



台灣大哥大
Taiwan Mobile

Taiwan Mobile Co., Ltd. 2Q22 Results Summary

August 5th 2022



Disclaimer

The information contained in this presentation, including all forward-looking information, is subject to change without notice, whether as a result of new information, future events or otherwise, and Taiwan Mobile Co., Ltd. (or hereafter the “Company”) undertakes no obligation to update or revise the information contained in this presentation. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein, nor is the information intended to be a complete statement of the Company, markets or developments referred to in this presentation.



Business Overview



2Q22 Highlights

Solid topline expansions across all 3 core engines

5G

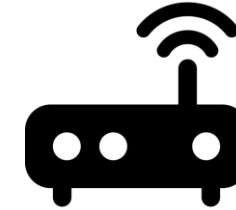
Mobile Service Revenue*

+3% YoY



E-commerce

+14% YoY



Home Broadband

+11% YoY

Bottom line growth driven mainly by telecom

**Consolidated
EBITDA**

+3% YoY

Net Income +5% YoY

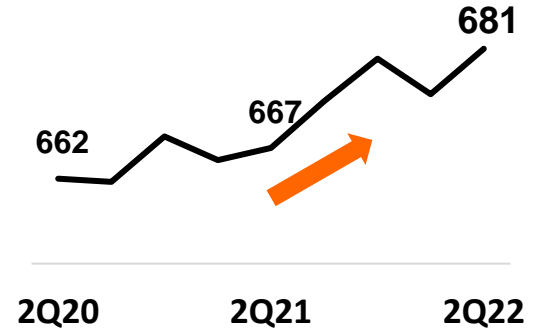
*Mobile service revenue based on post-IFRS 15 numbers



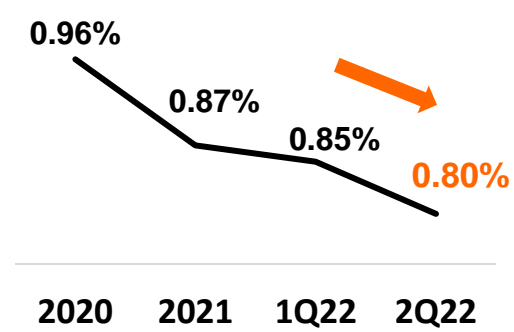
Mobile – Growth Engine #1

2Q22 results

Smartphone ARPU



Postpaid Churn

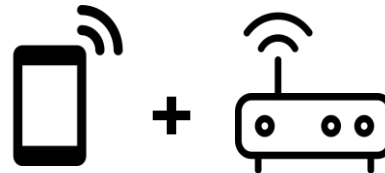


Upselling via Unique Bundles

momobile



Double Play



Disney+





Potential 5G Benefits post Merger

5G mMIMO Implementation Cost Comparison

Same equipment

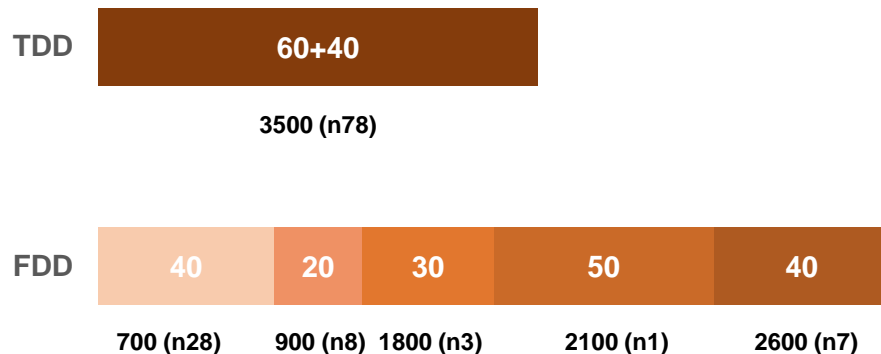


Lower Cost - Existing Equipment Support

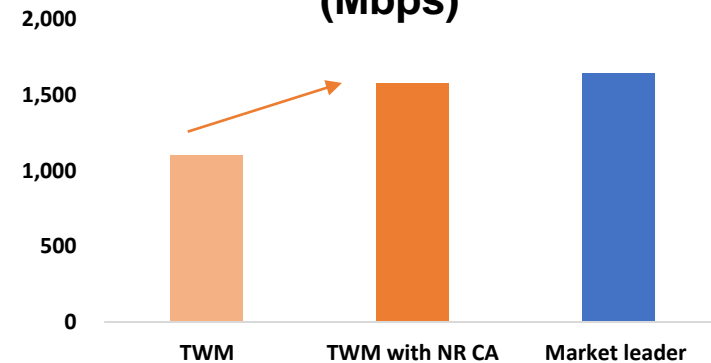


Higher Cost - New Equipment Required

Sub-6G Spectrum for 5G use (MHz)



