At January 1							
Cost	\$ 2,927,827	\$ 4,891,097	\$ 6,993,321	\$ 24,307,493	\$ 20,386,864	\$ 11,989,504	\$ 71,496,106
Accumulated depreciation and impairment	(16,367)	(2,461,641)	(4,811,241)	(15,151,390)	(13,136,753)	(7,868,340)	(43,445,732)
	<u>\$ 2,911,460</u>	<u>\$ 2,429,456</u>	<u>\$ 2,182,080</u>	<u>\$ 9,156,103</u>	<u>\$ 7,250,111</u>	<u>\$ 4,121,164</u>	<u>\$ 28,050,374</u>
Opening net book amount as of January 1	\$ 2,911,460	\$ 2,429,456	\$ 2,182,080	\$ 9,156,103	\$ 7,250,111	\$ 4,121,164	\$ 28,050,374
Additions	-	2,109	34,002	833,516	562,205	328,693	1,760,525
Disposals	-	-	(3,411)	(7,293)	(25,267)	(8,955)	(44,926)
Transfer	-	653	66,862	139,780	30,923	(265,131)	(26,913)
Depreciation charge	-	(48,329)	(124,614)	(673,150)	(542,800)	(344,784)	(1,733,677)
Net exchange differences	(200)	(427)	(237)	(954)	(9,345)	(21,961)	(33,124)
Closing net book amount as of March 31	<u>\$ 2,911,260</u>	<u>\$ 2,383,462</u>	<u>\$ 2,154,682</u>	<u>\$ 9,448,002</u>	<u>\$ 7,265,827</u>	<u>\$ 3,809,026</u>	<u>\$ 27,972,259</u>
At March 31							
Cost	\$ 2,927,626	\$ 4,892,769	\$ 7,060,074	\$ 24,779,586	\$ 20,734,748	\$ 11,906,472	\$ 72,301,275
Accumulated depreciation and impairment	(16,366)	(2,509,307)	(4,905,392)	(15,331,584)	(13,468,921)	(8,097,446)	(44,329,016)
	<u>\$ 2,911,260</u>	<u>\$ 2,383,462</u>	<u>\$ 2,154,682</u>	<u>\$ 9,448,002</u>	<u>\$ 7,265,827</u>	<u>\$ 3,809,026</u>	<u>\$ 27,972,259</u>

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

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

(8) Leasing arrangements — lessee

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

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

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land	\$ 1,220,916	\$ 872,178	\$ 865,760
Buildings	78,645,822	76,378,170	74,511,282
Machinery and equipment	10,775	13,168	29,180
Other equipment	44,581	53,498	72,238
	<u>\$ 79,922,094</u>	<u>\$ 77,317,014</u>	<u>\$ 75,478,460</u>
	Three months ended	Three months ended	
	<u>March 31, 2022</u>	<u>March 31, 2021</u>	
	<u>Depreciation charge</u>	<u>Depreciation charge</u>	
Land	\$ 38,480	\$ 35,770	
Buildings	3,404,534	3,218,763	
Machinery and equipment	2,394	6,150	
Other equipment	8,915	9,707	
	<u>\$ 3,454,323</u>	<u>\$ 3,270,390</u>	

- C. For the three months ended March 31, 2022 and 2021, the additions to right-of-use assets were \$6,442,531 and \$4,466,438, respectively.

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

	<u>Three months ended</u>	<u>Three months ended</u>
	<u>March 31, 2022</u>	<u>March 31, 2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 250,089	\$ 274,017
Expense on short-term lease contracts	120,786	94,997
Expense on leases of low-value assets	34,097	31,557
Expense on variable lease payments	146,020	149,679
Gain on sublease of right-of-use assets	139,111	142,004
Gain from lease modification	45,003	26,750

- E. For the three months ended March 31, 2022 and 2021, the Group's total cash outflow for leases was \$4,043,226 and \$3,609,140, 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 3.65% and 3.92 % as at March 31, 2022 and 2021, respectively, are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons. Various lease payments that depend on sales are recognized in profit or loss in the period in which the event or condition that triggers those payments occurs.

(b) A 1% increase in the aggregate sales amount of all stores with such variable lease contracts would increase total lease payments by approximately \$1,460 and \$1,497 for the three months ended March 31, 2022 and 2021, respectively.

G. The Group's leases not yet commenced to which the lessee is committed are business premises for the lessees, and the lease liabilities undiscounted as at March 31, 2022, December 31, 2021 and March 31, 2021, amounted to \$3,154,481, \$3,635,849 and \$3,087,167, respectively.

H. The Group has applied the practical expedient to "Covid-19-related rent concessions" and recognized the gain from changes in lease payments arising from the rent concessions amounting to \$34,991 and \$17,106, as at other income for the three months ended March 31, 2022 and 2021, respectively.

(9) Leasing arrangements – lessor

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

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

	Three months ended March 31, 2022	Three months ended March 31, 2021
Rental revenue	\$ 377,715	\$ 382,706
Rental revenue from variable lease payments	\$ 288,950	\$ 289,031

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

	March 31, 2022	December 31, 2021	March 31, 2021
Current year	\$ 176,499	\$ -	\$ 217,045
Within 1 year	181,383	251,736	223,143
1~2 years	100,625	171,188	152,201
2~3 years	78,271	87,998	77,680
3~4 years	55,464	71,486	64,813
4~5 years	43,584	51,267	45,364
Over 5 years	73,697	107,555	91,947
	<u>\$ 709,523</u>	<u>\$ 741,230</u>	<u>\$ 872,193</u>

(10) Investment property

	2022			
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,400,611	\$ 431,642	\$ 1,247,166	\$ 3,079,419
Transfer	(22,414)	(2,374)	-	(24,788)
Depreciation charge	-	(4,121)	(34,644)	(38,765)
At March 31	<u>\$ 1,378,197</u>	<u>\$ 425,147</u>	<u>\$ 1,212,522</u>	<u>\$ 3,015,866</u>
	2021			
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,074,308	\$ 403,098	\$ 1,385,740	\$ 2,863,146
Depreciation charge	-	(3,953)	(34,643)	(38,596)
At March 31	<u>\$ 1,074,308</u>	<u>\$ 399,145</u>	<u>\$ 1,351,097</u>	<u>\$ 2,824,550</u>

A. The fair value of the investment property held by the Group ranged from \$5,304,265 to \$5,838,730 as at March 31, 2022, December 31, 2021 and March 31, 2021, respectively, 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 0.8% to 2.41% and growth rate of 3%.

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

(11) Intangible assets

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

	2021				
	License agreement and				
	Software	Goodwill	customer list	Others	Total
At January 1					
Cost	\$2,038,224	\$2,200,153	\$ 7,524,890	\$540,225	\$12,303,492
Accumulated amortization and impairment	(1,576,683)	-	(582,478)	(186,133)	(2,345,294)
	<u>\$ 461,541</u>	<u>\$2,200,153</u>	<u>\$ 6,942,412</u>	<u>\$354,092</u>	<u>\$ 9,958,198</u>
Opening net book amount as of January 1	\$ 461,541	\$2,200,153	\$ 6,942,412	\$354,092	\$ 9,958,198
Additions	21,423	-	-	-	21,423
Transfer	1,847	-	-	(1,572)	275
Amortization expense	(52,957)	-	(48,540)	(13,395)	(114,892)
Net exchange differences	(556)	101	-	-	(455)
Closing net book amount as of March 31	<u>\$ 431,298</u>	<u>\$2,200,254</u>	<u>\$ 6,893,872</u>	<u>\$339,125</u>	<u>\$ 9,864,549</u>
At March 31					
Cost	\$2,058,009	\$2,200,254	\$ 7,524,890	\$538,653	\$12,321,806
Accumulated amortization and impairment	(1,626,711)	-	(631,018)	(199,528)	(2,457,257)
	<u>\$ 431,298</u>	<u>\$2,200,254</u>	<u>\$ 6,893,872</u>	<u>\$339,125</u>	<u>\$ 9,864,549</u>

Amortization expense on intangible assets are recognized as operating expenses.

