

Taiwan Mobile Co., Ltd. and Subsidiaries

**Consolidated Financial Statements for the
Six Months Ended June 30, 2024 and 2023 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

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

Introduction

We have reviewed the accompanying consolidated balance sheets of Taiwan Mobile Co., Ltd. and its subsidiaries (collectively, the “Group”) as of June 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and the six months ended June 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as 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 International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2024 and 2023, and of its consolidated financial performance for the three months ended June 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the six months then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 5, 2024

Notice to Readers

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

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2024		December 31, 2023		June 30, 2023		LIABILITIES AND EQUITY	June 30, 2024		December 31, 2023		June 30, 2023	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
CURRENT ASSETS							CURRENT LIABILITIES						
Cash and cash equivalents (Notes 6 and 29)	\$ 15,244,880	6	\$ 13,244,266	5	\$ 11,233,116	6	Short-term borrowings (Note 17)	\$ 17,200,000	7	\$ 18,460,000	8	\$ 10,480,000	6
Financial assets at fair value through profit or loss	8,972	-	11,283	-	-	-	Short-term notes and bills payable (Note 17)	5,291,328	2	12,876,257	5	4,294,965	2
Financial assets at fair value through other comprehensive income (Note 7)	272,949	-	261,445	-	254,022	-	Contract liabilities (Note 22)	2,591,467	1	2,608,499	1	1,876,244	1
Financial assets at amortized cost	161,389	-	151,144	-	-	-	Notes payable	102,338	-	232,394	-	26,354	-
Contract assets (Note 22)	6,391,722	3	6,100,164	3	5,379,278	3	Accounts payable	13,958,092	6	13,245,827	5	12,646,352	7
Notes and accounts receivable, net (Note 8)	9,003,947	4	9,128,414	4	7,679,490	4	Notes and accounts payable due to related parties (Note 29)	232,684	-	131,492	-	193,151	-
Notes and accounts receivable due from related parties (Note 29)	511,855	-	589,232	-	554,445	-	Dividends payable (Note 21)	14,963,141	6	-	-	12,129,035	6
Other receivables (Note 29)	4,160,739	2	4,464,950	2	2,942,430	2	Other payables (Note 29)	11,601,691	5	11,943,612	5	8,939,194	5
Inventories (Note 9)	6,710,089	3	8,193,068	4	6,633,799	4	Current tax liabilities	1,838,550	1	2,274,634	1	1,704,134	1
Prepayments (Note 29)	1,181,287	-	1,030,527	-	794,107	-	Provisions (Note 19)	317,433	-	461,400	-	77,962	-
Disposal groups held for sale	-	-	3,082	-	-	-	Lease liabilities (Notes 13, 26 and 29)	4,377,908	2	5,785,690	2	3,636,491	2
Other financial assets (Notes 29 and 30)	886,087	-	786,371	-	635,599	-	Advance receipts	114,283	-	94,817	-	95,176	-
Other current assets	176,893	-	194,218	-	180,928	-	Long-term liabilities, current portion (Notes 17 and 18)	20,319,531	8	3,713,406	2	3,772,328	2
Total current assets	44,710,809	18	44,158,164	18	36,287,214	19	Other current liabilities (Note 29)	3,930,093	2	3,900,314	2	3,278,041	2
							Total current liabilities	96,838,539	40	75,728,342	31	63,149,427	34
NON-CURRENT ASSETS							NON-CURRENT LIABILITIES						
Financial assets at fair value through profit or loss	1,903,450	1	1,821,715	1	1,272,972	-	Contract liabilities (Note 22)	142,791	-	409,315	-	101,403	-
Financial assets at fair value through other comprehensive income (Note 7)	5,657,557	2	5,530,350	2	5,335,808	3	Bonds payable (Note 18)	23,985,282	10	37,980,333	16	37,977,150	20
Financial assets at amortized cost	252,740	-	236,697	-	-	-	Long-term borrowings (Note 17)	19,382,474	8	20,118,833	8	6,681,584	4
Contract assets (Note 22)	6,508,928	3	5,811,221	2	5,383,659	3	Provisions (Note 19)	1,571,348	1	1,486,571	1	1,475,569	1
Investments accounted for using equity method (Notes 10 and 29)	2,431,312	1	1,793,865	1	1,772,237	1	Deferred tax liabilities	1,432,516	1	1,393,052	-	1,344,966	1
Property, plant and equipment (Note 12)	51,118,384	21	50,676,171	21	43,823,230	24	Lease liabilities (Notes 13, 26 and 29)	7,487,316	3	7,978,053	3	6,082,546	3
Right-of-use assets (Note 13)	11,692,938	5	13,746,288	6	9,719,435	5	Net defined benefit liabilities	38,482	-	58,013	-	89,670	-
Investment properties (Note 14)	2,131,830	1	2,182,504	1	2,719,749	2	Guarantee deposits	1,397,562	-	1,425,121	1	1,343,878	1
Concessions (Notes 15 and 30)	69,292,467	29	72,238,167	30	54,020,470	29	Other non-current liabilities	2,603,760	1	3,002,574	1	2,259,432	1
Goodwill (Note 15)	33,228,022	14	33,228,022	14	15,819,108	8	Total non-current liabilities	58,041,531	24	73,851,865	30	57,356,198	31
Other intangible assets (Note 15)	5,868,654	3	5,947,084	2	4,867,024	3	Total liabilities	154,880,070	64	149,580,207	61	120,505,625	65
Deferred tax assets	731,774	-	730,251	-	566,342	-	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Note 21)						
Incremental costs of obtaining a contract (Note 22)	2,549,673	1	2,492,742	1	1,972,413	1	Common stock	37,232,618	16	37,232,618	15	35,192,336	19
Other financial assets (Notes 29 and 30)	435,289	-	427,014	-	404,055	-	Capital surplus	29,318,483	12	31,302,785	13	13,111,789	7
Other non-current assets (Notes 16 and 29)	2,009,512	1	1,944,106	1	2,430,335	2	Retained earnings						
Total non-current assets	195,812,530	82	198,806,197	82	150,106,837	81	Legal reserve	34,716,971	14	33,498,727	14	33,498,727	18
							Unappropriated earnings	6,197,648	3	12,182,646	5	5,651,364	3
							Other equity interests	327,001	-	324,116	-	663,954	-
							Treasury stock	(29,717,344)	(12)	(29,717,344)	(12)	(29,717,344)	(16)
							Total equity attributable to owners of the Corporation	78,075,377	33	84,823,548	35	58,400,826	31
							NON-CONTROLLING INTERESTS	7,567,892	3	8,560,606	4	7,487,600	4
							Total equity	85,643,269	36	93,384,154	39	65,888,426	35
TOTAL	\$ 240,523,339	100	\$ 242,964,361	100	\$ 186,394,051	100	TOTAL	\$ 240,523,339	100	\$ 242,964,361	100	\$ 186,394,051	100

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

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

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

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES (Notes 22, 29 and 35)	\$ 47,743,896	100	\$ 43,546,319	100	\$ 96,020,527	100	\$ 86,561,657	100
OPERATING COSTS (Notes 9, 29, 32 and 35)	<u>38,083,703</u>	<u>80</u>	<u>34,902,079</u>	<u>80</u>	<u>77,045,558</u>	<u>80</u>	<u>69,512,222</u>	<u>80</u>
GROSS PROFIT FROM OPERATIONS	<u>9,660,193</u>	<u>20</u>	<u>8,644,240</u>	<u>20</u>	<u>18,974,969</u>	<u>20</u>	<u>17,049,435</u>	<u>20</u>
OPERATING EXPENSES (Notes 29, 32 and 35)								
Marketing	3,025,196	6	2,736,121	6	5,929,981	6	5,370,973	6
Administrative	1,695,012	4	1,496,935	4	3,442,281	4	2,994,592	4
Research and development	166,060	-	121,753	-	325,642	-	238,037	-
Expected credit loss	<u>84,753</u>	<u>-</u>	<u>40,670</u>	<u>-</u>	<u>173,916</u>	<u>-</u>	<u>102,384</u>	<u>-</u>
Total operating expenses	<u>4,971,021</u>	<u>10</u>	<u>4,395,479</u>	<u>10</u>	<u>9,871,820</u>	<u>10</u>	<u>8,705,986</u>	<u>10</u>
OTHER INCOME AND EXPENSES, NET (Note 29)	<u>261,803</u>	<u>-</u>	<u>231,531</u>	<u>-</u>	<u>503,125</u>	<u>-</u>	<u>426,436</u>	<u>-</u>
OPERATING INCOME (Note 35)	<u>4,950,975</u>	<u>10</u>	<u>4,480,292</u>	<u>10</u>	<u>9,606,274</u>	<u>10</u>	<u>8,769,885</u>	<u>10</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 29)	88,762	-	68,731	-	140,713	-	111,140	-
Other income	15,056	-	9,144	-	24,846	-	11,422	-
Other gains and losses, net (Note 23)	(117,652)	-	10,994	-	(142,903)	-	(30,157)	-
Finance costs (Note 23)	(343,888)	-	(228,263)	-	(680,391)	(1)	(459,192)	-
Share of loss of associates accounted for using equity method	(34,505)	-	3,766	-	(67,988)	-	2,249	-
Total non-operating income and expenses	(392,227)	-	(135,628)	-	(725,723)	(1)	(364,538)	-
PROFIT BEFORE TAX	4,558,748	10	4,344,664	10	8,880,551	9	8,405,347	10
INCOME TAX EXPENSE (Note 24)	<u>883,097</u>	<u>2</u>	<u>831,150</u>	<u>2</u>	<u>1,722,367</u>	<u>2</u>	<u>1,674,466</u>	<u>2</u>
NET PROFIT	<u>3,675,651</u>	<u>8</u>	<u>3,513,514</u>	<u>8</u>	<u>7,158,184</u>	<u>7</u>	<u>6,730,881</u>	<u>8</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 21 and 24)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	842	-	245,694	1	79,647	-	355,324	-
Share of other comprehensive income (loss) of associates accounted for using equity method	(42,488)	-	9,002	-	(32,493)	-	(44,829)	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation	7,381	-	(21,223)	-	20,730	-	(17,282)	-
Share of other comprehensive loss of associates accounted for using equity method	(381)	-	(125)	-	(1,174)	-	(3,657)	-
Other comprehensive income (after tax)	(34,646)	-	233,348	1	66,710	-	289,556	-
TOTAL COMPREHENSIVE INCOME	<u>\$ 3,641,005</u>	<u>8</u>	<u>\$ 3,746,862</u>	<u>9</u>	<u>\$ 7,224,894</u>	<u>7</u>	<u>\$ 7,020,437</u>	<u>8</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of the parent	\$ 3,232,602	7	\$ 3,035,280	7	\$ 6,200,522	6	\$ 5,749,994	7
Non-controlling interests	<u>443,049</u>	<u>1</u>	<u>478,234</u>	<u>1</u>	<u>957,662</u>	<u>1</u>	<u>980,887</u>	<u>1</u>
	<u>\$ 3,675,651</u>	<u>8</u>	<u>\$ 3,513,514</u>	<u>8</u>	<u>\$ 7,158,184</u>	<u>7</u>	<u>\$ 6,730,881</u>	<u>8</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the parent	\$ 3,215,509	7	\$ 3,269,599	8	\$ 6,200,584	6	\$ 6,029,828	7
Non-controlling interests	<u>425,496</u>	<u>1</u>	<u>477,263</u>	<u>1</u>	<u>1,024,310</u>	<u>1</u>	<u>990,609</u>	<u>1</u>
	<u>\$ 3,641,005</u>	<u>8</u>	<u>\$ 3,746,862</u>	<u>9</u>	<u>\$ 7,224,894</u>	<u>7</u>	<u>\$ 7,020,437</u>	<u>8</u>
EARNINGS PER SHARE (Note 25)								
Basic earnings per share	<u>\$ 1.07</u>		<u>\$ 1.08</u>		<u>\$ 2.05</u>		<u>\$ 2.04</u>	
Diluted earnings per share	<u>\$ 1.07</u>		<u>\$ 1.08</u>		<u>\$ 2.05</u>		<u>\$ 2.04</u>	

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										
	Common Stock	Capital Surplus	Retained Earnings			Other Equity Interests		Treasury Stock	Total	Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
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 six months ended June 30, 2023	-	-	-	-	5,749,994	-	-	-	5,749,994	980,887	6,730,881
Other comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	-	(12,161)	291,995	-	279,834	9,722	289,556
Total comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	5,749,994	(12,161)	291,995	-	6,029,828	990,609	7,020,437
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(95,906)	-	95,906	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	(2,928)	-	-	(2,928)	(2,928)	(5,157)	(8,085)
Changes in equity of associates accounted for using equity method	-	6,411	-	-	-	-	-	-	6,411	-	6,411
Reorganization	-	24,832	-	-	-	-	-	-	24,832	(39,028)	(14,196)
Cash dividends for non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	(1,838,848)	(1,838,848)
BALANCE, JUNE 30, 2023	\$ 35,192,336	\$ 13,111,789	\$ 33,498,727	\$ -	\$ 5,651,364	\$ (40,023)	\$ 703,977	\$ (29,717,344)	\$ 58,400,826	\$ 7,487,600	\$ 65,888,426
BALANCE, JANUARY 1, 2024	\$ 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 six months ended June 30, 2024	-	-	-	-	6,200,522	-	-	-	6,200,522	957,662	7,158,184
Other comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	9,438	(9,376)	-	62	66,648	66,710
Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	6,200,522	9,438	(9,376)	-	6,200,584	1,024,310	7,224,894
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	(2,823)	-	2,823	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	(301)	-	-	(301)	(301)	(539)	(840)
Changes in equity of associates accounted for using equity method	-	56,940	-	-	-	-	-	-	56,940	-	56,940
Cash dividends for non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	(2,016,485)	(2,016,485)
BALANCE, JUNE 30, 2024	\$ 37,232,618	\$ 29,318,483	\$ 34,716,971	\$ -	\$ 6,197,648	\$ (28,781)	\$ 355,782	\$ (29,717,344)	\$ 78,075,377	\$ 7,567,892	\$ 85,643,269

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)

	For the Six Months Ended June 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	\$ 8,880,551	\$ 8,405,347
Adjustments for:		
Depreciation expense	8,224,761	6,433,567
Amortization expense	3,342,856	2,385,642
Amortization of incremental costs of obtaining a contract	934,968	670,247
Loss on disposal and retirement of property, plant and equipment, net	189,697	47,997
Gain on disposal of property, plant and equipment held for sale	(258)	-
Expected credit loss	173,916	102,384
Other income and expenses	(392,318)	(273,574)
Finance costs	680,391	459,192
Interest income	(140,713)	(111,140)
Dividend income	(22,987)	(8,648)
Valuation loss (gain) on financial assets at fair value through profit or loss	4,758	(18,146)
Share of loss of associates accounted for using equity method	67,988	(2,249)
Net loss on disposal of investments accounted for using equity method	1,451	312
Others	(27,973)	(261)
Changes in operating assets and liabilities		
Contract assets	(998,807)	(263,769)
Notes and accounts receivable	(23,966)	(537)
Notes and accounts receivable due from related parties	77,377	22,315
Other receivables	330,394	416,806
Inventories	1,482,991	1,467,541
Prepayments	(147,010)	(789,706)
Other current assets	16,546	13,843
Other financial assets	(133,993)	2,238
Incremental costs of obtaining a contract	(991,899)	(728,905)
Contract liabilities	(283,556)	(200,197)
Notes payable	(130,056)	(494,415)
Accounts payable	723,849	(680,586)
Notes and accounts payable due to related parties	101,192	60,001
Other payables	(1,027,740)	(854,208)
Provisions	(89,863)	4,715
Advance receipts	19,341	(69,377)
Other current liabilities	29,779	35,741
Net defined benefit liabilities	(19,531)	(18,961)
Cash inflows generated from operating activities	20,852,136	16,013,209
Interest received	7,785	6,163
Interest paid	(902)	(930)
Income taxes paid	(2,115,068)	(2,501,432)
Net cash generated from operating activities	<u>18,743,951</u>	<u>13,517,010</u>