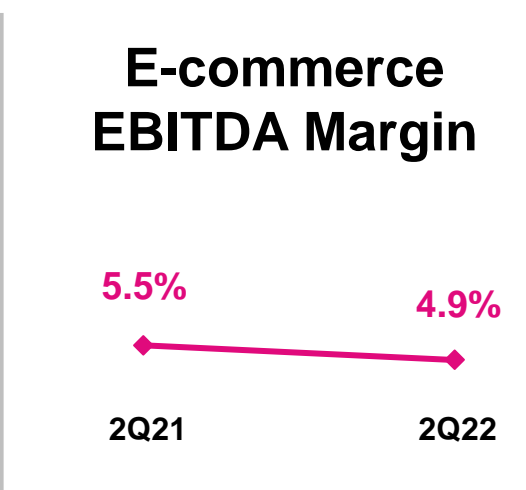
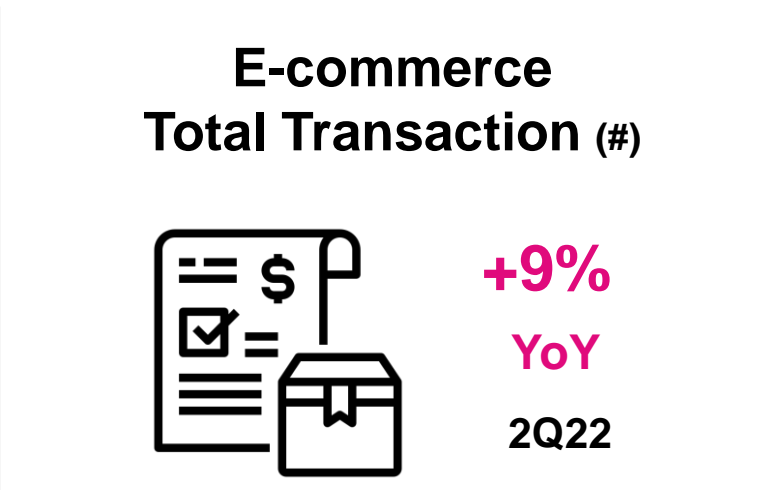
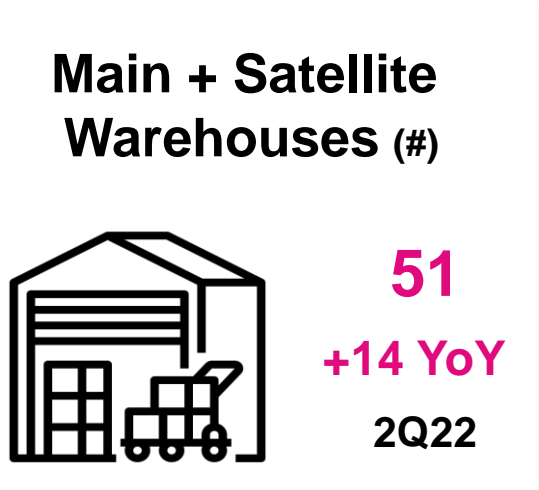
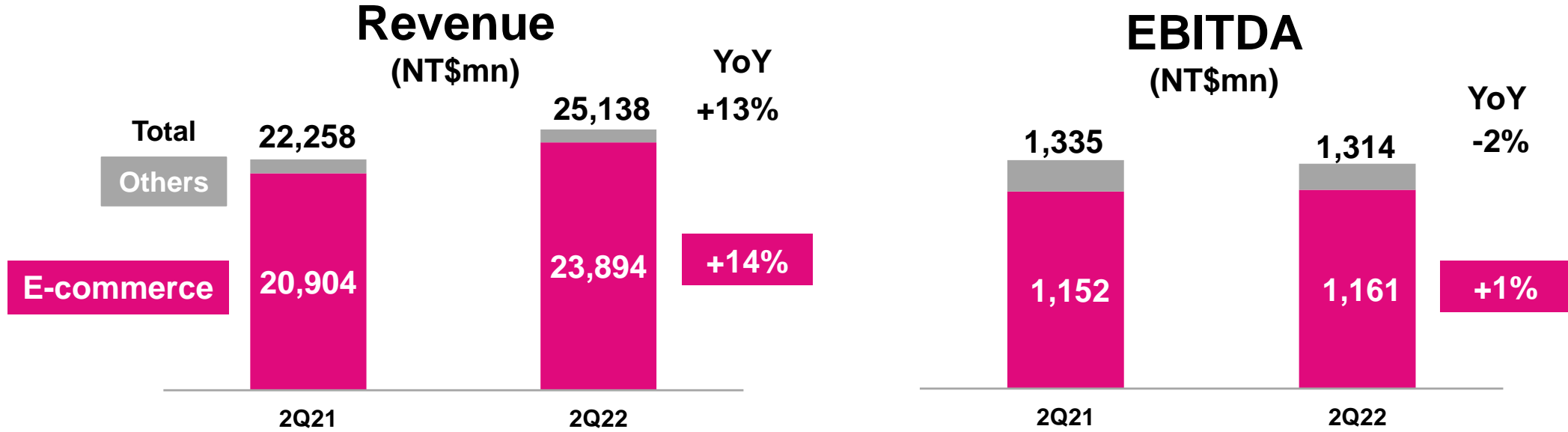
5G Speed Improvement with New Radio Carrier Aggregation (Mbps)



