



台灣大哥大  
Taiwan Mobile

# Taiwan Mobile Co., Ltd. 3Q23 Results Summary

Nov 15<sup>th</sup> 2023



# Disclaimer

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# Business Overview



# 3Q23 Highlights

Solid top-line expansions across all 3 core sectors

**5G**

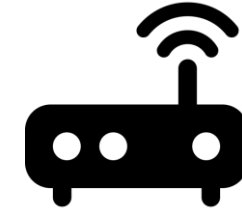
Mobile Service Revenue

**+7% YoY**



E-commerce

**+7% YoY**



Home Broadband Subs

**+5% YoY**

**Consolidated  
EBITDA**

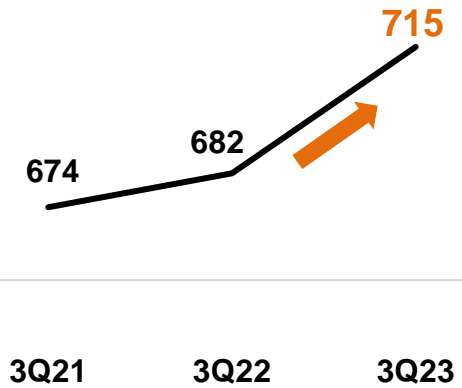
**+4% YoY**



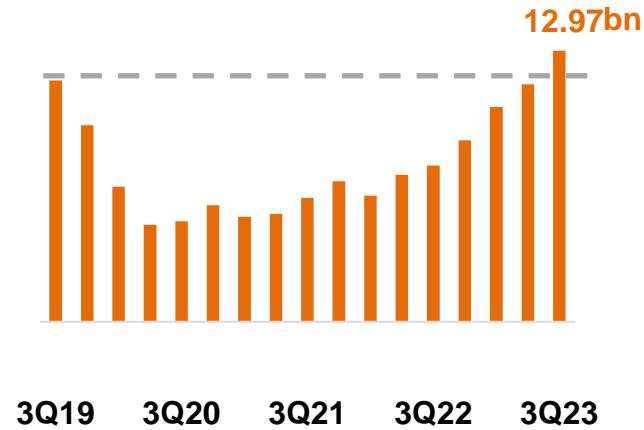
