

**PRESIDENT CHAIN STORE CORP. AND
SUBSIDIARIES**
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2021 AND 2020

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2021 AND 2020
CONTENTS

Items	Page/Reference
1. Cover	1
2. Contents	2 ~3
3. Independent auditors' review report	4 ~ 5
4. Consolidated balance sheets	6 ~ 7
5. Consolidated statements of comprehensive income	8 ~ 9
6. Consolidated statements of changes in equity	10
7. Consolidated statements of cash flows	11 ~ 12
8. Notes to the consolidated financial statements	13 ~ 55
(1) History and organization	13
(2) The date of authorization for issuance of the consolidated financial statements and procedures for authorization	13
(3) Application of new standards, amendments and interpretations	13 ~ 14
(4) Summary of significant accounting policies	14 ~ 18
(5) Critical accounting judgements, estimates and key sources of assumption uncertainty	19
(6) Details of significant accounts	19 ~ 39
(7) Related party transactions	40 ~ 42

	<u>Items</u>	<u>Page/Reference</u>
(8)	Pledged assets	43
(9)	Significant contingent liabilities and unrecognized contract commitments	43
(10)	Significant disaster loss	43
(11)	Significant events after the balance sheet date	43
(12)	Others	43 ~ 52
(13)	Supplementary disclosures	53
(14)	Segment information	54 ~ 55

INDEPENDENT AUDITORS' REVIEW REPORT

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

Introduction

We have reviewed the accompanying consolidated balance sheets of President Chain Store Corp. and subsidiaries as at March 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods 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 the 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\$47,013,016 thousand and NT\$43,551,889 thousand, constituting 23% and 22% of the consolidated total assets, and total liabilities of NT\$31,211,615 thousand and NT\$26,671,356 thousand, constituting 19% and 18% of the consolidated total liabilities as at March 31, 2021 and 2020, respectively, and total comprehensive income of NT\$89,554 thousand and NT\$309,819 thousand, constituting 3% and 10% of the consolidated total comprehensive income for the three-month periods then ended.

Qualified conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries and investments accounted for using the equity method, been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of President Chain Store Corp. and subsidiaries as at March 31, 2021 and 2020, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

Yi-Chang, Liang

Se-Kai, Lin

For and on behalf of PricewaterhouseCoopers, Taiwan

May 4, 2021

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 report of independent accountants 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 consolidated balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

Assets	Notes	March 31, 2021		December 31, 2020		March 31, 2020	
		AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets							
1100	Cash and cash equivalents	6(1)	\$ 45,587,930	22	\$ 46,562,907	22	\$ 45,619,316
1110	Financial assets at fair value	6(2)					
	through profit or loss - current		2,090,632	1	2,105,496	1	1,682,052
1170	Accounts receivable, net	6(3) and 7	5,398,536	3	6,215,272	3	4,034,994
1200	Other receivables		2,250,633	1	1,950,481	1	1,956,561
1220	Current income tax assets	6(32)	1,591	-	1,206	-	624
130X	Inventories, net	6(4)	15,381,979	7	16,636,055	8	14,228,358
1410	Prepayments		1,533,903	1	1,177,895	1	1,396,936
1470	Other current assets		3,651,972	2	3,487,082	2	3,135,037
11XX	Total current assets		<u>75,897,176</u>	<u>37</u>	<u>78,136,394</u>	<u>38</u>	<u>72,053,878</u>
Non-current assets							
1510	Financial assets at fair value	6(2)					
	through profit or loss -						
	non-current		85,523	-	85,523	-	85,565
1517	Financial assets at fair value	6(5)					
	through other comprehensive						
	income - non-current		1,135,820	-	959,827	-	738,846
1550	Investments accounted for using	6(6)					
	equity method		9,018,626	4	8,921,641	4	9,392,621
1600	Property, plant and equipment,	6(7)(30)					
	net	and 8	27,972,259	14	28,050,374	13	26,048,593
1755	Right-of-use assets	6(8) and 7	75,478,460	36	74,963,001	36	68,362,249
1760	Investment property, net	6(10) and					
		8	2,824,550	1	2,863,146	1	1,502,552
1780	Intangible assets	6(11)	9,864,549	5	9,958,198	5	10,087,357
1840	Deferred income tax assets	6(32)	2,013,071	1	1,988,030	1	1,901,412
1900	Other non-current assets	6(12) and					
		8	<u>3,802,474</u>	<u>2</u>	<u>3,567,800</u>	<u>2</u>	<u>3,657,699</u>
15XX	Total non-current assets		<u>132,195,332</u>	<u>63</u>	<u>131,357,540</u>	<u>62</u>	<u>121,776,894</u>
1XXX	Total assets		<u>\$ 208,092,508</u>	<u>100</u>	<u>\$ 209,493,934</u>	<u>100</u>	<u>\$ 193,830,772</u>

(Continued)

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)
(The consolidated balance sheets as of March 31, 2021 and 2020 are reviewed, not audited)

	Liabilities and Equity	Notes	March 31, 2021		December 31, 2020		March 31, 2020	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current Liabilities								
2100	Short-term borrowings	6(14)	\$ 4,540,507	2	\$ 4,739,411	2	\$ 5,088,654	3
2110	Short-term notes and bills payable	6(15)	1,949,570	1	3,399,147	2	-	-
2130	Contract liabilities - current	6(25)	5,675,580	3	5,234,797	2	3,519,856	2
2150	Notes payable	7	1,485,141	1	1,079,496	1	1,102,302	1
2170	Accounts payable		20,379,463	10	22,255,284	11	20,109,176	10
2180	Accounts payable - related parties	7	2,925,627	1	2,801,552	1	2,665,307	1
2200	Other payables	6(16)	22,249,858	11	25,093,782	12	22,343,806	11
2230	Current income tax liabilities	6(32)	2,349,002	1	1,647,936	1	2,148,247	1
2280	Lease liabilities - current	7	12,825,550	6	12,859,557	6	12,000,591	6
2300	Other current liabilities	6(17)	3,738,282	2	3,588,870	2	3,188,331	2
21XX	Total current liabilities		<u>78,118,580</u>	<u>38</u>	<u>82,699,832</u>	<u>40</u>	<u>72,166,270</u>	<u>37</u>
Non-current liabilities								
2527	Contract liabilities - non-current	6(25)	457,439	-	563,834	-	434,429	-
2540	Long-term borrowings	6(18) and 8	1,229,856	-	1,028,553	1	499,680	-
2570	Deferred income tax liabilities	6(32)	5,053,616	3	5,320,392	3	5,567,312	3
2580	Lease liabilities - non-current	7	66,168,218	32	65,277,459	31	57,729,234	30
2640	Net defined benefit liability - non-current	6(19)	4,914,694	2	4,969,892	2	4,750,197	3
2670	Other non-current liabilities, others	6(20)	4,742,649	2	4,656,273	2	4,432,142	2
25XX	Total non-current liabilities		<u>82,566,472</u>	<u>39</u>	<u>81,816,403</u>	<u>39</u>	<u>73,412,994</u>	<u>38</u>
2XXX	Total liabilities		<u>160,685,052</u>	<u>77</u>	<u>164,516,235</u>	<u>79</u>	<u>145,579,264</u>	<u>75</u>
Equity attributable to owners of the parent								
	Share capital	6(21)						
3110	Share capital - common stock		10,396,223	5	10,396,223	5	10,396,223	5
	Capital surplus	6(22)						
3200	Capital surplus		47,622	-	47,628	-	46,884	-
	Retained earnings	6(23)						
3310	Legal reserve		14,369,228	7	14,369,228	7	13,314,081	7
3320	Special reserve		380,187	-	380,187	-	-	-
3350	Unappropriated retained earnings		14,217,664	7	12,159,546	6	15,400,485	8
	Other equity	6(24)						
3400	Other equity interest		(1,156,809)	-	(1,332,621)	(1)	(256,272)	-
31XX	Equity attributable to owners of the parent		<u>38,254,115</u>	<u>19</u>	<u>36,020,191</u>	<u>17</u>	<u>38,901,401</u>	<u>20</u>
36XX	Non-controlling interest	6(34)	<u>9,153,341</u>	<u>4</u>	<u>8,957,508</u>	<u>4</u>	<u>9,350,107</u>	<u>5</u>
3XXX	Total equity		<u>47,407,456</u>	<u>23</u>	<u>44,977,699</u>	<u>21</u>	<u>48,251,508</u>	<u>25</u>
3X2X	Total liabilities and equity		<u>\$ 208,092,508</u>	<u>100</u>	<u>\$ 209,493,934</u>	<u>100</u>	<u>\$ 193,830,772</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
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)
(UNAUDITED)

	Items	Notes	For the three-month periods ended March 31				
			2021	2020	AMOUNT	%	
4000	Operating revenue	6(25) and 7	\$ 65,053,203	100	\$ 63,049,749	100	
5000	Operating costs	6(4)(26) and 7	(42,871,964)	(66)	(41,225,438)	(65)	
5900	Gross profit		22,181,239	34	21,824,311	35	
	Operating expenses	6(26)(27)					
6100	Selling expenses		(16,471,542)	(25)	(16,182,978)	(26)	
6200	General and administrative expenses		(2,528,991)	(4)	(2,450,912)	(4)	
6450	Expected credit losses	12(2)	(23,108)	-	(44)	-	
6000	Total operating expenses		(19,023,641)	(29)	(18,633,934)	(30)	
6900	Operating profit		3,157,598	5	3,190,377	5	
	Non-operating income and expenses						
7100	Interest income	6(28)	54,419	-	166,841	-	
7010	Other income	6(29)	416,130	-	391,857	1	
7020	Other gains and losses	6(30)	(15,610)	-	27,836	-	
7050	Finance costs	6(31)	(306,871)	-	(315,863)	-	
7060	Share of profit of associates and joint ventures accounted for using equity method	6(6)					
			96,514	-	137,994	-	
7000	Total non-operating income and expenses		244,582	-	408,665	1	
7900	Profit before income tax		3,402,180	5	3,599,042	6	
7950	Income tax expense	6(32)	(430,363)	-	(714,199)	(1)	
8000	Profit for the period from continuing operations		2,971,817	5	2,884,843	5	
8200	Profit for the period		\$ 2,971,817	5	\$ 2,884,843	5	

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

Items	Notes	For the three-month periods ended March 31			
		2021		2020	
		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)					
8316 Unrealized gain (loss) on valuation of equity instruments at fair value through other comprehensive income	6(5)	\$ 175,993	-	(\$ 68,269)	-
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(24)				
		1,074	-	(779)	-
8349 Income tax related to the components of other comprehensive income that will not be reclassified to profit or loss	6(32)	4,567	-	2,570	-
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss		181,634	-	(66,478)	-
8361 Financial statements translation differences of foreign operations		(20,869)	-	206,598	-
8370 Share of other comprehensive loss of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss	6(24)				
		(2,419)	-	(697)	-
8360 Components of other comprehensive (loss) income that will be reclassified to profit or loss		(23,288)	-	205,901	-
8300 Total other comprehensive income for the period		\$ 158,346	-	\$ 139,423	-
8500 Total comprehensive income for the period		\$ 3,130,163	5	\$ 3,024,266	5
Profit attributable to:					
8610 Owners of the parent		\$ 2,709,602	5	\$ 2,554,443	4
8620 Non-controlling interests		262,215	-	330,400	1
		\$ 2,971,817	5	\$ 2,884,843	5
Comprehensive income attributable to:					
8710 Owners of the parent		\$ 2,885,414	5	\$ 2,678,358	4
8720 Non-controlling interests		244,749	-	345,908	1
		\$ 3,130,163	5	\$ 3,024,266	5
9750 Basic earnings per share	6(33)	\$ 2.61		\$ 2.46	
9850 Diluted earnings per share	6(33)	\$ 2.60		\$ 2.45	