(12) Other non-current assets

	March 31, 2022	December 31, 2021	March 31, 2021
Guarantee deposits paid	\$ 3,264,982	\$ 3,204,856	\$ 3,145,601
Others	616,555	589,106	656,873
	<u>\$ 3,881,537</u>	<u>\$ 3,793,962</u>	<u>\$ 3,802,474</u>

(13) Impairment of non-financial assets

- A. There were neither impairment loss nor reversal of impairment loss recognized for the three months ended March 31, 2022 and 2021.
- B. The Group performs impairment testing annually. The recoverable amount has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period. The recoverable amount calculated using the value-in-use exceeded their carrying amount for the quarter ended December 31, 2021, 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, 2021.

(14) Short-term borrowings

Type of borrowings	March 31, 2022	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 4,716,241	0.57%~3.465%	None
Type of borrowings	December 31, 2021	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 5,095,702	0.38%~3.465%	None
Type of borrowings	March 31, 2021	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 4,540,507	0.36%~4.875%	None

There was no capitalization of borrowing costs for the three months ended March 31, 2022 and 2021. Relevant interest expense on borrowings is recognized as “finance costs”.

(15) Short-term notes and bills payable

	March 31, 2021	Pledged or secured
Commercial papers payable	\$ 1,950,000	Please refer to the below for details
Less: Unamortized discount	(430)	
	\$ 1,949,570	
Interest rate range	0.368%	

A. There was no commercial papers payable at March 31, 2022 and December 31, 2021.

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

(16) Other payables

	March 31, 2022	December 31, 2021	March 31, 2021
Store collections	\$ 14,135,166	\$ 13,807,553	\$ 11,091,984
Wages, salaries and bonus payable	3,135,976	4,863,210	3,118,433
Sales receipt on behalf of others	1,443,311	1,845,686	1,275,162
Incentive bonus payable to franchisees	1,109,751	1,017,454	984,453
Employees' compensation and remuneration for directors and supervisors	948,971	748,684	1,069,789
Payables for acquisition of property, plant and equipment	908,068	1,385,972	753,144
Payables for labor and health insurance	271,675	283,912	276,150
Rent payable	69,978	82,287	66,842
Others	4,311,521	4,851,027	3,613,901
	\$ 26,334,417	\$ 28,885,785	\$ 22,249,858

(17) Other current liabilities

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Advance receipts of deposits	\$ 1,754,788	\$ 1,685,635	\$ 1,602,088
Advance receipts for gift certificates	1,487,427	1,476,380	1,495,677
Others	294,153	407,958	315,338
	<u>\$ 3,536,368</u>	<u>\$ 3,569,973</u>	<u>\$ 3,413,103</u>

(18) Long-term borrowings

<u>Type of borrowings</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>March 31, 2022</u>
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 812,380
Secured borrowings	1.44%~1.8%	Property, plant and equipment	616,168
			<u>1,428,548</u>
Less: Current portion			(560,420)
			<u>\$ 868,128</u>

<u>Type of borrowings</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>December 31, 2021</u>
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 864,036
Secured borrowings	1.46%~1.72%	Property, plant and equipment	634,048
			<u>1,498,084</u>
Less: Current portion			(534,666)
			<u>\$ 963,418</u>

<u>Type of borrowings</u>	<u>Interest rate range</u>	<u>Collateral</u>	<u>March 31, 2021</u>
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 1,042,395
Secured borrowings	1.46%~1.72%	Property, plant and equipment	512,640
			<u>1,555,035</u>
Less: Current portion			(325,179)
			<u>\$ 1,229,856</u>

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

(19) Pensions

- A. The Company and its domestic subsidiaries operate a defined benefit pension plan, in accordance with the Labor Standards Law, which covers all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last six months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2%~8% of employees' monthly salaries and wages to a retirement fund at the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March. Furthermore, the subsidiary, Philippine Seven Corporation has a defined benefit pension plan.

For the aforementioned pension plan, the Group recognized pension costs of \$28,248 and \$29,377 for the three months ended March 31, 2022 and 2021, respectively.

- B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (a) The Company's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentage for the three months ended March 31, 2022 and 2021 were 14%~20%. Other than the monthly contributions, the Group has no further obligations.
- (b) The pension costs under the defined contribution pension plans of the Group for the three months ended March 31, 2022 and 2021 were \$259,913 and \$246,909, respectively.

(20) Other non-current liabilities

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Guarantee deposit received	\$ 4,112,441	\$ 4,044,359	\$ 3,848,790
Provision for decommissioning liability	659,602	644,347	596,187
Others	478,630	482,446	297,672
	<u>\$ 5,250,673</u>	<u>\$ 5,171,152</u>	<u>\$ 4,742,649</u>

(21) Share capital

As of March 31, 2022, the Company's authorized capital was \$10,500,000, consisting of 1,050,000,000 shares of ordinary stock, and the paid-in capital was \$10,396,223 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected. The number of the Company's outstanding ordinary shares was both 1,039,622,255 as of March 31, 2022 and January 1, 2022.

(22) Capital surplus

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

(23) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, must first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount is to be set aside as a legal reserve. The Company may then set aside or reserve a certain amount as special reserve according to the relevant regulations. The appropriation of the remaining earnings and prior years' unappropriated retained earnings should be proposed by the Board of Directors and voted on by the shareholders at the shareholders' meeting. The dividends and bonus to be distributed to shareholders may be 50%~100% of the total distributable amount, and 50%~100% of dividends are to be distributed as cash dividends, and the remaining undistributed amount to be set aside as unappropriated retained earnings.
- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of the legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside a special reserve for the debit balance on other equity items at the balance sheet date before distributing earnings. When the debit balance on other equity items is reversed subsequently, the reversed amount should be included in the distributable earnings.
- D. The appropriations for 2021 and 2020 were resolved by the Board of Directors and by the shareholders on February 24, 2022 and July 16, 2021, respectively, as follows:

	2021		2020	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 804,972		\$ 1,010,560	
Special reserve appropriated	588,894		952,434	
Cash dividends - Retained earnings	7,495,676	\$ 7.21	9,356,600	\$ 9.00
Cash dividends - Legal reserve	1,860,924	1.79	-	-

As of May 5, 2022, the appropriations for 2021 has not been resolved by the stockholders.

(24) Other equity items

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

	2021		
	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	(\$ 1,973,268)	\$ 640,647	(\$ 1,332,621)
Revaluation and transfer			
– Group	-	175,993	175,993
– Associates	-	1,472	1,472
Revaluation-tax	-	4,567	4,567
Currency translation differences:			
– Group	(3,403)	-	(3,403)
– Associates	(2,817)	-	(2,817)
At March 31	(\$ 1,979,488)	\$ 822,679	(\$ 1,156,809)

(25) Operating revenue

	Three months ended March 31, 2022	Three months ended March 31, 2021
Revenue from contracts with customers	\$ 67,667,170	\$ 65,053,203

A. Disaggregation of revenue from contracts with customers

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

Three months ended March 31, 2022	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 42,136,581	\$ 15,525,203	\$ 3,152	\$ 5,538,185	\$ 63,203,121
– Over time	220,812	3,450,691	565,287	227,259	4,464,049
	<u>\$ 42,357,393</u>	<u>\$ 18,975,894</u>	<u>\$ 568,439</u>	<u>\$ 5,765,444</u>	<u>\$ 67,667,170</u>
Three months ended ended March 31, 2021	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 41,310,938	\$ 14,206,776	\$ 2,832	\$ 5,094,695	\$ 60,615,241
– Over time	216,508	3,455,225	526,291	239,938	4,437,962
	<u>\$ 41,527,446</u>	<u>\$ 17,662,001</u>	<u>\$ 529,123</u>	<u>\$ 5,334,633</u>	<u>\$ 65,053,203</u>

B. Contract liabilities

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

	March 31, 2022	December 31, 2021	March 31, 2021	January 1, 2021
Contract liabilities – advance receipts of gift certificates and gift payments	\$ 4,416,902	\$ 4,599,304	\$ 3,731,963	\$ 3,430,999
Contract liabilities – customer loyalty programs	1,094,593	977,909	839,541	807,168
Contract liabilities – members' deposits	854,766	843,002	819,076	804,373
Contract liabilities – franchise fee	408,351	405,485	414,250	429,578
Contract liabilities – others	318,353	364,047	328,189	326,513
	<u>\$ 7,092,965</u>	<u>\$ 7,189,747</u>	<u>\$ 6,133,019</u>	<u>\$ 5,798,631</u>

(b) Revenues recognized that were included in the contract liabilities balance at the beginning were \$3,645,330 and \$3,028,737 for the three months ended March 31, 2022 and 2021, respectively.