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TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	\$(4,952,767)	\$(4,346,845)
Acquisition of right-of-use assets	(20,295)	(17,055)
Acquisition of intangible assets	(256,686)	(172,056)
Increase in prepayments for equipment	(241,415)	(77,684)
Proceeds from disposal of property, plant and equipment	4,024	11,471
Proceeds from disposal of property, plant and equipment held for sale	3,340	-
Increase in advance receipts from asset disposals	125	79
Acquisition of financial assets at fair value through profit or loss	(103,339)	(74,111)
Acquisition of financial assets at fair value through other comprehensive income	(63,720)	(158,220)
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	-
Acquisition of investments accounted for using equity method	(665,610)	(35,000)
Increase in prepayments for investment	-	(22,441)
Other investing activities	59,843	100,835
Increase in refundable deposits	(162,848)	(134,852)
Decrease in refundable deposits	202,601	154,951
Increase in other financial assets	(84,910)	(92,042)
Decrease in other financial assets	114,654	76,131
Interest received	124,922	101,719
Dividends received from associate	-	1,673
Other dividends received	14,449	390
Net cash used in investing activities	<u>(6,008,476)</u>	<u>(4,666,858)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	(1,260,000)	(10,070,000)
Increase (decrease) in short-term notes and bills payable	(7,568,227)	1,202,001
Proceeds from issuance of bonds	-	6,492,645
Repayment of bonds	-	(6,000,000)
Proceeds from long-term borrowings	2,050,035	506,102
Repayment of long-term borrowings	(191,013)	(102,766)
Repayment of the principal portion of lease liabilities	(2,824,955)	(2,151,394)
Increase in guarantee deposits received	69,722	83,565
Decrease in guarantee deposits received	(101,661)	(50,949)
Cash dividends paid to non-controlling interests of subsidiaries	(58,739)	(1,837,886)
Interest paid	(851,909)	(612,774)

(Continued)

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

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

	For the Six Months Ended June 30	
	2024	2023
Acquisition of ownership interests in subsidiaries	\$(840)	\$(8,085)
Net cash used in financing activities	(10,737,587)	(12,549,541)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	2,726	(2,235)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,000,614	(3,701,624)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	13,244,266	14,934,740
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>\$ 15,244,880</u>	<u>\$ 11,233,116</u>

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

(Concluded)

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Taiwan Mobile Co., Ltd. (TWM) was incorporated in Taiwan, the Republic of China (ROC) on February 25, 1997. TWM's stock was listed on the ROC Over-the-Counter Securities Exchange (currently known as The Taipei Exchange, TPEX) on September 19, 2000. On August 26, 2002, TWM's stock was shifted to be listed on the Taiwan Stock Exchange. TWM is mainly engaged in rendering wireless communication services and the sale of mobile phones and accessories, games and value-added services.

TWM received a second-generation mobile telecommunications concession operation license issued by the Directorate General of Telecommunications (DGT) of the ROC. The license allows TWM to provide services for 15 years from 1997 onwards. The 2G concession license had been renewed by the National Communications Commission (NCC) and expired on June 30, 2017. TWM received a third-generation concession license issued by the DGT in March 2005, and the 3G concession license expired on December 31, 2018. TWM participated in the mobile spectrum auctions held by NCC for the need of long-term business development and from April 2014 to June 2018 acquired the concession licenses for the fourth-generation mobile broadband spectrum in the 700MHz, 1800MHz and 2100MHz frequency bands separately, and the aforementioned licenses are valid until December 2030 and December 2033, respectively. In June 2020, TWM acquired the concession licenses for the fifth-generation mobile broadband spectrum in the 3500MHz and 28000MHz frequency bands, and the aforementioned licenses are valid until December 2024.

To expand the business scale and boost the operating performance and competitiveness, TWM merged with Taiwan Star Telecom Corporation Limited (TST). The merger was completed on December 1, 2023, and TST was the dissolved company. Since that date, TWM has acquired the licensed spectrum in the 900MHz, 2100MHz, 2600MHz, and 3500MHz frequency bands.

The accompanying consolidated financial statements comprise of TWM and its subsidiaries (collectively, the "Group").

2. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors approved the consolidated financial statements on August 5, 2024.

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

- a. Application of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have any material impact on the Group's accounting policies.

- b. The IFRS Accounting Standards issued by International Accounting Standards Board (IASB) and endorsed by the FSC for application starting from 2025.

<u>New IFRSs</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

As of the date the consolidated financial statements were authorized for issue, the Group had assessed that the application of above standards would not have a material impact on the Group’s financial position and financial performance.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note)</u>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: The above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as ‘other’ only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Except for the following description, the material accounting policies adopted for the consolidated financial statements are the same as those adopted for the consolidated financial statements for the year ended December 31, 2023.

a. Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 Interim Financial Reporting endorsed and issued into effect by the FSC. The consolidated financial statements do not include all the information which should be disclosed in the annual consolidated financial statements in accordance with the IFRSs Accounting Standards endorsed and issued into effect by the FSC.

b. Basis of Consolidation

- 1) The basis of preparation of the consolidated financial statements is the same as that of the consolidated financial statements for the year ended December 31, 2023.
- 2) The subsidiaries included in the consolidated financial statements were as follows:

Investor	Subsidiary	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
TWM	Taiwan Cellular Co., Ltd. (TCC)	Investment	100.00%	100.00%	100.00%	-
	Wealth Media Technology Co., Ltd. (WMT)	Investment	100.00%	100.00%	100.00%	-
	TWM Venture Co., Ltd. (TVC)	Investment	100.00%	100.00%	100.00%	-
	Taipei New Horizon Co., Ltd. (TNH)	Building and operating Songshan Cultural and Creative Park BOT project	49.90%	49.90%	49.90%	-
	Fu Sheng Digital Co., Ltd. (FSD)	Virtual asset platform and transaction service provider	100.00%	100.00%	100.00%	-
	TWM Power Co., Ltd. (TPC)	Information software services	100.00%	100.00%	-	Note 1
	FullSynergy New Retail Co., Ltd. (FSNR)	Branding agency and retail sales	100.00%	100.00%	-	Note 2
TCC	Taiwan Fixed Network Co., Ltd. (TFN)	Fixed-line service provider	100.00%	100.00%	100.00%	-

Investor	Subsidiary	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
TCC	Taiwan Teleservices & Technologies Co., Ltd. (TT&T)	Call center service and telephone marketing	100.00%	100.00%	100.00%	-
	TWM Holding Co. Ltd. (TWM Holding)	Investment	100.00%	100.00%	100.00%	-
	TCC Investment Co., Ltd. (TCCI)	Investment	100.00%	100.00%	100.00%	Note 3
	Taiwan Digital Service Co., Ltd. (TDS)	Commissioned maintenance services	100.00%	100.00%	100.00%	-
	Taihsin Property Insurance Agent Co., Ltd. (TPIA)	Property insurance agent	100.00%	100.00%	100.00%	-
	Tai-Fu Cloud Technology Co., Ltd. (TFC)	Cloud and information services	100.00%	100.00%	100.00%	-
WMT	TFN Media Co., Ltd. (TFNM)	Broadcasting and TV program distribution and investment in cable TV service providers, etc	100.00%	100.00%	100.00%	-
	Global Forest Media Technology Co., Ltd. (GFMT)	Investment	100.00%	100.00%	100.00%	-
	Global Wealth Media Technology Co., Ltd. (GWMT)	Investment	100.00%	100.00%	100.00%	-
	Win TV Broadcasting Co., Ltd. (WTVB)	TV program provider	100.00%	100.00%	100.00%	-
	momo.com Inc. (momo)	Wholesale, retail, and retail sale no storefront	45.01%	45.01%	45.01%	-
TVC	Taiwan Mobile Film Co., Ltd. (TWMFM)	Film production	100.00%	100.00%	100.00%	-
TFN	TFN Union Investment Co., Ltd. (TUI)	Investment	100.00%	100.00%	100.00%	Note 3
TWM Holding	TWM Communications (Beijing) Co., Ltd. (TWMC)	Data communication application development	100.00%	100.00%	100.00%	Note 4
TCCI	TCCI Investment and Development Co., Ltd. (TID)	Investment	100.00%	100.00%	100.00%	Note 3
TWMFM	Taiwan Stampede Franchise Film Co., Ltd. (SFF)	Film production	100.00%	100.00%	100.00%	-
TFNM	Taiwan Kuro Times Co., Ltd. (TKT)	Digital music services	-	-	100.00%	Note 5
	Yeong Jia Leh Cable TV Co., Ltd. (YJCTV)	Cable TV service provider	100.00%	100.00%	100.00%	-
	Mangrove Cable TV Co., Ltd. (MCTV)	Cable TV service provider	29.53%	29.53%	29.53%	Note 6
	Phoenix Cable TV Co., Ltd. (PCTV)	Cable TV service provider	100.00%	100.00%	100.00%	-
	Union Cable TV Co., Ltd. (UCTV)	Cable TV service provider	99.22%	99.22%	99.22%	-
	Globalview Cable TV Co., Ltd. (GCTV)	Cable TV service provider	92.38%	92.38%	92.38%	-
GFMT	UCTV	Cable TV service provider	0.76%	0.76%	0.76%	-

Investor	Subsidiary	Main Business and Products	Percentage of Ownership			Note
			June 30, 2024	December 31, 2023	June 30, 2023	
GWMT	GCTV	Cable TV service provider	6.83%	6.83%	6.83%	-
momo	Asian Crown International Co., Ltd. (Asian Crown (BVI))	Investment	81.99%	81.99%	81.99%	-
	Honest Development Co., Ltd. (Honest Development)	Investment	100.00%	100.00%	100.00%	-
	Fuli Life Insurance Agent Co., Ltd. (FLI)	Life insurance agent	-	-	100.00%	Note 7
	Fuli Insurance Agent Co., Ltd. (FI)	Comprehensive insurance agent	100.00%	100.00%	100.00%	Note 7
	Fu Sheng Travel Service Co., Ltd. (FST)	Travel agent	100.00%	100.00%	100.00%	-
	Bebe Poshe International Co., Ltd. (Bebe Poshe)	Wholesale of cosmetics	94.25%	93.73%	93.73%	Note 8
	Fu Sheng Logistics Co., Ltd. (FSL)	Logistics and transport	100.00%	100.00%	100.00%	-
	MFS Co., Ltd. (MFS)	Wholesaling	100.00%	100.00%	100.00%	-
	Prosperous Living Co., Ltd. (Prosperous Living)	Wholesale and retail sales	73.62%	73.62%	73.62%	-
Asian Crown (BVI)	Fortune Kingdom Corporation (Fortune Kingdom)	Investment	100.00%	100.00%	100.00%	-
Fortune Kingdom	Hong Kong Fubon Multimedia Technology Co., Ltd. (HK Fubon Multimedia)	Investment	100.00%	100.00%	100.00%	-
Honest Development	Hongkong Yue Numerous Investment Co., Ltd. (HK Yue Numerous)	Investment	100.00%	100.00%	100.00%	-
HK Yue Numerous	Haobo Information Consulting (Shenzhen) Co., Ltd. (Haobo)	Investment	100.00%	100.00%	100.00%	-
HK Fubon Multimedia	Fubon Gehua (Beijing) Enterprise Ltd. (FGE)	Wholesaling	93.55%	93.55%	93.55%	Note 4

Note 1: Became a subsidiary in September 2023.

Note 2: Became a subsidiary in November 2023.

Note 3: TCCI, TUI and TID collectively owned 698,752 thousand shares of TWM, representing 18.77% of total outstanding shares as of June 30, 2024.

Note 4: The legal cancellation process was completed, and the liquidation process was still in progress.

Note 5: Disposed of in December 2023.

Note 6: The other 70.47% of shares were held under trustee accounts.

Note 7: In November 2023, FI merged with FLI.

Note 8: During the first half of 2024, momo bought back minority interest of Bebe Poshe, resulting in the increase in its ownership.

3) Subsidiaries excluded from the consolidated financial statements: None.

c. Classification of Current and Non-current Assets and Liabilities

The Group classifies an asset as current when any one of the following requirements is met. Assets that are not classified as current are non-current assets.

- 1) It holds the asset primarily for the purpose of trading;
- 2) It expects to realize the asset within twelve months after the end of the reporting period (reporting date); or
- 3) The asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

The Group classifies a liability as current when any one of the following requirements is met. Liabilities that are not classified as current are non-current liabilities.

- 1) It holds the liability primarily for the purpose of trading;
- 2) The liability is due to be settled within twelve months after the reporting date; or
- 3) It does not have substantive rights to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

d. Employee Benefits

Defined benefit pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

e. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. The interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the profit before tax of the interim period.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same material accounting judgments and key sources of estimation uncertainty have been followed when preparing these interim consolidated financial statements as those that were applied in the preparation of the consolidated financial statements for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Cash on hand and revolving funds	\$ 112,360	\$ 114,972	\$ 69,800
Cash in banks	5,552,276	5,950,870	4,995,535
Time deposits	6,674,947	5,278,986	4,295,758
Government bonds with repurchase rights	<u>2,905,297</u>	<u>1,899,438</u>	<u>1,872,023</u>
	<u>\$ 15,244,880</u>	<u>\$ 13,244,266</u>	<u>\$ 11,233,116</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Investments in equity instruments-current</u>			
Domestic investments			
Listed stocks	\$ 272,776	\$ 260,822	\$ 253,214
Foreign investments			
Listed stocks	<u>173</u>	<u>623</u>	<u>808</u>
	<u>\$ 272,949</u>	<u>\$ 261,445</u>	<u>\$ 254,022</u>
<u>Investments in equity instruments - non-current</u>			
Domestic investments			
Listed stocks	\$ 459,357	\$ 262,500	\$ 356,250
Unlisted stocks	1,223,156	1,342,512	1,390,400
Foreign investments			
Unlisted stocks	2,404,431	2,351,983	2,101,091
Limited partnerships	<u>1,570,613</u>	<u>1,573,355</u>	<u>1,488,067</u>
	<u>\$ 5,657,557</u>	<u>\$ 5,530,350</u>	<u>\$ 5,335,808</u>

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at fair value through other comprehensive income (FVTOCI) as they believed that recognizing short-term fluctuations from these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

8. NOTES AND ACCOUNTS RECEIVABLE, NET

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Notes receivable	\$ 10,134	\$ 14,171	\$ 14,026
Accounts receivable	9,435,089	9,532,621	8,043,193
Less: Allowance for impairment loss	(441,276)	(418,378)	(377,729)
	<u>\$ 9,003,947</u>	<u>\$ 9,128,414</u>	<u>\$ 7,679,490</u>

The main credit terms range from 30 to 90 days.