Note: Based on 3GPP 38.101-3v17.6 spec., real capability depends on UE roadmap



momo – Growth Engine #2





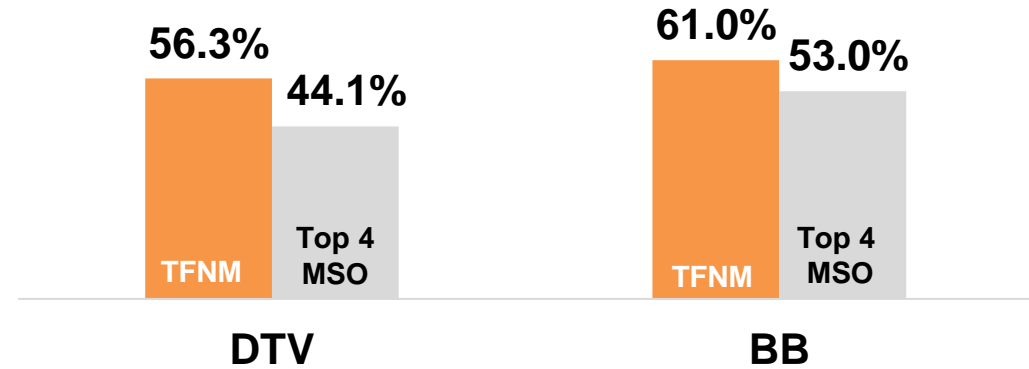
Broadband – Growth Engine #3

2Q22 Basic TV Subscribers

| ('000) | Subscribers | YoY |
|-----------|-------------|-------|
| TFNM | 532 | -1.8% |
| Top 4 MSO | 3,335 | -2.2% |

