

**PRESIDENT CHAIN STORE CORP. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
SEPTEMBER 30, 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
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SEPTEMBER 30, 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 September 30, 2022 and 2021, and the related consolidated statements of comprehensive income for the three months and nine months then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" 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\$47,832,183 thousand and NT\$45,953,482 thousand, constituting 21% and 22% of the consolidated total assets, and total liabilities of NT\$31,478,348 thousand and NT\$31,279,969 thousand, constituting 18% and 18% of the

consolidated total liabilities as at September 30, 2022 and 2021, respectively, and total comprehensive income (loss) of NT\$552,533 thousand, (NT\$6,250) thousand, NT\$1,267,773 thousand and NT\$128,172 thousand, constituting 13%, 0%, 11% and 2% of the consolidated total comprehensive income for the three months and nine months then ended.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method, been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of President Chain Store Corp. and subsidiaries as at September 30, 2022 and 2021, and of its consolidated financial performance for the three months and nine months then ended and its consolidated cash flows for the nine months then ended in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Yi-Chang, Liang

Se-Kai, Lin

For and on behalf of PricewaterhouseCoopers, Taiwan

November 3, 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 September 30, 2022 and 2021 are reviewed, not audited)

Assets	Notes	September 30, 2022		December 31, 2021		September 30, 2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets							
1100	Cash and cash equivalents	6(1)	\$ 44,615,836	20	\$ 45,648,486	21	\$ 45,105,386
1110	Financial assets at fair value	6(2)					
	through profit or loss - current		726,481	-	660,155	-	1,571,863
1170	Accounts receivable, net	6(3) and 7	6,452,172	3	6,484,621	3	6,119,501
1200	Other receivables		3,662,194	2	2,663,819	1	3,416,365
1220	Current income tax assets	6(31)	7,720	-	7,708	-	9,938
130X	Inventories, net	6(4)	17,534,943	8	18,439,779	9	15,369,115
1410	Prepayments		1,770,724	1	1,986,167	1	1,688,230
1470	Other current assets		2,882,388	1	3,521,107	2	3,284,895
11XX	Total current Assets		<u>77,652,458</u>	<u>35</u>	<u>79,411,842</u>	<u>37</u>	<u>76,565,293</u>
Non-current assets							
1510	Financial assets at fair value	6(2)					
	through profit or loss –						
	non-current		85,480	-	85,480	-	85,480
1517	Financial assets at fair value	6(5)					
	through other comprehensive						
	income - non-current		791,941	-	1,165,909	-	1,131,330
1550	Investments accounted for using	6(6)					
	equity method		8,667,617	4	8,637,199	4	8,554,710
1600	Property, plant and equipment	6(7) and 8	32,108,593	15	29,140,850	14	28,026,359
1755	Right-of-use assets	6(8) and 7	84,305,501	38	77,317,014	36	76,180,992
1760	Investment property, net	6(10) and 8	2,929,935	1	3,079,419	1	3,117,699
1780	Intangible assets	6(11)	9,680,368	4	9,813,940	5	9,747,272
1840	Deferred income tax assets	6(31)	2,120,861	1	2,058,420	1	2,105,874
1900	Other non-current assets	6(12) and 8	4,624,863	2	3,793,962	2	3,756,304
15XX	Total non-current assets		<u>145,315,159</u>	<u>65</u>	<u>135,092,193</u>	<u>63</u>	<u>132,706,020</u>
1XXX	Total assets		<u>\$ 222,967,617</u>	<u>100</u>	<u>\$ 214,504,035</u>	<u>100</u>	<u>\$ 209,271,313</u>

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of September 30, 2022 and 2021 are reviewed, not audited)

	Liabilities and Equity	Notes	September 30, 2022		December 31, 2021		September 30, 2021	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current Liabilities								
2100	Short-term borrowings	6(14)	\$ 8,594,068	4	\$ 5,095,702	2	\$ 3,279,180	2
2130	Contract liabilities - current	6(24)	6,741,273	3	6,652,564	3	6,222,565	3
2150	Notes payable	7	1,244,506	-	2,027,808	1	1,034,083	1
2170	Accounts payable		24,146,966	11	23,255,735	11	20,454,324	10
2180	Accounts payable - related parties	7	3,421,881	2	3,046,035	1	2,832,172	1
2200	Other payables	6(15)	26,284,786	12	28,885,785	14	34,471,884	16
2230	Current income tax liabilities	6(31)	1,321,681	-	1,410,650	1	730,789	-
2280	Lease liabilities - current	7	13,644,959	6	14,119,100	7	12,935,755	6
2320	Long-term liabilities, current portion	6(17) and 8	385,639	-	534,666	-	471,695	-
2399	Other current liabilities, others	6(16)	3,762,365	2	3,569,973	2	3,546,155	2
21XX	Total current Liabilities		<u>89,548,124</u>	<u>40</u>	<u>88,598,018</u>	<u>42</u>	<u>85,978,602</u>	<u>41</u>
Non-current liabilities								
2527	Contract liabilities - non-current	6(24)	669,486	-	537,183	-	507,183	-
2540	Long-term borrowings	6(17) and 8	651,762	-	963,418	-	1,049,548	1
2570	Deferred income tax liabilities	6(31)	4,889,905	2	4,923,894	2	4,929,401	2
2580	Lease liabilities - non-current	7	74,295,281	34	66,918,530	31	66,898,275	32
2640	Net defined benefit liability - non-current	6(18)	4,373,927	2	4,600,348	2	4,904,612	2
2670	Other non-current liabilities, others	6(19)	5,427,182	3	5,171,152	3	5,090,425	3
25XX	Total non-current liabilities		<u>90,307,543</u>	<u>41</u>	<u>83,114,525</u>	<u>38</u>	<u>83,379,444</u>	<u>40</u>
2XXX	Total Liabilities		<u>179,855,667</u>	<u>81</u>	<u>171,712,543</u>	<u>80</u>	<u>169,358,046</u>	<u>81</u>
Equity attributable to owners of the parent								
	Share capital	6(20)						
3110	Share capital - common stock		10,396,223	5	10,396,223	5	10,396,223	5
	Capital surplus	6(21)						
3200	Capital surplus		86,906	-	86,222	-	85,385	-
	Retained earnings	6(22)						
3310	Legal reserve		14,323,836	6	15,379,788	7	15,379,788	7
3320	Special reserve		1,921,515	1	1,332,621	1	1,332,621	1
3350	Unappropriated retained earnings		7,317,542	3	8,889,669	4	6,409,392	3
	Other equity	6(23)						
3400	Other equity interest		531,224	-	(1,921,515)	(1)	(1,831,860)	(1)
31XX	Total equity attributable to owners of the parent		<u>34,577,246</u>	<u>15</u>	<u>34,163,008</u>	<u>16</u>	<u>31,771,549</u>	<u>15</u>
36XX	Non-controlling interest	6(33)	<u>8,534,704</u>	<u>4</u>	<u>8,628,484</u>	<u>4</u>	<u>8,141,718</u>	<u>4</u>
3XXX	Total equity		<u>43,111,950</u>	<u>19</u>	<u>42,791,492</u>	<u>20</u>	<u>39,913,267</u>	<u>19</u>
3X2X	Total liabilities and equity		<u>\$ 222,967,617</u>	<u>100</u>	<u>\$ 214,504,035</u>	<u>100</u>	<u>\$ 209,271,313</u>	<u>100</u>

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

Chairman: Lo, Chih-Hsien

President: Huang, Jui-Tien

Accounting Manager: Lee, Johnyih

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)
(UAUNAUDITED)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2022		2021		2022		2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(24) and 7	\$ 75,846,879	100	\$ 65,444,164	100	\$ 214,644,668	100	\$ 194,090,761	100
5000 Operating costs	6(4)(25) and 7	(50,304,931)	(66)	(43,814,511)	(67)	(142,644,297)	(67)	(129,148,908)	(66)
5900 Gross profit		25,541,948	34	21,629,653	33	72,000,371	33	64,941,853	34
Operating expenses	6(25)(26)								
6100 Selling expenses		(19,476,977)	(26)	(17,070,790)	(25)	(54,847,363)	(26)	(50,358,649)	(26)
6200 General and administrative expenses		(2,787,025)	(4)	(2,129,784)	(4)	(7,775,736)	(3)	(6,886,779)	(4)
6450 Expected credit losses	12(2)	(380)	-	(1,364)	-	(2,855)	-	(31,994)	-
6000 Total operating expenses		(22,264,382)	(30)	(19,201,938)	(29)	(62,625,954)	(29)	(57,277,422)	(30)
6900 Operating profit		3,277,566	4	2,427,715	4	9,374,417	4	7,664,431	4
Non-operating income and expenses									
7100 Interest income	6(27)	103,570	-	46,138	-	200,783	-	152,804	-
7010 Other income	6(28)	747,901	1	512,021	-	1,865,441	1	1,458,440	1
7020 Other gains and losses	6(29)	(43,886)	-	(38,908)	-	(118,368)	-	(85,921)	-
7050 Finance costs	6(30)	(294,219)	-	(290,193)	-	(862,964)	-	(904,873)	-
7060 Share of profit of associates and joint ventures accounted for using	6(6)								
equity method		157,141	-	112,591	-	361,408	-	316,603	-
7000 Total non-operating income and expenses		670,507	1	341,649	-	1,446,300	1	937,053	1
7900 Profit before income tax		3,948,073	5	2,769,364	4	10,820,717	5	8,601,484	5
7950 Income tax expense	6(31)	(810,501)	(1)	(426,431)	-	(2,218,211)	(1)	(1,339,271)	(1)
8000 Profit for the period from continuing operations		3,137,572	4	2,342,933	4	8,602,506	4	7,262,213	4
8200 Profit for the period		\$ 3,137,572	4	\$ 2,342,933	4	\$ 8,602,506	4	\$ 7,262,213	4

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)
(UNAUDITED)

Items	Notes	Three months ended September 30				Nine months ended September 30			
		2022		2021		2022		2021	
		AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)									
8316	Unrealized gain (loss) on valuation of equity instruments at fair value through other comprehensive income	6(5)(23)	(\$ 159,911)	-	(\$ 107,532)	-	(\$ 373,968)	\$ 171,503	-
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(23)	(42)	-	38	-	(1,055)	2,156	-
8349	Income tax related to the components of other comprehensive income that will not be reclassified to profit or loss	6(23)(31)	357	-	(560)	-	3,029	8,739	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		(159,596)	-	(108,054)	-	(371,994)	182,398	-
8361	Financial statements translation differences of foreign operations		1,402,859	2	(193,233)	-	2,801,351	1 (825,126)	-
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(23)	9,396	-	(5,735)	-	19,231	(7,580)	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss		1,412,255	2	(198,968)	-	2,820,582	1 (832,706)	-
8300	Total other comprehensive income (loss) for the period		<u>\$ 1,252,659</u>	<u>2</u>	<u>(\$ 307,022)</u>	<u>-</u>	<u>\$ 2,448,588</u>	<u>1</u> <u>(\$ 650,308)</u>	<u>-</u>
8500	Total comprehensive income for the period		<u>\$ 4,390,231</u>	<u>6</u>	<u>\$ 2,035,911</u>	<u>4</u>	<u>\$ 11,051,094</u>	<u>5</u> <u>\$ 6,611,905</u>	<u>4</u>
Profit attributable to:									
8610	Owners of the parent		\$ 2,691,080	3	\$ 2,061,849	4	\$ 7,313,380	\$ 6,539,859	4
8620	Non-controlling interests		446,492	1	281,084	-	1,289,126	722,354	-
			<u>\$ 3,137,572</u>	<u>4</u>	<u>\$ 2,342,933</u>	<u>4</u>	<u>\$ 8,602,506</u>	<u>4</u> <u>\$ 7,262,213</u>	<u>4</u>
Comprehensive income attributable to:									
8710	Owners of the parent		\$ 3,939,927	5	\$ 1,832,213	4	\$ 9,766,119	\$ 6,040,620	4
8720	Non-controlling interests		450,304	1	203,698	-	1,284,975	571,285	-
			<u>\$ 4,390,231</u>	<u>6</u>	<u>\$ 2,035,911</u>	<u>4</u>	<u>\$ 11,051,094</u>	<u>5</u> <u>\$ 6,611,905</u>	<u>4</u>
9750	Basic earnings per share	6(32)	\$ 2.58		\$ 1.98		\$ 7.03	\$ 6.29	
9850	Diluted earnings per share	6(32)	\$ 2.58		\$ 1.98		\$ 7.02	\$ 6.28	