(26) Expenses by nature

	Three months ended March 31, 2022	Three months ended March 31, 2021
Net cost of goods sold	\$ 39,783,461	\$ 38,060,404
Employee benefit expenses	6,746,962	6,720,046
Incentive bonuses for franchisees	5,528,994	5,302,027
Depreciation and amortization	5,384,623	5,144,623
Utilities expenses	1,092,463	974,338
Operating lease payments	300,903	276,233
Other costs and expenses	5,723,527	5,417,934
Total operating costs and operating expenses	<u>\$ 64,560,933</u>	<u>\$ 61,895,605</u>

(27) Employee benefit expense

	Three months ended March 31, 2022	Three months ended March 31, 2021
Wages and salaries	\$ 5,519,034	\$ 5,525,184
Labor and health insurance fees	560,408	549,559
Pension costs	288,161	276,286
Other personnel expenses	379,359	369,017
	<u>\$ 6,746,962</u>	<u>\$ 6,720,046</u>

A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.

B. For the three months ended March 31, 2022 and 2021, employees' compensation was accrued at \$117,184 and \$134,423, respectively; while directors' and supervisors' remuneration was accrued at \$39,151 and \$44,910, respectively.

The employees' compensation and directors' remuneration were estimated and accrued based on 4.37% and 1.46% of distributable profit of the current period for the three months ended March 31, 2022 and 2021, respectively.

Employees' compensation and directors' remuneration for 2021 as resolved by the Board of Directors were in agreement with those amounts recognized in the 2021 financial statements and the employees' compensation will be distributed in form of cash.

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

(28) Interest income

	Three months ended March 31, 2022	Three months ended March 31, 2021
Interest income	<u>\$ 36,783</u>	<u>\$ 54,419</u>

(29) Other income

	Three months ended March 31, 2022	Three months ended March 31, 2021
Grants income	\$ 176,784	\$ 189,719
Rental revenue	68,362	70,112
Others	224,251	156,299
	<u>\$ 469,397</u>	<u>\$ 416,130</u>

(30) Other gains and losses

	Three months ended March 31, 2022	Three months ended March 31, 2021
Gain from lease modification	\$ 45,003	\$ 26,750
Depreciation of investment property	(38,765)	(38,596)
(Loss) gain on disposal of property, plant and equipment	(31,821)	5,191
Other gains and losses	(26,876)	(8,955)
	<u>(\$ 52,459)</u>	<u>(\$ 15,610)</u>

(31) Finance costs

	Three months ended March 31, 2022	Three months ended March 31, 2021
Interest expense on lease liabilities	\$ 250,089	\$ 274,017
Financial expense, others	30,672	32,854
	<u>\$ 280,761</u>	<u>\$ 306,871</u>

(32) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended March 31, 2022	Three months ended March 31, 2021
Current tax:		
Current tax on profit for the year	\$ 695,684	\$ 718,463
Over provision of prior year's income tax	-	(850)
Total current tax	<u>695,684</u>	<u>717,613</u>
Deferred tax:		
Origination and reversal of temporary differences	(2,104)	(287,250)
Income tax expense	<u>\$ 693,580</u>	<u>\$ 430,363</u>

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

	Three months ended March 31, 2022	Three months ended March 31, 2021
Changes in fair value of financial assets at fair value through other comprehensive income	(\$ 2,571)	(\$ 4,567)

B. The Company's income tax returns through 2019 have been assessed and approved by the Tax Authority.

(33) Earnings per share

Three months ended March 31, 2022			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 2,170,426	1,039,622	\$ 2.09
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 2,170,426	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,603	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,170,426	1,041,225	\$ 2.08
Three months ended March 31, 2021			
	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	\$ 2,709,602	1,039,622	\$ 2.61
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 2,709,602	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,847	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,709,602	1,041,469	\$ 2.60

(34) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

In February, 2021, the Group acquired an additional 1.64% shares of the subsidiary, Philippine Seven Corp., for a cash consideration of \$721,798. The carrying amount of non-controlling interest in Philippine Seven Corp. was \$71,405 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$71,405. The effect of changes in interests in Philippine Seven Corp. on the equity attributable to owners of parent for the three months ended March 31, 2021 is as follows:

	Three months ended March 31, 2021
Carrying amount of non-controlling interest acquired	\$ 71,405
Consideration paid to non-controlling interest	(721,798)
Difference between proceeds on actual acquisition of equity interest in a subsidiary and its carrying amount (Decrease in "Retained earnings")	(\$ 650,393)

B. The Group did not conduct any transaction with non-controlling interest for the three months ended March 31, 2022.

(35) Supplemental cash flow information

Investing activities with partial cash payments

	Three months ended March 31, 2022	Three months ended March 31, 2021
Purchase of property, plant and equipment	\$ 2,791,075	\$ 1,760,525
Add: Opening balance of payable on equipment	1,385,972	1,355,119
Less: Ending balance of payable on equipment	(908,068)	(753,144)
Cash paid during the period	<u>\$ 3,268,979</u>	<u>\$ 2,362,500</u>

(36) Changes in liabilities from financing activities

	2022						
	Short-term borrowings	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Total liabilities from financing activities	
At January 1	\$ 5,095,702	\$ 963,418	\$ 81,037,630	\$ 4,044,359	\$ 1,126,793	\$ 92,267,902	
Changes in cash flow from financing activities	(381,127)	(85,867)	(3,492,234)	63,691	(3,816)	(3,899,353)	
Interest paid (Note)	-	-	(250,089)	-	-	(250,089)	
Impact of changes in foreign exchange rate	1,666	9,491	175,945	4,391	-	191,493	
Changes in other non-cash items	-	(18,914)	6,043,820	-	15,255	6,040,161	
At March 31	<u>\$ 4,716,241</u>	<u>\$ 868,128</u>	<u>\$ 83,515,072</u>	<u>\$ 4,112,441</u>	<u>\$ 1,138,232</u>	<u>\$ 94,350,114</u>	
	2021						
	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Total liabilities from financing activities
At January 1	\$ 4,739,411	\$ 3,399,147	\$ 1,028,553	\$78,137,016	\$ 3,784,654	\$ 871,619	\$ 91,960,400
Changes in cash flow from financing activities	(198,904)	(1,449,577)	241,615	(3,058,890)	64,136	2,459	(4,399,161)
Interest paid (Note)	-	-	-	(274,017)	-	-	(274,017)
Impact of changes in foreign exchange rate	-	-	(5,492)	49,326	-	-	43,834
Changes in other non-cash items	-	-	(34,820)	4,140,333	-	19,781	4,125,294
At March 31	<u>\$ 4,540,507</u>	<u>\$ 1,949,570</u>	<u>\$ 1,229,856</u>	<u>\$78,993,768</u>	<u>\$ 3,848,790</u>	<u>\$ 893,859</u>	<u>\$ 91,456,350</u>

Note: Presented in cash flows from operating activities.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's parent company and the Group's ultimate parent company is Uni-President Enterprises Corp. which holds a 45.4% equity interest in the Company as of March 31, 2022.

(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
Presicarre Corp.	"
Uni-President Organics Corp.	"
President Technology Corp.	"
President Fair Development Corp.	"
Uni-President Development Corp.	"
Presco Netmarketing Inc.	Subsidiary of ultimate parent company
President (Kunshan) Trading Co., Ltd.	"
Tait Marketing & Distribution Co., Ltd.	"
President Packaging Industrial Corp.	"
President Tokyo Corp.	"
Shanghai Songjiang President Enterprises Co., Ltd.	"
Kai Ya Food Co., Ltd.	Sub-subsidiary of ultimate parent company
Tung Ang Enterprises Corp.	"
Lien Bo Corp.	"
Zhenzhou President Enterprises Co., Ltd.	"
Kuang Chuan Dairy Co., Ltd.	Investee of ultimate parent company accounted for using the equity method
Wei Lih Food Industrial Co., Ltd.	"
Prince Housing Development Corp.	"
Tong Zhan Corporation Ltd.	Investees of subsidiaries of ultimate parent company accounted for using the equity method
Koasa Yamako Corp.	The Company is a director of Koasa Yamako Corp.
Kao Chuan Investment Co., Ltd.	Director of ultimate parent company