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

Chairman: Lo, Chih-Hsien

President: Huang, Jui-Tien

Accounting Manager: Lee, Johnyih

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

Notes	Equity attributable to owners of the parent										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	Unrealized gain or loss on valuation of financial assets at fair value through other comprehensive Income	Total						
For the three-month period ended March 31, 2020														
Balance at January 1, 2020	\$ 10,396,223	\$ 46,884	\$ 13,314,081	\$ -	\$ 12,845,880	(\$ 869,908)	\$ 489,721	\$ 36,222,881	\$ 9,004,437	\$ 45,227,318				
Profit for the period	-	-	-	-	2,554,443	-	-	2,554,443	330,400	2,884,843				
Other comprehensive income (loss) for the period	6(24)	-	-	-	-	191,090	(67,175)	123,915	15,508	139,423				
Total comprehensive income (loss) for the period		-	-	-	2,554,443	191,090	(67,175)	2,678,358	345,908	3,024,266				
Non-controlling interest		-	-	-	-	-	-	-	(238)	(238)				
Disposal of financial instruments designated at fair value through other comprehensive income of associates		-	-	-	162	-	-	162	-	162				
Balance at March 31, 2020	\$ 10,396,223	\$ 46,884	\$ 13,314,081	\$ -	\$ 15,400,485	(\$ 678,818)	\$ 422,546	\$ 38,901,401	\$ 9,350,107	\$ 48,251,508				
For the three-month period ended March 31, 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	\$ 44,977,699				
Profit for the period	-	-	-	-	2,709,602	-	-	2,709,602	262,215	2,971,817				
Other comprehensive (loss) income for the period	6(24)	-	-	-	-	(6,220)	182,032	175,812	(17,466)	158,346				
Total comprehensive income (loss) for the period		-	-	-	2,709,602	(6,220)	182,032	2,885,414	244,749	3,130,163				
Non-controlling interest		-	-	-	-	-	-	-	22,489	22,489				
Acquisition of additional equity interest in a subsidiary	6(34)	-	-	-	(650,393)	-	-	(650,393)	(71,405)	(721,798)				
Adjustment of 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		-	-	-	(1,091)	-	-	(1,091)	-	(1,091)				
Balance at March 31, 2021	\$ 10,396,223	\$ 47,622	\$ 14,369,228	\$ 380,187	\$ 14,217,664	(\$ 1,979,488)	\$ 822,679	\$ 38,254,115	\$ 9,153,341	\$ 47,407,456				

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	For the three-month periods ended March 31	
		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated profit before income tax for the period		\$ 3,402,180	\$ 3,599,042
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)	(1,484)	(2,311)
Expected credit losses	12(2)	23,108	44
Depreciation expense	6(7)(8)(26)	5,004,067	4,727,442
Amortization expense	6(26)	140,556	137,889
Depreciation on investment property	6(10)	38,596	4,246
Finance costs	6(31)	306,871	315,863
Share of profit of associates and joint ventures accounted for using equity method	6(6)	(96,514)	(137,994)
Gain on disposal of property, plant and equipment, net	6(30)	(5,191)	(19,318)
Gain from lease modification	6(30)	(26,750)	(18,161)
Interest income	6(28)	(54,419)	(166,841)
Other income recognized from rent concessions	6(8)	(17,106)	-
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		16,348	16,559
Accounts receivable		793,123	1,773,442
Other receivables		(300,152)	(494,176)
Inventories		1,254,076	1,430,754
Prepayments		(356,008)	(201,217)
Other current assets		(164,890)	(166,687)
Net changes in liabilities relating to operating activities			
Contract liabilities - current		440,783	76,473
Accounts payable		(1,751,746)	(813,212)
Notes payable		405,645	(112,400)
Other payables		(1,992,594)	(3,473,395)
Advance receipts		115,808	38,220
Contract liabilities - non-current		(106,396)	(13,819)
Net defined benefit liabilities		(55,197)	(1,410)
Cash generated from operations		7,012,714	6,499,033
Interest received		54,924	164,810
Income tax paid		(16,932)	(28,751)
Interest paid		(306,901)	(315,910)
Net cash provided by operating activities		<u>6,743,805</u>	<u>6,319,182</u>

(Continued)

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

	Notes	For the three-month periods ended March 31	
		2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	6(35)	(\$ 2,362,500)	(\$ 2,552,541)
Proceeds from disposal of property, plant and equipment		50,117	51,512
Acquisition of investments accounted for using equity method		(2,913)	-
Guarantee deposits paid		(38,811)	58,484)
Acquisition of intangible assets	6(11)	(21,423)	28,456)
(Increase) decrease in other non-current assets		(221,096)	74,767
Net cash used in investing activities		(2,596,626)	(2,513,202)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in short-term borrowings	6(36)	(198,904)	(926,004)
Decrease in short-term notes and bills payable	6(36)	(1,449,577)	-
Increase in long-term borrowings	6(36)	298,901	50,770
Repayment of long-term borrowings	6(36)	(57,286)	(60,840)
Payments of lease liabilities	6(8)(36)	(3,058,890)	(2,930,391)
Guarantee deposits received	6(36)	64,136	39,759
Increase in other non-current liabilities	6(36)	2,459	3,795
Change in non-controlling interests		22,489	(238)
Acquisition of additional equity interest in a subsidiary	6(34)	(721,798)	-
Net cash used in financing activities		(5,098,470)	(3,823,149)
Effect of foreign exchange rate changes on cash and cash equivalents		(23,686)	191,090
(Decrease) increase in cash and cash equivalents		(974,977)	173,921
Cash and cash equivalents at beginning of period		46,562,907	45,445,395
Cash and cash equivalents at end of period		\$ 45,587,930	\$ 45,619,316

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
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021 AND 2020

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

1. HISTORY AND ORGANIZATION

(1) President Chain Store Corporation (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 reported to the Board of Directors on May 4, 2021.

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 FSC effective from 2021 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 4, ‘Extension of the temporary exemption from applying IFRS 9’	January 1, 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, ‘Interest Rate Benchmark Reform— Phase 2’	January 1, 2021

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

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

None.

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 3, 'Reference to the conceptual framework'	January 1, 2022
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
Amendment to IFRS 16, 'Covid-19-related rent concessions beyond 30 June 2021'	April 1, 2021
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2023
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 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.	

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, 2020. 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, 2020.

(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 obligation.
- B. The preparation of financial statements, in compliance 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. Basis for preparation of consolidated financial statements:

- (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, 2020.
- (b) The details of the individual financial statements of the Company's subsidiaries reviewed or unreviewed by the independent auditors are summarized below:

Name of the subsidiaries	March 31, 2021	March 31, 2020
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, 2020 were audited by other independent accountants, and the financial statements of other subsidiaries were audited by the same independent accountants as that appointed by the Company.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
The Company	President Chain Store (BVI) Holdings Ltd.	Professional investment	100.00	100.00	100.00	
The Company	PCSC (China) Drugstore Limited	Professional investment	92.20	92.20	92.20	
The Company	Wisdom Distribution Service Corp.	Logistics and storage of publication and e-commerce	100.00	100.00	100.00	
The Company	President Drugstore Business Corp.	Sales of cosmetics, medicine and daily items	100.00	100.00	100.00	
The Company	Ren-Hui Investment Corp.	Professional investment	100.00	100.00	100.00	
The Company	Capital Marketing Consultant Corp.	Enterprise management consultancy	100.00	100.00	100.00	
The Company	President Lanyang Art Corporation	Art and cultural exhibition	100.00	100.00	100.00	
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	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
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)
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	
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	
Books.com. Co., Ltd.	Books.com. (BVI) Ltd.	Professional investment	-	-	100.00	(b)

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2021	December 31, 2020	March 31, 2020	
Books.com. (BVI) Ltd.	Beijing Bokelai Customer Co.	Enterprise information consulting, network technology development and services	-	-	100.00	(c)
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	53.86	52.22	52.22	(d)
Philippine Seven Corporation	Convenience Distribution Inc.	Logistics and warehousing	100.00	100.00	100.00	
Philippine Seven Corporation	Store Sites Holding, Inc.	Professional investment	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	Professional investment	7.80	7.80	7.80	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Shanghai) Ltd.	Convenience store	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Shanghai President Logistics Co., Ltd.	Logistics and warehousing	100.00	100.00	100.00	
President Chain Store (Hong Kong) Holdings Limited	Shan Dong President Yinzuo Commercial Limited	Supermarkets	40.00	40.00	40.00	
President Chain Store (Hong Kong) Holdings Limited	Shanghai Cold Stone Ice Cream Corporation Ltd.	Sales of ice cream	-	-	100.00	(e)
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 liquidated the subsidiary, Books.com. (BVI) Ltd., and the process of cancellation of registration has been completed in August 2020.
- (c) The Company liquidated the subsidiary, Beijing Bokelai Customer Co., and the process of cancellation of registration has been completed in July 2020.
- (d) The Company acquired an additional 1.64% shares of the subsidiary, Philippine Seven Corp., in February 2021. Please refer to Note 6(34).
- (e) The Company liquidated the subsidiary, Shanghai Cold Stone Ice Cream Corporation Ltd. and the process of cancellation of registration has been completed in November 2020.

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, 2020.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	March 31, 2021	December 31, 2020	March 31, 2020
Cash on hand and petty cash	\$ 1,500,567	\$ 2,049,148	\$ 1,091,164
Checking accounts and demand deposits	14,966,280	12,354,395	10,586,880
Cash equivalents			
Time deposits	23,366,727	25,950,720	27,290,228
Short-term financial instruments	5,754,356	6,208,644	6,651,044
	<u>\$ 45,587,930</u>	<u>\$ 46,562,907</u>	<u>\$ 45,619,316</u>

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

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

	March 31, 2021	December 31, 2020	March 31, 2020
Financial assets mandatorily measured at fair value through profit or loss			
Current items:			
Beneficiary certificates	\$ 2,090,352	\$ 2,105,429	\$ 1,681,688
Valuation adjustment	280	67	364
	<u>\$ 2,090,632</u>	<u>\$ 2,105,496</u>	<u>\$ 1,682,052</u>
Non-current items:			
Unlisted stocks	\$ 275,243	\$ 275,243	\$ 275,285
Valuation adjustment	(189,720)	(189,720)	(189,720)
	<u>\$ 85,523</u>	<u>\$ 85,523</u>	<u>\$ 85,565</u>

- A. The Group recognized net profit of \$1,484 and \$2,311 in relation to financial assets at fair value through profit or loss for the three-month periods ended March 31, 2021 and 2020, 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

	March 31, 2021	December 31, 2020	March 31, 2020
Accounts receivable	\$ 5,528,491	\$ 6,322,757	\$ 4,090,710
Less: Allowance for doubtful accounts	(129,955)	(107,485)	(55,716)
	<u>\$ 5,398,536</u>	<u>\$ 6,215,272</u>	<u>\$ 4,034,994</u>

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

	March 31, 2021	December 31, 2020	March 31, 2020
Not past due	\$ 5,442,951	\$ 6,228,821	\$ 3,777,401
Up to 90 days	80,018	91,138	299,124
91 to 180 days	3,232	1,371	13,200
181 to 365 days	1,035	223	985
Over 365 days	1,255	1,204	-
	<u>\$ 5,528,491</u>	<u>\$ 6,322,757</u>	<u>\$ 4,090,710</u>

The above aging analysis was based on past due date.

B. As of March 31, 2021, December 31, 2020 and March 31, 2020, accounts receivable was all from contracts with customers. And as of January 1, 2020, the balance of receivables from contracts with customers amounted to \$5,808,480.

C. As at March 31, 2021, December 31, 2020 and March 31, 2020, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable were \$5,398,536, \$6,215,272, and \$4,034,994, respectively.