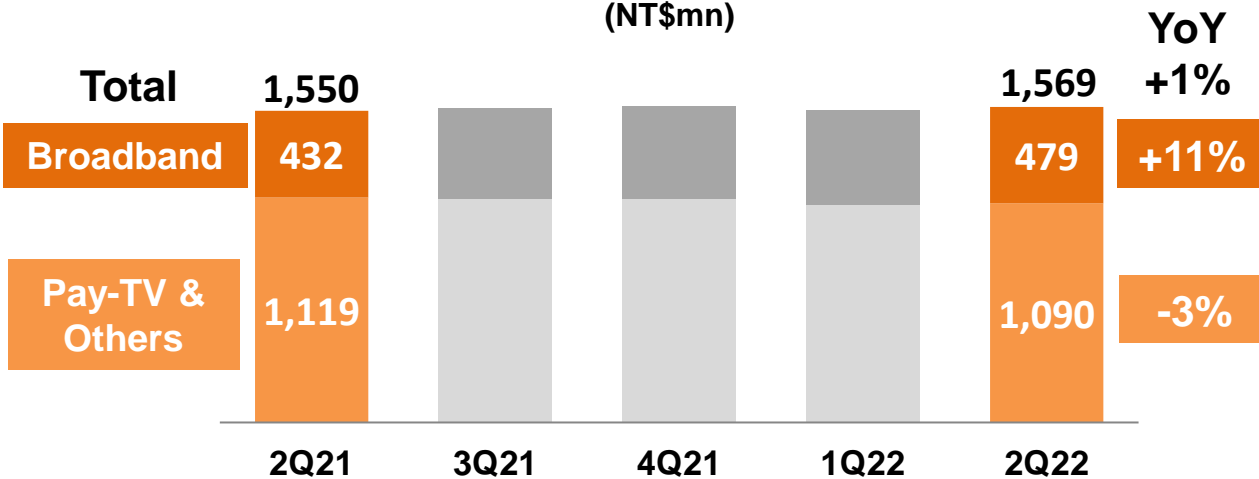
Source: Market intelligence

2Q22 Penetration Rate

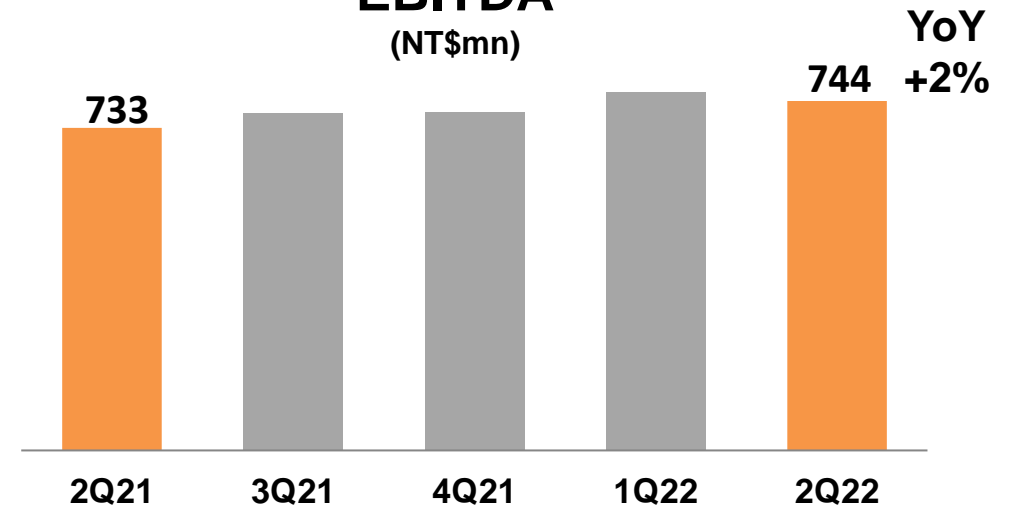


Source: Market intelligence

Revenue (NT\$m)



EBITDA (NT\$m)





Financial Overview



Performance by Business

| NT\$bn | Revenue | | | | EBITDA | | | |
|------------|---------|-------|------|--------------------|---------|------|------|--------------------|
| | Telecom | momo | CATV | Total ¹ | Telecom | momo | CATV | Total ¹ |
| 2Q22 | 15.36 | 25.14 | 1.57 | 41.35 | 6.61 | 1.31 | 0.74 | 8.79 |
| % of total | 37% | 61% | 4% | 100% | 75% | 15% | 8% | 100% |
| 2Q22 YoY | 2% | 13% | 1% | 8% | 5% | -2% | 2% | 3% |
| 1Q22 YoY | 0% | 25% | 0% | 13% | 6% | 21% | 1% | 8% |

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 | 2Q22 | | | 1H22 | |
|-------------------------|---------|-----|------|---------|-----|
| | Amount | QoQ | YoY | Amount | YoY |
| Revenues | 41.35 | 4% | 8% | 81.14 | 10% |
| Cash Cost & Expense | (32.56) | 4% | 9% | (63.90) | 11% |
| Operating Income | 4.39 | 7% | 3% | 8.49 | 8% |
| Non-op. Income (Exp.) | (0.12) | 1% | -12% | (0.24) | 87% |
| Pre-tax Income | 4.27 | 7% | 4% | 8.25 | 6% |
| Net Income | 2.99 | 10% | 5% | 5.72 | 1% |
| EPS ¹ (NT\$) | 1.06 | 9% | 5% | 2.03 | 0% |
| EBITDA | 8.79 | 4% | 3% | 17.24 | 5% |

