



台灣大哥大
Taiwan Mobile

Taiwan Mobile Co., Ltd. 2Q21 Results Summary

August 5th 2021



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Business Overview



2Q21 Highlights

Telecom EBITDA
turned YoY positive



Robust e-commerce
momentum



Solid revenue growth
despite WFH



Consolidated
EBITDA

+10%
YoY
2Q21



5G Mobile Business – Growth Engine #1

2Q21 results



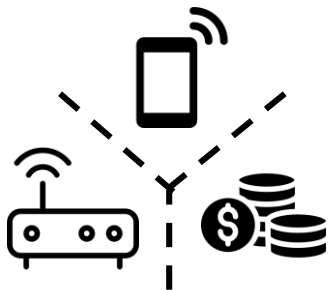
Service Adoption

Postpaid
Penetration



5G Upselling

Smartphone
Postpaid ARPU
turned YoY positive

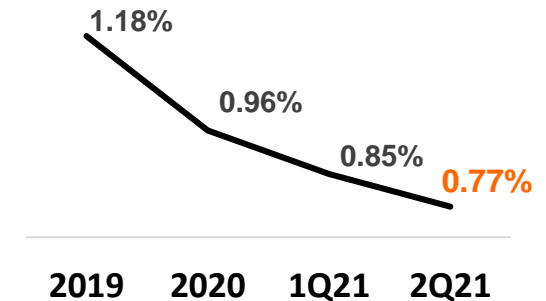


Differentiated Bundles

Double
Play & momobile

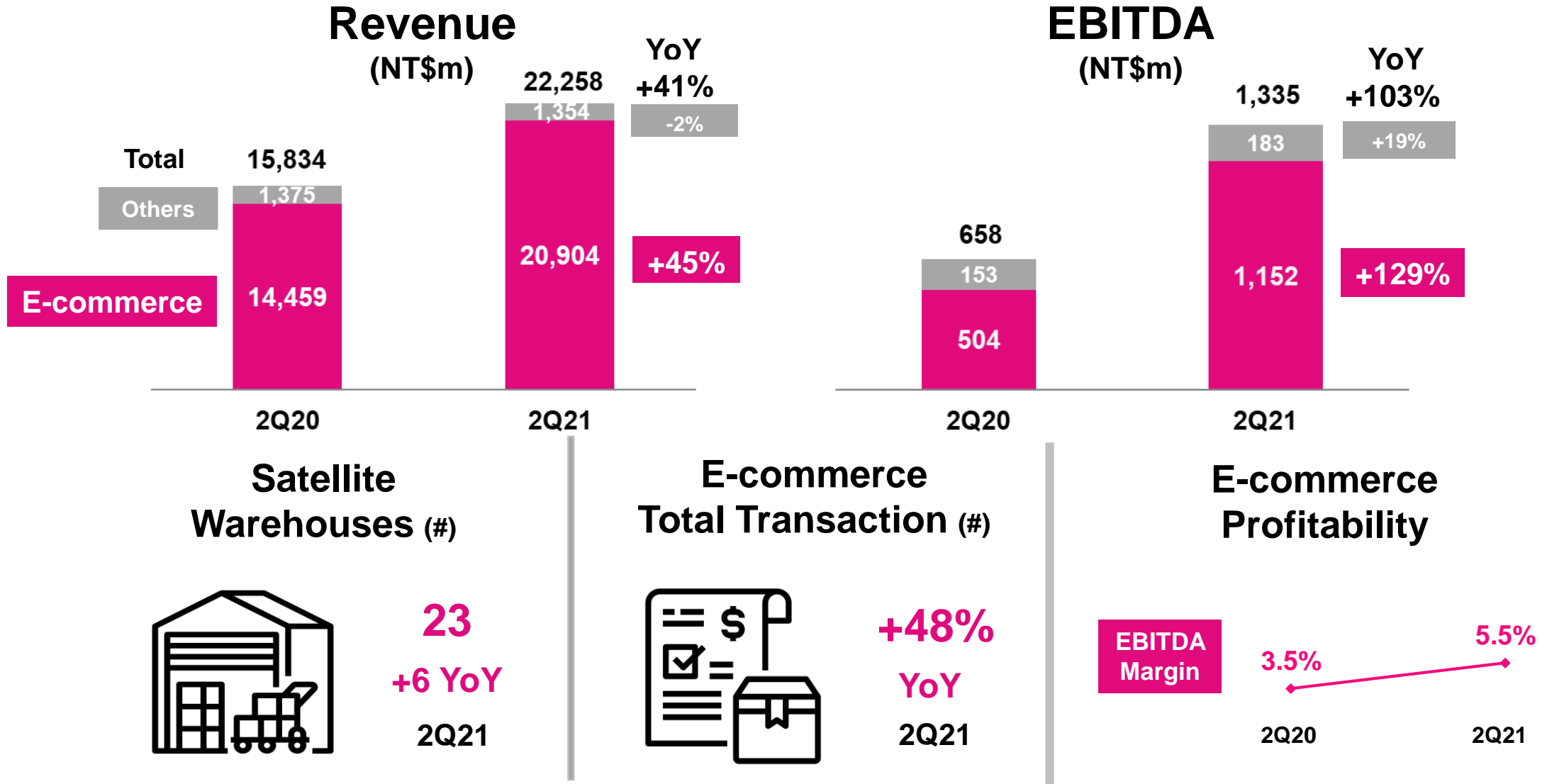


Postpaid Churn





momo – Growth Engine #2





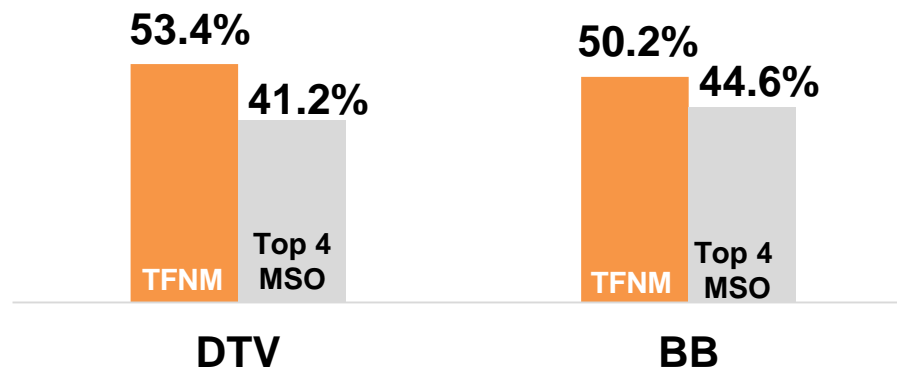
Broadband – Growth Engine #3

2Q21 Basic TV Subscribers

| ('000) | Subscribers | YoY |
|-----------|-------------|-------|
| TFNM | 542 | -1.7% |
| Top 4 MSO | 3,409 | -2.6% |