(3) Significant related party transactions and balances

A. Operating revenue

	Three months ended March 31, 2022	Three months ended March 31, 2021
<u>Sales of goods</u>		
Ultimate parent company	\$ 150,780	\$ 151,373
Associates	38,577	34,732
Sister companies	105,681	97,917
Other related parties	14,678	13,936
<u>Sales of services</u>		
Ultimate parent company	5,385	4,873
Associates	24,118	18,992
Sister companies	4,310	4,459
Other related parties	1,102	1,396
	<u>\$ 344,631</u>	<u>\$ 327,678</u>

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

B. Purchases

	Three months ended March 31, 2022	Three months ended March 31, 2021
Ultimate parent company	\$ 4,255,465	\$ 4,211,575
Associates	134,091	66,846
Sister companies	1,576,242	1,377,025
Other related parties	564,197	498,355
	<u>\$ 6,529,995</u>	<u>\$ 6,153,801</u>

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

C. Receivables from related parties

	March 31, 2022	December 31, 2021	March 31, 2021
<u>Accounts receivable</u>			
Ultimate parent company	\$ 133,836	\$ 235,402	\$ 169,209
Associates	63,728	75,122	68,670
Sister companies	52,149	103,812	53,200
Other related parties	5,041	4,065	3,344
	<u>\$ 254,754</u>	<u>\$ 418,401</u>	<u>\$ 294,423</u>

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

D. Payables to related parties

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
<u>Notes payable and accounts payable</u>			
Ultimate parent company	\$ 1,908,838	\$ 1,904,475	\$ 1,926,043
Associates	87,013	191,718	46,756
Sister companies	805,663	722,538	696,275
Other related parties	<u>314,525</u>	<u>358,245</u>	<u>287,350</u>
	<u>\$ 3,116,039</u>	<u>\$ 3,176,976</u>	<u>\$ 2,956,424</u>

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

E. Leasing arrangements — lessee

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

(b) Acquisition of right-of-use assets

	<u>Three months ended March 31, 2022</u>	<u>Three months ended March 31, 2021</u>
Ultimate parent company	\$ -	\$ 73,635
Sister companies	<u>5,987</u>	<u>-</u>
	<u>\$ 5,987</u>	<u>\$ 73,635</u>

(c) Lease liabilities

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Ultimate parent company	\$ 74,364	\$ 89,503	\$ 127,937
Associates	3,170,611	3,267,710	3,565,964
Sister companies	200,947	204,633	265,210
Other related parties	<u>484,982</u>	<u>488,239</u>	<u>512,629</u>
	<u>\$ 3,930,904</u>	<u>\$ 4,050,085</u>	<u>\$ 4,471,740</u>

(4) Key management compensation

	<u>Three months ended March 31, 2022</u>	<u>Three months ended March 31, 2021</u>
Short-term employee benefits	<u>\$ 133,456</u>	<u>\$ 152,522</u>

8. PLEDGED ASSETS

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

Pledged assets	Book value			Purpose
	March 31, 2022	December 31, 2021	March 31, 2021	
Land	\$ 218,675	\$ 218,675	\$ 218,675	Guarantee facilities and performance guarantee
Buildings	27,978	29,561	28,779	Long-term borrowings and guarantee facilities
Transportation equipment	794,172	804,633	699,548	Long-term borrowings
Investment property	56,766	56,792	56,872	Performance guarantee
Pledged time deposits (Recognized as "Other non -current assets - guarantee deposits paid ")	100,133	113,337	94,579	Performance guarantee
	<u>\$ 1,197,724</u>	<u>\$ 1,222,998</u>	<u>\$ 1,098,453</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

As of March 31, 2022, the Group purchased POS equipment from non-related parties to meet the needs of future business development. The unpaid amounts were \$1,076,613.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</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>\$ 946,023</u>	<u>\$ 745,635</u>	<u>\$ 2,176,155</u>
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	<u>\$ 1,126,702</u>	<u>\$ 1,165,909</u>	<u>\$ 1,135,820</u>
Financial assets at amortized cost			
Cash and cash equivalents	\$ 44,506,092	\$ 45,648,486	\$ 45,587,930
Accounts receivable, net	5,564,171	6,484,621	5,398,536
Other receivables	2,901,832	2,663,819	2,250,633
Other current assets (Note)	1,919,091	2,003,411	2,491,809
Guarantee deposits paid	3,264,982	3,204,856	3,145,601
Other non-current assets (Note)	<u>33,715</u>	<u>32,519</u>	<u>31,899</u>
	<u>\$ 58,189,883</u>	<u>\$ 60,037,712</u>	<u>\$ 58,906,408</u>
<u>Financial liabilities</u>			
Financial liabilities at amortized cost			
Short-term borrowings	\$ 4,716,241	\$ 5,095,702	\$ 4,540,507
Short-term notes and bills payable	-	-	1,949,570
Notes payable	767,979	2,027,808	1,485,141
Accounts payable (including related parties)	23,991,680	26,301,770	23,305,090
Other payables	26,334,417	28,885,785	22,249,858
Long-term borrowings (including current portion)	1,428,548	1,498,084	1,555,035
Guarantee deposits received	<u>4,112,441</u>	<u>4,044,359</u>	<u>3,848,790</u>
	<u>\$ 61,351,306</u>	<u>\$ 67,853,508</u>	<u>\$ 58,933,991</u>
Lease liabilities	<u>\$ 83,515,072</u>	<u>\$ 81,037,630</u>	<u>\$ 78,993,768</u>

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

B. Risk management policies

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

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

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

(Foreign currency: functional currency)	March 31, 2022			December 31, 2021		
	Foreign currency		Book value (NTD)	Foreign currency		Book value (NTD)
	amount (In thousands)	Exchange rate		amount (In thousands)	Exchange rate	
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$ 1,080	28.6250	\$ 30,915	\$ 1,347	27.6800	\$ 37,285
RMB : NTD	1,192	4.5150	5,382	2,797	4.3549	12,181
JPY : NTD	48,661	0.2353	11,450	32,411	0.2405	7,795
HKD : NTD	1,090	3.6546	3,984	1,028	3.5503	3,650
EUR : NTD	409	31.9200	13,055	165	31.3200	5,168
<u>Non-monetary items</u>						
JPY : NTD	\$ 806,700	0.2353	\$ 189,817	\$ 842,700	0.2405	\$ 202,669
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$ 3,960	28.6250	\$ 113,355	\$ 4,018	27.6800	\$ 111,218
RMB : NTD	2,501	4.5150	11,292	2,189	4.3549	9,533
JPY : NTD	123,989	0.2353	29,175	111,934	0.2405	26,920
				March 31, 2021		
(Foreign currency: functional currency)	Foreign currency		Book value (NTD)	Foreign currency		Book value (NTD)
	amount (In thousands)	Exchange rate		amount (In thousands)	Exchange rate	
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD				\$ 1,645	28.5350	\$ 46,940
RMB : NTD				1,086	4.3546	4,729
JPY : NTD				124,769	0.2577	32,153
HKD : NTD				1,340	3.6705	4,918
EUR : NTD				583	33.4800	19,519
<u>Non-monetary items</u>						
JPY : NTD				\$ 835,500	0.2577	\$ 215,308
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD				\$ 2,955	28.5350	\$ 84,321
RMB : NTD				1,232	4.3546	5,365
JPY : NTD				89,235	0.2577	22,996

- IV. Total exchange gain or loss, including realized and unrealized from significant foreign exchange variations on monetary items held by the Group amounted to (\$3,936) and \$4,524 for the three months ended March 31, 2022 and 2021, respectively.

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

Foreign exchange risk with respect to USD primarily arises from the exchange gain or loss resulting from foreign currency translation of cash and cash equivalents, accounts receivable and accounts payable denominated in USD. If the NTD:USD exchange rate appreciates/depreciates by 5% with all other factors remaining constant, the Group's profit for the three months ended March 31, 2022 and 2021 would increase/decrease by \$4,122 and \$1,869, respectively. Foreign exchange risk with respect to JPY primarily arises from the exchange gain or loss resulting from foreign currency translation of cash, financial assets at fair value through other comprehensive income – non-current and accounts payable denominated in JPY. If the NTD:JPY exchange rate appreciates/depreciates by 5%, with all other factors remaining constant, the Group's comprehensive income for the three months ended March 31, 2022 and 2021 would increase/decrease by \$8,605 and \$11,223, respectively.