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

Chairman: Lo, Chih-Hsien

President: Huang, Jui-Tien

Accounting Manager: Lee, Johnyih

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

Notes	Equity attributable to owners of the parent						Total	Non-controlling interest	Total equity			
	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						
Nine months ended September 30, 2021												
Balance at January 1, 2021	\$ 10,396,223	\$ 47,628	\$ 14,369,228	\$ 380,187	\$ 12,159,546	(\$ 1,973,268)	\$ 640,647	\$ 36,020,191	\$ 8,957,508			
Profit for the period	-	-	-	-	6,539,859	-	-	6,539,859	722,354			
Other comprehensive (loss) income for the period	6(23)	-	-	-	-	(682,358)	183,119	(499,239)	(151,069)			
Total comprehensive income (loss) for the period	-	-	-	-	6,539,859	(682,358)	183,119	6,040,620	571,285			
Distribution of 2020 earnings:	6(22)	-	-	-	-	-	-	-	-			
Legal reserve	-	-	-	1,010,560	-	(1,010,560)	-	-	-			
Special reserve	-	-	-	-	952,434	(952,434)	-	-	-			
Cash dividends	-	-	-	-	-	(9,356,600)	-	(9,356,600)	-			
Non-controlling interest	-	-	-	-	-	-	-	(1,273,231)	(1,273,231)			
Acquisition of additional equity interest in a subsidiary	6(33)	-	-	-	(969,812)	-	-	(969,812)	(113,844)			
Adjustment to capital surplus due to associates' adjustment of capital surplus	-	(6)	-	-	-	-	-	(6)	(6)			
Disposal of financial instruments designated at fair value through other comprehensive income of associates	-	37,763	-	-	-	-	-	37,763	37,763			
Balance at September 30, 2021	\$ 10,396,223	\$ 85,385	\$ 15,379,788	\$ 1,332,621	\$ 6,409,392	(\$ 2,655,626)	\$ 823,766	\$ 31,771,549	\$ 8,141,718			
Nine months ended September 30, 2022												
Balance at January 1, 2022	\$ 10,396,223	\$ 86,222	\$ 15,379,788	\$ 1,332,621	\$ 8,889,669	(\$ 2,776,895)	\$ 855,380	\$ 34,163,008	\$ 8,628,484			
Profit for the period	-	-	-	-	7,313,380	-	-	7,313,380	1,289,126			
Other comprehensive (loss) income for the period	6(23)	-	-	-	-	2,823,535	(370,796)	2,452,739	(4,151)			
Total comprehensive income (loss) for the period	-	-	-	-	7,313,380	2,823,535	(370,796)	9,766,119	1,284,975			
Distribution of 2021 earnings:	6(22)	-	-	-	-	-	-	-	-			
Legal reserve	-	-	804,972	-	(804,972)	-	-	-	-			
Special reserve	-	-	-	588,894	(588,894)	-	-	-	-			
Cash dividends	-	-	(1,860,924)	-	(7,495,676)	-	-	(9,356,600)	(9,356,600)			
Non-controlling interest	-	-	-	-	-	-	-	-	(1,378,755)			
Adjustment to capital surplus due to associates' adjustment of capital surplus	-	684	-	-	-	-	-	684	-			
Disposal of financial instruments designated at fair value through other comprehensive income of associates	-	-	-	-	-	-	-	-	684			
Balance at September 30, 2022	\$ 10,396,223	\$ 86,906	\$ 14,323,836	\$ 1,921,515	\$ 7,317,542	4,035	\$ 46,640	\$ 484,584	4,035			
								\$ 34,577,246	\$ 8,534,704			
									\$ 43,111,950			

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	Nine months ended September 30	
		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated profit before income tax for the period		\$ 10,820,717	\$ 8,601,484
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)	(2,996)	(3,498)
Expected credit losses	12(2)	2,855	31,994
Depreciation expense	6(7)(8)(25)	15,930,669	15,193,829
Amortization expense	6(25)	493,433	431,447
Depreciation on investment property	6(10)(29)	116,270	115,873
Finance costs	6(30)	862,964	904,873
Share of profit of associates and joint ventures accounted for using equity method	6(6)	(361,408)	(316,603)
Loss (gain) on disposal of property, plant and equipment	6(29)	57,272	(15)
Gain on disposal of investment property	6(29)	(29,507)	(22,549)
Gain from lease modification	6(8)(29)	(97,296)	(80,466)
Interest income	6(27)	(200,783)	(152,804)
Dividend income	6(28)	(118,432)	(79,968)
Other income recognized from rent concessions	6(8)	(86,200)	(112,759)
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		(63,330)	537,131
Accounts receivable		29,594	66,324
Other receivables		(989,042)	(1,465,171)
Inventories		904,836	1,266,940
Prepayments		215,443	(509,947)
Other current assets		638,719	202,187
Net changes in liabilities relating to operating activities			
Contract liabilities - current		88,709	987,768
Accounts payable		1,267,077	(1,770,663)
Notes payable		(783,302)	(45,413)
Other payables		(2,617,018)	555,542
Advance receipts		192,391	248,859
Contract liabilities - non-current		132,303	(56,651)
Net defined benefit liabilities		(226,421)	(65,280)
Cash inflow generated from operations		26,177,517	24,462,464
Interest received		191,450	152,095
Income tax paid		(2,400,593)	(2,765,246)
Interest paid		(862,549)	(904,607)
Dividend received		472,316	795,229
Net cash flows from operating activities		<u>23,578,141</u>	<u>21,739,935</u>

(Continued)

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

	Notes	Nine months ended September 30	
		2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments accounted for using equity method		\$ - (\$ 2,913)	2,913
Acquisition of subsidiary		- (50)	50
Acquisition of property, plant and equipment	6(34)	(8,731,418) (6,144,715)	6,144,715
Proceeds from disposal of property, plant and equipment		251,936	131,700
Return of capital from financial assets at fair value through profit or loss		- 43	43
Acquisition of investment property	6(10)	- (375,606)	375,606
Proceeds from disposal of investment property		37,933	38,555
Increase in guarantee deposits paid		(91,828) (64,380)	64,380
Acquisition of intangible assets	6(11)	(261,532) (140,638)	140,638
Proceeds from business combinations		- 7,746	7,746
Increase in prepaid land	6(12)	(600,000)	-
Increase in other non-current assets		(228,015) (29,892)	29,892
Net cash flows used in investing activities		<u>(9,622,924) (6,580,150)</u>	<u>6,580,150</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (decrease) in short-term borrowings	6(35)	3,498,086 (1,426,196)	1,426,196
Decrease in short-term notes and bills payable	6(35)	- (3,399,147)	3,399,147
Increase in long-term borrowings	6(35)	183,860	430,566
Repayment of long-term borrowings	6(35)	(642,187) (166,739)	166,739
Payments of lease liabilities	6(8)(35)	(10,319,499) (9,264,582)	9,264,582
Increase in guarantee deposits received	6(35)	210,624	204,463
(Decrease) increase in other non-current liabilities	6(35)	(2,780) (194,643)	194,643
Change in non-controlling interests		(29,149)	23,698
Payment of cash dividends - the company	6(22)(35)	(9,356,600)	-
Payment of cash dividends - subsidiaries	6(35)	(1,349,606) (1,296,929)	1,296,929
Acquisition of additional equity interest in a subsidiary	6(33)	- (1,083,656)	1,083,656
Net cash flows used in financing activities		<u>(17,807,251) (15,783,879)</u>	<u>15,783,879</u>
Effect of foreign exchange rate changes on cash and cash equivalents		<u>2,819,384 (833,427)</u>	<u>833,427</u>
Decrease in cash and cash equivalents		<u>(1,032,650) (1,457,521)</u>	<u>1,457,521</u>
Cash and cash equivalents at the beginning of period		<u>45,648,486</u>	<u>46,562,907</u>
Cash and cash equivalents at the end of period		<u>\$ 44,615,836</u>	<u>\$ 45,105,386</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
SEPTEMBER 30, 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 November 3, 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:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, Reference to the conceptual framework	January 1, 2022
Amendment 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

New standards, interpretations and amendments endorsed by FSC effective from 2023 are as follows:

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

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.

(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 16, 'Lease liability of leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2023

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

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:

Name of the subsidiaries	September 30, 2022	September 30, 2021
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:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
The Company	President Chain Store (BVI) Holdings Ltd.	Professional investment	100.00	100.00	100.00	
The Company	PCSC (China) Drugstore Limited	Professional investment	92.20	92.20	92.20	
The Company	Wisdom Distribution Service Corp.	Logistics and storage of publication and e-commerce	100.00	100.00	100.00	
The Company	President Drugstore Business Corp.	Sales of cosmetics, medicine and daily items	100.00	100.00	100.00	
The Company	Ren-Hui Investment Corp.	Professional investment	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
The Company	Capital Marketing Consultant Corp.	Enterprise management consultancy	100.00	100.00	100.00	
The Company	President Lanyang Art Corporation	Art and cultural exhibition	100.00	100.00	100.00	
The Company	Cold Stone Creamery Taiwan Ltd.	Sales of ice cream	100.00	100.00	100.00	
The Company	President Chain Store Corporation Insurance Brokers Co., Ltd.	Insurance brokers	100.00	100.00	100.00	
The Company	21 Century Co., Ltd.	Operation of chain restaurants	100.00	100.00	100.00	
The Company	President Being Corp.	Sports and entertainment business	100.00	100.00	100.00	
The Company	Uni-President Oven Bakery Corp.	Bread and pastry retailer	100.00	100.00	100.00	
The Company	President Chain Store Tokyo Marketing Corp.	Trade and enterprise management consultancy	100.00	100.00	100.00	
The Company	ICASH Corp.	Electronic ticketing and electronic payment	100.00	100.00	100.00	
The Company	Uni-President Superior Commissary Corp.	Fresh food manufacture	90.00	90.00	90.00	
The Company	Q-ware Systems & Services Corp.	Information software services	86.76	86.76	86.76	
The Company	President Information Corp.	Enterprise information management and consultancy	86.00	86.00	86.00	
The Company	Mech-President Corp.	Gas station, installment and maintenance of elevators	80.87	80.87	80.87	
The Company	President Pharmaceutical Corp.	Sales of various health care products, cosmetics, and pharmaceuticals	73.74	73.74	73.74	
The Company	President Collect Service Corp.	Collection agent	70.00	70.00	70.00	
The Company	Uni-President Department Store Corp.	Department stores	70.00	70.00	70.00	
The Company	President Transnet Corp.	Delivery service	70.00	70.00	70.00	
The Company	Uni-President Cold-Chain Corp.	Low-temperature logistics and warehousing	60.00	60.00	60.00	
The Company	Uni-Wonder Corp.	Coffee chain store	60.00	60.00	60.00	
The Company	Duskin Serve Taiwan Co., Ltd.	Cleaning instruments leasing and selling	51.00	51.00	51.00	
The Company	Books.com. Co., Ltd.	Retail business without shop	50.03	50.03	50.03	
The Company	Retail Support International Corp.	Room-temperature logistics and warehousing	25.00	25.00	25.00	(a)
The Company	Connection Labs Ltd.	Other software and internet-related	100.00	100.00	100.00	(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	
Uni-President Cold-Chain Corp.	Uni-President Logistics (BVI) Holdings Limited	Professional investment	100.00	100.00	100.00	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			September 30, 2022	December 31, 2021	September 30, 2021	
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	54.88	(c)
Philippine Seven Corporation	Convenience Distribution Inc.	Logistics, warehousing and retail	100.00	100.00	100.00	(d)
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% shares of the subsidiary, Philippine Seven Corp., in February 2021.
- (d) The Company acquired an additional 1.02% shares of the subsidiary, Philippine Seven Corp., in 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

	September 30, 2022	December 31, 2021	September 30, 2021
Cash on hand and petty cash	\$ 1,306,243	\$ 1,385,063	\$ 1,355,401
Checking accounts and demand deposits	13,239,962	16,753,260	15,284,975
Cash equivalents			
Time deposits	23,832,807	23,071,796	22,819,290
Short-term financial instruments	6,236,824	4,438,367	5,645,720
	<hr/> \$ 44,615,836	<hr/> \$ 45,648,486	<hr/> \$ 45,105,386

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

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Financial assets mandatorily measured at fair value through profit or loss			
Current items:			
Beneficiary certificates	\$ 725,745	\$ 660,092	\$ 1,571,354
Valuation adjustment	736	63	509
	<u>\$ 726,481</u>	<u>\$ 660,155</u>	<u>\$ 1,571,863</u>
Non-current items:			
Unlisted stocks	\$ 241,515	\$ 241,515	\$ 275,200
Valuation adjustment	(156,035)	(156,035)	(189,720)
	<u>\$ 85,480</u>	<u>\$ 85,480</u>	<u>\$ 85,480</u>

- A. The Group recognized net profit of \$39,985 and \$22,172 in relation to financial assets at fair value through profit or loss for the nine months ended September 30, 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>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Accounts receivable	\$ 6,594,426	\$ 6,629,529	\$ 6,240,989
Less: Allowance for doubtful accounts	(142,254)	(144,908)	(121,488)
	<u>\$ 6,452,172</u>	<u>\$ 6,484,621</u>	<u>\$ 6,119,501</u>

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Not past due	\$ 6,483,253	\$ 6,264,349	\$ 6,126,965
Up to 90 days	106,111	358,791	107,052
91 to 180 days	3,755	5,211	5,109
181 to 365 days	1,225	1,071	1,730
Over 365 days	82	107	133
	<u>\$ 6,594,426</u>	<u>\$ 6,629,529</u>	<u>\$ 6,240,989</u>

The above aging analysis was based on past due date.

- B. As of September 30, 2022, December 31, 2021 and September 30, 2021, accounts receivable were 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 September 30, 2022, December 31, 2021 and September 30, 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 \$6,452,172, \$6,484,621, and \$6,119,501, respectively.
- D. Information relating to credit risk is provided in Note 12(2).

