



**Taiwan Mobile Co., Ltd.**

## **2025 Annual General Shareholders' Meeting**

### **Meeting Minutes (Translation)**

**May 29, 2025**

**Note to Readers:**

*If there is any discrepancy between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese version shall prevail.*

# 2025 AGM Meeting Minutes

- **Time:** 9:00 a.m., Thursday, May 29, 2025
- **Place:** 6F, No. 88, Yanchang Rd., Xinyi Dist., Taipei City  
(Taipei New Horizon Building)
- **Method of Convening the Meeting:** Hybrid (in-person and video conference)  
Virtual Meeting URL: <https://stockservices.tdcc.com.tw>
- **Total outstanding shares of Taiwan Mobile** (excluding the shares with no voting rights stipulated in Article 179 of the Company Act): **3,024,510,210 shares**
- **Total shares represented by shareholders present** (including 2,724,466,013 shares represented by shareholders executing voting rights through e-voting): **2,743,651,283 shares**
- **Percentage of shares held by shareholders present: 90.71%**
- **Chairman: Daniel M. Tsai / Recorder: Edwin Li**
- **Directors present:** Daniel M. Tsai, Chairman of the Board of Directors  
Richard M. Tsai\*, Director  
Frank Lin, Director  
Jamie Lin, Director  
Char-Dir Chung, Independent Director  
Hsi-Peng Lu, Independent Director  
Tong Hai Tan\*, Independent Director  
Drina Yue, Independent Director  
Casey Lai, Independent Director  
(\* Attended virtually)
- **Attendees:** Che-Hung Chen, Attorney, Chen and Lin Attorneys-at-Law  
Pei-De Chen, CPA, Deloitte & Touche

The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

- **Chairman's Address (omitted)**
- **Report Items**

## 1. The 2024 Business Report

The 2024 Business Report is attached hereto as Attachment I.

## 2. The 2024 Audit Committee Reports

The 2024 Audit Committee Report is attached hereto as Attachment II.

The Communication Between the Audit Committee and Internal Audit Chief Officer is attached hereto as Attachment III.

## 3. The Distribution of 2024 Employees' and Directors' Compensations

- (1) Article 30-1 of the Company's Articles of Incorporation promulgate that if the Company has profits in a fiscal year, it shall set aside 1% to 3% of the profits as employee bonuses

and not more than 0.3% of the profits as director compensation.

- (2) The 2024 employees' and directors' compensations are NT\$473,985,908 and NT\$47,398,590 respectively, which were approved by the Board and the total amounts will be distributed in cash.

**4. The Issuance of the Unsecured Corporate Straight Bond in 2024**

- (1) To repay bank borrowings, support a socially responsible investing plan and strengthen the Company's financial structure, the board resolved to issue an unsecured straight corporate bond of NT\$2bn. The issuance of this bond was approved by the Taipei Exchange on September 20, 2024 (Authorization No. 11300091131). The straight bond has been listed on the Taipei Exchange since September 27, 2024.
- (2) The terms and the use of proceeds from the bond issuance are attached hereto as Attachment IV.

**5. The Report on the Merger with TWM Venture Co., Ltd.**

On November 13, 2024, the board approved the merger with its 100%-owned subsidiary, TWM Venture Co., Ltd., with the Company as the surviving entity and TWM venture as the dissolved entity. The merger's effective date was December 31, 2024. The Ministry of Economic Affairs approved the amendment for the corporate registration on February 17, 2025 (Authorization No. 11430005360).

**6. The Report on Related Party Transactions in 2024**

Please refer to Attachment V for the report on related party transactions.

**7. The Report on Sustainable Development**

Please refer to Attachment VI for progress on our Blue Carbon Mangrove Restoration Project.

● **Proposed Resolutions**

**1. To approve the 2024 Business Report and Financial Statements**

Taiwan Mobile's (The Company) financial statements were audited by certified public accountants, Pei-De Chen and Te-Chen Cheng, of Deloitte & Touche. The 2024 Business Report, CPA's audit report, and financial statements are attached hereto as Attachments I, VII, and VIII.

RESOLVED, the above proposal was accepted as submitted.

Voting Results:

Number of shares represented at the time of voting	For		Against	Invalid	Abstained
	Shares	%			
2,678,154,931	2,553,843,113	95.35	1,874,675	0	122,437,143

**2. To approve the proposal for the distribution of 2024 retained earnings**

- (1) The Company's 2024 net income was NT\$13,816,716,212 (please see Attachment IX for the 2024 Earnings Distribution Proposal).
- (2) The cash dividend from retained earnings proposed by the Board is NT\$12,434,063,925. The Company received letters of agreement from Taiwan Cellular Co., Ltd. (TCC), TCCI Investment & Development Co., Ltd. (TID) and Taiwan Fixed Network Co., Ltd. (TFN) forfeiting their share of dividends from the Company. Deducting 698,751,601 shares collectively owned by TCC, TID and TFN from the total outstanding shares of

3,723,261,811, the share count entitled to receive dividends is 3,024,510,210, or a cash dividend of NT\$4.1111 per share. It is proposed that the Chairman be authorized to set a record date for distribution and make relevant adjustments, if any, based on the total number of shares outstanding on the record date. Total amount of the cash dividend paid to each shareholder shall be rounded down to the nearest dollar and the remainder will be recognized as other revenue of the Company.

RESOLVED, the above proposal was accepted as submitted.

**Voting Results:**

Number of shares represented at the time of voting	For		Against	Invalid	Abstained
	Shares	%			
2,678,154,931	2,555,957,553	95.43	210,401	0	121,986,977

**3. To approve the cash return from capital surplus**

Cash return from capital surplus proposed by the Board is NT\$1,176,232,021. The Company received letters of agreement from Taiwan Cellular Co., Ltd. (TCC), TCCI Investment & Development Co., Ltd. (TID) and Taiwan Fixed Network Co., Ltd. (TFN) forfeiting their share of cash return from the Company. Deducting 698,751,601 shares collectively owned by TCC, TID and TFN from the total outstanding shares of 3,723,261,811, the share count entitled to receive cash return is 3,024,510,210, or a cash distribution of NT\$0.3889 per share. It is proposed that the Chairman be authorized to set a record date for distribution and make relevant adjustments, if any, based on the total number of shares outstanding on the record date. Total amount of the cash return paid to each shareholder shall be rounded down to the nearest dollar and the remainder will be recognized as other revenue of the Company.

RESOLVED, the above proposal was accepted as submitted.

**Voting Results:**

Number of shares represented at the time of voting	For		Against	Invalid	Abstained
	Shares	%			
2,678,154,931	2,534,787,105	94.64	200,648	0	143,167,178

**4. To approve revisions to the Articles of Incorporation**

To meet the needs for our operations and comply with the amendment to the Securities and Exchange Act, the Company proposed revisions to the Articles of Incorporation, with key changes as follows:

- (1) To add “Renewable-Energy-Based Electricity Retailing Enterprise” under the scope of business (Article 2).
- (2) To specify a certain percentage of annual earnings to be allocated to non-executive employees in accordance with the amendment to Article 14, Paragraph 6 of the Securities and Exchange Act (Article 30-1).

Please refer to Attachment X for articles and amendments.

RESOLVED, the above proposal was accepted as submitted.

Voting Results:

Number of shares represented at the time of voting	For		Against	Invalid	Abstained
	Shares	%			
2,678,154,931	2,533,525,578	94.59	1,451,739	0	143,177,614

**5. To approve the removal of the non-competition restrictions on the Director**

- (1) According to Article 209 of the Company Act, a Director, who acts for himself or on behalf of another person that is within the scope of the Company's business, shall clarify the essential content of his act to the Meeting of shareholders and secure its approval.
- (2) Vote on the removal of the non-competition restrictions on the Director that operates or invests in a business with the same business scope as the Company until the end of his term of office.

Name	Current position(s) in other companies
Jamie Lin	Director, Fubon Green Power Co., Ltd.
	Director, Li Tong Management Consultant Co., Ltd.
	Director, NTU Ventures Co., Ltd.

- (3) According to Article 178 of the Company Act, a shareholder, who has a conflict of interest with a proposed resolution, shall recuse himself from voting or from exercising the voting rights of other shareholders in the AGM.

RESOLVED, the above proposal was accepted as submitted.

Voting Results (Number of shares represented at the time of voting excluded the shares with no voting rights due to a conflict of interest stipulated in Article 178 of the Company Act):

Name	Number of shares represented at the time of voting	For		Against	Invalid	Abstained
		Shares	%			
Jamie Lin	2,676,767,931	2,325,803,191	86.88	3,633,049	0	347,331,691

● **Shareholders' inquiries and the Company's responses:**

1. Shareholder's inquiry (shareholder account #130034): Questions regarding corporate bond issuance costs, interest rates, and subscription rights of convertible bonds. Additionally, inquiries about the performance of investments.

The CFO's response:

- (1) The total cost of corporate bond issuance includes interest expenses and direct issuance costs, such as underwriting and related fees. Last year, the Company issued NT\$2 billion in straight bonds, with issuance costs of around NT\$2 million, which is considered relatively low. In the light of the Company's current credit rating, the fixed interest rate of approximately 1.9% is also regarded as favorable, particularly given the limited availability and generally higher cost of floating-rate instruments in the market. Convertible bonds are open for subscription for all investors, regardless of shareholder status.

- (2) The Company's current multiple on invested capital for its investments is approximately 1.1x. Last year, we made strategic investments in Systex and Fubon Green Power. These investments focus not only on gains on the book, but also on unlocking synergies and promoting future collaboration, which might not be immediately reflected in financial numbers.
2. Shareholder's inquiry (shareholder account #130034): Questions regarding the Company's AI implementation.

The President's response:

The Company's AI strategy has two fronts:

- (1) The Company has launched a variety of AI-driven products, including Anti-Fraud Service, VotexAI, Worry-free Call Number Masking Service, External Attack Surface Management, and AI software applications with the aiDAPTIV+ system. Early offerings, such as Worry-free Call Number Masking Service and Anti-Fraud Service, have already generated revenue and profits.
- (2) Internally, AI is leveraged to enhance operational efficiency by optimizing base stations and improving customer services. Additionally, we are also advancing the "Supermen Program" to encourage over 80% of employees to automate their workflows through AI within the next three years, which would help boost overall work efficiency.
3. Shareholder's inquiry (shareholder account #193299): Questions regarding disclosure of sustainable economic activities.

The Vice President Liu's response:

Since 2023, the Company has voluntarily disclosed the results of its 2022 sustainable economic activity assessment, ahead of any mandatory disclosure requirements from the regulatory authority for the telecommunications industry. Going forward, the Company will continue to follow the guidelines for recognizing sustainable economic activities and disclose information on related efforts and outcomes.

4. Shareholder's inquiry (shareholder account #130034, #225830, #193325): Questions regarding the Company's shareholder return strategy, including whether the Company has placed more emphasis on stock price or profitability, the possibility of increasing the dividends to NT\$5 per share, the expected dividend payout ratio for next year, and future dividend policy.