Price risk

- I. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- II. The Group's investments in equity securities comprise shares and open-ended funds issued by the domestic companies. The prices of equity securities would change due to change of the future value of investee companies. If the prices of these equity securities increase/decrease by 5%, and open-ended funds increase/decrease by 0.25%, with all other variables held constant, the post-tax profit for the three months ended March 31, 2022 and 2021 would have increased/decreased by \$6,425 and \$9,503, 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 \$56,335 and \$56,791, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- I. The Group's interest rate risk arises from short-term borrowings and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, which are partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the three months ended March 31, 2022 and 2021, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and Philippine Peso.
- II. If the borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, profit, net of tax for the three months ended March 31, 2022 and 2021 would have decreased/increased by \$3,571 and \$3,888, 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 follow 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:

	2022
	Accounts receivable
At January 1	\$ 144,908
Provision for impairment	2,737
Write-offs	(1,370)
Effect of foreign exchange	167
At March 31	\$ 146,442

	2021
	Accounts receivable
At January 1	\$ 107,485
Provision for impairment	23,108
Effect of foreign exchange	(638)
At March 31	\$ 129,955

- VI. The Group has no written-off financial assets that are still under recourse procedures on March 31, 2022, December 31, 2021 and March 31, 2021.

(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 \$860,543, \$660,155

and \$2,090,632 as at March 31, 2022, December 31, 2021 and March 31, 2021, respectively, which are expected to readily generate cash inflows for the purpose of managing liquidity risk.

III. The Group has undrawn borrowing facilities of \$18,929,833, \$17,260,589 and \$15,238,521 as of March 31, 2022, December 31, 2021 and March 31, 2021, 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 about to book value, maturing within one-year, the amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

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

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
December 31, 2021				
Short-term borrowings	\$ 5,097,722	\$ -	\$ -	\$ -
Lease liabilities	13,715,693	14,933,201	12,606,345	44,311,988
Long-term borrowings (including current portion)	584,480	178,660	159,316	684,726

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
March 31, 2021				
Short-term borrowings	\$ 4,557,946	\$ -	\$ -	\$ -
Short-term notes and bills payable	1,949,570	-	-	-
Lease liabilities	14,878,930	13,202,847	12,755,290	45,239,140
Long-term borrowings (including current portion)	381,234	170,033	146,965	1,002,044

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

(3) Fair value information

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

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

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

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

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

C. Financial instruments not measured at fair value

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

March 31, 2022				
		Fair value		
	Book value	Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 3,264,982	\$ -	\$ -	\$ 3,242,264
<u>Financial liabilities:</u>				
Guarantee deposits received	\$ 4,112,441	\$ -	\$ -	\$ 4,080,744
December 31, 2021				
		Fair value		
	Book value	Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 3,204,856	\$ -	\$ -	\$ 3,189,820
<u>Financial liabilities:</u>				
Guarantee deposits received	\$ 4,044,359	\$ -	\$ -	\$ 4,021,979
March 31, 2021				
		Fair value		
	Book value	Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 3,145,601	\$ -	\$ -	\$ 3,132,739
<u>Financial liabilities:</u>				
Guarantee deposits received	\$ 3,848,790	\$ -	\$ -	\$ 3,831,182

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

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

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

<u>March 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Beneficiary certificates	\$ 860,543	\$ -	\$ -	\$ 860,543
Equity securities	-	-	85,480	85,480
	<u>860,543</u>	<u>-</u>	<u>85,480</u>	<u>946,023</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	\$ 1,122,354	\$ -	\$ 4,348	\$ 1,126,702
	<u>\$ 1,982,897</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 2,072,725</u>
 <u>December 31, 2021</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	\$ 660,155	\$ -	\$ -	\$ 660,155
Equity securities	-	-	85,480	85,480
	<u>660,155</u>	<u>-</u>	<u>85,480</u>	<u>745,635</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	\$ 1,161,561	\$ -	\$ 4,348	\$ 1,165,909
	<u>\$ 1,821,716</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 1,911,544</u>
 <u>March 31, 2021</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	\$ 2,090,632	\$ -	\$ -	\$ 2,090,632
Equity securities	-	-	85,523	85,523
	<u>2,090,632</u>	<u>-</u>	<u>85,523</u>	<u>2,176,155</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	\$ 1,131,472	\$ -	\$ 4,348	\$ 1,135,820
	<u>\$ 3,222,104</u>	<u>\$ -</u>	<u>\$ 89,871</u>	<u>\$ 3,311,975</u>

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

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

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

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

- E. For the three months ended March 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- F. For the three months ended March 31, 2022 and 2021, there was no significant transfer in or out of Level 3.
- G. The Group is in charge of valuation procedures for fair value measurements being categorized within Level 3, which to verify the independent fair value of financial instruments. Such assessments are to ensure the valuation results are reasonable by applying independent information to compare the results to current market conditions, confirming the information resources are independent, reliable and in line with other resources, and represented as the exercisable price, and frequently making any other necessary adjustments to the fair value. Investment property is assessed by independent appraisers or based on recent closing prices of similar property in the neighboring area.
- H. The qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement are provided below:

	Fair value at March 31, 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

	Fair value at December 31, 2021	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
	Fair value at March 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 89,871	Market comparable companies	Price to book ratio multiplier	2.58	The higher the multiplier, the higher the fair value
		Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, the use of different valuation models or assumptions may result in different measurements. If valuation assumptions from financial assets and liabilities categorized within Level 3 had increased or decreased by 1%, net income or other comprehensive income would not have been significantly impacted for the three months ended March 31, 2022 and 2021.

13. SUPPLEMENTARY DISCLOSURE

(1) Significant transactions information

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

I. Trading in derivative instruments undertaken during the reporting periods: None.

J. Significant inter-company transactions during the reporting periods: Please refer to Table 7.

(2) Information on investees

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

(3) Information on investments in Mainland China

A. Basic information: Please refer to Table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None..

(4) Major shareholders information

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

14. SEGMENT INFORMATION

(1) General information

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

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

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

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

(2) Measurement of segment information

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

(3) Segment information

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

Three months ended March 31, 2022						
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	Total
External revenue (net)	\$ 42,357,393	\$ 18,975,894	\$ 568,439	\$ 5,765,444	\$ -	\$ 67,667,170
Internal department revenue	408,967	838,237	4,107,973	2,291,334	(7,646,511)	-
Total segment revenue	<u>\$ 42,766,360</u>	<u>\$ 19,814,131</u>	<u>\$ 4,676,412</u>	<u>\$ 8,056,778</u>	<u>(\$ 7,646,511)</u>	<u>\$ 67,667,170</u>
Segment income (loss)	<u>\$ 2,525,220</u>	<u>\$ 893,514</u>	<u>\$ 354,122</u>	<u>\$ 63,753</u>	<u>(\$ 585,557)</u>	<u>\$ 3,251,052</u>
Three months ended March 31, 2021						
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	Total
External revenue (net)	\$ 41,527,446	\$ 17,662,001	\$ 529,123	\$ 5,334,633	\$ -	\$ 65,053,203
Internal department revenue	262,434	707,618	3,746,610	2,056,061	(6,772,723)	-
Total segment revenue	<u>\$ 41,789,880</u>	<u>\$ 18,369,619</u>	<u>\$ 4,275,733</u>	<u>\$ 7,390,694</u>	<u>(\$ 6,772,723)</u>	<u>\$ 65,053,203</u>
Segment income	<u>\$ 2,896,710</u>	<u>\$ 605,024</u>	<u>\$ 356,364</u>	<u>(\$ 107,536)</u>	<u>(\$ 348,382)</u>	<u>\$ 3,402,180</u>

(4) Reconciliation of segment income (loss)

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Loans to others
Three months ended March 31,2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Number	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the three months ended March 31,2022	Balance at March 31,2022	Actual amount drawn down	Interest rate	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a sigle party (Note)	Ceiling on total loans granted (Note)	Footnote
1	President Pharmaceutical Corp.	President Being Corp.	Other receivables	Y	\$ 40,000	\$ 40,000	\$ 20,000	0.62%~0.65%	Short-term financing	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 307,316	\$ 307,316	