(4) Inventories

	September 30, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 119,477	\$ -	\$ 119,477
Merchandise and finished goods	17,536,037	(120,571)	17,415,466
	<u>\$ 17,655,514</u>	<u>(\$ 120,571)</u>	<u>\$ 17,534,943</u>
	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>
	September 30, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 87,774	\$ -	\$ 87,774
Merchandise and finished goods	15,376,581	(95,240)	15,281,341
	<u>\$ 15,464,355</u>	<u>(\$ 95,240)</u>	<u>\$ 15,369,115</u>
The cost of inventories recognized as expense for the period:			
		Three months ended September 30, 2022	Three months ended September 30, 2021
Cost of goods sold and service costs	\$ 49,737,732	\$ 43,237,184	
Loss on valuation of inventories	19,764	4,562	
Spoilage	446,558	448,099	
Others	100,877	124,666	
	<u>\$ 50,304,931</u>	<u>\$ 43,814,511</u>	
		Nine months ended September 30, 2022	Nine months ended September 30, 2021
Cost of goods sold and service costs	\$ 141,011,289	\$ 127,405,034	
Loss on valuation of inventories	30,423	7,471	
Spoilage	1,356,431	1,488,919	
Others	246,154	247,484	
	<u>\$ 142,644,297</u>	<u>\$ 129,148,908</u>	

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

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
Equity instruments			
Listed stocks	\$ 265,606	\$ 265,606	\$ 265,606
Unlisted stocks	4,348	4,348	4,348
	269,954	269,954	269,954
Valuation adjustment	521,987	895,955	861,376
	<u>\$ 791,941</u>	<u>\$ 1,165,909</u>	<u>\$ 1,131,330</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 \$791,941, \$1,165,909 and \$1,131,330 as at September 30, 2022, December 31, 2021 and September 30, 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:

	<u>Three months ended September 30, 2022</u>	<u>Three months ended September 30, 2021</u>
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	(\$ 159,911)	(\$ 107,532)
Dividend income recognized in profit or loss	\$ -	\$ 58,479
	<u>Nine months ended September 30, 2022</u>	<u>Nine months ended September 30, 2021</u>
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	(\$ 373,968)	\$ 171,503
Dividend income recognized in profit or loss	\$ 81,443	\$ 61,294

- C. As at September 30, 2022, December 31, 2021 and September 30, 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 \$791,941, \$1,165,909 and \$1,131,330, respectively.
- D. No financial assets at fair value through other comprehensive income of the Group were pledged to others.
- E. Information relating to credit risk is provided in Note 12(2).

(6) Investments accounted for using the equity method

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<u>Associates</u>			
PresiCarre Corp.	\$ 5,052,790	\$ 5,077,087	\$ 5,047,364
President Fair Development Corp.	2,161,763	2,123,492	2,102,066
Uni-President Development Corp.	767,839	757,554	757,546
President International Development Corp.	450,844	447,310	448,125
Tung Ho Development Corp.	56,451	60,012	60,002
Uni-President Organics Corp.	48,193	47,293	44,831
President Technology Corp.	23,183	26,723	22,389
	<u>8,561,063</u>	<u>8,539,471</u>	<u>8,482,323</u>
<u>Joint ventures</u>			
Mister Donut Taiwan Co., Ltd.	\$ 106,554	\$ 97,728	\$ 72,387
	<u>\$ 8,667,617</u>	<u>\$ 8,637,199</u>	<u>\$ 8,554,710</u>

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

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

	<u>Three months ended September 30, 2022</u>	<u>Three months ended September 30, 2021</u>
Total comprehensive income	<u>\$ 162,501</u>	<u>\$ 103,071</u>
Total comprehensive income	<u>Nine months ended September 30, 2022</u>	<u>Nine months ended September 30, 2021</u>

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

	<u>Three months ended September 30, 2022</u>	<u>Three months ended September 30, 2021</u>
Total comprehensive income (loss)	<u>\$ 3,994</u>	<u>\$ 3,823</u>
Total comprehensive income (loss)	<u>Nine months ended September 30, 2022</u>	<u>Nine months ended September 30, 2021</u>

(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							
Additions	\$ 2,895,060	\$ 2,256,305	\$ 2,331,419	\$ 10,272,212	\$ 7,744,847	\$ 3,641,007	\$ 29,140,850
Disposals	1,400,309	2,573	148,353	3,048,411	2,451,435	1,579,412	8,630,493
Transfer	-	-	(9,068)	(175,814)	(106,213)	(18,113)	(309,208)
Depreciation charge	122,437	2,374	200,637	79,494	171,177	(551,320)	24,799
Net exchange differences	-	(124,903)	(405,705)	(2,285,169)	(1,685,822)	(885,191)	(5,386,790)
Closing net book amount as of September 30	(58)	2,976	579	11,310	(1,197)	(5,161)	8,449
	<u>\$ 4,417,748</u>	<u>\$ 2,139,325</u>	<u>\$ 2,266,215</u>	<u>\$ 10,950,444</u>	<u>\$ 8,574,227</u>	<u>\$ 3,760,634</u>	<u>\$ 32,108,593</u>
At September 30							
Cost	\$ 4,421,680	\$ 4,904,600	\$ 7,563,997	\$ 28,057,754	\$ 23,573,438	\$ 12,580,685	\$ 81,102,154
Accumulated depreciation and impairment	(3,932)	(2,765,275)	(5,297,782)	(17,107,310)	(14,999,211)	(8,820,051)	(48,993,561)
	<u>\$ 4,417,748</u>	<u>\$ 2,139,325</u>	<u>\$ 2,266,215</u>	<u>\$ 10,950,444</u>	<u>\$ 8,574,227</u>	<u>\$ 3,760,634</u>	<u>\$ 32,108,593</u>

	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	-	16,630	164,948	2,523,223	1,805,518	1,127,031	5,637,350
Acquired through business combinations	-	-	-	1,644	-	-	1,644
Disposals	(4,200)	(3,733)	(14,628)	(21,282)	(86,812)	(1,030)	(131,685)
Transfer	(10,201)	2,578	214,986	172,071	85,001	(506,837)	(42,402)
Depreciation charge	-	(144,544)	(374,976)	(2,068,984)	(1,621,263)	(1,001,285)	(5,211,052)
Net exchange differences	(1,874)	(2,735)	(1,744)	(4,760)	(79,960)	(186,797)	(277,870)
Closing net book amount as of September 30	<u>\$ 2,895,185</u>	<u>\$ 2,297,652</u>	<u>\$ 2,170,666</u>	<u>\$ 9,758,015</u>	<u>\$ 7,352,595</u>	<u>\$ 3,552,246</u>	<u>\$ 28,026,359</u>
At September 30							
Cost	\$ 2,899,117	\$ 4,891,576	\$ 7,175,155	\$ 25,792,737	\$ 21,270,618	\$ 11,464,205	\$ 73,493,408
Accumulated depreciation and impairment	(3,932)	(2,593,924)	(5,004,489)	(16,034,722)	(13,918,023)	(7,911,959)	(45,467,049)
	<u>\$ 2,895,185</u>	<u>\$ 2,297,652</u>	<u>\$ 2,170,666</u>	<u>\$ 9,758,015</u>	<u>\$ 7,352,595</u>	<u>\$ 3,552,246</u>	<u>\$ 28,026,359</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:

	September 30, 2022	December 31, 2021	September 30, 2021
	Carrying amount	Carrying amount	Carrying amount
Land	\$ 1,047,033	\$ 872,178	\$ 836,606
Buildings	83,223,984	76,378,170	75,264,400
Machinery and equipment	7,224	13,168	17,571
Other equipment	27,260	53,498	62,415
	<u>\$ 84,305,501</u>	<u>\$ 77,317,014</u>	<u>\$ 76,180,992</u>
	Three months ended	Three months ended	
	<u>September 30, 2022</u>	<u>September 30, 2021</u>	
	Depreciation charge	Depreciation charge	
Land	\$ 41,475	\$ 36,309	
Buildings	3,530,324	3,327,964	
Machinery and equipment	1,555	4,325	
Other equipment	8,920	8,831	
	<u>\$ 3,582,274</u>	<u>\$ 3,377,429</u>	
	Nine months ended	Nine months ended	
	<u>September 30, 2022</u>	<u>September 30, 2021</u>	
	Depreciation charge	Depreciation charge	
Land	\$ 121,106	\$ 108,036	
Buildings	10,390,075	9,831,284	
Machinery and equipment	5,945	15,697	
Other equipment	26,753	27,760	
	<u>\$ 10,543,879</u>	<u>\$ 9,982,777</u>	

- C. For the three months and nine months ended September 30, 2022 and 2021, the additions to right-of-use assets were \$6,747,932, \$4,568,718, \$18,931,724 and \$13,592,001, respectively.

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

	Three months ended <u>September 30, 2022</u>	Three months ended <u>September 30, 2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 262,180	\$ 252,032
Expense on short-term lease contracts	104,330	94,236
Expense on leases of low-value assets	36,024	29,754
Expense on variable lease payments	120,522	69,046
Gain on sublease of right-of-use assets	147,311	117,336
Gain from lease modification	21,016	28,411
	Nine months ended <u>September 30, 2022</u>	Nine months ended <u>September 30, 2021</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 765,322	\$ 792,484
Expense on short-term lease contracts	336,452	268,951
Expense on leases of low-value assets	104,123	89,505
Expense on variable lease payments	378,193	300,519
Gain on sublease of right-of-use assets	420,125	387,310
Gain from lease modification	97,296	80,466

E. For the nine months ended September 30, 2022 and 2021, the Group's total cash outflow for leases was \$11,903,589 and \$10,716,041, 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 3.12% and 2.63% as at September 30, 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 \$3,782 and \$3,005 for the nine months ended September 30, 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 September 30, 2022, December 31, 2021 and September 30, 2021, amounted to \$3,456,790, \$3,635,849 and \$3,652,342, respectively.

H. The Group has applied the practical expedient to "Covid-19-related rent concessions" and recognized the gain from changes in lease payments arising from the rent concessions amounting to \$0, \$75,158, \$86,200 and \$112,759, as at other income for the three months and nine months ended September 30, 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 September 30, 2022	Three months ended September 30, 2021
Rental revenue	\$ 421,224	\$ 298,288
Rental revenue from variable lease payments	<u>\$ 332,439</u>	<u>\$ 219,848</u>
Rental revenue	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Rental revenue from variable lease payments	<u>\$ 1,131,809</u>	<u>\$ 986,661</u>

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

	September 30, 2022	December 31, 2021	September 30, 2021
Current year	\$ 67,107	\$ -	\$ 59,205
Within 1 year	231,925	251,736	223,155
1~2 years	141,872	171,188	176,911
2~3 years	121,582	87,998	87,541
3~4 years	94,601	71,486	70,910
4~5 years	77,738	51,267	51,491
Over 5 years	97,293	107,555	104,791
	<u>\$ 832,118</u>	<u>\$ 741,230</u>	<u>\$ 774,004</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
Disposals	(7,207)	(1,219)	-	(8,426)
Transfer	(22,414)	(2,374)	-	(24,788)
Depreciation charge	-	(12,339)	(103,931)	(116,270)
At September 30	<u>\$ 1,370,990</u>	<u>\$ 415,710</u>	<u>\$ 1,143,235</u>	<u>\$ 2,929,935</u>
	2021			
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,074,308	\$ 403,098	\$ 1,385,740	\$ 2,863,146
Additions	325,221	50,385	-	375,606
Disposals	(9,119)	(6,887)	-	(16,006)
Transfer	10,201	625	-	10,826
Depreciation charge	-	(11,942)	(103,931)	(115,873)
At September 30	<u>\$ 1,400,611</u>	<u>\$ 435,279</u>	<u>\$ 1,281,809</u>	<u>\$ 3,117,699</u>

A. The fair value of the investment property held by the Group ranged from \$5,725,760 to \$5,838,730 as at September 30, 2022, December 31, 2021 and September 30, 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	217,248	-	-	44,284	261,532
Transfer	6,422	-	-	-	6,422
Amortization expense	(220,777)	-	(145,620)	(43,263)	(409,660)
Net exchange differences	611	7,523	-	-	8,134
Closing net book amount as of September 30	<u>\$ 545,175</u>	<u>\$2,206,197</u>	<u>\$ 6,602,633</u>	<u>\$326,363</u>	<u>\$ 9,680,368</u>
At September 30					
Cost	\$2,539,651	\$2,206,197	\$ 7,524,890	\$609,045	\$12,879,783
Accumulated amortization and impairment	(1,994,476)	-	(922,257)	(282,682)	(3,199,415)
	<u>\$ 545,175</u>	<u>\$2,206,197</u>	<u>\$ 6,602,633</u>	<u>\$326,363</u>	<u>\$ 9,680,368</u>

	2021				
	Software	Goodwill	License agreement and 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	135,271	-	-	5,367	140,638
Acquired through business combinations	3,792	-	-	-	3,792
Transfer	5,612	-	-	(1,572)	4,040
Amortization expense	(166,968)	-	(145,619)	(40,617)	(353,204)
Net exchange differences	(5,028)	(1,164)	-	-	(6,192)
Closing net book amount as of September 30	<u>\$ 434,220</u>	<u>\$2,198,989</u>	<u>\$ 6,796,793</u>	<u>\$317,270</u>	<u>\$ 9,747,272</u>
At September 30					
Cost	\$2,154,181	\$2,198,989	\$ 7,524,890	\$543,041	\$12,421,101
Accumulated amortization and impairment	(1,719,961)	-	(728,097)	(225,771)	(2,673,829)
	<u>\$ 434,220</u>	<u>\$2,198,989</u>	<u>\$ 6,796,793</u>	<u>\$317,270</u>	<u>\$ 9,747,272</u>

Amortization expense on intangible assets are recognized as operating expenses.