The Group serves a large consumer base for its telecommunications business; therefore, the concentration of credit risk is limited. When entering into transactions with customers, the Group considers the record of arrears in the past. In addition, the Group may also collect some telecommunication charges in advance to reduce the risk of payment arrears in subsequent periods.

The Group adopted a policy of only trading with corporate counterparties with a considerable scale of operations, certain credit ratings and financial conditions for telecommunications service and products. In addition to examining publicly available financial information and its own historical transaction experience, the Group obtains collateral where necessary to mitigate the risk of loss arising from default. The Group continues to monitor the credit exposure and financial and credit conditions of its counterparties, and spreads the total amount of the transactions among qualified counterparties.

In order to mitigate credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure the recoverability of receivables. In addition, the Group reviews the recoverable amount of trade receivables at balance sheet dates to ensure that adequate allowance is provided for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk could be reasonably reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). The ECLs on trade receivables are estimated using a provision matrix approach considering the past default records of the customers and an analysis of the customers' current financial positions, as well as forward-looking indicators such as the change rates of consumer price index, economic leading indicators and economic growth rate. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision matrix does not distinguish customer segments. As a result, the expected credit loss rate is based on the number of past due days of trade receivables.

The Group writes off a trade receivable when there is evidence indicating that the counterparty is in severe financial difficulty and the trade receivable is considered uncollectible. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

Movements of the allowance for doubtful notes and accounts receivable by individual and collective assessment were as follows:

June 30, 2024

	<u>Not Past Due</u>	<u>Overdue</u>			<u>Total</u>
	<u>1 to 120 Days</u>	<u>121 to 365 Days</u>	<u>Over 365 Days</u>		<u>Total</u>
Gross carrying amount	\$ 8,405,232	\$ 789,220	\$ 250,326	\$ 445	\$ 9,445,223
Loss allowance (Lifetime ECLs)	(65,617)	(150,890)	(224,765)	(4)	(441,276)
Amortized cost	<u>\$ 8,339,615</u>	<u>\$ 638,330</u>	<u>\$ 25,561</u>	<u>\$ 441</u>	<u>\$ 9,003,947</u>

For the aforementioned period, the expected credit loss rates ranged from 0.02%~83.24% for trade receivables not past due and past due within 120 days, and from 65.5%~100% for trade receivables past due over 120 days.

December 31, 2023

	<u>Not Past Due</u>	<u>Overdue</u>			<u>Total</u>
		<u>1 to 120 Days</u>	<u>121 to 365 Days</u>	<u>Over 365 Days</u>	
Gross carrying amount	\$ 8,587,417	\$ 741,403	\$ 216,760	\$ 1,212	\$ 9,546,792
Loss allowance (Lifetime ECLs)	(63,938)	(150,351)	(203,530)	(559)	(418,378)
Amortized cost	<u>\$ 8,523,479</u>	<u>\$ 591,052</u>	<u>\$ 13,230</u>	<u>\$ 653</u>	<u>\$ 9,128,414</u>

June 30, 2023

	<u>Not Past Due</u>	<u>Overdue</u>			<u>Total</u>
		<u>1 to 120 Days</u>	<u>121 to 365 Days</u>	<u>Over 365 Days</u>	
Gross carrying amount	\$ 7,181,592	\$ 689,702	\$ 185,366	\$ 559	\$ 8,057,219
Loss allowance (Lifetime ECLs)	(53,603)	(148,147)	(175,630)	(349)	(377,729)
Amortized cost	<u>\$ 7,127,989</u>	<u>\$ 541,555</u>	<u>\$ 9,736</u>	<u>\$ 210</u>	<u>\$ 7,679,490</u>

For the aforementioned periods, the expected credit loss rates ranged from 0.02%~85.22% for trade receivables not past due and past due within 120 days, and from 65.5%~100% for trade receivables past due over 120 days.

Movements of the loss allowance of notes and accounts receivable were as follows:

	For the Six Months Ended	
	June 30	
	2024	2023
Beginning balance	\$ 418,378	\$ 387,638
Add: Provision	165,903	108,893
Recovery	25,299	23,384
Less: Write-off	(168,304)	(142,186)
Ending balance	<u>\$ 441,276</u>	<u>\$ 377,729</u>

The Group entered into an accounts receivable factoring contract with a private institution and sold those overdue accounts receivable that had been written off. Under the contract, the Group would no longer assume the risk on the receivables. The related factored accounts receivable information was as follows:

	For the Six Months Ended June 30, 2023
Amount of accounts receivable sold	\$ <u>415,427</u>
Proceeds from the sale of accounts receivable	\$ <u>46,578</u>

9. INVENTORIES

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Merchandise	\$ 6,698,689	\$ 8,182,624	\$ 6,625,401
Materials for maintenance	<u>11,400</u>	<u>10,444</u>	<u>8,398</u>
	<u>\$ 6,710,089</u>	<u>\$ 8,193,068</u>	<u>\$ 6,633,799</u>

For the three months and the six months ended June 30, 2024, the cost of goods sold related to inventories amounted to \$28,114,562 thousand and \$56,851,972 thousand, respectively, which included the inventory write-down totaling \$5,081 thousand and \$21,784 thousand, respectively.

For the three months and the six months ended June 30, 2023, the cost of goods sold related to inventories amounted to \$26,380,001 thousand and \$52,563,721 thousand, respectively, which included the inventory write-down totaling \$25,172 thousand and \$47,246 thousand, respectively.

10. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Associates, which were not individually material and were accounted for using equity method, were as follows:

<u>Investee Company</u>	<u>June 30, 2024</u>		<u>December 31, 2023</u>		<u>June 30, 2023</u>	
	<u>Amount</u>	<u>% of Ownership</u>	<u>Amount</u>	<u>% of Ownership</u>	<u>Amount</u>	<u>% of Ownership</u>
AppWorks Ventures Co., Ltd. (AppWorks)	\$ 242,067	51.00	\$ 244,983	51.00	\$ 285,946	51.00
AppWorks Fund III Co., Ltd. (AppWorks Fund III)	508,930	20.14	565,991	20.14	545,860	20.14
Global Home Shopping Co., Ltd. (GHS)	411,163	20.00	391,900	20.00	471,282	20.00
AppWorks Fund IV L.P. (AppWorks Fund IV)	260,576	21.01	227,530	21.01	130,518	32.86
Uspace Tech Co., Ltd. (Uspace)	186,404	31.00	164,588	32.90	181,109	32.90
NADA Holdings Corp. (NADA)	107,966	26.50	108,088	31.90	56,944	31.38
kbro Media Co., Ltd. (kbro Media)	60,300	33.58	60,032	33.58	67,284	33.58
Mistake Entertainment Co., Ltd. (M.E.)	32,375	11.33	30,753	11.33	33,294	11.33
SK Biomedical INC. (SK Biomedical)	5,947	20.00	-	-	-	-
Tropics Entertainment Co., Ltd. (Tropics)	15,887	40.00	-	-	-	-
Fubon Green Power Co., Ltd. (Fubon Green Power)	<u>599,697</u>	15.00	<u>-</u>	-	<u>-</u>	-
	<u>\$ 2,431,312</u>		<u>\$ 1,793,865</u>		<u>\$ 1,772,237</u>	

a. AppWorks

In September 2019, TWM acquired 51% equity interest of AppWorks. TWM has no control over AppWorks due to its holding less than half number of seats on AppWorks' board of directors. Therefore, TWM only has significant influence on AppWorks and accounts for its investment in AppWorks as an associate of TWM, under the equity-method of accounting.

b. AppWorks Fund III

In April 2020, TVC acquired 19.46% equity interest of AppWorks Fund III. TVC has significant influence on AppWorks Fund III since the president of TWM serves as the chairman of AppWorks Fund III. TVC's percentage of ownership interest in AppWorks Fund III increased to 20.14% due to non-proportionate subscription to AppWorks Fund III's issuance of new capital stock during 2020 and 2021.

c. GHS

In June 2015, momo acquired 20% equity interest of GHS through its subsidiary.

As momo's subsidiary did not participate in GHS's capital increase in October 2015, its percentage of ownership interest in GHS decreased to 18%. In January 2016, its percentage of ownership interest in GHS increased to 20% due to the acquisition of an additional 2% equity interest of GHS.

d. AppWorks Fund IV

From December 2022 to May 2023, TVC subscribed 32.86% equity of AppWorks Fund IV and became the single largest limited partner. Since the management, control, operation and decision-making of the limited partnerships investments were executed by general partner, TVC had no control over AppWorks Fund IV but retained significant influence. TVC's percentage of ownership interest in AppWorks Fund IV decreased to 21.01% due to non-proportionate subscription to AppWorks Fund IV's issuance of new capital stock in October 2023, and TVC was no longer the single largest limited partner.

e. Uspace

From October to November 2022, TVC acquired 32.9% equity interest of Uspace. Although TVC was the single largest stockholder of Uspace, it only obtained one out of five seats of the board of directors. In addition, the management considered the size of ownership interest and the dispersion of shares owned by other stockholders, the other holdings were not extremely dispersed. Therefore, TVC has no control over Uspace but retains significant influence. TVC's percentage of ownership interest in Uspace decreased to 31% due to non-proportionate subscription to Uspace's issuance of new capital stock during the first half of 2024.

f. NADA

In December 2021, TVC acquired 37.93% equity interest of NADA, and TVC's percentage of ownership interest in NADA decreased to 22.97% due to non-proportionate subscription to NADA's issuance of new capital stock during 2023. In October 2023, TWM acquired 8.93% equity interest of NADA by participating in NADA's capital increase. Along with TVC's percentage of ownership interest, the Group's ownership became 31.9%. The Group's percentage of ownership interest in NADA decreased to 26.5% due to non-proportionate subscription to NADA's issuance of new capital stock during the first half of 2024. Although the Group was the single largest stockholder of NADA, it only obtained one out of five seats of the board of directors. In addition, the management considered the size of ownership interest and the dispersion of shares owned by other stockholders, the other holdings were not extremely dispersed. Therefore, the Group has no control over NADA but retains significant influence.

g. kbros Media

In August 2012, TFNM acquired 32.5% equity interest of kbros Media.

In November 2020, kbros Media both decreased and increased capital. TFNM's percentage of ownership interest in kbros Media increased to 33.58% due to non-proportionate subscription to kbros Media's issuance of new capital stock.

h. M.E.

In May 2019, TKT acquired 15% equity interest of M.E. and its percentage of ownership interest in M.E. decreased to 11.33% due to non-proportionate subscription to M.E.'s issuance of new capital stock during 2022. TKT has significant influence on M.E. due to having a seat on M.E.'s board of directors. As a result of organizational restructuring, TKT transferred the shares of the M.E. to TFNM in September 2023.

i. Fubon Green Power

In June 2024, TVC and momo acquired 10% and 5% equity interest of Fubon Green Power, respectively, resulting in the Group's ownership percentage of 15%. The Group has significant influence on Fubon Green Power due to having a seat on its board of directors.

11. SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Subsidiary	Proportion of Non-controlling Interests' Ownership and Voting Rights		
	June 30, 2024	December 31, 2023	June 30, 2023
momo	54.99 %	54.99 %	54.99 %

For information on the principal place of business and the company's country of registration, see Table 7.

The summarized financial information of momo and its subsidiaries had taken into account the adjustments to acquisition-date fair value, and reflected the amounts before eliminations of intercompany transactions as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 15,331,014	\$ 14,652,939	\$ 12,223,372
Non-current assets	21,679,316	21,142,086	18,187,973
Current liabilities	(18,104,852)	(14,878,533)	(13,367,464)
Non-current liabilities	(3,012,770)	(3,263,057)	(1,275,308)
Equity	<u>\$ 15,892,708</u>	<u>\$ 17,653,435</u>	<u>\$ 15,768,573</u>
Equity attributable to:			
Owners of the parent	\$ 10,301,983	\$ 11,093,941	\$ 10,245,853
Non-controlling interests of momo	5,505,740	6,473,107	5,437,179
Non-controlling interests of momo's subsidiaries	<u>84,985</u>	<u>86,387</u>	<u>85,541</u>
	<u>\$ 15,892,708</u>	<u>\$ 17,653,435</u>	<u>\$ 15,768,573</u>

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Operating revenue	\$ 26,656,946	\$ 26,212,415	\$ 53,534,815	\$ 51,332,455
Profit	\$ 768,058	\$ 842,548	\$ 1,677,863	\$ 1,731,206
Other comprehensive income (loss)	(31,928)	(1,737)	121,194	17,701
Comprehensive income	\$ 736,130	\$ 840,811	\$ 1,799,057	\$ 1,748,907
Profit (loss) attributable to:				
Owners of the parent	\$ 345,830	\$ 379,421	\$ 754,995	\$ 779,352
Non-controlling interests of momo	422,425	463,458	922,215	951,968
Non-controlling interests of momo's subsidiaries	(197)	(331)	653	(114)
	\$ 768,058	\$ 842,548	\$ 1,677,863	\$ 1,731,206
Comprehensive income (loss) attributable to:				
Owners of the parent	\$ 331,453	\$ 378,656	\$ 809,540	\$ 787,331
Non-controlling interests of momo	404,865	462,524	988,841	961,715
Non-controlling interests of momo's subsidiaries	(188)	(369)	676	(139)
	\$ 736,130	\$ 840,811	\$ 1,799,057	\$ 1,748,907

	For the Six Months Ended	
	June 30	
	2024	2023
Net cash generated from operating activities	\$ 2,702,266	\$ 1,277,800
Net cash used in investing activities	(909,305)	(459,990)
Net cash used in financing activities	(465,521)	(3,647,833)
Effect of exchange rate changes	95	(46)
Net increase (decrease) in cash	\$ 1,327,535	\$ (2,830,069)