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

(4) Inventories

	March 31, 2021		
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 81,675	\$ -	\$ 81,675
Merchandise and finished goods	<u>15,398,435</u>	(<u>98,131</u>)	<u>15,300,304</u>
	<u>\$ 15,480,110</u>	<u>(\$ 98,131)</u>	<u>\$ 15,381,979</u>
	December 31, 2020		
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 75,715	\$ -	\$ 75,715
Merchandise and finished goods	<u>16,648,109</u>	(<u>87,769</u>)	<u>16,560,340</u>
	<u>\$ 16,723,824</u>	<u>(\$ 87,769)</u>	<u>\$ 16,636,055</u>
	March 31, 2020		
	Cost	Allowance for valuation loss	Book value
Raw materials and work in process	\$ 76,276	\$ -	\$ 76,276
Merchandise and finished goods	<u>14,267,692</u>	(<u>115,610</u>)	<u>14,152,082</u>
	<u>\$ 14,343,968</u>	<u>(\$ 115,610)</u>	<u>\$ 14,228,358</u>

The cost of inventories recognized as expense for the period:

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Cost of goods sold and service costs	\$ 42,226,259	\$ 40,565,276
Loss on valuation (gain on reversal) of inventories	10,362	(8,931)
Spoilage	548,420	592,958
Others	86,923	76,135
	<u>\$ 42,871,964</u>	<u>\$ 41,225,438</u>

The Group reversed a previous inventory write-down because the Group sold and scrapped certain inventories which were previously provided with allowance for the three-month period ended March 31, 2020.

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

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Equity instruments</u>			
Listed stocks	\$ 265,606	\$ 265,606	\$ 265,606
Unlisted stocks	<u>4,348</u>	<u>4,348</u>	<u>4,348</u>
	269,954	269,954	269,954
Valuation adjustment	<u>865,866</u>	<u>689,873</u>	<u>468,892</u>
	<u>\$ 1,135,820</u>	<u>\$ 959,827</u>	<u>\$ 738,846</u>

A. The Group has elected to classify the listed and unlisted stocks that are considered to be strategic investments and steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$ 1,135,820, \$959,827 and \$738,846 as at March 31, 2021, December 31, 2020 and March 31, 2020, 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:

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognized in other comprehensive income	<u>\$ 175,993</u>	<u>(\$ 68,269)</u>

C. As at March 31, 2021, December 31, 2020 and March 31, 2020, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was \$1,135,820, \$959,827 and \$738,846, respectively

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

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

(6) Investments accounted for using the equity method

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
<u>Associates</u>			
PresiCarre Corp.	\$ 5,501,775	\$ 5,434,309	\$ 5,845,102
President Fair Development Corp.	2,098,145	2,084,800	2,050,547
Uni-President Development Corp.	764,610	757,759	766,890
President International Development Corp.	452,960	445,096	468,165
Uni-President Organics Corp.	46,555	42,447	44,822
Tung Ho Development Corp.	30,949	33,133	100,617
President Technology Corp., etc.	24,163	25,543	20,665
	<u>8,919,157</u>	<u>8,823,087</u>	<u>9,296,808</u>
<u>Joint ventures</u>			
Mister Donut Taiwan Co., Ltd.	\$ 99,469	\$ 98,554	\$ 95,813
	<u>\$ 9,018,626</u>	<u>\$ 8,921,641</u>	<u>\$ 9,392,621</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>For the three-month period ended March 31, 2021</u>	<u>For the three-month period ended March 31, 2020</u>
Total comprehensive income	\$ 94,254	\$ 141,473

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

	<u>For the three-month period ended March 31, 2021</u>	<u>For the three-month period ended March 31, 2020</u>
Total comprehensive income (loss)	\$ 915	(\$ 4,955)

(7) Property, plant and equipment

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

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

	2020						
	Land	Buildings	Transportation equipment	Operating equipment	Leasehold improvements	Others	Total
<u>At January 1</u>							
Cost	\$ 2,254,656	\$ 4,788,540	\$ 6,648,230	\$ 22,280,204	\$ 19,092,068	\$ 10,972,281	\$ 66,035,979
Accumulated depreciation and impairment	(16,367)	(2,182,810)	(4,554,359)	(14,479,044)	(12,277,549)	(6,507,528)	(40,017,657)
	<u>\$ 2,238,289</u>	<u>\$ 2,605,730</u>	<u>\$ 2,093,871</u>	<u>\$ 7,801,160</u>	<u>\$ 6,814,519</u>	<u>\$ 4,464,753</u>	<u>\$ 26,018,322</u>
Opening net book amount as of January 1	\$ 2,238,289	\$ 2,605,730	\$ 2,093,871	\$ 7,801,160	\$ 6,814,519	\$ 4,464,753	\$ 26,018,322
Additions	-	306	81,721	642,950	561,702	392,936	1,679,615
Disposals	-	-	(1,651)	(9,375)	(19,946)	(1,222)	(32,194)
Transfer	-	1,138	51,015	11,428	110,777	(181,123)	(6,765)
Depreciation charge	-	(50,590)	(125,748)	(591,207)	(507,026)	(359,626)	(1,634,197)
Net exchange differences	<u>175</u>	<u>(1,003)</u>	<u>(362)</u>	<u>(4,347)</u>	<u>8,607</u>	<u>20,742</u>	<u>23,812</u>
Closing net book amount as of March 31	<u>\$ 2,238,464</u>	<u>\$ 2,555,581</u>	<u>\$ 2,098,846</u>	<u>\$ 7,850,609</u>	<u>\$ 6,968,633</u>	<u>\$ 4,336,460</u>	<u>\$ 26,048,593</u>
<u>At March 31</u>							
Cost	\$ 2,254,830	\$ 4,789,196	\$ 6,700,368	\$ 22,597,919	\$ 19,592,801	\$ 11,196,962	\$ 67,132,076
Accumulated depreciation and impairment	(16,366)	(2,233,615)	(4,601,522)	(14,747,310)	(12,624,168)	(6,860,502)	(41,083,483)
	<u>\$ 2,238,464</u>	<u>\$ 2,555,581</u>	<u>\$ 2,098,846</u>	<u>\$ 7,850,609</u>	<u>\$ 6,968,633</u>	<u>\$ 4,336,460</u>	<u>\$ 26,048,593</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 41 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

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

	March 31, 2021	December 31, 2020	March 31, 2020
	Carrying amount	Carrying amount	Carrying amount
Land	\$ 865,760	\$ 856,263	\$ 642,203
Buildings	74,511,282	73,986,497	67,601,383
Machinery and equipment	29,180	38,785	63,147
Other equipment	72,238	81,456	55,516
	<u>\$ 75,478,460</u>	<u>\$ 74,963,001</u>	<u>\$ 68,362,249</u>
	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020	
	Depreciation charge	Depreciation charge	
Land	\$ 35,770	\$ 35,682	
Buildings	3,218,763	3,042,420	
Machinery and equipment	6,150	9,064	
Other equipment	9,707	6,079	
	<u>\$ 3,270,390</u>	<u>\$ 3,093,245</u>	

C. For the three-month periods ended March 31, 2021 and 2020, the additions to right-of-use assets were \$4,466,438 and \$4,448,312, respectively.

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

Items affecting profit or loss	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Interest expense on lease liabilities	\$ 274,017	\$ 287,975
Expense on short-term lease contracts	94,997	116,655
Expense on leases of low-value assets	31,557	20,773
Expense on variable lease payments	149,679	139,287
Gain on sublease of right-of-use assets	142,004	137,655
Gain from lease modification	26,750	18,161

E. For the three-month periods ended March 31, 2021 and 2020, the Group's total cash outflow for leases were \$3,609,140 and \$3,495,081, 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, up to 3.92% and 3.81% of lease payments as at March 31, 2021 and 2020, respectively, are on the basis of variable payment terms and are accrued based on the sales amount. Variable payment terms are used for a variety of reasons. Various lease payments that depend on sales are recognized in profit or loss in the period in which the event or condition that triggers those payments occurs.
- (b) A 1% increase in the aggregate sales amount of all stores with such variable lease contracts would increase total lease payments by approximately \$1,497 and \$1,393 for the three-month periods ended March 31, 2021 and 2020, respectively.

G. The Group's leases not yet commenced to which the lessee is committed are business premises for the lessees, and the lease liabilities undiscounted as at March 31, 2021, December 31, 2020 and March 31, 2020 amounted to \$3,087,167, \$2,773,378 and \$2,583,972, 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 \$17,106, as other income for the three-month period ended March 31, 2021.

(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:

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Rental revenue	\$ 382,706	\$ 345,827
Rental revenue from variable lease payments	<u>\$ 289,031</u>	<u>\$ 257,154</u>

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

	March 31, 2021	December 31, 2020	March 31, 2020
Current year	\$ 217,045	\$ -	\$ 257,143
Within 1 year	223,143	275,631	277,599
1~2 years	152,201	211,129	204,492
2~3 years	77,680	145,147	133,006
3~4 years	64,813	71,577	59,318
4~5 years	45,364	59,022	51,266
Over 5 years	<u>91,947</u>	<u>135,472</u>	<u>105,683</u>
	<u>\$ 872,193</u>	<u>\$ 897,978</u>	<u>\$ 1,088,507</u>

(10) Investment property

	2021			
	Land	Buildings	Right-of-use assets	Total
At January 1	\$ 1,074,308	\$ 403,098	\$ 1,385,740	\$ 2,863,146
Depreciation charge	- (3,953)	(34,643)	(38,596)	
At March 31	<u>\$ 1,074,308</u>	<u>\$ 399,145</u>	<u>\$ 1,351,097</u>	<u>\$ 2,824,550</u>

	2020		
	Land	Buildings	Total
At January 1	\$ 1,078,295	\$ 428,503	\$ 1,506,798
Depreciation charge	-	(4,246)	(4,246)
At March 31	\$ 1,078,295	\$ 424,257	\$ 1,502,552

A. The fair value of the investment property held by the Group ranged from \$4,125,700 to \$5,397,468 as at March 31, 2021, December 31, 2020, and March 31, 2020, 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 rate between 0.8% to 2.39% and growth rate 3%.

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

(11) Intangible assets

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

	2020				
	Software	Goodwill	License agreement and customer list	Others	Total
<u>At January 1</u>					
Cost	\$ 1,853,119	\$ 2,202,925	\$ 7,524,890	\$ 493,171	\$ 12,074,105
Accumulated amortization and impairment	(1,375,833)	-	(388,319)	(138,511)	(1,902,663)
	<u>\$ 477,286</u>	<u>\$ 2,202,925</u>	<u>\$ 7,136,571</u>	<u>\$ 354,660</u>	<u>\$ 10,171,442</u>
Opening net book amount as of January 1	\$ 477,286	\$ 2,202,925	\$ 7,136,571	\$ 354,660	\$ 10,171,442
Additions	23,938	-	-	4,518	28,456
Transfer	1,468	-	-	(2,404)	(936)
Amortization expense	(50,562)	-	(48,540)	(12,950)	(112,052)
Net exchange differences	(34)	453	-	28	447
Closing net book amount as of March 31	<u>\$ 452,096</u>	<u>\$ 2,203,378</u>	<u>\$ 7,088,031</u>	<u>\$ 343,852</u>	<u>\$ 10,087,357</u>
<u>At March 31</u>					
Cost	\$ 1,875,872	\$ 2,203,378	\$ 7,524,890	\$ 495,061	\$ 12,099,201
Accumulated amortization and impairment	(1,423,776)	-	(436,859)	(151,209)	(2,011,844)
	<u>\$ 452,096</u>	<u>\$ 2,203,378</u>	<u>\$ 7,088,031</u>	<u>\$ 343,852</u>	<u>\$ 10,087,357</u>

Amortization expense on intangible assets are recognized as operating expenses.