(12) Other non-current assets

	September 30, 2022	December 31, 2021	September 30, 2021
Guarantee deposits paid	\$ 3,296,684	\$ 3,204,856	\$ 3,171,370
Others	728,179	589,106	584,934
Prepaid land	600,000	-	-
	<u>\$ 4,624,863</u>	<u>\$ 3,793,962</u>	<u>\$ 3,756,304</u>

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

(13) Impairment of non-financial assets

- There were neither impairment loss nor reversal of impairment loss recognized for the nine months ended September 30, 2022 and 2021.
- 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 three months 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	September 30, 2022	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 8,594,068	0.95%~1.57%	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	September 30, 2021	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 3,279,180	0.73%~3.465%	None

There was no capitalization of borrowing costs for the nine months ended September 30, 2022 and 2021. Relevant interest expense on borrowings is recognized as “finance costs”.

(15) Other payables

	September 30, 2022	December 31, 2021	September 30, 2021
Store collections	\$ 12,318,910	\$ 13,807,553	\$ 11,848,080
Wages, salaries and bonus payable	5,282,416	4,863,210	4,982,788
Payables for acquisition of property, plant and equipment	1,285,047	1,385,972	847,754
Incentive bonus payable to franchisees	1,075,366	1,017,454	1,088,920
Sales receipt on behalf of others	873,153	1,845,686	1,365,130
Employees' compensation and remuneration for directors and supervisors	625,227	748,684	551,472
Payables for labor and health insurance	297,395	283,912	272,657
Rent payable	59,732	82,287	59,866
Dividend payable	-	-	9,356,600
Others	4,467,540	4,851,027	4,098,617
	\$ 26,284,786	\$ 28,885,785	\$ 34,471,884

(16) Other current liabilities

	September 30, 2022	December 31, 2021	September 30, 2021
Advance receipts of deposits	\$ 1,947,812	\$ 1,685,635	\$ 1,717,287
Advance receipts for gift	1,455,714	1,476,380	1,456,675
Others	358,839	407,958	372,193
	\$ 3,762,365	\$ 3,569,973	\$ 3,546,155

(17) Long-term borrowings

Type of borrowings	Interest rate range	Collateral	September 30, 2022
Long-term bank borrowings			
Credit loan	4.125%~4.40%	None	\$ 418,441
Secured borrowings	1.702%~2.07%	Property, plant and equipment	<u>618,960</u>
			1,037,401
Less: Current portion			(385,639)
			<u>\$ 651,762</u>
Type of borrowings	Interest rate range	Collateral	December 31, 2021
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 864,036
Secured borrowings	1.46%~1.72%	Property, plant and equipment	<u>634,048</u>
			1,498,084
Less: Current portion			(534,666)
			<u>\$ 963,418</u>
Type of borrowings	Interest rate range	Collateral	September 30, 2021
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 901,957
Secured borrowings	1.46%~1.72%	Property, plant and equipment	<u>619,286</u>
			1,521,243
Less: Current portion			(471,695)
			<u>\$ 1,049,548</u>

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

(18) 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 \$28,154, \$28,058, \$84,977 and \$86,134 for the three months and nine months ended September 30, 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 nine months ended September 30, 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 and nine months ended September 30, 2022 and 2021 were \$271,871 \$247,659, \$784,490 and \$747,797, respectively.

(19) Other non-current liabilities

	September 30, 2022	December 31, 2021	September 30, 2021
Guarantee deposit received	\$ 4,254,884	\$ 4,044,359	\$ 3,971,981
Provision for decommissioning liability	692,632	644,347	628,588
Others	479,666	482,446	489,856
	<u>\$ 5,427,182</u>	<u>\$ 5,171,152</u>	<u>\$ 5,090,425</u>

(20) Share capital

As of September 30, 2022, the Company’s authorized capital was \$10,500,000, consisting of 1,050,000 thousand shares of ordinary stock, and the paid-in capital was \$10,396,223 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected. The number of the Company’s outstanding ordinary shares was both 1,039,622,255 as of September 30, 2022 and January 1, 2022.

(21) 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.

(22) Retained earnings

A. Under the Company’s Articles of Incorporation, the current year’s earnings, if any, must first be used to pay all taxes and offset prior years’ operating losses, then 10% of the remaining amount is to be set aside as a legal reserve. The Company may then set aside or reserve a certain amount as special reverse according to the relevant regulations. The appropriation of the remaining earnings and prior years’ unappropriated retained earnings should be proposed by the Board of

Directors and voted on by the shareholders at the shareholders' meeting. The dividends and bonus to be distributed to shareholders may be 50%~100% of the total distributable amount, and 50%~100% of dividends are to be distributed as cash dividends, and the remaining undistributed amount to be set aside as unappropriated retained earnings.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of the legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside a special reserve for the debit balance on other equity items at the balance sheet date before distributing earnings. When the debit balance on other equity items is reversed subsequently, the reversed amount should be included in the distributable earnings.
- D. The appropriations for 2021 and 2020 were resolved by the shareholders on May 26, 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	-	-

(23) 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	-	(373,968)	(373,968)
– Associates	-	143	143
Revaluation-tax	-	3,029	3,029
Currency translation differences:			
– Group	2,805,502	-	2,805,502
– Associates	18,033	-	18,033
At September 30	\$ 46,640	\$ 484,584	\$ 531,224

	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	-	171,503	171,503
– Associates	-	2,877	2,877
Revaluation-tax	-	8,739	8,739
Currency translation differences:			
– Group	(674,057)	-	(674,057)
– Associates	(8,301)	-	(8,301)
At September 30	(\$ 2,655,626)	\$ 823,766	(\$ 1,831,860)

(24) Operating revenue

	Three months ended September 30, 2022	Three months ended September 30, 2021
Revenue from contracts with customers	\$ 75,846,879	\$ 65,444,164
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Revenue from contracts with customers	\$ 214,644,668	\$ 194,090,761

A. Disaggregation of revenue from contracts with customers

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

Three months ended September 30, 2022	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 47,768,799	\$ 17,480,183	\$ 2,731	\$ 5,907,138	\$ 71,158,851
– Over time	234,293	3,639,562	567,374	246,799	4,688,028
	\$ 48,003,092	\$ 21,119,745	\$ 570,105	\$ 6,153,937	\$ 75,846,879
Three months ended September 30, 2021	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 41,121,814	\$ 14,744,771	\$ 3,581	\$ 4,816,270	\$ 60,686,436
– Over time	194,416	3,770,688	510,038	282,586	4,757,728
	\$ 41,316,230	\$ 18,515,459	\$ 513,619	\$ 5,098,856	\$ 65,444,164

Nine months ended September 30, 2022	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 134,157,414	\$ 50,540,051	\$ 8,782	\$ 16,334,477	\$ 201,040,724
– Over time	668,035	10,601,420	1,698,207	636,282	13,603,944
	<u>\$ 134,825,449</u>	<u>\$ 61,141,471</u>	<u>\$ 1,706,989</u>	<u>\$ 16,970,759</u>	<u>\$ 214,644,668</u>
Nine months ended September 30, 2021	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 123,480,925	\$ 42,599,727	\$ 10,049	\$ 14,107,493	\$ 180,198,194
– Over time	612,281	10,952,255	1,553,016	775,015	13,892,567
	<u>\$ 124,093,206</u>	<u>\$ 53,551,982</u>	<u>\$ 1,563,065</u>	<u>\$ 14,882,508</u>	<u>\$ 194,090,761</u>

B. Contract liabilities

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

	September 30, 2022	December 31, 2021	September 30, 2021	January 1, 2021
Contract liabilities – advance receipts of gift certificates and gift payments	\$ 4,492,709	\$ 4,599,304	\$ 4,166,528	\$ 3,430,999
Contract liabilities – customer loyalty programs	1,311,630	977,909	990,314	807,168
Contract liabilities – members' deposits	875,231	843,002	827,975	804,373
Contract liabilities – franchise fee	424,425	405,485	405,065	429,578
Contract liabilities – others	306,764	364,047	339,866	326,513
	<u>\$ 7,410,759</u>	<u>\$ 7,189,747</u>	<u>\$ 6,729,748</u>	<u>\$ 5,798,631</u>

(b) Revenues recognized that were included in the contract liabilities balance at the beginning were \$5,142,693 and \$3,805,845 for the nine months ended September 30, 2022 and 2021, respectively.

(25) Expenses by nature

	Three months ended September 30, 2022	Three months ended September 30, 2021
Net cost of goods sold	\$ 44,931,980	\$ 38,601,474
Employee benefit expenses	7,262,009	6,317,101
Incentive bonuses for franchisees	6,564,997	5,680,010
Depreciation and amortization	5,570,810	5,267,260
Utilities expenses	1,530,573	1,197,282
Operating lease payments	260,876	193,036
Other costs and expenses	6,448,068	5,760,286
Total operating costs and operating expenses	<u>\$ 72,569,313</u>	<u>\$ 63,016,449</u>

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Net cost of goods sold	\$ 127,083,750	\$ 113,976,770
Employee benefit expenses	20,961,435	19,611,640
Incentive bonuses for franchisees	18,091,557	16,514,152
Depreciation and amortization	16,424,102	15,625,276
Utilities expenses	3,809,041	3,263,285
Operating lease payments	818,768	658,975
Other costs and expenses	18,081,598	16,776,232
Total operating costs and operating expenses	<u>\$ 205,270,251</u>	<u>\$ 186,426,330</u>

(26) Employee benefit expense

	Three months ended September 30, 2022	Three months ended September 30, 2021
Wages and salaries	\$ 5,971,037	\$ 5,133,872
Labor and health insurance fees	552,519	520,201
Pension costs	300,025	275,717
Other personnel expenses	438,428	387,311
	<u>\$ 7,262,009</u>	<u>\$ 6,317,101</u>
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Wages and salaries	\$ 17,205,932	\$ 16,016,903
Labor and health insurance fees	1,654,522	1,623,191
Pension costs	869,467	833,931
Other personnel expenses	1,231,514	1,137,615
	<u>\$ 20,961,435</u>	<u>\$ 19,611,640</u>

- A. According to the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' remuneration.
- B. For the three months and nine months ended September 30, 2022 and 2021, employees' compensation was accrued at \$144,778, \$ 102,945, \$390,594 and \$332,390, respectively; while directors' and supervisors' remuneration was accrued at \$48,370, \$34,393, \$130,496 and \$111,050, 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 nine months ended September 30, 2022, 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 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.

(27) Interest income

	Three months ended September 30, 2022	Three months ended September 30, 2021
Interest income	\$ 103,570	\$ 46,138
	 Nine months ended September 30, 2022	 Nine months ended September 30, 2021
Interest income	\$ 200,783	\$ 152,804

(28) Other income

	Three months ended September 30, 2022	Three months ended September 30, 2021
Grants income	\$ 274,077	\$ 134,207
Rental revenue	68,129	64,587
Dividend income	-	77,153
Others	<u>405,695</u>	<u>236,074</u>
	<u><u>\$ 747,901</u></u>	<u><u>\$ 512,021</u></u>
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Grants income	\$ 618,886	\$ 552,638
Rental revenue	205,873	207,499
Dividend income	118,432	79,968
Others	<u>922,250</u>	<u>618,335</u>
	<u><u>\$ 1,865,441</u></u>	<u><u>\$ 1,458,440</u></u>

(29) Other gains and losses

	Three months ended September 30, 2022	Three months ended September 30, 2021
Gain from lease modification	\$ 21,016	\$ 28,411
Loss on disposal of property, plant and equipment	(5,534)	(12,665)
Depreciation of investment property	(38,746)	(38,687)
Other gains and losses	(20,622)	(15,967)
	<u><u>(\$ 43,886)</u></u>	<u><u>(\$ 38,908)</u></u>
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Gain from lease modification	\$ 97,296	\$ 80,466
Gain on disposal of investment property	29,507	22,549
(Loss) gain on disposal of property, plant and equipment	(57,272)	15
Depreciation of investment property	(116,270)	(115,873)
Other gains and losses	(71,629)	(73,078)
	<u><u>(\$ 118,368)</u></u>	<u><u>(\$ 85,921)</u></u>

(30) Finance costs

	Three months ended September 30, 2022	Three months ended September 30, 2021
Interest expense on lease liabilities	\$ 262,180	\$ 252,032
Financial expense, others	32,039	38,161
	<u>\$ 294,219</u>	<u>\$ 290,193</u>
Interest expense on lease liabilities	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Financial expense, others	\$ 765,322	\$ 792,484
	97,642	112,389
	<u>\$ 862,964</u>	<u>\$ 904,873</u>

(31) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended September 30, 2022	Three months ended September 30, 2021
Current tax:		
Current tax on profit for the period	\$ 863,547	\$ 568,894
Over provision of prior year's income tax	(50)	(33,185)
Total current tax	<u>\$ 863,497</u>	<u>535,709</u>
Deferred tax:		
Origination and reversal of temporary differences	(52,996)	(109,278)
Income tax expense	<u>\$ 810,501</u>	<u>\$ 426,431</u>
Current tax:		
Current tax on profit for the period	\$ 2,334,368	\$ 1,871,993
Over provision of prior year's income tax	(22,756)	(32,626)
Total current tax	<u>2,311,612</u>	<u>1,839,367</u>
Deferred tax:		
Origination and reversal of temporary differences	(93,401)	(500,096)
Income tax expense	<u>\$ 2,218,211</u>	<u>\$ 1,339,271</u>