12. PROPERTY, PLANT AND EQUIPMENT

	<u>Land</u>	<u>Buildings</u>	<u>Telecommuni- cations Equipment and Machinery</u>	<u>Others</u>	<u>Construction in Progress and Equipment to be Inspected</u>	<u>Total</u>
<u>Cost</u>						
Balance, January 1, 2024	\$ 11,304,617	\$ 6,153,739	\$ 117,569,844	\$ 9,780,914	\$ 5,187,436	\$ 149,996,550
Additions	-	8,476	215,711	219,863	5,375,623	5,819,673
Disposals and retirements	-	(156)	(1,510,376)	(215,313)	-	(1,725,845)
Reclassification	33,026	19,099	5,083,500	170,555	(5,243,129)	63,051
Balance, June 30, 2024	<u>\$ 11,337,643</u>	<u>\$ 6,181,158</u>	<u>\$ 121,358,679</u>	<u>\$ 9,956,019</u>	<u>\$ 5,319,930</u>	<u>\$ 154,153,429</u>
<u>Accumulated depreciation and impairment</u>						
Balance, January 1, 2024	\$ -	\$ 2,475,489	\$ 88,343,895	\$ 8,500,995	\$ -	\$ 99,320,379
Depreciation	-	71,702	4,803,954	346,837	-	5,222,493
Disposals and retirements	-	(156)	(1,303,766)	(213,228)	-	(1,517,150)
Reclassification	-	9,323	-	-	-	9,323
Balance, June 30, 2024	<u>\$ -</u>	<u>\$ 2,556,358</u>	<u>\$ 91,844,083</u>	<u>\$ 8,634,604</u>	<u>\$ -</u>	<u>\$ 103,035,045</u>
Carrying amount, January 1, 2024	<u>\$ 11,304,617</u>	<u>\$ 3,678,250</u>	<u>\$ 29,225,949</u>	<u>\$ 1,279,919</u>	<u>\$ 5,187,436</u>	<u>\$ 50,676,171</u>
Carrying amount, June 30, 2024	<u>\$ 11,337,643</u>	<u>\$ 3,624,800</u>	<u>\$ 29,514,596</u>	<u>\$ 1,321,415</u>	<u>\$ 5,319,930</u>	<u>\$ 51,118,384</u>
<u>Cost</u>						
Balance, January 1, 2023	\$ 10,290,697	\$ 5,667,344	\$ 107,475,035	\$ 9,410,610	\$ 3,880,214	\$ 136,723,900
Additions	-	-	140,975	135,078	3,642,863	3,918,916
Disposals and retirements	-	-	(870,454)	(190,069)	(53)	(1,060,576)
Reclassification	5,136	-	3,032,631	151,953	(3,204,011)	(14,291)
Balance, June 30, 2023	<u>\$ 10,295,833</u>	<u>\$ 5,667,344</u>	<u>\$ 109,778,187</u>	<u>\$ 9,507,572</u>	<u>\$ 4,319,013</u>	<u>\$ 139,567,949</u>
<u>Accumulated depreciation and impairment</u>						
Balance, January 1, 2023	\$ -	\$ 2,131,858	\$ 82,115,130	\$ 8,228,919	\$ -	\$ 92,475,907
Depreciation	-	65,971	3,920,605	340,055	-	4,326,631
Disposals and retirements	-	-	(819,817)	(188,041)	-	(1,007,858)
Reclassification	-	-	(49,961)	-	-	(49,961)
Balance, June 30, 2023	<u>\$ -</u>	<u>\$ 2,197,829</u>	<u>\$ 85,165,957</u>	<u>\$ 8,380,933</u>	<u>\$ -</u>	<u>\$ 95,744,719</u>
Carrying amount, June 30, 2023	<u>\$ 10,295,833</u>	<u>\$ 3,469,515</u>	<u>\$ 24,612,230</u>	<u>\$ 1,126,639</u>	<u>\$ 4,319,013</u>	<u>\$ 43,823,230</u>

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings

Primary buildings	20-55 years
Mechanical and electrical equipment	5-15 years
Telecommunications equipment and machinery	1-20 years
Others	1-15 years

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Carrying amount</u>			
Land	\$ 631,271	\$ 740,287	\$ 646,509
Buildings	10,804,066	12,739,097	8,723,709
Telecommunications equipment and machinery	174,500	187,213	259,638
Others	<u>83,101</u>	<u>79,691</u>	<u>89,579</u>
	<u>\$ 11,692,938</u>	<u>\$ 13,746,288</u>	<u>\$ 9,719,435</u>

	<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>
Additions to right-of-use assets	<u>\$ 1,774,210</u>	<u>\$ 2,187,345</u>

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Depreciation charge for right-of-use assets				
Land	\$ 71,796	\$ 61,102	\$ 159,386	\$ 121,677
Buildings	1,275,518	935,849	2,733,510	1,874,617
Telecommunications equipment and machinery	36,514	36,396	70,224	73,446
Others	<u>15,498</u>	<u>13,879</u>	<u>31,276</u>	<u>27,651</u>
	<u>\$ 1,399,326</u>	<u>\$ 1,047,226</u>	<u>\$ 2,994,396</u>	<u>\$ 2,097,391</u>

Except for the aforementioned additions and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the six months ended June 30, 2024 and 2023.

b. Lease liabilities

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Carrying amount</u>			
Current	<u>\$ 4,377,908</u>	<u>\$ 5,785,690</u>	<u>\$ 3,636,491</u>
Non-current	<u>\$ 7,487,316</u>	<u>\$ 7,978,053</u>	<u>\$ 6,082,546</u>

Range of discount rates for lease liabilities was as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Land	0.61%~1.45%	0.61%~1.4%	0.61%~1.31%
Buildings	0.61%~1.45%	0.61%~1.4%	0.61%~1.31%
Telecommunications equipment and machinery	0.64%~4.38%	0.61%~4.38%	0.61%~4.38%
Others	0.62%~1.45%	0.61%~1.4%	0.61%~1.31%

c. Material lease-in activities and terms

The Group leases base transceiver stations and machine rooms, stores, offices, warehouses, maintenance centers, equipment, etc., with most of the lease terms ranging from 1 to 6 years. The Group does not have bargain purchase options to acquire the leasehold assets at the end of the lease terms. In addition, the Group is prohibited from subleasing all or any portion of the underlying assets without the lessors' consents in some lease agreements. The Group can early terminate the arrangements if there are any controversial or other incidental matters that will cause the leasehold assets not being able to meet the purposes of use.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Expenses related to short-term leases	\$ <u>11,388</u>	\$ <u>9,508</u>	\$ <u>21,860</u>	\$ <u>18,478</u>
Expenses related to low-value asset leases	\$ <u>19,771</u>	\$ <u>25,764</u>	\$ <u>41,872</u>	\$ <u>51,402</u>
Expenses related to variable lease payments and not included in the measurement of lease liabilities	\$ <u>7,531</u>	\$ <u>6,326</u>	\$ <u>17,958</u>	\$ <u>13,305</u>

	For the Six Months Ended June 30	
	2024	2023
Total cash outflow for leases	\$ <u>2,991,239</u>	\$ <u>2,291,798</u>

14. INVESTMENT PROPERTIES

The fair values of investment properties were measured using Level 3 inputs, arising from income approach, comparative approach, and cost approach adopted by a third party real estate appraiser, HomeBan Appraisers Joint Firm. As of June 30, 2024, December 31, 2023 and June 30, 2023, the fair values of investment properties were \$5,305,399 thousand, \$5,360,328 thousand and \$6,877,264 thousand, respectively, and the capitalization rates for the aforementioned financial reporting periods were all ranging from 1.47%~5.23%.

The amounts of depreciation recognized for the three months and the six months ended June 30, 2024 and 2023 were \$3,919 thousand, \$4,773 thousand, \$7,872 thousand and \$9,545 thousand, respectively.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Year 1	\$ 86,692	\$ 78,165	\$ 45,037
Year 2	78,397	71,659	33,695
Year 3	64,631	67,498	30,328
Year 4	53,450	50,147	18,495
Year 5	20,968	36,876	8,890
Year 6 and thereafter	<u>23,543</u>	<u>27,074</u>	<u>30,606</u>
	<u>\$ 327,681</u>	<u>\$ 331,419</u>	<u>\$ 167,051</u>

15. INTANGIBLE ASSETS

	<u>Concessions</u>			<u>Other Intangible Assets</u>				<u>Total</u>
	<u>Concession Licenses</u>	<u>Service Concessions</u>	<u>Goodwill</u>	<u>Customer Relationships</u>	<u>Operating Rights</u>	<u>Trademarks</u>	<u>Computer Software and Others</u>	
<u>Cost</u>								
Balance, January 1, 2024	\$ 92,206,064	\$ 8,180,078	\$ 33,281,509	\$ 3,599,602	\$ 1,382,000	\$ 2,495,200	\$ 4,284,623	\$ 145,429,076
Additions	-	-	-	-	-	18	211,424	211,442
Disposals and retirements	-	-	-	-	-	(97)	(14,907)	(15,004)
Reclassification	-	-	-	-	-	-	107,284	107,284
Balance, June 30, 2024	<u>\$ 92,206,064</u>	<u>\$ 8,180,078</u>	<u>\$ 33,281,509</u>	<u>\$ 3,599,602</u>	<u>\$ 1,382,000</u>	<u>\$ 2,495,121</u>	<u>\$ 4,588,424</u>	<u>\$ 145,732,798</u>
<u>Accumulated amortization and impairment</u>								
Balance, January 1, 2024	\$ 26,223,074	\$ 1,924,901	\$ 53,487	\$ 2,187,062	\$ -	\$ 820	\$ 3,626,459	\$ 34,015,803
Amortization	2,856,340	89,360	-	96,174	-	31	300,951	3,342,856
Disposals and retirements	-	-	-	-	-	(97)	(14,907)	(15,004)
Balance, June 30, 2024	<u>\$ 29,079,414</u>	<u>\$ 2,014,261</u>	<u>\$ 53,487</u>	<u>\$ 2,283,236</u>	<u>\$ -</u>	<u>\$ 754</u>	<u>\$ 3,912,503</u>	<u>\$ 37,343,655</u>
Carrying amount, January 1, 2024	<u>\$ 65,982,990</u>	<u>\$ 6,255,177</u>	<u>\$ 33,228,022</u>	<u>\$ 1,412,540</u>	<u>\$ 1,382,000</u>	<u>\$ 2,494,380</u>	<u>\$ 658,164</u>	<u>\$ 111,413,273</u>
Carrying amount, June 30, 2024	<u>\$ 63,126,650</u>	<u>\$ 6,165,817</u>	<u>\$ 33,228,022</u>	<u>\$ 1,316,366</u>	<u>\$ 1,382,000</u>	<u>\$ 2,494,367</u>	<u>\$ 675,921</u>	<u>\$ 108,389,143</u>
<u>Cost</u>								
Balance, January 1, 2023	\$ 71,699,375	\$ 8,180,078	\$ 15,872,595	\$ 2,643,826	\$ 1,382,000	\$ 2,517,164	\$ 3,832,774	\$ 106,127,812
Additions	-	-	-	-	-	20	137,664	137,684
Disposals and retirements	-	-	-	-	-	-	(70,047)	(70,047)
Reclassification	-	-	-	-	-	-	83,195	83,195
Balance, June 30, 2023	<u>\$ 71,699,375</u>	<u>\$ 8,180,078</u>	<u>\$ 15,872,595</u>	<u>\$ 2,643,826</u>	<u>\$ 1,382,000</u>	<u>\$ 2,517,184</u>	<u>\$ 3,983,586</u>	<u>\$ 106,278,644</u>
<u>Accumulated amortization and impairment</u>								
Balance, January 1, 2023	\$ 21,955,149	\$ 1,746,182	\$ 53,487	\$ 2,046,000	\$ -	\$ 741	\$ 3,454,888	\$ 29,256,447
Amortization	2,068,292	89,360	-	68,200	-	47	159,743	2,385,642
Disposals and retirements	-	-	-	-	-	-	(70,047)	(70,047)
Balance, June 30, 2023	<u>\$ 24,023,441</u>	<u>\$ 1,835,542</u>	<u>\$ 53,487</u>	<u>\$ 2,114,200</u>	<u>\$ -</u>	<u>\$ 788</u>	<u>\$ 3,544,584</u>	<u>\$ 31,572,042</u>
Carrying amount, June 30, 2023	<u>\$ 47,675,934</u>	<u>\$ 6,344,536</u>	<u>\$ 15,819,108</u>	<u>\$ 529,626</u>	<u>\$ 1,382,000</u>	<u>\$ 2,516,396</u>	<u>\$ 439,002</u>	<u>\$ 74,706,602</u>

The above intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Concession licenses	14-21 years
Service concessions	44-50 years
Customer relationships	17-20 years
Trademarks	10 years
Computer software	1-10 years
Other intangible assets	
Copyrights	Amortized over the broadcast period

a. Service concessions

On January 15, 2009, TNH signed a BOT contract with the Taipei City Government. Under the BOT contract, TNH obtained the right to build and operate a development project located at the old Songshan Tobacco Plant. The development concession premium of superficies is amortized on a straight-line basis during the contract period, and the construction costs are amortized on a straight-line basis from the completion date of the construction to the BOT contract expiry date.

b. Customer relationships, operating rights, and trademarks

The Group measures the fair value of acquired assets when acquisitions occur, and identifies the fair value and amortization periods of the intangible assets which conform to materiality and related standards. Although some of the intangible assets such as operating rights and trademarks have legal useful lives, which can be extended, the Group regards these assets as intangible assets with indefinite useful lives.

- 1) On April 17, 2007, TFN, one of TWM's wholly-owned subsidiaries, acquired more than 50% of the former Taiwan Fixed Network Co., Ltd. (formerly "TFN") through a public tender offer. TWM split the former TFN and its subsidiaries into two cash-generating units, i.e., fixed network services and cable television and broadband business. Accordingly, customer relationships and operating rights were identified as major intangible assets.
- 2) On July 13, 2011, WMT, one of TWM's wholly-owned subsidiaries, acquired control over momo. In the assessment of momo's retail business, based on the analysis results, trademarks were identified as major intangible assets.
- 3) On December 1, 2023, TWM completed the absorption merger with TST. In the assessment of TST's mobile communication services, based on the analysis results, customer relationship was identified and separately disclosed.

c. Goodwill

The carrying amounts of goodwill allocated to the cash-generating units were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Mobile communication services	\$ 24,620,850	\$ 24,620,850	\$ 7,211,936
Fixed network services	357,970	357,970	357,970
Retail business	4,979,566	4,979,566	4,979,566
Cable television and broadband business	3,269,636	3,269,636	3,269,636
	<u>\$ 33,228,022</u>	<u>\$ 33,228,022</u>	<u>\$ 15,819,108</u>

d. Impairment of assets

See Note 15(d) to the consolidated financial statements for the year ended December 31, 2023 for the related information on impairment of assets. There was no significant evidence indicating impairment of intangible assets as of June 30, 2024.