Source: Market intelligence

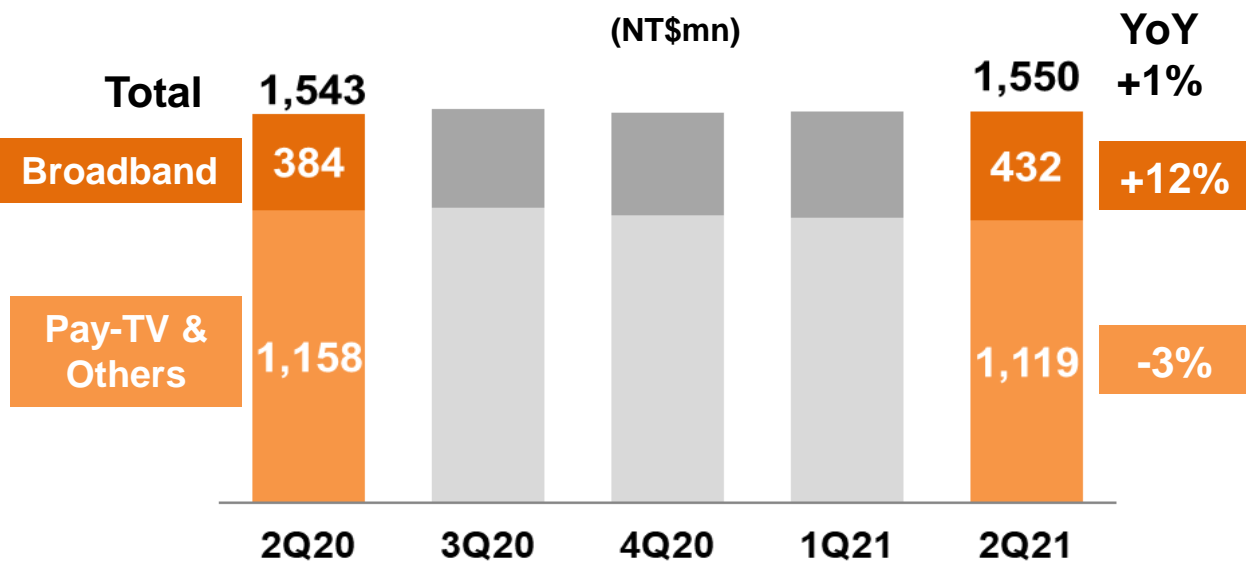
2Q21 Penetration Rate



Source: Market intelligence

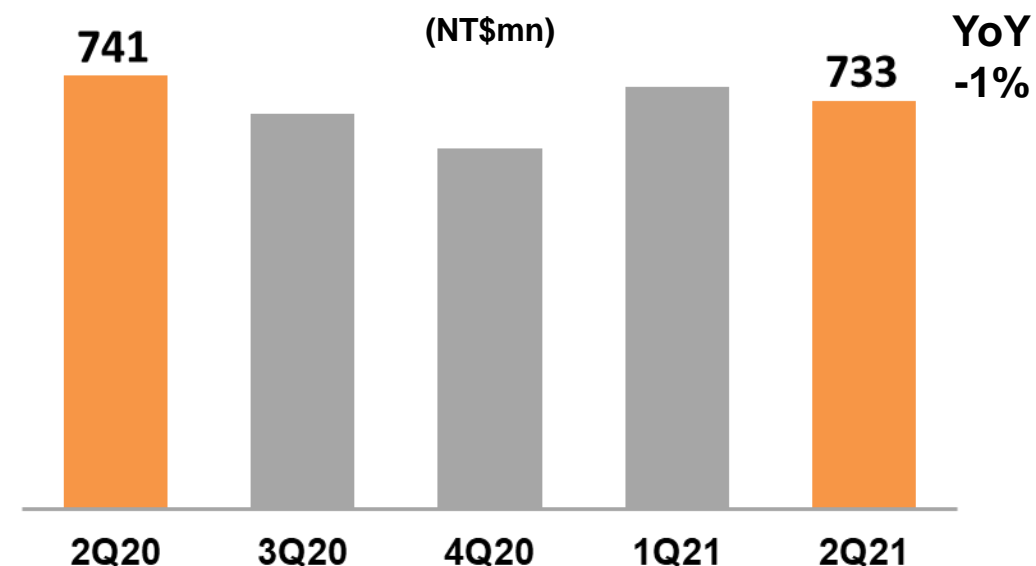
Revenue

(NT\$m)