# Mobile – Growth Engine #1

## 3Q23 results

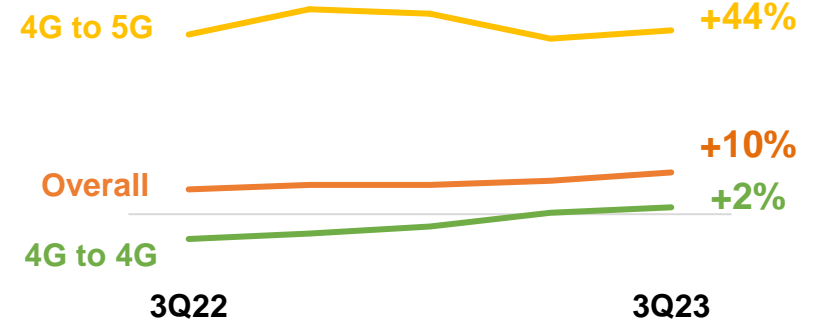
### Smartphone ARPU



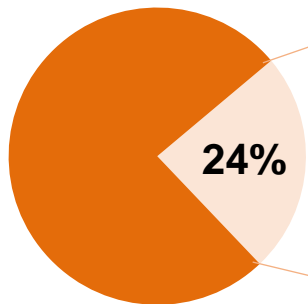
### Mobile Service Revenue



### Monthly fee uplift from renewals



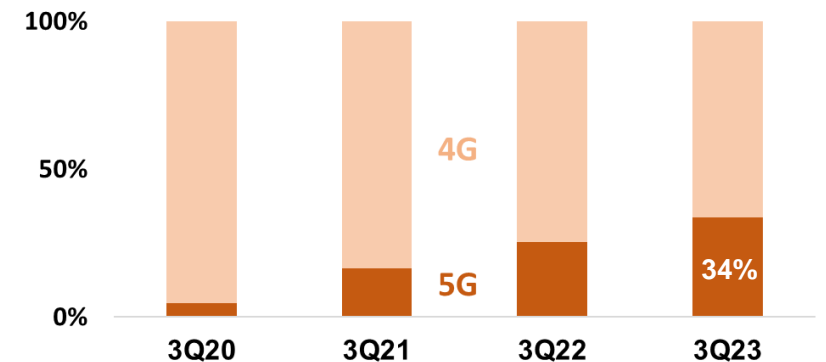
### Smartphone Postpaid Users



**Unique bundles**

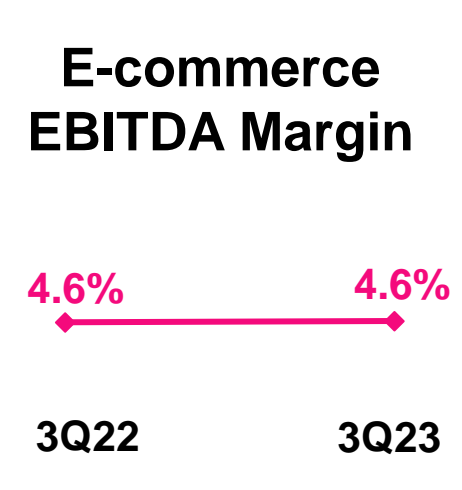
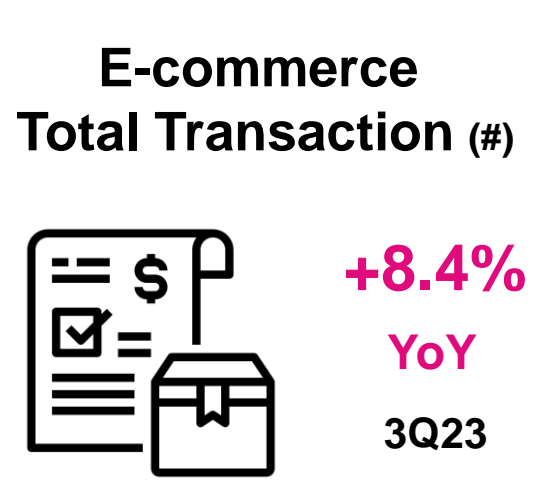
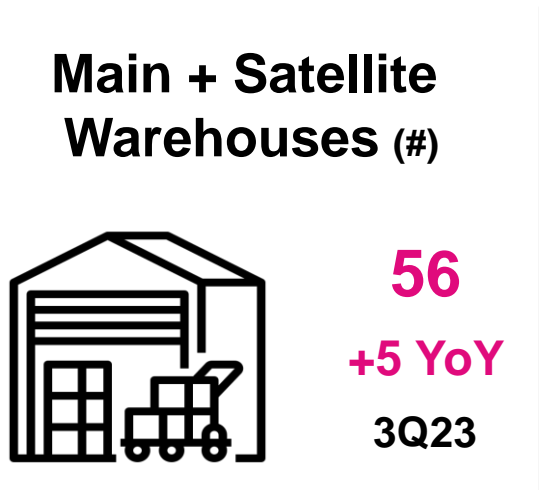
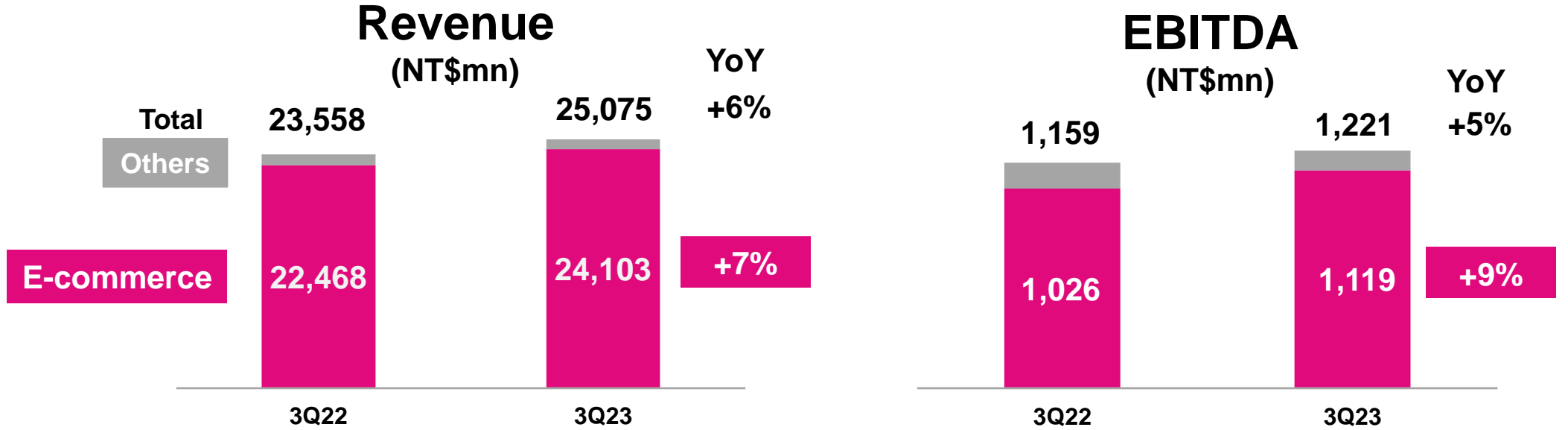
- momobile (Icon: Money)
- Double Play (Icon: Phone + Router)
- Disney+ (Icon: Clapperboard)
- OP Life (Icon: TV)