(12) Other non-current assets

	March 31, 2021	December 31, 2020	March 31, 2020
Guarantee deposits paid	\$ 3,145,601	\$ 3,106,790	\$ 2,970,371
Others	656,873	461,010	687,328
	<u>\$ 3,802,474</u>	<u>\$ 3,567,800</u>	<u>\$ 3,657,699</u>

(13) Impairment of non-financial assets

- A. There were no impairment loss nor reversal of impairment loss recognized for the three-month periods ended March 31, 2021 and 2020.
- B. The Group performs impairment testing annually. The recoverable amount has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering a five-year period. The recoverable amount calculated using the value-in-use exceeded their carrying amount for the quarter ended December 31, 2020, 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, 2020.

(14) Short-term borrowings

Type of borrowings	March 31, 2021	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 4,540,507	0.36%~4.875%	None
Type of borrowings	December 31, 2020	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 4,739,411	0.49%~4.875%	None
Type of borrowings	March 31, 2020	Interest rate range	Collateral
Bank borrowings			
Credit loan	\$ 5,088,654	0.65%~5.75%	None

There was no capitalization of borrowing costs for the three-month periods ended March 31, 2021 and 2020. Relevant interest expense on borrowings is recognized as “finance costs”.

(15) Short-term notes and bills payable

	March 31, 2021	December 31, 2020	Pledged or secured
Commercial papers payable	\$ 1,950,000	\$ 3,400,000	
Less: Unamortized discount	(430)	(853)	Please refer to the below for details
	\$ 1,949,570	\$ 3,399,147	
Interest rate range	0.368%	0.408%	

- A. There was no commercial papers payable at March 31, 2020.
- B. The above commercial papers were issued and secured by Sumitomo Mitsui Banking Corporation and International Bills Finance Corporation for short-term financing.

(16) Other payables

	March 31, 2021	December 31, 2020	March 31, 2020
Store collections	\$ 11,091,984	\$ 10,519,829	\$ 11,633,453
Wages, salaries and bonus payable	3,118,433	4,958,514	3,044,579
Sales receipt on behalf of others	1,275,162	1,617,261	1,317,242
Employees' compensation and remuneration for directors and supervisors	1,069,789	852,461	1,089,679
Incentive bonus payable to franchisees	984,453	934,922	976,933
Payables for acquisition of property, plant and equipment	753,144	1,355,119	491,444
Payables for labor and health insurance	276,150	252,313	238,341
Rent payable	66,842	62,477	62,494
Others	3,613,901	4,540,886	3,489,641
	\$ 22,249,858	\$ 25,093,782	\$ 22,343,806

(17) Other current liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
Advance receipts for gift certificates	\$ 1,495,677	\$ 1,489,185	\$ 1,342,457
Advance receipts of deposits in ICASH cards	1,602,088	1,474,937	1,321,003
Current portion of long-term liabilities	325,179	291,575	222,408
Others	315,338	333,173	302,463
	<u>\$ 3,738,282</u>	<u>\$ 3,588,870</u>	<u>\$ 3,188,331</u>

(18) Long-term borrowings

Type of borrowings	Interest rate range	Collateral	March 31, 2021
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 1,042,395
Secured borrowings	1.46%~1.72%	Property, plant and equipment	<u>512,640</u>
			<u>1,555,035</u>
Less: Current portion			(<u>325,179</u>)
			<u>\$ 1,229,856</u>
Type of borrowings	Interest rate range	Collateral	December 31, 2020
Long-term bank borrowings			
Credit loan	3.875%~5.30%	None	\$ 790,662
Secured borrowings	1.49%~1.75%	Property, plant and equipment	<u>529,466</u>
			<u>1,320,128</u>
Less: Current portion			(<u>291,575</u>)
			<u>\$ 1,028,553</u>
Type of borrowings	Interest rate range	Collateral	March 31, 2020
Long-term bank borrowings			
Credit loan	4.931%~4.98%	None	\$ 267,737
Secured borrowings	1.68%~1.94%	Property, plant and equipment	<u>454,351</u>
			<u>722,088</u>
Less: Current portion			(<u>222,408</u>)
			<u>\$ 499,680</u>

There was no capitalization of borrowing costs for the three-month periods ended March 31, 2021 and 2020. Relevant interest expense on borrowings is recognized as "finance costs".

(19) Pensions

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

For the aforementioned pension plan, the Group recognized pension costs of \$29,377 and \$32,925 for the three-month periods ended March 31, 2021 and 2020, respectively.

B. Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(a) The Company's mainland China subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People's Republic of China (PRC) are based on certain percentage of employees' monthly salaries and wages. The contribution percentage for the three-month periods ended March 31, 2021 and 2020 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-month periods ended March 31, 2021 and 2020 were \$246,909 and \$234,942, respectively.

(20) Other non-current liabilities

	March 31, 2021	December 31, 2020	March 31, 2020
Guarantee deposit received	\$ 3,848,790	\$ 3,784,654	\$ 3,600,244
Provision for decommissioning liability	596,187	576,406	528,475
Others	297,672	295,213	303,423
	<u>\$ 4,742,649</u>	<u>\$ 4,656,273</u>	<u>\$ 4,432,142</u>

(21) Share capital

As of March 31, 2021, the Company's authorized capital was \$10,500,000, consisting of 1,050,000,000 shares of ordinary stock, and the paid-in capital was \$10,396,223 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected. The number of the Company's outstanding ordinary shares was both 1,039,622,255 as of March 31, 2021 and January 1, 2021.

(22) Capital surplus

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

(23) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, must first be used to pay all taxes and offset prior years' operating losses, then 10% of the remaining amount is to be set aside as a legal reserve. The Company may then set aside or reserve a certain amount as special 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 2020 and 2019 were resolved by the Board of Directors and by the shareholders on February 26, 2021 and June 17, 2020, respectively, as follows:

	2020		2019	
	Dividends		Dividends	
	per share	per share	Amount	Amount
Legal reserve	\$ 1,010,560		\$ 1,055,147	
Special reserve appropriated	952,434		380,187	
Cash dividends	9,356,600	\$ 9.00	9,356,600	\$ 9.00

As of May 4, 2021, the appropriations for 2020 has not been resolved by the stockholders.

(24) Other equity items

	2021		
	Financial statements translation differences of foreign operations	Unrealized gains (or loss) on valuation of financial assets at fair value through other comprehensive income	Total
At January 1	(\$ 1,973,268)	\$ 640,647	(\$ 1,332,621)
Revaluation and transfer			
– Group	-	175,993	175,993
– Associates	-	1,472	1,472
Revaluation-tax	-	4,567	4,567
Currency translation differences:			
– Group	(3,403)	-	(3,403)
– Associates	(2,817)	-	(2,817)
At March 31	(\$ 1,979,488)	\$ 822,679	(\$ 1,156,809)
	2020		
	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	(\$ 869,908)	\$ 489,721	(\$ 380,187)
Revaluation and transfer			
– Group	- (68,269)	(68,269)	(68,269)
– Associates	- (1,476)	(1,476)	(1,476)
Revaluation-tax	-	2,570	2,570
Currency translation differences:			
– Group	191,090	-	191,090
At March 31	(\$ 678,818)	\$ 422,546	(\$ 256,272)

(25) Operating revenue

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Revenue from contracts with customers	\$ 65,053,203	\$ 63,049,749

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:

For the three-month period ended March 31, 2021	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 41,310,938	\$ 14,206,776	\$ 2,832	\$ 5,094,695	\$ 60,615,241
– Over time	<u>216,508</u>	<u>3,455,225</u>	<u>526,291</u>	<u>239,938</u>	<u>4,437,962</u>
	<u><u>\$ 41,527,446</u></u>	<u><u>\$ 17,662,001</u></u>	<u><u>\$ 529,123</u></u>	<u><u>\$ 5,334,633</u></u>	<u><u>\$ 65,053,203</u></u>
For the three-month period ended March 31, 2020	Convenience stores	Retail business group	Logistics business group	Others	Total
Timing of revenue recognition					
– At a point in time	\$ 38,888,816	\$ 15,008,085	\$ 169,350	\$ 4,736,681	\$ 58,802,932
– Over time	<u>205,258</u>	<u>3,517,739</u>	<u>362,238</u>	<u>161,582</u>	<u>4,246,817</u>
	<u><u>\$ 39,094,074</u></u>	<u><u>\$ 18,525,824</u></u>	<u><u>\$ 531,588</u></u>	<u><u>\$ 4,898,263</u></u>	<u><u>\$ 63,049,749</u></u>

B. Contract liabilities

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

	March 31, 2021	December 31, 2020	March 31, 2020	January 1, 2020
Contract liabilities – advance receipts of gift certificates and gift payments	\$ 3,731,963	\$ 3,430,999	\$ 1,860,655	\$ 1,786,894
Contract liabilities – members' deposits	819,076	804,373	793,921	793,115
Contract liabilities – franchise fee	414,250	429,578	458,435	444,470
Contract liabilities – customer loyalty programs	839,541	807,168	500,668	503,861
Contract liabilities – others	<u>328,189</u>	<u>326,513</u>	<u>340,606</u>	<u>363,291</u>
	<u><u>\$ 6,133,019</u></u>	<u><u>\$ 5,798,631</u></u>	<u><u>\$ 3,954,285</u></u>	<u><u>\$ 3,891,631</u></u>

(b) Revenues recognized that were included in the contract liabilities balance at the beginning were \$3,028,737 and \$1,979,686 for the three-month periods ended March 31, 2021 and 2020, respectively.

(26) Expenses by nature

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Net cost of goods sold	\$ 38,060,404	\$ 36,767,683
Employee benefit expense	6,720,046	6,546,661
Incentive bonuses for franchisees	5,302,027	5,396,483
Depreciation and amortization	5,144,623	4,865,331
Utilities expense	974,338	1,048,261
Operating lease payments	276,233	276,715
Other costs and expenses	<u>5,417,934</u>	<u>4,958,238</u>
Total operating costs and operating expenses	<u><u>\$ 61,895,605</u></u>	<u><u>\$ 59,859,372</u></u>

(27) Employee benefit expense

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Wages and salaries	\$ 5,525,184	\$ 5,413,344
Labor and health insurance fees	549,559	506,446
Pension costs	276,286	267,867
Other personnel expenses	369,017	359,004
	<u>\$ 6,720,046</u>	<u>\$ 6,546,661</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' and supervisors' remuneration. The ratio shall not be lower than 2% for employees' compensation and shall not be higher than 2% for directors' and supervisors' remuneration.

B. For the three-month periods ended March 31, 2021 and 2020, employees' compensation was accrued at \$134,423 and \$139,663, respectively; while directors' and supervisors' remuneration was accrued at \$44,910 and \$46,661, respectively.

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

Employees' compensation and directors' and supervisors' remuneration for 2020 as resolved by the Board of Directors were in agreement with those amounts recognized in the 2020 financial statements and the employee's compensation will be distributed in form of cash.

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

(28) Interest income

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Interest income	<u>\$ 54,419</u>	<u>\$ 166,841</u>

(29) Other income

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Grants income	\$ 189,719	\$ 178,615
Rental revenue	70,112	69,218
Others	156,299	144,024
	<u>\$ 416,130</u>	<u>\$ 391,857</u>

(30) Other gains and losses

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Depreciation of investment property	(\$ 38,596)	(\$ 4,246)
Gain from lease modification	26,750	18,161
Gain on disposal of property, plant and equipment	5,191	19,318
Other gains and losses	(8,955)	(5,397)
	<u>(\$ 15,610)</u>	<u>\$ 27,836</u>

(31) Finance costs

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Interest expense on lease liabilities	\$ 274,017	\$ 287,975
Financial expense, others	32,854	27,888
	<u>\$ 306,871</u>	<u>\$ 315,863</u>

(32) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Current tax:		
Current tax on profit for the period	\$ 718,463	\$ 766,040
(Over) under provision of prior year's income tax	(850)	1
Total current tax	<u>717,613</u>	<u>766,041</u>
Deferred tax:		
Origination and reversal of temporary differences	(287,250)	(51,842)
Income tax expense	<u>\$ 430,363</u>	<u>\$ 714,199</u>

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

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Changes in fair value of financial assets at fair value through other comprehensive income	(\$ 4,567)	(\$ 2,570)

B. The Company's income tax returns through 2018 have been assessed and approved by the Tax Authority.

(33) Earnings per share

For the three-month period ended March 31, 2021

	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	\$ 2,709,602	1,039,622	\$ 2.61
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	\$ 2,709,602	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation			1,847
Shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,709,602	1,041,469	\$ 2.60

For the three-month period ended March 31, 2020

	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	\$ 2,554,443	1,039,622	\$ 2.46
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	\$ 2,554,443	1,039,622	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation			1,766
Shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 2,554,443	1,041,388	\$ 2.45

(34) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

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

	For the three-month period ended March 31, 2021
Carrying amount of non-controlling interest acquired	\$ 71,405
Consideration paid to non-controlling interest	(721,798)
Capital surplus - difference between proceeds on actual acquisition of equity interest in a subsidiary and its carrying amount (Decrease in “Capital surplus”)	<u>(\$ 650,393)</u>

B. The Group did not conduct any transaction with non-controlling interest for the three-month period ended March 31, 2020.

