

**Far Eastern Department Store Co., Ltd. and its
subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2025 and 2024 and
Independent Auditors' Review Report**

Note: The translation version is intended for reference only. If any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Far Eastern Department Stores, Ltd.:

Introduction

We have reviewed the accompanying consolidated financial statements of Far Eastern Department Store Co., Ltd. and its subsidiaries (collectively referred to as the “Group”) which comprise the consolidated balance sheets for the six months ended June 30, 2025 and 2024 and the consolidated statements of comprehensive income for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, consolidated statements of changes in equity and consolidated statements of cash flows and notes to consolidated financial statements, including a summary of significant accounting policies, for the six months ended June 30, 2025 and 2024. Based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Accounting Standards No. 34 “Interim Financial Reporting” recognized and released by the Financial Supervisory Commission, the management shall be responsible for preparation of financial statements fairly presented. Our responsibility is to express a conclusion on the financial statements based on the result of the reviews.

Scope of Review

Except as stated in the Basis for Qualified Conclusion paragraph, we conduct the review pursuant to ISRE 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” The procedures carried out during the review of consolidated financial statements include inquiries (mainly to the personnel in charge of financial and accounting matters), analytical procedures and other review procedures. The scope of a review is obviously narrower than the scope of an audit. Hence, we may not identify the material matters that can be identified during an audit and, thus, cannot give audit opinions.

Basis for Qualified Conclusion

As stated in note 12 to the consolidated financial statements, the financial statements of certain non-significant subsidiaries included in the consolidated financial statements for the same period were not reviewed by CPAs. Their total assets as of June 30, 2025 and 2024 were NT\$ 3,862,494 thousand and NT\$ 3,817,184 thousand, respectively, representing 2.86% and 2.69% of consolidated total assets, respectively. Total liabilities were NT\$ 1,998,470 thousand and NT\$ 1,888,334 thousand, respectively, representing 2.00% and 1.79% of consolidated total liabilities, respectively. Comprehensive income for the three months ended June 30, 2024 was NT\$ 77,258 thousand and NT\$ 290,694 thousand, respectively, representing 44.37% and 25.96% of consolidated total comprehensive income, respectively. Comprehensive income for the six months ended June 30 was NT\$ 254,693 thousand and NT\$ 469,461 thousand, respectively, representing 20.07% and 22.86% of consolidated total comprehensive income, respectively. As stated in Note 13 to the consolidated financial statements, the equity method investment balances as of June 30, 2025 and 2024 were NT\$ 8,191,061 thousand and NT\$ 8,697,853 thousand, respectively, and the comprehensive income recognized for the three months ended June 30 was NT\$ (246,243) thousand and NT\$ 138,002 thousand, respectively. Comprehensive income recognized for the period for the six months ended June 30 was NT\$ (250,534) thousand and NT\$ 287,036 thousand, respectively, which were recognized on the basis of the investees’ financial statements for the same periods that were not reviewed by CPAs. In addition, the information regarding the investee described in Note 34 to the consolidated financial

statements, as well as the information related to the aforementioned immaterial subsidiaries and investee companies, has also not been reviewed by CPAs.

Qualified Conclusion

Based on our audit results, except the financial statements of non-material subsidiaries and investees accounted for using equity method referred to in the Basis for Qualified Conclusion paragraph, which might have caused the consolidated financial statements to be adjusted if they were reviewed by CPAs, in our opinion, no facts that any and all of the material disclosures of the consolidated financial statements mentioned above were not prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the IAS 34 “Interim Financial Reporting” approved and issued into effect by the Financial Supervisory Commission and, thus, the consolidated financial position of the Group as at June 30, 2025 and 2024, and the consolidated financial performance for the three months ended June 30, 2025 and 2024, and consolidated financial performance and consolidated cash flow for the six months ended June 30, 2025 and 2024 that were not fairly presented are identified.

The engagement partners on the reviews resulting in this independent auditors’ review report are Yeh Shu-Chuan and Huang Kuo-Ning.

Deloitte & Touche
Taipei, Taiwan
Republic of China
August 11, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ report and consolidated financial statements shall prevail.

FAR EASTERN DEPARTMENT STORE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 14,066,000	10	\$ 19,337,818	14	\$ 16,373,449	12
Financial assets at fair value through profit or loss - current (Note 7)	232,940	-	242,486	-	244,610	-
Financial assets at fair value through other comprehensive income - current (Notes 8 and 30)	1,019,428	1	1,044,013	1	1,247,867	1
Financial assets at amortized cost - current (Notes 9 and 30)	3,371,483	3	2,869,979	2	1,980,977	2
Notes receivable (Note 10)	1,466	-	1,061	-	1,450	-
Trade receivables (Note 10)	854,651	1	676,243	-	1,408,888	1
Trade receivables from related parties (Notes 10 and 29)	68,064	-	94,271	-	110,483	-
Other receivables (Notes 10 and 29)	486,550	-	536,123	-	408,177	-
Current tax assets (Note 24)	3,106	-	3,772	-	3,367	-
Inventories (Note 11)	1,758,958	1	2,125,075	2	1,970,534	1
Prepayments (Note 29)	369,853	-	344,605	-	344,283	-
Other current assets (Notes 17, 29, and 30)	43,300	-	42,825	-	45,871	-
Total current assets	22,275,799	16	27,318,271	19	24,139,956	17
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Notes 8, 29, and 30)	4,801,062	4	4,600,054	3	5,003,330	4
Financial assets at amortized cost - non-current (Notes 9 and 30)	173,000	-	173,000	-	73,000	-
Investments accounted for using the equity method (Notes 13 and 30)	8,191,061	6	8,820,441	6	8,697,853	6
Property, plant and equipment (Notes 14, 29, 30 and 31)	32,105,109	24	31,800,752	22	32,052,457	23
Right-of-use assets (Notes 15 and 29)	52,401,726	39	54,097,871	38	56,615,522	40
Investment properties (Notes 16 and 30)	9,004,549	7	9,038,214	6	8,989,452	6
Intangible assets	2,370,971	2	2,368,395	2	2,376,071	2
Deferred tax assets (Note 24)	1,212,125	1	1,336,461	1	1,418,740	1
Net defined benefit assets (Note 20)	567,075	-	549,217	1	523,003	-
Other non-current assets (Notes 17, 29, and 30)	2,080,115	1	2,160,539	2	2,070,419	1
Total non-current assets	112,906,793	84	114,944,944	81	117,819,847	83
TOTAL	<u>\$ 135,182,592</u>	<u>100</u>	<u>\$ 142,263,215</u>	<u>100</u>	<u>\$ 141,959,803</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 18, 29, and 30)	\$ 12,336,185	9	\$ 13,768,418	10	\$ 11,261,744	8
Short-term bills payable (Notes 18 and 30)	409,767	1	239,399	-	282,964	-
Contract liabilities (Note 22)	9,488,946	7	9,936,006	7	9,342,778	7
Notes payable	4	-	4	-	4,591	-
Trade payables	10,697,993	8	16,260,002	12	13,017,582	9
Trade payables to related parties (Note 29)	179,549	-	99,314	-	57,808	-
Other payables (Notes 19 and 29)	6,415,511	5	4,282,581	3	6,805,497	5
Current tax liabilities (Note 24)	404,525	-	374,923	-	526,473	1
Lease liabilities (Notes 15 and 29)	2,384,960	2	2,710,105	2	2,814,685	2
Advance receipts (Note 29)	364,381	-	398,181	-	397,237	-
Current portion of long-term borrowings (Notes 18 and 30)	135,055	-	247,799	-	273,047	-
Other current liabilities (Notes 19 and 29)	380,121	-	381,519	-	402,889	-
Total current liabilities	43,196,997	32	48,698,251	34	45,187,295	32
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 18 and 30)	15,227,443	11	14,158,210	10	16,658,821	12
Provisions	26,698	-	26,592	-	28,845	-
Deferred tax liabilities (Note 24)	3,150,038	3	3,304,372	2	3,389,919	2
Lease liabilities (Notes 15 and 29)	37,264,585	28	37,754,585	27	39,199,865	28
Net defined benefit liabilities (Note 20)	400,215	-	428,467	-	449,188	-
Other non-current liabilities (Notes 19 and 29)	445,358	-	501,701	1	514,546	-
Total non-current liabilities	56,514,337	42	56,173,927	40	60,241,184	42
Total liabilities	99,711,334	74	104,872,178	74	105,428,479	74
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital						
Ordinary shares	14,169,406	11	14,169,406	10	14,169,406	10
Capital surplus	3,343,600	2	3,343,600	2	3,343,595	3
Retained earnings						
Legal reserve	4,269,014	3	4,034,120	3	4,034,120	3
Special reserve	1,701,395	1	1,681,664	1	1,681,664	1
Unappropriated earnings	1,375,300	1	3,030,508	2	1,803,841	1
Total retained earnings	7,345,709	5	8,746,292	6	7,519,625	5
Other equity	5,567,652	4	5,403,638	4	5,961,109	4
Treasury shares	(97,110)	-	(97,110)	-	(97,110)	-
Total equity attributable to owners of the Company	30,329,257	22	31,565,826	22	30,896,625	22
NON-CONTROLLING INTERESTS	5,142,001	4	5,825,211	4	5,634,699	4
Total equity	35,471,258	26	37,391,037	26	36,531,324	26
TOTAL	<u>\$ 135,182,592</u>	<u>100</u>	<u>\$ 142,263,215</u>	<u>100</u>	<u>\$ 141,959,803</u>	<u>100</u>

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

FAR EASTERN DEPARTMENT STORE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except EPS)

(Reviewed, Not Audited)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 22 and 29)	\$ 7,538,352	100	\$ 7,848,419	100	\$ 16,010,387	100	\$ 16,669,498	100
OPERATING COSTS (Notes 11, 23, and 29)	<u>2,950,765</u>	<u>39</u>	<u>3,151,766</u>	<u>40</u>	<u>6,573,526</u>	<u>41</u>	<u>7,028,769</u>	<u>42</u>
GROSS PROFIT	<u>4,587,587</u>	<u>61</u>	<u>4,696,653</u>	<u>60</u>	<u>9,436,861</u>	<u>59</u>	<u>9,640,729</u>	<u>58</u>
Operating expenses (Notes 23 and 29)								
Selling and marketing expenses	140,886	2	166,381	2	340,876	2	377,442	2
General and administrative expenses	3,522,882	47	3,571,538	46	7,004,267	44	7,087,008	43
Expected credit loss	<u>6</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>252</u>	<u>-</u>
Total operating expenses	<u>3,663,774</u>	<u>49</u>	<u>3,737,921</u>	<u>48</u>	<u>7,345,149</u>	<u>46</u>	<u>7,464,702</u>	<u>45</u>
OPERATING PROFIT	<u>923,813</u>	<u>12</u>	<u>958,732</u>	<u>12</u>	<u>2,091,712</u>	<u>13</u>	<u>2,176,027</u>	<u>13</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 23)	60,256	1	55,041	1	119,331	1	104,354	1
Other income (Note 23)	640	-	2,066	-	640	-	2,066	-
Other losses (Notes 23 and 29)	(356)	-	174,437	2	(5,866)	-	171,190	1
Finance costs (Notes 23 and 29)	(369,434)	(5)	(384,974)	(5)	(761,204)	(5)	(764,819)	(5)
Share of profit of associates accounted for using the equity method	<u>33,918</u>	<u>-</u>	<u>55,894</u>	<u>1</u>	<u>(4,201)</u>	<u>-</u>	<u>103,524</u>	<u>1</u>
Total non-operating income and expenses	<u>(274,976)</u>	<u>(4)</u>	<u>(97,536)</u>	<u>(1)</u>	<u>(651,300)</u>	<u>(4)</u>	<u>(383,685)</u>	<u>(2)</u>
PROFIT BEFORE INCOME TAX	648,837	8	861,196	11	1,440,412	9	1,792,342	11
INCOME TAX EXPENSE (Note 24)	<u>178,666</u>	<u>2</u>	<u>221,274</u>	<u>3</u>	<u>378,791</u>	<u>2</u>	<u>439,748</u>	<u>3</u>
NET PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	<u>470,171</u>	<u>6</u>	<u>639,922</u>	<u>8</u>	<u>1,061,621</u>	<u>7</u>	<u>1,352,594</u>	<u>8</u>
OTHER COMPREHENSIVE INCOME (Note 21)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(328,581)	(4)	416,210	5	177,931	1	610,844	3
Share of other comprehensive income (loss) of associates accounted for using the equity method	<u>(133,291)</u>	<u>(2)</u>	<u>67,597</u>	<u>1</u>	<u>(120,626)</u>	<u>(1)</u>	<u>113,830</u>	<u>1</u>
	<u>(461,872)</u>	<u>(6)</u>	<u>483,807</u>	<u>6</u>	<u>57,305</u>	<u>-</u>	<u>724,674</u>	<u>4</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	312,691	4	(18,450)	-	275,705	2	(92,889)	-
Share of other comprehensive income (loss) of associates accounted for using the equity method	<u>(146,870)</u>	<u>(2)</u>	<u>14,511</u>	<u>-</u>	<u>(125,707)</u>	<u>(1)</u>	<u>69,682</u>	<u>-</u>
	<u>165,821</u>	<u>2</u>	<u>(3,939)</u>	<u>-</u>	<u>149,998</u>	<u>1</u>	<u>(23,207)</u>	<u>-</u>
Other comprehensive income (loss) for the period, net of income tax	<u>(296,051)</u>	<u>(4)</u>	<u>479,868</u>	<u>6</u>	<u>207,303</u>	<u>1</u>	<u>701,467</u>	<u>4</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 174,120</u>	<u>2</u>	<u>\$ 1,119,790</u>	<u>14</u>	<u>\$ 1,268,924</u>	<u>8</u>	<u>\$ 2,054,061</u>	<u>12</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 402,578	5	\$ 538,897	7	\$ 876,156	6	\$ 1,117,844	7
Non-controlling interests	<u>67,593</u>	<u>1</u>	<u>101,025</u>	<u>1</u>	<u>185,465</u>	<u>1</u>	<u>234,750</u>	<u>1</u>
	<u>\$ 470,171</u>	<u>6</u>	<u>\$ 639,922</u>	<u>8</u>	<u>\$ 1,061,621</u>	<u>7</u>	<u>\$ 1,352,594</u>	<u>8</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Corporation	\$ 33,270	-	\$ 1,021,914	13	\$ 1,018,793	6	\$ 1,841,244	11
Non-controlling interests	<u>140,850</u>	<u>2</u>	<u>97,876</u>	<u>1</u>	<u>250,131</u>	<u>2</u>	<u>212,817</u>	<u>1</u>
	<u>\$ 174,120</u>	<u>2</u>	<u>\$ 1,119,790</u>	<u>14</u>	<u>\$ 1,268,924</u>	<u>8</u>	<u>\$ 2,054,061</u>	<u>12</u>
EARNINGS PER SHARE (Note 25)								
Basic	<u>\$ 0.29</u>		<u>\$ 0.38</u>		<u>\$ 0.62</u>		<u>\$ 0.79</u>	
Diluted	<u>\$ 0.29</u>		<u>\$ 0.38</u>		<u>\$ 0.62</u>		<u>\$ 0.79</u>	

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

FAR EASTERN DEPARTMENT STORE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Equity attributable to owners of the Company											
	Share capital (Note 21)	Capital surplus (Note 21)	Retained earnings (Note 21)			Other Equity (Note 21)			Treasury Shares (Note 21)	Total	Non-controlling Interests (Note 21)	Total Equity
			Legal reserve	Special reserve	Undistributed earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain on Property Revaluation				
BALANCE ON JANUARY 1, 2024	\$ 14,169,406	\$ 3,343,595	\$ 3,930,366	\$ 2,648,051	\$ 2,086,045	\$ 98,366	\$ 2,966,603	\$ 2,177,164	(\$ 97,110)	\$ 31,322,486	\$ 6,151,322	\$ 37,473,808
Appropriation of 2023 earnings												
Legal reserve	-	-	103,754	-	(103,754)	-	-	-	-	-	-	-
Special reserve	-	-	-	(966,387)	966,387	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(2,267,105)	-	-	-	-	(2,267,105)	-	(2,267,105)
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	(729,440)	(729,440)
Subtotal	-	-	103,754	(966,387)	(1,404,472)	-	-	-	-	(2,267,105)	(729,440)	(2,996,545)
Net income for the six months ended June 30, 2024	-	-	-	-	1,117,844	-	-	-	-	1,117,844	234,750	1,352,594
Other comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	279	723,121	-	-	723,400	(21,933)	701,467
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	1,117,844	279	723,121	-	-	1,841,244	212,817	2,054,061
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	4,424	-	(4,424)	-	-	-	-	-
BALANCE AT JUNE 30, 2024	\$ 14,169,406	\$ 3,343,595	\$ 4,034,120	\$ 1,681,664	\$ 1,803,841	\$ 98,645	\$ 3,685,300	\$ 2,177,164	(\$ 97,110)	\$ 30,896,625	\$ 5,634,699	\$ 36,531,324
BALANCE ON JANUARY 1, 2025	\$ 14,169,406	\$ 3,343,600	\$ 4,034,120	\$ 1,681,664	\$ 3,030,508	\$ 95,361	\$ 3,131,113	\$ 2,177,164	(\$ 97,110)	\$ 31,565,826	\$ 5,825,211	\$ 37,391,037
Appropriation of 2024 earnings												
Legal reserve	-	-	234,894	-	(234,894)	-	-	-	-	-	-	-
Special reserve	-	-	-	19,731	(19,731)	-	-	-	-	-	-	-
Cash dividends to the Company's shareholders	-	-	-	-	(1,912,870)	-	-	-	-	(1,912,870)	-	(1,912,870)
Cash dividend to subsidiaries' shareholders	-	-	-	-	-	-	-	-	-	-	(429,323)	(429,323)
Subtotal	-	-	234,894	19,731	(2,167,495)	-	-	-	-	(1,912,870)	(429,323)	(2,342,193)
Net income for the six months ended June 30, 2025	-	-	-	-	876,156	-	-	-	-	876,156	185,465	1,061,621
Other comprehensive income for the six months ended June 30, 2025	-	-	-	-	-	75,053	67,584	-	-	142,637	64,666	207,303
Total comprehensive income for the six months ended June 30, 2025	-	-	-	-	876,156	75,053	67,584	-	-	1,018,793	250,131	1,268,924
Changes in associates accounted for using equity method	-	-	-	-	28	-	-	-	-	28	-	28
The difference between the price of acquiring the shares of the subsidiary and the book value	-	-	-	-	(359,588)	6,105	10,963	-	-	(342,520)	(504,018)	(846,538)
Disposal of equity instruments of subsidiaries and Associates measured at fair value through other comprehensive income	-	-	-	-	(4,309)	-	4,309	-	-	-	-	-
BALANCE ON JUNE 30, 2025	\$ 14,169,406	\$ 3,343,600	\$ 4,269,014	\$ 1,701,395	\$ 1,375,300	\$ 176,519	\$ 3,213,969	\$ 2,177,164	(\$ 97,110)	\$ 30,329,257	\$ 5,142,001	\$ 35,471,258