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
March 31,2022

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Type and name of securities	Relationship with the securities issuer	General ledger account	As of March 31,2022				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
President Chain Store Corp.	Stock: President Investment Trust Corp.	Director of President Investment Trust Corp.	Financial assets at fair value through profit or loss — non-current	2,667,600	\$ 45,298	7.60	\$ 45,298	
President Chain Store Corp.	Career Consulting Co. Ltd.	None	"	837,753	14,461	5.37	14,461	
President Chain Store Corp.	Kaohsiung Rapid Transit Corp.	"	"	2,572,127	25,721	0.92	25,721	
Mech-President Corp.	Yamay International Development Corp.	"	"	9	-	-	-	
President Chain Store Corp.	President Securities Corp.	Investee of Uni-President Enterprises Corp. under the equity method	Financial assets at fair value through other comprehensive income — non-current	40,545,111	932,538	2.79	932,538	
President Chain Store Corp.	Duskin Co., Ltd.	None	"	300,000	189,816	0.61	189,816	
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: Union Money Market Fund	None	Financial assets at fair value through profit or loss — current	749,474	\$ 10,001	-	\$ 10,001	
Chieh Shun Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	1,461,262	20,001	-	20,001	
Chieh Shun Logistics International Corp.	Taishin Ta-Chong Money Market Fund	"	"	696,456	10,000	-	10,000	
Chieh Shun Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	3,494,831	59,003	-	59,003	
Uni-President Department Store Corp.	Jih Sun Money Market Fund	"	"	757,177	11,354	-	11,354	
President Information Corp.	UPAMC James Bond Money Market Fund	"	"	4,030,072	68,039	-	68,039	
President Information Corp.	FSITC Taiwan Money Market Fund	"	"	7,596,854	117,611	-	117,611	
President Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	657,632	9,001	-	9,001	
President Pharmaceutical Corp.	Jih Sun Money Market Fund	"	"	499,153	7,486	-	7,486	
President Pharmaceutical Corp.	Taishin 1699 Money Market Fund	"	"	5,142,043	70,384	-	70,384	
Q-ware Systems & Services Corp.	Eastspring Investments Well Pool Money Market Fund	"	"	22,190,100	305,072	-	305,072	
Q-ware Systems & Services Corp.	Jih Sun Money Market Fund	"	"	6,670,580	100,035	-	100,035	
21 Century Co., Ltd.	FSITC Taiwan Money Market Fund	"	"	3,620,687	56,056	-	56,056	
21 Century Co., Ltd.	Prudential Financial Money Market Fund	"	"	937,541	15,000	-	15,000	
President Being Corp.	CTBC Hua Win Money Market Fund	"	"	135,113	1,500	-	1,500	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Acquisition or sale of the same security with the accumulated cost reaching \$300 million or 20% of the Company's paid-in capital
Three months ended March 31, 2022

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

					Balance as at January 1, 2022		Addition		Disposal			Other increase (decrease)		Balance as at March 31,2022		
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
Uni-President Department Store Corp.	Beneficiary certificates: Jih Sun Money Market Fund	Note 1	Not applicable	Not applicable	2,266,034	\$ 33,961	38,122,726	\$ 571,480	39,631,583	\$ 594,146	\$ 594,087	\$ 59	-	\$ -	757,177	\$ 11,354
President Information Corp.	FSITC Taiwan Money Market Fund	"	"	"	-	-	22,620,671	350,000	15,023,817	232,500	232,452	48	-	63	7,596,854	117,611
Q-ware Systems & Services Corp.	Eastspring Investments Well Pool Money Market Fund	"	"	"	28,384,280	390,000	25,610,421	352,000	31,804,601	437,054	437,000	54	-	72	22,190,100	305,072
	Stock:															
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Shanghai) Ltd.	Note 2	Issuance of common stock for cash	Parent company to subsidiary	-	\$ 293,362	-	\$ 361,198	-	\$ -	\$ -	\$ -	-	(\$ 50,508)	-	\$ 604,052

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".

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more
Three months ended March 31,2022

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Corporation of acquisition	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			
Wisdom Distribution Service Corp.	Land of Xinhui Anle Dist., Keelung City	November 3, 2021	\$ 763,960	100% of price was paid	Shun Chuan Warehousing Co., Ltd.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Based on the appraisal results of Evermore Appraisers Firm and market conditions to bargain.	Based on the comprehensive planning of the company	Not applicable

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Three months ended March 31,2022

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	\$ 4,032,730	14	Net 30~40 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 1,400,883) (	9)	
	Uni-President Superior Commissary Corp.	Subsidiary	"	1,041,157	4	Net 45 days from the end of the month when invoice is issued	"	"	(733,711) (	5)	
	Tung Ang Enterprises Corp.	Sister company	"	498,195	2	Net 30 days from the end of the month when invoice is issued	"	"	(237,505) (	1)	
	21 Century Co., Ltd.	Subsidiary	"	228,058	1	Net 30~60 days from the end of the month when invoice is issued	"	"	(138,568) (	1)	
	President Pharmaceutical Corp.	"	"	208,848	1	Net 60~70 days from the end of the month when invoice is issued	"	"	(103,453) (	1)	
	Lien Bo Corp.	Sister company	"	177,426	1	Net 10~54 days from the end of the month when invoice is issued	"	"	(104,695) (	1)	
	Kai Ya Food Co., Ltd.	"	"	164,561	1	Net 40 days from the end of the month when invoice is issued	"	"	(113,523) (	1)	
	Tait Marketing & Distribution Co., Ltd.	"	"	160,764	1	Net 20~70 days from the end of the month when invoice is issued	"	"	(116,076) (	1)	
	President Transnet Corp.	Subsidiary	"	140,823	-	Net 60 days from the end of the month when invoice is issued	"	"	(122,011) (	1)	
	President Packaging Industrial Corp.	Sister company	"	138,743	-	Net 15~60 days from the end of the month when invoice is issued	"	"	(79,769) (-	
	Kuang Chuan Dairy Co., Ltd.	Other related party	"	125,196	-	Net 30~65 days from the end of the month when invoice is issued	"	"	(83,042) (	1)	
	Q-ware Systems & Services Corp.	Subsidiary	"	102,535	-	Net 40 days from the end of the month when invoice is issued	"	"	(105,684) (	1)	
Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary of President Chain Store Corp.	Delivery revenue	(172,424) (	31)	Net 40 days from the end of the month when invoice is issued	"	"	70,121	35	
	President Logistics International Corp.	Parent company	"	(358,318) (	65)	Net 20 days from the end of the month when invoice is issued	"	"	127,903	63	
President Transnet Corp.	Chieh Shun Logistics International Corp.	Subsidiary of President Chain Store Corp.	Service cost	172,424	7	Net 40 days from the end of the month when invoice is issued	"	"	(70,121) (	4)	
	President Chain Store Corp.	Parent company	Sales revenue	(138,743) (	57)	Net 60 days from the end of the month when invoice is issued	"	"	79,769	5	
Uni-Wonder Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	125,585	10	Net 30 days from the end of the month when invoice is issued	"	"	(48,727) (	9)	
	Tong Zhan Corporation Ltd.	Other related party	"	305,968	25	Net 25 days from the end of the month when invoice is issued	"	"	(108,665) (	20)	
President Information Corp.	President Chain Store Corp.	Parent company	Service revenue	(252,094) (	63)	Net 45 days from the end of the month when invoice is issued	"	"	206,071	60	
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Subsidiary	Service cost	\$ 358,318	38	Net 20 days from the end of the month when invoice is issued	"	"	(127,903) (	41)	
	Retail Support International Corp.	Parent company	Delivery revenue	(213,999) (	22)	Net 20 days from the end of the month when invoice is issued	"	"	77,765	22	
	Uni-President Cold-Chain Corp.	Subsidiary of President Chain Store Corp.	"	(304,377) (	31)	Net 20 days from the end of the month when invoice is issued	"	"	111,674	31	
	Wisdom Distribution Service Corp.	"	"	(409,360) (	42)	Net 20 days from the end of the month when invoice is issued	"	"	145,625	41	
Retail Support International Corp.	President Logistics International Corp.	Subsidiary	Service cost	213,999	47	Net 20 days from the end of the month when invoice is issued	"	"	(77,765) (	73)	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Three months ended March 31, 2022