### 5G: steady pace of smartphone subs penetration with a long runway ahead





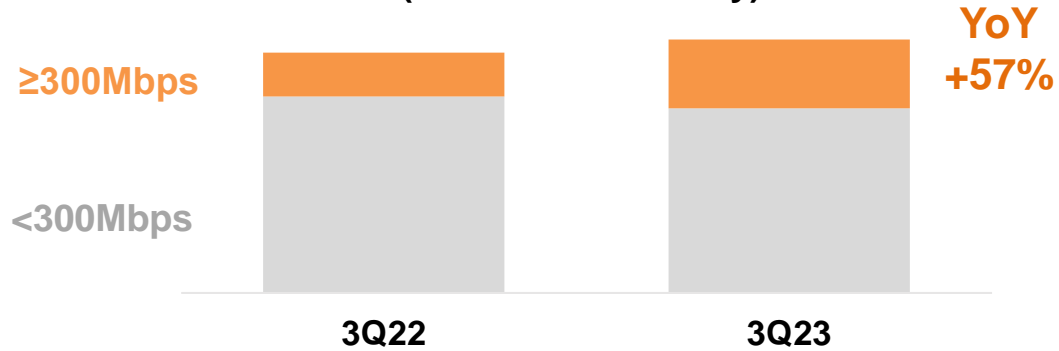
# momo – Growth Engine #2





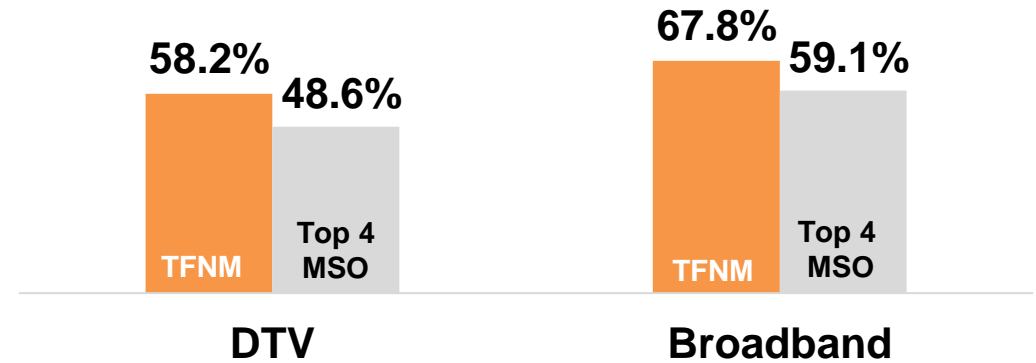
# Broadband – Growth Engine #3

## Cable Broadband Subscriber (TFNM+Double Play)



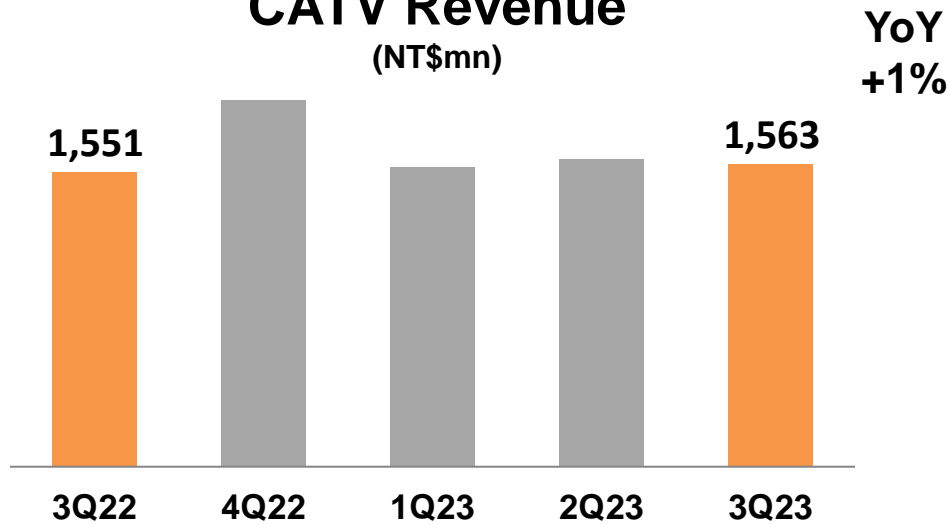
Source: Market intelligence

## 3Q23 Penetration Rate



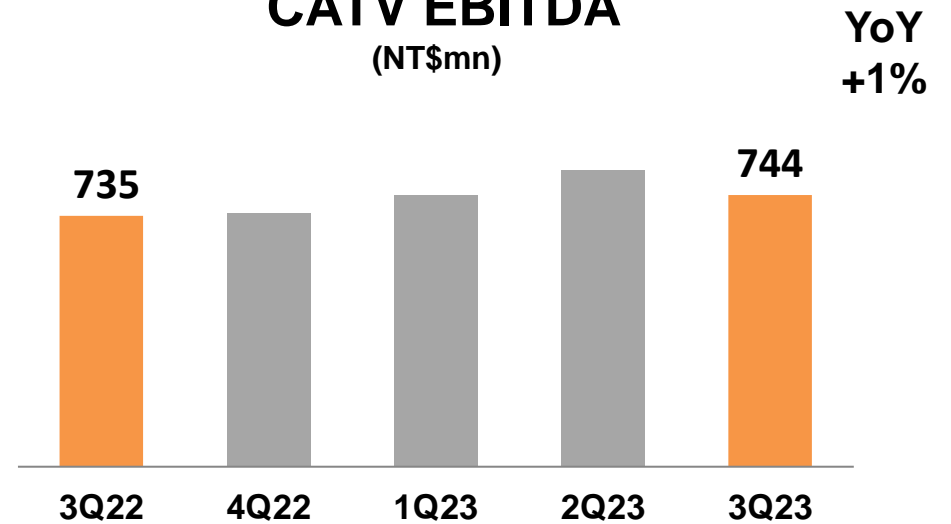
Source: Market intelligence

## CATV Revenue (NT\$m)



YoY +1%

## CATV EBITDA (NT\$m)



YoY +1%



# Financial Overview





# Performance by Business

NT\$bn	Revenue				EBITDA			
	Telecom	momo	CATV	Total <sup>1</sup>	Telecom	momo	CATV	Total <sup>1</sup>
3Q23	17.22	25.07	1.56	43.19	6.69	1.22	0.74	8.75
% of total	40%	58%	4%	100%	76%	14%	9%	100%
3Q23 YoY	8%	6%	1%	7%	4%	5%	1%	4%
2Q23 YoY	7%	4%	0%	5%	2%	-2%	1%	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	3Q23			1~3Q23	
	Amount	QoQ	YoY	Amount	YoY
Revenues	43.19	-1%	7%	129.75	7%