The Chairman's response:

- (1) A company's profitability and stock price are closely correlated. Our core policy remains focused on maximizing shareholder value.
- (2) The Company's dividend payout ratio is close to 100%. Distributions mostly come from annual earnings and partially from capital surplus.
- (3) The Company's future dividend policy will consider industry benchmarks and aim to maintain a stable cash dividend yield.
5. Shareholder's inquiry (shareholder account #130034): Questions regarding the Company's intention to merge with industry peers.

The Chairman's response:

Under the current Fair Trade Act, even if the Company were to consider a merger with industry peers, we must first convince the Fair Trade Commission that reducing the number of competitors from three to two would enhance market efficiency. Also, the merger must not undermine fair competition or consumer protection—a requirement that presents significant regulatory hurdles.

## **Special Motions**

None

**Meeting Adjourned** (Time: 10:00 a.m.)

In compliance with Article 183, Paragraph 4 of the Company Act, the meeting minutes hereby summarizes the main content and pertinent voting results of the Annual General Shareholders' Meeting.

## ATTACHMENTS

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**Taiwan Mobile Co., Ltd.**

## **Business Report**

Dear Shareholders,

Taiwan Mobile (“TWM”, or “the Company”) and Taiwan Star officially merged on December 1, 2023. Thanks to the efforts of all employees, network and systems consolidation was completed ahead of schedule. The telecommunications industry has returned to a three-player market following TWM’s and Far EasTone’s acquisition of the smaller players, allowing the three operators to benefit from expanded scale. Blessed with more abundant capital, these operators can broaden their investment portfolios, strengthen their technological capabilities, and offer consumers more premium and differentiated services.

As the telecommunications industry moves beyond the vicious cycle of price competition and enters a new era focused on meaningful value creation, TWM is accelerating the development of its ‘Telco+Tech’ businesses to continue driving growth. At the same time, the Company is committed to implementing world-class corporate governance standards internally while balancing shareholder interests and customer satisfaction externally. With sustainability at its core, TWM aspires to serve as a beacon of corporate social responsibility.

### **2024 operating and financial results**

Propelled by the two growth engines—mobile business and home broadband—TWM delivered impressive financial results in 2024. In the mobile business, TWM’s existing smartphone postpaid ARPU maintained healthy growth momentum, and benefited from the revenue contribution from Taiwan Star. Aided by the launch of the iPhone 16 series and contributions from unique bundles such as momobile, Double Play and OP Life, TWM’s 5G penetration rate among postpaid users exceeded 40%, driving overall mobile service performance. This demonstrated the Company’s ability to enhance customer loyalty, increase user value, and strengthen its differentiated competitive advantage. In 2024, TWM’s consolidated revenue rose 9% YoY to NT\$199.4 billion, and EBITDA surged 19% YoY to NT\$42.5 billion — both setting historical records. Operating income grew by 15% YoY to reach an 11-year high on the back of merger synergies, while EPS of NT\$4.57 marked a 6-year high.

### **New business roadmap and group resources integration**

Building on its telecom services, TWM continued to expand its 5G ecosystem and developed a

range of unique plans to meet users' needs. Driven by technology and innovation, the Company closely collaborated with AppWorks and momo, actively positioning itself in areas such as AI, mocoins, telecom finance and the electric vehicle ecosystem. Additionally, the Company formed strategic partnerships with Systex and USPACE to work on advanced applications for the AI era, reshaping the telecommunications industry's landscape and forging a unique path for itself as a technology and telecom company.

### **Innovative applications and research results**

By incorporating technology into telecommunications, TWM has broken through the traditional homogeneous competition in the telecommunications industry, creating differentiated services and new business models. Amid the rise of generative AI, TWM is accelerating the integration of AI into its products and internal operations, while developing innovative services such as AI Voicebot Identity Verification, AI Customer Service Voicebot, Smart Telemarketing Service and Digital Identity Verification(eKYC). To address growing cybersecurity threats, TWM introduced enterprise versions of the "Anti-fraud Service" and "Worry-Free Call" number-masking service for the financial, e-commerce, logistics and other critical industries. The Company also launched retail versions of the "Anti-fraud Service" to help consumers and businesses combat fraud. At the same time, TWM integrated technological research and applications to provide a tailored "AI 2.0 Solution" for enterprise clients, helping businesses seize the opportunities brought by advancements in AI. The digital transformation solutions package "OPBiz" was enhanced, with upgraded features such as smart dining, AI voice reservation and smart recording, to aid small and medium-sized enterprises in capturing new AI-driven business opportunities.

### **Leader in Promoting Sustainable Development**

Rooted in integrity, TWM aspires to become a role model in sustainability. The Company was the first telecom operator to promote the "Sustainability Committee" to a board-level functional committee, and the remuneration of the Company's senior management is linked to the firm's ESG performance, showcasing the efforts across the organization to meet sustainability goals. In response to the global trend toward net zero emissions, TWM participates in international sustainability initiatives, including the EV100, a global initiative to accelerate the transition to electric vehicles. The Company has set four pledges and two action plans, providing concrete solutions to attain the goal of 100% electrified transportation by 2030. By strategically investing in the establishment of Fubon Energy, TWM is working toward its goal of using 100% renewable energy by 2040. Realizing the importance of working in harmony with nature, TWM published its first "Taskforce on Nature-related Financial Disclosures" report in 2024. The Company plans to embed natural and economic factors into future strategies to drive the industry toward positive

sustainable development.

### **Operational achievements and sustainability honors**

TWM has consistently made progress in the areas of environment, social responsibility and corporate governance. It has won numerous prestigious awards internationally and domestically in recognition of its efforts through the years. In 2024, TWM ranked among the top three in the global telecommunications industry on the Dow Jones Sustainability Index (DJSI World) for 8 consecutive years and was selected as a constituent of the DJSI Emerging Markets Index for 13 consecutive years. It also ranked among the top 5% in a corporate governance evaluation of listed companies for 10 consecutive years and was included in the Taiwan Sustainability Index for 7 consecutive years.

TWM's achievements in sustainability have also been widely recognized. In 2024, the Company received a top "A" rating from the Carbon Disclosure Project (CDP) for climate change for the 4th time, as well as an "A" rating for supplier engagement for 3 consecutive years. Moreover, for the first time, TWM won the "Corporate Sustainability Award" and "CEO of the Year" at the IDC Future Enterprise Awards. Additionally, the Company received multiple honors and awards from publications such as Global Views Monthly and Commonwealth Magazine.

TWM has received multiple plaudits from the investment community, with its management team ranking first in the telecommunications industry in Asia excluding Japan and China in Institutional Investor's survey for 3 consecutive years. In 2024, the Company once again ranked first in numerous categories, including CEO, CFO, investor relations, ESG and board of directors. Furthermore, the merger with Taiwan Star clinched double awards at the 2024 MAPECT Taiwan M&A Awards – "Deal of the Year M&A Award" and "Most Influential M&A Deal Award" – with TWM the only telecom operator to receive such honors.

### **Valuing shareholders' interests and customer satisfaction**

Industry consolidation bodes well for a more rational operating environment. An expanded user base and merger synergies have propelled the Company's revenue and profit growth. Stable free cash flow generation increases our financial flexibility and helps improve shareholder returns. In terms of user experience, the 4G and 5G bandwidth for existing TWM users increased by approximately 70%, while that for former Taiwan Star users more than doubled following the completion of network consolidation. Furthermore, network coverage in rural areas improved to over 99%, narrowing the digital divide.

## **Outlook**

Over four years have passed since the launch of 5G in Taiwan, and we are now entering a critical scaling phase. At the same time, AI is driving a global transformation, fundamentally reshaping the future of humanity. At this pivotal moment, TWM successfully completed its merger with Taiwan Star, ushering in a new era in Taiwan's telecommunications industry. We aim to focus on users, leverage our ICT capabilities and group resources, and integrate diverse services across the financial, telecommunications, digital and retail sectors, while seizing AI business opportunities and expanding the 5G ecosystem. As our profit flywheel continues to gather momentum, more value will be created for users, employees, shareholders and all stakeholders.

Daniel M. Tsai

Chairperson



Taiwan Mobile Co., Ltd.

## **Audit Committee Report**

February 27, 2025

The Board of Directors of Taiwan Mobile Co., Ltd. (hereafter, the Board, TWM, or the Company, whenever appropriate) has submitted the Company's business report and financial statements for the year ended December 31, 2024 (hereafter the 2024 business report and the 2024 financial statements, respectively), plus its proposal for the distribution of the 2024 net earnings to the Audit Committee. Deloitte & Touche, a CPA (certified public accountant) firm, was retained by the Board to audit TWM's 2024 financial statements and has issued an auditor's report, with a clean opinion thereon. The 2024 business report, the 2024 financial statements, and TWM's proposal for distributing its 2024 net earnings have been reviewed by TWM's Audit Committee and were noted no exceptions. According to Article 14-4 of Taiwan Securities and Exchange Act and Article 219 of Taiwan Company Act, we hereby submit this report to the Company's 2025 shareholders' meeting for recognition.

Taiwan Mobile Co., Ltd.

A handwritten signature in black ink, reading "Casey K.C. Lai".

Casey K.C. Lai

Chairman of the Audit Committee



### **Communication between the Audit Committee and the audit supervisor**

#### **■ Regular :**

- The audit supervisor reports the audit matters to the independent directors individually every quarter.

#### **■ Irregular :**

- The committee chairman will arrange to discuss audit matters with the audit supervisor and auditors.
- If the issues are instructed at the Audit Committee meeting by independent directors, the audit supervisor is required to report related processing results.



Taiwan Mobile Co., Ltd.

## **The Issuance of the Unsecured Corporate Straight Bond**

### **Issuance Terms:**

<b>Issuance</b>		<b>Unsecured Corporate Straight Bond (1<sup>st</sup> for Year 2024)</b>
Issue date		September 27, 2024
Denomination		NT\$10,000,000
Issuance and listing		Not applicable
Issue price		100% of par value
Total amount		NT\$2,000,000,000
Coupon		Fixed rate at 1.890% per annum
Term		5 years, maturing on September 27, 2029
Guarantor		None
Trustee		Bank of Taiwan
Underwriter		Yuanta Securities Co., Ltd.
Legal counsel		Ariel Hwang, Attorney
Auditor		Pei-De Chen, CPA, Te-Chen Cheng, CPA Deloitte & Touche
Repayment		100% of the principal at maturity dates
Outstanding balance		NT\$2,000,000,000
Early repayment clause		None
Covenants		None
Credit rating agency, rating date, company credit rating		None
Ancillary rights	Amount converted/exchanged into common shares, ADRs or other securities	Not applicable
	Rules governing issuance or conversion (exchanged or subscribed)	Not applicable
Dilution and other effects on shareholders' equity		Not applicable
Custodian		Not applicable

In accordance with the Company's plan, the proceeds from the NT\$2bn bond issuance were used to repay bank loans under the social responsibility bond framework on September 27, 2024.