16. OTHER NON-CURRENT ASSETS

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Long-term accounts receivable	\$ 210,239	\$ 218,805	\$ 225,450
Refundable deposits	893,253	931,812	827,870
Other prepayments	442,236	329,709	890,529
Prepayments for investment	-	-	22,741
Others	<u>463,784</u>	<u>463,780</u>	<u>463,745</u>
	<u>\$ 2,009,512</u>	<u>\$ 1,944,106</u>	<u>\$ 2,430,335</u>

17. BORROWINGS

a. Short-term borrowings

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Unsecured loans	<u>\$ 17,200,000</u>	<u>\$ 18,460,000</u>	<u>\$ 10,480,000</u>
Annual interest rates	1.7%~1.8%	1.55%~1.79%	1.51%~1.8419%

For the information on endorsements and guarantees, see Note 31.b.

b. Short-term notes and bills payable

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Short-term notes and bills payable	\$ 5,300,000	\$ 12,900,000	\$ 4,300,000
Less: Discounts on short-term notes and bills payable	(8,672)	(23,743)	(5,035)
	<u>\$ 5,291,328</u>	<u>\$ 12,876,257</u>	<u>\$ 4,294,965</u>
Annual interest rates	1.698%~1.758%	1.548%~1.608%	1.408%~1.438%

c. Long-term borrowings

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Unsecured loans	\$ 15,000,000	\$ 15,000,000	\$ -
Secured loans	1,722,845	1,851,000	1,957,391
Commercial papers payable	9,000,000	7,000,000	8,500,000
Less: Unamortized expenses on unsecured loans	(10,425)	(11,851)	-
Less: Discounts on commercial papers payable	(8,605)	(6,910)	(3,479)
Less: Current portion	<u>(6,321,341)</u>	<u>(3,713,406)</u>	<u>(3,772,328)</u>
	<u>\$ 19,382,474</u>	<u>\$ 20,118,833</u>	<u>\$ 6,681,584</u>
Annual interest rates:			
Unsecured loans	1.8526%	1.7895%	-
Secured loans	2.105%~2.3526%	2.095%~2.2211%	2.2211%
Commercial papers payable	1.535%~2.2783%	1.535%~2.138%	0.688%~ 2.1067%

1) Unsecured loans

To repay existing loans from financial institutions and enhance mid-term working capital, TWM entered into a syndicated loan with a joint credit agreement with six banks, including Bank of Taiwan and Mega International Commercial Bank on November 16, 2023. The credit limit was set at \$15,000,000 thousand, with a credit period of 5 years. From December 13, 2023, the first installment would be due after 12 months, followed by subsequent installments every 6 months, totaling 9 repayment periods. The agreement stipulates the specific financial covenants, such as maintaining a certain net debt ratio, interest coverage ratio, operating EBITDA etc. throughout the loan term.

2) Secured loans

TNH entered into a syndicated loan agreement, with respect to the investment under the aforementioned BOT contract. The credit agreement originally signed in 2010 had been terminated in advance. The credit agreement originally signed in 2017 had been terminated in advance. In 2023, TNH signed another credit agreement with Bank of Taiwan for a credit amount and a guarantee amount totaling \$2,558,000 thousand with interest payments made on a regular basis. The maturity date of the main agreement is in November 2030. Certain loan agreements allow for revolving utilization within the financing limit, and the maturity date is disclosed based on the expiration date of the revolving utilization agreement. In accordance with the loan agreement, the regular financial covenants, e.g., current ratio, equity ratio, and interest protection multiples, must be complied with during the loan term. For property under the BOT contract and its superficies that have been pledged as collateral, see Note 30.

3) Commercial papers payable

TWM's commercial papers payable are treated as revolving credit facilities under the contracts. The last repayment date of the commercial papers payable is in January 2027.

18. BONDS PAYABLE

	June 30, 2024	December 31, 2023	June 30, 2023
5th domestic unsecured straight corporate bonds	\$ 8,998,939	\$ 8,998,281	\$ 8,997,614
6th domestic unsecured straight corporate bonds	19,992,292	19,990,793	19,989,272
7th domestic unsecured straight corporate bonds	2,497,963	2,497,712	2,497,458
1st domestic unsecured straight corporate bonds in 2023	6,494,278	6,493,547	6,492,806
Less: Current portion	(13,998,190)	-	-
	<u>\$ 23,985,282</u>	<u>\$ 37,980,333</u>	<u>\$ 37,977,150</u>

a. 5th domestic unsecured straight corporate bonds

On April 20, 2018, TWM issued the 5th domestic unsecured straight corporate bonds. The bonds included five-year and seven-year bonds, with the principal amount of \$6,000,000 thousand and \$9,000,000 thousand, each having a face value of \$10,000 thousand, and coupon rates of 0.848% and 1% per annum, respectively, with simple interest due annually. Repayment will be made in full at maturity. As of June 30, 2024, the amount of unamortized bond issue cost was \$1,061 thousand. The trustee of bond holders is Bank of Taiwan.

The above-mentioned five-year bond was due and the repayment had been made in April 2023.

Future repayments of the above-mentioned corporate bonds are as follows:

Year	Amount
2025	<u>\$ 9,000,000</u>

b. 6th domestic unsecured straight corporate bonds

On March 24, 2020, TWM issued the 6th domestic unsecured straight corporate bonds. The bonds included five-year, seven-year, and ten-year bonds, with the principal amount of \$5,000,000 thousand, \$10,000,000 thousand and \$5,000,000 thousand, each having a face value of \$10,000 thousand, and coupon rates of 0.64%, 0.66% and 0.72% per annum, respectively, with simple interest due annually. Repayment will be made in full at maturity. As of June 30, 2024, the amount of unamortized bond issue cost was \$7,708 thousand. The trustee of bond holders is Bank of Taiwan.

Future repayments of the above-mentioned corporate bonds are as follows:

Year	Amount
2025	\$ 5,000,000
2027	10,000,000
2030	<u>5,000,000</u>
	<u>\$ 20,000,000</u>

c. 7th domestic unsecured straight corporate bonds

On July 13, 2021, TWM issued the 7th domestic unsecured straight corporate bonds. The bond was seven-year bond, with the principal amount of \$2,500,000 thousand, having a face value of \$10,000 thousand, and coupon rate of 0.53% per annum, with simple interest due annually. Repayment will be made in full at maturity. As of June 30, 2024, the amount of unamortized bond issue cost was \$2,037 thousand. The trustee of bond holders is Bank of Taiwan.

Future repayments of the above-mentioned corporate bonds are as follows:

Year	Amount
2028	\$ <u><u>2,500,000</u></u>

d. 1st domestic unsecured straight corporate bonds in 2023

On May 22, 2023, TWM issued the 1st domestic unsecured straight corporate bonds in 2023 and obtained Social Bond accreditation. The bond was five-year bond, with the principal amount of \$6,500,000 thousand, having a face value of \$10,000 thousand, and coupon rate of 1.537% per annum, with simple interest due annually. Repayment will be made in full at maturity. As of June 30, 2024, the amount of unamortized bond issue cost was \$5,722 thousand. The trustee of bond holders is Bank of Taiwan.

Future repayments of the above-mentioned corporate bonds are as follows:

Year	Amount
2028	\$ <u><u>6,500,000</u></u>

19. PROVISIONS

	June 30, 2024	December 31, 2023	June 30, 2023
Restoration	\$ 1,293,084	\$ 1,368,089	\$ 1,001,858
Replacement	577,919	562,791	535,331
Warranties	<u>17,778</u>	<u>17,091</u>	<u>16,342</u>
	<u>\$ 1,888,781</u>	<u>\$ 1,947,971</u>	<u>\$ 1,553,531</u>
Current	\$ 317,433	\$ 461,400	\$ 77,962
Non-current	<u>1,571,348</u>	<u>1,486,571</u>	<u>1,475,569</u>
	<u>\$ 1,888,781</u>	<u>\$ 1,947,971</u>	<u>\$ 1,553,531</u>

	Restoration	Replacement	Warranties	Total
Balance, January 1, 2024	\$ 1,368,089	\$ 562,791	\$ 17,091	\$ 1,947,971
Provision	21,447	28,556	14,083	64,086
Payment/Reversal	(97,739)	(21,388)	(13,396)	(132,523)
Unwinding of discount	<u>1,287</u>	<u>7,960</u>	<u>-</u>	<u>9,247</u>
Balance, June 30, 2024	<u>\$ 1,293,084</u>	<u>\$ 577,919</u>	<u>\$ 17,778</u>	<u>\$ 1,888,781</u>
Balance, January 1, 2023	\$ 999,153	\$ 505,570	\$ 16,334	\$ 1,521,057
Provision	19,448	27,833	12,400	59,681
Payment/Reversal	(18,025)	(5,125)	(12,392)	(35,542)
Unwinding of discount	<u>1,282</u>	<u>7,053</u>	<u>-</u>	<u>8,335</u>
Balance, June 30, 2023	<u>\$ 1,001,858</u>	<u>\$ 535,331</u>	<u>\$ 16,342</u>	<u>\$ 1,553,531</u>

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

Domestic firms of the Group adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed and defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages. The employees of the Group's subsidiaries in other countries are participants of state-managed retirement benefit plans operated by local governments. In accordance with the above provisions, the Group's contributions to the pension plan amounted to \$106,674 thousand and \$96,105 thousand for the three months ended June 30, 2024 and 2023, respectively, and \$213,432 thousand and \$192,443 thousand for the six months ended June 30, 2024 and 2023, respectively.

b. Defined benefit plans

The Group recognized pension amounts of \$503 thousand and \$675 thousand for the three months ended June 30, 2024 and 2023, respectively, and \$952 thousand and \$1,291 thousand for the six months ended June 30, 2024 and 2023, respectively, by using the actuarially determined pension cost rate.

21. EQUITY

a. Common stock

As of June 30, 2024, December 31, 2023 and June 30, 2023, TWM's authorized capital was \$60,000,000 thousand and capital issued and outstanding were \$37,232,618 thousand, \$37,232,618 thousand and \$35,192,336 thousand, respectively, divided into 3,723,262 thousand shares, 3,723,262 thousand shares and 3,519,234 thousand shares, respectively, at a par value of \$10 each.

On December 1, 2023, TWM issued 204,028 thousand shares of common stock to merge with TST. The issuance of new shares has been approved by the Securities and Futures Bureau on November 24, 2023, and the registration procedures have been completed.

b. Capital surplus

	June 30, 2024	December 31, 2023	June 30, 2023
From business combinations	\$ 18,190,446	\$ 18,190,446	\$ -
Additional paid-in capital	5,268,728	7,309,970	7,309,970
Treasury stock transactions	5,159,704	5,159,704	5,159,704
Difference between consideration and carrying amount arising from the disposal of subsidiaries' stock	85,965	85,965	85,965
Changes in equity of subsidiaries	501,215	501,215	501,215
Changes in equity of associates accounted for using equity method	70,266	13,326	15,015
Expired share options	13,269	13,269	13,269
Others	28,890	28,890	26,651
	<u>\$ 29,318,483</u>	<u>\$ 31,302,785</u>	<u>\$ 13,111,789</u>

Under the ROC Company Act, capital surplus generated from the excess of the issue price over the par value of capital stock, including the stock issued for business combinations or new capital, the conversion premium from convertible corporate bonds, treasury stock transactions, and the difference between consideration and carrying amount of subsidiaries' stock disposed of, may be applied to make-up accumulated deficit, if any, or be transferred to capital as stock dividends, or be distributed as cash dividends when there is no accumulated deficit, and this transfer is restricted to a certain percentage of the paid-in capital. The capital surplus arising from changes in equity of subsidiaries, changes in equity of associates accounted for using equity method and the overdue unclaimed dividends could also be applied to make-up accumulated deficit, if any. The other capital surplus cannot be used by any means.

c. Appropriation of earnings and dividend policy

In accordance with the Company's Articles of Incorporation, TWM's profits earned in a fiscal year shall first be set aside to pay the applicable taxes, offset losses, and set aside for legal reserve pursuant to laws and regulations, unless the legal reserve has reached TWM's total paid-up capital. The remaining profits shall be set aside for special reserve in accordance with laws, regulations, or business requirements. Any further remaining profits plus unappropriated earnings shall be distributed in accordance with the proposal submitted by the Board of Directors for approval at a stockholders' meeting.

TWM adopts a dividend distribution policy whereby only surplus profits of TWM shall be distributed to stockholders. That is, after setting aside amounts for retained earnings based on TWM's capital budget plan, the residual profits shall be distributed as cash dividends. Stock dividends in a particular year shall be capped at no more than 80% of total dividends to be distributed for that year. The amount of the distributable dividends, the forms in which dividends shall be distributed, and the ratio thereof shall depend on the actual profit and cash positions of TWM and shall be approved by resolutions of the Board of Directors, who shall, upon such approval, recommend the same to the stockholders for approval by resolution at the stockholders' meetings.

The above appropriation of earnings should be resolved in the annual general stockholders' meeting (AGM) held in the following year.

According to the ROC Company Act, a company shall first set aside its earnings as legal reserve until the legal reserve equals the paid-in capital. The legal reserve may be used to offset losses. After offsetting any deficit, the legal reserve may be transferred to capital and distributed as stock dividends or cash dividends for the amount in excess of 25% of the paid-in capital pursuant to a resolution adopted in the stockholders' meeting.

Pursuant to existing regulations, TWM is required to set aside and reverse additional special reserve equivalent to the net debit balance of the other equity interests, such as the exchange differences on translation and unrealized gain or loss on financial assets at fair value through other comprehensive income.

The appropriations of earnings for 2023 and 2022, which have been resolved in the AGM on June 21, 2024 and June 13, 2023, respectively, were as follows:

	For Fiscal Year 2023	For Fiscal Year 2022
Legal reserve	\$ 1,218,244	\$ 895,382
Special reserve	-	(1,823,415)
Cash dividends	10,964,152	9,881,841
Cash dividends per share (NT\$)	3.6251	3.5036

In addition, cash distributions arising from capital surplus with respect to the excess of stock issuance price over the par value of capital stock, totaling \$2,041,242 thousand and \$2,246,232 thousand and representing \$0.6749 and \$0.7964 per share, were also resolved in the AGM; thus, total distributions were \$4.3 per share, respectively, for 2023 and 2022.

As of June 30, 2024, the cash dividends to stockholders of TWM and subsidiaries amounted to \$14,963,141 thousand and were recognized under dividends payable account.

d. Other equity interests

	Exchange Differences on Translation	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Total
Balance, January 1, 2024	\$(38,219)	\$ 362,335	\$ 324,116
Exchange differences on translation	10,768	-	10,768
Changes in fair value of financial assets at FVTOCI	-	18,509	18,509
Changes in other comprehensive income (loss) of associates accounted for using equity method	(1,330)	(32,493)	(33,823)
Valuation loss (gain) of equity instruments transferred to retained earnings due to disposal by associates	-	2,823	2,823
Income tax effect	-	4,608	4,608
Balance, June 30, 2024	<u>\$(28,781)</u>	<u>\$ 355,782</u>	<u>\$ 327,001</u>
Balance, January 1, 2023	\$(27,862)	\$ 316,076	\$ 288,214
Exchange differences on translation	(8,972)	-	(8,972)
Changes in fair value of financial assets at FVTOCI	-	407,707	407,707
Changes in other comprehensive income (loss) of associates accounted for using equity method	(3,189)	(44,829)	(48,018)
Valuation loss (gain) of equity instruments transferred to retained earnings due to disposal	-	35,770	35,770
Valuation loss (gain) of equity instruments transferred to retained earnings due to disposal by associates	-	60,136	60,136
Income tax effect	-	(70,883)	(70,883)
Balance, June 30, 2023	<u>\$(40,023)</u>	<u>\$ 703,977</u>	<u>\$ 663,954</u>

e. Treasury stock

As of June 30, 2024, December 31, 2023 and June 30, 2023, TWM's stocks held for the investment purposes by TCCI, TUI and TID, which are all wholly-owned by TWM, were 698,752 thousand shares, and the market values were \$74,766,421 thousand, \$68,896,908 thousand and \$66,800,653 thousand, respectively. Since TWM's stocks held by its subsidiaries are regarded as treasury stock, TWM recognized \$29,717,344 thousand as treasury stock. For those treasury stockholders, they have the same rights as the other stockholders, except that they are not allowed to subscribe new shares issued by TWM for cash and exercise the voting rights over such treasury stock.