Cash Cost & Expense	(34.44)	-1%	8%	(103.41)	8%
Operating Income	4.30	-4%	5%	13.07	4%
Non-op. Income (Exp.)	(0.16)	21%	nm	(0.53)	128%
Pre-tax Income	4.13	-5%	1%	12.54	2%
Net Income	2.94	-3%	3%	8.69	2%
EPS <sup>1</sup> (NT\$)	1.04	-4%	4%	3.08	2%
EBITDA	8.75	-2%	4%	26.34	3%

1. EPS is based on share count of 2.820bn in 3Q23



# Balance Sheet Analysis

NT\$bn	3Q23	2Q23	3Q22
<b>Total Assets</b>	<b>187.56</b>	<b>186.39</b>	<b>189.03</b>
Current Assets	37.95	36.29	36.43
- Cash & Cash Equivalents	11.02	11.23	11.79
- Receivable & Contract Assets	17.30	16.56	15.23
- Inventories	7.44	6.63	7.45
- Other Current Assets	2.20	1.86	1.96
Non-current Assets	149.61	150.11	152.60
- Long-term Investment	7.61	8.38	7.15
- Property, Plant and Equipment	45.93	46.54	47.00
- Right-of-use Assets	10.95	9.72	10.22
- Concession	52.94	54.02	57.26
- Other Non-current & Contract Assets	32.18	31.44	30.98
	<b>3Q23</b>	<b>2Q23</b>	<b>3Q22</b>
<b>Current Ratio</b>	63%	57%	56%