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

FAR EASTERN DEPARTMENT STORE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flow (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 1,440,412	\$ 1,792,342
Adjustments for:		
Depreciation expense	3,012,847	2,979,528
Amortization expense	27,971	27,632
Expected credit loss recognized on receivables	6	252
Loss (gain) on financial assets and liabilities at fair value through profit or loss	9,546	(11,556)
Finance costs	761,204	764,819
Loss on changes in fair value of investment properties	34,892	34,404
Amortization of prepayments	3,436	3,185
Interest income	(119,331)	(104,354)
Dividend income	(640)	(2,066)
Share of profit or loss of associates accounted for using the equity method	4,201	(103,524)
Loss on disposal of property, plant and equipment	2,264	6,018
Gain on lease modifications	-	(53,609)
Inventory unrealized write-down and obsolescence loss	7,684	12,913
Net changes in operating assets and liabilities		
Increase in financial assets mandatorily classified as at fair value through profit or loss	-	(150,000)
Notes receivable	(405)	(801)
Trade receivables	(178,414)	(188,498)
Trade receivables from related parties	26,207	8,296
Other receivables	173,683	349,320
Inventories	358,433	124,212
Prepayments	(26,165)	(54,411)
Other current assets	(475)	(1,342)
Contract liabilities - current	(447,060)	(272,634)
Notes payable	-	3,111
Trade payables	(5,562,009)	(5,030,329)
Trade payables to related parties	80,235	(45,414)

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FAR EASTERN DEPARTMENT STORE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flow (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2025	2024
Other payables	(\$ 532,191)	(\$ 397,579)
Advance receipts	23,380	53,559
Other current liabilities	(1,398)	(11,367)
Net defined benefit assets	(17,858)	(19,639)
Net defined benefit liabilities	(<u>28,252</u>)	(<u>34,635</u>)
Cash generated from operations	(947,797)	(322,167)
Interest received	115,254	102,328
Dividends received	48,412	33,283
Interest paid	(461,809)	(739,892)
Income tax returned	-	28
Income tax paid	(<u>378,521</u>)	(<u>830,213</u>)
Net cash used in operating activities	(<u>1,624,461</u>)	(<u>1,756,633</u>)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(3,625)	-
Proceeds from sale of financial assets at fair value through other comprehensive income	5,133	-
Acquisition of financial assets amortized at cost	(3,541,853)	(1,453,777)
Proceeds from sale of financial assets at amortized cost	3,014,612	1,322,210
Proceeds from sale of investments accounted for using the equity method	-	6,735
Decrease in prepaid long-term investments	50,497	64,652
Payments for property, plant and equipment and increase in prepayment for equipment	(1,197,308)	(575,422)
Proceeds from disposal of property, plant and equipment	149	82
Payments for intangible assets	(16,395)	(4,569)
Acquisition of right-of-use assets	(2,053)	(5,900)
Acquisition of investment properties	(1,227)	(971)
Decrease in other non-current assets	<u>15,989</u>	<u>4,566</u>
Net cash used in investing activities	(<u>1,676,081</u>)	(<u>642,394</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	54,568,528	66,172,797
Repayments of short-term borrowings	(55,460,221)	(66,841,368)
Proceeds from short-term bills payable	2,238,905	4,131,000
Repayments of short-term bills payable	(2,068,537)	(5,534,554)
Proceeds from long-term borrowings	57,568,156	69,735,105

(Continued)

FAR EASTERN DEPARTMENT STORE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flow (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2025	2024
Repayments of long-term borrowings	(\$ 56,554,637)	(\$ 67,900,000)
Repayment of the principal portion of lease liabilities	(1,267,815)	(1,009,489)
Increase in other non-current liabilities	-	33,860
Decrease in other non-current liabilities	(58,224)	-
Acquired equity in subsidiaries	(846,538)	-
Net cash used in financing activities	(1,880,383)	(1,212,649)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(90,893)	27,416
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,271,818)	(3,584,260)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	19,337,818	19,957,709
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	\$ 14,066,000	\$ 16,373,449

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

(Concluded)

FAR EASTERN DEPARTMENT STORE CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Far Eastern Department Stores Co., Ltd. (hereinafter referred to as the "Company") was incorporated in the Republic of China (ROC) on August 31, 1967, and operates a nationwide chain of department stores. The Company's shares have been listed on the Taiwan Stock Exchange since October 11, 1978.

The consolidated financial statements are presented in New Taiwan Dollar, which is the Company's functional currency.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on August 11, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. The initial application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (hereinafter referred to as the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the "FSC").

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not result in material changes in the consolidated company's accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC applicable from 2026 onwards

Newly issued/amended/revised standards and interpretation	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Annual Improvements to IFRS Accounting Standards – Vol. 11	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023

As of the date of authorization for issue of these consolidated financial statements, the consolidated company continues to evaluate the impact of each amendment on its financial position and financial performance. The related impact will be disclosed upon completion of the evaluation.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

Newly issued/amended/revised standards and interpretation	Effective date issued by the IASB (Note)
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 IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements.” The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” approved and issued into effect by the FSC. The consolidated financial statements do not include all the information disclosed under the IFRSs as required by the annual financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments, investment properties which are measured at fair value, and net defined benefit (assets) liabilities which are measured at the present value of the defined benefit obligation less the fair value of the plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and the entities controlled by the Group (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Total comprehensive income of subsidiaries is attributed to the shareholders of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the parent.

See Note 12, Table 8 and Table 9 for details on subsidiaries, including the percentages of their ownership and main businesses.

Refer to Table 1 for the diagram of intercompany relationships of the consolidated financial statements for the year ended June 30, 2025.

d. Other material accounting policies

Except for the following explanations, please refer to the summary of significant accounting policies in the consolidated financial statements of 2024.

- 1) Defined benefit post-retirement benefits
The pension cost in the interim period was calculated on a year-to-date basis using the actuarially determined pension cost rate at the end of the previous year. Calculation term is from the beginning of the period to the end of the period, and adjustments are made for major market fluctuations in the current period, major amendments to plans, settlement, or other significant one-time matters.
- 2) Income tax expense
Income tax expense represents the sum of current income tax and deferred income tax. The interim income tax is evaluated on an annual basis and the interim profit before tax is applied with the tax rate applicable to the expected total annual earnings for calculations.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Group considers the possible impact of interest rate fluctuations on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Estimation and Uncertainty

Impairment of property, plant and equipment and right-of-use assets

Impairment of property, plant and equipment and right-of-use assets is assessed on the basis of the recoverable amount of those assets (i.e. the higher of the fair value of those assets less costs to sell and their value in use). The estimation of cash rate is subject to uncertainty and its change will affect the recoverable amount of these assets, which may result in the Company recognizing an additional impairment loss or reversing an impairment loss already recognized.

6. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	\$ 113,151	\$ 119,199	\$ 163,396
Checking accounts and demand deposits	4,158,462	5,383,312	6,061,779
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	9,455,480	12,827,369	8,721,855
Repurchase agreements	338,907	309,383	628,481
Commercial papers	-	697,110	797,938
Stimulus Voucher	-	1,445	-
	<u>\$ 14,066,000</u>	<u>\$ 19,337,818</u>	<u>\$ 16,373,449</u>

The market interest rate interval for bank deposits, commercial papers and repurchase agreements on the balance sheet date is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Bank deposits	0.001%-4.250%	0.001%-3.100%	0.001%-5.400%
Repurchase agreements	1.350%-1.360%	1.350%-1.360%	1.100%-1.350%
Commercial papers	-	1.630%	1.540%

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS – CURRENT

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets mandatorily classified as at FVTPL</u>			
Non-derivative financial assets			
Beneficiary certificates	\$ 152,444	\$ 151,358	\$ 150,236
Listed and over-the-counter (OTC) shares	<u>80,496</u>	<u>91,128</u>	<u>94,374</u>
	<u>\$ 232,940</u>	<u>\$ 242,486</u>	<u>\$ 244,610</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Investment in equity instruments at FVTOCI</u>			
Domestic investment			
Listed and OTC shares	\$ 5,198,883	\$ 5,021,018	\$ 5,597,080
Unlisted shares	<u>600,714</u>	<u>601,131</u>	<u>634,883</u>
	5,799,597	5,622,149	6,231,963
Foreign investment			
Unlisted shares	<u>20,893</u>	<u>21,918</u>	<u>19,234</u>
	<u>\$ 5,820,490</u>	<u>\$ 5,644,067</u>	<u>\$ 6,251,197</u>
Current	\$ 1,019,428	\$ 1,044,013	\$ 1,247,867
Non-current	<u>4,801,062</u>	<u>4,600,054</u>	<u>5,003,330</u>
	<u>\$ 5,820,490</u>	<u>\$ 5,644,067</u>	<u>\$ 6,251,197</u>

- a. The consolidated company invests in domestic and foreign company stocks based on mid- and long-term strategic objectives, and expects to earn profits through long-term investments. The management of the consolidated company believes that including the fluctuation of short-term fair value of these investments in profit or loss is not consistent with the aforementioned long-term investment plan and, therefore, chooses to designate these investments as measured at fair value through other comprehensive income.
- b. Information on equity instruments measured at fair value through other comprehensive income pledged as collateral is disclosed in Note 30.

9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits with original maturities of more than 3 months	\$ 3,282,346	\$ 2,780,842	\$ 1,887,169
Pledged deposits	162,137	162,137	166,808
Yuan Ding Investment Corporation's unsecured corporate bonds (Note c)	<u>100,000</u>	<u>100,000</u>	<u>-</u>
	<u>\$ 3,544,483</u>	<u>\$ 3,042,979</u>	<u>\$ 2,053,977</u>
Current	\$ 3,371,483	\$ 2,869,979	\$ 1,980,977
Non-current	<u>173,000</u>	<u>173,000</u>	<u>73,000</u>
	<u>\$ 3,544,483</u>	<u>\$ 3,042,979</u>	<u>\$ 2,053,977</u>
Gross carrying amount	\$ 3,544,483	\$ 3,042,979	\$ 2,053,977
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 3,544,483</u>	<u>\$ 3,042,979</u>	<u>\$ 2,053,977</u>

- a. The credit risk of financial instruments such as bank deposits is measured and monitored by the accounting department. The counterparties are creditworthy banks and financial institutions with good credit rating.
- b. The interest rate interval of the financial assets measured at amortized cost as of June 30, 2025, December 31, 2024, and June 30, 2024 was 0.25%–4.00%.
- c. The coupon rate and effective interest rate for Yuan Ding Investment Corporation's unsecured corporate bonds as of December 31, 2024 was 1.95%.
- d. Refer to Note 30 for information relating to investments in financial assets at amortized cost pledged as security.
- e. The consolidated company only invests in debt instruments with a credit rating of investment grade or above (inclusive) and with a low credit risk assessment. The credit rating information is provided by an independent rating agency. The consolidated company continues to track the external rating information to monitor the changes in the credit risk of the debt instruments invested, and also reviews the bond yield curve and other information such as the major information of the debtors, in order to assess whether the credit risk of the debt instruments has increased significantly since the initial recognition. As of June 30, 2025, December 31, 2024, and June 30, 2024, consolidated company assessed that the credit risk of the debtor was low and the debtor had sufficient ability to settle the contractual cash flows, so no expected credit loss was recognized.

**10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES
(INCLUDING RELATED PARTIES)**

a. Notes receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Operating	\$ 1,466	\$ 1,061	\$ 1,450
Non-operating	1,794	1,794	1,794
Less: Allowance for impairment loss	(<u>1,794</u>)	(<u>1,794</u>)	(<u>1,794</u>)
	<u>\$ 1,466</u>	<u>\$ 1,061</u>	<u>\$ 1,450</u>

June 30, 2025

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	-	-	-	100%	
Gross carrying amount	\$ 1,466	\$ -	\$ -	\$ -	\$ 1,794	\$ 3,260
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	(<u>1,794</u>)	(<u>1,794</u>)
Amortized cost	<u>\$ 1,466</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,466</u>

December 31, 2024

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	-	-	-	100%	
Gross carrying amount	\$ 1,061	\$ -	\$ -	\$ -	\$ 1,794	\$ 2,855
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	(<u>1,794</u>)	(<u>1,794</u>)
Amortized cost	<u>\$ 1,061</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,061</u>

June 30, 2024

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	-	-	-	100%	
Gross carrying amount	\$ 1,450	\$ -	\$ -	\$ -	\$ 1,794	\$ 3,244
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	(<u>1,794</u>)	(<u>1,794</u>)
Amortized cost	<u>\$ 1,450</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,450</u>

b. Trade receivable (including related party)

	June 30, 2025	December 31, 2024	June 30, 2024
At amortized cost			
Gross carrying amount	\$ 1,053,101	\$ 900,894	\$ 1,650,244
Less: Allowance for impairment loss	(<u>130,386</u>)	(<u>130,380</u>)	(<u>130,873</u>)
	<u>\$ 922,715</u>	<u>\$ 770,514</u>	<u>\$ 1,519,371</u>

The Group's trade receivables pertained to revenue on credit cards and gift certificates. The average credit period for revenue from credit cards and gift certificates was 2 to 3 days and 15 days, respectively.

In determining the recoverability of a trade receivable, the Group considered any change in the credit quality of the trade receivable since the date credit was initially granted to the end of the reporting period. Allowances for impairment loss were recognized against trade receivables based on estimated

irrecoverable amounts determined with reference to past default experience of the counterparties and an analysis of their current financial position.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecasted direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables (including related parties) based on the Group's provision matrix.

June 30, 2025

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	0.02%	2.21%	9.91%	100%	
Gross carrying amount	\$ 904,261	\$ 8,847	\$ 9,592	\$ 22	\$ 130,379	\$ 1,053,101
Loss allowance (Lifetime ECLs)	-	-	(5)	(2)	(130,379)	(130,386)
Amortized cost	<u>\$ 904,261</u>	<u>\$ 8,847</u>	<u>\$ 9,587</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 922,715</u>

December 31, 2024

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	0.02%	3.57%	12.37%	24.61%-100%	
Gross carrying amount	\$ 769,312	\$ 1,153	\$ 50	\$ 1	\$ 130,378	\$ 900,894
Loss allowance (Lifetime ECLs)	-	-	(2)	-	(130,378)	(130,380)
Amortized cost	<u>\$ 769,312</u>	<u>\$ 1,153</u>	<u>\$ 48</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 770,514</u>

June 30, 2024

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	0.03%	4.07%	13.16%	18.88%-100%	
Gross carrying amount	\$ 1,512,476	\$ 6,244	\$ 192	\$ 495	\$ 130,837	\$ 1,650,244
Loss allowance (Lifetime ECLs)	-	-	(6)	(65)	(130,802)	(130,873)
Amortized cost	<u>\$ 1,512,476</u>	<u>\$ 6,244</u>	<u>\$ 186</u>	<u>\$ 430</u>	<u>\$ 35</u>	<u>\$ 1,519,371</u>

Information on changes in the loss allowance for accounts receivable is as follows:

	<u>For the Six Months Ended June 30</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 130,380	\$ 130,873
Add: Impairment losses recognized	<u>6</u>	<u>-</u>
Balance at June 30	<u>\$ 130,386</u>	<u>\$ 130,873</u>

c. Other receivables

	June 30, 2025	December 31, 2024	June 30, 2024
<u>At amortized cost</u>			
Gross carrying amount	\$ 512,074	\$ 561,647	\$ 433,710
Less: Allowance for impairment loss	(<u>25,524</u>)	(<u>25,524</u>)	(<u>25,533</u>)
	<u>\$ 486,550</u>	<u>\$ 536,123</u>	<u>\$ 408,177</u>

The following table details the loss allowance of other receivables based on the Group's provision matrix.