1. EPS is based on share count of 2.820bn in 2Q22



Balance Sheet Analysis

| NT\$bn | 2Q22 | 1Q22 | 2Q21 |
|---------------------------------------|---------------|---------------|---------------|
| Total Assets | 191.30 | 189.42 | 188.93 |
| Current Assets | 38.95 | 37.42 | 35.79 |
| - Cash & Cash Equivalents | 15.28 | 14.65 | 15.75 |
| - Receivable & Contract Assets | 16.00 | 14.91 | 14.28 |
| - Inventories | 5.60 | 6.02 | 3.92 |
| - Other Current Assets | 2.08 | 1.84 | 1.83 |
| Non-current Assets | 152.34 | 152.00 | 153.14 |
| - Long-term Investment | 6.08 | 6.41 | 4.61 |
| - Property, Plant and Equipment | 47.14 | 45.79 | 46.36 |
| - Right-of-use Assets | 9.98 | 9.30 | 9.39 |
| - Concession | 58.34 | 59.41 | 62.65 |
| - Other Non-current & Contract Assets | 30.81 | 31.09 | 30.13 |
| | 2Q22 | 1Q22 | 2Q21 |
| Current Ratio | 55% | 68% | 52% |
| Net Debt to Equity | 79% | 70% | 78% |
| Net Debt to EBITDA (x) | 1.49 | 1.56 | 1.62 |
| ROE¹ (annualized) | 16% | 15% | 16% |

| NT\$bn | 2Q22 | 1Q22 | 2Q21 |
|---|---------------|---------------|---------------|
| Liabilities | 125.35 | 113.08 | 122.63 |
| Current Liabilities | 71.16 | 54.89 | 68.35 |
| - ST Debts | 25.67 | 22.34 | 24.14 |
| - Accounts & Notes Payable | 12.43 | 11.54 | 11.64 |
| - Current Lease Liabilities | 3.72 | 3.63 | 3.65 |
| - Other Current Liabilities | 29.33 | 17.38 | 28.93 |
| Non-current Liabilities | 54.20 | 58.19 | 54.28 |
| - Long-term Borrowings | 41.43 | 45.98 | 43.65 |
| - Non-current Lease Liabilities | 6.31 | 5.68 | 5.77 |
| - Other Non-current Liabilities | 6.45 | 6.53 | 4.85 |
| Shareholders' Equity | 65.95 | 76.34 | 66.30 |
| Paid-in Capital | 35.19 | 35.19 | 35.12 |
| Capital Surplus | 15.33 | 16.90 | 16.34 |
| Legal Reserve | 32.60 | 31.50 | 31.50 |
| Treasury Shares | (29.72) | (29.72) | (29.72) |
| Un-appropriated Earnings | 0.00 | 0.00 | 0.00 |
| Non-controlling Interest | 7.38 | 8.22 | 6.77 |
| Retained Earnings & Others ² | 5.16 | 14.24 | 6.28 |

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

2. Including accumulated profits and other equity items.



Cash Flow Analysis

| NT\$bn | 2Q22 | 1Q22 | 2Q21 |
|------------------|---------------|---------------|---------------|
| Operating | 7.73 | 6.62 | 10.03 |
| Investing | (4.67) | (3.02) | (3.40) |
| Financing | (2.44) | (4.35) | (2.23) |

| NT\$bn | 2Q22 | 1Q22 | 2Q21 |
|--|---------------|---------------|---------------|
| Pre-IFRS 16 Operating¹ | 6.70 | 5.55 | 9.03 |
| Cash CAPEX | (3.73) | (2.30) | (3.39) |
| Free Cash Flow | 2.97 | 3.25 | 5.65 |

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.



Event Updates



Awards and Recognitions

- **Ranked No.1 by Institutional Investor in Asia (ex-China) telecommunications sector and recognized as a “Most Honored Company”; won the “Best CEO” and “Best CFO” awards and ranked in the top 3 for “Best IR Program,” “Best IR Professional” and “Best ESG.”**
- **Selected for Global Views Monthly Magazine’s 2022 ESG Awards “Annual Honor Roll” and won the “Excellent Project: Human Resource Development Award.”**
- **Ranked in the top 5% in the “Corporate Governance Evaluation” conducted by the Taiwan Stock Exchange and Taipei Exchange for the 8th consecutive year; placed in the top 10% of electronic companies with market values of over 10 billion, for the 4th time.**



Key Message

As our growth engines, including 5G, momo and momobile, as well as home broadband and Double Play, continue to generate thrust, we have delivered steady growth and healthy returns to our shareholders. Post T-Star merger, we expect to leverage our advantages in spectrum holdings, equipment synergy, as well as system design and optimization, to deliver first-rate, if not superior, performance in 1) overall sub-6G 4G/5G experience, 2) 5G massive MIMO deployment, and 3) 5G peak speed.



台灣大哥大
Taiwan Mobile