## **The Report on Related Party Transactions in 2024**

Unit: NT\$ thousand

Please refer to the following for the details of the acquisition or disposal of right-of-use assets in related party transactions:

Unit: NT\$ thousand

Counterparty	Acquisition /Disposal	Date of announcement	Monetary Amount	Term	Purpose	Restriction/ Others
Chung Shing Development Co., Ltd.	Acquisition	2024/01/30	2,260	Payable annually	Operational premise	None
Land Bank of Taiwan Co., Ltd. Trusteeship Fubon No.1 Real Estate Investment Trust-Fubon Real Estate Management	Acquisition	2024/01/30	1,837	Payable annually	Operational premise	None
Fubon Life Insurance Co., Ltd.	Acquisition	2024/01/30	1,866	Payable annually	Operational premise	None
Fubon Insurance Co., Ltd.	Acquisition	2024/01/30	2,880	Payable monthly	Operational premise	None
Taipei New Horizon Co., Ltd.	Acquisition	2024/02/01	438,138	Payable monthly	Operational premise	None
Taipei New Horizon Co., Ltd.	Acquisition	2024/04/01	194,913	Payable monthly	Operational premise	None
Fubon Insurance Co., Ltd.	Acquisition	2024/05/14	498	Payable annually	Operational premise	None
Fubon Insurance Co., Ltd.	Acquisition	2024/05/14	2,345	Payable monthly	Operational premise	None
Taiwan Fixed Network Co., Ltd.	Acquisition	2024/05/31	22,408	Payable monthly	Operational premise	None
Taiwan Fixed Network Co., Ltd.	Disposal	2024/05/31	546	Payable monthly	Operational premise	None
Fubon Life Insurance Co., Ltd.	Acquisition	2024/08/05	2,212	Payable annually	Operational premise	None
Fubon Insurance Co., Ltd.	Acquisition	2024/08/05	581	Payable annually	Operational premise	None
momo.com Inc.	Acquisition	2024/08/30	825	Payable monthly	Operational premise	None
Taiwan Fixed Network Co., Ltd.	Disposal	2024/09/25	1,076	Payable monthly	Operational premise	None



Counterparty	Acquisition /Disposal	Date of announcement	Monetary Amount	Term	Purpose	Restriction/ Others
Taiwan Fixed Network Co., Ltd.	Acquisition	2024/12/19	108	Payable monthly	Operational premise	None
Taiwan Fixed Network Co., Ltd.	Acquisition	2024/12/19	287	Payable monthly	Operational premise	None
Taiwan Fixed Network Co., Ltd.	Acquisition	2024/12/19	6,578	Payable monthly	Operational premise	None

Note 1: For detailed information, please refer to the content of the announcement on the Market Observation Post System (MOPS).

Note 2: The transaction monetary amount refers to the value of the right-of-use asset.



Taiwan Mobile Co., Ltd.



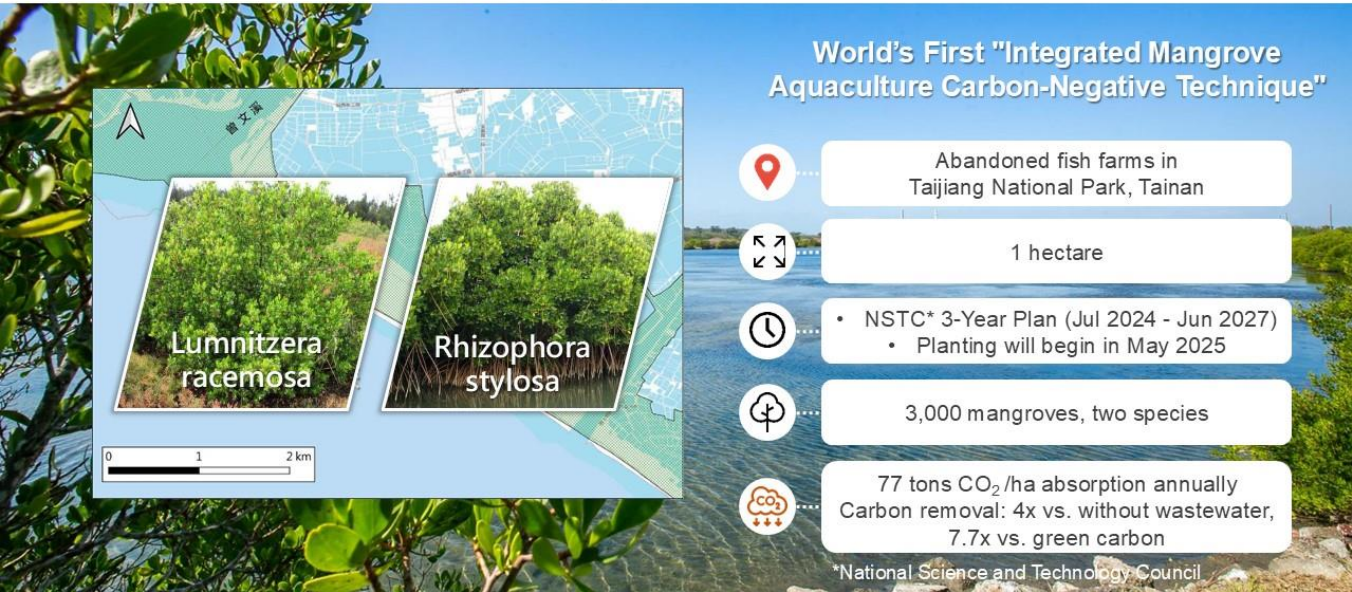
## Taiwan Blue Carbon Project- Mangrove Restoration

- Taiwan Mobile is collaborating with **National Chung Hsing University** and **Taijiang National Park** for the “**Taiwan Blue Carbon Project -Mangrove Restoration**”. The project involves planting mangroves in abandoned fish farms and measuring the resulting carbon sequestration. It includes 8 sub-projects, one of which focuses on biodiversity.
- This is the world’s first initiative that combines mangrove restoration, integrated aquaculture, and nanotechnology. It transforms aquaculture wastewater from fish farms into nutrients for mangroves, significantly enhancing the carbon removal capacity of the mangroves by at least 4 times.
- Key project benefits include effectively purifying wastewater from abandoned fish farms, protecting riverbanks, enriching local biodiversity, and restoring coastal ecosystems.



## Taiwan Blue Carbon Project- Mangrove Restoration

-Project Overview-





## **The 2024 Consolidated Financial Statements**

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Stockholders  
Taiwan Mobile Co., Ltd.

#### **Opinion**

We have audited the accompanying consolidated financial statements of Taiwan Mobile Co., Ltd. and its subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China (ROC).

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the ROC. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the ROC, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the 2024 consolidated financial statements are as follows:

### **Telecommunications and Value-added Services Revenue**

The description of key audit matter:

One of the operating revenue sources of the Group is the telecommunications and value-added services revenue. The Group offers more different monthly-fee plans and diversifies the business by innovating value-added services since the telecommunication industry becomes more competitive nowadays. The competitive telecommunication industry and complicated calculations for revenue recognition, which highly relies on automatic and systematic connection and implementation, lead the telecommunications and value-added services revenue to be considered as one of the key audit matters.

Corresponding audit procedures:

By conducting compliance tests, we obtained an understanding of the telecommunication revenue recognition process and of the design and execution for relevant controls. We also performed major audit procedures which are as follows:

1. Review the contracts of mobile subscribers to ensure the accuracy of information in the accounting system.
2. Perform dialing tests and data usage tests to verify the completeness of the information in the telephone exchange system.
3. Perform system integration and test data usage from telephone-exchange to telephone traffic.
4. Test for the accuracy of call record charge rates, data usage and billing calculations.
5. Verify the accuracy of the billing amounts generated from monthly rentals, data usage as well as airtime accounting systems and the transfer to the accounting information system.
6. Select the samples from telecommunications and value-added services revenue and agree to the contracts, bills and records of cash receipts.



## Sales Revenue

The description of key audit matter:

The Group's another source of operating revenue is generated from the sales through virtual channels, including E-commerce portals, multimedia business and catalogues by momo.com Inc. (momo). Due to the nature of momo's core sales, momo offers a wide range of products and services to different customers; the trading quantity is rather high while each transaction is individually low in value and is highly automated through the website and related system. As a result of momo's business model being highly reliant on IT infrastructure and the fact that momo processes, stores and transmits large amounts of data through digital and web-based environment, the risk in revenue recognition is whether the sales amount is transmitted and recorded accurately to the IT system.

Corresponding audit procedures:

By conducting compliance tests, we obtained an understanding of the revenue recognition process and of the design and execution for relevant controls. We also performed major audit procedures which are as follows:

1. Verify the details of invoices in the system to check if the sales amount of each invoice is consistent with its shipping notice and sales order.
2. Confirm the completeness and consistency of transmission through IT system by testing the information transferred from front-end system to general ledger system, and further perform tests on whether the Daily Sales Report in the system is consistent with journal entries of revenue each day.

## **Other Matter**

We have also audited the parent company only financial statements of Taiwan Mobile Co., Ltd. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC of the ROC, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

## Sales Revenue

The description of key audit matter:

The Group's another source of operating revenue is generated from the sales through virtual channels, including E-commerce portals, multimedia business and catalogues by momo.com Inc. (momo). Due to the nature of momo's core sales, momo offers a wide range of products and services to different customers; the trading quantity is rather high while each transaction is individually low in value and is highly automated through the website and related system. As a result of momo's business model being highly reliant on IT infrastructure and the fact that momo processes, stores and transmits large amounts of data through digital and web-based environment, the risk in revenue recognition is whether the sales amount is transmitted and recorded accurately to the IT system.

Corresponding audit procedures:

By conducting compliance tests, we obtained an understanding of the revenue recognition process and of the design and execution for relevant controls. We also performed major audit procedures which are as follows:

1. Verify the details of invoices in the system to check if the sales amount of each invoice is consistent with its shipping notice and sales order.
2. Confirm the completeness and consistency of transmission through IT system by testing the information transferred from front-end system to general ledger system, and further perform tests on whether the Daily Sales Report in the system is consistent with journal entries of revenue each day.