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

	Three months ended September 30, 2022	Three months ended September 30, 2021
Changes in fair value of financial assets at fair value through other comprehensive income	(\$ 357)	\$ 560
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Changes in fair value of financial assets at fair value through other comprehensive income	(\$ 3,029)	(\$ 8,739)

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

(32) Earnings per share

	Three months ended September 30, 2022		
	Weighted average number of ordinary shares outstanding Amount after tax	Earnings per share (shares in thousands)	(in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 2,691,080	1,039,622	\$ 2.58
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 2,691,080	1,039,622	
Assumed conversion of all dilutive potential ordinary shares	-	512	
Employees' compensation	-	-	
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 2,691,080</u>	<u>1,040,134</u>	<u>\$ 2.58</u>

Three months ended September 30, 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	\$ 2,061,849	1,039,622	\$ 1.98
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 2,061,849	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation			368
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,061,849	1,039,990	\$ 1.98

Nine months ended September 30, 2022

	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 7,313,380	1,039,622	\$ 7.03
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 7,313,380	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation			1,768
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 7,313,380	1,041,390	\$ 7.02

	Nine months ended September 30, 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	\$ 6,539,859	1,039,622	\$ 6.29
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of parent	\$ 6,539,859	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation		-	1,638
Shareholders of parent plus assumed conversion of all dilutive potential ordinary shares	\$ 6,539,859	1,041,260	\$ 6.28

(33) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

For the nine months ended September 30, 2021, the Group acquired an additional 2.66% shares of the subsidiary, Philippine Seven Corp., for a total cash consideration of \$1,083,656. The carrying amount of non-controlling interest was \$113,844 at the acquisition date. This transaction resulted in a decrease in the non-controlling interest by \$113,844, and a decrease in the equity attributable to owners of the parent by \$969,812. The effect of changes in interests in Philippine Seven Corp. on the equity attributable to owners of the parent for the nine months ended September 30, 2021 is as follows:

	Nine months ended September 30, 2021
Carrying amount of non-controlling interest acquired	\$ 113,844
Consideration paid to non-controlling interest	(1,083,656)
Difference between proceeds on actual acquisition of equity interest in a subsidiary and its carrying amount (Decrease in "Retained earnings")	(\$ 969,812)

B. The Group did not conduct any transaction with non-controlling interest for the nine months ended September 30, 2022.

(34) Supplemental cash flow information

A. Investing activities with partial cash payments

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Purchase of property, plant and equipment	\$ 8,630,493	\$ 5,637,350
Add: Opening balance of payable on equipment	1,385,972	1,355,119
Less: Ending balance of payable on equipment	(1,285,047)	(847,754)
Cash paid during the period	\$ 8,731,418	\$ 6,144,715

(35) Changes in liabilities from financing activities

	2022							
	Short-term borrowings	Dividend payable	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Total liabilities from financing activities	
At January 1	\$ 5,095,702	\$ -	\$ 963,418	\$ 81,037,630	\$ 4,044,359	\$ 1,126,793	\$ 92,267,902	
Changes in cash flow from financing activities	3,498,086	(10,706,206)	(458,327)	(10,319,499)	210,624	(2,780)	(17,778,102)	
Interest paid (Note)	-	-	-	(765,322)	-	-	(765,322)	
Impact of changes in foreign exchange rate	280	-	(1,369)	41,330	(99)	-	40,142	
Changes in other non-cash items	-	10,706,206	148,040	17,946,101	-	48,285	28,848,632	
At September 30	<u>\$ 8,594,068</u>	<u>\$ -</u>	<u>\$ 651,762</u>	<u>\$ 87,940,240</u>	<u>\$ 4,254,884</u>	<u>\$ 1,172,298</u>	<u>\$ 102,613,252</u>	
	2021							
	Short-term borrowings	Short-term notes and bills payable	Dividend payable	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Total liabilities from financing activities
At January 1	\$ 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	(1,426,196)	(3,399,147)	(1,296,929)	263,827	(9,264,582)	204,463	194,643	(14,723,921)
Interest paid (Note)	-	-	-	-	(792,484)	-	-	(792,484)
Impact of changes in foreign exchange rate	(39,035)	-	-	(51,345)	(445,971)	(17,187)	-	(553,538)
Changes in other non-cash items	5,000	-	10,653,529	(191,487)	12,200,051	51	52,182	22,719,326
At September 30	<u>\$ 3,279,180</u>	<u>\$ -</u>	<u>\$ 9,356,600</u>	<u>\$ 1,049,548</u>	<u>\$ 79,834,030</u>	<u>\$ 3,971,981</u>	<u>\$ 1,118,444</u>	<u>\$ 98,609,783</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 September 30, 2022.

(2) Names of related parties and relationship

Names of related parties	Relationship with the Group
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
Tait Marketing & Distribution Co., Ltd.	"
President Packaging Industrial Corp.	"
President Tokyo Corp.	"
President Natural Industrial Corp.	"
Kai Ya Food Co., Ltd.	Sub-subsidiary of ultimate parent company
Tung Ang Enterprises Corp.	"
Lien Bo Corp.	"
Zhenzhou President Enterprises Co., Ltd.	"
President (Kunshan) Trading Co., Ltd.	"
Shanghai Songjiang President Enterprises Co., Ltd.	"
Uni-President (Shanghai) Pearly Century Co., Ltd.	"
Kuang Chuan Dairy Co., Ltd.	Investee of ultimate parent company accounted for using the equity method
Wei Lih Food Industrial Co., Ltd.	"
Master Channels Corp.	"
Prince Housing Development Corp.	"
President Securities Corp.	"
Tong Zhan Co., Ltd.	Investees of subsidiaries of ultimate parent company accounted for using the equity method
Koasa Yamako Corp.	The Company is a director of Koasa Yamako Corp.
Kao Chuan Investment Co., Ltd.	Director of ultimate parent company

(3) Significant related party transactions and balances

A. Operating revenue

	Three months ended September 30, 2022	Three months ended September 30, 2021
Sales of goods		
Ultimate parent company	\$ 156,947	\$ 138,805
Associates	44,329	34,937
Sister companies	80,307	96,869
Other related parties	13,353	19,130
Sales of services		
Ultimate parent company	3,689	3,807
Associates	31,073	36,937
Sister companies	7,003	4,860
Other related parties	1,232	1,726
	<u>\$ 337,933</u>	<u>\$ 337,071</u>
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Sales of goods		
Ultimate parent company	\$ 455,135	\$ 429,183
Associates	134,893	102,578
Sister companies	288,112	293,174
Other related parties	50,777	48,805
Sales of services		
Ultimate parent company	13,084	13,137
Associates	87,540	80,931
Sister companies	18,170	13,624
Other related parties	3,197	4,913
	<u>\$ 1,050,908</u>	<u>\$ 986,345</u>

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

B. Purchases

	Three months ended September 30, 2022	Three months ended September 30, 2021
Ultimate parent company	\$ 4,742,915	\$ 3,984,101
Associates	120,424	91,960
Sister companies	1,945,944	1,607,517
Other related parties	597,451	404,145
	<u>\$ 7,406,734</u>	<u>\$ 6,087,723</u>

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Ultimate parent company	\$ 13,403,671	\$ 12,304,995
Associates	410,145	221,792
Sister companies	5,205,875	4,432,089
Other related parties	1,734,155	1,362,429
	<u>\$ 20,753,846</u>	<u>\$ 18,321,305</u>

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

C. Receivables from related parties

	<u>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<u>Accounts receivable</u>			
Ultimate parent company	\$ 294,099	\$ 235,402	\$ 136,717
Associates	80,833	75,122	73,429
Sister companies	44,040	103,812	47,806
Other related parties	4,529	4,065	4,828
	<u>\$ 423,501</u>	<u>\$ 418,401</u>	<u>\$ 262,780</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>September 30, 2022</u>	<u>December 31, 2021</u>	<u>September 30, 2021</u>
<u>Notes payable and accounts payable</u>			
Ultimate parent company	\$ 1,980,320	\$ 1,904,475	\$ 1,774,173
Associates	234,725	191,718	51,457
Sister companies	919,977	722,538	786,380
Other related parties	351,888	358,245	262,154
	<u>\$ 3,486,910</u>	<u>\$ 3,176,976</u>	<u>\$ 2,874,164</u>

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

E. Leasing arrangements – lessee

- (a) The Group holds various lease agreements with related parties based on the market price. The leases were paid on a monthly basis.
- (b) Acquisition of right-of-use assets

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Ultimate parent company	\$ 115,169	\$ 73,635
Sister companies	44,390	26,178
	<u>\$ 159,559</u>	<u>\$ 99,813</u>

(c) Lease expenses

	Three months ended September 30, 2022	Three months ended September 30, 2021
Ultimate parent company	\$ 157	\$ 213
Associates	22,298	10,777
Sister companies	4,516	3,057
Other related parties	1,667	460
	<u>\$ 28,638</u>	<u>\$ 14,507</u>
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Ultimate parent company	\$ 469	\$ 885
Associates	49,614	37,755
Sister companies	13,122	11,170
Other related parties	4,091	2,308
	<u>\$ 67,296</u>	<u>\$ 52,118</u>

(d) Lease liabilities

	September 30, 2022	December 31, 2021	September 30, 2021
Ultimate parent company	\$ 152,009	\$ 89,503	\$ 89,440
Associates	2,976,586	3,267,710	3,372,703
Sister companies	206,999	204,633	239,423
Other related parties	455,297	488,239	486,825
	<u>\$ 3,790,891</u>	<u>\$ 4,050,085</u>	<u>\$ 4,188,391</u>

F. Property transactions

	Accounts	Three months ended September 30, 2022	Three months ended September 30, 2021
Associates	Intangible assets	\$ 8,429	\$ 18,671
	Accounts	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Associates	Intangible assets	\$ 62,428	\$ 40,021
Sister companies	"	1,600	-
		<u>\$ 64,028</u>	<u>\$ 40,021</u>

(4) Key management compensation

	Three months ended September 30, 2022	Three months ended September 30, 2021
Short-term employee benefits	\$ 146,744	\$ 110,899
	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Short-term employee benefits	\$ 405,921	\$ 378,642

8. PLEDGED ASSETS

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

Pledged assets	Book value			Purpose
	September 30, 2022	December 31, 2021	September 30, 2021	
Land	\$ 218,675	\$ 218,675	\$ 218,675	Guarantee facilities and performance guarantee
Buildings	24,812	29,561	32,592	Long-term borrowings and guarantee facilities
Transportation equipment	804,502	804,633	791,450	Long-term borrowings
Investment property	56,713	56,792	56,819	Performance guarantee
Pledged time deposits (Recognized as "Other non-current assets - guarantee deposits paid")	<u>112,882</u> <u>\$ 1,217,584</u>	<u>113,337</u> <u>\$ 1,222,998</u>	<u>92,056</u> <u>\$ 1,191,592</u>	Performance guarantee

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

As of September 30, 2022, the Group purchased POS equipment from non-related parties to meet the needs of future business development. The unpaid amount was \$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

	September 30, 2022	December 31, 2021	September 30, 2021
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss			
\$ 811,961	\$ 745,635	\$ 1,657,343	

September 30, 2022 December 31, 2021 September 30, 2021

Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ 791,941	\$ 1,165,909	\$ 1,131,330
Financial assets at amortized cost			
Cash and cash equivalents	\$ 44,615,836	\$ 45,648,486	\$ 45,105,386
Accounts receivable, net	6,452,172	6,484,621	6,119,501
Other receivables	3,662,194	2,663,819	3,416,365
Other current assets (Note)	1,932,186	2,003,411	2,262,501
Guarantee deposits paid	3,296,814	3,204,856	3,171,370
Other non-current assets (Note)	33,964	32,519	32,268
	<u>\$ 59,993,166</u>	<u>\$ 60,037,712</u>	<u>\$ 60,107,391</u>
Financial liabilities			
Financial liabilities at amortized cost			
Short-term borrowings	\$ 8,594,068	\$ 5,095,702	\$ 3,279,180
Notes payable	1,244,506	2,027,808	1,034,083
Accounts payable (including related parties)	27,568,847	26,301,770	23,286,496
Other payables	26,284,786	28,885,785	34,471,884
Long-term borrowings (including current portion)	1,037,401	1,498,084	1,521,243
Guarantee deposits received	4,254,884	4,044,359	3,971,981
	<u>\$ 68,984,492</u>	<u>\$ 67,853,508</u>	<u>\$ 67,564,867</u>
Lease liabilities	<u>\$ 87,940,240</u>	<u>\$ 81,037,630</u>	<u>\$ 79,834,030</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:

	September 30, 2022			December 31, 2021		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$ 4,328	31.7500	\$ 137,414	\$ 1,347	27.6800	\$ 37,285
RMB : NTD	993	4.4618	4,431	2,797	4.3549	12,181
JPY : NTD	1,467	0.2201	323	32,411	0.2405	7,795
HKD : NTD	1,116	4.0447	4,514	1,028	3.5503	3,650
EUR : NTD	561	31.2600	17,537	165	31.3200	5,168
<u>Non-monetary items</u>						
JPY : NTD	\$ 852,000	0.2201	\$ 187,525	\$ 842,700	0.2405	\$ 202,669
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$ 5,133	31.7500	\$ 162,973	\$ 4,018	27.6800	\$ 111,218
RMB : NTD	1,046	4.4618	4,667	2,189	4.3549	9,533
JPY : NTD	111,653	0.2201	24,575	111,934	0.2405	26,920
<u>September 30, 2021</u>						
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)			
<u>Financial assets</u>						
<u>Monetary items</u>						
USD : NTD	\$ 989	27.8500	\$ 27,544			
RMB : NTD	1,138	4.3213	4,918			
JPY : NTD	44,172	0.2490	10,999			
HKD : NTD	1,191	3.5768	4,260			
EUR : NTD	334	32.3200	10,795			
<u>Non-monetary items</u>						
JPY : NTD	\$ 780,900	0.2490	\$ 194,444			
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD : NTD	\$ 3,427	27.8500	\$ 95,442			
RMB : NTD	2,167	4.3213	9,364			
JPY : NTD	99,711	0.2490	24,828			

IV. Total exchange gain or loss, including realized and unrealized from significant foreign exchange variations on monetary items held by the Group amounted to (\$8,425), \$3,696, (\$19,749) and \$11,596 for the three months and nine months ended September 30, 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 nine months ended September 30, 2022 and 2021 would increase/decrease by \$1,278 and \$3,395, respectively. Foreign exchange risk with respect to JPY primarily arises from the exchange gain or loss resulting from foreign currency translation of cash,

financial assets at fair value through other comprehensive income – non-current and accounts payable denominated in JPY. If the NTD:JPY exchange rate appreciates/depreciates by 5%, with all other factors remaining constant, the Group's comprehensive income for the nine months ended September 30, 2022 and 2021 would increase/decrease by \$8,164 and \$9,031, respectively.