22. OPERATING REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Revenue from contracts with customers				
Telecommunications and value-added services	\$ 15,170,071	\$ 12,234,448	\$ 30,212,055	\$ 24,287,049
Sales revenue	30,910,969	29,568,086	62,538,196	58,807,623
Cable TV and broadband services	1,385,715	1,483,908	2,759,940	2,956,085
Others	249,250	219,145	455,461	430,536
Other operating revenue	<u>27,891</u>	<u>40,732</u>	<u>54,875</u>	<u>80,364</u>
	<u>\$ 47,743,896</u>	<u>\$ 43,546,319</u>	<u>\$ 96,020,527</u>	<u>\$ 86,561,657</u>

a. Contract information

Refer to Note 35 and to Note 4 to the consolidated financial statements for the year ended December 31, 2023.

b. Contract balances

	June 30, 2024	December 31, 2023	June 30, 2023	January 1, 2023
Contract assets				
Bundle sales	\$ 12,995,556	\$ 11,996,749	\$ 10,844,153	\$ 10,580,384
Less: Allowance for impairment loss	<u>(94,906)</u>	<u>(85,364)</u>	<u>(81,216)</u>	<u>(89,820)</u>
	<u>\$ 12,900,650</u>	<u>\$ 11,911,385</u>	<u>\$ 10,762,937</u>	<u>\$ 10,490,564</u>
Current	\$ 6,391,722	\$ 6,100,164	\$ 5,379,278	\$ 5,092,822
Non-current	<u>6,508,928</u>	<u>5,811,221</u>	<u>5,383,659</u>	<u>5,397,742</u>
	<u>\$ 12,900,650</u>	<u>\$ 11,911,385</u>	<u>\$ 10,762,937</u>	<u>\$ 10,490,564</u>

For notes and accounts receivable, please refer to Note 8.

The Group measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to accounts receivable when the corresponding invoice is billed to the client, and the contract assets have substantially the same risk as the trade receivables. Therefore, the Group concluded that the expected loss rates for trade receivables can be applied to the contract assets.

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>	<u>January 1, 2023</u>
Contract liabilities				
Telecommunications and value-added services	\$ 1,697,362	\$ 2,018,224	\$ 1,130,936	\$ 1,289,461
Sales of goods	446,017	422,087	230,125	255,349
Cable TV and broadband services	585,855	573,442	609,958	628,941
Others	<u>5,024</u>	<u>4,061</u>	<u>6,628</u>	<u>4,093</u>
	<u>\$ 2,734,258</u>	<u>\$ 3,017,814</u>	<u>\$ 1,977,647</u>	<u>\$ 2,177,844</u>
Current	\$ 2,591,467	\$ 2,608,499	\$ 1,876,244	\$ 2,079,999
Non-current	<u>142,791</u>	<u>409,315</u>	<u>101,403</u>	<u>97,845</u>
	<u>\$ 2,734,258</u>	<u>\$ 3,017,814</u>	<u>\$ 1,977,647</u>	<u>\$ 2,177,844</u>

The changes in balances of contract assets and contract liabilities primarily result from the timing difference between the satisfaction of performance obligations and the payments collected from customers.

c. Assets related to contract costs

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Incremental costs of obtaining a contract - non-current	<u>\$ 2,549,673</u>	<u>\$ 2,492,742</u>	<u>\$ 1,972,413</u>

The Group considered the past experience and the default clauses in the sale contracts and believed the commission and the subsidy paid for obtaining a contract are wholly recoverable, therefore, such costs are capitalized. The amounts of amortization recognized for the three months ended June 30, 2024 and 2023 were \$462,351 thousand and \$338,101 thousand, respectively, and for the six months ended June 30, 2024 and 2023 were \$934,968 thousand and \$670,247 thousand, respectively.

23. NON-OPERATING INCOME AND EXPENSES

a. Other gains and losses, net

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Loss on disposal and retirement of property, plant and equipment, net	\$(75,347)	\$(19,555)	\$(189,697)	\$(47,997)
Gain on disposal of property, plant and equipment held for sale	-	-	258	-
Net gain (loss) on financial assets at fair value through profit and loss (FVTPL)	(49,098)	31,822	(4,758)	18,146
Net loss on disposal of investments accounted for using equity method	(1,451)	(312)	(1,451)	(312)
Gain (loss) on foreign exchange, net	7,887	(804)	52,523	320
Others	357	(157)	222	(314)
	<u>\$(117,652)</u>	<u>\$ 10,994</u>	<u>\$(142,903)</u>	<u>\$(30,157)</u>

b. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Interest expense				
Corporate bonds	\$ 85,567	\$ 74,151	\$ 170,973	\$ 146,687
Bank loans	152,965	73,761	289,642	163,397
Commercial papers payable	68,037	53,663	143,094	96,500
Lease liabilities	30,391	19,843	62,874	38,941
Others	6,928	6,845	13,808	13,667
	<u>\$ 343,888</u>	<u>\$ 228,263</u>	<u>\$ 680,391</u>	<u>\$ 459,192</u>

24. INCOME TAX

a. Income tax recognized in profit or loss

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Current income tax expense				
Current period	\$ 906,239	\$ 847,143	\$ 1,705,366	\$ 1,687,844
Prior years' adjustments	(25,576)	(27,429)	(25,596)	(18,885)
	<u>880,663</u>	<u>819,714</u>	<u>1,679,770</u>	<u>1,668,959</u>
Deferred income tax expense				
Temporary differences	<u>2,434</u>	<u>11,436</u>	<u>42,597</u>	<u>5,507</u>
Income tax expense	<u>\$ 883,097</u>	<u>\$ 831,150</u>	<u>\$ 1,722,367</u>	<u>\$ 1,674,466</u>

b. Income tax recognized in other comprehensive income (loss)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Current income tax income				
Realized gain/loss on financial assets at FVTOCI	\$ -	\$ -	\$ -	\$ (14,997)
Deferred income tax expense (income)				
Unrealized gain/loss on financial assets at FVTOCI	<u>8,674</u>	<u>49,379</u>	<u>(4,656)</u>	<u>70,872</u>
Income tax expense (income)	<u>\$ 8,674</u>	<u>\$ 49,379</u>	<u>\$ (4,656)</u>	<u>\$ 55,875</u>

c. Income tax examinations

The latest years for which the income tax returns of the entities in the Group have been examined and cleared by the tax authorities were as follows:

Company	Year
TWM	2021
TST (Dissolved)	2020
TCC	2022
WMT	2022
TVC	2022
TNH	2022
FSD	2022
TFN	2022 (Exclude 2021)
TT&T	2021
TCCI	2022
TDS	2022
TPIA	2022
TFC	2022
TWMFM	2022

<u>Company</u>	<u>Year</u>
TUI	2022
TID	2022
SFF	2022
TFNM	2021
GFMT	2022
GWMT	2022
WTVB	2022
YJCTV	2021
MCTV	2022
PCTV	2021
UCTV	2021
GCTV	2021
momo	2021
FLI (Dissolved)	2022
FI	2022
FST	2022
Bebe Poshe	2022
FSL	2022
MFS	2021
Prosperous Living	2022

25. EARNINGS PER SHARE

	<u>For the Three Months Ended June 30, 2024</u>		
	<u>Amount After</u>	<u>Weighted-</u>	
	<u>Income Tax</u>	<u>average</u>	
		<u>Number of</u>	
		<u>Shares</u>	<u>EPS (NT\$)</u>
		<u>(In Thousands)</u>	
Basic EPS			
Profit attributable to owners of the parent	\$ 3,232,602	3,024,510	\$ <u>1.07</u>
Effect of dilutive potential common stock:			
Employees' compensation	<u>-</u>	<u>1,960</u>	
Diluted EPS			
Profit attributable to owners of the parent (adjusted for potential effect of common stock)	\$ <u>3,232,602</u>	<u>3,026,470</u>	\$ <u>1.07</u>

For the Three Months Ended June 30, 2023			
	Amount After Income Tax	Weighted- average Number of Shares (In Thousands)	EPS (NT\$)
Basic EPS			
Profit attributable to owners of the parent	\$ 3,035,280	2,820,482	\$ <u>1.08</u>
Effect of dilutive potential common stock:			
Employees' compensation	<u>-</u>	<u>2,008</u>	
Diluted EPS			
Profit attributable to owners of the parent (adjusted for potential effect of common stock)	<u>\$ 3,035,280</u>	<u>2,822,490</u>	<u>\$ 1.08</u>

For the Six Months Ended June 30, 2024			
	Amount After Income Tax	Weighted- average Number of Shares (In Thousands)	EPS (NT\$)
Basic EPS			
Profit attributable to owners of the parent	\$ 6,200,522	3,024,510	\$ <u>2.05</u>
Effect of dilutive potential common stock:			
Employees' compensation	<u>-</u>	<u>3,114</u>	
Diluted EPS			
Profit attributable to owners of the parent (adjusted for potential effect of common stock)	<u>\$ 6,200,522</u>	<u>3,027,624</u>	<u>\$ 2.05</u>

For the Six Months Ended June 30, 2023			
	Amount After Income Tax	Weighted- average Number of Shares (In Thousands)	EPS (NT\$)
Basic EPS			
Profit attributable to owners of the parent	\$ 5,749,994	2,820,482	\$ <u>2.04</u>
Effect of dilutive potential common stock:			
Employees' compensation	<u>-</u>	<u>2,943</u>	
Diluted EPS			
Profit attributable to owners of the parent (adjusted for potential effect of common stock)	<u>\$ 5,749,994</u>	<u>2,823,425</u>	<u>\$ 2.04</u>

Since TWM has the discretion to settle the employees' compensation by cash or stock, TWM should presume that the entire amount of the compensation will be settled in stock, and the potential stock dilution should be included in the weighted-average number of stock outstanding used in the calculation of diluted EPS, provided there is a dilutive effect. Such dilutive effect of the potential stock needs to be included in the calculation of diluted EPS until employees' compensation is approved in the following year.

26. CASH FLOW INFORMATION

Changes in liabilities arising from financing activities:

For the Six Months Ended June 30, 2024

	<u>Opening Balance</u>	<u>Cash Flows</u>	<u>Non-cash Changes</u>		<u>Ending Balance</u>
			<u>New Leases</u>	<u>Others</u>	
Lease liabilities (including current and non-current portions)	\$ <u>13,763,743</u>	\$ <u>(2,887,727)</u>	\$ <u>1,771,476</u>	\$ <u>(782,268)</u>	\$ <u>11,865,224</u>

For the Six Months Ended June 30, 2023

	<u>Opening Balance</u>	<u>Cash Flows</u>	<u>Non-cash Changes</u>		<u>Ending Balance</u>
			<u>New Leases</u>	<u>Others</u>	
Lease liabilities (including current and non-current portions)	\$ <u>9,849,442</u>	\$ <u>(2,190,227)</u>	\$ <u>2,184,813</u>	\$ <u>(124,991)</u>	\$ <u>9,719,037</u>

27. CAPITAL MANAGEMENT

The Group maintains and manages its capital to meet the minimum paid-in capital required by the competent authority, and to optimize the balance of liabilities and equity in order to maximize stockholders' return. By periodically reviewing and measuring relative cost, risk, and rate of return to ensure profit and to maintain adequate financial ratios, the Group may adopt various financing approaches to balance its capital structure in order to meet the demands for working capital, capital expenditures, settlements of liabilities, and dividend payments in its normal course of business for the future.

28. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
<u>Financial assets</u>			
Financial assets at FVTPL (including current and non-current portions) (Note 1)	\$ 1,912,422	\$ 1,832,998	\$ 1,272,972
Financial assets at FVTOCI (including current and non-current portions)	5,930,506	5,791,795	5,589,830
Financial assets measured at amortized cost (including current and non-current portions) (Note 2)	<u>31,760,418</u>	<u>30,178,705</u>	<u>24,502,455</u>
	<u>\$ 39,603,346</u>	<u>\$ 37,803,498</u>	<u>\$ 31,365,257</u>
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (including current and non-current portions) (Note 3)	<u>\$ 129,616,704</u>	<u>\$ 121,357,242</u>	<u>\$ 99,419,192</u>

Note 1: Financial assets mandatorily measured at FVTPL.

Note 2: The balances comprised cash and cash equivalents, financial assets at amortized cost, notes and accounts receivable, other receivables, other financial assets and refundable deposits, which were financial assets measured at amortized cost.

Note 3: The balances comprised long-term and short-term borrowings, commercial papers payable, notes and accounts payable, dividends payable, other payables, other financial liabilities (classified as other current liabilities), bonds payable and guarantee deposits, which were financial liabilities measured at amortized cost.

b. Fair value of financial instruments

1) Financial instruments not measured at fair value

Except for the table below, the Group considers that the carrying amount of financial assets and liabilities that are not at fair value is close to the fair value, or the fair value cannot be reliably measured.

	<u>June 30, 2024</u>		<u>December 31, 2023</u>		<u>June 30, 2023</u>	
	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
<u>Financial liabilities</u>						
Bonds payable (including current portion)	\$ 37,983,472	\$ 37,707,960	\$ 37,980,333	\$ 37,627,421	\$ 37,977,150	\$ 37,553,921

The fair value of bonds payable is measured by Level 2 inputs, using a volume-weighted average price on the TPEx at reporting date.

2) Fair value of financial instruments that are measured at fair value on a recurring basis

The table below provides the related analysis of financial instruments at fair value after initial recognition. Based on the extent that fair value can be observed, the fair value measurements are grouped into Levels 1 to 3:

- a) Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities on the reporting date.
- b) Level 2: Inputs other than quoted prices included within Level 1 are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- c) Level 3: Inputs for the assets or liabilities are not based on observable market data (unobservable inputs).