June 30, 2025

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	0.50%	-	-	100%	
Gross carrying amount	\$ 486,342	\$ 208	\$ -	\$ -	\$ 25,524	\$ 512,074
Loss allowance (Lifetime ECLs)	-	-	-	-	(<u>25,524</u>)	(<u>25,524</u>)
Amortized cost	<u>\$ 486,342</u>	<u>\$ 208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 486,550</u>

December 31, 2024

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	0.50%	-	-	100%	
Gross carrying amount	\$ 535,834	\$ 290	\$ -	\$ -	\$ 25,523	\$ 561,647
Loss allowance (Lifetime ECLs)	-	(<u>1</u>)	-	-	(<u>25,523</u>)	(<u>25,524</u>)
Amortized cost	<u>\$ 535,834</u>	<u>\$ 289</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 536,123</u>

June 30, 2024

	Not past due	Less than 30 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Total
Expected credit loss rate	0.00%	0.51%	8.47%	-	100%	
Gross carrying amount	\$ 407,707	\$ 339	\$ 145	\$ -	\$ 25,519	\$ 433,710
Loss allowance (Lifetime ECLs)	-	(<u>2</u>)	(<u>12</u>)	-	(<u>25,519</u>)	(<u>25,533</u>)
Amortized cost	<u>\$ 407,707</u>	<u>\$ 337</u>	<u>\$ 133</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 408,177</u>

The movements of the loss allowance of other receivables were as follows:

	<u>For the Six Months Ended June 30</u>	
	<u>2025</u>	<u>2024</u>
Balance at January 1	\$ 25,524	\$ 25,533
Add: Impairment losses recognized	-	252
Less: Amounts written off	-	(<u>252</u>)
Balance at June 30	<u>\$ 25,524</u>	<u>\$ 25,533</u>

11. INVENTORIES

	June 30, 2025	December 31, 2024	June 30, 2024
Merchandise	\$ 1,758,958	\$ 2,125,075	\$ 1,970,534
Allowance for inventory write-down	\$ 43,405	\$ 42,758	\$ 43,204
Allowance for losses on physical inventory	\$ 28,015	\$ 20,978	\$ 29,085
Allowance for unrealized purchase discount	\$ 3,294	\$ 3,294	\$ 3,235

The nature of the cost of goods was as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Cost of goods sold	\$ 2,836,981	\$ 3,047,414	\$ 6,358,720	\$ 6,837,065
Provision unrealized loss on physical inventory and slow-moving inventory	10,582	9,358	7,684	12,913
	<u>\$ 2,847,563</u>	<u>\$ 3,056,772</u>	<u>\$ 6,366,404</u>	<u>\$ 6,849,978</u>

12. SUBSIDIARIES

- a. Subsidiaries included in the consolidated financial statements
The entities in the consolidated financial statements are as follows:

Name of Investment Company	Name of subsidiary	Nature of business	Percentage of equity held			Description
			June 30, 2025	December 31, 2024	June 30, 2024	
Far Eastern Department Stores, Ltd.	Far Eastern Ai Mai Co., Ltd.	Hypermarket	100	100	100	
	Bai Yang Investment Co., Ltd.	Investment	100	100	100	
	Bai Ding Investment Co., Ltd.	Investment	67	67	67	
	Yu Ming Advertising Agency Co., Ltd.	Advertising and importation of certain merchandise	100	100	100	1
	Far Eastern Hon Li Do Co., Ltd.	Building rental	56	56	56	
	FEDS Development Ltd.	Investment	54	54	54	
	Ya Tung Department Stores, Ltd.	Department store	100	100	100	1
	Far Eastern CitySuper Co., Ltd.	Hypermarket	96	96	96	1
	Pacific Liu Tong Investment Co., Ltd.	Investment	35	35	35	
	Asians Merchandise Company	Trading	100	100	100	1
Bai Yang Investment Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Investment	29	25	25	2
	FEDS Asia Pacific Development Co., Ltd.	Shopping mall	75	75	70	3
	Bai Ding Investment Co., Ltd.	Investment	33	33	33	
	FEDS New Century Development Co., Ltd.	Shopping mall	100	100	100	
	FEDS Development Ltd.	Investment	46	46	46	
	Pacific China Holdings (HK) Limited	Investment	40	40	40	
	Far Eastern Big City Shopping Malls Co., Ltd.	Department store	40	40	40	1
	Pacific Liu Tong Investment Co., Ltd.	Investment	13	13	13	
Bai Ding Investment Co., Ltd.	Pacific Sogo Department Stores Co., Ltd.	Department store	1	1	1	
	Far Eastern Hon Li Do Co., Ltd.	Building rental	44	44	44	
	Far Eastern CitySuper Co., Ltd.	Hypermarket	-	-	-	1
	Pacific Liu Tong Investment Co., Ltd.	Investment	-	-	-	
Yu Ming Advertising Agency Co., Ltd.						

Far Eastern Hon Li Do Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Investment	-	-	-	
FEDS Development Ltd.	Shanghai Bai Ding Consultant & Management Co., Ltd.	Consulting service	100	100	100	1
	Chongqing FEDS Co., Ltd.	Department store	100	100	100	1、4
Ya Tung Department Stores, Ltd.	Pacific Liu Tong Investment Co., Ltd.	Investment	1	1	1	
FEDS Asia Pacific Development Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Investment	2	2	2	
FEDS New Century Development Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Investment	2	2	2	
	Chubei New Century Shopping Mall Co., Ltd.	Department store	100	100	100	
Pacific Liu Tong Investment Co., Ltd.	Pacific Sogo Department Stores Co., Ltd.	Department store	79	79	79	
Pacific Sogo Department Stores Co., Ltd.	Pacific China Holdings (HK) Limited	Investment	60	60	60	
	Far Eastern Big City Shopping Malls Co., Ltd.	Department store	60	60	60	1
Pacific China Holdings (HK) Limited	Pacific China Holdings Ltd. (B.V.I.)	Investment	100	100	100	
Pacific China Holdings Limited (BVI)	Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	Department store	100	100	100	
	Chongqing Pacific Consultant & Management Co., Ltd.	Consulting services	100	100	100	
	Bai Fa China Holdings (HK) Limited	Investment	100	100	100	5
	Pacific (China) Investment Co., Ltd.	Investment	100	100	100	
Pacific (China) Investment Co., Ltd.	Chengdu FEDS Co., Ltd.	Department store	100	100	100	6
	Dalian Pacific Department Store Co., Ltd.	Department store	-	-	100	7

Remarks:

- 1) The financial statements of non-material subsidiaries have not been reviewed by CPAs.
- 2) In January 2025, the consolidated company acquired equity interests from non-controlling shareholders of its subsidiary Pacific Liu Tong Investment Co., Ltd. For details, please refer to Note 26.
- 3) In December 2024, the consolidated company acquired equity interests from the non-controlling shareholders of its subsidiary FEDS Asia Pacific Development Co., Ltd.
- 4) The business was discontinued on June 30, 2024.
- 5) As there was no further business planning for the entity, in June 2017, the application for suspension of operation was filed.
- 6) Due to an oversupply of department stores in the market, Chengdu FEDS Co., Ltd. (hereinafter referred to as Chengdu FEDS) decided to reconstruct the business operating planning and transform the business management to improve the overall effectiveness. As such, the operation was discontinued since December 23, 2017.
- 7) The operations were ceased in August 2023, and liquidated in December 2023. The dissolution and liquidation were completed on July 17, 2024.

b. Subsidiaries not included in the consolidated financial statements

Name of Investment Company	Name of subsidiary	Nature of business	Percentage of equity held		
			June 30, 2025	December 31, 2024	June 30, 2024
Pacific Sogo Department Stores Co., Ltd.	Lian Ching Investment Co., Ltd.	Investment	50	50	50

The investment amount of Lian Ching Investment Co., Ltd. had been written off to zero by the Group and it has not undertaken any liabilities. Therefore, it is not included in the consolidated financial statements as one of the entities.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investment in affiliates

	June 30, 2025	December 31, 2024	June 30, 2024
Associates that are not individually material	<u>\$ 8,191,061</u>	<u>\$ 8,820,441</u>	<u>\$ 8,697,853</u>

The investment accounted for using the equity method and the consolidated company's share of profit or loss and other comprehensive income are recognized based on the financial statements of each associate that have not been reviewed by a CPA for the same period.

Refer to Note 30 for the information on the carrying amounts of property, plant and equipment that were pledged as collateral for long/short-term borrowings.

14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Buildings and Facilities	Decorative Facilities	Plant, Transportation and Miscellaneous Equipment	Property under Construction	Total
<u>Cost</u>							
Balance on January 1, 2025	\$ 13,720,139	\$ 20,011,301	\$ 13,060,478	\$ 13,823,378	\$ 3,309,822	\$ 76,979	\$ 64,002,097
Addition	-	-	141,894	775,496	65,952	258,441	1,241,783
Disposals	-	-	(56,448)	(224,744)	(39,931)	-	(321,123)
Reclassified	-	-	58,614	387,254	30,265	(290,327)	185,806
Exchange difference, net	-	(1,150)	-	(88,885)	(3,052)	(3,465)	(96,552)
Balance on June 30, 2025	<u>\$ 13,720,139</u>	<u>\$ 20,010,151</u>	<u>\$ 13,204,538</u>	<u>\$ 14,672,499</u>	<u>\$ 3,363,056</u>	<u>\$ 41,628</u>	<u>\$ 65,012,011</u>
<u>Accumulated depreciation and impairment</u>							
Balance on January 1, 2025	\$ -	(\$ 8,981,557)	(\$ 9,742,292)	(\$ 10,940,146)	(\$ 2,537,350)	\$ -	(\$ 32,201,345)
Disposals	-	-	55,705	224,109	38,896	-	318,710
Depreciation expense	-	(220,032)	(288,760)	(416,162)	(105,541)	-	(1,030,495)
Exchange difference, net	-	673	-	3,283	2,272	-	6,228
Balance on June 30, 2025	<u>\$ -</u>	<u>(\$ 9,200,916)</u>	<u>(\$ 9,975,347)</u>	<u>(\$ 11,128,916)</u>	<u>(\$ 2,601,723)</u>	<u>\$ -</u>	<u>(\$ 32,906,902)</u>
Net on June 30, 2025	<u>\$ 13,720,139</u>	<u>\$ 10,809,235</u>	<u>\$ 3,229,191</u>	<u>\$ 3,543,583</u>	<u>\$ 761,333</u>	<u>\$ 41,628</u>	<u>\$ 32,105,109</u>
Net amount as on December 31, 2024 and January 1, 2025	<u>\$ 13,720,139</u>	<u>\$ 11,029,744</u>	<u>\$ 3,318,186</u>	<u>\$ 2,883,232</u>	<u>\$ 772,472</u>	<u>\$ 76,979</u>	<u>\$ 31,800,752</u>
<u>Cost</u>							
Balance on January 1, 2024	\$ 13,720,139	\$ 20,010,746	\$ 12,768,291	\$ 13,339,836	\$ 3,242,456	\$ 410,131	\$ 63,491,599
Addition	-	-	100,825	137,528	71,209	95,072	404,634
Disposals	-	-	(28,611)	(426,358)	(60,237)	-	(515,206)
Reclassified	-	-	63,499	181,053	11,009	(113,516)	142,045
Exchange difference, net	-	536	-	14,280	1,800	19,994	36,610
Balance on June 30, 2024	<u>\$ 13,720,139</u>	<u>\$ 20,011,282</u>	<u>\$ 12,904,004</u>	<u>\$ 13,246,339</u>	<u>\$ 3,266,237</u>	<u>\$ 411,681</u>	<u>\$ 63,559,682</u>
<u>Accumulated depreciation and impairment</u>							
Balance on January 1, 2024	\$ -	(\$ 8,602,083)	(\$ 9,240,619)	(\$ 10,763,612)	(\$ 2,422,333)	\$ -	(\$ 31,028,647)
Disposals	-	-	27,963	420,948	60,195	-	509,106
Depreciation expense	-	(218,974)	(290,618)	(359,493)	(104,215)	-	(973,300)
Exchange difference, net	-	(300)	-	(12,655)	(1,429)	-	(14,384)
Balance on June 30, 2024	<u>\$ -</u>	<u>(\$ 8,821,357)</u>	<u>(\$ 9,503,274)</u>	<u>(\$ 10,714,812)</u>	<u>(\$ 2,467,782)</u>	<u>\$ -</u>	<u>(\$ 31,507,225)</u>
Net on June 30, 2024	<u>\$ 13,720,139</u>	<u>\$ 11,189,925</u>	<u>\$ 3,400,730</u>	<u>\$ 2,531,527</u>	<u>\$ 798,455</u>	<u>\$ 411,681</u>	<u>\$ 32,052,457</u>

Depreciation expense is calculated on a straight-line basis over the following useful lives:

Buildings	17 to 56 years
Buildings and facilities	3~20 years
Equipment under finance leases	2~20 years
Plant, transportation, and miscellaneous equipment	3 to 11 years

Refer to Note 30 for the amount of self-use property, plant and equipment secured for borrowings.

15. LEASE AGREEMENTS

a. Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount</u>			
Land	\$ 10,513,885	\$ 10,605,076	\$ 10,799,923
Buildings	41,880,607	43,483,799	45,808,949
Plant, transportation, and miscellaneous equipment	<u>7,234</u>	<u>8,996</u>	<u>6,650</u>
	<u>\$ 52,401,726</u>	<u>\$ 54,097,871</u>	<u>\$ 56,615,522</u>
	For the Three Months Ended June 30	For the Six Months Ended June 30	
	2025	2024	2025
			2024
Addition of right-of-use assets			<u>\$ 754,312</u>
Depreciation charge for right-of-use assets			<u>\$12,154,660</u>
Land	\$ 132,480	\$ 128,768	\$ 264,960
Buildings	884,634	910,187	1,772,810
Plant, transportation, and miscellaneous equipment	<u>881</u>	<u>689</u>	<u>1,762</u>
	<u>\$ 1,017,995</u>	<u>\$ 1,039,644</u>	<u>\$ 2,039,532</u>
			<u>\$ 2,072,885</u>

Except for the above-mentioned additions and recognized depreciation expenses listed above, the consolidated company's right-of-use assets did not have any major events of subletting and impairment situations for the six months ended June 30, 2025 and 2024.

The land in Taoyuan leased to the Group has been subleased to a third party as an operating lease. For the right-of-use assets listed as investment properties, please see Note 16 on investment properties. The aforementioned right-of-use assets exclude right-of-use assets qualified as investment properties.

b. Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Carrying amount</u>			
Current	\$ 2,384,960	\$ 2,710,105	\$ 2,814,685
Non-current	<u>\$ 37,264,585</u>	<u>\$ 37,754,585</u>	<u>\$ 39,199,865</u>

Range of discount rate for lease liabilities was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Land	1.09%-1.89%	1.09%-1.89%	1.09%-1.89%
Buildings	1.08%-4.53%	1.08%-4.53%	1.08%-4.53%
Plant, transportation, and miscellaneous equipment	0.86%-1.75%	0.86%-1.75%	0.86%-1.71%

c. Material lease activities and terms

The Group signed a lease contract with Farglory Dome Co., Ltd. on June 30, 2022. The lease period commences from the date when the handover is completed in various regions until December 31, 2045. For the regions where the handover is completed, the right-of-use assets, NT\$7,938,884 thousand and NT\$7,646,282 thousand were recognized, respectively, in November 2023 and January 2024.

The Group signed a lease contract with Chongqing Hua Cheng Investment Co., Ltd. on May 20, 2021 for a period of 20 years. It was agreed that the lease will start after Chongqing Hua Cheng Investment Co., Ltd. obtains the real estate certificate. Therefore, the consolidated company recognized the right-of-use assets of RMB 891,064 thousand and RMB 45,838 thousand in January and May 2024, respectively. The owner of the underlying lease was changed to the responsible company of Chongqing Cheng Yuan Property Development Co., Ltd. in August 2024.

The Group leases certain property and equipment for its retail business with a lease term of 1 to 50 years. In addition to fixed payments, a part of the lease contract also specifies variable lease payments with different conditions. Some stores are leased by acquiring land use rights to build buildings and transfer buildings to lessor unconditionally at the end of the lease terms.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	\$ 20,918	\$ 17,192	\$ 43,479	\$ 33,797
Expenses relating to low-value asset leases	\$ 20,175	\$ 20,759	\$ 40,653	\$ 41,480
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 32,047	\$ 28,678	\$ 69,659	\$ 61,395
Total cash (outflow) from leases			(\$ 1,602,183)	(\$ 1,615,052)

16. INVESTMENT PROPERTY

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Measured at fair value</u>			
Investment property	\$ 8,724,715	\$ 8,735,715	\$ 8,664,456
Right-of-use assets	<u>265,580</u>	<u>288,245</u>	<u>310,742</u>
	8,990,295	9,023,960	8,975,198
<u>Measured at cost</u>			
Investment property under construction	<u>14,254</u>	<u>14,254</u>	<u>14,254</u>
	\$ 9,004,549	\$ 9,038,214	\$ 8,989,452

Except for recognition of changes in fair value, the consolidated company's investment properties did not have significant additions or disposals for the six months ended June 30, 2025 and 2024.

The fair value of investment property is valued externally and measured at fair value on a recurring basis. Except for certain investment properties whose fair values as of June 30, 2025 and 2024 were appraised by appraiser Wu Cheng-Yeh of Savills Taiwan, the consolidated company engaged appraisers Chang Hung-Kai, Chang Yi-Chih, Yeh Yu-Fen, Tai Kuang-Ping, and Wu Cheng-Yeh of Savills Taiwan, all qualified real estate appraisers in Taiwan, to review the validity of the original appraisal reports. They concluded that the fair value information of the aforementioned investment properties as of December 31, 2024 and 2023 remained valid as of June 30, 2025 and 2024.

The right-of-use assets within investment properties refer to the consolidated company's subleasing of buildings it leases in the Taoyuan area under operating leases to third parties.

The lease terms for certain investment properties range from 2 to 20 years, and the lessees do not have preferential purchase rights for the investment properties at the end of the lease term.

In addition to the minimum lease payments, some lease contracts also require lessees to pay variable lease payments based on the consumer price index.

The total amount of lease payments that will be received in the future from the property leased out under operating leases is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Year 1	\$ 955,008	\$ 933,653	\$ 920,958
Year 2	815,691	833,417	821,519
Year 3	662,738	636,650	690,583
Year 4	587,464	602,020	558,604
Year 5	489,774	502,618	503,699
Over 5 years	<u>2,790,591</u>	<u>3,116,814</u>	<u>3,089,974</u>
	<u>\$ 6,301,266</u>	<u>\$ 6,625,172</u>	<u>\$ 6,585,337</u>

Except for undeveloped lands, the fair values of investment properties were measured using the income approach and the significant assumptions used are the increase in the estimated future net cash inflows, or the decrease in discount rates that would result in increases in the fair values.

	June 30, 2025	December 31, 2024	June 30, 2024
Expected future cash inflow	\$ 22,159,327	\$ 22,203,879	\$ 22,176,041
Expected future cash outflow	<u>3,223,998</u>	<u>3,254,472</u>	<u>3,326,202</u>
Expected future cash inflows, net	<u>\$ 18,935,329</u>	<u>\$ 18,949,407</u>	<u>\$ 18,849,839</u>
Discount rate	4.470%-4.595%	4.470%-4.595%	4.470%-4.595%

The market rentals in the area where the investment properties are located were between \$1 thousand and \$2 thousand per ping (i.e., per 3.3 square meters). The market rentals for comparable properties were between \$1 thousand and \$4 thousand per ping (i.e., per 3.3 square meters).

The expected future cash inflows generated by investment properties include rental income, interest income on rental deposits and disposal proceeds at the end of the period. The rental income was extrapolated using the annual rental growth rate, based on the existing lease contracts of the Group and comparative market rentals. The income analysis covers a period between 5 and 10 years. The interest income on rental deposits was extrapolated using the one-year average deposit interest rate, while the disposal proceeds was determined using the direct capitalization method under the income approach. The expected future cash outflows on investment properties include expenditures such as property tax, land value tax, insurance premiums, management fees, maintenance costs and replacement allowances. These expenditures were extrapolated based on the current level of expenditures, while taking into account the construction cost indices, future adjustments to land value announced, the tax rate promulgated under the House Tax Act and construction costs.