## **Other Matter**

We have also audited the parent company only financial statements of Taiwan Mobile Co., Ltd. as of and for the years ended December 31, 2024 and 2023 on which we have issued an unmodified opinion.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC of the ROC, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the ROC will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the ROC, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pei-De Chen and Te-Chen Cheng.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 27, 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 Taiwan, the Republic of China (ROC) and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the ROC.*

*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 ROC. 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 auditors' report and consolidated financial statements shall prevail.*



# TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2024		December 31, 2023		LIABILITIES AND EQUITY	December 31, 2024		December 31, 2023	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Notes 6 and 31)	\$ 11,945,684	5	\$ 13,244,266	5	Short-term borrowings (Note 17)	\$ 19,290,000	8	\$ 18,460,000	8
Financial assets at fair value through profit or loss	11,008	-	11,283	-	Short-term notes and bills payable (Note 17)	5,092,920	2	12,876,257	5
Financial assets at fair value through other comprehensive income (Note 7)	268,591	-	261,445	-	Contract liabilities (Note 22)	2,677,430	1	2,608,499	1
Financial assets at amortized cost	161,088	-	151,144	-	Notes payable	41,825	-	232,394	-
Contract assets (Note 22)	6,780,457	3	6,100,164	3	Accounts payable	13,216,791	6	13,245,827	5
Notes and accounts receivable, net (Note 8)	8,943,620	4	9,128,414	4	Notes and accounts payable due to related parties (Note 31)	238,742	-	131,492	-
Notes and accounts receivable due from related parties (Note 31)	485,806	-	589,232	-	Other payables (Note 31)	12,635,036	5	11,943,612	5
Other receivables (Note 31)	3,878,136	2	4,464,950	2	Current tax liabilities	2,540,389	1	2,274,634	1
Inventories (Note 9)	8,833,607	3	8,193,068	4	Provisions (Note 19)	159,460	-	461,400	-
Prepayments (Note 31)	996,620	-	1,030,527	-	Lease liabilities (Notes 13, 28 and 31)	3,855,097	2	5,785,690	2
Disposal groups held for sale	-	-	3,082	-	Advance receipts	141,697	-	94,817	-
Other financial assets (Notes 31 and 32)	2,143,075	1	786,371	-	Long-term liabilities, current portion (Notes 17 and 18)	17,319,823	7	3,713,406	2
Other current assets	194,780	-	194,218	-	Other current liabilities (Note 31)	4,561,537	2	3,900,314	2
Total current assets	44,642,472	18	44,158,164	18	Total current liabilities	81,770,747	34	75,728,342	31
<b>NON-CURRENT ASSETS</b>					<b>NON-CURRENT LIABILITIES</b>				
Financial assets at fair value through profit or loss	1,985,440	1	1,821,715	1	Contract liabilities (Note 22)	126,023	-	409,315	-
Financial assets at fair value through other comprehensive income (Note 7)	4,123,016	2	5,530,350	2	Bonds payable (Note 18)	25,984,823	11	37,980,333	16
Financial assets at amortized cost	95,154	-	236,697	-	Long-term borrowings (Note 17)	24,667,728	10	20,118,833	8
Contract assets (Note 22)	7,237,271	3	5,811,221	2	Provisions (Note 19)	1,611,622	1	1,486,571	1
Investments accounted for using equity method (Notes 10 and 31)	6,728,977	3	1,793,865	1	Deferred tax liabilities (Note 24)	1,374,971	1	1,393,052	-
Property, plant and equipment (Notes 12 and 31)	51,800,440	21	50,676,171	21	Lease liabilities (Notes 13, 28 and 31)	7,422,099	3	7,978,053	3
Right-of-use assets (Notes 13 and 31)	11,187,400	5	13,746,288	6	Net defined benefit liabilities (Note 20)	72,186	-	58,013	-
Investment properties (Note 14)	2,122,869	1	2,182,504	1	Guarantee deposits	1,352,324	-	1,425,121	1
Concessions (Notes 15 and 32)	66,394,968	28	72,238,167	30	Other non-current liabilities	3,116,248	1	3,002,574	1
Goodwill (Note 15)	33,228,022	14	33,228,022	14	Total non-current liabilities	65,728,024	27	73,851,865	30
Other intangible assets (Note 15)	5,821,933	2	5,947,084	2	Total liabilities	147,498,771	61	149,580,207	61
Deferred tax assets (Note 24)	895,607	-	730,251	-	<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Note 21)</b>				
Incremental costs of obtaining a contract (Note 22)	2,616,905	1	2,492,742	1	Common stock	37,232,618	16	37,232,618	15
Net defined benefit assets (Note 20)	178,347	-	-	-	Capital surplus	29,337,376	12	31,302,785	13
Other financial assets (Notes 31 and 32)	383,141	-	427,014	-	Retained earnings				
Other non-current assets (Notes 16 and 31)	1,985,203	1	1,944,106	1	Legal reserve	34,716,971	14	33,498,727	14
Total non-current assets	196,784,693	82	198,806,197	82	Unappropriated earnings	13,966,321	6	12,182,646	5
					Other equity interests	( 135,582)	-	324,116	-
					Treasury stock	( 29,717,344)	( 12)	( 29,717,344)	( 12)
					Total equity attributable to owners of the Corporation	85,400,360	36	84,823,548	35
					<b>NON-CONTROLLING INTERESTS</b>				
						8,528,034	3	8,560,606	4
					Total equity	93,928,394	39	93,384,154	39
<b>TOTAL</b>	<b>\$ 241,427,165</b>	<b>100</b>	<b>\$ 242,964,361</b>	<b>100</b>	<b>TOTAL</b>	<b>\$ 241,427,165</b>	<b>100</b>	<b>\$ 242,964,361</b>	<b>100</b>

# TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 22, 31 and 38)	\$ 199,373,905	100	\$ 183,347,825	100
OPERATING COSTS (Notes 9, 31, 35 and 38)	159,678,771	80	148,585,572	81
GROSS PROFIT FROM OPERATIONS	39,695,134	20	34,762,253	19
OPERATING EXPENSES (Notes 31, 35 and 38)				
Marketing	12,504,762	6	10,922,321	6
Administrative	7,067,814	4	6,382,548	4
Research and development	682,128	-	511,574	-
Expected credit loss	392,311	-	269,969	-
Total operating expenses	20,647,015	10	18,086,412	10
OTHER INCOME AND EXPENSES, NET (Note 31)	1,202,357	-	868,863	1
OPERATING INCOME (Note 38)	20,250,476	10	17,544,704	10
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 31)	296,450	-	228,425	-
Other income (Note 23)	864,660	-	36,018	-
Other gains and losses, net (Note 23)	( 135,670)	-	742,881	-
Finance costs (Notes 23 and 31)	( 1,718,091)	-	( 1,029,247)	-
Share of loss of associates accounted for using equity method (Note 10)	( 25,785)	-	( 51,417)	-
Total non-operating income and expenses	( 718,436)	-	( 73,340)	-
PROFIT BEFORE TAX	19,532,040	10	17,471,364	10
INCOME TAX EXPENSE (Note 24)	3,736,495	2	3,136,360	2
NET PROFIT	15,795,545	8	14,335,004	8
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 10, 20, 21 and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plans	105,330	-	17,496	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	( 629,816)	-	( 3,456)	-
Share of other comprehensive income (loss) of associates accounted for using equity method	109,024	-	( 47,000)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation	18,745	-	( 12,313)	-
Share of other comprehensive income (loss) of associates accounted for using equity method	13,333	-	( 4,844)	-
Other comprehensive loss (after tax)	( 383,384)	-	( 50,117)	-
TOTAL COMPREHENSIVE INCOME	\$ 15,412,161	8	\$ 14,284,887	8
NET PROFIT ATTRIBUTABLE TO:				
Owners of the parent	\$ 13,816,716	7	\$ 12,274,109	7
Non-controlling interests	1,978,829	1	2,060,895	1
	\$ 15,795,545	8	\$ 14,335,004	8
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the parent	\$ 13,421,817	7	\$ 12,221,272	7
Non-controlling interests	1,990,344	1	2,063,615	1
	\$ 15,412,161	8	\$ 14,284,887	8
EARNINGS PER SHARE (Note 25)				
Basic earnings per share	\$ 4.57		\$ 4.33	
Diluted earnings per share	\$ 4.56		\$ 4.32	

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

**TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Parent										
	Retained Earnings					Other Equity Interests		Treasury Stock	Total	Non-controlling Interests	Total Equity
						Exchange Differences on Translation	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE, JANUARY 1, 2023	\$ 35,192,336	\$ 15,326,778	\$ 32,603,345	\$ 1,823,415	\$ 8,954,012	\$( 27,862)	\$ 316,076	\$( 29,717,344)	\$ 64,470,756	\$ 8,380,024	\$ 72,850,780
Distribution of 2022 earnings											
Legal reserve	-	-	895,382	-	( 895,382)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	( 1,823,415)	1,823,415	-	-	-	-	-	-
Cash dividends	-	-	-	-	( 9,881,841)	-	-	-	( 9,881,841)	-	( 9,881,841)
Total distribution of earnings	-	-	895,382	( 1,823,415)	( 8,953,808)	-	-	-	( 9,881,841)	-	( 9,881,841)
Cash dividends from capital surplus	-	( 2,246,232)	-	-	-	-	-	-	( 2,246,232)	-	( 2,246,232)
Profit for the year ended December 31, 2023	-	-	-	-	12,274,109	-	-	-	12,274,109	2,060,895	14,335,004
Other comprehensive income (loss) for the year ended											
December 31, 2023	-	-	-	-	17,523	( 10,357)	( 60,003)	-	( 52,837)	2,720	( 50,117)
Total comprehensive income (loss) for the year ended											
December 31, 2023	-	-	-	-	12,291,632	( 10,357)	( 60,003)	-	12,221,272	2,063,615	14,284,887
Shares issued for pursuant to acquisitions	2,040,282	18,190,446	-	-	-	-	-	-	20,230,728	-	20,230,728
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	( 106,262)	-	106,262	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	( 2,928)	-	-	-	( 2,928)	( 5,157)	( 8,085)
Changes in equity of associates accounted for using equity method	-	4,721	-	-	-	-	-	-	4,721	-	4,721
Reorganization	-	24,832	-	-	-	-	-	-	24,832	( 39,028)	( 14,196)
Other changes in capital surplus	-	2,240	-	-	-	-	-	-	2,240	-	2,240
Cash dividends for non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	( 1,838,848)	( 1,838,848)
BALANCE, DECEMBER 31, 2023	37,232,618	31,302,785	33,498,727	-	12,182,646	( 38,219)	362,335	( 29,717,344)	84,823,548	8,560,606	93,384,154
Distribution of 2023 earnings											
Legal reserve	-	-	1,218,244	-	( 1,218,244)	-	-	-	-	-	-
Cash dividends	-	-	-	-	( 10,964,152)	-	-	-	( 10,964,152)	-	( 10,964,152)
Total distribution of earnings	-	-	1,218,244	-	( 12,182,396)	-	-	-	( 10,964,152)	-	( 10,964,152)
Cash dividends from capital surplus	-	( 2,041,242)	-	-	-	-	-	-	( 2,041,242)	-	( 2,041,242)
Profit for the year ended December 31, 2024	-	-	-	-	13,816,716	-	-	-	13,816,716	1,978,829	15,795,545
Other comprehensive income (loss) for the year ended											
December 31, 2024	-	-	-	-	106,119	20,077	( 521,095)	-	( 394,899)	11,515	( 383,384)
Total comprehensive income (loss) for the year ended											
December 31, 2024	-	-	-	-	13,922,835	20,077	( 521,095)	-	13,421,817	1,990,344	15,412,161
Transfer and disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	46,840	-	41,320	-	88,160	-	88,160
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	( 3,604)	-	-	-	( 3,604)	( 6,431)	( 10,035)
Changes in equity of associates accounted for using equity method	-	74,569	-	-	-	-	-	-	74,569	-	74,569
Other changes in capital surplus	-	1,264	-	-	-	-	-	-	1,264	-	1,264
Cash dividends for non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	( 2,016,485)	( 2,016,485)
BALANCE, DECEMBER 31, 2024	\$ 37,232,618	\$ 29,337,376	\$ 34,716,971	\$ -	\$ 13,966,321	\$( 18,142)	\$( 117,440)	\$( 29,717,344)	\$ 85,400,360	\$ 8,528,034	\$ 93,928,394