Price risk

- I. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- II. The Group's investments in equity securities comprise shares and open-ended funds issued by the domestic companies. The prices of equity securities would change due to change of the future value of investee companies. If the prices of these equity securities increase/decrease by 5%, and open-ended funds increase/decrease by 0.25%, with all other variables held constant, the post-tax profit for the nine months ended September 30, 2022 and 2021 would have increased/decreased by \$6,090 and \$8,204, 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 \$39,597 and \$56,567, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- I. The Group's interest rate risk arises from short-term borrowings and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, which are partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the nine months ended September 30, 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 nine months ended September 30, 2022 and 2021 would have decreased/increased by \$2,594 and \$3,803, 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	2021
	Accounts receivable	Accounts receivable
At January 1	\$ 144,908	\$ 107,485
Provision for impairment	2,855	31,994
Write-offs	(2,145)	(10,363)
Effect of foreign exchange	(3,364)	(7,628)
At September 30	<u>\$ 142,254</u>	<u>\$ 121,488</u>

VI. The Group has no written-off financial assets that are still under recourse procedures on September 30, 2022, December 31, 2021 and September 30, 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 \$726,481, \$660,155 and \$1,571,863 as at September 30, 2022, December 31, 2021 and September 30, 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 \$21,858,821, \$17,260,589 and \$17,787,780 as of September 30, 2022, December 31, 2021 and September 30, 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
September 30, 2022	\$ 8,603,707	\$ -	\$ -	\$ -
Short-term borrowings	15,601,325	15,136,479	13,127,274	51,533,698
Lease liabilities				
Long-term borrowings (including current portion)	415,149	173,186	142,630	364,528

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
December 31, 2021	\$ 5,097,722	\$ -	\$ -	\$ -
Short-term borrowings	13,715,693	14,933,201	12,606,345	44,311,988
Lease liabilities				
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
September 30, 2021	\$ 3,284,934	\$ -	\$ -	\$ -
Short-term borrowings	14,531,037	14,277,827	12,415,691	45,337,406
Lease liabilities				
Long-term borrowings (including current portion)	523,034	180,227	160,474	776,499

- 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.

	September 30, 2022			
	Fair value			
	Book value	Level 1	Level 2	
Financial assets:				
Guarantee deposits paid	<u>\$ 3,296,814</u>	\$ _____ -	\$ _____ -	<u>\$ 3,245,654</u>
Financial liabilities:				
Guarantee deposits received	<u>\$ 4,254,884</u>	\$ _____ -	\$ _____ -	<u>\$ 4,173,983</u>
	December 31, 2021			
	Fair value			
	Book value	Level 1	Level 2	
Financial assets:				
Guarantee deposits paid	<u>\$ 3,204,856</u>	\$ _____ -	\$ _____ -	<u>\$ 3,189,820</u>
Financial liabilities:				
Guarantee deposits received	<u>\$ 4,044,359</u>	\$ _____ -	\$ _____ -	<u>\$ 4,021,979</u>
	September 30, 2021			
	Fair value			
	Book value	Level 1	Level 2	
Financial assets:				
Guarantee deposits paid	<u>\$ 3,171,370</u>	\$ _____ -	\$ _____ -	<u>\$ 3,156,875</u>
Financial liabilities:				
Guarantee deposits received	<u>\$ 3,971,981</u>	\$ _____ -	\$ _____ -	<u>\$ 3,951,019</u>

- (b) Guarantee deposits paid/received are measured at fair value, which is calculated based on the discounted future cash flow.
- D. The related information for financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

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

<u>September 30, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Beneficiary certificates	\$ 726,481	\$ -	\$ -	\$ 726,481
Equity securities	<u>-</u>	<u>-</u>	<u>85,480</u>	<u>85,480</u>
	<u>726,481</u>	<u>-</u>	<u>85,480</u>	<u>811,961</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	<u>787,593</u>	<u>-</u>	<u>4,348</u>	<u>791,941</u>
	<u>\$ 1,514,074</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 1,603,902</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	<u>-</u>	<u>-</u>	<u>85,480</u>	<u>85,480</u>
	<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	<u>1,161,561</u>	<u>-</u>	<u>4,348</u>	<u>1,165,909</u>
	<u>\$ 1,821,716</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 1,911,544</u>
<u>September 30, 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	\$ 1,571,863	\$ -	\$ -	\$ 1,571,863
Equity securities	<u>-</u>	<u>-</u>	<u>85,480</u>	<u>85,480</u>
	<u>1,571,863</u>	<u>-</u>	<u>85,480</u>	<u>1,657,343</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	<u>1,126,982</u>	<u>-</u>	<u>4,348</u>	<u>1,131,330</u>
	<u>\$ 2,698,845</u>	<u>\$ -</u>	<u>\$ 89,828</u>	<u>\$ 2,788,673</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

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

- E. For the nine months ended September 30, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- F. For the nine months ended September 30, 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:

<u>Fair value at</u> <u>September</u> <u>30, 2022</u>	<u>Valuation</u> <u>technique</u>	<u>Significant</u> <u>unobservable</u> <u>input</u>	<u>Range</u> <u>(weighted</u> <u>average)</u>	<u>Relationship of inputs</u> <u>to fair value</u>
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 September 30, 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	2.58	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 nine months ended September 30, 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:

	Nine months ended September 30, 2022					
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	
					Total	
External revenue (net)	\$ 134,825,449	\$ 61,141,471	\$ 1,706,989	\$ 16,970,759	\$ -	\$ 214,644,668
Internal department revenue	1,149,555	2,640,580	12,982,499	7,007,761	(23,780,395)	-
Total segment revenue	\$ 135,975,004	\$ 63,782,051	\$ 14,689,488	\$ 23,978,520	(\$ 23,780,395)	\$ 214,644,668
Segment income (loss)	\$ 8,416,991	\$ 3,437,373	\$ 1,087,952	\$ 245,709	(\$ 2,367,308)	\$ 10,820,717

	Nine months ended September 30, 2021					
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination	
					Total	
External revenue (net)	\$ 124,093,206	\$ 53,551,982	\$ 1,563,065	\$ 14,882,508	\$ -	\$ 194,090,761
Internal department revenue	854,972	2,282,967	12,009,299	6,272,424	(21,419,662)	-
Total segment revenue	\$ 124,948,178	\$ 55,834,949	\$ 13,572,364	\$ 21,154,932	(\$ 21,419,662)	\$ 194,090,761
Segment income (loss)	\$ 7,162,747	\$ 2,186,921	\$ 1,055,446	(\$ 656,006)	(\$ 1,147,624)	\$ 8,601,484

(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

Nine months ended September 30, 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 nine months ended	Balance at September 30, 2022	Actual amount		Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral	Limit on loans granted to a single party		Ceiling on total loans granted	
							drawn down	Interest rate						Item	Value	(Note)	
1	President Pharmaceutical Corp.	President Being Corp.	Other receivables	Y	\$ 48,000	\$ 48,000	\$ 48,000	0.85%	Short-term financing	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 293,657	\$ 293,657	

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
 September 30, 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 September 30, 2022				
				Number of shares	Book value	Ownership (%)	Fair value	Footnote
President Chain Store Corp.	Stock: President Investment Trust Corp.	Director of President Investment Trust Corp.	Financial assets at fair value through profit or loss—non-current	2,667,600	\$ 45,298	7.60	\$ 45,298	
President Chain Store Corp.	Career Consulting Co. Ltd.	None	"	837,753	14,461	5.37	14,461	
President Chain Store Corp.	Kaohsiung Rapid Transit Corp.	"	"	2,572,127	25,721	0.92	25,721	
Mech-President Corp.	Yamay International Development Corp.	"	"	9	-	-	-	
President Chain Store Corp.	President Securities Corp.	Investee of Uni-President Enterprises Corp. under the equity method	Financial assets at fair value through other comprehensive income—non-current	40,545,111	600,068	2.79	600,068	
President Chain Store Corp.	Duskin Co., Ltd.	None	"	300,000	187,525	0.60	187,525	
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	4,111,443	\$ 55,020	-	\$ 55,020	
Chieh Shun Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	975,590	16,503	-	16,503	
Uni-President Department Store Corp.	Jih Sun Money Market Fund	"	"	5,729,779	86,144	-	86,144	
President Information Corp.	UPAMC James Bond Money Market Fund	"	"	4,025,169	68,090	-	68,090	
President Information Corp.	FSITC Taiwan Money Market Fund	"	"	5,806,639	90,113	-	90,113	
President Information Corp.	CTBC Hwa Win Money Market Fund	"	"	449,024	5,007	-	5,007	
President Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	709,569	12,003	-	12,003	
President Pharmaceutical Corp.	Jih Sun Money Market Fund	"	"	499,153	7,505	-	7,505	
President Pharmaceutical Corp.	Taishin 1699 Money Market Fund	"	"	3,908,345	53,649	-	53,649	
Q-ware Systems & Services Corp.	Eastspring Investments Well Pool Money Market Fund	"	"	8,863,323	122,124	-	122,124	
Q-ware Systems & Services Corp.	Jih Sun Money Market Fund	"	"	12,326,069	185,322	-	185,322	
President Being Corp.	CTBC Hwa Win Money Market Fund	"	"	1,435,304	15,001	-	15,001	
President Drugstore Business Corp.	Taishin 1699 Money Market Fund	"	"	728,502	10,000	-	10,000	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Acquisition or sale of the same security with the accumulated cost reaching \$300 million or 20% of the Company's paid-in capital
Nine months ended September 30, 2022

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Type and name of securities	General ledger account	Counterparty	Relationship with the investor	Balance as at January 1, 2022		Addition		Disposal			Other increase (decrease)			Balance as at September 30, 2022	
					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	120,574,046	\$ 1,809,920	117,110,301	\$ 1,757,971	\$ 1,757,737	\$ 234	-	\$ -	5,729,779	\$ 86,144
President Information Corp.	FSITC Taiwan Money Market Fund	"	"	"	-	-	31,007,739	480,000	25,201,100	390,139	389,988	151	-	101	5,806,639	90,113
President Information Corp.	UPAMC James Bond Money Market Fund	"	"	"	-	-	23,118,982	390,500	19,093,813	322,640	322,472	168	-	62	4,025,169	68,090
Q-ware Systems & Services Corp.	Eastspring Investments Well Pool Money Market Fund	"	"	"	28,384,280	390,000	46,394,863	638,000	65,915,820	906,453	906,000	453	-	124	8,863,323	122,124
Books.com, Co., Ltd.	Union Money Market Fund	"	"	"	-	-	159,062,681	2,125,000	154,951,238	2,070,467	2,070,000	467	-	20	4,111,443	55,020
Books.com, Co., Ltd.	Yuanta Wan Tai Money Market Fund	"	"	"	-	-	21,589,606	330,000	21,589,606	330,038	330,000	38	-	-	-	-
Chieh Shun Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	"	474,208	8,001	24,214,892	409,000	23,713,510	400,554	400,500	54	-	2	975,590	16,503
Chieh Shun Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	"	1,462,234	20,001	22,994,378	315,000	24,456,612	335,080	335,000	80	-	(1)	-	-
President Drugstore Business Corp.	Taishin 1699 Money Market Fund	"	"	"	-	-	170,774,986	2,340,000	170,046,484	2,330,318	2,330,000	318	-	-	728,502	10,000
President Pharmaceutical Corp.	Taishin 1699 Money Market Fund	"	"	"	4,986,489	68,208	58,759,590	804,800	59,837,734	819,576	819,372	204	-	13	3,908,345	53,649
President Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	"	296,389	5,001	22,347,010	377,500	21,933,830	370,551	370,500	51	-	2	709,569	12,003
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	-	\$ 356,947	-	\$ -	\$ -	-	-	-	(\$ 224,883)	- \$ 425,426

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
Nine months ended September 30, 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 of counter-party					Basis for price determination	Reason for acquisition	Other terms
							Owner	Relationship	Transfer Day	Amount				
Wisdom Distribution Service Corp.	Hsinhui Section, 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		Note 1	Based on the comprehensive planning of the company	Not applicable
President Chain Store Corp.	No.240, Biliu Section, Beitun Dist., Taichung City	July 27, 2022	726,288	100% of price was paid	Natural Person	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable		Note 2	Based on the comprehensive planning of the company	Not applicable
President Chain Store Corp.	Taoyuan Aerotropolis Industry Area	July 28, 2022	6,000,000	The first installment of 600 million was paid	Taoyuan City Government and Civil Aeronautics Administration	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Based on the market conditions. (Note 3)		Based on the comprehensive planning of the company	Not applicable

Note 1: Based on the appraisal results of Evermore Appraisers Firm (Appraisal amount \$778,631) and market conditions.