The discount rate was determined with reference to the interest rate for two-year time deposits of Chunghwa Post Co., Ltd. plus 0.75% and the risk premium of investment properties of 2%-2.125%.

Part of the land located in the east of Taiwan that is owned by the Group, is yet to be developed. The fair value of the undeveloped land was measured using the land development analysis approach. The significant assumptions used are such that an increase in total estimated sales, an increase in rate of return, or a decrease in the overall capital interest rate would result in an increase in the fair value.

	June 30, 2025	December 31, 2024	June 30, 2024
Estimated total sales amount	<u>\$ 2,324,220</u>	<u>\$ 2,324,220</u>	<u>\$ 2,193,982</u>
Rate of return	16%-20%	16%-20%	17%-20%
Overall capital interest rate	1.94%-4.08%	1.94%-4.08%	3.02%-3.55%

The total sales price is estimated on the basis of the most effective use of land or property available for sale after development is completed, taking into account the related regulations, optimism of domestic macroeconomic prospects, local land use, and comparable market prices.

Refer to Note 30 for the information on the carrying amounts of investment properties pledged as collateral for borrowings.

17. OTHER ASSETS

	June 30, 2025	December 31, 2024	June 30, 2024
Refundable deposits	\$ 1,365,292	\$ 1,377,203	\$ 1,376,651
Leases incentives	435,980	440,172	427,441
Prepayment for equipment	271,818	333,734	253,019
Others	<u>50,325</u>	<u>52,255</u>	<u>59,179</u>
	<u>\$ 2,123,415</u>	<u>\$ 2,203,364</u>	<u>\$ 2,116,290</u>
Current	\$ 43,300	\$ 42,825	\$ 45,871
Non-current	<u>2,080,115</u>	<u>2,160,539</u>	<u>2,070,419</u>
	<u>\$ 2,123,415</u>	<u>\$ 2,203,364</u>	<u>\$ 2,116,290</u>

18. BORROWINGS

a. Short-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Credit loans	\$ 6,140,000	\$ 5,197,000	\$ 5,700,000
Secured loans (Note 30)	<u>6,196,185</u>	<u>8,571,418</u>	<u>5,561,744</u>
	<u>\$ 12,336,185</u>	<u>\$ 13,768,418</u>	<u>\$ 11,261,744</u>
Interest rates intervals are as follows:			
Credit loans	1.8600%- 2.0738%	1.7900%- 2.0780%	1.7250%- 1.9800%
Secured loans	1.8600%- 5.8576%	1.7900%- 6.8946%	1.7500%- 6.8946%

b. Short-term notes payable

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial paper payable	\$ 410,000	\$ 240,000	\$ 283,000
Less: Unamortized discount on short-term bills payable	(<u>233</u>)	(<u>601</u>)	(<u>36</u>)
	<u>\$ 409,767</u>	<u>\$ 239,399</u>	<u>\$ 282,964</u>
Interest rate intervals	1.8780%- 1.9480%	1.9200%	1.8580%- 1.9380%

c. Long-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Secured loans (Note 30)	\$ 13,252,498	\$ 13,206,009	\$ 12,731,868
Credit loans	<u>2,110,000</u>	<u>1,200,000</u>	<u>4,200,000</u>
Subtotal	15,362,498	14,406,009	16,931,868
Less: Listed as part due within 1 year	(<u>135,055</u>)	(<u>247,799</u>)	(<u>273,047</u>)
	<u>\$ 15,227,443</u>	<u>\$ 14,158,210</u>	<u>\$ 16,658,821</u>

loan maturity	July 2025 to November 2027	January 2025 to November 2027	July 2025 to August 2027
Interest rate intervals	1.8400%- 3.7000%	1.7800%- 4.3500%	1.7300%- 4.4500%

19. OTHER LIABILITIES

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Other payables</u>			
Dividends payable	\$ 2,376,256	\$ 42,744	\$ 3,040,455
Payables for salaries and bonuses	679,749	984,964	645,932
Payables for purchases of equipment	579,065	396,469	370,230
Payables for rent	368,067	263,410	238,687
Others	<u>2,412,374</u>	<u>2,594,994</u>	<u>2,510,193</u>
	<u>\$ 6,415,511</u>	<u>\$ 4,282,581</u>	<u>\$ 6,805,497</u>
<u>Other liabilities</u>			
Deposits received	\$ 229,290	\$ 283,982	\$ 298,604
Franchise liabilities	199,043	202,709	202,274
Others	<u>397,146</u>	<u>396,529</u>	<u>416,557</u>
	<u>\$ 825,479</u>	<u>\$ 883,220</u>	<u>\$ 917,435</u>
Current			
Other payables	<u>\$ 6,415,511</u>	<u>\$ 4,282,581</u>	<u>\$ 6,805,497</u>
Other liabilities	<u>\$ 380,121</u>	<u>\$ 381,519</u>	<u>\$ 402,889</u>
Non-current			
Other liabilities	<u>\$ 445,358</u>	<u>\$ 501,701</u>	<u>\$ 514,546</u>

20. RETIREMENT BENEFIT PLANS

The pension expenses related to defined benefit plans for the three and six months ended June 30, 2025 and 2024 were calculated based on the actuarial pension cost rates as of December 31, 2024 and 2023, and amounted to NTD 106 thousand, NTD 774 thousand, NTD 212 thousand, and NTD 1,651 thousand, respectively.

21. EQUITY

a. Share capital

Ordinary shares

	June 30, 2025	December 31, 2024	June 30, 2024
Shares authorized (in thousands)	1,750,000	1,750,000	1,750,000
Shares authorized	<u>\$ 17,500,000</u>	<u>\$ 17,500,000</u>	<u>\$ 17,500,000</u>
Shares issued and fully paid (in thousands)	1,416,941	1,416,941	1,416,941
Shares issued	<u>\$ 14,169,406</u>	<u>\$ 14,169,406</u>	<u>\$ 14,169,406</u>

Fully paid ordinary shares, which have a par value of \$10, are entitled to one vote and a right to receive dividends per shares.

b. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)			
Issuance in excess of ordinary shares	\$ 2,142,074	\$ 2,142,074	\$ 2,142,074
Treasury share transactions	1,173,346	1,173,346	1,173,346
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interest in associates	<u>28,180</u>	<u>28,180</u>	<u>28,175</u>
	<u>\$ 3,343,600</u>	<u>\$ 3,343,600</u>	<u>\$ 3,343,595</u>

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

c. Retained earnings and dividend policy

According to the Articles of Incorporation, where the Company makes profit in a fiscal year, the profit shall be first utilized to make its business income tax payments and offset deficit. From any remaining profit, out of the profit after tax for the current period plus other profit items adjusted to the current year's undistributed earnings other than profit after tax for the period, 10% will be appropriated as a legal reserve. After appropriating to the special reserve as required by government regulations, the remaining amount, along with any prior years' undistributed earnings, may be utilized for earnings distribution in the form of dividend based on shareholding percentage. However, the Company may retain a certain portion depending on the operating needs. In case of a capital increase during the year, dividend appropriated to new shareholders is subject to the resolution passed in the shareholders' meeting. For policies of compensation of employees and remuneration of directors stipulated by the Articles of Incorporation, please refer to Note 23(i).

The Company's distribution of dividends would be in consideration of on economic conditions, tax obligations, and operating requirements for cash. For an orderly system of dividend distribution, the dividends are distributed in accordance with the Articles of Incorporation. In addition, improvements of the financial structure and support for investment, capacity expansion or other major capital expenditures are needed. The cash dividends to be distributed should not be below 50% than the current year's post-tax net profit deduction, offsetting losses of previous years, the statutory surplus reserve and the special surplus reserve, except for the improvement of financial structure and the transfer of funds, capacity expansion or other major capital expenditures. The cash dividends to be distributed should not be below 10% of the total cash and share dividends for the current accounting year.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

If the net reduction of other equity items is subsequently reversed, the Company may reverse the corresponding amount of the special reserve and distribute earnings, in accordance with the Provision of the Financial Supervisory Commission, Jin-Guan-Zheng-Fa-Zi No. 1090150022.

The appropriations of earnings for 2024 and 2023, which were approved in the shareholders' meetings on May 20, 2025 and June 18, 2024, respectively, are as follows:

	2024	2023
Appropriate of legal reserve	\$ 234,894	\$ 103,754
Appropriate (reverse) special reserve	\$ 19,731	\$ 34,177
Reversals of special reserve from previous years	\$ -	(\$ 1,000,564)
Cash dividends	\$ 1,912,870	\$ 2,267,105
Cash dividend per share (NT\$)	\$ 1.35	\$ 1.60

d. Special reserve

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	\$ 1,681,664	\$ 2,648,051
Appropriations in respect of provision for special reserve		
Net increases in the fair value of investment properties	19,731	34,177
Reversal of reduction of other equity items	-	(637,328)
Amount allocated according to the Articles of Incorporation	-	(363,236)
Balance at June 30	<u>\$ 1,701,395</u>	<u>\$ 1,681,664</u>

On the initial application of the fair value model to investment properties and on the initial application of IFRS 16, the Group appropriated for a special reserve at an amount equal to the net increase arising from fair value measurement and which was subsequently transferred to retained earnings. The additional special reserve should be appropriated for subsequent net increases in fair value. The amount appropriated may be reversed to the extent that the cumulative net increases in fair value decrease or on the disposal of investment properties. If investment properties were reclassified to property, plant and equipment, the associated special reserve would be reversed in accordance to the subsequent depreciation expense of property, plant and equipment.

e. Other equity items

1) Exchange differences on translation of financial statements of foreign operations

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	\$ 95,361	\$ 98,366
Exchange differences on translating the financial statements of foreign operations	210,022	(65,311)
Share from associates accounted for using the equity method	(134,969)	65,590
Acquisition of partial equities in subsidiaries	<u>6,105</u>	<u>-</u>
Balance at June 30	<u>\$ 176,519</u>	<u>\$ 98,645</u>

- 2) Unrealized valuation gain or loss on financial assets measured at fair value through other comprehensive income.

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	\$ 3,131,113	\$ 2,966,603
Recognized for the year		
Unrealized gain (loss) - equity instruments	177,733	611,011
Share from associates accounted for using the equity method	(110,149)	112,110
Other comprehensive income recognized for the year	67,584	723,121
Reclassification adjustment		
Accumulated gains and losses on disposal of equity instruments transferred to retained earnings	4,309	(4,424)
Acquisition of partial equities in subsidiaries	10,963	-
Closing balance	<u>\$ 3,213,969</u>	<u>\$ 3,685,300</u>

f. Non-controlling interests

	For the Six Months Ended June 30	
	2025	2024
Balance at January 1	\$ 5,825,211	\$ 6,151,322
Share in profit for the year	185,465	234,750
Cash dividends distributed by subsidiaries	(429,323)	(729,440)
Other comprehensive income (loss) during the year		
Exchange differences on translating the financial statements of foreign operations	65,683	(27,578)
Unrealized gain on financial assets at FVTOCI	198	(167)
Share of other comprehensive income (loss) of associates accounted for using the equity method	(1,215)	5,812
Acquired part of the equity interest in the subsidiary	(504,018)	-
Balance, at June 30	<u>\$ 5,142,001</u>	<u>\$ 5,634,699</u>

g. Treasury shares

The shares that the subsidiaries held were acquired before the Company Act was amended in 2001. The Company's shares held by its subsidiaries at the end of the reporting period are as follows:

June 30, 2025

<u>Name of subsidiary</u>	<u>Number of shares held (thousand shares)</u>	<u>Carrying amount</u>	<u>Market price</u>
Bai Ding Investment Co., Ltd.	8,207	<u>\$ 97,110</u>	<u>\$ 176,451</u>

December 31, 2024

<u>Name of subsidiary</u>	<u>Number of shares held (thousand shares)</u>	<u>Carrying amount</u>	<u>Market price</u>
Bai Ding Investment Co., Ltd.	8,207	\$ 97,110	\$ 184,658

June 30, 2024

<u>Name of subsidiary</u>	<u>Number of shares held (thousand shares)</u>	<u>Carrying amount</u>	<u>Market price</u>
Bai Ding Investment Co., Ltd.	8,207	\$ 97,110	\$ 279,038

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. The subsidiaries holding treasury shares, however, retain shareholders' rights, except the rights to participate in any share issuances for cash and to vote.

22. REVENUE

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Sales of goods (Note)	\$ 3,722,815	\$ 4,009,009	\$ 8,249,008	\$ 8,913,813
Commissions from concessionaires' sales (Note)	3,001,427	3,012,227	6,189,804	6,211,967
Advertisement and promotion fee income	179,710	204,178	302,603	333,389
Rental income				
Investment properties (Note 16)				
Other lease payments	73,519	75,940	146,634	151,710
Other operating leases				
Variable lease payments that do not depend on an index or a rate and contingent rentals	56,399	88,481	113,367	136,554
Other lease payments	271,808	256,715	545,133	539,471
Others	<u>232,674</u>	<u>201,869</u>	<u>463,838</u>	<u>382,594</u>
	<u>\$ 7,538,352</u>	<u>\$ 7,848,419</u>	<u>\$ 16,010,387</u>	<u>\$ 16,669,498</u>

Note: Gross revenue is stated as follows:

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Concessionaires' sales	\$ 25,983,357	\$ 25,858,139	\$ 52,083,791	\$ 52,023,509
Sale of goods	<u>3,789,429</u>	<u>4,081,880</u>	<u>8,395,589</u>	<u>9,069,606</u>
	<u>\$ 29,772,786</u>	<u>\$ 29,940,019</u>	<u>\$ 60,479,380</u>	<u>\$ 61,093,115</u>

Contract balance

	June 30, 2025	December 31, 2024	June 30, 2024	From January 1, 2024
Notes receivable (Note 10)	\$ 1,466	\$ 1,061	\$ 1,450	\$ 649
Trade receivables (Note 10)	\$ 922,715	\$ 770,514	\$ 1,519,371	\$ 1,339,169
Contract liabilities				
Sales of goods	\$ 9,480,127	\$ 9,881,626	\$ 9,326,823	\$ 9,556,862
Customer loyalty programs	2,647	45,543	7,367	48,365
Others	6,172	8,837	8,588	10,185
	<u>\$ 9,488,946</u>	<u>\$ 9,936,006</u>	<u>\$ 9,342,778</u>	<u>\$ 9,615,412</u>

The changes in the balance of contract liabilities primarily result from the timing difference between the Group's performance and the respective customer's payment.

Revenue of the reporting period recognized from the beginning contract liabilities which were satisfied in the previous periods is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
<u>Contract liabilities at the beginning of the year</u>				
Sales of goods	\$ 1,233,817	\$ 1,258,282	\$ 2,665,605	\$ 2,818,587
Customer loyalty program	<u>-</u>	<u>-</u>	<u>45,543</u>	<u>48,365</u>
	<u>\$ 1,233,817</u>	<u>\$ 1,258,282</u>	<u>\$ 2,711,148</u>	<u>\$ 2,866,952</u>

23. NET PROFIT FROM CONTINUING OPERATIONS

a. Operating cost

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Operating costs				
Cost of sales	\$ 2,847,563	\$ 3,056,772	\$ 6,366,404	\$ 6,849,978
Rental cost	97,446	89,244	195,496	166,167
Others	<u>5,756</u>	<u>5,750</u>	<u>11,626</u>	<u>12,624</u>
	<u>\$ 2,950,765</u>	<u>\$ 3,151,766</u>	<u>\$ 6,573,526</u>	<u>\$ 7,028,769</u>

b. Interest revenue

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest revenue				
Bank deposits	\$ 57,836	\$ 52,796	\$ 114,397	\$ 99,751
Others	<u>2,420</u>	<u>2,245</u>	<u>4,934</u>	<u>4,603</u>
	<u>\$ 60,256</u>	<u>\$ 55,041</u>	<u>\$ 119,331</u>	<u>\$ 104,354</u>

c. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Dividend income				
Financial assets at FVTPL	\$ -	\$ 1,586	\$ -	\$ 1,586
Investments in equity instruments at FVTOCI	<u>640</u>	<u>480</u>	<u>640</u>	<u>480</u>
	<u>\$ 640</u>	<u>\$ 2,066</u>	<u>\$ 640</u>	<u>\$ 2,066</u>

d. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Gain or loss on financial assets and financial liabilities				
Financial assets mandatorily measured at fair value through profit or loss	(\$ 4,668)	\$ 15,240	(\$ 9,546)	\$ 11,556
Loss on disposal of property, plant and equipment, net	(1,424)	(485)	(2,264)	(6,018)
Loss on change in fair value of investment properties	(16,065)	(18,817)	(34,892)	(34,404)
Foreign exchange gain (loss), net	(24,340)	917	(21,354)	9,898
Other gains	48,997	182,375	69,305	199,900
Other losses	(<u>2,856</u>)	(<u>4,793</u>)	(<u>7,115</u>)	(<u>9,742</u>)
	(<u>\$ 356</u>)	<u>\$ 174,437</u>	(<u>\$ 5,866</u>)	<u>\$ 171,190</u>

e. Financial costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Interest on lease liabilities	\$ 225,288	\$ 235,830	\$ 454,850	\$ 468,891
Interest on bank loans	143,708	152,184	303,014	300,498
Other interest expense	385	1,493	3,234	4,015
Less: Capitalized interest amount	-	(4,591)	-	(8,701)
Reversal of unwinding of discounts on provisions	<u>53</u>	<u>58</u>	<u>106</u>	<u>116</u>
	<u>\$ 369,434</u>	<u>\$ 384,974</u>	<u>\$ 761,204</u>	<u>\$ 764,819</u>