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

# TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	\$ 19,532,040	\$ 17,471,364
Adjustments for:		
Depreciation expense	15,599,267	13,320,669
Amortization expense	6,670,347	4,923,357
Amortization of incremental costs of obtaining a contract	1,871,831	1,415,345
Loss on disposal and retirement of property, plant and equipment, net	193,905	89,201
Gain on disposal of property, plant and equipment held for sale	( 4,545)	-
Expected credit loss	392,311	269,969
Other income and expenses	( 916,514)	( 585,406)
Finance costs	1,718,091	1,029,247
Interest income	( 296,450)	( 228,425)
Dividend income	( 859,809)	( 30,723)
Valuation gain on financial assets at fair value through profit or loss	( 49,167)	( 215,886)
Share of loss of associates accounted for using equity method	25,785	51,417
Net loss on disposal of investments accounted for using equity method	1,872	312
Gain on disposal of subsidiary	-	( 707,953)
Impairment loss on non-financial assets	99,893	83,158
Others	( 79,203)	( 5,277)
<b>Changes in operating assets and liabilities</b>		
Contract assets	( 2,126,828)	( 816,507)
Notes and accounts receivable	( 153,550)	( 454,053)
Notes and accounts receivable due from related parties	103,426	( 12,472)
Other receivables	719,602	( 964,374)
Inventories	( 640,524)	( 41,458)
Prepayments	37,332	( 457,043)
Other current assets	2,060	9,054
Other financial assets	( 395,628)	( 2,921)
Incremental costs of obtaining a contract	( 1,995,994)	( 1,513,728)
Contract liabilities	( 214,361)	28,022
Notes payable	( 190,569)	( 532,846)
Accounts payable	( 12,320)	( 328,690)
Notes and accounts payable due to related parties	107,250	( 1,658)
Other payables	( 4,539)	151,554
Provisions	( 241,167)	18,270
Advance receipts	46,710	( 70,619)
Other current liabilities	661,223	372,495
Net defined benefit plans	( 32,511)	( 31,522)
Cash inflows generated from operating activities	39,569,266	32,231,873
Interest received	13,975	15,638
Interest paid	( 1,972)	( 1,716)
Income taxes paid	( 3,536,157)	( 3,188,286)
Net cash generated from operating activities	36,045,112	29,057,509

(Continued)

# TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2024	2023
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	\$( 11,030,847)	\$( 8,519,575)
Acquisition of right-of-use assets	( 23,890)	( 22,777)
Acquisition of intangible assets	( 530,389)	( 307,824)
Increase in prepayments for equipment	( 588,016)	( 233,075)
Proceeds from disposal of property, plant and equipment	60,126	82,347
Proceeds from disposal of property, plant and equipment held for sale	10,224	-
Increase in advance receipts from asset disposals	170	126
Net cash inflows from business combination	-	1,742,723
Acquisition of financial assets at fair value through profit or loss	( 133,440)	( 434,517)
Acquisition of financial assets at fair value through other comprehensive income	( 63,720)	( 799,701)
Disposal of financial assets at fair value through other comprehensive income	-	16,199
Proceeds from capital reduction of financial assets at fair value through profit or loss	19,156	-
Proceeds from return of share capital of financial assets at fair value through other comprehensive income	729,097	-
Proceeds from financial assets at amortized cost	162,600	-
Acquisition of investments accounted for using equity method	( 4,845,022)	( 194,200)
Increase in prepayments for investment	( 48,632)	-
Disposal of subsidiary	-	437,886
Other investing activities	1,094,947	960,408
Increase in refundable deposits	( 315,134)	( 288,815)
Decrease in refundable deposits	394,330	402,140
Increase in other financial assets	( 1,329,107)	( 330,562)
Decrease in other financial assets	416,211	178,159
Increase in other non-current assets	-	( 55)
Interest received	262,440	205,780
Dividends received from associates	-	1,673
Other dividends received	860,918	30,723
Net cash used in investing activities	<u>( 14,897,978)</u>	<u>( 7,072,937)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	830,000	( 20,538,575)
Increase (decrease) in short-term notes and bills payable	( 7,768,472)	7,725,167
Proceeds from issuance of bonds	1,997,415	6,492,645
Repayment of bonds	-	( 6,000,000)
Proceeds from long-term borrowings	8,048,822	11,683,075
Repayment of long-term borrowings	( 3,905,777)	( 3,748,697)

(Continued)

## TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2024	2023
Repayment of the principal portion of lease liabilities	\$( 5,104,044)	\$( 4,410,906)
Increase in guarantee deposits received	147,673	233,997
Decrease in guarantee deposits received	( 223,931)	( 174,860)
Cash dividends paid (including paid to non-controlling interests)	( 15,021,812)	( 13,966,853)
Interest paid	( 1,435,664)	( 960,370)
Acquisition of ownership interests in subsidiaries	( 10,035)	( 8,085)
Net cash used in financing activities	( 22,445,825)	( 23,673,462)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	109	( 1,584)
NET DECREASE IN CASH AND CASH EQUIVALENTS	( 1,298,582)	( 1,690,474)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	13,244,266	14,934,740
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>\$ 11,945,684</u>	<u>\$ 13,244,266</u>

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

(Concluded)



Taiwan Mobile Co., Ltd.

## **The 2024 Standalone Financial Statements**

### **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Stockholders  
Taiwan Mobile Co., Ltd.:

#### **Opinion**

We have audited the accompanying financial statements of Taiwan Mobile Co., Ltd. (TWM), which comprise the balance sheets as of December 31, 2024 and 2023, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the related notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TWM as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### **Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China (ROC). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of TWM in accordance with The Norm of Professional Ethics for Certified Public Accountant of the ROC, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

As described in Note 10 to the financial statements, on November 13, 2024, the Board of Directors of Taiwan Mobile Co., Ltd. resolved to merge with its 100%-owned subsidiary, TWM Venture Co., Ltd. As this merger was an organizational restructuring under common control, it should be treated as if the merger had occurred from the beginning when preparing the comparative individual financial statements. Accordingly, the comparative individual financial statements should be restated. Our opinion is not modified in respect of this matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The descriptions of the key audit matters of the 2024 financial statements are as follows:



### Telecommunications and Value-added Services Revenue

The description of key audit matter:

The primary operating revenue sources of TWM is the telecommunications and value-added services revenue. TWM offers more different monthly-fee plans and diversifies the business by innovating value-added services since the telecommunication industry becomes more competitive nowadays. The competitive telecommunication industry and complicated calculations for revenue recognition, which highly relies on automatic and systematic connection and implementation, lead the telecommunications and value-added services revenue to be considered as one of the key audit matters.

Corresponding audit procedures:

By conducting compliance tests, we obtained an understanding of the telecommunication revenue recognition process and of the design and execution for relevant controls. We also performed major audit procedures which are as follows:

1. Review the contracts of mobile subscribers to ensure the accuracy of information in the accounting system.
2. Perform dialing tests and data usage tests to verify the completeness of the information in the telephone exchange system.
3. Perform system integration and test data usage from telephone-exchange to telephone traffic.
4. Test for the accuracy of call record charge rates, data usage and billing calculations.
5. Verify the accuracy of the billing amounts generated from monthly rentals, data usage as well as airtime accounting systems and the transfer to the accounting information system.
6. Select the samples from telecommunications and value-added services revenue and agree to the contracts, bills and records of cash receipts.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing TWM's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate TWM or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing TWM's financial reporting process.



## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the ROC will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Standards on Auditing of the ROC, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TWM's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on TWM's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause TWM to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within TWM to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Pei-De Chen and Te-Chen Cheng.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 27, 2025

#### Notice to Readers

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

*For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the ROC. 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 financial statements shall prevail.*

**TAIWAN MOBILE CO., LTD.**
**BALANCE SHEETS**
**(In Thousands of New Taiwan Dollars)**

	December 31, 2024		December 31, 2023 (Restated)			December 31, 2024		December 31, 2023 (Restated)	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>ASSETS</b>					<b>LIABILITIES AND EQUITY</b>				
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Notes 6 and 29)	\$ 3,003,111	1	\$ 2,609,171	1	Short-term borrowings (Notes 16 and 29)	\$ 33,390,000	15	\$ 31,615,000	14
Financial assets at fair value through profit or loss	11,008	-	11,283	-	Short-term notes and bills payable (Note 16)	5,092,920	2	12,876,257	6
Financial assets at fair value through other comprehensive income (Note 7)	268,429	-	260,822	-	Contract liabilities (Note 21)	1,550,422	1	1,756,620	1
Contract assets (Note 21)	6,774,990	3	6,093,453	3	Notes payable	447	-	205,839	-
Notes and accounts receivable, net (Note 8)	7,827,392	4	7,804,418	4	Accounts payable	1,782,686	1	2,242,231	1
Notes and accounts receivable due from related parties (Note 29)	551,500	-	470,036	-	Notes and accounts payable due to related parties (Note 29)	334,062	-	271,858	-
Other receivables (Note 29)	1,877,931	1	1,992,745	1	Other payables (Note 29)	9,557,964	4	9,301,833	4
Inventories (Note 9)	3,969,904	2	3,566,107	2	Current tax liabilities	1,359,767	1	638,894	-
Prepayments	295,949	-	268,764	-	Provisions (Note 18)	75,967	-	370,881	-
Other financial assets (Notes 29 and 30)	39,288	-	34,272	-	Lease liabilities (Notes 12, 26 and 29)	3,054,956	1	4,848,332	2
Other current assets	2,499	-	3,881	-	Long-term liabilities, current portion (Notes 16 and 17)	17,189,703	8	3,596,411	2
Total current assets	<u>24,622,001</u>	<u>11</u>	<u>23,114,952</u>	<u>11</u>	Other current liabilities (Note 29)	<u>2,834,608</u>	<u>1</u>	<u>2,707,128</u>	<u>2</u>
					Total current liabilities	<u>76,223,502</u>	<u>34</u>	<u>70,431,284</u>	<u>32</u>
<b>NON-CURRENT ASSETS</b>					<b>NON-CURRENT LIABILITIES</b>				
Financial assets at fair value through profit or loss	1,697,940	1	1,534,215	1	Contract liabilities (Note 21)	94,123	-	91,966	-
Financial assets at fair value through other comprehensive income (Note 7)	3,565,760	2	4,979,106	2	Bonds payable (Note 17)	25,984,823	12	37,980,333	17
Contract assets (Note 21)	7,232,263	3	5,802,669	3	Long-term borrowings (Note 16)	23,186,074	10	18,384,828	8
Investments accounted for using equity method (Notes 10 and 29)	52,540,432	24	47,444,207	21	Provisions (Note 18)	626,025	-	536,109	-
Property, plant and equipment (Notes 11 and 29)	30,520,635	14	30,780,719	14	Deferred tax liabilities (Note 23)	887,654	1	934,807	1
Right-of-use assets (Notes 12 and 29)	8,193,351	4	9,817,974	4	Lease liabilities (Notes 12, 26 and 29)	5,198,278	3	4,955,726	2
Investment properties (Note 13)	2,527,296	1	2,350,233	1	Net defined benefit liabilities (Note 19)	-	-	52,053	-
Concessions (Note 14)	60,318,511	27	65,982,990	30	Guarantee deposits	480,523	-	503,070	-
Goodwill (Note 14)	24,620,850	11	24,620,850	11	Other non-current liabilities	<u>2,888,582</u>	<u>1</u>	<u>2,715,491</u>	<u>2</u>
Other intangible assets (Note 14)	1,400,906	1	1,430,006	1	Total non-current liabilities	<u>59,346,082</u>	<u>27</u>	<u>66,154,383</u>	<u>30</u>
Deferred tax assets (Note 23)	488,954	-	397,852	-					
Incremental costs of obtaining a contract (Note 21)	2,514,814	1	2,388,239	1	Total liabilities	<u>135,569,584</u>	<u>61</u>	<u>136,585,667</u>	<u>62</u>
Net defined benefit assets (Note 19)	47,262	-	-	-					
Other non-current assets (Notes 15, 29 and 30)	678,969	-	765,203	-	<b>EQUITY (Note 20)</b>				
Total non-current assets	<u>196,347,943</u>	<u>89</u>	<u>198,294,263</u>	<u>89</u>	Common stock	37,232,618	17	37,232,618	17
					Capital surplus	29,337,376	13	31,302,785	14
					Retained earnings				
					Legal reserve	34,716,971	16	33,498,727	15
					Unappropriated earnings	13,966,321	6	12,182,646	6
					Other equity interests	( 135,582)	-	324,116	-
					Treasury stock	( 29,717,344)	( 13)	( 29,717,344)	( 14)
					Total equity	<u>85,400,360</u>	<u>39</u>	<u>84,823,548</u>	<u>38</u>
<b>TOTAL</b>	<u>\$ 220,969,944</u>	<u>100</u>	<u>\$ 221,409,215</u>	<u>100</u>	<b>TOTAL</b>	<u>\$ 220,969,944</u>	<u>100</u>	<u>\$ 221,409,215</u>	<u>100</u>