(35) Supplemental cash flow information

A. Investing activities with partial cash payments

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Purchase of property, plant and equipment	\$ 1,760,525	\$ 1,679,615
Add: Opening balance of payable on equipment	1,355,119	1,364,370
Less: Ending balance of payable on equipment	(753,144)	(491,444)
Cash paid during the period	<u>\$ 2,362,500</u>	<u>\$ 2,552,541</u>

(36) Changes in liabilities from financing activities

	2021						
	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Liabilities from financing activities-gross
At January 1	\$ 4,739,411	\$ 3,399,147	\$ 1,028,553	\$ 78,137,016	\$ 3,784,654	\$ 871,619	\$ 91,960,400
Changes in cash flow from financing activities	(198,904)	(1,449,577)	241,615	(3,058,890)	64,136	2,459	(4,399,161)
Interest paid (Note)	-	-	-	(274,017)	-	-	(274,017)
Impact of changes in foreign exchange rate	-	-	(5,492)	49,326	-	-	43,834
Changes in other non-cash items	-	-	(34,820)	4,140,333	-	19,781	4,125,294
At March 31	<u>\$ 4,540,507</u>	<u>\$ 1,949,570</u>	<u>\$ 1,229,856</u>	<u>\$ 78,993,768</u>	<u>\$ 3,848,790</u>	<u>\$ 893,859</u>	<u>\$ 91,456,350</u>
	2020						
	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings	Lease liabilities	Guarantee deposits received	Other non-current liabilities	Liabilities from financing activities-gross
At January 1	\$ 6,014,658	\$ -	\$ 508,112	\$ 68,827,038	\$ 3,560,485	\$ 808,335	\$ 79,718,628
Changes in cash flow from financing activities	(926,004)	-	(10,070)	(2,930,391)	39,759	3,795	(3,822,911)
Interest paid (Note)	-	-	-	(287,975)	-	-	(287,975)
Impact of changes in foreign exchange rate	-	-	1,457	628	-	-	2,085
Changes in other non-cash items	-	-	181	4,120,525	-	19,768	4,140,474
At March 31	<u>\$ 5,088,654</u>	<u>\$ -</u>	<u>\$ 499,680</u>	<u>\$ 69,729,825</u>	<u>\$ 3,600,244</u>	<u>\$ 831,898</u>	<u>\$ 79,750,301</u>

Note: Presented in cash flows from operating activities.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's parent company and the Group's ultimate parent company is Uni-President Enterprises Corp. which holds a 45.4% equity interest in the Company as of March 31, 2021.

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

(3) Significant related party transactions and balances

A. Operating revenue

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
<u>Sales of goods</u>		
Ultimate parent company	\$ 151,373	\$ 143,319
Associates	34,732	34,103
Sister companies	97,917	82,374
Other related parties	13,936	15,884
<u>Sales of services</u>		
Ultimate parent company	4,873	4,547
Associates	18,992	19,619
Sister companies	4,459	3,363
Other related parties	1,396	1,159
	<u>\$ 327,678</u>	<u>\$ 304,368</u>

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

B. Purchases

	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Ultimate parent company	\$ 4,211,575	\$ 3,957,927
Associates	66,846	53,048
Sister companies	1,377,025	1,180,009
Other related parties	498,355	544,989
	<u>\$ 6,153,801</u>	<u>\$ 5,735,973</u>

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

C. Receivables from related parties

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Accounts receivable</u>			
Ultimate parent company	\$ 169,209	\$ 232,286	\$ 147,799
Associates	68,670	60,516	56,484
Sister companies	53,200	96,824	42,484
Other related parties	3,344	4,435	3,344
	<u>\$ 294,423</u>	<u>\$ 394,061</u>	<u>\$ 250,111</u>

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

D. Payables to related parties

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Notes payable and accounts payable			
Ultimate parent company	\$ 1,926,043	\$ 1,850,470	\$ 1,792,628
Associates	46,756	58,443	32,577
Sister companies	696,275	634,707	563,947
Other related parties	287,350	321,798	309,038
	<u>\$ 2,956,424</u>	<u>\$ 2,865,418</u>	<u>\$ 2,698,190</u>

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

E. Leasing arrangements – lessee

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

(b) Acquisition of right-of-use assets

	<u>For the three-month period ended March 31, 2021</u>	<u>For the three-month period ended March 31, 2020</u>
Ultimate parent company	\$ 73,635	\$ 8,723
Sister companies	-	11,686
	<u>\$ 73,635</u>	<u>\$ 20,409</u>

(c) Lease liabilities

	<u>March 31, 2021</u>	<u>December 31, 2020</u>	<u>March 31, 2020</u>
Ultimate parent company	\$ 127,937	\$ 73,102	\$ 117,474
Associates	3,565,964	3,654,236	445,314
Sister companies	265,210	265,288	288,094
Other related parties	512,629	472,611	511,971
	<u>\$ 4,471,740</u>	<u>\$ 4,465,237</u>	<u>\$ 1,362,853</u>

(4) Key management compensation

	<u>For the three-month period ended March 31, 2021</u>	<u>For the three-month period ended March 31, 2020</u>
Short-term employee benefits	\$ 152,522	\$ 173,827

8. PLEDGED ASSETS

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

Pledged asset	Book value			Purpose
	March 31, 2021	December 31, 2020	March 31, 2020	
Land	\$ 218,675	\$ 218,675	\$ 128,643	Long-term and short - term borrowings, guarantee facilities and performance guarantee
Buildings	28,779	31,450	39,460	Long-term and short - term borrowings and guarantee facilities
Transportation equipment	699,548	706,193	616,853	Long-term borrowings
Investment property	56,872	56,898	-	Performance guarantee
Pledged time deposits (Recognized as "Other non-current assets - guarantee deposits paid")	94,579	110,122	61,456	Performance guarantee
	<u>\$ 1,098,453</u>	<u>\$ 1,123,338</u>	<u>\$ 846,412</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

None.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital management

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

(2) Financial instruments

A. Financial instruments by category

	March 31, 2021	December 31, 2020	March 31, 2020
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	\$ 2,176,155	\$ 2,191,019	\$ 1,767,617
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	\$ 1,135,820	\$ 959,827	\$ 738,846
Financial assets at amortized cost			
Cash and cash equivalents	\$ 45,587,930	\$ 46,562,907	\$ 45,619,316
Accounts receivable, net	5,398,536	6,215,272	4,034,994
Other receivables	2,250,633	1,950,481	1,956,561
Other current assets (Note)	2,491,809	2,491,850	2,270,978
Guarantee deposits paid	3,145,601	3,106,790	2,970,371
Other non-current assets (Note)	31,899	47,442	30,461
	<u>\$ 58,906,408</u>	<u>\$ 60,374,742</u>	<u>\$ 56,882,681</u>
<u>Financial liabilities</u>			
Financial liabilities at amortized cost			
Short-term borrowings	\$ 4,540,507	\$ 4,739,411	\$ 5,088,654
Short-term notes and bills payable	1,949,570	3,399,147	-
Notes payable	1,485,141	1,079,496	1,102,302
Accounts payable (including related parties)	23,305,090	25,056,836	22,774,483
Other payables	22,249,858	25,093,782	22,343,806
Long-term borrowings (including current portion)	1,555,035	1,320,128	722,088
Guarantee deposits received	3,848,790	3,784,654	3,600,244
	<u>\$ 58,933,991</u>	<u>\$ 64,473,454</u>	<u>\$ 55,631,577</u>
Lease liabilities	<u>\$ 78,993,768</u>	<u>\$ 78,137,016</u>	<u>\$ 69,729,825</u>

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

B. Risk management policies

- (a) The Group's risk management and hedging policies mainly focus on hedging business risk. The Group also establishes hedge positions when trading derivative financial instruments. The choice of instruments should hedge risks relating to interest expense, assets or liabilities arising from business operations.
- (b) For managing derivative instruments, the treasury department is responsible for managing trading positions of derivative instruments and assesses market values periodically. If transactions and gains (losses) are unusual, the treasury will respond accordingly and report to the Board of Directors immediately.

(c) There is no related transaction with derivative financial instruments that are used to hedge certain exchange rate risk.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

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

(Foreign currency: functional currency)	March 31, 2021			December 31, 2020		
	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)
Financial assets						
Monetary items						
USD : NTD	\$ 1,645	28.5350	\$ 46,940	\$ 1,878	28.4800	\$ 53,485
RMB : NTD	1,086	4.3546	4,729	2,790	4.3633	12,174
JPY : NTD	124,769	0.2577	32,153	55,921	0.2763	15,451
HKD : NTD	1,340	3.6705	4,918	1,267	3.6734	4,654
EUR : NTD	583	33.4800	19,519	43	35.0200	1,506
Non-monetary items						
JPY : NTD	\$ 835,500	0.2577	\$ 215,308	\$ 861,900	0.2763	\$ 238,143
Financial liabilities						
Monetary items						
USD : NTD	\$ 2,955	28.5350	\$ 84,321	\$ 3,081	28.4800	\$ 87,747
RMB : NTD	1,232	4.3546	5,365	2,182	4.3633	9,521
JPY : NTD	89,235	0.2577	22,996	70,741	0.2763	19,546
March 31, 2020						
Foreign currency						
Functional currency						
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Book value (NTD)			
Financial assets						
Monetary items						
USD : NTD	\$ 1,391	30.2250	\$ 42,043			
RMB : NTD	190	4.2677	811			
JPY : NTD	27,771	0.2788	7,743			
HKD : NTD	447	3.8995	1,743			
EUR : NTD	656	33.2400	21,805			
Non-monetary items						
JPY : NTD	\$ 852,300	0.2788	\$ 237,621			
Financial liabilities						
Monetary items						
USD : NTD	\$ 6,554	30.2250	\$ 198,095			
RMB : NTD	1,024	4.2677	4,370			
JPY : NTD	111,041	0.2788	30,958			

- IV. Total exchange gain, including realized and unrealized arising from significant foreign exchange variations on monetary items held by the Group amounted to \$4,524 and \$2,620 for the three-month periods ended March 31, 2021 and 2020, respectively.

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

Foreign exchange risk with respect to USD primarily arises from the exchange gain or loss resulting from foreign currency translation of cash and cash equivalents, accounts receivable and accounts payable denominated in USD. If the NTD:USD exchange rate appreciates/depreciates by 5% with all other factors remaining constant, the Group's profit for the three-month periods ended March 31, 2021 and 2020 would increase/decrease by \$1,869 and \$7,803, respectively. Foreign exchange risk with respect to JPY primarily arises from the exchange gain or loss resulting from foreign currency translation of cash and cash equivalents, financial assets at fair value through other comprehensive income – non-current and accounts payable denominated in JPY. If the NTD:JPY exchange rate appreciates/depreciates by 5%, with all other factors remaining constant, the Group's comprehensive income for the three-month periods ended March 31, 2021 and 2020 would increase/decrease by \$11,223 and \$10,720, respectively.