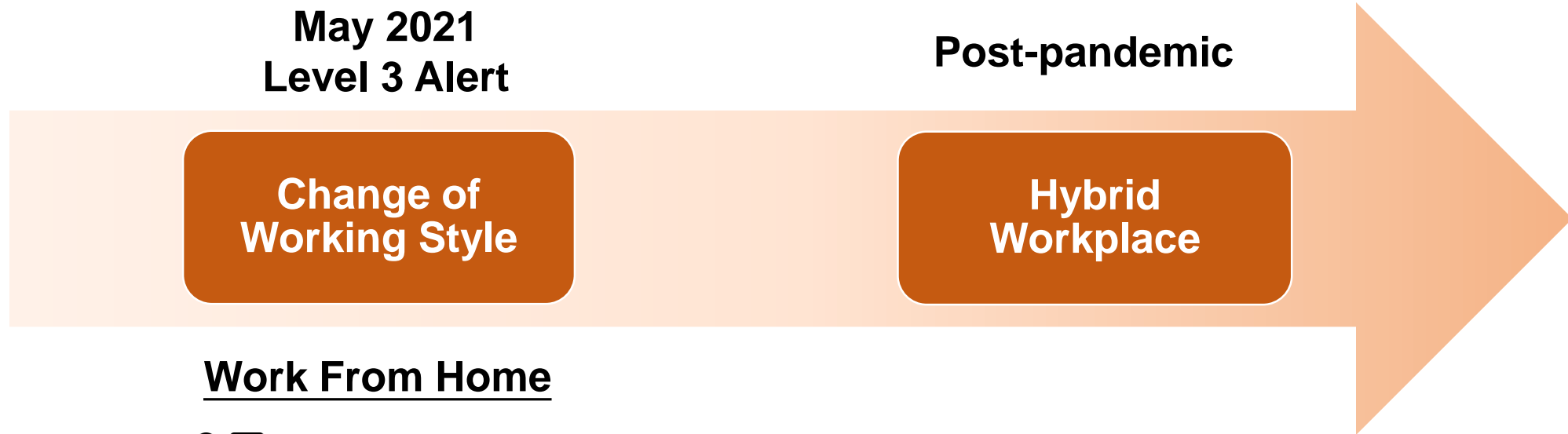
EBITDA

(NT\$m)





Accelerated Transformation amid COVID-19



Work From Home



Back office and Northern Taiwan customer service
>90%

Store Traffic



Decreased initially but
Stabilized in June

New Work Model

- WFH to continue
- Shared Workspace
- Virtual Channels



Financial Overview



Performance by Business

| NT\$bn | Revenue | | | | EBITDA | | | |
|------------|---------|------|-------|--------------------|---------|-------|--------|--------------------|
| | Telecom | CATV | momo | Total ¹ | Telecom | CATV | momo | Total ¹ |
| 2Q21 | 15.06 | 1.55 | 22.26 | 38.42 | 6.28 | 0.73 | 1.34 | 8.49 |
| % of total | 39% | 4% | 58% | 100% | 74% | 9% | 16% | 100% |
| 2Q21 YoY | 4.9% | 0.5% | 40.6% | 22.6% | 1.5% | -1.1% | 103.0% | 10.1% |
| 1Q21 YoY | 1.8% | 0.6% | 21.6% | 10.9% | -9.1% | -0.4% | 42.6% | -3.1% |

1. The sum of each account of telecom, CATV and momo does not equal to the consolidated total number due to other revenue and inter company eliminations.



Results Summary

| NT\$bn | 2Q21 | | |
|-------------------------|---------|-----|-------|
| | Amount | QoQ | YoY |
| Revenues | 38.42 | 9% | 23% |
| Cash Cost & Expense | (29.93) | 9% | 27% |
| Operating Income | 4.26 | 17% | 3% |
| Non-op. Income (Exp.) | (0.14) | nm | 2741% |
| Pre-tax Income | 4.12 | 13% | 0% |
| Net Income | 2.84 | 0% | -7% |
| EPS ¹ (NT\$) | 1.01 | 0% | -6% |
| EBITDA | 8.49 | 8% | 10% |

1. EPS is based on share count of 2.814bn in 2Q21



Balance Sheet Analysis

| NT\$bn | 2Q21 | 1Q21 | 2Q20 |
|---------------------------------------|---------------|---------------|---------------|
| Total Assets | 188.93 | 185.00 | 177.39 |
| Current Assets | 35.79 | 31.69 | 30.27 |
| - Cash & Cash Equivalents | 15.75 | 11.36 | 8.24 |
| - Receivable & Contract Assets | 14.28 | 13.97 | 13.77 |
| - Inventories | 3.92 | 4.66 | 3.72 |
| - Other Current Assets | 1.83 | 1.70 | 4.54 |
| Non-current Assets | 153.14 | 153.31 | 147.12 |
| - Long-term Investment | 4.61 | 4.05 | 3.57 |
| - Property and Equipment | 46.36 | 46.32 | 38.55 |
| - Right-of-use Assets | 9.39 | 9.42 | 9.21 |
| - Concession | 62.65 | 63.73 | 66.96 |
| - Other Non-current & Contract Assets | 30.13 | 29.80 | 28.84 |
| | 2Q21 | 1Q21 | 2Q20 |
| Current Ratio | 52% | 57% | 50% |
| Net Debt to Equity | 78% | 76% | 81% |
| Net Debt to EBITDA (x) | 1.62 | 1.83 | 1.68 |
| ROE¹ (annualized) | 16% | 15% | 18% |