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

# TAIWAN MOBILE CO., LTD.

## STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023 (Restated)	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 21 and 29)	\$ 80,290,867	100	\$ 66,412,608	100
OPERATING COSTS (Notes 9, 29 and 33)	59,390,803	74	50,388,426	76
GROSS PROFIT FROM OPERATIONS	20,900,064	26	16,024,182	24
OPERATING EXPENSES (Notes 29 and 33)				
Marketing	8,769,106	11	7,156,021	11
Administrative	3,551,371	5	2,919,739	5
Research and development	274,697	-	211,268	-
Expected credit loss	389,047	-	269,865	-
Total operating expenses	12,984,221	16	10,556,893	16
OTHER INCOME AND EXPENSES, NET (Note 29)	1,058,538	1	708,210	1
OPERATING INCOME	8,974,381	11	6,175,499	9
NON-OPERATING INCOME AND EXPENSES				
Interest income	103,816	-	71,971	-
Other income (Note 22)	855,443	1	30,266	-
Other gains and losses, net (Note 22)	( 126,231)	-	62,857	-
Finance costs (Notes 22 and 29)	( 1,871,756)	( 2)	( 1,117,659)	( 1)
Share of profit of subsidiaries and associates accounted for using equity method (Note 10)	7,311,829	9	7,989,315	12
Total non-operating income and expenses	6,273,101	8	7,036,750	11
PROFIT BEFORE TAX	15,247,482	19	13,212,249	20
INCOME TAX EXPENSE (Note 23)	1,430,766	2	938,140	2
NET PROFIT	13,816,716	17	12,274,109	18
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 10, 19, 20 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plans	65,198	-	8,405	-
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	( 632,337)	-	( 37,072)	-
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using equity method	152,163	-	( 13,813)	-
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive income (loss) of associates accounted for using equity method	20,077	-	( 10,357)	-
Other comprehensive loss (after tax)	( 394,899)	-	( 52,837)	-
TOTAL COMPREHENSIVE INCOME	\$ 13,421,817	17	\$ 12,221,272	18
EARNINGS PER SHARE (Note 24)				
Basic earnings per share	\$ 4.57		\$ 4.33	
Diluted earnings per share	\$ 4.56		\$ 4.32	

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

**TAIWAN MOBILE CO., LTD.**
**STATEMENTS OF CHANGES IN EQUITY**  
**(In Thousands of New Taiwan Dollars)**

	Retained Earnings					Other Equity Interests			
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Treasury Stock	Total Equity
BALANCE, JANUARY 1, 2023	\$ 35,192,336	\$ 15,326,778	\$ 32,603,345	\$ 1,823,415	\$ 8,954,012	\$ ( 27,862)	\$ 316,076	\$ ( 29,717,344)	\$ 64,470,756
Distribution of 2022 earnings									
Legal reserve	-	-	895,382	-	( 895,382)	-	-	-	-
Reversal of special reserve	-	-	-	( 1,823,415)	1,823,415	-	-	-	-
Cash dividends	-	-	-	-	( 9,881,841)	-	-	-	( 9,881,841)
Total distribution of earnings	-	-	895,382	( 1,823,415)	( 8,953,808)	-	-	-	( 9,881,841)
Cash dividends from capital surplus	-	( 2,246,232)	-	-	-	-	-	-	( 2,246,232)
Profit for the year ended December 31, 2023	-	-	-	-	12,274,109	-	-	-	12,274,109
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	17,523	( 10,357)	( 60,003)	-	( 52,837)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	12,291,632	( 10,357)	( 60,003)	-	12,221,272
Shares issued for pursuant to acquisitions	2,040,282	18,190,446	-	-	-	-	-	-	20,230,728
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	( 106,262)	-	106,262	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	( 2,928)	-	-	-	( 2,928)
Changes in equity of associates accounted for using equity method	-	4,721	-	-	-	-	-	-	4,721
Reorganization	-	24,832	-	-	-	-	-	-	24,832
Other changes in capital surplus	-	2,240	-	-	-	-	-	-	2,240
BALANCE, DECEMBER 31, 2023	37,232,618	31,302,785	33,498,727	-	12,182,646	( 38,219)	362,335	( 29,717,344)	84,823,548
Distribution of 2023 earnings									
Legal reserve	-	-	1,218,244	-	( 1,218,244)	-	-	-	-
Cash dividends	-	-	-	-	( 10,964,152)	-	-	-	( 10,964,152)
Total distribution of earnings	-	-	1,218,244	-	( 12,182,396)	-	-	-	( 10,964,152)
Cash dividends from capital surplus	-	( 2,041,242)	-	-	-	-	-	-	( 2,041,242)
Profit for the year ended December 31, 2024	-	-	-	-	13,816,716	-	-	-	13,816,716
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	106,119	20,077	( 521,095)	-	( 394,899)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	13,922,835	20,077	( 521,095)	-	13,421,817
Transfer and disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	46,840	-	41,320	-	88,160
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	( 3,604)	-	-	-	( 3,604)
Changes in equity of associates accounted for using equity method	-	74,569	-	-	-	-	-	-	74,569
Other changes in capital surplus	-	1,264	-	-	-	-	-	-	1,264
BALANCE, DECEMBER 31, 2024	\$ 37,232,618	\$ 29,337,376	\$ 34,716,971	\$ -	\$ 13,966,321	\$ ( 18,142)	\$ ( 117,440)	\$ ( 29,717,344)	\$ 85,400,360

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

# TAIWAN MOBILE CO., LTD.

## STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2024	2023 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	\$ 15,247,482	\$ 13,212,249
Adjustments for:		
Share of profit of subsidiaries and associates accounted for using equity method	( 7,311,829)	( 7,989,315)
Depreciation expense	12,039,694	9,862,904
Amortization expense	6,214,853	4,510,446
Amortization of incremental costs of obtaining a contract	1,762,955	1,296,816
Loss on disposal and retirement of property, plant and equipment, net	208,511	92,026
Gain on disposal of property, plant and equipment held for sale	( 4,287)	-
Expected credit loss	389,047	269,865
Other income and expenses	( 902,930)	( 574,820)
Finance costs	1,871,756	1,117,659
Interest income	( 103,816)	( 71,971)
Dividend income	( 850,438)	( 22,466)
Valuation gain on financial assets at fair value through profit or loss	( 49,167)	( 165,932)
Net loss on disposal of investments accounted for using equity method	1,872	312
Others	( 46,016)	( 2,397)
<b>Changes in operating assets and liabilities</b>		
Contract assets	( 2,131,617)	( 814,820)
Notes and accounts receivable	( 391,944)	( 805,087)
Notes and accounts receivable due from related parties	( 81,464)	57,258
Other receivables	209,421	( 449,120)
Inventories	( 403,797)	100,525
Prepayments	( 27,187)	51,612
Other current assets	116	( 536)
Other financial assets	( 5,016)	( 2,921)
Incremental costs of obtaining a contract	( 1,889,530)	( 1,410,990)
Contract liabilities	( 204,041)	( 143,294)
Notes payable	( 205,392)	( 39,302)
Accounts payable	( 442,830)	60,207
Notes and accounts payable due to related parties	62,204	( 16,089)
Other payables	( 241,539)	103,985
Provisions	( 226,216)	( 1,790)
Other current liabilities	127,480	59,598
Net defined benefit plans	( 17,817)	( 17,200)
Cash inflows generated from operating activities	22,598,518	18,267,412
Interest received	8,379	6,320
Interest paid	( 471)	( 436)
Income taxes paid	( 713,187)	( 891,546)
Net cash generated from operating activities	21,893,239	17,381,750

(Continued)

# TAIWAN MOBILE CO., LTD.

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

	2024	2023 (Restated)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	\$( 7,830,814)	\$( 5,401,133)
Acquisition of right-of-use assets	( 24,194)	( 22,313)
Acquisition of intangible assets	( 328,514)	( 187,748)
Increase in prepayments for equipment	( 136,650)	( 117,517)
Proceeds from disposal of property, plant and equipment	52,895	68,617
Proceeds from disposal of property, plant and equipment held for sale	6,884	-
Net cash inflows from business combination	-	1,742,723
Acquisition of subsidiaries	( 70,000)	( 200,000)
Acquisition of financial assets at fair value through profit or loss	( 133,440)	( 434,517)
Proceeds from capital reduction of financial assets at fair value through profit or loss	19,156	-
Acquisition of financial assets at fair value through other comprehensive income	( 63,720)	( 799,701)
Disposal of financial assets at fair value through other comprehensive income	-	12,171
Proceeds from return of share capital of financial assets at fair value through other comprehensive income	729,097	-
Acquisition of investments accounted for using equity method	( 4,639,022)	( 194,200)
Increase in prepayments for investment	( 48,632)	-
Other investing activities	1,076,120	948,413
Proceeds from transferring of business	28,400	43,000
Increase in refundable deposits	( 161,465)	( 123,041)
Decrease in refundable deposits	246,754	202,348
Increase in other financial assets	( 11,350)	( 432)
Decrease in other financial assets	11,350	40,946
Interest received	81,179	61,334
Dividends received from subsidiaries	7,165,958	6,490,079
Dividends received from associates	-	1,673
Other dividends received	851,547	22,466
Net cash generated from (used in) investing activities	<u>( 3,178,461)</u>	<u>2,153,168</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in short-term borrowings	590,000	( 20,538,575)
Borrowings from related parties	16,832,000	20,586,000
Repayments of borrowings from related parties	( 15,647,000)	( 19,186,000)
Increase (decrease) in short-term notes and bills payable	( 7,768,472)	7,725,167
Proceeds from issuance of bonds	1,997,415	6,492,645
Repayment of bonds	-	( 6,000,000)
Proceeds from long-term borrowings	7,998,822	11,648,075
Repayment of long-term borrowings	( 3,616,550)	( 3,504,697)
Repayment of the principal portion of lease liabilities	( 4,128,364)	( 3,551,870)