Note 2: Based on the appraisal results of Decision International Real Estate Appraiser Joint Office (Appraisal amount \$634,214) and market conditions.

Note 3: Public tendering land from Taoyuan City Government and Civil Aeronautics Administration.

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Nine months ended September 30, 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	(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	\$ 12,817,861	14	Net 30~40 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 1,485,630) (	8)	
	Uni-President Superior Commissary Corp.	Subsidiary	"	3,346,178	4	Net 45 days from the end of the month when invoice is issued	"	"	(848,264) (	4)	
	Tung Ang Enterprises Corp.	Sister company	"	1,764,944	2	Net 30 days from the end of the month when invoice is issued	"	"	(232,178) (	1)	
	21 Century Co., Ltd.	Subsidiary	"	739,005	1	Net 30~60 days from the end of the month when invoice is issued	"	"	(154,329) (	1)	
	President Pharmaceutical Corp.	"	"	662,907	1	Net 60~70 days from the end of the month when invoice is issued	"	"	(192,285) (	1)	
	Kai Ya Food Co., Ltd.	Sister company	"	607,095	1	Net 40 days from the end of the month when invoice is issued	"	"	(147,917) (	1)	
	Lien Bo Corp.	"	"	524,611	1	Net 10~54 days from the end of the month when invoice is issued	"	"	(152,701) (	1)	
	Tait Marketing & Distribution Co., Ltd.	"	"	512,083	1	Net 20~70 days from the end of the month when invoice is issued	"	"	(109,552) (	1)	
	Q-ware Systems & Services Corp.	Subsidiary	"	499,037	1	Net 40 days from the end of the month when invoice is issued	"	"	(125,754) (	1)	
	President Transnet Corp.	"	"	392,721	-	Net 60 days from the end of the month when invoice is issued	"	"	(71,821)	-		
	President Packaging Industrial Corp.	Sister company	"	385,603	-	Net 15~60 days from the end of the month when invoice is issued	"	"	(92,545)	-		
	Kuang Chuan Dairy Co., Ltd.	Other related party	"	331,706	-	Net 30~65 days from the end of the month when invoice is issued	"	"	(123,057) (	1)	
	Wei Lih Food Industrial Co., Ltd.	"	"	202,329	-	Net 30~60 days from the end of the month when invoice is issued	"	"	(44,880)	-		
	ICASH Corp.	Subsidiary	"	164,195	-	Net 60 days from the end of the month when invoice is issued	"	"	(28,345)	-		
	President Drugstore Business Corp.	"	"	117,402	-	Net 30~60 days from the end of the month when invoice is issued	"	"	(19,485)	-		
Capital Marketing Consultant Corp.	President Chain Store Corp.	Parent company	Service revenue	(198,457) (	64	Net 45~65 days from the end of the month when invoice is issued	"	"	56,568	70	
Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary of President Chain Store Corp.	Delivery revenue	(519,963) (	30	Net 40 days from the end of the month when invoice is issued	"	"	89,413	39	
	President Logistics International Corp.	Parent company	"	(1,124,716) (	65	Net 20 days from the end of the month when invoice is issued	"	"	136,075	59	
President Transnet Corp.	Chieh Shun Logistics International Corp.	Subsidiary of President Chain Store Corp.	Service cost	519,963	7	Net 40 days from the end of the month when invoice is issued	"	"	(89,413) (	5)	
	President Chain Store Corp.	Parent company	Sales revenue	(392,721) (	57	Net 60 days from the end of the month when invoice is issued	"	"	71,821	4	
	President Collect Service Corp.	Subsidiary of President Chain Store Corp.	Service revenue	(194,841) (	2	Net 30 days from the end of the month when invoice is issued	"	"	25,698	2	
Uni-Wonder Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	358,782	8	Net 30 days from the end of the month when invoice is issued	"	"	(46,133) (	7)	
	Tong Zhan Corporation Ltd.	Other related party	"	902,677	21	Net 25 days from the end of the month when invoice is issued	"	"	(113,895) (	16)	
	Retail Support International Corp.	Subsidiary of President Chain Store Corp.	"	204,212	5	Net 29 days from the end of the month when invoice is issued	"	"	(26,198) (	4)	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
Nine months ended September 30, 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
			Percentage of total purchases			Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
			Purchases (sales)	Amount	(sales)							
Uni-Wonder Corp.	Tait Marketing & Distribution Co., Ltd.	Other related party	Purchases	\$ 132,250		3 Net 30 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 29,256) (	4)	
President Information Corp.	President Chain Store Corp.	Parent company	Service revenue	(808,859) (		64) Net 30 days from the end of the month when invoice is issued	"	"	138,545		53
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Subsidiary	Service cost	1,124,716		38 Net 20 days from the end of the month when invoice is issued	"	"	(136,075) (	38)	
	Retail Support International Corp.	Parent company	Delivery revenue	(702,754) (		23) Net 20 days from the end of the month when invoice is issued	"	"	83,970		22
	Uni-President Cold-Chain Corp.	Subsidiary of President Chain Store Corp.	"	(995,590) (		32) Net 20 days from the end of the month when invoice is issued	"	"	131,608		35
	Wisdom Distribution Service Corp.	"	"	(1,109,078) (		36) Net 20 days from the end of the month when invoice is issued	"	"	138,185		37
Retail Support International Corp.	President Logistics International Corp.	Subsidiary	Service cost	702,754		48 Net 20 days from the end of the month when invoice is issued	"	"	(83,970) (	50)	
	Uni-Wonder Corp.	Subsidiary of President Chain Store Corp.	Delivery revenue	(204,212) (		8) Net 29 days from the end of the month when invoice is issued	"	"	26,198		6
	Retail Support Taiwan Corp.	Subsidiary	Service cost	239,783		16 Net 15~20 days from the end of the month when invoice is issued	"	"	(28,416) (	17)	
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Subsidiary of President Chain Store Corp.	"	995,590		39 Net 20 days from the end of the month when invoice is issued	"	"	(131,608) (	2)	
Wisdom Distribution Service Corp.	President Logistics International Corp.	"	"	1,109,078		39 Net 20 days from the end of the month when invoice is issued	"	"	(138,185) (	37)	
	Books.com. Co., Ltd.	"	Service revenue	(228,679) (		7) Net 30~90 days from the end of the month when invoice is issued	"	"	27,754		2
Q-ware Systems & Services Corp.	President Chain Store Corp.	Parent company	"	(499,037) (		42) Net 40 days from the end of the month when invoice is issued	"	"	125,754		57
President Drugstore Business Corp.	President Pharmaceutical Corp.	Subsidiary of President Chain Store Corp.	Purchases	418,409		5 Net 70 days from the end of the month when invoice is issued	"	"	(18,644) (	1)	
	President Chain Store Corp.	Parent company	Sales revenue	(117,402) (		1) Net 30~60 days from the end of the month when invoice is issued	"	"	19,485		6
President Pharmaceutical Corp.	President Drugstore Business Corp.	Subsidiary of President Chain Store Corp.	"	(418,409) (		24) Net 70 days from the end of the month when invoice is issued	"	"	18,644		3
	President Chain Store Corp.	Parent company	"	(662,907) (		38) Net 60~70 days from the end of the month when invoice is issued	"	"	192,285		32
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	"	(3,346,178) (		97) Net 45 days from the end of the month when invoice is issued	"	"	848,264		95
	Koasa Yamako Corp.	Other related party	Purchases	186,651		8 Net 60 days from the end of the month when invoice is issued	"	"	(43,981) (	6)	
	Uni-President Enterprises Corp.	Ultimate parent company	"	164,456		7 Net 60 days from the end of the month when invoice is issued	"	"	(44,886) (	7)	
	21 Century Co., Ltd.	Subsidiary of President Chain Store Corp.	Sales revenue	(111,845) (		3) Net 60 days from the end of the month when invoice is issued	"	"	26,436		3
21 Century Co., Ltd.	President Chain Store Corp.	Parent company	"	(739,005) (		52) Net 30~60 days from the end of the month when invoice is issued	"	"	154,329		61
	Uni-President Superior Commissary Corp.	Subsidiary of President Chain Store Corp.	Purchases	111,845		12 Net 60 days from the end of the month when invoice is issued	"	"	(26,436) (	13)	
Duskin Serve Taiwan Co., Ltd.	President Chain Store Corp.	Parent company	Service revenue	(204,431) (		17) Net 15~60 days from the end of the month when invoice is issued	"	"	48,785		22

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
 Nine months ended September 30, 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	
			Percentage of total purchases			Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
			Purchases (sales)	Amount	(sales)							
Retail Support Taiwan Corp.	Retail Support International Corp.	Parent company	Delivery revenue	(\$ 239,783)	(82)	Net 15~20 days from the end of the month when invoice is issued	No significant differences	No significant differences	\$ 28,416	82		
ICASH Corp.	President Chain Store Corp.	"	Sales revenue	(164,195)	(24)	Net 60 days from the end of the month when invoice is issued	"	"	28,345	14		
	President Chain Store Corp.	"	Service revenue	(161,207)	(24)	Net 60 days from the end of the month when invoice is issued	"	"	60,656	53		
President Collect Service Corp.	President Transnet Corp.	Subsidiary of President Chain Store Corp.	Service cost	194,841	93	Net 30 days from the end of the month when invoice is issued	"	"	(25,698)	(100)		

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
September 30, 2022

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Overdue receivables			Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			Balance as of September 30, 2022	Turnover rate	Amount		
President Information Corp.	President Chain Store Corp.	Parent company	\$ 138,545	4.87	\$ -	None	\$ 17,833 \$ -
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	848,264	5.72	"	"	442,096
Q-ware Systems & Services Corp.	President Chain Store Corp.	"	125,754	5.49	"	"	40,824
President Pharmaceutical Corp.	President Chain Store Corp.	"	192,285	5.86	"	"	15,083
21 Century Co., Ltd.	President Chain Store Corp.	"	154,329	6.25	"	"	139,312
President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary of President Chain Store Corp.	138,185	9.28	"	"	-
President Logistics International Corp.	Uni-President Cold-Chain Corp.	"	131,608	10.84	"	"	-
Chieh Shun Logistics International Corp.	President Logistics International Corp.	"	136,075	11.06	"	"	-

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Significant inter-company transactions during the reporting periods
 Nine months ended September 30, 2022

Table 7

Expressed in thousands of NTD
 (Except as otherwise indicated)

Number	Company name	Counterparty	Relationship	General ledger account	Amount	Transaction		Percentage of consolidated total operating revenues or total assets
						Transaction terms		
1	Uni-President Cold-Chain Corp.	President Chain Store Corp.	Subsidiary to parent company	Other operating revenue	(\$ 410,506)	Net 20 days from the end of the month when invoice is issued		0.19
2	Capital Marketing Consultant Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(198,457)	Net 45~60 days from the end of the month when invoice is issued		0.09
3	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(808,859)	Net 30 days from the end of the month when invoice is issued		0.38
3	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	138,545	Net 30 days from the end of the month when invoice is issued		0.06
4	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(499,037)	Net 40 days from the end of the month when invoice is issued		0.23
4	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	125,754	Net 40 days from the end of the month when invoice is issued		0.06
5	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(3,346,178)	Net 45 days from the end of the month when invoice is issued		1.56
5	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	848,264	Net 45 days from the end of the month when invoice is issued		0.38
5	Uni-President Superior Commissary Corp.	21 Century Co., Ltd.	Subsidiary to subsidiary	Sales revenue	(111,845)	Net 60 days from the end of the month when invoice is issued		0.05
6	President Pharmaceutical Corp.	President Drugstore Business Corp.	Subsidiary to subsidiary	Sales revenue	(418,409)	Net 70 days from the end of the month when invoice is issued		0.19
6	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(662,907)	Net 60~70 days from the end of the month when invoice is issued		0.31
6	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	192,285	Net 60~70 days from the end of the month when invoice is issued		0.09
7	President Transnet Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(392,721)	Net 60 days from the end of the month when invoice is issued		0.18
7	President Transnet Corp.	President Collect Service Corp.	Subsidiary to subsidiary	Service revenue	(194,841)	Net 30 days from the end of the month when invoice is issued		0.09
8	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Delivery revenue	(1,124,716)	Net 20 days from the end of the month when invoice is issued		0.52
8	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Accounts receivable	136,075	Net 20 days from the end of the month when invoice is issued		0.06
8	Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary to subsidiary	Delivery revenue	(519,963)	Net 40 days from the end of the month when invoice is issued		0.24
9	President Logistics International Corp.	Retail Support International Corp.	Subsidiary to subsidiary	Delivery revenue	(702,754)	Net 20 days from the end of the month when invoice is issued		0.33
9	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Delivery revenue	(995,590)	Net 20 days from the end of the month when invoice is issued		0.46
9	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Delivery revenue	(1,109,078)	Net 20 days from the end of the month when invoice is issued		0.52
9	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Accounts receivable	138,185	Net 20 days from the end of the month when invoice is issued		0.06
9	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Accounts receivable	131,608	Net 20 days from the end of the month when invoice is issued		0.06
10	Duskin Serve Taiwan Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(204,431)	Net 15~60 days from the end of the month when invoice is issued		0.10
11	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(739,005)	Net 30~60 days from the end of the month when invoice is issued		0.34
11	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	154,329	Net 30~60 days from the end of the month when invoice is issued		0.07
12	Wisdom Distribution Service Corp.	Books.com. Co., Ltd.	Subsidiary to subsidiary	Service revenue	(\$ 228,679)	Net 30~90 days from the end of the month when invoice is issued		0.11
13	Retail Support Taiwan Corp.	Retail Support International Corp.	Subsidiary to subsidiary	Delivery revenue	(239,783)	Net 15~20 days from the end of the month when invoice is issued		0.11
14	ICASH Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(164,195)	Net 60 days from the end of the month when invoice is issued		0.08