<b>Net Debt to Equity</b>	88%	79%	88%
<b>Net Debt to EBITDA (x)</b>	1.71	1.47	1.77
<b>ROE<sup>1</sup> (annualized)</b>	16%	17%	16%

NT\$bn	3Q23	2Q23	3Q22
<b>Liabilities</b>	<b>118.97</b>	<b>120.51</b>	<b>119.73</b>
Current Liabilities	60.56	63.15	64.77
- ST Debts	27.02	18.55	31.72
- Accounts & Notes Payable	14.16	12.87	13.97
- Current Lease Liabilities	3.81	3.64	3.74
- Other Current Liabilities	15.58	28.10	15.33
Non-current Liabilities	58.41	57.36	54.96
- Long-term Borrowings	44.55	44.66	41.35
- Non-current Lease Liabilities	7.16	6.08	6.51
- Other Non-current Liabilities	6.71	6.61	7.09
<b>Shareholders' Equity</b>	<b>68.59</b>	<b>65.89</b>	<b>69.31</b>
Paid-in Capital	35.19	35.19	35.19
Capital Surplus	13.11	13.11	15.32
Legal Reserve	33.50	33.50	32.60
Treasury Shares	(29.72)	(29.72)	(29.72)
Un-appropriated Earnings	0.00	0.00	0.00
Non-controlling Interest	7.90	7.49	7.81
Retained Earnings & Others <sup>2</sup>	8.60	6.32	8.09