Information on interest capitalization is as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Capitalized interest amount	\$ -	\$ 4,591	\$ -	\$ 8,701
Capitalization rate	-	4.15%-4.45%	-	4.15%-4.45%

f. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 520,824	\$ 489,761	\$ 1,030,495	\$ 973,300
Right-of-use assets	1,017,995	1,039,644	2,039,532	2,072,885
Less: Adjustments to receipts in advance and depreciation	(28,493)	(35,592)	(57,180)	(66,657)
	<u>1,510,326</u>	<u>1,493,813</u>	<u>3,012,847</u>	<u>2,979,528</u>
Intangible assets (including amortization expense)	<u>13,888</u>	<u>13,543</u>	<u>27,971</u>	<u>27,632</u>
	<u>\$ 1,524,214</u>	<u>\$ 1,507,356</u>	<u>\$ 3,040,818</u>	<u>\$ 3,007,160</u>
An analysis of depreciation by function				
Operating costs	\$ 71,273	\$ 63,662	\$ 143,709	\$ 115,511
Operating expenses	<u>1,439,053</u>	<u>1,430,151</u>	<u>2,869,138</u>	<u>2,864,017</u>
	<u>\$ 1,510,326</u>	<u>\$ 1,493,813</u>	<u>\$ 3,012,847</u>	<u>\$ 2,979,528</u>
An analysis of amortization by function				
Operating costs	\$ 164	\$ 165	\$ 329	\$ 329
Operating expenses				
Administrative expenses	<u>13,724</u>	<u>13,378</u>	<u>27,642</u>	<u>27,303</u>
	<u>\$ 13,888</u>	<u>\$ 13,543</u>	<u>\$ 27,971</u>	<u>\$ 27,632</u>

g. Operating expenses directly related to investment properties

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Direct operating expenses from investment properties generating rental income	\$ 19,508	\$ 21,194	\$ 38,534	\$ 41,019
Direct operating expenses from investment properties not generating rental income	<u>7,243</u>	<u>5,988</u>	<u>14,653</u>	<u>12,435</u>
	<u>\$ 26,751</u>	<u>\$ 27,182</u>	<u>\$ 53,187</u>	<u>\$ 53,454</u>

h. Employee benefit expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Post-employment benefits				
Defined contribution plan	\$ 34,804	\$ 37,129	\$ 70,723	\$ 74,746
Defined benefit plan (Note 20)	<u>106</u>	<u>774</u>	<u>212</u>	<u>1,651</u>
	34,910	37,903	70,935	76,397
Other employee benefits	<u>902,069</u>	<u>950,856</u>	<u>1,898,672</u>	<u>1,974,271</u>
Total employee benefit expenses	<u>\$ 936,979</u>	<u>\$ 988,759</u>	<u>\$ 1,969,607</u>	<u>\$ 2,050,668</u>
An analysis of employee benefits expenses by function				
Operating expenses	<u>\$ 936,979</u>	<u>\$ 988,759</u>	<u>\$ 1,969,607</u>	<u>\$ 2,050,668</u>

i. Compensation of employees and directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at a rate of 2% to 3.5% and no more than 2.5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. Pursuant to the amendment of the Securities and Exchange Act in August 2024, the Company proposed at the 2025 shareholders' meeting an amendment to the Articles of Incorporation stipulating that the amount allocated for employee remuneration in the current year shall not be less than 45% for entry-level employees.

The estimated employee remuneration (including entry-level employee remuneration) and directors' remuneration for the six months ended June 30, 2025 and 2024 are as follows:

Accrual rate

	For the Six Months Ended June 30	
	2025	2024
Compensation of employees	3.2%	3.2%
Remuneration to directors	2.4%	2.4%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Compensation of employees	<u>\$ 17,095</u>	<u>\$ 22,240</u>	<u>\$ 36,534</u>	<u>\$ 45,655</u>
Remuneration to directors	<u>\$ 12,821</u>	<u>\$ 16,681</u>	<u>\$ 27,400</u>	<u>\$ 34,242</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The compensation of employees and remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on March 4, 2025 and March 1, 2024, respectively, are as follows:

	Cash	
	2024	2023
Compensation of employees	\$ 91,597	\$ 106,185
Remuneration to directors	68,697	79,639

There is no difference between the actual compensation of employees and remuneration of directors paid and the amounts recognized in the financial statements for the years ended December 31, 2024 and 2023.

Information on the compensation of employees and remuneration of directors resolved by the Company's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

24. INCOME TAX

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Current tax				
In respect of the current year	\$ 180,235	\$ 186,468	\$ 406,377	\$ 413,216
Income tax on unappropriated earnings	1,551	4,018	1,551	4,018
Adjustments for the prior years	(<u>866</u>)	<u>11,458</u>	(<u>15,101</u>)	<u>7,630</u>
	<u>180,920</u>	<u>201,944</u>	<u>392,827</u>	<u>424,864</u>
Deferred income tax				
In respect of the current year	(2,157)	29,281	(13,939)	24,835
Deferred income tax not recognized in previous years is recognized in the current year	(<u>97</u>)	(<u>9,951</u>)	(<u>97</u>)	(<u>9,951</u>)
	(<u>2,254</u>)	<u>19,330</u>	(<u>14,036</u>)	<u>14,884</u>
Income tax expense recognized in profit or loss	<u>\$ 178,666</u>	<u>\$ 221,274</u>	<u>\$ 378,791</u>	<u>\$ 439,748</u>

b. Income tax assessments

As for the profit-seeking business income tax filings of the Group, except for Far Eastern Big City Shopping Malls Co., Ltd., which has been approved as of 2022, the profit-seeking business income tax filings of the rest of the companies in the ROC up to 2023 have been approved by the tax authority.

25. EARNINGS PER SHARE

	Unit: NT\$ Per Share			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Basic earnings per share	\$ <u>0.29</u>	\$ <u>0.38</u>	\$ <u>0.62</u>	\$ <u>0.79</u>
Diluted earnings per share	\$ <u>0.29</u>	\$ <u>0.38</u>	\$ <u>0.62</u>	\$ <u>0.79</u>

Earnings and weighted average number of ordinary shares outstanding used for the computation of earnings per share are as follows:

Net profit for the period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Profit for the year attributable to owners of the Company	\$ 402,578	\$ 538,897	\$ 876,156	\$ 1,117,844

Shares

(In Thousands of Shares)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares outstanding used in the computation of basic earnings per share	1,408,734	1,408,734	1,408,734	1,408,734
Effect of potentially dilutive ordinary shares:				
Compensation of employees	<u>1,699</u>	<u>1,343</u>	<u>3,011</u>	<u>2,804</u>
	<u>1,410,433</u>	<u>1,410,077</u>	<u>1,411,745</u>	<u>1,411,538</u>

The Group may settle the compensation or bonuses paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation or bonus will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in their meeting in the following year.

26. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In January 2025, the Group acquired equity from the non-controlling shareholders of its subsidiary, Pacific Liu Tong Investment Co., Ltd. in January 2025, resulting in an increase in shareholding from 78% to 82%.

The above transactions were accounted as equity transactions, since the Group did not cease to have control over these subsidiaries.

	Pacific Liu Tong Investment Co., Ltd.
Consideration received	(\$ 846,538)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	504,018
Other equity items adjusted to be attributable to the owners of the Company	
Exchange differences on translation of the financial statements of foreign operations	(6,105)
Unrealized gains or losses on financial assets at fair value through other comprehensive income unrealized valuation gains and losses	(<u>10,963</u>)
Equity transaction difference	(<u>\$ 359,588</u>)
<u>Equity transaction difference adjustment account</u>	
Undistributed surplus	(<u>\$ 359,588</u>)

27. CASH FLOW INFORMATION

a. Non-cash transactions

For the six months ended June 30, 2025 and 2024, the Group entered into the following non-cash investing activities which were not reflected in the consolidated statements of cash flows:

For the six months ended June 30, 2025 and 2024, the prepayment for equipment reclassified to property, plant and equipment amounted to \$185,806 thousand and \$142,045 thousand, respectively (please see Note 14).

b. Changes in liabilities from financing activities

For the Six Months Ended June 30 2025

	Opening Balance	Cash Flows	Non-cash changes			Closing Balance
			New Leases	Change in Exchange Rate	Others	
Short-term borrowings	\$ 13,768,418	(\$ 891,693)	\$ -	(\$ 540,540)	\$ -	\$ 12,336,185
Short-term bills payable	239,399	170,368	-	-	-	409,767
Long-term borrowings (including current portion)	14,406,009	1,013,519	-	(57,030)	-	15,362,498
Lease liabilities	40,464,690	(1,267,815)	734,080	(438,486)	157,076	39,649,545
Other non-current liabilities	501,701	(58,224)	-	-	1,881	445,358
	<u>\$ 69,380,217</u>	<u>(\$ 1,033,845)</u>	<u>\$ 734,080</u>	<u>(\$ 1,036,056)</u>	<u>\$ 158,957</u>	<u>\$ 68,203,353</u>

For the Six Months Ended June 30, 2024

	Opening Balance	Cash Flows	Non-cash changes			Closing Balance
			New Leases	Change in Exchange Rate	Others	
Short-term borrowings	\$ 11,700,188	(\$ 668,571)	\$ -	\$ 230,127	\$ -	\$ 11,261,744
Short-term bills payable	1,686,518	(1,403,554)	-	-	-	282,964
Long-term borrowings (including current portion)	15,080,160	1,835,105	-	16,603	-	16,931,868
Lease liabilities	31,008,382	(1,009,489)	12,148,759	5,213	(138,315)	42,014,550
Other non-current liabilities	476,892	33,860	-	-	3,794	514,546
	<u>\$ 59,952,140</u>	<u>(\$ 1,212,649)</u>	<u>\$ 12,148,759</u>	<u>\$ 251,943</u>	<u>(\$ 134,521)</u>	<u>\$ 71,005,672</u>

28. FINANCIAL INSTRUMENTS

a. Fair value information - financial instruments not measured at fair value

The financial instruments not measured at fair value are either those with due dates in the near future or those with a future collection value which approximately equals its carrying amount. Thus, the fair value of these financial instruments is estimated at their carrying amounts on the financial reporting date.

b. Fair value information - financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Investment in equity instruments				
Beneficiary certificates	\$ 152,444	\$ -	\$ -	\$ 152,444
Domestic listed ordinary shares	80,496	-	-	80,496
	<u>\$ 232,940</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,940</u>
<u>Financial assets at FVTOCI</u>				
Investment in equity instruments				
Domestic listed ordinary shares	\$ 5,198,883	\$ -	\$ -	\$ 5,198,883
Unlisted shares	-	-	621,607	621,607
	<u>\$ 5,198,883</u>	<u>\$ -</u>	<u>\$ 621,607</u>	<u>\$ 5,820,490</u>

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Beneficiary certificates	\$ 151,358	\$ -	\$ -	\$ 151,358
Domestic listed ordinary shares	<u>91,128</u>	<u>-</u>	<u>-</u>	<u>91,128</u>
	<u>\$ 242,486</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,486</u>
<u>Financial assets at FVTOCI</u>				
Investment in equity instruments				
Domestic listed ordinary shares	\$ 5,021,018	\$ -	\$ -	\$ 5,021,018
Unlisted shares	<u>-</u>	<u>-</u>	<u>623,049</u>	<u>623,049</u>
	<u>\$ 5,021,018</u>	<u>\$ -</u>	<u>\$ 623,049</u>	<u>\$ 5,644,067</u>

June 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Investment in equity instruments				
Beneficiary certificates	\$ 150,236	\$ -	\$ -	\$ 150,236
Domestic listed ordinary shares	<u>94,374</u>	<u>-</u>	<u>-</u>	<u>94,374</u>
	<u>\$ 244,610</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 244,610</u>
<u>Financial assets at FVTOCI</u>				
Investment in equity instruments				
Domestic listed ordinary shares	\$ 5,597,080	\$ -	\$ -	\$ 5,597,080
Unlisted shares	<u>-</u>	<u>-</u>	<u>654,117</u>	<u>654,117</u>
	<u>\$ 5,597,080</u>	<u>\$ -</u>	<u>\$ 654,117</u>	<u>\$ 6,251,197</u>

There were no transfers between Levels 1 and 2 fair value measurements for the six months ended June 30, 2025 and 2024.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the Six Months Ended June 30 2025

<u>Financial Assets</u>	<u>Investment in Equity Instruments at FVTOCI</u>
Balance at January 1, 2025	\$ 623,049
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	(<u>1,442</u>)
Balance at June 30, 2025	<u>\$ 621,607</u>

For the Six Months Ended June 30, 2024

<u>Financial Assets</u>	<u>Investment in Equity Instruments at FVTOCI</u>
Balance at January 1, 2024	\$ 653,732
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	<u>385</u>
Balance at June 30, 2024	<u>\$ 654,117</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Technique and Inputs</u>
Unlisted shares	a) Asset-based approach. Valuation based on the fair value of an investee, calculated through each investment of the investee using the income approach, market approach or a combination of the two approaches, while also taking the liquidity premium into consideration. b) Transaction method of market approach. The approach is a valuation strategy based on market ratios of companies with similar profitability at the end of the reporting period, while taking the liquidity premium into consideration.

c. Categories of financial instruments

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Financial assets</u>			
FVTPL			
Mandatorily classified as at FVTPL	\$ 232,940	\$ 242,486	\$ 244,610
Financial assets measured at amortized cost (Note 1)	20,386,506	25,065,698	21,725,946
FVTOCI			
Equity instruments	5,820,490	5,644,067	6,251,197
<u>Financial liabilities</u>			
Amortized cost (Note 2)	45,630,797	49,339,709	48,660,658

Note 1: The balances included the carrying amount of cash and cash equivalents, notes receivable and trade receivables (including related parties), other receivables and refundable deposits, which are measured at amortized cost.

Note 2: The balances included the carrying amount of short-term borrowings, short-term bills payable, notes payable and trade payables (including related parties), other payables, long-term borrowings including the current portion and deposits received, which are measured at amortized cost.

d. Financial risk management objectives and policies

The Group's major financial instruments include investments in equity instruments, trade receivable, accounts payable, lease liabilities, concession liabilities, and loans. The objective of the financial risk management is to mitigate the market risks (including foreign exchange risk, interest rate risk and other price risks), credit risk, liquidity risk and other financial risks that may impact the management and operating activities of the Group. The financial management department of the Group is committed to analyze and evaluate various financial risk factors that are market-related, provide and execute the corresponding mitigating strategies to reduce the risk impact of market fluctuation.

The main financial activities of the Group are governed by the Group's internal management and approved by the board of directors. The financial schemes, which include fund raising plans should be carried out in compliance with the Group's policies.

1) Market risk

a) Exchange rate risk

The Group was exposed to exchange rate risk for holding assets and liabilities denominated in foreign currencies.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are as follows:

Unit: USD/thousand

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Assets</u>			
USD	\$ 5,356	\$ 5,219	\$ 5,098
<u>Liabilities</u>			
USD	\$ 10,131	\$ 10,140	\$ 10,157

Sensitivity analysis

The Group was mainly affected by the floating exchange rates of USD denominated assets and liabilities. The sensitivity analyses below were determined based on the Group's exposure to exchange rates for non-derivative instruments at the end of the reporting period. The change of exchange rates reported to the senior management of the Group was based on a 1% increase or decrease in exchange rate which also denotes the management's assessment for the reasonableness of the fluctuation of exchange rates.

If exchange rates increase/decrease by 1% and all variables remain unchanged, the profit before tax for the six months ended June 30 of 2025 and 2024 would decrease/increase by NT\$ 1,399 thousand and NT\$ 1,642 thousand, respectively.

b) Interest rate risk

The Group was exposed to interest rate risk because the entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
Financial assets	\$ 13,338,870	\$ 16,876,841	\$ 12,202,251
Financial liabilities	40,498,588	41,117,399	42,566,824
Cash flow interest rate risk			
Financial assets	1,697,131	2,755,468	2,218,063
Financial liabilities	27,458,450	27,963,826	28,126,576

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for financial assets and financial liabilities at the end of the reporting period. For sensitivity analysis purposes, the sensitivity rate was adjusted as a result of the volatile financial markets. The measurement of the increase or decrease in the interest rates is based on 100 basis points, which is reported to the senior management denoting the management's assessment for the reasonableness of the fluctuation of the interest rates.

If interest rates increase/decrease by 100 basis points and all variables remain unchanged, the Group's profit before tax for the six months ended June 30, 2025 and 2024 would decrease/increase by \$128,807 thousand and \$129,543 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risks involving equity investments in listed companies and beneficial certificates. The Group's investments in listed companies and beneficial certificates should be in compliance with the rule made by the board of directors in order to achieve the goal of risk management and maximize the returns on investments.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period. For sensitivity analysis purposes, the sensitivity rate was adjusted as a result of the volatile financial market.

If equity prices increase/decrease by 5%, the profit before tax for the six months ended June 30, 2025 and 2024 will increase/decrease by \$11,647 thousand and \$12,231 thousand, respectively, due to the change in fair value of financial assets measured at fair value through profit or loss. The pre-tax other comprehensive income for the six months ended June 30, 2025 and 2024 will increase/decrease by \$291,025 thousand and \$312,560 thousand, respectively, due to the change in fair value of financial assets measured at fair value through other comprehensive income.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of the reporting period, the Group's credit risk was mainly from trade receivables in operating activities, bank deposits and financial instruments in financial activities.

To maintain the quality of trade receivables, the Group manages credit risk by assessing customers' credit elements, such as financial status, historical transactions, etc., and obtains an adequate amount of collaterals as guarantees from the customers with high credit risk. In addition, the Group reviews the recoverable amount of each trade debt at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts. On the credit risk management of bank deposits and other financial instruments, the Group trades with the counterparties comprising banks with high credit ratings.

3) Liquidity risk

Liquidity risk is a risk in which the Group cannot pay cash or use other financial assets to settle the financial liabilities. The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the use of bank borrowings and ensures compliance with loan covenants and it will not damage to the Group's reputation.

On the demand for capital payments for a particular purpose, the Group maintains adequate cash by the way of the long-term finance/borrowings. For the management of cash shortage, the Group monitors cash management and allocates cash appropriately to maintain financial flexibility and ensure the mitigation of liquidity risk.

a) Liquidity and interest rate risk table of non-derivative financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables are drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group may be required to pay. The tables include both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks' choice to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment periods.