| NT\$bn | 2Q21 | 1Q21 | 2Q20 |
|---|---------------|---------------|---------------|
| Liabilities | 122.63 | 109.61 | 110.89 |
| Current Liabilities | 68.35 | 55.35 | 60.18 |
| - ST Debts | 24.14 | 25.13 | 21.69 |
| - Accounts & Notes Payable | 11.64 | 8.48 | 8.35 |
| - Current Lease Liabilities | 3.65 | 3.64 | 3.53 |
| - Other Current Liabilities | 28.93 | 18.10 | 26.61 |
| Non-current Liabilities | 54.28 | 54.26 | 50.71 |
| - Long-term Borrowings | 43.65 | 43.70 | 40.37 |
| - Non-current Lease Liabilities | 5.77 | 5.79 | 5.68 |
| - Other Non-current Liabilities | 4.85 | 4.77 | 4.66 |
| Shareholders' Equity | 66.30 | 75.39 | 66.50 |
| Paid-in Capital | 35.12 | 35.12 | 35.09 |
| Capital Surplus | 16.34 | 18.91 | 18.68 |
| Legal Reserve | 31.50 | 30.17 | 30.17 |
| Treasury Shares | (29.72) | (29.72) | (29.72) |
| Un-appropriated Earnings | 0.00 | 0.00 | 0.00 |
| Non-controlling Interest | 6.77 | 7.04 | 6.02 |
| Retained Earnings & Others ² | 6.28 | 13.85 | 6.24 |

1. ROE = Accumulated Net Income (Annualized) / Average Shareholders' Equity

2. Including accumulated profits and other equity items.



Cash Flow Analysis

| NT\$bn | 2Q21 | 1Q21 | 2Q20 |
|-----------|--------|--------|--------|
| Operating | 10.03 | 6.00 | 7.47 |
| Investing | (3.40) | (2.33) | (1.54) |
| Financing | (2.23) | (3.08) | (6.79) |

| NT\$bn | 2Q21 | 1Q21 | 2Q20 |
|------------------------------------|--------|--------|--------|
| Pre-IFRS 16 Operating ¹ | 9.03 | 4.95 | 6.50 |
| Cash CAPEX ² | (3.39) | (2.93) | (1.90) |
| Free Cash Flow ² | 5.65 | 2.01 | 4.60 |

1. "Lease expenses" previously under operating activities was reclassified into financing cash flow and investing cash flow (to a lesser extent) in accordance with IFRS 16 in 2019.

2. Excluding 5G License Fees



Event Updates



Awards and Recognitions

- The first telecom service provider in Taiwan to reach 50% 5G population coverage, certified by the National Communications Commission (NCC).
- Honored *with Global Views Monthly's* “ESG Comprehensive performance – Telecom Industry” award for 3 consecutive years and received the 2021 “Model Award” in the Education Promotion category.
- Ranked among the top 5% of listed companies in the “Corporate Governance Evaluation” conducted by the Taiwan Stock Exchange and Taipei Exchange for 7 years in a row.
- A constituent of *Taiwan Index Plus Corporation's* “FTSE4GOOD TIP Taiwan ESG Index” for 4 consecutive years.
- Ranked Top 10 in the “Greater China Business Sustainable Index” by *The Chinese University of Hong Kong (CUHK) Business School's Centre for Business Sustainability (CBS)* and *National Chengchi University (NCCU) College of Commerce Sinyi School*.



Key Message

We have weathered through telecom EBITDA compression and restored its YoY growth in 2Q21, while accelerating momo's EBITDA upswing. This turnaround in our operations shows our strategic resilience amid the pandemic. The societal shift to “everything from home”, where the world increasingly relies on digital connectivity for work, education and more will lay the foundation for our continuous expansions going forward. In this new normal, our accelerated transformation into a regional tech+telco group will position us for even faster growth while creating further long-term value for shareholders.



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