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

						Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)						
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Subsidiary of President Chain Store Corp.	"	\$ 304,377	39	Net 20 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 111,674) (	2)	
Wisdom Distribution Service Corp.	President Logistics International Corp.	"	"	409,360	43	Net 20 days from the end of the month when invoice is issued	"	"	(145,625) (	43)	
Q-ware Systems & Services Corp.	President Chain Store Corp.	Parent company	Service revenue	(164,561) (	37)	Net 40 days from the end of the month when invoice is issued	"	"	113,523	53	
President Drugstore Business Corp.	President Pharmaceutical Corp.	Subsidiary of President Chain Store Corp.	Purchases	127,970	4	Net 70 days from the end of the month when invoice is issued	"	"	(32,247) (	2)	
President Pharmaceutical Corp.	President Drugstore Business Corp.	"	Sales revenue	(127,970) (	24)	Net 70 days from the end of the month when invoice is issued	"	"	32,247	7	
	President Chain Store Corp.	Parent company	"	(208,848) (	39)	Net 60~70 days from the end of the month when invoice is issued	"	"	103,453	23	
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	"	(1,041,157) (	97)	Net 45 days from the end of the month when invoice is issued	"	"	733,711	95	
21 Century Co., Ltd.	President Chain Store Corp.	"	"	(228,058) (	53)	Net 30~60 days from the end of the month when invoice is issued	"	"	138,568	62	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
March 31,2022

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as of March 31,2022	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
President Information Corp.	President Chain Store Corp.	Parent company	\$ 206,071	3.95	\$ -	None	\$ 7,492	\$ -
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	733,711	5.76	-	"	343,494	-
Q-ware Systems & Services Corp.	President Chain Store Corp.	"	113,523	5.72	-	"	37,264	-
President Pharmaceutical Corp.	President Chain Store Corp.	"	103,453	7.84	-	"	36,708	-
21 Century Co., Ltd.	President Chain Store Corp.	"	138,568	6.09	-	"	105,444	-
President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary of President Chain Store Corp.	145,625	10.04	-	"	129,584	-
President Logistics International Corp.	Uni-President Cold-Chain Corp.	"	111,674	10.82	-	"	111,371	-
Chieh Shun Logistics International Corp.	President Logistics International Corp.	"	127,903	10.89	-	"	127,903	-

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Three months ended March 31, 2022

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

					Transaction			Percentage of consolidated total operating revenues or total assets
Number	Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms		
1	Uni-President Cold-Chain Corp.	President Chain Store Corp.	Subsidiary to parent company	Other operating revenue	(\$ 120,059)	Net 20 days from the end of the month when invoice is issued	0.18	
2	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(252,094)	Net 45 days from the end of the month when invoice is issued	0.37	
2	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	206,071	Net 45 days from the end of the month when invoice is issued	0.10	
3	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(164,561)	Net 40 days from the end of the month when invoice is issued	0.24	
3	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	113,523	Net 40 days from the end of the month when invoice is issued	0.05	
4	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(1,041,157)	Net 45 days from the end of the month when invoice is issued	1.54	
4	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	733,711	Net 45 days from the end of the month when invoice is issued	0.34	
5	President Pharmaceutical Corp.	President Drugstore Business Corp.	Subsidiary to subsidiary	Sales revenue	(127,970)	Net 70 days from the end of the month when invoice is issued	0.19	
5	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(208,848)	Net 60~70 days from the end of the month when invoice is issued	0.31	
5	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	103,453	Net 60~70 days from the end of the month when invoice is issued	0.05	
6	President Transnet Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(138,743)	Net 60 days from the end of the month when invoice is issued	0.21	
7	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Delivery revenue	(358,318)	Net 20 days from the end of the month when invoice is issued	0.53	
7	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Accounts receivable	127,903	Net 20 days from the end of the month when invoice is issued	0.06	
7	Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary to subsidiary	Delivery revenue	(172,424)	Net 40 days from the end of the month when invoice is issued	0.25	
8	President Logistics International Corp.	Retail Support International Corp.	Subsidiary to subsidiary	Delivery revenue	(213,999)	Net 20 days from the end of the month when invoice is issued	0.32	
8	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Delivery revenue	(304,377)	Net 20 days from the end of the month when invoice is issued	0.45	
8	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Delivery revenue	(409,360)	Net 20 days from the end of the month when invoice is issued	0.60	
8	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Accounts receivable	145,625	Net 20 days from the end of the month when invoice is issued	0.07	
8	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Accounts receivable	111,674	Net 20 days from the end of the month when invoice is issued	0.05	
9	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(228,058)	Net 30~60 days from the end of the month when invoice is issued	0.34	
9	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	138,568	Net 30~60 days from the end of the month when invoice is issued	0.06	

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Names, locations and other information of investee companies (not including investees in Mainland China)
Three months ended March 31,2022

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31,2022			Net profit (loss) of the investee for the three months ended March 31,2022	Investment income (loss) recognized by the Company for the three months ended March 31,2022		Footnote
				Balance as at March 31,2022	Balance as at December 31,2021	Number of shares	Ownership (%)	Book value		March 31,2022	March 31,2022	
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	\$ 23,748,174	(\$ 84,033)	(\$ 84,033)		Subsidiary
President Chain Store Corp.	President Drugstore Business Corp.	Taiwan	Sales of cosmetics, medicines and daily items	288,559	288,559	78,520,000	100.00	1,516,118	57,200	57,200		Subsidiary
President Chain Store Corp.	President Transnet Corp.	Taiwan	Delivery service	711,576	711,576	103,496,399	70.00	2,539,794	299,426	209,598		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	860,348	60,469	48,901		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	725,336	46,811	34,518		Subsidiary
President Chain Store Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	840,000	840,000	27,999,999	70.00	480,894	37,084	25,959		Subsidiary
President Chain Store Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	520,141	520,141	48,519,890	90.00	560,337	17,176	15,612		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	1,026,470	111,304	66,860		Subsidiary
President Chain Store Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	320,741	320,741	25,714,475	86.00	533,437	23,119	19,882		Subsidiary
President Chain Store Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	332,482	332,482	24,382,921	86.76	438,278	33,432	29,114		Subsidiary
President Chain Store Corp.	Wisdom Distribution Service Corp.	Taiwan	Logistics and storage of publication and e-commerce	50,000	50,000	10,847,421	100.00	628,202	85,146	85,146		Subsidiary
President Chain Store Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	100,400	100,400	9,999,999	50.03	443,665	64,730	32,384		Subsidiary
President Chain Store Corp.	President Lanyang Art Corporation	Taiwan	Art and cultural exhibition	20,000	20,000	2,000,000	100.00	24,861	(28)	(28)		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	244,388	46,984	23,963		Subsidiary
President Chain Store Corp.	ICASH Corp.	Taiwan	Electronic ticketing and electronic payment	700,000	700,000	70,000,000	100.00	445,549	(25,067)	(25,067)		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	766,000	42,228	8,446		Note
President Chain Store Corp.	Uni-Wonder Corp.	Taiwan	Coffee chain store	3,286,206	3,286,206	21,382,674	60.00	4,941,467	220,217	108,832		Subsidiary
President Chain Store Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	91,414	91,414	6,429,999	25.00	185,093	45,868	11,463		Subsidiary
President Chain Store Corp.	Presicarre Corp.	Taiwan	Management of retail department store	7,112,028	7,112,028	145,172,360	19.50	5,014,071	(444,704)	(63,016)		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	2,134,398	57,401	10,906		Note
President Chain Store Corp.	President International Development Corp.	Taiwan	Professional investment	500,000	500,000	44,100,000	3.33	454,436	(99,694)	873		Note
President Chain Store Corp.	Tung Ho Development Corp.	Taiwan	Management of entertainment business	861,696	861,696	9,965,000	6.23	59,047	(15,486)	(965)		Note
President Chain Store Corp.	Ren-Hui Investment Corp.	Taiwan	Professional investment	637,231	637,231	6,500,000	100.00	41,482	(4,956)	(5,750)		Subsidiary
President Chain Store Corp.	Capital Marketing Consultant Corp.	Taiwan	Enterprise management consultancy	9,506	9,506	2,500,000	100.00	91,108	12,453	12,423		Subsidiary
President Chain Store Corp.	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	277,805	277,805	8,746,008	92.20	71,488	(77)	(70)		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	37,859	1,871	1,871		Subsidiary

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Names, locations and other information of investee companies (not including investees in Mainland China)
Three months ended March 31,2022