June 30, 2025

	On Demand or Not Later than 1 Year	1 to 2 years	2~3 years	3 to 4 years	4 to 5 years	Later than 5 Years	Total
Non-derivative financial liabilities							
Short-term borrowings	\$12,336,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$12,336,185
Short-term bills payable	409,767	-	-	-	-	-	409,767
Notes payable	4	-	-	-	-	-	4
Trade payables	10,697,993	-	-	-	-	-	10,697,993
Trade payables to related parties	179,549	-	-	-	-	-	179,549
Other payables	6,415,511	-	-	-	-	-	6,415,511
Lease liabilities	3,053,240	3,423,457	3,227,657	2,836,870	2,290,184	34,157,760	48,989,168
Franchise liabilities	7,015	7,015	7,015	7,015	7,015	250,247	285,322
Long-term borrowings (including current portion)	135,055	11,489,805	3,737,638	-	-	-	15,362,498
Deposits received	3,825	173,067	21,519	8,217	9,161	13,501	229,290

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 year	1 to 5 years	5 to- 10 years	10 to 15 years	15 to 20 years	20+ Years
Lease liabilities	\$ 3,053,240	\$ 11,778,168	\$ 10,839,861	\$ 10,435,038	\$ 10,046,989	\$ 2,835,872
Franchise liabilities	7,015	28,060	35,075	35,075	35,075	145,022
	<u>\$ 3,060,255</u>	<u>\$ 11,806,228</u>	<u>\$ 10,874,936</u>	<u>\$ 10,470,113</u>	<u>\$ 10,082,064</u>	<u>\$ 2,980,894</u>

December 31, 2024

	On Demand or Not Later than 1 Year	1 to 2 years	2~3 years	3 to 4 years	4 to 5 years	Later than 5 Years	Total
Non-derivative financial liabilities							
Short-term borrowings	\$13,768,418	\$ -	\$ -	\$ -	\$ -	\$ -	\$13,768,418
Short-term bills payable	239,399	-	-	-	-	-	239,399
Notes payable	4	-	-	-	-	-	4
Trade payables	16,260,002	-	-	-	-	-	16,260,002
Trade payables to related parties	99,314	-	-	-	-	-	99,314
Other payables	4,282,581	-	-	-	-	-	4,282,581
Lease liabilities	2,771,448	3,038,260	3,062,968	2,974,492	2,347,899	34,440,669	48,635,736
Franchise liabilities	7,015	7,015	7,015	7,015	7,015	255,794	290,869
Long-term borrowings (including current portion)	247,799	10,525,340	3,632,870	-	-	-	14,406,009
Deposits received	5,959	240,802	4,261	7,553	7,560	17,847	283,982

Further information on the maturity analysis of the above financial liabilities was as follows:

	Less than 1 year	1 to 5 years	5 to- 10 years	10 to 15 years	15 to 20 years	20+ years
Lease liabilities	\$ 2,771,448	\$ 11,423,619	\$ 10,288,065	\$ 10,066,793	\$ 10,296,120	\$ 3,789,691
Franchise liabilities	7,015	28,060	35,075	35,075	35,075	150,569
	<u>\$ 2,778,463</u>	<u>\$ 11,451,679</u>	<u>\$ 10,323,140</u>	<u>\$ 10,101,868</u>	<u>\$ 10,331,195</u>	<u>\$ 3,940,260</u>

June 30, 2024

	On Demand or Not Later than 1 Year	1 to 2 years	2-3 years	3 to 4 years	4 to 5 years	Later than 5 Years	Total
Non-derivative financial liabilities							
Short-term borrowings	\$11,261,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$11,261,744
Short-term bills payable	282,964	-	-	-	-	-	282,964
Notes payable	4,591	-	-	-	-	-	4,591
Trade payables	13,017,582	-	-	-	-	-	13,017,582
Trade payables to related parties	57,808	-	-	-	-	-	57,808
Other payables	6,805,497	-	-	-	-	-	6,805,497
Lease liabilities	2,898,458	2,909,656	3,075,856	3,096,086	2,723,197	35,894,924	50,598,177
Franchise liabilities	7,015	7,015	7,015	7,015	7,015	257,262	292,337
Long-term borrowings (including current portion)	273,047	16,538,270	38,270	82,281	-	-	16,931,868
Deposits received	7,437	256,099	4,426	4,614	8,921	17,107	298,604

The further information on said financial liability and concession liability maturity analysis is as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	20+ Years
Lease liabilities	\$ 2,898,458	\$ 11,804,795	\$ 10,805,196	\$ 9,984,018	\$ 10,524,876	\$ 4,580,834
Concession liability	7,015	28,060	35,075	35,075	35,075	152,037
	<u>\$ 2,905,473</u>	<u>\$ 11,832,855</u>	<u>\$ 10,840,271</u>	<u>\$ 10,019,093</u>	<u>\$ 10,559,951</u>	<u>\$ 4,732,871</u>

b) Financing facilities

Unit: Thousand

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Unsecured bank overdraft facility</u>			
NTD			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
RMB			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>-</u>	<u>100,000</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ -</u>
<u>Secured bank overdraft facilities</u>			
NTD			
Amount used	\$ 14,260,000	\$ 16,290,000	\$ 13,233,000
Amount unused	<u>7,290,000</u>	<u>6,260,000</u>	<u>7,117,000</u>
	<u>\$ 21,550,000</u>	<u>\$ 22,550,000</u>	<u>\$ 20,350,000</u>
USD			
Amount used	\$ 152,347	\$ 174,697	\$ 149,472
Amount unused	<u>252,154</u>	<u>219,345</u>	<u>226,526</u>
	<u>\$ 404,501</u>	<u>\$ 394,042</u>	<u>\$ 375,998</u>

(Continued)

	June 30, 2025	December 31, 2024	June 30, 2024
RMB			
Amount used	\$ 203,986	\$ -	\$ 97,346
Amount unused	<u>195,014</u>	<u>-</u>	<u>192,654</u>
	<u>\$ 399,000</u>	<u>\$ -</u>	<u>\$ 290,000</u>
<u>Unsecured bank loan facility</u>			
NTD			
Amount used	\$ 8,550,000	\$ 6,402,000	\$ 9,950,000
Amount unused	<u>24,845,000</u>	<u>30,568,000</u>	<u>23,415,000</u>
	<u>\$ 33,395,000</u>	<u>\$ 36,970,000</u>	<u>\$ 33,365,000</u>
USD			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>
RMB			
Amount used	\$ -	\$ -	\$ -
Amount unused	<u>-</u>	<u>150,000</u>	<u>250,000</u>
	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 250,000</u>

29. TRANSACTIONS WITH RELATED PARTIES

Transactions, account balances, income, and expenses between the Company and its subsidiaries (the Company's related parties) have been eliminated on consolidation and are not disclosed in this note. In addition to those disclosed in other notes, the transactions between the consolidated company and other related parties are as follows.

a. The Group's related parties and their relationships

Related Party	Relationship with the Group
Ding Ding Integrated Marketing Service Co., Ltd. (DDIM)	Associate
Chengdu Baiyang Industry Co., Ltd. (CDBI)	Associate
Yuan Hsin Digital Payment Co., Ltd. (YHDP) (Note)	Associate
Oriental Securities Corporation (OSC)	Associate
Pacific Department Store Co., Ltd.	Associate
Sogo Department Stores Co., Ltd.	Associate
Far Eastern International Leasing Corp. (FEIL)	Associate
Yuan Ding Enterprise (Shanghai) Limited. (YDEL (Shanghai))	Associate
Yue Ming Trading Co., Ltd. (YMTC)	Associate
Yuan Shi Digital Technology Co., Ltd. (YSDT)	Associate of investor with significant influence over the Group (the subsidiary of FENC)

(Continued)

Related Party	Relationship with the Group
Far EasTone Telecommunications Co., Ltd. (FET)	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Far Eastern Electronic Toll Collection Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Fetc International Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
New Century InfoComm Tech Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Yuan Ding Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Ding Ding Hotel Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Far East Resources Development Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Yuan Ding Integrated Information Service (Shanghai) Inc.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Far Eastern Construction Co., Ltd. (FECC)	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Far Eastern Apparel Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
YDT TECHNOLOGY INTERNATIONAL CO., LTD.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Far Eastern General Construction Inc.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
YUAN CING CO., LTD.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Prime EcoPower Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Arcoa Communication Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Oriental Green Materials Limited	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Yuan Ding Investment Corporation	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Far Eastern Technical Consultants Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Oriental Petrochemical (Taiwan) Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Data Express Infotech Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Home Master Technology Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Asia Cement Corporation (ACC)	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Everest Textile Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Ta Chu Chemical Fiber Co., Ltd.	Associate of investor with significant influence over the Group (the subsidiary of FENC)
Far Eastern New Century Corporation	Investors with significant influence (investors that account for the Company using the equity method)
Yuan Ze University	Other related party (same chairperson)
Oriental University of Science and Technology	Other related party (same chairperson)

(Continued)

Related Party	Relationship with the Group
Mr. Xu Yuanzhi Memorial Foundation Far Eastern Memorial Hospital (FEMH)	Other related party (same chairperson)
Oriental Union Chemical Corp.	Other related party (same chairperson)
U-Ming Marine Transport Corp.	Other related party (same chairperson)
Mr. Xuyuan Zhi Memorial Foundation	Other related party (related party in substance)
Hong-Tong Developing Co., Ltd.	Other related party (related party in substance)
Sogo New Life Foundation	Other related party (related party in substance)
Pacific Sogo Social Welfare Foundation	Other related party (related party in substance)
Ding&Ding Management Consultants Co., Ltd.	Other related party (related party in substance)
Far Eastern International Bank (FEIB)	Other related party (the chairman of the Company is its vice chairman)
CitySuper (Hong Kong) Ltd.	Other related party (related party in substance of subsidiary, Far Eastern CitySuper Co., Ltd.)
CitySuper (Japan) Ltd.	Other related party (related party in substance of subsidiary, Far Eastern CitySuper Co., Ltd.)
CitySuper Ltd.	Other related party (related party in substance of subsidiary, Far Eastern CitySuper Co., Ltd.)
Yuanbo Asset Management Company	Other related party (subsidiary of Far Eastern International Leasing Corporation)
Ya Tung Ready Mixed Concrete Co., Ltd.	Other related party (the subsidiary of ACC)
Fu Ming Transport Corporation	Other related party (the subsidiary of ACC)
Fu-Da Transport Corporation	Other related party (the subsidiary of ACC)
U-Ming Marine Transport (Hong Kong) Limited	Other related party (subsidiary of U-Ming Marine Transport Corporation)
U-Ming Marine Transport (Singapore) Limited	Other related party (subsidiary of U-Ming Marine Transport Corporation)
Oriental Securities Investment Advisory Co., Ltd.	Other related party (subsidiary of Oriental Securities Co., Ltd.)

(Concluded)

Note: Yuan Hsin Digital Payment Co., Ltd. has completed its dissolution and liquidation on December 2, 2024.

b. Operating revenue

Lined items	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Sales revenue (Note)	Associates of investor with significant influence over the Group	\$ 40,972	\$ 9,927	\$ 73,454	\$ 21,538
	Associate	11	-	259	-
	Other related parties	-	203	686	1,606
	Investor with significant influence over the Group	-	57	91	146
		<u>\$ 40,983</u>	<u>\$ 10,187</u>	<u>\$ 74,490</u>	<u>\$ 23,290</u>

Lined items	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Other operating revenue	Other related parties	\$ 14,252	\$ 12,166	\$ 23,516	\$ 22,941
	Associates of investor with significant influence over the Group	11,890	11,890	23,779	23,779
	Investor with significant influence over the Group	8,131	8,871	15,365	17,766
	Associate	<u>478</u>	<u>159</u>	<u>1,082</u>	<u>375</u>
		<u>\$ 34,751</u>	<u>\$ 33,086</u>	<u>\$ 63,742</u>	<u>\$ 64,861</u>

Note: Sales to related parties and unrelated parties were made under normal terms.

c. Purchase

Lined items	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Operating cost (Note)	Associates of investor with significant influence over the Group	\$ 72,193	\$ 27,092	\$ 157,327	\$ 92,355
	Other related parties	6,882	8,344	16,037	18,808
	Investor with significant influence over the Group	<u>742</u>	<u>612</u>	<u>1,532</u>	<u>612</u>
		<u>\$ 79,817</u>	<u>\$ 36,048</u>	<u>\$ 174,896</u>	<u>\$ 111,775</u>

Note: Purchases from related parties and unrelated parties were made under normal terms.

d. Receivable from related parties

Lined items	Related Party Category/Name	December 31,		
		June 30, 2025	2024	June 30, 2024
Trade receivables	Associates of investor with significant influence over the Group	\$ 32,880	\$ 37,860	\$ 37,767
	Other related parties	28,532	36,889	64,120
	Affiliates (Note)	5,739	18,148	4,042
	Investor with significant influence over the Group	<u>913</u>	<u>1,374</u>	<u>4,554</u>
		<u>\$ 68,064</u>	<u>\$ 94,271</u>	<u>\$ 110,483</u>
Other receivables	Associates of investor with significant influence over the Group	\$ 17,373	\$ 11,710	\$ 8,699
	Associate	4,961	12,142	16,705
	Other related parties	2,092	6,550	1,688
	Investor with significant influence over the Group	<u>-</u>	<u>345</u>	<u>652</u>
		<u>\$ 24,426</u>	<u>\$ 30,747</u>	<u>\$ 27,744</u>

Note: As of June 30, 2025, December 31, 2024, and June 30, 2024, provision for loss allowance amounted to \$117,132 thousand, \$117,420 thousand, and \$117,647 thousand, respectively.

e. Prepayments

Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Associates of investor with significant influence over the Group	\$ 7,397	\$ 3,166	\$ 5,283
Other related parties	2,130	2,276	2,148
Associate	119	152	127
	<u>\$ 9,646</u>	<u>\$ 5,594</u>	<u>\$ 7,558</u>

f. Other current assets

Lined items	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Guarantee deposits paid	Associate	<u>\$ 195</u>	<u>\$ 217</u>	<u>\$ 217</u>
Others	Other related parties	<u>\$ 715</u>	<u>\$ 600</u>	<u>\$ 600</u>

g. Other non-current assets

Lined items	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Leases incentives	Associates of investor with significant influence over the Group	\$ 2,679	\$ 2,105	\$ 3,395
	Other related parties	<u>26</u>	<u>-</u>	<u>-</u>
		<u>\$ 2,705</u>	<u>\$ 2,105</u>	<u>\$ 3,395</u>
Refundable deposits	Associate	\$ 134,903	\$ 135,100	\$ 134,472
	Associates of investor with significant influence over the Group	<u>58,045</u>	<u>58,045</u>	<u>58,045</u>
		<u>\$ 192,948</u>	<u>\$ 193,145</u>	<u>\$ 192,517</u>

h. Payable to related parties

Lined items	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Trade payable	Associates of investor with significant influence over the Group	\$ 170,718	\$ 89,090	\$ 41,269
	Other related parties	8,351	9,687	16,260
	Investor with significant influence	<u>480</u>	<u>537</u>	<u>279</u>
		<u>\$ 179,549</u>	<u>\$ 99,314</u>	<u>\$ 57,808</u>
Other payables	Associates of investor with significant influence over the Group	\$ 134,869	\$ 192,861	\$ 106,764
	Associate	130,421	136,986	144,037
	Other related parties	95,055	110,167	103,581
	Investor with significant influence	<u>79,512</u>	<u>68,517</u>	<u>72,842</u>
		<u>\$ 439,857</u>	<u>\$ 508,531</u>	<u>\$ 427,224</u>

i. Other current liabilities

Lined items	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Advance receipts	Associates of investor with significant influence over the Group	\$ 2,091	\$ 2,599	\$ 1,956
	Other related parties	2,069	1,710	2,836
	Associate	<u>1,133</u>	<u>917</u>	<u>1,340</u>
		<u>\$ 5,293</u>	<u>\$ 5,226</u>	<u>\$ 6,132</u>
Others	Other related parties	<u>\$ 878</u>	<u>\$ 548</u>	<u>\$ 1,254</u>

j. Other non-current liabilities

Lined items	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Deposits received	Associates of investor with significant influence over the Group			
	Yuan Ding Co., Ltd	\$ 61,269	\$ 61,816	\$ 63,695
	Others	<u>713</u>	<u>713</u>	<u>713</u>
		61,982	62,529	64,408
	Other related parties	2,292	2,292	1,032
	Associate	<u>334</u>	<u>334</u>	<u>334</u>
		<u>\$ 64,608</u>	<u>\$ 65,155</u>	<u>\$ 65,774</u>
Others	Other related parties			
	Yuanbo Asset Management Company	<u>\$ 27,863</u>	<u>\$ 27,982</u>	<u>\$ 28,117</u>

k. Lease arrangements

Related Party Category/Name		For the Six Months Ended June 30		
		2025	2024	
<u>Acquisition of right-of-use assets</u>				
Associates of investor with significant influence over the Group		\$ 393,136	\$ -	
Lined items	Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Lease liabilities (note)	Associates of investor with significant influence over the Group			
	Far Eastern Construction Co., Ltd	\$ 4,579,554	\$ 4,598,455	\$ 4,692,346
	Others	1,803,865	1,511,467	1,650,710
		6,383,419	6,109,922	6,343,056
	Associate	6,813	8,612	6,188
	Other related parties	3,567	4,263	4,952
		\$ 6,393,799	\$ 6,122,797	\$ 6,354,196

Note: The rental pertaining to related parties is based on agreement and is received or paid monthly or yearly.

Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
<u>Interest expense</u>				
Associates of investor with significant influence over the Group				
Far Eastern Construction Co., Ltd	\$ 25,667	\$ 26,261	\$ 51,234	\$ 52,480
Others	<u>6,269</u>	<u>4,878</u>	<u>12,789</u>	<u>9,961</u>
	31,936	31,139	64,023	62,441
Associate	28	21	59	44
Other related parties	<u>16</u>	<u>22</u>	<u>33</u>	<u>45</u>
	<u>\$ 31,980</u>	<u>\$ 31,182</u>	<u>\$ 64,115</u>	<u>\$ 62,530</u>

l. Acquisition of financial assets

For the Six Months Ended June 30, 2025

Related Party Category/Name	Lined items	Number of shares traded (thousand shares)	Subject of transaction	Acquisition price
Other related parties	Financial assets at fair value through profit or loss - current	12,420	Funds	\$ 150,000

m. Construction projects

The construction projects of the Group were as follows:

	For the Six Months Ended June 30	
	2025	2024
Associates of investor with significant influence over the Group	\$ 64,602	\$ 8,711
Other related parties	<u>10,538</u>	<u>1,600</u>
	<u>\$ 75,140</u>	<u>\$ 10,311</u>

n. Loans from other related parties

Related Party Category/Name	June 30, 2025	December 31, 2024	June 30, 2024
Far Eastern International Bank Ltd.	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 300,000</u>

Finance costs

Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Far Eastern International Bank Ltd.	<u>\$ 1,072</u>	<u>\$ 932</u>	<u>\$ 2,493</u>	<u>\$ 3,847</u>

o. Transactions with other related parties

Lined items	Related Party Category/Name	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2025	2024	2025	2024
Operating expenses (note)	Other related parties	\$ 74,638	\$ 69,553	\$ 148,622	\$ 141,129
	Associate	46,099	47,759	84,482	90,980
	Associates of investor with significant influence over the Group	41,822	37,774	80,446	73,906
	Investor with significant influence	<u>30,368</u>	<u>32,865</u>	<u>69,047</u>	<u>71,746</u>
		<u>\$ 192,927</u>	<u>\$ 187,951</u>	<u>\$ 382,597</u>	<u>\$ 377,761</u>
Other gains and losses – gains	Other related parties	\$ 5,818	\$ 5,984	\$ 5,818	\$ 5,984
	Associate	1,249	1,144	1,249	1,144
	Associates of investor with significant influence over the Group	<u>134</u>	<u>353</u>	<u>187</u>	<u>839</u>
		<u>\$ 7,201</u>	<u>\$ 7,481</u>	<u>\$ 7,254</u>	<u>\$ 7,967</u>
Other gains and losses – losses	Associate	\$ 2,379	\$ 1,750	\$ 3,537	\$ 3,486
	Associates of investor with significant influence over the Group	<u>-</u>	<u>40</u>	<u>-</u>	<u>40</u>
		<u>\$ 2,379</u>	<u>\$ 1,790</u>	<u>\$ 3,537</u>	<u>\$ 3,526</u>

Note: The rental pertaining to related parties is based on agreement and is received or paid monthly or yearly.

p. Compensation of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	<u>\$ 35,207</u>	<u>\$ 43,171</u>	<u>\$ 103,490</u>	<u>\$ 107,297</u>

The remuneration of directors and other key management personnel was determined by the compensation committee in accordance with the individual performance and the market trends.

q. Others

In January 2025, the Group acquired shares of its subsidiary, FEDS Asia Pacific Development Co., Ltd., from its affiliated enterprise company, Yuan Ding Co., Ltd., a significant influence investor, for a total amount of \$846,538 thousand. Please refer to Note 26.

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for long/short-term borrowings, short-term bills payable and trust deposit of goods (services) gift certificate.

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at amortized cost	\$ 162,137	\$ 162,137	\$ 166,808
Investments accounted for using the equity method	2,736,440	2,891,258	2,833,640
Financial assets at FVTOCI	1,986,250	2,098,080	2,291,520
Property, plant and equipment	13,717,053	13,792,130	13,867,206
Investment properties	722,640	722,640	696,800
Other financial assets	4,930	2,940	4,634
Guarantee deposits paid	<u>495</u>	<u>495</u>	<u>495</u>
	<u>\$ 19,329,945</u>	<u>\$ 19,669,680</u>	<u>\$ 19,861,103</u>

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and commitments of the Group as of balance sheet date are as follows:

Significant Unrecognized Commitments

The amount of unrecognized commitments are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Construction of property, plant and equipment	<u>\$ 389,940</u>	<u>\$ 397,240</u>	<u>\$ 555,494</u>

32. MAJOR EVENTS AFTER THE REPORTING PERIOD

On August 11, 2025, the Board of Directors of Bai Yang Investment Co., Ltd., a subsidiary of the consolidated company, resolved to increase the capital of its associate, Pacific China Holdings (Hong Kong) Limited, through a cash increase for a total of US\$19.8 million.

The subsidiary of the consolidated company, Far Eastern Ai Mai Co., Ltd., resolved to reduce its capital by NTD 870,000 thousand on August 11, 2025, at a Board of Directors meeting.

The Company's Board of Directors approved a cash capital increase of NTD 850,000 thousand for its subsidiary, Far Eastern Ai Mai Co., Ltd., on August 11, 2025.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Group and the exchange rates between foreign currencies and respective functional currencies are disclosed. The significant assets and liabilities denominated in foreign currencies are as follows:

June 30, 2025

	Foreign currency (in thousand dollars)	Foreign exchange rate	Carrying amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 5,321	29.3000 (USD: NTD)	\$ 155,904
USD	35	7.1586 (USD: RMB)	1,017
RMB	70,187	4.0930 (RMB: NTD)	<u>287,277</u>
			<u>\$ 444,198</u>
Non-monetary items			
Associates accounted for using equity method			
RMB	614,249	4.0930 (RMB: NTD)	\$ 2,514,123
Financial assets at FVTPL			
USD	294	29.3000 (USD: NTD)	<u>8,616</u>
			<u>\$ 2,522,739</u>

Financial liabilities

Monetary items			
USD	6	29.3000 (USD: NTD)	\$ 171
USD	10,125	7.1586 (USD: RMB)	296,655
RMB	112	4.0930 (RMB: NTD)	<u>460</u>
			<u>\$ 297,286</u>

December 31, 2024

	Foreign currency (in thousand dollars)	Foreign exchange rate	Carrying amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 5,207	32.7850 (USD: NTD)	\$ 170,719
USD	12	7.1884 (USD: RMB)	391
RMB	70,269	4.5608 (RMB: NTD)	<u>320,483</u>
			<u>\$ 491,593</u>
Non-monetary items			
Associates accounted for using the equity method			
RMB	631,471	4.5608 (RMB: NTD)	\$ 2,880,016
Financial assets at FVTPL			
USD	294	32.7850 (USD: NTD)	<u>9,641</u>
			<u>\$ 2,889,657</u>

	Foreign currency (in thousand dollars)	Foreign exchange rate		Carrying amount
<u>Financial liabilities</u>				
Monetary items				
USD	6	32.7850	(USD: NTD)	\$ 191
USD	10,134	7.1884	(USD: RMB)	332,239
RMB	194	4.5608	(RMB: NTD)	<u>885</u>
				<u>\$ 333,315</u>

June 30, 2024

	Foreign currency (in thousand dollars)	Foreign exchange rate		Carrying amount
<u>Financial assets</u>				
Monetary items				
USD	\$ 5,087	32.4500	(USD: NTD)	\$ 165,083
USD	11	7.1268	(USD: RMB)	357
RMB	70,269	4.5532	(RMB: NTD)	<u>319,949</u>
				<u>\$ 485,389</u>
Non-monetary items				
Associates accounted for using the equity method				
RMB	\$ 640,126	4.5532	(RMB: NTD)	\$ 2,914,623
Financial assets at FVTPL				
USD	294	32.4500	(USD: NTD)	<u>9,543</u>
				<u>\$ 2,924,166</u>

Financial liabilities

Monetary items				
USD	12	32.4500	(USD: NTD)	\$ 399
USD	10,145	7.1268	(USD: RMB)	329,215
RMB	281	4.5532	(RMB: NTD)	<u>1,282</u>
				<u>\$ 330,896</u>

The Group is mainly exposed to RMB. The following information was aggregated by the functional currencies of the Group, and the exchange rates between respective functional currencies and the presentation currency are disclosed. The significant realized and unrealized foreign exchange gains are as follows:

For the Three Months Ended June 30				
Functional currency	2025		2024	
	Exchange Rate	Net exchange gain (loss)	Exchange Rate	Net exchange gain (loss)
NTD	1.0000(NTD)	(\$ 24,845)	1.0000(NTD)	\$ 2,554
RMB	4.2861(RMB: NTD)	<u>505</u>	4.5522(RMB: NTD)	(<u>1,637</u>)
		(\$ 24,340)		<u>\$ 917</u>

For the Six Months Ended June 30				
Functional currency	2025	Net exchange gain (loss)	2024	Net exchange gain (loss)
	Exchange Rate		Exchange Rate	
NTD	1.0000(NTD)	(\$ 21,992)	1.0000(NTD)	\$ 12,427
RMB	4.4349(RMB: NTD)	638	4.4897(RMB: NTD)	(2,529)
		(\$ 21,354)		\$ 9,898

34. Notes to the disclosure

- a. Information on significant transactions:
 - 1) Financing provided to others (Table 2)
 - 2) Endorsements/guarantees provided: (Table 3)
 - 3) Major securities held at the end of the period (excluding investments in subsidiaries, affiliates, and joint ventures) (Table 4)
 - 4) Total purchases from or sales to related parties amounting to at least nt\$100 million or 20% of the paid-in capital (Table 5)
 - 5) Receivables from related parties amounting to at least nt\$100 million or 20% of paid-in capital (Table 6)
 - 6) Other: Intercompany relationships and significant transactions (Table 7)
- b. Information on investees: Table 8
- c. Information on investments in mainland China
 - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year (None)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year (None)
 - c) The amount of property transactions and the amount of the resultant gains or losses (None)
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes (Table 3)
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds (Table 2)

- f) Other transactions that have a material effect on the profit or loss or the financial position for the year, such as the rendering of services or receipt of payments (None)

35. Department Information

The Group belongs to a single industry of department stores and supermarkets. Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on geographical information as management structure. The Group's reportable segments under IFRS 8 "Operating Segments" includes ROC and China.

Department revenue and operating results

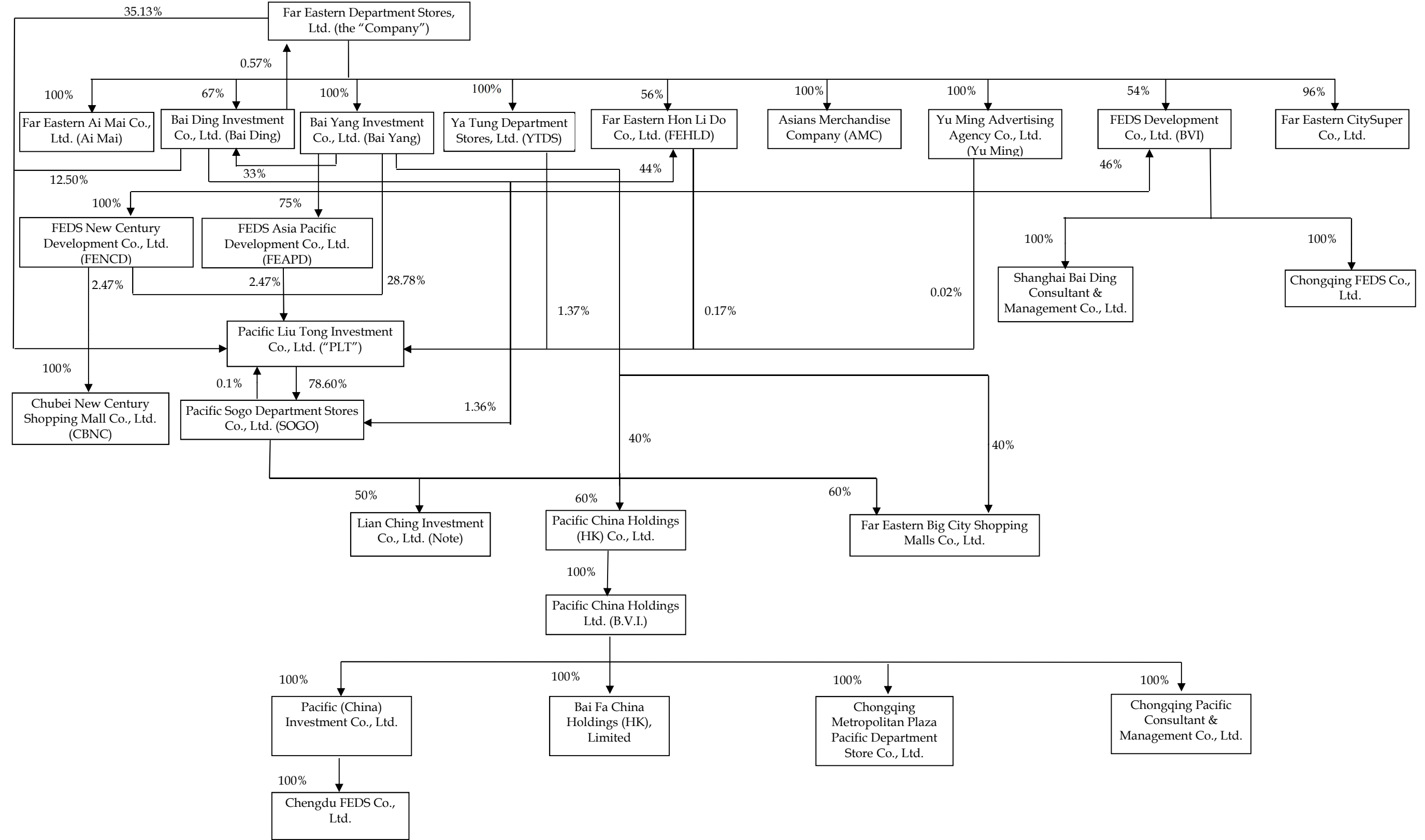
	<u>Segment Revenue</u>		<u>Segment Profit</u>	
	<u>For the Six Months</u>		<u>For the Six Months</u>	
	<u>Ended June 30</u>		<u>Ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
ROC	\$ 15,909,770	\$ 16,462,704	\$ 2,266,338	\$ 2,375,337
China	<u>100,617</u>	<u>206,794</u>	(<u>174,626</u>)	(<u>199,310</u>)
Total amount of continuing operations	<u>\$ 16,010,387</u>	<u>\$ 16,669,498</u>	2,091,712	2,176,027
Interest revenue			119,331	104,354
Other income			640	2,066
Other profits and losses			(5,866)	171,190
Finance costs			(761,204)	(764,819)
Share of profit (loss) of associates accounted for using the equity method			(<u>4,201</u>)	<u>103,524</u>
Profit before income tax			<u>\$ 1,440,412</u>	<u>\$ 1,792,342</u>

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales occurred during the six months ended June 30, 2025 and 2024.

TABLE 1

FAR EASTERN DEPARTMENT STORES, LTD. AND SUBSIDIARIES

DIAGRAM OF INTERCOMPANY RELATIONSHIPS
JUNE 30, 2025



Note: Since the consolidated company has fully written off the investment amount in the investee, Lien Chin Investment, to zero, and the investee bears none of its debts, it is not included in the consolidated financial statements.

TABLE 2

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED JUNE 30, 2025
(UNIT: THOUSANDS OF NTD, UNLESS OTHERWISE SPECIFIED)

No.	Lender	Borrower	Financial Statement Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reason for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
													Name	Value		
1	Pacific Sogo Department Stores Co., Ltd.	Pacific China Holdings Ltd. (B.V.I.)	Other receivables	Y	\$ 2,000,000	\$ 2,000,000	\$ -	-	(Note A)	\$ -	Transaction	\$ -	—	\$ -	\$ 4,990,643 (Note B)	\$ 4,990,643 (Note B)
2	Chongqing FEDS Co., Ltd.	Chongqing Pacific Consultant and Management Co., Ltd.	Other receivables	Y	555,096 (RMB 120,000 thousand)	491,160 (RMB 120,000 thousand)	364,277 (RMB 89,000 thousand)	1.504523% (Note D)	(Note A)	-	Transaction	-	—	-	1,775,315 (Note C)	1,775,315 (Note C)
		Shanghai Bai Ding Consultant and Management Co., Ltd.	Other receivables	Y	46,258 (RMB 10,000 thousand)	40,930 (RMB 10,000 thousand)	-	-	(Note A)	-	Transaction	-	—	-	1,775,315 (Note C)	1,775,315 (Note C)
		Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	Other receivables	Y	462,580 (RMB 100,000 thousand)	409,300 (RMB 100,000 thousand)	-	-	(Note A)	-	Transaction	-	—	-	1,775,315 (Note C)	1,775,315 (Note C)
3	Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	Chongqing FEDS Co., Ltd.	Other receivables	Y	323,806 (RMB 70,000 thousand)	-	-	-	(Note A)	-	Transaction	-	—	-	132,690 (Note C)	132,690 (Note C)
4	Pacific (China) Investment Co., Ltd.	Chengdu FEDS Co., Ltd.	Other receivables	Y	46,258 (RMB 10,000 thousand)	40,930 (RMB 10,000 thousand)	-	-	(Note A)	-	Transaction	-	—	-	654,951 (Note C)	654,951 (Note C)
		Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	Other receivables	Y	185,032 (RMB 40,000 thousand)	163,720 (RMB 40,000 thousand)	-	-	(Note A)	-	Transaction	-	—	-	654,951 (Note C)	654,951 (Note C)
		Chongqing FEDS Co., Ltd.	Other receivables	Y	231,290 (RMB 50,000 thousand)	204,650 (RMB 50,000 thousand)	-	-	(Note A)	-	Transaction	-	—	-	654,951 (Note C)	654,951 (Note C)

Note A: With the necessity of short-term financial accommodation.
Note B: 40% of the net worth in the most recent financial statements.
Note C: 400% of the net worth in the most recent financial statement.
Note D: The interest for the period amounted to RMB 735 thousand.

TABLE 3

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED JUNE 30, 2025
(UNIT: THOUSANDS OF NTD, UNLESS OTHERWISE SPECIFIED)

No.	Endorser/Guarantor	Endorsed/guaranteed party		Limits on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amounts Allowable	Endorsement/Guarantee Provided by Parent Company	Endorsement/Guarantee Provided by A Subsidiary	Endorsement/Guarantee Provided to Mainland China
		Name	Nature of Relationship (Note E)										
0	Far Eastern Department Stores, Ltd.	Bai Ding Investment Co., Ltd.	2	\$ 18,197,554(Note A)	\$ 850,000	\$ 800,000	\$ -	\$ -	3	\$ 30,329,257(Note B)	Y	-	-
		Far Eastern Ai Mai Co., Ltd.	2	18,197,554(Note A)	1,700,000	1,500,000	-	-	5	30,329,257(Note B)	Y	-	-
		FEDS Development Ltd.	2	18,197,554(Note A)	332,050 (USD 10,000 thousand)	293,000 (USD 10,000 thousand)	-	-	1	30,329,257(Note B)	Y	-	-
		Ya Tung Department Store Ltd.	2	18,197,554(Note A)	100,000	100,000	-	-	-	30,329,257(Note B)	Y	-	-
		Pacific Sogo Department Stores Co., Ltd.	2	18,197,554(Note A)	6,017,777	5,677,845	5,677,845	-	19	30,329,257(Note B)	Y	-	-
1	Pacific Sogo Department Stores Co., Ltd.	Far Eastern Department Stores, Ltd.	2	18,714,914(Note C)	4,142,309	3,769,505	3,769,505	-	12	24,953,219(Note D)	-	Y	-
		Pacific China Holding Ltd. (B.V.I)	2	18,714,914(Note C)	11,870,788 (USD 357,500 thousand)	11,558,850 (USD 394,500 thousand)	4,170,767 (USD 1,019,000 thousand)	-	38	24,953,219(Note D)	-	-	-
		Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	2	18,714,914(Note C)	2,329,388 (USD 20,000 thousand) (RMB 360,000 thousand)	1,936,690 (USD 20,000 thousand) (RMB 330,000 thousand)	1,138,498 (USD 20,000 thousand) (RMB 134,986 thousand)	-	6	24,953,219(Note D)	-	-	Y
2	Far Eastern Big City Shopping Malls Co., Ltd.	Pacific Sogo Department Stores Co., Ltd.	3	528,548(Note A)	195,033	195,033	195,033	-	1	880,913(Note B)	-	-	-

Note A: 60% of the net worth in the most recent financial statements.