Price risk

- I. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- II. The Group's investments in equity securities comprise shares and open-ended funds issued by the domestic companies. The prices of equity securities would change due to change of the future value of investee companies. If the prices of these equity securities increase/decrease by 5%, and open-ended funds increase/decrease by 0.25%, with all other variables held constant, the post-tax profit for the three-month periods ended March 31, 2021 and 2020 would have increased/decreased by \$9,503 and \$8,483, respectively, as a result of gains/losses on equity securities and open-ended funds classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$56,791 and \$36,942, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- I. The Group's interest rate risk arises from short-term borrowings and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, which are partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the three-month periods ended March 31, 2021 and 2020, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars and Philippine Peso.
- II. If the borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, profit, net of tax for the three-month periods ended March 31, 2021 and 2020 would have increased/decreased by \$3,888 and \$1,805, 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 assess 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 can not 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:

	2021	2020
	Accounts receivable	Accounts receivable
At January 1	\$ 107,485	\$ 55,829
Provision for impairment	23,108	44
Write-offs	- (	398)
Effect of foreign exchange	(638)	241
At March 31	<u>\$ 129,955</u>	<u>\$ 55,716</u>

- VI. The Group has no written-off financial assets that are still under recourse procedures on March 31, 2021, December 31, 2020 and March 31, 2020.

(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 \$ 2,090,632, \$2,105,496 and \$1,682,052 as at March 31, 2021, December 31, 2020, and March 31, 2020, respectively, which are expected to readily generate cash inflows for the purpose of managing liquidity risk.
- III. The Group has undrawn borrowing facilities of \$15,238,521, \$12,120,795 and \$20,983,973 as of March 31, 2021, December 31, 2020 and March 31, 2020, respectively.

IV. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. Except for notes payable, accounts payable and other payables, whose contractual undiscounted cash flows are about to book value, maturing within one-year, the amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

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

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
December 31, 2020				
Short-term borrowings	\$ 4,741,449	\$ -	\$ -	\$ -
Short-term notes and bills payable	3,399,147	-	-	-
Lease liabilities	13,963,145	13,048,917	12,614,870	44,710,678
Long-term borrowings (including current portion)	336,467	162,794	137,045	798,892

Non-derivative financial liabilities:

	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Over 3 years
March 31, 2020				
Short-term borrowings	\$ 5,102,321	\$ -	\$ -	\$ -
Lease liabilities	13,174,667	13,278,391	12,040,292	37,374,186
Long-term borrowings (including current portion)	243,913	125,485	101,337	300,066

I. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

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

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

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

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

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

C. Financial instruments not measured at fair value

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

	March 31, 2021			
	Fair value			
	Book value	Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 3,145,601	\$ _____ -	\$ _____ -	\$ 3,132,739
<u>Financial liabilities:</u>				
Guarantee deposits received	<u>\$ 3,848,790</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 3,831,182</u>
	December 31, 2020			
	Fair value			
	Book value	Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 3,106,790	\$ _____ -	\$ _____ -	\$ 3,092,709
<u>Financial liabilities:</u>				
Guarantee deposits received	<u>\$ 3,784,654</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 3,764,776</u>
	March 31, 2020			
	Fair value			
	Book value	Level 1	Level 2	Level 3
<u>Financial assets:</u>				
Guarantee deposits paid	\$ 2,970,371	\$ _____ -	\$ _____ -	\$ 2,958,741
<u>Financial liabilities:</u>				
Guarantee deposits received	<u>\$ 3,600,244</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 3,584,064</u>

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

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

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

<u>March 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Beneficiary certificates	\$ 2,090,632	\$ -	\$ -	\$ 2,090,632
Equity securities	<u>-</u>	<u>-</u>	<u>85,523</u>	<u>85,523</u>
	<u>2,090,632</u>	<u>-</u>	<u>85,523</u>	<u>2,176,155</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	\$ 1,131,472	\$ -	\$ 4,348	\$ 1,135,820
	<u>1,131,472</u>	<u>-</u>	<u>4,348</u>	<u>1,135,820</u>
	<u>\$ 3,222,104</u>	<u>\$ -</u>	<u>\$ 89,871</u>	<u>\$ 3,311,975</u>
<u>December 31, 2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value				
through profit or loss				
Beneficiary certificates	\$ 2,105,496	\$ -	\$ -	\$ 2,105,496
Equity securities	<u>-</u>	<u>-</u>	<u>85,523</u>	<u>85,523</u>
	<u>2,105,496</u>	<u>-</u>	<u>85,523</u>	<u>2,191,019</u>
Financial assets at fair value				
through other comprehensive				
income				
Equity securities	\$ 955,479	\$ -	\$ 4,348	\$ 959,827
	<u>955,479</u>	<u>-</u>	<u>4,348</u>	<u>959,827</u>
	<u>\$ 3,060,975</u>	<u>\$ -</u>	<u>\$ 89,871</u>	<u>\$ 3,150,846</u>

<u>March 31, 2020</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	\$ 1,682,052	\$ -	\$ -	\$ 1,682,052
Equity securities	<u>-</u>	<u>-</u>	<u>85,565</u>	<u>85,565</u>
	<u>1,682,052</u>	<u>-</u>	<u>85,565</u>	<u>1,767,617</u>
Financial assets at fair value				
through other comprehensive income				
Equity securities	\$ 734,498	\$ -	\$ 4,348	\$ 738,846
	<u>734,498</u>	<u>-</u>	<u>4,348</u>	<u>738,846</u>
	<u>\$ 2,416,550</u>	<u>\$ -</u>	<u>\$ 89,913</u>	<u>\$ 2,506,463</u>

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

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

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

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

E. For the three-month periods ended March 31, 2021 and 2020, there was no transfer between Level 1 and Level 2.

F. For the three-month periods ended March 31, 2021 and 2020, 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 neighbouring area.

H. The qualitative information on significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement are provided below:

	Fair value at March 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 89,871	Market comparable companies	Price to book ratio multiplier	2.58	The higher the multiplier, the higher the fair value
		Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value
	Fair value at December 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 89,871	Market comparable companies	Price to book ratio multiplier	2.58	The higher the multiplier, the higher the fair value
		Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value
	Fair value at March 31, 2020	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 89,913	Market comparable	Price to book ratio multiplier	2.94	The higher the multiplier, the higher the fair value
		Net asset value	Net asset value	-	The higher the net asset value, the higher the fair value

I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, the use of different valuation models or assumptions may result in different measurements. If valuation assumptions from financial assets and liabilities categorized within Level 3 had increased or decreased by 1%, net income or other comprehensive income would not have been significantly impacted for the three-month periods ended March 31, 2021 and 2020.

13. SUPPLEMENTARY DISCLOSURE

(1) Significant transactions information

- A. Loans to others: None.
- 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 1.
- 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 2.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- 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 3.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to Table 4.
- I. Trading in derivative instruments undertaken during the reporting periods: None.
- J. Significant inter-company transactions during the reporting periods: Please refer to Table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Table 6.

(3) Information on investments in Mainland China

- A. Basic information: Please refer to Table 7.
- 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 8.

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:

For the three-month period ended March 31, 2021					
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination
External revenue (net)	\$ 41,527,446	\$ 17,662,001	\$ 529,123	\$ 5,334,633	\$ -
Internal department revenue	262,434	707,618	3,746,610	2,056,061	(6,772,723)
Total segment revenue	<u>\$ 41,789,880</u>	<u>\$ 18,369,619</u>	<u>\$ 4,275,733</u>	<u>\$ 7,390,694</u>	<u>(\$ 6,772,723)</u>
Segment income (loss)	<u>\$ 2,896,710</u>	<u>\$ 605,024</u>	<u>\$ 356,364</u>	<u>(\$ 107,536)</u>	<u>(\$ 348,382)</u>
					<u>\$ 3,402,180</u>

For the three-month period ended March 31, 2020					
	Convenience stores	Retail business group	Logistics business group	Other operating segments	Adjustment and elimination
External revenue (net)	\$ 39,094,074	\$ 18,525,824	\$ 531,588	\$ 4,898,263	\$ -
Internal department revenue	169,240	618,587	3,334,319	1,849,714	(5,971,860)
Total segment revenue	<u>\$ 39,263,314</u>	<u>\$ 19,144,411</u>	<u>\$ 3,865,907</u>	<u>\$ 6,747,977</u>	<u>(\$ 5,971,860)</u>
Segment income (loss)	<u>\$ 3,009,616</u>	<u>\$ 714,797</u>	<u>\$ 340,126</u>	<u>(\$ 3,137)</u>	<u>(\$ 462,360)</u>
					<u>\$ 3,599,042</u>

(4) Reconciliation of segment income (loss)

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

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
March 31, 2021

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Type and name of securities	Relationship with the securities issuer	General ledger account	As of March 31, 2021				
				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	14,504	5.37	14,504	
President Chain Store Corp.	Kaohsiung Rapid Transit Corp.	"	"	2,572,127	25,721	0.92	25,721	
President Chain Store Corp.	PK Venture Capital Corp.	Director of PK Venture Capital Corp.	"	321,300	-	6.67	-	
Mech-President Corp.	Yamay International Development Corp.	None	"	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	38,985,684	916,164	2.79	916,164	
President Chain Store Corp.	Duskin Co., Ltd.	None	"	300,000	215,308	0.61	215,308	
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: Jih Sun Money Market Fund	None	Financial assets at fair value through profit or loss – current	12,572,569	\$ 188,108	-	\$ 188,108	
Books.com. Co., Ltd.	Capital Money Market Fund	"	"	1,351,875	22,002	-	22,002	
Chieh Shun Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	3,259,200	44,506	-	44,506	
Chieh Shun Logistics International Corp.	UPAMC James Bond Money Market Fund	"	"	1,216,738	20,501	-	20,501	
Chieh Shun Logistics International Corp.	Taishin Ta Chong Money Market Fund	"	"	5,827,330	83,503	-	83,503	
Uni-Wonder Corp.	Union Money Market Fund	"	"	22,526,751	300,000	-	300,000	
Uni-Wonder Corp.	FSITC Taiwan Money Market Fund	"	"	18,128,844	280,000	-	280,000	
Uni-Wonder Corp.	Allianz Global Investors Taiwan Money Market Fund	"	"	19,777,699	250,000	-	250,000	
Uni-Wonder Corp.	Taishin 1699 Money Market Fund	"	"	7,323,110	100,000	-	100,000	
Uni-President Department Store Corp.	Jih Sun Money Market Fund	"	"	11,178,083	167,239	-	167,239	
President Information Corp.	Prudential Financial Money Market Fund	"	"	3,507,410	56,000	-	56,000	
President Information Corp.	Jih Sun Money Market Fund	"	"	2,007,724	30,039	-	30,039	
President Information Corp.	Union Money Market Fund	"	"	525,798	7,002	-	7,002	
President Logistics International Corp.	Taishin 1699 Money Market Fund	"	"	1,391,487	19,001	-	19,001	
President Logistics International Corp.	Taishin Ta Chong Money Market Fund	"	"	1,605,246	23,002	-	23,002	
President Pharmaceutical Corp.	Jih Sun Money Market Fund	"	"	499,153	7,468	-	7,468	
President Pharmaceutical Corp.	Taishin 1699 Money Market Fund	"	"	6,422,746	87,705	-	87,705	
Q-ware Systems & Services Corp.	Eastspring Investments Well Pool Money Market Fund	"	"	20,154,097	276,526	-	276,526	
Q-ware Systems & Services Corp.	Jih Sun Money Market Fund	"	"	6,685,276	100,024	-	100,024	
21 Century Co., Ltd.	UPAMC James Bond Money Market Fund	"	"	1,246,667	21,006	-	21,006	
President Being Corp.	CTBC Hua Win Money Market Fund	"	"	630,029	7,000	-	7,000	

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
For the three-month period ended March 31, 2021