(Continued)

**TAIWAN MOBILE CO., LTD.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(In Thousands of New Taiwan Dollars)**

	<b>2024</b>	<b>2023 (Restated)</b>
Increase in guarantee deposits received	\$ 85,220	\$ 94,930
Decrease in guarantee deposits received	( 108,398)	( 80,560)
Cash dividends paid	( 13,005,327)	( 12,128,005)
Interest paid	( 1,550,184)	( 1,055,458)
Net cash used in financing activities	( 18,320,838)	( 19,498,348)
NET INCREASE IN CASH AND CASH EQUIVALENTS	393,940	36,570
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	2,609,171	2,572,601
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>\$ 3,003,111</u>	<u>\$ 2,609,171</u>

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

(Concluded)





**Taiwan Mobile Co., Ltd**  
**2024 Earnings Distribution Proposal**

Unit: NT\$

Item	Amount
Unappropriated retained earnings as of December 31, 2023	<b>250,088</b>
Actuarial gains of 2024	106,118,539
Adjustments due to investments accounted for using equity method	(3,604,855)
Transfer and disposal of investments in equity instruments designated as at fair value through other comprehensive income	46,840,785
Unappropriated retained earnings - Adjusted	<b>149,604,557</b>
Net income of 2024	13,816,716,212
Legal reserve appropriation (10%)	(1,396,607,068)
Special reserve appropriation	(135,581,991)
Retained earnings available for distribution	<b>12,434,131,710</b>
Appropriation:	
Cash dividends <sup>1</sup>	(12,434,063,925)
Balance of unappropriated retained earnings	<b>67,785</b>

Note 1: Refer to the second proposed resolution regarding the distribution of the 2024 retained earnings.



## Articles of Incorporation

### Before and After Amendments for Comparison

Article	Amended	Original	Explanation
2	<p>The scope of business of the Company shall be:</p> <ol style="list-style-type: none"> <li>1. G903010 Telecommunications Enterprises;</li> <li>2. I301040 Third-Party Payment;</li> <li>3. I301020 Data Processing Services;</li> <li>4. J303010 Magazine and Periodical Publication;</li> <li>5. J304010 Book Publishers;</li> <li>6. J305010 Audio Tape and Record Publishers;</li> <li>7. J399010 Software Publication;</li> <li>8. J399990 Other Publishers Not Elsewhere Classified;</li> <li>9. F108031 Wholesale of Drugs, Medical Goods;</li> <li>10. F208031 Retail Sale of Medical Equipment;</li> <li>11. E601010 Electric Appliance Construction;</li> <li>12. E701010 Telecommunications Construction;</li> <li>13. CC01080 Electronic Parts and Components Manufacturing;</li> <li>14. E601020 Electric Appliance Installation;</li> <li>15. E603090 Illumination Equipment Construction;</li> <li>16. IG03010 Energy Technical Services;</li> <li>17. H703100 Real Estate Rental</li> </ol>	<p>The scope of business of the Company shall be:</p> <ol style="list-style-type: none"> <li>1. G903010 Telecommunications Enterprises;</li> <li>2. I301040 Third-Party Payment;</li> <li>3. I301020 Data Processing Services;</li> <li>4. J303010 Magazine and Periodical Publication;</li> <li>5. J304010 Book Publishers;</li> <li>6. J305010 Audio Tape and Record Publishers;</li> <li>7. J399010 Software Publication;</li> <li>8. J399990 Other Publishers Not Elsewhere Classified;</li> <li>9. F108031 Wholesale of Drugs, Medical Goods;</li> <li>10. F208031 Retail Sale of Medical Equipment;</li> <li>11. E601010 Electric Appliance Construction;</li> <li>12. E701010 Telecommunications Construction;</li> <li>13. CC01080 Electronic Parts and Components Manufacturing;</li> <li>14. E601020 Electric Appliance Installation;</li> <li>15. E603090 Illumination Equipment Construction;</li> <li>16. IG03010 Energy Technical Services;</li> <li>17. H703100 Real Estate Rental and</li> </ol>	Added the scope of business.

Article	Amended	Original	Explanation
	<p>and Leasing</p> <p>18. JE01010 Rental and Leasing Business;</p> <p>19. J401010 Motion Picture Production;</p> <p>20. J402010 Motion Picture Distribution;</p> <p>21. J503020 Television Production</p> <p>22. J503030 Broadcasting and Television Program Distribution</p> <p>23. EZ05010 Apparatus Installation Construction</p> <p>24. I301010 Information Software Services</p> <p><u>25. D101091 Renewable-Energy-Based Electricity Retailing Enterprise</u></p> <p><u>26. ZZ99999 Any other business</u> (other than those approved by the relevant authorities) not prohibited or restricted by law.</p>	<p>Leasing</p> <p>18. JE01010 Rental and Leasing Business;</p> <p>19. J401010 Motion Picture Production;</p> <p>20. J402010 Motion Picture Distribution;</p> <p>21. J503020 Television Production</p> <p>22. J503030 Broadcasting and Television Program Distribution</p> <p>23. EZ05010 Apparatus Installation Construction</p> <p>24. I301010 Information Software Services</p> <p>25. ZZ99999 Any other business (other than those approved by the relevant authorities) not prohibited or restricted by law.</p>	
30-1	<p>If the Company has profits in a fiscal year, it shall set aside 1% to 3% of the profits as employee bonuses <u>(with at least 50% to be allocated to non-executive employees)</u> and not more than 0.3% of the profits as director compensation. However, if the Company has accumulated losses, it shall first reserve a certain amount for offsetting losses, then allocate for the employee bonuses and director compensation proportionally from the remaining amount.</p>	<p>If the Company has profits in a fiscal year, it shall set aside 1% to 3% of the profits as employee bonuses and not more than 0.3% of the profits as director compensation. However, if the Company has accumulated losses, it shall first reserve a certain amount for offsetting losses, then allocate for the employee bonuses and director compensation proportionally from the remaining amount.</p>	In accordance with the amendment to Article 14, Paragraph 6 of the Securities and Exchange Act.
34	<p>The Articles of Incorporation were agreed to and signed on January 30, 1997. ...</p> <p>The thirty-first amendment was made on 23 June 2022.</p> <p>The thirty-second amendment was made on 21 June 2024.</p>	<p>The Articles of Incorporation were agreed to and signed on January 30, 1997. ...</p> <p>The thirty-first amendment was made on 23 June 2022.</p> <p>The thirty-second amendment was made on 21 June 2024.</p>	Added the amendment sequence number, and the date of the latest amendment to the Articles of Incorporation.

Article	Amended	Original	Explanation
	<u>The thirty-third amendment was made on 29 May 2025.</u>		

# **Articles of Incorporation**

## **Chapter I General Provisions**

- Article 1** The Company shall be incorporated as a company limited by shares, under the Company Act of the Republic of China. The name of the Company shall be 台灣大哥大股份有限公司.
- Article 2** The scope of business of the Company shall be:
1. G903010 Telecommunications Enterprises;
  2. I301040 Third-Party Payment;
  3. I301020 Data Processing Services;
  4. J303010 Magazine and Periodical Publication;
  5. J304010 Book Publishers;
  6. J305010 Audio Tape and Record Publishers;
  7. J399010 Software Publication;
  8. J399990 Other Publishers Not Elsewhere Classified;
  9. F108031 Wholesale of Drugs, Medical Goods;
  10. F208031 Retail Sale of Medical Equipment;
  11. E601010 Electric Appliance Construction;
  12. E701010 Telecommunications Construction;
  13. CC01080 Electronic Parts and Components Manufacturing;
  14. E601020 Electric Appliance Installation;
  15. E603090 Illumination Equipment Construction;
  16. IG03010 Energy Technical Services;
  17. H703100 Real Estate Rental and Leasing
  18. JE01010 Rental and Leasing Business;
  19. J401010 Motion Picture Production;
  20. J402010 Motion Picture Distribution;
  21. J503020 Television Production
  22. J503030 Broadcasting and Television Program Distribution
  23. EZ05010 Apparatus Installation Construction
  24. I301010 Information Software Services
  - [25. D101091 Renewable-Energy-Based Electricity Retailing Enterprise](#)
  - [26. ZZ99999](#) Any other business (other than those approved by the relevant authorities) not prohibited or restricted by law.
- Article 3** The Company may act as a guarantor where necessary for the purpose of carrying out its business.
- Article 4** The Company shall have its registered head office in Taipei, Taiwan, Republic of China and shall, where necessary and with a resolution to do so by the Board of Directors (“Board”), set up branch offices either within or outside the territory of the Republic of China.
- Article 5** (Deleted)
- Article 6** The Company’s aggregate investment may exceed forty percent of its paid-up capital.

## **Chapter II Capital Stock**

**Article 7** The total registered capital stock of the Company shall be Sixty Billion New Taiwan Dollars (NT\$60,000,000,000), divided into Six Billion (6,000,000,000) shares with a par value of Ten New Taiwan Dollars (NT\$10) per share. Any unissued shares shall be issued, where necessary, upon the approval of the Board.

Two hundred and fifty million shares of the above total capital stock of the Company with a par value of Ten New Taiwan Dollars (NT\$10) per share shall be retained for the issuance of employee stock options, which may be issued from time to time upon the approval of the Board.

**Article 7-1** (Deleted)

**Article 7-2** The Company may, upon the approval at a Shareholders' Meeting which is attended by shareholders holding at least 50% of the issued capital stock, by more than two-thirds of the shareholders attending the Meeting, transfer the treasury shares to its employees at a price lower than the average buyback price.

**Article 8** Share certificates of the Company shall be issued only if they bear the names of the shareholders, be appropriately serial numbered, be signed by or affixed with the personal seals of three or more Directors of the Company, and be duly signed and authenticated by the responsible authority or a share registry endorsed by the regulatory authority. The Company is exempted from issuing any physical share certificates for the shares issued. A physical share certificate may be issued for all the new shares issued at a particular point in time, provided that the share certificate shall be placed in custody or for registration with a centralized depository.

**Article 9** Shareholders shall provide their names, addresses, and specimens of their personal seals to the Company for record. The same shall also be provided upon variation of any of the above details. Where any personal seals of the shareholders are lost, the specimens of the personal seals shall only be replaced with new specimens if the shareholders report the loss to the Company.

**Article 10** Upon transfer of shares, the transferor and transferee shall complete an application for registration of the transfer and affix their personal seals on the application. The application and the associated share certificates, affixed with the personal seals of the transferor and transferee on the back page, together with other documents evidencing the transfer, shall be submitted to the Company for the purpose of registration of the transfer. The transferee shall not have a right of action against the Company with respect to matters associated with or arising from the transfer if the name of the transferee is not recorded on the share certificates and the name and address of the transferee are not entered onto the register of shareholders of the Company.