June 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic unlisted stocks	\$ -	\$ -	\$ 287,500	\$ 287,500
Domestic limited partnerships	-	-	37,657	37,657
Foreign listed stocks	4,973	-	-	4,973
Foreign unlisted stocks	-	-	97,427	97,427
Foreign limited partnerships	-	-	912,460	912,460
Foreign convertible notes	-	-	542,406	542,406
Embedded rights	-	-	3,999	3,999
Other investment agreement	-	-	26,000	26,000
	<u>\$ 4,973</u>	<u>\$ -</u>	<u>\$ 1,907,449</u>	<u>\$ 1,912,422</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTOCI</u>				
Equity instruments				
Domestic listed stocks	\$ 732,133	\$ -	\$ -	\$ 732,133
Domestic unlisted stocks	-	-	1,223,156	1,223,156
Foreign listed stocks	173	-	-	173
Foreign unlisted stocks	-	-	2,404,431	2,404,431
Foreign limited partnerships	-	-	1,570,613	1,570,613
	<u>\$ 732,306</u>	<u>\$ -</u>	<u>\$ 5,198,200</u>	<u>\$ 5,930,506</u>

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic unlisted stocks	\$ -	\$ -	\$ 287,500	\$ 287,500
Domestic limited partnerships	-	-	38,134	38,134
Foreign listed stocks	11,283	-	-	11,283
Foreign unlisted stocks	-	-	131,018	131,018
Foreign limited partnerships	-	-	736,788	736,788
Foreign convertible notes	-	-	624,694	624,694
Embedded rights	-	-	3,581	3,581
	<u>\$ 11,283</u>	<u>\$ -</u>	<u>\$ 1,821,715</u>	<u>\$ 1,832,998</u>

Financial assets at FVTOCI

Equity instruments				
Domestic listed stocks	\$ 523,322	\$ -	\$ -	\$ 523,322
Domestic unlisted stocks	-	-	1,342,512	1,342,512
Foreign listed stocks	623	-	-	623
Foreign unlisted stocks	-	-	2,351,983	2,351,983
Foreign limited partnerships	-	-	1,573,355	1,573,355
	<u>\$ 523,945</u>	<u>\$ -</u>	<u>\$ 5,267,850</u>	<u>\$ 5,791,795</u>

June 30, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Domestic unlisted stocks	\$ -	\$ -	\$ 247,197	\$ 247,197
Domestic limited partnerships	-	-	18,424	18,424
Foreign unlisted stocks	-	-	182,280	182,280
Foreign limited partnerships	-	-	697,156	697,156
Foreign convertible notes	-	-	127,915	127,915
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,272,972</u>	<u>\$ 1,272,972</u>

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTOCI</u>				
Equity instruments				
Domestic listed stocks	\$ 609,464	\$ -	\$ -	\$ 609,464
Domestic unlisted stocks	-	-	1,390,400	1,390,400
Foreign listed stocks	808	-	-	808
Foreign unlisted stocks	-	-	2,101,091	2,101,091
Foreign limited partnerships	-	-	1,488,067	1,488,067
	<u>\$ 610,272</u>	<u>\$ -</u>	<u>\$ 4,979,558</u>	<u>\$ 5,589,830</u>

There were no transfers between the fair value measurements of Levels 1 and 2 for the six months ended June 30, 2024 and 2023.

Valuation techniques and assumptions used in fair value determination

a) The fair value of financial instruments traded in active markets is based on quoted market prices (including stocks of publicly traded companies).

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

The evaluations of fair value of unlisted stocks and convertible notes were mainly referenced to the valuation of the same type of companies or the transaction prices of recent financing activities and estimated free cash flows through the market approach, income approach and asset approach. The unobservable inputs were the liquidity discount rate and the stock price volatility. The liquidity discount rates were ranged from 9.6%~36.9%, 11.7%~32.7% and 10.8%~32.5% as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively. The stock price volatilities were ranged from 39.9%~94.2%, 25.42%~98.8% and 36.3%~118.4% as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

The fair value of limited partnerships investments was evaluated through the market approach, income approach and asset approach. The evaluation and assumptions are mainly referenced to related information of comparable transactions or companies and estimated future cash flows. The unobservable input was liquidity discount rate, which were estimated to be 24.19%, 23.4% and 23.6% as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

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

For the Six Months Ended June 30, 2024

	<u>Financial Assets at FVTPL - Financial Instruments</u>	<u>Financial Assets at FVTOCI - Equity Instruments</u>
Balance, January 1, 2024	\$ 1,821,715	\$ 5,267,850
Additions	103,339	63,720
Decrease	(19,156)	-
Recognized in profit or loss (gain on financial assets at FVTPL)	1,551	-
Recognized in other comprehensive income (unrealized loss on financial assets at FVTOCI)	-	(36,555)
Transferred out of Level 3 (Note)	-	(96,815)
Balance, June 30, 2024	<u>\$ 1,907,449</u>	<u>\$ 5,198,200</u>

Note: Because a certain equity investment's quoted price (unadjusted) in active markets became available, its fair value hierarchy was transferred from Level 3 to Level 1.

For the Six Months Ended June 30, 2023

	Financial Assets at FVTPL - Financial Instruments	Financial Assets at FVTOCI - Equity Instruments
Balance, January 1, 2023	\$ 1,181,015	\$ 4,531,060
Additions	74,111	158,220
Decrease	-	(17,164)
Recognized in profit or loss (gain on financial assets at FVTPL)	17,846	-
Recognized in other comprehensive income (unrealized gain on financial assets at FVTOCI)	-	307,442
Balance, June 30, 2023	<u>\$ 1,272,972</u>	<u>\$ 4,979,558</u>

c. Financial risk management

1) The Group's major financial instruments include equity investments, hybrid investments, trade receivables, trade payables, commercial papers payable, bonds payable, borrowings, lease liabilities, etc., and the Group is exposed to the following risks due to usage of financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

This note presents information concerning the Group's risk exposure and the Group's targets, policies and procedures to measure and manage the risks.

2) Risk management framework

a) Decision-making mechanism

The Board of Directors is the highest supervisory and decision-making body responsible for assessing material risks, designating actions to control these risks, and keeping track of their execution. In addition, the Operations and Management Committee conducts periodic reviews of each business group's operating target and performance to meet the Group's guidance and budget.

b) Risk management policies

- i. Promote a risk-management-based business model.
- ii. Establish a risk management mechanism that can effectively recognize, evaluate, supervise and control risk.
- iii. Create a company-wide risk management structure that can limit risk to an acceptable level.
- iv. Introduce best risk management practices and continue to seek improvements.

c) Monitoring mechanism

The Internal Audit Office assesses the potential risks that the Group may face and uses this information as a reference for determining its annual audit plan. The Internal Audit Office reports the results and findings of performing such procedures, and follows up the discrepancies, if any, for actions.

3) Credit risk

Credit risk refers to the risk that a counterparty would default on its contractual obligations, resulting in a financial loss to the Group. The maximum credit exposure of the aforementioned financial instruments is equal to their carrying amounts recognized in the consolidated balance sheets as of the balance sheet date. The Group has large trade receivables outstanding with its customers. A substantial majority of the Group's outstanding trade receivables are not covered by collateral or credit insurance. The Group has implemented ongoing measures including enhancing credit assessments and strengthening overall risk management to reduce its credit risk. While the Group has procedures to monitor and limit exposure to credit risk on trade receivables, there can be no assurance such procedures will effectively limit its credit risk and avoid losses. This risk is heightened during periods when economic conditions worsen.

As the Group serves a large number of unrelated consumers, the concentration of credit risk was limited.

4) Liquidity risk

Liquidity risk is the risk that the Group fails to meet the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to manage liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable loss or damage to the Group's reputation.

The Group manages and maintains a sufficient level of capital to ensure the requirements of paying estimated operating expenditures, including financial obligations on each contract. The Group also monitors its bank credit facilities to ensure that the Group fully complies with the provisions and financial covenants of loan contracts. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group had unused bank facilities of \$65,120,243 thousand, \$61,155,846 thousand and \$67,394,263 thousand, respectively.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments, but not including the financial liabilities whose carrying amounts approximate contractual cash flows:

	<u>Contractual Cash Flows</u>	<u>Within 1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>
<u>June 30, 2024</u>				
Unsecured loans	\$ 33,264,584	\$ 18,726,097	\$ 14,538,487	\$ -
Secured loans	1,919,821	164,795	646,945	1,108,081
Commercial papers payable	14,532,749	10,420,408	4,112,341	-
Bonds payable	39,001,870	14,337,155	19,628,715	5,036,000
Lease liabilities	12,087,444	4,468,131	6,797,054	822,259
Other non-current liabilities	<u>292,500</u>	<u>73,125</u>	<u>219,375</u>	<u>-</u>
	<u>\$ 101,098,968</u>	<u>\$ 48,189,711</u>	<u>\$ 45,942,917</u>	<u>\$ 6,966,340</u>

	<u>Contractual Cash Flows</u>	<u>Within 1 Year</u>	<u>1-5 Years</u>	<u>5-10 Years</u>
<u>December 31, 2023</u>				
Unsecured loans	\$ 34,625,679	\$ 19,385,090	\$ 15,240,589	\$ -
Secured loans	2,074,109	156,913	613,434	1,303,762
Commercial papers payable	20,093,546	16,016,630	4,076,916	-
Bonds payable	39,325,775	337,155	33,916,620	5,072,000
Lease liabilities	14,004,859	5,885,768	7,223,670	895,421
Other non-current liabilities	<u>365,625</u>	<u>73,125</u>	<u>292,500</u>	<u>-</u>
	<u>\$ 110,489,593</u>	<u>\$ 41,854,681</u>	<u>\$ 61,363,729</u>	<u>\$ 7,271,183</u>
<u>June 30, 2023</u>				
Unsecured loans	\$ 10,497,248	\$ 10,497,248	\$ -	\$ -
Secured loans	2,021,844	316,528	1,705,316	-
Commercial papers payable	12,957,109	7,903,789	5,053,320	-
Bonds payable	39,339,025	337,155	31,416,620	7,585,250
Lease liabilities	9,849,507	3,697,098	6,029,065	123,344
Other non-current liabilities	<u>365,625</u>	<u>73,125</u>	<u>292,500</u>	<u>-</u>
	<u>\$ 75,030,358</u>	<u>\$ 22,824,943</u>	<u>\$ 44,496,821</u>	<u>\$ 7,708,594</u>

5) Market risk

Market risk is the risk that arises from the changes in foreign exchange rates, interest rates, and prices, and will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within an acceptable range and to optimize the return.

The Group carefully evaluates each financial instrument transaction involving any risk such as exchange rate risk, interest rate risk, and market price risk in order to decrease potential influences caused by market uncertainty.

a) Exchange rate risk

The Group mainly operates in Taiwan, except for international roaming services. Most of the operating revenue and expenses are measured in NTD. A small portion of the expenses is paid in USD, EUR, etc.; thus, the Group purchases currency at the spot rate based on the conservative principle in order to hedge exchange rate risk.

Refer to Note 33 for the information of the Group's foreign currency assets and liabilities exposed to significant exchange rate risk.

Sensitivity analysis

The Group's exchange rate risk comes mainly from conversion gains and losses of accounts denominated in monetary items of foreign currencies. If there had been an unfavorable 5% movement in the levels of foreign exchanges against NTD at the end of the reporting period (with other factors remaining constant at the end of the reporting period and with analyses of the two periods on the same basis), profit would have decreased by \$30,775 thousand and \$23,002 thousand for the six months ended June 30, 2024 and 2023, respectively.

b) Interest rate risk

The entities within the Group were funded using both fixed and floating interest rates, resulting in exposure to interest rate risk. To mitigate the impact of interest rate fluctuations, the Group maintains a balanced mix of fixed and floating interest rates borrowings.

The carrying amounts of the Group's financial assets and financial liabilities exposed to interest rate risk were as follows:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Fair value interest rate risk			
Financial assets	\$ 11,649,287	\$ 9,270,060	\$ 7,296,932
Financial liabilities	65,299,619	79,685,007	61,434,679
Cash flow interest rate risk			
Financial assets	6,358,404	6,531,680	5,977,958
Financial liabilities	33,155,183	27,883,607	11,935,268

Sensitivity analysis

The following sensitivity analysis is based on the exposure to interest rate risk of derivative and non-derivative instruments at the end of the reporting period. For floating-rate assets and liabilities, the analysis assumes that the balances of outstanding assets and liabilities at the end of the reporting period have been outstanding for the whole period and that the changes in interest rates are reasonable. If the interest rate had increased by 50 basis points (with other factors remaining constant at the end of the reporting period and with analyses of the two periods on the same basis), profit would have decreased by \$66,992 thousand and \$14,893 thousand for the six months ended June 30, 2024 and 2023, respectively.

c) Other market price risk

The exposure to financial instrument price risk is mainly due to holding of stocks. The Group manages the risk by maintaining portfolios of investments with different risks and by continuously monitoring the future developments and market trends of investment targets.

Sensitivity analysis

If the prices of financial instruments had decreased by 5% (with other factors remaining constant and with the analyses of the two periods on the same basis), net income would have decreased by \$95,621 thousand and \$63,649 thousand since the fair value of financial assets at FVTPL decreased for the six months ended June 30, 2024 and 2023, respectively. Other comprehensive income would have decreased by \$296,525 thousand and \$279,492 thousand since the fair value of financial assets at FVTOCI decreased for the six months ended June 30, 2024 and 2023, respectively.

29. RELATED-PARTY TRANSACTIONS

- a. Parent company and ultimate controlling party
TWM is the ultimate controlling party of the Group.
- b. Related party name and nature of relationship

<u>Related Party</u>	<u>Nature of Relationship</u>
AppWorks	Associate
AppWorks Fund III	Associate
GHS	Associate
AppWorks Fund IV	Associate
Uspace	Associate
NADA	Associate
kbro Media	Associate
M.E.	Associate
Tropics	Associate
Fubon Green Power	Associate
AppWorks School Co., Ltd.	Associate (subsidiary of AppWorks)
Beijing Global JiuSha Media Technology Co., Ltd.	Associate (subsidiary of GHS)
Shoei Contents Corporation	Associate (subsidiary of NADA)
More Sounds Film Production Co., Ltd.	Associate (subsidiary of M.E.)
Mepay Co., Ltd.	Associate (subsidiary of M.E.)
EnVision Concept Co., Ltd.	Associate (subsidiary of M.E.)
Good Image Co., Ltd.	Associate (subsidiary of kbro Media, not a related party since the second quarter of 2024)
Fansta Co., Ltd.	Associate (subsidiary of M.E., not a related party since the second quarter of 2024)
Fubon Life Insurance Co., Ltd.	Other related party
Fubon Insurance Co., Ltd. (Fubon Insurance)	Other related party
Fubon Asset Management Co., Ltd.	Other related party
Fubon Sports & Entertainment Co., Ltd.	Other related party
Taipei Fubon Commercial Bank Co., Ltd. (TFCB)	Other related party
Fubon Financial Holding Co., Ltd.	Other related party
Fubon Life Insurance (HK) Ltd.	Other related party
Fubon Securities Co., Ltd.	Other related party
Fubon Futures Co., Ltd.	Other related party
Fubon Investment Services Co., Ltd.	Other related party
Fubon Marketing Co., Ltd.	Other related party (not a related party since the third quarter of 2023)
Fubon Insurance Agency Co., Ltd.	Other related party

Related Party	Nature of Relationship
Fubon Insurance Agency Co., Ltd.	Other related party (not a related party since the third quarter of 2023)
Fubon Financial Venture Capital Co., Ltd.	Other related party
Fubon Stadium Co., Ltd.	Other related party
Fubon AMC, Ltd.	Other related party
One Production Film Co., Ltd.	Other related party (not a related party since the second quarter of 2023)
Fubon Bank (Hong Kong) Limited	Other related party
Fubon Bank (China) Co., Ltd.	Other related party
Fubon Land Development Co., Ltd.	Other related party
Fubon Property Management Co., Ltd.	Other related party
Fubon Security Service Co., Ltd.	Other related party
Fubon Real Estate Management Co., Ltd.	Other related party
Fubon Hospitality Management Co., Ltd.	Other related party
Fubon Private Equity Co., Ltd.	Other related party
TFB Capital Co., Ltd.	Other related party
P. League+ Co., Ltd.	Other related party
Jih Sun Securities Co., Ltd.	Other related party (not a related party since the second quarter of 2023)
Jih Sun International Bank, Ltd.	Other related party (not a related party since the second quarter of 2023)
Jih Sun International Property Insurance Agent Co., Ltd.	Other related party (not a related party since the second quarter of 2023)
Jih Sun Life Insurance Agent Co., Ltd.	Other related party (not a related party since the second quarter of 2023)
Jih Sun Futures Co., Ltd.	Other related party (not a related party since the second quarter of 2023)
Jih Sun Securities Investment Consulting Co., Ltd.	Other related party (not a related party since the second quarter of 2023)
Chung Hsing Constructions Co., Ltd.	Other related party
Ming Dong Co., Ltd.	Other related party
Fu Yi Health Management Co., Ltd.	Other related party
Fubon Xinji Investment Co., Ltd.	Other related party
Hung Fu Investment Co., Ltd.	Other related party
Immanuel Investment Ltd.	Other related party
Dai-Ka Ltd.	Other related party
AppWorks Fund III Co., Ltd.	Other related party
Chen Feng Investment Ltd.	Other related party
Chen Yun Co., Ltd.	Other related party
Cho Pharma Inc.	Other related party