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31,2022			Net profit (loss) of the investee for the three months ended March 31,2022	Investment income (loss) recognized by the Company for the three months ended March 31,2022		Footnote
				Balance as at March 31,2022	Balance as at December 31,2021	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	\$ 28,235	\$ 692	\$ 692		Subsidiary
President Chain Store Corp.	President Being Corp.	Taiwan	Sports and entertainment business	170,000	170,000	1,500,000	100.00	(111,951)	(11,121)	(11,121)		Subsidiary
President Chain Store Corp.	21 Century Co., Ltd.	Taiwan	Operation of chain restaurants	160,680	160,680	10,000,000	100.00	152,175	7,781	7,781		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	89,080	4,328	4,328		Subsidiary
President Chain Store Corp.	Uni-President Oven Bakery Corp.	Taiwan	Bread and pastry retailer	681,300	391,300	29,000,000	100.00	118,506	(22,872)	(22,872)		Subsidiary
President Chain Store Corp.	President Collect Service Corp.	Taiwan	Collection agent	10,500	10,500	1,049,999	70.00	112,821	23,147	16,203		Subsidiary
President Chain Store Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	200,000	200,000	7,500,049	50.00	109,390	23,323	11,662		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	52,581	14,423	5,288		Note
President Chain Store Corp.	President Technology Corp., etc.	Taiwan	Software development and telephone customer service	7,500	7,500	750,000	15.00	25,384	(8,926)	(1,339)		Note
President Chain Store Corp.	Connection Labs Ltd.	Taiwan	Other software and internet-related	102,963	102,963	11,722,779	100.00	14,581	(25,285)	(25,275)		Subsidiary
Mech-President Corp.	Tong Ching Corporation	Taiwan	Gas station	9,600	9,600	960,000	60.00	24,910	2,050	1,230		Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	21,183	21,183	740,000	7.80	6,048	(77)	(6)		Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Malaysia	Professional investment	1,937,723	1,937,723	67,693,370	100.00	2,220,218	22,285	22,285		Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Hong Kong	Professional investment	4,458,542	4,458,542	134,603,354	100.00	3,513,036	(105,594)	(105,594)		Subsidiary of a subsidiary
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	Philippines	Convenience store	1,936,921	1,936,921	415,105,327	54.88	2,218,736	107,661	22,355		Subsidiary of a subsidiary
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Taiwan	Trucking	180,000	180,000	26,670,000	100.00	358,986	13,077	13,077		Subsidiary of a subsidiary
President Pharmaceutical Corp.	President Pharmaceutical (Hong Kong) Holdings Limited	Hong Kong	Sales of various health care products, cosmetics, and pharmaceuticals	178,024	178,024	5,935,900	100.00	(1,155)	(5,985)	(5,985)		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	-	-	1	-	-	64,730	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	-	-	1	-	-	37,084	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Mech-President Corp.	Taiwan	Gas station, installment and maintenance of elevators	-	-	1	-	-	60,469	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	-	-	1	-	-	23,119	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Transnet Corp.	Taiwan	Delivery service	-	-	1	-	-	299,426	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	-	-	1	-	-	33,432	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Duskin Serve Taiwan Co., Ltd.	Taiwan	Cleaning instruments leasing and selling	-	-	1	-	-	46,984	-		Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Pharmaceutical Corp.	Taiwan	Sales of various health care products, cosmetics, and pharmaceuticals	-	-	1	-	-	46,811	-		Subsidiary of a subsidiary

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Names, locations and other information of investee companies (not including investees in Mainland China)
Three months ended March 31,2022

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31,2022			Net profit (loss) of the investee for the three months ended March 31,2022	Investment income (loss) recognized by the Company for the three months ended March 31,2022		Footnote
				Balance as at March 31,2022	Balance as at December 31,2021	Number of shares	Ownership (%)	Book value				
Ren-Hui Investment Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	\$ -	\$ -	1	-	\$ -	\$ 23,323	\$ -	-	Note
Ren-Hui Investment Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	-	-	1	-	-	17,176	-	-	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Cold-Chain Corp.	Taiwan	Low-temperature logistics and warehousing	-	-	1	-	-	111,304	-	-	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	-	-	1	-	-	45,868	-	-	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Collect Service Corp.	Taiwan	Collection agent	-	-	1	-	-	23,147	-	-	- 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	22,821	(5,194)	(5,194)	-	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	80,577	10,736	5,475	-	Subsidiary of a subsidiary
Retail Support International Corp.	President Logistics International Corp.	Taiwan	Trucking	44,975	44,975	9,481,500	49.00	189,573	20,319	9,956	-	Subsidiary of a subsidiary
Retail Support Taiwan Corp.	President Logistics International Corp.	Taiwan	Trucking	5,425	5,425	1,161,000	6.00	23,213	20,319	1,219	-	Subsidiary of a subsidiary
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Taiwan	Trucking	23,850	23,850	4,837,500	25.00	96,721	20,319	5,080	-	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	120,788	2,281	2,281	-	Subsidiary of a subsidiary
Wisdom Distribution Service Corp.	President Logistics International Corp.	Taiwan	Trucking	18,850	18,850	3,870,000	20.00	77,373	20,319	4,060	-	Subsidiary of a subsidiary
Philippine Seven Corp.	Convenience Distribution Inc.	Philippines	Logistic, warehousing and retail	24,889	24,889	12,500,000	100.00	24,889	4,742	-	-	Subsidiary of a subsidiary
Philippine Seven Corp.	Store Sites Holding, Inc.	Philippines	Professional investment	26,959	26,959	40,000	100.00	26,959	278	-	-	Subsidiary of a subsidiary

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Information on investments in Mainland China
Three months ended March 31,2022

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31,2022										Accumulated amount of investment income remitted back to Taiwan as of March 31,2022	Footnote
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022	Amount remitted back to Taiwan for the three months ended March 31,2022		Accumulated amount of remittance from Taiwan to Mainland China as of March 31,2022	Net profit(loss) of investee for the three months ended March 31,2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three months ended March 31,2022	Book value of investments in March 31,2022				
					Remitted to Mainland China	Remitted back to Taiwan									
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Wholesale of merchandise	\$ 451,498	Note 1	\$ 269,570	\$ -	\$ -	\$ 269,570	(\$ 77)	100.00	(\$ 77)	\$ 77,164	\$ -	Note 3		
President Chain Store (Shanghai) Ltd.	Cvenience Store	3,160,486	Note 1	2,799,288	361,198	-	3,160,486	(59,933)	100.00	(59,933)	604,052	-	Note 3		
Shanghai President Logistic Co., Ltd.	Logistics and warehousing	57,250	Note 1	57,250	-	-	57,250	6,707	100.00	6,707	620,981	-	Note 3		
Shan Dong President Yinzuo Commercial Limited	Supermarkets	270,899	Note 1	116,743	-	-	116,743	(34,650)	55.00	(19,058)	42,301	7,443	Note 2		
President (Shanghai) Health Product Trading Company Ltd.	Sales of various health care products, cosmetics, and pharmaceuticals	176,794	Note 1	176,794	-	-	176,794	(5,060)	73.74	(3,731)	(17,864)	52,992	Note 3		
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehousing	180,599	Note 1	169,380	-	-	169,380	4,666	80.00	3,733	193,333	24,398	Note 3		
President Chain Store (Taizhou) Ltd.	Logistics and warehousing	270,899	Note 1	270,899	-	-	270,899	5,829	100.00	5,829	441,069	-	Note 3		
President Logistic ShanDong Co., Ltd.	Logistics and warehousing	225,749	Note 1	225,749	-	-	225,749	3,360	100.00	3,360	230,792	-	Note 3		
President Chain Store (Zhejiang) Ltd.	Cvenience Store	948,146	Note 1	948,146	-	-	948,146	(37,554)	100.00	(37,554)	329,814	-	Note 3		
Beauty Wonder (Zhejiang) Trading Co.,Ltd.	Sales of cosmetics and daily items	270,899	Note 1	270,899	-	-	270,899	(7,824)	100.00	(7,824)	123,535	-	Note 3		

Note 1: Indirect investment in PRC through the existing company located in the third area.

Note 2: The financial statements were reviewed by the CPA of parent company in Taiwan.

Note 3: These amounts are based solely on their unreviewed financial statements.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31,2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
President Chain Store Corp.	\$ 4,774,887	\$ 9,195,743	\$ 27,651,775
President Pharmaceutical Corp.	176,794	176,794	460,974
Uni-President Cold-Chain Corp.	84,943	84,943	1,014,065
Ren-Hui Investment Corp.	49,329	49,329	80,000

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
List of shareholders holding more than 5% (inclusive) of shares
March 31,2022

Table 10

Shareholder name	Shares held as at March 31,2022	
	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.