**Article 11** Where a share certificate is lost, the shareholder shall immediately file an application to report the loss and submit the same to the Company for audit and record. The shareholder shall also apply to the competent court for a judgment declaring the original

share certificate invalid, in accordance with the procedures for public announcement of invalidation of a certificate under the Code of Civil Procedures. After obtaining the judgment from the court, the shareholder shall apply to the Company for the share certificate to be reissued, with the original copy of the aforementioned court judgment. Where a share certificate is worn out or defaced and the shareholder wishes to apply for a replacement of the share certificate, the shareholder shall apply to the Company for the replacement by submitting to the Company the original copy of the share certificate with a completed application for replacement of share certificate.

**Article 12** The Company shall charge for administrative fees and stamp duties for the reissue of share certificates due to loss of the original share certificates or for other reasons.

**Article 13** Registration of share transfers shall be suspended for a 60-day period immediately prior to a general meeting of the shareholders; for a 30-day period immediately prior to an extraordinary meeting of the shareholders; and for a 5-day period immediately prior to the record date for distribution of dividend, bonuses or other benefits.

**Article 14** Shareholders shall submit specimens of their personal seals to the Company for record. The same personal seals shall be used by the shareholders for the purposes of claiming their dividends and when exercising their rights as shareholders via written documents.

### **Chapter III Shareholders' Meetings**

**Article 15** There are two types of Shareholders' Meetings, the general meetings and the extraordinary meetings.

- (1) General Meetings – General meetings shall be held within 6 months of the end of each fiscal year, and shall be convened by the Board by no less than 30 days' prior notice to the shareholders.
- (2) Extraordinary Meetings – Extraordinary meetings shall be convened in accordance with the relevant laws, by no less than 15 days' prior notice to the shareholders.

**Article 15-1** The Shareholders' Meeting can be held via video conference or other audiovisual means, as announced by the Ministry of Economic Affairs.

**Article 16** A shareholder is entitled to appoint a proxy to attend and vote on behalf of the shareholder at a Shareholders' Meeting by completing and submitting to the Company a form prescribed by the Company stating the scope of authorization.

**Article 17** The Chairman or, in his absence, the Vice Chairman, shall preside as the chairman of the Shareholders' Meetings of the Company. If neither the Chairman nor the Vice Chairman shall be present at the Meetings, or the Vice Chairman becomes vacant, the Chairman shall designate one of the Directors as the chairman, failing which, the Directors present at the Meetings shall elect the chairman from amongst themselves.

**Article 18** Except under the circumstances set forth in Article 179 of the Company Act,

shareholders of the Company shall be entitled to one vote for each share held at the Shareholders' Meeting.

**Article 18-1** Shareholders may exercise their voting rights in written or electronic forms at the Shareholders' Meetings.

**Article 19** Unless otherwise provided by the Company Act, all resolutions of a Shareholders' Meeting of the Company shall be passed, at a meeting attended by shareholders holding at least 50% of the issued capital stock, by more than 50% of the shareholders attending the Meeting.

**Article 20** Resolutions at a Shareholders' Meeting shall be recorded in a meeting minute signed by or affixed with the personal seal of the chairman. The Meeting minute shall be distributed to all the shareholders of the Company by public announcement within 20 days after the Shareholders' Meeting. The Meeting minute shall contain information such as the time and venue of the Meeting, name of the chairman of the Meeting, manner in which resolutions are passed, and a summary and outcome of all proceedings of the Meeting.

#### **Chapter IV Directors**

**Article 21** There shall be 9 to 11 Directors of the Company. Directors shall be persons with legal capacity and shall be elected by the shareholders at the Shareholders' Meeting. The tenure of the offices of the Directors shall be 3 years and the Directors shall be eligible for re-elections. The election of Directors is adopted by candidate nomination system per Article 192-1 of the Company Act. Not more than half of the Directors of the Company shall have the following relationships among them:

- (1) A spousal relationship.
- (2) A familial relationship within the second degree of kinship.

The Chairman and the Vice Chairman shall be elected respectively from amongst the Directors by a simple majority of the Directors present at the Board meetings attended by at least two thirds of all the Directors.

The Company may purchase liability insurance for directors with respect to their liabilities resulting from exercising their duties during their terms of occupancy.

**Article 21-1** According to Article 14-2 of the Securities and Exchange Act, among the directors, there shall be no less than 3 independent directors. The independent directors shall together constitute the Audit Committee and replace the role of the supervisors.

**Article 22** If one third of the offices of the Directors become vacant, the Board shall convene an extraordinary meeting of the shareholders within 60 days to re-elect and re-appoint Directors to fill the vacancies. The tenure of offices so filled shall be the balance of the term of the relevant offices.

**Article 23** If any new Directors are not elected in time before the expiration of the tenure of the relevant existing offices of the Directors, the tenure of the existing offices shall be



extended until such time when the new Directors duly elected to assume their offices.

**Article 24** The business policy and other imperative matters of the Company shall be determined by the Board. The Board shall be entitled to form different functional committees, and determine the duties and responsibilities of the committees. Except for the first meeting of each term of the Board which shall be convened by the Director who received a ballot representing the largest number of votes at the election of Directors, Board meetings shall be convened by the Chairman, who shall also be the chairman of the meetings. If the Chairman is unable to perform his duties for any reasons, the Vice Chairman shall act on his behalf. If the Vice Chairman is also absent from the meetings or becomes vacant, the Chairman shall designate one of the Directors to act on his behalf, failing which, the Directors present at the meetings shall elect a person from amongst themselves to act on behalf of the Chairman.

The notice of the Board meetings may be made and delivered by letter, email or facsimile.

**Article 25** Unless otherwise provided for in the Company Act, all resolutions of the Board shall be passed by a simple majority of the Directors present at the Board meetings attended by at least 50% of all the Directors. If a Director is unable to attend the meeting, he shall be entitled to authorize another Director to represent him at the meeting by executing a power of attorney stating therein the scope of authorization with respect to each matter proposed to be dealt with at the meeting, however, a Director attending the meeting shall not be authorized to represent more than one absent Directors at the meeting. If any Director attends the Board meeting by video conference, it is deemed that such Director has participated in person.

**Article 26** All proceedings at a Board meeting shall be recorded in a meeting minute signed by or affixed with the personal seal of the chairman of the meeting. The meeting minute shall be distributed to all Directors of the Company within 20 days after the Board meeting. The meeting minute shall contain information such as the time and venue of the meeting, name of the chairman of the meeting, manner in which resolutions are passed, and a summary and outcome of all proceedings of the meeting.

**Article 27** The Audit Committee shall exercise their powers and other relevant matters in accordance with the relevant laws, regulations or the Company's Articles of Incorporation.

**Article 27-1** (Deleted)

**Article 27-2** (Deleted)

**Article 27-3** The Board is authorized to decide the compensation to directors (including independent directors), according to his/her contribution to the operation and involvement in the operation of the Company, comparable to peer's levels, transportation and other allowance included.

## **Chapter V     Managers and Officers**

- Article 28**     There shall be several Presidents and Vice Presidents of the Company. The President shall be nominated by the Chairman; and his/her appointment or removal shall be approved by more than 50% of the Directors. The Vice Presidents shall be nominated by the President; and their appointment or removal shall be approved by more than 50% of the Directors.
- Article 29**     The Company may, by resolution of the Board, retain consultants or key officers.
- Article 29-1**    The Company shall purchase liability insurance for key management based on their duties and terms.

## **Chapter VI    Financial Reports**

- Article 30**     The fiscal year of the Company shall begin on 1 January and end on 31 December of each year. The Board shall prepare the following reports after the end of each fiscal year, and present to the shareholders at the general meeting of the shareholders for their ratifications in accordance with the legal procedure:
- (1) Business Report
  - (2) Financial Statements
  - (3) Proposal for distribution of earnings to shareholders or recovery of prior year losses.
- Article 30-1**    If the Company has profits in a fiscal year, it shall set aside 1% to 3% of the profits as employee bonuses (with at least 50% to be allocated to non-executive employees) and not more than 0.3% of the profits as director compensation. However, if the Company has accumulated losses, it shall first reserve a certain amount for offsetting losses, then allocate for the employee bonuses and director compensation proportionally from the remaining amount.
- Qualification requirements of employees entitled to receive shares or cash set for in the above paragraph shall be applied to the employees of subsidiaries who meet certain requirements.
- Article 31**     In the event that the Company, according to the final settlement, earns profits in a fiscal year, such profits shall first be set aside to pay the applicable taxes, offset losses, set aside for legal reserve pursuant to laws and regulations, unless the legal reserve has reached the Company's total paid-up capital. The remaining profits shall be set aside for special reserve in accordance with the laws, regulations, or the business requirements. Any further remaining profits plus unappropriated earnings shall be distributed in accordance with the proposal submitted by the Board, for approval at a Shareholders' Meeting.
- Article 31-1**    The Company adopts a dividend distribution policy whereby only surplus profits of the Company shall be distributed to shareholders. That is, only the surplus profits, after

setting aside amounts for retained earnings based on the Company's capital budget plan, shall be distributed as cash dividend. The value of stock dividend in a particular year shall not be more than 80% of the value of dividend distributed for that year. The amount of the distributable dividend, the forms in which dividend shall be distributed and the ratios thereto, shall depend on the actual profits and cash positions of the Company and shall be approved by resolutions of the Board, who shall, upon such approval, recommend the same to the shareholders for approval by resolution at the Shareholders' Meetings.

**Article 32** The internal organization and the detailed procedures relevant to the business operation of the Company shall be separately determined by the Board.

**Article 33** Matters not specifically provided for in these Articles of Incorporation shall be governed by the Company Act and any other relevant laws.

**Article 34** The Articles of Incorporation were agreed to and signed on January 30, 1997.

The first amendment was made on February 18, 1997.

The second amendment was made on February 22, 1997.

The third amendment was made on April 2, 1997.

The fourth amendment was made on August 30, 1997.

The fifth amendment was made on December 12, 1997.

The sixth amendment was made on March 21, 1998.

The seventh amendment was made on June 23, 1998.

The eighth amendment was made on February 3, 1999.

The ninth amendment was made on June 22, 1999.

The tenth amendment was made on March 6, 2000.

The eleventh amendment was made on March 30, 2001.

The twelfth amendment was made on March 30, 2001.

The thirteenth amendment was made on April 26, 2002.

The fourteenth amendment was made on June 25, 2003.

The fifteenth amendment was made on June 15, 2004.

The sixteenth amendment was made on June 14, 2005.

The seventeenth amendment was made on June 15, 2006.

The eighteenth amendment was made on June 15, 2007, except for the Article 7-2, which shall be effective on January 1, 2008

The nineteenth amendment was made on June 13, 2008.

The twentieth amendment was made on June 19, 2009.

The twenty-first amendment was made on June 15, 2011.

The twenty-second amendment was made on June 22, 2012.

The twenty-third amendment was made on June 21, 2013.

The twenty-fourth amendment was made on 12, June 2014.

The twenty-fifth amendment was made on 15, June 2016.

The twenty-sixth amendment was made on 14, June 2017.

The twenty-seventh amendment was made on 12 June 2018.

The twenty- eighth amendment was made on 12 June 2019.

The twenty- ninth amendment was made on 18 June 2020.

The thirtieth amendment was made on 20 August 2021.

The thirty-first amendment was made on 23 June 2022.

The thirty-second amendment was made on 21 June 2024.  
The thirty-third amendment was made on 29 May 2025.