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Type and name of securities	Balance as at January 1, 2021				Addition			Disposal			Other increase (decrease)			Balance as at March 31, 2021		
		General ledger account	Counterparty	Relationship with the investor	Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	Number of shares	Amount	
Books.com. Co., Ltd.	Beneficiary certificates: Capital Money Market Fund	Note 1	Not applicable	Not applicable	1,229,732	\$ 20,002	31,465,330	\$ 512,000	31,343,187	\$ 510,044	\$ 510,000	\$ 44	-	\$ -	1,351,875	\$ 22,002	
Uni-Wonder Corp.	Union Money Market Fund	"	"	"	22,539,952	300,000	22,526,751	300,000	22,539,952	300,176	300,000	176	-	-	22,526,751	300,000	
Uni-President Department Store Corp.	Jih Sun Money Market Fund	"	"	"	13,307,511	198,948	55,428,748	829,010	57,558,176	860,900	860,719	181	-	-	11,178,083	167,239	
Q-ware Systems & Services Corp.	Eastspring Investments Well Pool Money Market Fund Stock:	"	"	"	25,961,335	356,000	33,169,373	455,000	38,976,611	534,669	534,500	169	-	26	20,154,097	276,526	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Zhejiang) Ltd.	Note 2	Issuance of common stock for cash	Parent company to subsidiary	-	\$ 173,272	-	\$ 304,824	-	\$	-	\$	-	-	(\$ 29,915)	- \$ 448,181	
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	"	"	"	-	2,329,244	-	721,798	-	-	-	-	-	-	(766,799)	- 2,284,243	
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	"	Not applicable	Not applicable	394,970,516	2,327,307	12,456,391	721,798	-	-	-	-	-	-	(766,704)	407,426,907	2,282,401

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
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more
For the three-month period ended March 31, 2021

Table 3

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)	
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)
President Chain Store Corp.	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	\$ 4,042,279	15	Net 30~40 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 1,402,575) (	9)
	Uni-President Superior Commissary Corp.	Subsidiary	"	1,009,075	4	Net 45 days from the end of the month when invoice is issued	"	"	(717,809) (	4)
	Tung Ang Enterprises Corp.	Sister company	"	536,577	2	Net 30 days from the end of the month when invoice is issued	"	"	(230,496) (	1)
	21 Century Co., Ltd.	Subsidiary	"	182,653	1	Net 30~60 days from the end of the month when invoice is issued	"	"	(103,703) (	1)
	Lien Bo Corp.	Sister company	"	164,065	1	Net 10~54 days from the end of the month when invoice is issued	"	"	(97,122) (	1)
	Q-ware Systems & Services Corp.	Subsidiary	"	151,002	1	Net 40 days from the end of the month when invoice is issued	"	"	(104,509) (	1)
	Kai Ya Food Co., Ltd.	Sister company	"	131,269	-	Net 40 days from the end of the month when invoice is issued	"	"	(100,896) (	1)
	President Transnet Corp.	Subsidiary	"	124,777	-	Net 60 days from the end of the month when invoice is issued	"	"	(65,852)	-
	President Packaging Industrial Corp.	Sister company	"	119,352	-	Net 15~60 days from the end of the month when invoice is issued	"	"	(82,663) (	1)
	President Pharmaceutical Corp.	Subsidiary	"	102,123	-	Net 60~70 days from the end of the month when invoice is issued	"	"	(92,719) (	1)
Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary of President Chain Store Corp.	Delivery revenue	(181,115)	35	Net 40 days from the end of the month when invoice is issued	"	"	76,281	40
	President Logistics International Corp.	Parent company	"	(318,604)	62	Net 20 days from the end of the month when invoice is issued	"	"	109,586	57
	President Transnet Corp.	Chieh Shun Logistics International Corp.	Subsidiary of President Chain Store Corp.	Service cost	181,115	7	Net 40 days from the end of the month when invoice is issued	"	"	(76,281) (	5)
Uni-Wonder Corp.	President Chain Store Corp.	Parent company	Sales revenue	(124,777)	66	Net 60 days from the end of the month when invoice is issued	"	"	65,852	5
	Uni-President Enterprises Corp.	Ultimate parent company	Purchases	103,171	9	Net 30 days from the end of the month when invoice is issued	"	"	(33,657) (	8)
	Tong Zhan Corporation Ltd.	Other related party	"	243,548	22	Net 25 days from the end of the month when invoice is issued	"	"	(80,559) (	19)
President Information Corp.	President Chain Store Corp.	Parent company	Service revenue	(297,660)	70	Net 45 days from the end of the month when invoice is issued	"	"	249,425	70
President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary of President Chain Store Corp.	Delivery revenue	(351,910)	40	Net 20 days from the end of the month when invoice is issued	"	"	119,425	38
	Chieh Shun Logistics International Corp.	Subsidiary	Service cost	318,604	38	Net 20 days from the end of the month when invoice is issued	"	"	(109,586) (	38)
	Uni-President Cold-Chain Corp.	Subsidiary of President Chain Store Corp.	Delivery revenue	(288,908)	33	Net 20 days from the end of the month when invoice is issued	"	"	103,667	33
	Retail Support International Corp.	Parent company	"	(204,842)	23	Net 20 days from the end of the month when invoice is issued	"	"	71,549	23
Retail Support International Corp.	President Logistics International Corp.	Subsidiary	Service cost	204,842	48	Net 20 days from the end of the month when invoice is issued	"	"	(71,549) (	46)

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
For the three-month period ended March 31, 2021

Table 3

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)		Percentage of total notes/accounts receivable (payable) Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance		
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Subsidiary of President Chain Store Corp.	Service cost	\$ 288,908	39	Net 20 days from the end of the month when invoice is issued	No significant differences	No significant differences	(\$ 103,667) (	2)	
Wisdom Distribution Service Corp.	President Logistics International Corp.	"	"	351,910	46	Net 20 days from the end of the month when invoice is issued	"	"	(119,425) (	31)	
Q-ware Systems & Services Corp.	President Chain Store Corp.	Parent company	Service revenue	(151,002) (	59)	Net 40 days from the end of the month when invoice is issued	"	"	104,509	74	
President Drugstore Business Corp.	President Pharmaceutical Corp.	Subsidiary of President Chain Store Corp.	Purchases	148,519	5	Net 70 days from the end of the month when invoice is issued	"	"	(35,495) (	2)	
President Pharmaceutical Corp.	President Drugstore Business Corp.	"	Sales revenue	(148,519) (	34)	Net 70 days from the end of the month when invoice is issued	"	"	35,495	8	
	President Chain Store Corp.	Parent company	"	(102,123) (	24)	Net 60~70 days from the end of the month when invoice is issued	"	"	92,719	20	
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	"	(1,009,075) (	100)	Net 45 days from the end of the month when invoice is issued	"	"	717,809	99	
21 Century Co., Ltd.	President Chain Store Corp.	"	"	(182,653) (	50)	Net 30~60 days from the end of the month when invoice is issued	"	"	103,703	60	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more
March 31, 2021

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as of March 31, 2021			Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			\$	Amount	Action taken		\$	\$	\$	
President Information Corp.	President Chain Store Corp.	Parent company	\$ 249,425	6.64	-	None	\$ 22,428	\$	-	-
Uni-President Superior Commissary Corp.	President Chain Store Corp.	"	717,809	5.64	-	"			337,583	-
Q-ware Systems & Services Corp.	President Chain Store Corp.	"	104,509	5.67	-	"			65,897	-
21 Century Co., Ltd.	President Chain Store Corp.	"	103,703	6.61	-	"			103,703	-
President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary of President Chain Store Corp.	119,425	10.35	-	"			-	-
Chieh Shun Logistics International Corp.	President Logistics International Corp.	"	109,586	11.45	-	"			-	-
President Logistics International Corp.	Uni-President Cold-Chain Corp.	"	103,667	10.85	-	"			-	-

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
For the three-month period ended March 31, 2021

Table 5

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
1	Uni-President Cold-Chain Corp.	President Chain Store Corp.	Subsidiary to parent company	Other operating revenue	(\$ 103,041)	Net 20 days from the end of the month when invoice is issued			0.16
2	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(297,660)	Net 45 days from the end of the month when invoice is issued			0.46
2	President Information Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	249,425	Net 45 days from the end of the month when invoice is issued			0.12
3	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Service revenue	(151,002)	Net 40 days from the end of the month when invoice is issued			0.23
3	Q-ware Systems & Services Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	104,509	Net 40 days from the end of the month when invoice is issued			0.05
4	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(1,009,075)	Net 45 days from the end of the month when invoice is issued			1.55
4	Uni-President Superior Commissary Corp.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	717,809	Net 45 days from the end of the month when invoice is issued			0.34
5	President Pharmaceutical Corp.	President Drugstore Business Corp.	Subsidiary to subsidiary	Sales revenue	(148,519)	Net 70 days from the end of the month when invoice is issued			0.23
5	President Pharmaceutical Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(102,123)	Net 60-70 days from the end of the month when invoice is issued			0.16
6	President Transnet Corp.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(124,777)	Net 60 days from the end of the month when invoice is issued			0.19
7	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Delivery revenue	(318,604)	Net 20 days from the end of the month when invoice is issued			0.49
7	Chieh Shun Logistics International Corp.	President Logistics International Corp.	Subsidiary to subsidiary	Accounts receivable	109,586	Net 20 days from the end of the month when invoice is issued			0.05
7	Chieh Shun Logistics International Corp.	President Transnet Corp.	Subsidiary to subsidiary	Delivery revenue	(181,115)	Net 40 days from the end of the month when invoice is issued			0.28
8	President Logistics International Corp.	Retail Support International Corp.	Subsidiary to subsidiary	Delivery revenue	(204,842)	Net 20 days from the end of the month when invoice is issued			0.31
8	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Delivery revenue	(288,908)	Net 20 days from the end of the month when invoice is issued			0.44
8	President Logistics International Corp.	Uni-President Cold-Chain Corp.	Subsidiary to subsidiary	Accounts receivable	103,667	Net 20 days from the end of the month when invoice is issued			0.05
8	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Delivery revenue	(351,910)	Net 20 days from the end of the month when invoice is issued			0.54
8	President Logistics International Corp.	Wisdom Distribution Service Corp.	Subsidiary to subsidiary	Accounts receivable	119,425	Net 20 days from the end of the month when invoice is issued			0.06
9	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Sales revenue	(182,653)	Net 30-60 days from the end of the month when invoice is issued			0.28
9	21 Century Co., Ltd.	President Chain Store Corp.	Subsidiary to parent company	Accounts receivable	103,703	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 NTDS\$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)
 For the three-month period ended March 31, 2021