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

2. Including accumulated profits and other equity items.



# Cash Flow Analysis

NT\$bn	3Q23	2Q23	3Q22
Operating	7.85	8.71	7.03
Investing	(2.91)	(2.06)	(1.89)
Financing	(4.99)	(9.67)	(8.62)

NT\$bn	3Q23	2Q23	3Q22
Pre-IFRS 16 Operating <sup>1</sup>	6.78	7.65	5.94
Cash CAPEX	(2.17)	(2.12)	(1.81)
Free Cash Flow	4.61	5.52	4.13

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



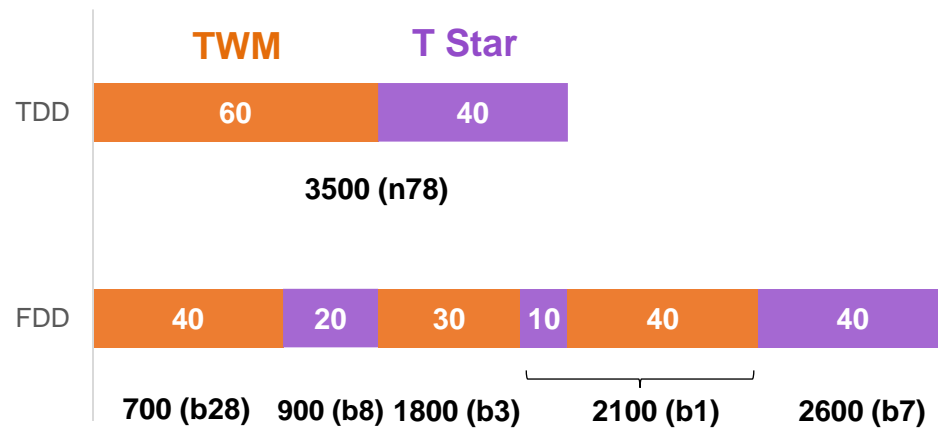
# TWM - TST Merger Update

- **The Fair Trade Commission conditionally approved the merger of Taiwan Star into Taiwan Mobile on October 11<sup>th</sup>, 2023.**
- **NCC had previously granted conditional approval on January 18<sup>th</sup>, 2023.**
- **Currently at the final phase of issuing new shares to TST shareholders (204mn shares in total).**
- **As announced on November 8<sup>th</sup>, the effective date of the merger is set for December 1<sup>st</sup>, 2023.**



# Post-Merger Network Consolidation

## Combined Sub 6GHz Spectrum Holdings (MHz)



## Areas of Savings

Electricity: shutting down TST's 3G network and part of TST's 4G equipment

Rental: removal of TST's 4G sites

Capex: inclusion of TST's 5G equipment

Other opex: leased lines etc.



# Awards and ESG Recognitions



**1<sup>st</sup> & only**

telecom company in Asia to have its 1.5°C-aligned science-based targets to reach **Net Zero by 2050** validated by SBTi.



**#2**

**Climate Leaders** in the Asia Pacific region & the only Taiwan telecom company



**#3**

**Commonwealth Talent Sustainability Award**  
**Top 10**  
**Excellence in Corporate Social Responsibility Award**



**1<sup>st</sup> TCFD Report**

Published the Company's first Task Force on Climate-Related Financial Disclosures Report



FTSE4Good  
TIP Taiwan ESG Index

**6<sup>th</sup>**

**consecutive year**

**FTSE4Good TIP Taiwan ESG Index**



**Special Award for Digital Resiliency**

**IDC Future Enterprise Awards 2023**





# Key Message

**As our flywheel continued to pick up speed, Taiwan Mobile delivered a solid set of operating results in the third quarter, with growth acceleration seen in our core business. Steady rise in 5G penetration, our unique bundles and Telco+Tech strategies, win-win collaborations with group companies, as well as our integration with Taiwan Star will continue to provide a tailwind to our longer-term performance.**



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Q&A