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Significant inter-company transactions during the reporting periods
 Nine months ended September 30, 2022

Table 7

Expressed in thousands of NTD
 (Except as otherwise indicated)

Number	Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	Transaction		Percentage of consolidated total operating revenues or total assets
14	ICASH Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(161,207)	Net 60 days from the end of the month when invoice is issued			0.08
15	Retail Support International Corp.	Uni-Wonder Corp.	Subsidiary to subsidiary	Delivery revenue	(204,212)	Net 29 days from the end of the month when invoice is issued			0.10
16	President Drugstore Business Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(117,402)	Net 30~60 days from the end of the month when invoice is issued			0.05

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)
 Nine months ended September 30, 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 September 30, 2022				Investment income (loss)		
				Balance as at September 30, 2022	Balance as at December 31,2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2022		Investment income (loss) recognized by the Company for the nine months ended September 30, 2022	Footnote
									(\$)	(\$)		
President Chain Store Corp.	President Chain Store (BVI) Holdings Ltd.	British Virgin Islands	Professional investment	\$ 6,712,138	\$ 6,712,138	171,589,586	100.00	\$ 25,873,086	(\$ 7,698)	(\$ 7,698)	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	1,741,707	282,789	282,789	Subsidiary	
President Chain Store Corp.	President Transnet Corp.	Taiwan	Delivery service	711,576	711,576	103,496,399	70.00	2,124,826	1,037,281	726,097	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	788,528	159,740	129,184	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	700,154	114,859	84,697	Subsidiary	
President Chain Store Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	840,000	840,000	27,999,999	70.00	440,056	93,647	65,553	Subsidiary	
President Chain Store Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	520,141	520,141	48,519,890	90.00	543,992	54,567	49,264	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	941,097	350,627	210,319	Subsidiary	
President Chain Store Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	320,741	320,741	25,714,475	86.00	472,676	49,307	42,404	Subsidiary	
President Chain Store Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	332,482	332,482	24,382,921	86.76	392,696	86,161	74,860	Subsidiary	
President Chain Store Corp.	Wisdom Distribution Service Corp.	Taiwan	Logistics and storage of publication and e-commerce	50,000	50,000	40,591,436	100.00	804,979	261,922	261,922	Subsidiary	
President Chain Store Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	100,400	100,400	9,999,999	50.03	303,830	191,615	95,844	Subsidiary	
President Chain Store Corp.	President Lanyang Art Corporation	Taiwan	Art and cultural exhibition	20,000	20,000	2,000,000	100.00	24,823	(65)	65)	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	208,451	158,727	80,951	Subsidiary	
President Chain Store Corp.	ICASH Corp.	Taiwan	Electronic ticketing and electronic payment	700,000	700,000	70,000,000	100.00	444,835	(25,780)	25,781)	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	767,839	138,188	27,637	Note	
President Chain Store Corp.	Uni-Wonder Corp.	Taiwan	Coffee chain store	3,286,206	3,286,206	21,382,674	60.00	4,802,023	449,227	199,639	Subsidiary	
President Chain Store Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	91,414	91,414	6,429,999	25.00	154,977	140,171	35,046	Subsidiary	
President Chain Store Corp.	Presicarre Corp.	Taiwan	Management of retail department store	7,112,028	7,112,028	145,172,360	19.50	5,052,790	1,269,068	258,645	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	2,161,763	201,429	38,271	Note	
President Chain Store Corp.	President International Development Corp.	Taiwan	Professional investment	500,000	500,000	44,100,000	3.33	450,844	193,362	6,130	Note	
President Chain Store Corp.	Tung Ho Development Corp.	Taiwan	Management of entertainment business	861,696	861,696	9,965,000	6.23	56,451	(57,163)	3,561)	Note	
President Chain Store Corp.	Ren-Hui Investment Corp.	Taiwan	Professional investment	637,231	637,231	6,500,000	100.00	35,630	(12,191)	12,985)	Subsidiary	
President Chain Store Corp.	Capital Marketing Consultant Corp.	Taiwan	Enterprise management consultancy	9,506	9,506	2,500,000	100.00	81,682	38,493	38,463	Subsidiary	
President Chain Store Corp.	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	277,805	277,805	8,746,008	92.20	70,281	(509)	469)	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	38,002	19,252	19,252	Subsidiary	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Names, locations and other information of investee companies (not including investees in Mainland China)
 Nine months ended September 30, 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 September 30, 2022				Investment income (loss)	
				Balance as at September 30, 2022	Balance as at December 31,2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended September 30, 2022	Investment income (loss) recognized by the Company for the nine months ended September 30, 2022	Footnote
									September 30, 2022	September 30, 2022	
President Chain Store Corp.	Cold Stone Creamery Taiwan Ltd.	Taiwan	Sales of ice cream	\$ 170,000	\$ 170,000	12,244,390	100.00	\$ 33,956	\$ 6,413	\$ 6,413	Subsidiary
President Chain Store Corp.	President Being Corp.	Taiwan	Sports and entertainment business	170,000	170,000	1,500,000	100.00	(131,134)	(30,303)	(30,304)	Subsidiary
President Chain Store Corp.	21 Century Co., Ltd.	Taiwan	Operation of chain restaurants	160,680	160,680	10,000,000	100.00	176,520	32,126	32,126	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	81,573	2,290	2,290	Subsidiary
President Chain Store Corp.	Uni-President Oven Bakery Corp.	Taiwan	Bread and pastry retailer	681,300	391,300	29,000,000	100.00	62,165	(79,213)	(79,213)	Subsidiary
President Chain Store Corp.	President Collect Service Corp.	Taiwan	Collection agent	10,500	10,500	1,049,999	70.00	70,889	71,245	49,871	Subsidiary
President Chain Store Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	200,000	200,000	7,500,049	50.00	106,553	34,398	17,199	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	48,194	35,821	13,127	Note
President Chain Store Corp.	President Technology Corp.	Taiwan	Software development and telephone customer service	7,500	7,500	750,000	15.00	23,183	26,393	3,960	Note
President Chain Store Corp.	Connection Labs Ltd.	Taiwan	Other software and internet-related	202,963	102,963	21,722,779	100.00	59,805	(80,052)	(80,052)	Subsidiary
Mech-President Corp.	Tong Ching Corporation	Taiwan	Gas station	9,600	9,600	960,000	60.00	22,002	5,201	3,120	Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	23,495	23,495	740,000	7.80	5,946	(509)	(509)	40) Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Malaysia	Professional investment	2,149,264	2,149,264	67,693,370	100.00	2,514,229	361,173	361,173	Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Hong Kong	Professional investment	4,945,282	4,945,282	134,603,354	100.00	3,321,922	(419,221)	(419,221)	Subsidiary of a subsidiary
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	Philippines	Convenience store	2,148,375	2,148,375	415,105,327	54.88	2,512,669	718,621	361,326	Subsidiary of a subsidiary
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Taiwan	Trucking	180,000	180,000	26,670,000	100.00	344,448	39,385	39,385	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	(19,620)	(27,148)	(27,148)	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	-	-	1	-	-	-	191,615	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	-	-	1	-	-	-	93,647	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Mech-President Corp.	Taiwan	Gas station, installment and maintenance of elevators	-	-	1	-	-	-	159,740	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	-	-	1	-	-	-	49,307	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Transnet Corp.	Taiwan	Delivery service	-	-	1	-	-	-	1,037,281	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	-	-	1	-	-	-	86,161	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Duskin Serve Taiwan Co., Ltd.	Taiwan	Cleaning instruments leasing and selling	-	-	1	-	-	-	158,727	- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Pharmaceutical Corp.	Taiwan	Sales of various health care products, cosmetics, and pharmaceuticals	-	-	1	-	-	-	114,859	- Subsidiary of a subsidiary

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Names, locations and other information of investee companies (not including investees in Mainland China)
 Nine months ended September 30, 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 September 30, 2022				Investment income (loss)	
				Balance as at September 30, 2022	Balance as at December 31,2021	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the nine months ended	recognized by the Company for the nine months ended	
									September 30, 2022	September 30, 2022	Footnote
Ren-Hui Investment Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	\$ -	\$ -	1	-	\$ -	\$ 34,398	\$ -	- Note
Ren-Hui Investment Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	-	-	1	-	-	54,567		- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Cold-Chain Corp.	Taiwan	Low-temperature logistics and warehousing	-	-	1	-	-	350,627		- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	-	-	1	-	-	140,171		- Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Collect Service Corp.	Taiwan	Collection agent	-	-	1	-	-	71,245		- 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	13,323	(16,075)	16,075	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	64,907	30,680	15,647	Subsidiary of a subsidiary
Retail Support International Corp.	President Logistics International Corp.	Taiwan	Trucking	44,975	44,975	9,481,500	49.00	172,756	65,776	32,230	Subsidiary of a subsidiary
Retail Support Taiwan Corp.	President Logistics International Corp.	Taiwan	Trucking	5,425	5,425	1,161,000	6.00	21,154	65,776	3,947	Subsidiary of a subsidiary
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Taiwan	Trucking	23,850	23,850	4,837,500	25.00	88,141	65,776	16,444	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	121,706	4,631	4,631	Subsidiary of a subsidiary
Wisdom Distribution Service Corp.	President Logistics International Corp.	Taiwan	Trucking	18,850	18,850	3,870,000	20.00	70,501	65,776	13,144	Subsidiary of a subsidiary
Philippine Seven Corp.	Convenience Distribution Inc.	Philippines	Logistic, warehousing and retail	24,361	24,361	12,500,000	100.00	24,361	4,521		- Subsidiary of a subsidiary
Philippine Seven Corp.	Store Sites Holding, Inc.	Philippines	Professional investment	26,386	26,386	40,000	100.00	26,386	872		- 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
 Nine months ended September 30, 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						Investment income (loss) recognized by the Company for the nine months ended September 30, 2022	Ownership held by the Company (direct or indirect)	Book value of investments in Taiwan as of September 30, 2022	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2022	Footnote					
				Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2022		nine months ended September 30, 2022		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2022											
				Remitted to Mainland China	Remitted back to Taiwan	Remitted to Mainland China	Remitted back to Taiwan	Net profit/(loss) of investee for the nine months ended September 30, 2022	(\$)										
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Wholesale of merchandise	\$ 446,184	Note 1	\$ 298,999	\$ -	\$ -	\$ -	\$ 298,999	(\$ 425)	100.00	(\$ 427)	\$ 75,903	\$ -	Note 3					
President Chain Store (Shanghai) Ltd.	Convenience Store	3,123,288	Note 1	2,766,341	356,947	-	-	3,123,288	(230,934)	100.00	(230,639)	425,426	-	Note 3					
Shanghai President Logistic Co., Ltd.	Logistics and warehousing	63,500	Note 1	63,500	-	-	-	63,500	3,451	100.00	3,452	610,360	-	Note 3					
Shan Dong President Yinzuo Commercial Limited	Supermarkets	267,710	Note 1	129,488	-	-	-	129,488	(109,704)	55.00	(58,825)	3,099	8,255	Note 2					
President (Shanghai) Health Product Trading Company Ltd.	Sales of various health care products, cosmetics, and pharmaceuticals	174,713	Note 1	174,713	-	-	-	174,713	(25,188)	73.74	(18,574)	32,574	58,648	Note 3					
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehousing	178,474	Note 1	177,660	-	-	-	177,660	9,380	80.00	7,627	194,959	27,062	Note 3					
President Chain Store (Taizhou) Ltd.	Logistics and warehousing	267,710	Note 1	267,710	-	-	-	267,710	13,529	100.00	13,530	443,596	-	Note 3					
President Logistic ShanDong Co., Ltd.	Logistics and warehousing	223,092	Note 1	223,092	-	-	-	223,092	8,467	100.00	9,913	234,655	-	Note 3					
President Chain Store (Zhejiang) Ltd.	Convenience Store	936,986	Note 1	936,986	-	-	-	936,986	(142,453)	100.00	(143,251)	219,732	-	Note 3					
Beauty Wonder (Zhejiang) Trading Co.,Ltd.	Sales of cosmetics and daily items	267,710	Note 1	267,710	-	-	-	267,710	(26,484)	100.00	(26,485)	103,335	-	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 September 30, 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
		Affairs (MOEA)	MOEA	
President Chain Store Corp.	\$ 5,296,163	\$ 10,199,645	\$ 25,867,170	
President Pharmaceutical Corp.	174,713	174,713	440,485	
Uni-President Cold-Chain Corp.	94,216	94,216	928,829	
Ren-Hui Investment Corp.	54,715	54,715	80,000	

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

September 30, 2022

Table 10

Shareholder name	Shares held as at September 30, 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.