Table 6

Expressed in thousands of NTD
 (Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Investment income (loss)		
				Balance as at March 31, 2021	Balance as at December 31, 2020	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the three- month period ended	Company for the three- month period ended	Footnote
									March 31, 2021	March 31, 2021	
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	\$ 24,298,514	(\$ 156,383)	(\$ 156,388)	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	1,528,352	83,049	83,049	Subsidiary
President Chain Store Corp.	President Transnet Corp.	Taiwan	Delivery service	711,576	711,576	103,496,399	70.00	2,072,327	270,915	189,641	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	795,013	59,250	47,916	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	728,067	39,432	29,077	Subsidiary
President Chain Store Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	840,000	840,000	27,999,999	70.00	558,199	39,001	27,301	Subsidiary
President Chain Store Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	520,141	520,141	48,519,890	90.00	540,930	16,062	14,456	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	974,718	108,149	64,307	Subsidiary
President Chain Store Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	320,741	320,741	25,714,475	86.00	539,806	47,314	40,690	Subsidiary
President Chain Store Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	332,482	332,482	24,382,921	86.76	413,367	23,530	20,621	Subsidiary
President Chain Store Corp.	Wisdom Distribution Service Corp.	Taiwan	Logistics and storage of publication and e-commerce	50,000	50,000	10,847,421	100.00	594,324	78,029	78,029	Subsidiary
President Chain Store Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	100,400	100,400	9,999,999	50.03	466,814	108,446	54,255	Subsidiary
President Chain Store Corp.	President Lanyang Art Corporation	Taiwan	Art and cultural exhibition	20,000	20,000	2,000,000	100.00	24,966	(31)	31)	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	230,892	44,895	22,852	Subsidiary
President Chain Store Corp.	ICASH Corp.	Taiwan	Electronic ticketing and electronic payment	700,000	700,000	70,000,000	100.00	547,233	(33,600)	33,600)	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	764,610	34,242	6,848	Note
President Chain Store Corp.	Uni-Wonder Corp.	Taiwan	Coffee chain store	3,286,206	3,286,206	21,382,674	60.00	5,148,250	155,054	69,734	Subsidiary
President Chain Store Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	91,414	91,414	6,429,999	25.00	187,238	61,582	15,403	Subsidiary
President Chain Store Corp.	Presicarre Corp.	Taiwan	Management of retail department store	7,112,028	7,112,028	145,172,360	19.50	5,501,775	323,383	67,467	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	2,098,145	70,238	13,345	Note
President Chain Store Corp.	President International Development Corp.	Taiwan	Professional investment	500,000	500,000	44,100,000	3.33	452,960	419,385	10,306	Note
President Chain Store Corp.	Tung Ho Development Corp.	Taiwan	Management of entertainment business	861,696	861,696	19,930,000	12.46	30,949	(18,425)	2,184)	Note
President Chain Store Corp.	Ren-Hui Investment Corp.	Taiwan	Professional investment	637,231	637,231	6,500,000	100.00	60,808	(3,733)	3,733)	Subsidiary
President Chain Store Corp.	Capital Marketing Consultant Corp.	Taiwan	Enterprise management consultancy	9,506	9,506	2,500,000	100.00	86,422	7,713	7,713	Subsidiary
President Chain Store Corp.	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	277,805	277,805	8,746,008	92.20	67,076	184	170	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	33,700	430	430	Subsidiary

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Names, locations and other information of investee companies (not including investees in Mainland China)
 For the three-month period ended March 31, 2021

Table 6

Expressed in thousands of NTD
 (Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Investment income (loss)		
				Balance as at		Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the three-month period ended March 31, 2021	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2021	Footnote
				March 31, 2021	December 31, 2020						
President Chain Store Corp.	Cold Stone Creamery Taiwan Ltd.	Taiwan	Sales of ice cream	\$ 170,000	\$ 170,000	12,244,390	100.00	\$ 26,201	\$ 3,021	\$ 3,021	Subsidiary
President Chain Store Corp.	President Being Corp.	Taiwan	Sports and entertainment business	170,000	170,000	1,500,000	100.00	(28,356)	2,499	2,499	Subsidiary
President Chain Store Corp.	21 Century Co., Ltd.	Taiwan	Operation of chain restaurants	160,680	160,680	10,000,000	100.00	143,987	12,118	12,118	Subsidiary
President Chain Store Corp.	President Chain Store Tokyo Marketing Corp.	Japan	Trade and enterprise management consultancy	35,648	35,648	9,800	100.00	90,251	5,948	6,005	Subsidiary
President Chain Store Corp.	Uni-President Oven Bakery Corp.	Taiwan	Bread and pastry retailer	391,300	391,300	6,511,963	100.00	(102,499)	(10,991)	(10,991)	Subsidiary
President Chain Store Corp.	President Collect Service Corp.	Taiwan	Collection agent	10,500	10,500	1,049,999	70.00	111,002	25,185	17,629	Subsidiary
President Chain Store Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	200,000	200,000	7,500,049	50.00	99,469	1,828	915	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	46,555	11,205	4,108	Note
President Chain Store Corp.	President Technology Corp., etc.	Other	-	10,413	7,500	-	-	(24,163)	(25,570)	4,291	Note
Mech-President Corp.	Tong Ching Corporation	Taiwan	Gas station	9,600	9,600	960,000	60.00	23,133	1,777	1,066	Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	PCSC (China) Drugstore Limited	British Virgin Islands	Professional investment	21,116	21,116	740,000	7.80	5,675	184	14	Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Malaysia	Professional investment	1,558,172	832,176	54,605,644	100.00	(2,284,243)	(92,155)	92,155	Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Hong Kong	Professional investment	4,444,523	4,444,523	134,603,354	100.00	(3,731,912)	(71,187)	71,187	Subsidiary of a subsidiary
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	Philippines	Convenience sotre	1,557,372	831,376	407,426,907	53.86	(2,282,401)	(168,113)	92,057	Subsidiary of a subsidiary
President Logistics International Corp.	Chieh Shun Logistics International Corp.	Taiwan	Trucking	180,000	180,000	26,670,000	100.00	350,399	11,654	11,654	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	(31,647)	(7,070)	7,070	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Books.com. Co., Ltd.	Taiwan	Retail business without shop	-	-	1	-	-	108,446	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	-	-	1	-	-	39,001	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Mech-President Corp.	Taiwan	Gas station, installment and maintenance of elevators	-	-	1	-	-	59,250	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Information Corp.	Taiwan	Enterprise information management and consultancy	-	-	1	-	-	47,314	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Transnet Corp.	Taiwan	Delivery service	-	-	1	-	-	270,915	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Q-ware Systems & Services Corp.	Taiwan	Information software services	-	-	1	-	-	23,530	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Duskin Serve Taiwan Co., Ltd.	Taiwan	Cleaning instruments leasing and selling	-	-	1	-	-	44,895	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	President Pharmaceutical Corp.	Taiwan	Sales of various health care products, cosmetics, and pharmaceuticals	-	-	1	-	-	39,432	-	Subsidiary of a subsidiary
Ren-Hui Investment Corp.	Mister Donut Taiwan Co., Ltd.	Taiwan	Bakery retailer	-	-	1	-	-	1,828	-	Note

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES
 Names, locations and other information of investee companies (not including investees in Mainland China)
 For the three-month period ended March 31, 2021

Table 6

Expressed in thousands of NTD
 (Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2021			Net profit (loss) of the investee for the three-month period ended March 31, 2021	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2021	Footnote			
						Balance as at December 31, 2020		Ownership (%)						
				Balance as at March 31, 2021		Number of shares	Book value							
Ren-Hui Investment Corp.	Uni-President Superior Commissary Corp.	Taiwan	Fresh food manufacture	\$ -	\$ -	1	\$ -	\$ 16,062	\$ -	-	Subsidiary of a subsidiary			
Ren-Hui Investment Corp.	Uni-President Cold-Chain Corp.	Taiwan	Low-temperature logistics and warehousing	-	-	1	-	108,149	-	-	Subsidiary of a subsidiary			
Ren-Hui Investment Corp.	Retail Support International Corp.	Taiwan	Room-temperature logistics and warehousing	-	-	1	-	61,582	-	-	Subsidiary of a subsidiary			
Ren-Hui Investment Corp.	President Collect Service Corp.	Taiwan	Collection agent	-	-	1	-	25,185	-	-	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	45,367 (	3,925) (	3,925)	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	84,205	12,418	6,333	Subsidiary of a subsidiary			
Retail Support International Corp.	President Logistics International Corp.	Taiwan	Trucking	44,975	44,975	9,481,500	49.00	187,253	19,183	9,400	Subsidiary of a subsidiary			
Retail Support Taiwan Corp.	President Logistics International Corp.	Taiwan	Trucking	5,425	5,425	1,161,000	6.00	22,929	19,183	1,151	Subsidiary of a subsidiary			
Uni-President Cold-Chain Corp.	President Logistics International Corp.	Taiwan	Trucking	23,850	23,850	4,837,500	25.00	95,537	19,183	4,796	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	109,741	930	930	Subsidiary of a subsidiary			
Wisdom Distribution Service Corp.	President Logistics International Corp.	Taiwan	Trucking	18,850	18,850	3,870,000	20.00	76,400	19,183	3,807	Subsidiary of a subsidiary			
Philippine Seven Corp.	Convenience Distribution Inc.	Philippines	Logistic, warehousing and retail	26,457	26,457	4,500,000	100.00	26,457 (	1,512)	-	Subsidiary of a subsidiary		
Philippine Seven Corp.	Store Sites Holding, Inc.	Philippines	Professional investment	28,657	28,657	40,000	100.00	28,657	362	-	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
 For the three-month period ended March 31, 2021

Table 7

Expressed in thousands of NTD
 (Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three-month period ended March 31, 2021		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	Remitted to Mainland China	Remitted back to Taiwan as of March 31, 2021	Net profit/(loss) of investee for the three-month period ended March 31, 2021	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2021		Book value of investments in Taiwan as of March 31, 2021	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2021	Footnote
				Amount remitted from Taiwan to Mainland China	Amount remitted back to Taiwan for the three-month period ended March 31, 2021					Investment income (loss) recognized by the Company for the three-month period ended March 31, 2021	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2021			
				Amount remitted from Taiwan to Mainland China	Amount remitted back to Taiwan for the three-month period ended March 31, 2021					Investment income (loss) recognized by the Company for the three-month period ended March 31, 2021	Investment income (loss) recognized by the Company for the three-month period ended March 31, 2021			
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Wholesale of merchandise	\$ 435,463	Note 1	\$ 268,722	\$ -	\$ 268,722	\$ 268,722	\$ -	\$ 184	100.00	\$ 184	\$ 72,279	\$ -	Note 3
President Chain Store (Shanghai) Ltd.	Covenience Store	2,699,871	Note 1	2,699,871	-	2,699,871	(52,093)	100.00	(52,093)	100.00	(52,093)	392,295	-	Note 3
Shanghai President Logistic Co., Ltd.	Logistics and warehousing	57,070	Note 1	57,070	-	57,070	18,567	100.00	18,567	100.00	18,567	539,503	-	Note 3
Shan Dong President Yinzuo Commercial Limited	Supermarkets	261,278	Note 1	116,376	-	116,376	(26,219)	55.00	(14,420)	55.00	(14,420)	124,826	7,419	Note 2
President (Shanghai) Health Product Trading Company Ltd.	Sales of various health care products, cosmetics, and pharmaceuticals	170,515	Note 1	170,515	-	170,515	(6,375)	73.74	(4,701)	73.74	(4,701)	4,241	53,223	Note 3
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehousing	174,185	Note 1	166,114	-	166,114	1,908	80.00	1,233	80.00	1,233	175,277	24,321	Note 3
President Chain Store (Taizhou) Ltd.	Logistics and warehousing	261,278	Note 1	261,278	-	261,278	9,517	100.00	9,517	100.00	9,517	391,529	-	Note 3
President Logistic ShanDong Co., Ltd.	Logistics and warehousing	217,732	Note 1	217,732	-	217,732	4,246	100.00	4,246	100.00	4,246	209,419	-	Note 3
President Chain Store (Zhejiang) Ltd.	Covenience Store	914,472	Note 1	609,648	304,824	914,472	(29,716)	100.00	(29,716)	100.00	(29,716)	448,181	-	Note 3
Beauty Wonder (Zhejiang) Trading Co.,Ltd.	Sales of cosmetics and daily items	261,278	Note 1	130,639	130,639	261,278	(9,709)	100.00	(9,709)	100.00	(9,709)	156,219	-	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	Investment amount approved			
	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA	
			Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2021	by the Investment Commission of the Ministry of Economic Affairs (MOEA)
President Chain Store Corp.	\$ 4,398,329	\$ 8,761,634	\$ 28,444,474	
President Pharmaceutical Corp.	170,515	170,515	463,196	
Uni-President Cold-Chain Corp.	84,676	84,676	962,976	
Ren-Hui Investment Corp.	49,174	49,174	80,000	

PRESIDENT CHAIN STORE CORP. AND SUBSIDIARIES

List of shareholders holding more than 5% (inclusive) of shares

March 31, 2021

Table 8

Shareholder name	Shares held as at March 31, 2021	
	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.