Note B: 100% of the net worth in the most recent financial statements.

Note C: 150% of the net worth in the most recent financial statements.

Note D: 200% of the net worth in the most recent financial statements.

Note E: Relationships between the endorsement/guarantee provider and the guaranteed party:

- Trading partner.
- The direct and indirect shareholding of the Company amounts to more than 50%.
- The companies that directly and indirectly hold more than 50% of the Company’s voting rights.
- The Company that directly and indirectly holds more than 90% of the voting shares.
- Guaranteed by the Company according to the construction contract.
- An investee company. The guarantees were provided based on the Company’s proportionate share in the investee company.
- Companies in the same industry provide among themselves joint and several securities for as performance guarantees of sales contracts for pre-construction homes pursuant to the Consumer Protection Act.

TABLE 4

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

MARKETABLE SECURITIES HELD
JUNE 30, 2025
(UNIT: THOUSANDS OF NTD, UNLESS OTHERWISE SPECIFIED)

Holding Company	Type and Name of Marketable Securities	Relationship with issuer of securities	Financial Statement Account	End of period				Note
				Shares (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Far Eastern Department Stores, Ltd.	Shares Asia Cement Corporation	Associates of investor with significant influence over the Group	Financial assets at fair value through other comprehensive income – non-current	50,000	\$ 2,132,521	1	\$ 2,132,521	35,000 thousand shares of Asia Cement Corporation pledged for loans and commercial papers issued of the investor company
	Far Eastern New Century Corporation	Investor with significant influence	Financial assets at fair value through other comprehensive income – non-current	19,964	656,828	-	656,828	
Bai Ding Investment Co., Ltd.	Shares Asia Cement Corporation	Associate of investor with significant influence over FEDS	Financial assets at fair value through other comprehensive income – non-current	14,814	631,834	-	631,834	15,000 thousand shares of Far Eastern New Century Corporation pledged for loans of the investor company
	Far Eastern New Century Corporation	Investor with significant influence over FEDS	Financial assets at fair value through other comprehensive income – non-current	15,812	520,199	-	520,199	
	Ding Sheng Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income – non-current	40,329	318,193	18	318,193	
Bai Yang Investment Co., Ltd.	Shares Far Eastern International Bank Ltd.	Investor with significant influence over FEDS	Financial assets at fair value through other comprehensive income – current	78,867	1,017,378	2	1,017,378	

Note: The disclosure criterion is set for significant securities held at the end of the period with an amount reaching or exceeding NTD 300 million.

TABLE 5

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% of Total	Ending Balance	Unit price	Payment Terms	Ending Balance	% of Total	Amount	% of Total	
Far Eastern Ai Mai Co., Ltd.	Yuan Shi Digital Technology Co., Ltd.	Other related parties	Purchase	\$ 152,657	4	As agreed in the contract	-	-	\$ -	-	(\$ 39,150)	(3)	

TABLE 6

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF PAID-IN CAPITAL
JUNE 30, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover rate	Overdue receivables from related parties		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Treatment method		
Pacific Sogo Department Stores Co., Ltd.	Sogo Department Store Co., Ltd.	Associate	\$ 117,132	-	\$ 117,132	Collection expedited	\$ 43	\$ 117,132
Chongqing FEDS Co., Ltd.	Chongqing Pacific Consultant and Management Co., Ltd.	Same ultimate parent company	364,734 (Note A)	-	-	—	-	-
FEDS Development Ltd.	Chongqing FEDS Co., Ltd.	Subsidiary	286,510 (Note B)	-	-	—	-	-
Far Eastern Department Stores, Ltd.	Pacific Liu Tong Investment Co., Ltd.	Subsidiary	338,081 (Note B)	-	-	—	-	-
Bai Yang Investment Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Associate	276,978 (Note B)	-	-	—	-	-
Bai Ding Investment Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Same ultimate parent company	120,300 (Note B)	-	-	—	-	-
Pacific Liu Tong Investment Co., Ltd.	Pacific Sogo Department Stores Co., Ltd.	Subsidiary	943,685 (Note B)	-	-	—	-	-
Pacific Sogo Department Stores Co., Ltd.	Far Eastern Big City Shopping Malls Co., Ltd.	Subsidiary	201,334 (Note B)	-	-	—	-	-
Bai Yang Investment Co., Ltd.	Far Eastern Big City Shopping Malls Co., Ltd.	Associate	100,000 (Note B)	-	-	—	-	-

Note A: This balance refers to fund lending.

Note B: The cash dividends receivable.

TABLE 7

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars)

Number	Transacting Company	Counter Party	Flow of Transaction (Note A)	Status			
				Account	Account	Account	Account
0	Far Eastern Department Stores, Ltd.	Chubei New Century Shopping Mall Co., Ltd.	1	Operating expenses	\$ 184,447	Rent was based on market rates and paid monthly.	1
1	Chubei New Century Shopping Mall Co., Ltd.	Far Eastern Department Stores, Ltd.	2	Operating revenue	(184,447)	Rent was based on market rates and collected monthly.	1
2	Far Eastern Department Stores, Ltd.	FEDS Asia Pacific Development Co., Ltd.	1	Operating expenses	114,000	Rent was based on market rates and paid monthly.	1
3	FEDS Asia Pacific Development Co., Ltd.	Far Eastern Department Stores, Ltd.	2	Operating revenue	(114,000)	Rent was based on market rates and collected monthly.	1
4	Pacific Sogo Department Stores Co., Ltd.	Far Eastern Big City Shopping Malls Co., Ltd.	3	Operating revenue	(183,469)	Rent was based on market rates and collected monthly.	1
5	Far Eastern Big City Shopping Malls Co., Ltd.	Pacific Sogo Department Stores Co., Ltd.	3	Operating costs and expenses	183,469	Rent was based on market rates and paid monthly.	1

Note A: The flow of transactions is numbered as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note B: The percentage of transaction amount to consolidated total revenue or total assets is calculated as the ending balance to consolidated total assets in the case of assets and liabilities accounts, or as the interim cumulative amount to consolidated total revenue in the case of profit or loss accounts.

Note C: The criteria for disclosure is when the amount of major transactions between the parent company and the subsidiary accounts for more than 1% of the consolidated total revenue or total assets.

TABLE 8

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
 FOR THE SIX MONTHS ENDED JUNE 30, 2025
 (In Thousands of New Taiwan Dollars In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2025			Net Income (Loss) of the Investee	Share of (Loss) Profit	Note
				June 30, 2025	December 31, 2024	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
Far Eastern Department Stores, Ltd.	Bai Yang Investment Co., Ltd.	Taiwan	Investment	\$ 16,222,181	\$ 16,222,181	1,654,991	100	\$ 15,652,010	\$ 95,529	\$ 95,545	Subsidiary
	Oriental Securities Corporation	Taiwan	Securities investment	83,986	83,986	83,008	20	1,348,565	(76,141)	(14,888)	Associate
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	1,764,210	1,764,210	281,734	35	4,122,706	389,804	136,928	Subsidiary
	Bai Ding Investment Co., Ltd.	Taiwan	Investment	33,357	33,357	151,776	67	2,859,603 (Note B)	58,434	39,062	Subsidiary
	Far Eastern Ai Mai Co., Ltd.	Taiwan	Retail	1,535,538	1,535,538	87,744	100	(617,208)	(163,427)	(163,427)	Subsidiary
	FEDS Development Ltd.	British Virgin Island	Investment	125,058	125,058	218	54	1,061,647	(32,069)	(17,377)	Subsidiary
	Yu Ming Advertising Agency Co., Ltd.	Taiwan	Advertising and import agent	33,000	33,000	3,500	100	110,850	923	923	Subsidiary
	Ya Tung Department Stores, Ltd.	Taiwan	Department store	1,419,292	1,419,292	51,000	100	188,361	(59,279)	(59,279)	Subsidiary
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	64,500	64,500	3,631	10	29,337	27,015	2,366	Associate
	Asians Merchandise Company	US	Trading	5,316	5,316	950	100	4,918	8	8	Subsidiary
	Far Eastern Hon Li Do Co., Ltd.	Taiwan	Building leasing	40,278	40,278	1,571	56	14,017	693	444	Subsidiary
	Far Eastern CitySuper Co., Ltd.	Taiwan	Retail	478,269	478,269	47,827	96	166,718	(5,086)	(4,865)	Subsidiary
	Oriental Securities Corporation	Taiwan	Securities investment	95,627	95,627	57,460	14	933,569	(76,141)		Associate
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	658,129	658,129	100,250	13	1,480,682	389,804		Subsidiary
Bai Ding Investment Co., Ltd.	Far Eastern International Leasing Corporation	Taiwan	Leasing	301,125	301,125	22,203	5	328,344	105,063		Associate
	Pacific Sogo Department Stores Co., Ltd.	Taiwan	Department store	33,490	33,490	11,254	1	169,682	498,419		Subsidiary
	Yue Ming Trading Co., Ltd.	Taiwan	Import and export trading and distribution	21,291	21,291	4,901	15	90,877	(76)		Associate
	Far Eastern Hon Li Do Co., Ltd.	Taiwan	Building leasing	28,672	28,672	1,259	44	14,034	693		Subsidiary
Far Eastern Pacific Development Co., Ltd.	Far Eastern CitySuper Co., Ltd.	Taiwan	Retail	-	-	2	-	1	(5,086)		Subsidiary
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	99,000	99,000	19,800	2	309,662	389,804		Subsidiary
FEDS New Century Development Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	99,000	99,000	19,800	2	309,662	389,804		Subsidiary
	Chubei New Century Shopping Mall Co., Ltd.	Taiwan	Department store	5,300,000	5,300,000	530,000	100	5,074,345	(27,622)		Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Initial investment amount		Balance as of June 30, 2025			Net Income (Loss) of the Investee	Share of (Loss) Profit	Note
				June 30, 2025	December 31, 2024	Shares (In Thousand)	Percentage of Ownership (%)	Carrying amount			
Bai Yang Investment Co., Ltd.	FEDS Asia Pacific Development Co., Ltd.	Taiwan	Shopping mall	\$ 1,644,810	\$ 1,644,810	159,750	75	\$ 1,793,683	\$ 76,664		Subsidiary
	Far Eastern International Leasing Corporation	Taiwan	Leasing	1,555,590	1,555,590	132,388	30	1,694,050	105,063		Associate
	Bai Ding Investment Co., Ltd.	Taiwan	Investment	577,457	577,457	75,924	33	1,445,757	58,434		Subsidiary
	FEDS New Century Development Co., Ltd.	Taiwan	Shopping mall	5,445,272	5,445,272	552,000	100	5,500,766	(17,669)		Subsidiary
	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	5,444,001	4,597,463	230,815	29	3,381,402	389,804		Subsidiary
	FEDS Development Ltd.	British Virgin Island	Investment	723,946	723,946	185	46	904,002	(32,069)		Subsidiary
	Pacific China Holdings (HK) Limited	Hong Kong	Investment	4,559,660	4,559,660	68,880	40	(1,135,445)	(348,119)		Subsidiary
	Far Eastern Big City Shopping Malls Co., Ltd.	Taiwan	Department store	200,000	200,000	20,000	40	365,589	164,028		Subsidiary
Ya Tung Department Store Ltd.	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	55,000	55,000	11,000	1	171,772	389,804		Subsidiary
Yu Ming Advertising Agency Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	1,200	1,200	200	-	2,929	389,804		Subsidiary
Far Eastern Continent Co., Ltd.	Pacific Liu Tong Investment Co., Ltd.	Taiwan	Investment	8,400	8,400	1,400	-	19,848	389,804		Subsidiary
Pacific Liu Tong Investment Co., Ltd.	Pacific Sogo Department Stores Co., Ltd.	Taiwan	Department store	4,469,904	4,469,904	650,817	79	11,398,728	498,419		Subsidiary
Pacific Sogo Department Stores Co., Ltd.	Pacific Department Store Co., Ltd.	Taiwan	Department store	55,735	55,735	6,165	3	138,816	26,026		Associate
	Pacific China Holdings (HK) Limited	Hong Kong	Investment	7,175,973	7,175,973	103,320	60	(1,703,167)	(348,119)		Subsidiary
	Pacific Department Store Co., Ltd.	Taiwan	Department store	539,541	539,541	54,350	29	1,014,050	26,026		Associate
	Lian Ching Investment Co., Ltd. (Note C)	Taiwan	Investment	270,641	270,641	26,764	50	-	-		Subsidiary
	Pacific Venture Investment Ltd.	Hong Kong	Investment	357,050	357,050	100,000	48	-	-		Associate
	Sogo Department Store Co., Ltd.	Taiwan	Credit card business	32,984	32,984	7,120	34	-	-		Associate
	Ding Ding Integrated Marketing Service Co., Ltd.	Taiwan	Marketing	64,500	64,500	3,631	10	29,337	27,015		Associate
	Far Eastern Big City Shopping Malls Co., Ltd.	Taiwan	Department store	300,000	300,000	30,000	60	548,384	164,028		Subsidiary
Pacific China Holdings (HK) Limited	Pacific China Holding Ltd. (B.V.I.)	British Virgin Island	Investment	6,358,100	6,358,100	192,200	100	(2,964,120)	(336,251)		Subsidiary
Pacific China Holding Co., Ltd. (B.V.I.)	Bai Fa China Holdings (HK) Limited	Hong Kong	Investment	46	46	2	100	46	-		Subsidiary

Note A: The foreign-currency investments were translated at the rate of US\$1:NT\$29.300 prevailing on June 30, 2025.

Note B: The amount is the investment accounted for using the equity method to \$2,956,713 thousand deduct the parent company shares reclassification to treasury shares of \$97,110 thousand.

Note C: The amount of Lian Ching Investment Co., Ltd. has been written off to zero, no liabilities were undertaken by the Group and the accounts are not disclosed in the financial statement.

(Continued)

TABLE 9

FAR EASTERN DEPARTMENT STORES, LTD. AND ITS SUBSIDIARIES

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2025
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital (Note A)	Method of Investment (Note H)	Accumulated Outflow of Investment from Taiwan as of January 1, 2025 (Note A)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2025 (Note A)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Share of (Loss) Profit (Note E)	Carrying Amount as of June 30, 2025	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outflow	Inflow						
Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd.	Department store	\$ 1,611,500	(2)	\$ 1,611,500 (Note C)	\$ -	\$ -	\$ 1,611,500 (Note C)	(\$ 213,064) (Note E)	80	(\$ 169,650) (Note E)	\$ 26,413	\$ -
Chongqing Pacific Consultant and Management Co., Ltd.	Consulting services	2,138,900	(2)	5,860 (Note B)	-	-	5,860 (Note B)	(1,306) (Note E)	80	(1,040) (Note E)	812,489	-
Shanghai Bai Ding Consultant and Management Co., Ltd.	Consulting services	2,930	(2)	-	-	-	-	2,208 (Note F)	100	2,208 (Note F)	10,190	-
Chongqing FEDS Co., Ltd.	Department store	82,040	(2)	-	-	-	-	(3,247) (Note F)	100	(3,247) (Note F)	440,832	-
Chengdu Department Emporium Group Co., Ltd.	Department store, logistics and storehouse	920,920	(2)	-	-	-	-	83,828 (Note F)	27	- (Note F)	1,089,162	-
Pacific (China) Investment Co., Ltd.	Investment	6,621,800	(2)	-	-	-	-	(11,658) (Note E)	80	(9,282) (Note E)	130,374	-
Chengdu FEDS Co., Ltd.	Department store	3,926,200	(2)	-	-	-	-	(3,492) (Note E)	80	(2,781) (Note E)	2,787	-
Yuan Ding Enterprise (Shanghai) Co., Ltd.	Wholesale of equipment and consulting services	7,217,699	(2)	-	-	-	-	(115,800) (Note F)	20	(23,160) (Note F)	1,146,233	-

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ - (Note D)	\$231,851(US\$ 7,913 thousand) (Notes A and D)	\$ - (Note G)

Note A: Translated at the rate of US\$1:NT\$29.300 and RMB1:NT\$4.093 prevailing on June 30, 2025.

Note B: Amount remitted by the former shareholders.

Note C: The amount of NTD 87,900 was remitted by the former shareholders plus \$1,523,600 thousand from subsidiaries.

Note D: The payment made by the Company and the investment amount approved by the Investment Commission, except for the payment made by subsidiary’s investment amount approved by the Investment Commission. The financial report was audited by an international accounting firm with a cooperative working relationship.

Note E: Financial statements audited and certified by an international CPA firm that has a cooperative relationship with the CPA firm of the Republic of China.

Note F: Calculated based on the financial statements for the six months ended June 30, 2025 that have not been reviewed by a certified public accountant.

Note G: There is no upper limit, as stated in the Principles Governing the Review of Investment or Technical Corporation in Mainland China (No. 11351023710), which was issued by the Industrial Development Bureau, Ministry of Economic Affairs, ROC.

Note H: Three investment types are as follows:

1. The Company made the investment directly.
2. The Company made the investment through companies registered in a third region. The companies registered in a third region were FEDS Development Ltd. and Pacific China Holding Ltd. (B.V.I.)
3. Others.