<u>Related Party</u>	<u>Nature of Relationship</u>
kbro Co., Ltd. (kbro)	Other related party
Daanwenshan CATV Co., Ltd.	Other related party
North Taoyuan CATV Co., Ltd.	Other related party
Yangmingshan CATV Co., Ltd.	Other related party
Hsin Taipei CATV Co., Ltd.	Other related party
Chinpingtao CATV Co., Ltd.	Other related party
Hsintangcheng CATV Co., Ltd.	Other related party
Chuanlien CATV Co., Ltd.	Other related party
Chen Tao Cable TV Co., Ltd.	Other related party
Fengmeng Cable TV Co., Ltd.	Other related party
Hsinpingtao CATV Co., Ltd.	Other related party
Kuansheng CATV Co., Ltd.	Other related party
Nantien CATV Co., Ltd.	Other related party
Taiwan Win TV Media Co., Ltd.	Other related party (not a related party since the second quarter of 2024)
Taiwan Mobile Foundation (TMF)	Other related party
Taipei New Horizon Foundation (TNHF)	Other related party
Fubon Cultural & Educational Foundation	Other related party
Fubon Charity Foundation	Other related party
Fubon Art Foundation	Other related party
Fubon Life Art Museum Foundation	Other related party
Taipei Fubon Bank Charity Foundation	Other related party
Taipei New Horizon Management Agency	Other related party
Key management	Chairman, director, president, vice president, etc.

c. Significant transactions with related parties

1) Operating revenue

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Associates	\$ 5,211	\$ 603	\$ 10,946	\$ 1,036
Other related parties	424,342	424,888	806,786	802,177
	<u>\$ 429,553</u>	<u>\$ 425,491</u>	<u>\$ 817,732</u>	<u>\$ 803,213</u>

The Group renders telecommunications, sales, maintenance, lease services, etc., to the related parties. The transaction terms with related parties were not significantly different from those with third parties.

2) Purchases

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Associates	\$ 233	\$ 1,350	\$ 305	\$ 1,549
Other related parties	306,467	291,695	503,847	475,537
	<u>\$ 306,700</u>	<u>\$ 293,045</u>	<u>\$ 504,152</u>	<u>\$ 477,086</u>

The entities mentioned above provide broadband, copyright, broadcast, and other services. The transaction terms with related parties were not significantly different from those with third parties.

3) Receivables due from related parties

Account	Related Party Categories	June 30, 2024	December 31, 2023	June 30, 2023
Notes and accounts receivable	Associates	\$ 1,122	\$ 1,274	\$ 51
Notes and accounts receivable	Other related parties	510,733	587,958	554,394
		<u>\$ 511,855</u>	<u>\$ 589,232</u>	<u>\$ 554,445</u>
Other receivables	Other related parties			
	TFCB	\$ 508,480	\$ 480,025	\$ 199,506
	Others	18,008	80,225	43,124
		<u>\$ 526,488</u>	<u>\$ 560,250</u>	<u>\$ 242,630</u>

Receivables from related parties mentioned above were not secured with collateral, and no provisions for impairment loss were accrued.

4) Payables due to related parties

Account	Related Party Categories	June 30, 2024	December 31, 2023	June 30, 2023
Notes and accounts payable	Associates	\$ 50	\$ 72	\$ 1
Notes and accounts payable	Other related parties	232,634	131,420	193,150
		<u>\$ 232,684</u>	<u>\$ 131,492</u>	<u>\$ 193,151</u>
Other payables	Other related parties	\$ 101,153	\$ 72,919	\$ 87,646

5) Prepayments

	June 30, 2024	December 31, 2023	June 30, 2023
Other related parties	<u>\$ 87,642</u>	<u>\$ 14,819</u>	<u>\$ 64,936</u>

6) Bank deposits, time deposits and other financial assets (including current and non-current portions)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Other related parties			
TFCB	\$ <u>4,063,124</u>	\$ <u>5,651,090</u>	\$ <u>2,316,696</u>

7) Acquisition of investments accounted for using equity method

<u>Related Party Transaction</u>	<u>Transaction Period</u>	<u>Shares (In Thousands)</u>	<u>Purchase Price</u>
Participation in AppWorks Fund IV's capital increase	The first half of 2024	-	\$ 43,610
Contributions to Tropics's capital increase	The first half of 2024	1,600	16,000
Contributions to Fubon Green Power's capital increase	The first half of 2024	60,000	<u>600,000</u>
			<u>\$ 659,610</u>
Participation in AppWorks Fund IV's capital increase	The first half of 2023		<u>\$ 35,000</u>

8) Others

a) Refundable deposits

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2024</u>
Other related parties	\$ <u>80,689</u>	\$ <u>80,479</u>	\$ <u>66,447</u>

b) Other current liabilities - receipts under custody

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2024</u>
Other related parties	\$ <u>176,030</u>	\$ <u>178,790</u>	\$ <u>164,679</u>

c) Operating expenses

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Other related parties				
TMF	\$ 3,600	\$ 5,250	\$ 9,600	\$ 9,000
TNHF	2,000	2,000	5,000	5,000
TFCB	271,089	247,486	537,428	469,519
Others	<u>111,033</u>	<u>105,463</u>	<u>135,429</u>	<u>116,470</u>
	<u>\$ 387,722</u>	<u>\$ 360,199</u>	<u>\$ 687,457</u>	<u>\$ 599,989</u>

d) Other income

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Other related parties	\$ <u>11,794</u>	\$ <u>15,484</u>	\$ <u>23,860</u>	\$ <u>30,204</u>

e) Interest income

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Other related parties				
TFCB	\$ <u>18,216</u>	\$ <u>9,188</u>	\$ <u>30,329</u>	\$ <u>12,490</u>

f) mo-coin transactions

Subsidiary momo sold mo-coins to related parties amounting to \$638,720 thousand for the six months ended June 30, 2024, mainly to provide rewards to users (consumers).

9) Lease arrangements

Lease liabilities (including current and non-current portions)

	June 30,	December 31,	June 30,
	2024	2023	2023
Other related parties	\$ <u>802,533</u>	\$ <u>934,188</u>	\$ <u>283,794</u>

The leases are conducted by referring to general market prices, and all the terms and conditions conform to normal business practices.

d. Key management compensation

The amounts of remuneration of directors and key executives were as follows:

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Short-term employee benefits	\$ 84,412	\$ 82,038	\$ 180,430	\$ 170,084
Termination and post-employment benefits	<u>15,795</u>	<u>926</u>	<u>16,812</u>	<u>9,603</u>
	\$ <u>100,207</u>	\$ <u>82,964</u>	\$ <u>197,242</u>	\$ <u>179,687</u>

30. ASSETS PLEDGED

The assets pledged as collateral for bank loans, purchases, performance bonds and lawsuits were as follows:

	June 30,	December 31,	June 30,
	2024	2023	2023
Other current financial assets	\$ 142,042	\$ 147,415	\$ 160,527
Service concessions	6,165,817	6,255,177	6,344,536
Other non-current financial assets	<u>435,289</u>	<u>427,014</u>	<u>404,055</u>
	\$ <u>6,743,148</u>	\$ <u>6,829,606</u>	\$ <u>6,909,118</u>

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. Unrecognized commitments

	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Purchases of property, plant and equipment	\$ <u>12,394,979</u>	\$ <u>9,424,213</u>	\$ <u>6,503,445</u>
Purchases of inventories and sales commitments	\$ <u>3,988,579</u>	\$ <u>6,032,088</u>	\$ <u>4,896,722</u>

As of June 30, 2024, December 31, 2023 and June 30, 2023, the amounts of lease commitments commencing after the balance sheet dates were \$700,692 thousand, \$640,307 thousand and \$2,926,837 thousand, respectively.

b. As of June 30, 2024, December 31, 2023 and June 30, 2023, the amounts of endorsements and guarantees provided to entities in the Group were \$24,900,000 thousand, \$24,700,000 thousand and \$24,750,000 thousand, respectively.

c. Subsidiary momo provided collection and payment services to contracted stores, guaranteed through an escrow arrangement. As of June 30, 2024, the balance of the trust account held with financial institution was \$138,321 thousand.

d. On January 15, 2009, subsidiary TNH signed the BOT contract with the Department of Cultural Affairs of Taipei City Government. The primary terms of the contract are summarized as follows:

1) Construction and operating period:

The construction and operating period are 50 years from the day following the signing of the contract.

2) Development concession:

The total initial amount of concession was \$1,238,095 thousand (tax excluded). According to the supplemental agreement signed in November 2014, the concession would be paid with additional business tax from the signing date of the supplemental agreement; thus, the concession was increased by \$48,750 thousand. The rest of the concession will be paid over 14 years from fiscal year 2015. As of June 30, 2024, \$1,044,062 thousand (tax included) of the concession had been paid.

3) Performance guarantee:

As of June 30, 2024, TNH had provided a \$32,500 thousand performance guarantee regarding the BOT contract.

4) Rental of land:

During the construction period, TNH should pay land value tax (1% of the announced land value) and other expenses.

During the operating period, TNH should pay 60% of 5% of the announced land value, that is, 3% of the announced land value. According to the supplemental agreement signed in November 2014, the concession will be paid with additional business tax from the date of agreement signing.

- e. In August 2015, Far EastOne Telecommunications Co., Ltd. (FET) filed a statement of civil complaint with the Taipei District Court, in which FET claimed that (i) TWM shall apply for the return of the C4 spectrum block; (ii) TWM shall not use the C4 spectrum block; (iii) TWM shall not use the C1 spectrum block until TWM's application for the return of the C4 spectrum block is approved by the NCC; and (iv) TWM shall provide \$1,005,800 thousand to FET as compensation. In May 2016, the Court decided in favor of FET regarding claims (i), (ii), and (iii) of the lawsuit, and against FET regarding claim (iv) of the lawsuit. TWM and FET appealed with the High Court the reversal of the aforementioned sentences. The High Court dismissed the appeal of TWM regarding claims (i), (ii), and (iii), and regarding claim (iv) of FET, TWM shall pay FET \$765,779 thousand, of which \$152,584 thousand of the above amount, TWM shall make 5% annual interest payment for the period starting from September 5, 2015 to the payment date. TWM and FET appealed the reversal of the aforementioned sentences. In May 2019, the Supreme Court dismissed the portion of the High Court's original judgment on other appeal of FET regarding, and dismissed TWM's payment obligation, and the Supreme Court remanded the case to the High Court. Under the first retrial of the High Court, TWM filed a counterclaim requesting that FET pay \$14,482 thousand, as well as a 5% annual interest payment for the period starting from the date following the service of the counterclaim until the settlement date. In August 2020, the High Court first retrial results were as follows: for the dismissed claim (iv) stated above, TWM shall pay FET \$242,154 thousand of which \$142,685 thousand shall have 5% annual interest for the period starting from September 30, 2016 to the payment date, and \$99,469 thousand shall have 5% annual interest for the period starting from July 21, 2017 to the payment date. TWM's counterclaim was denied. TWM and FET appealed the aforementioned sentences which were not favorable to them. In June 2023, the Supreme Court dismissed the first retrial of the High Court and remanded the case to the High Court. The case is now in process at the second retrial of the High Court.
- f. Regarding to the merger between FET and Asia Pacific Telecom Co., Ltd. (APT), TWM exercised the dissenting shareholder's appraisal right to request APT to buy back TWM's shares in accordance with the Business Mergers And Acquisitions Act, and had deposited all of the held shares to APT in the second quarter of 2022. In July 2022, APT had paid the fair price it has recognized of \$671,375 thousand to TWM in accordance with the Business Mergers And Acquisitions Act. However, TWM disagreed with such the fair price recognized by APT, and therefore, APT applied to the court for a ruling on the fair price. In October 2023, the Intellectual Property and Commercial Court ruled the price to be \$7.95 per share. TWM has filed an interlocutory appeal. The Supreme Court reversed the original ruling, and remanded the case to the Intellectual Property and Commercial Court in March 2024. The case is now in process at the first retrial of the Intellectual Property and Commercial Court.

32. OTHERS

Employee benefits, depreciation, and amortization are summarized as follows:

	For the Three Months Ended June 30					
	2024			2023		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefits						
Salary	\$ 780,703	\$ 1,684,891	\$ 2,465,594	\$ 714,759	\$ 1,396,073	\$ 2,110,832
Insurance expenses	74,699	149,253	223,952	70,051	131,247	201,298
Pension	36,322	70,855	107,177	34,173	62,607	96,780
Others	41,082	83,003	124,085	35,881	76,501	112,382
Depreciation	3,738,931	240,317	3,979,248	2,999,540	230,820	3,230,360
Amortization	1,605,397	513,143	2,118,540	1,163,671	370,457	1,534,128

	For the Six Months Ended June 30					
	2024			2023		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefits						
Salary	\$ 1,577,238	\$ 3,371,898	\$ 4,949,136	\$ 1,451,668	\$ 2,860,808	\$ 4,312,476
Insurance expenses	151,757	303,269	455,026	141,236	265,829	407,065
Pension	72,594	141,790	214,384	68,065	125,669	193,734
Others	79,942	161,654	241,596	71,681	146,141	217,822
Depreciation	7,739,280	485,481	8,224,761	5,972,876	460,691	6,433,567
Amortization	3,237,271	1,040,553	4,277,824	2,322,148	733,741	3,055,889

Information of employees' compensation and remuneration of directors

According to the Company's Articles of Incorporation, the estimated employees' compensation and remuneration of directors are set at the rates of 1% to 3% and no higher than 0.3%, respectively, of profit before income tax, employees' compensation, remuneration of directors, and amounts reserved in advance. Estimations for employees' compensation were \$110,331 thousand, \$99,615 thousand, \$209,674 thousand and \$191,944 thousand, and remuneration to directors were \$11,033 thousand, \$9,961 thousand, \$20,967 thousand and \$19,194 thousand, which were calculated by applying the aforementioned rates, for the three months and the six months ended June 30, 2024 and 2023, respectively.

The employees' compensation and remuneration of directors of 2023 and 2022 shown below were approved by the Board of Directors on February 21, 2024 and February 24, 2023, respectively. There was no difference between the approved amounts and the amounts recognized.

	For the Year Ended December 31			
	2023		2022	
	Employees' Compensation Paid in Cash	Remuneration of Directors	Employees' Compensation Paid in Cash	Remuneration of Directors
Amounts approved by the Board of Directors	\$ <u>405,977</u>	\$ <u>40,598</u>	\$ <u>305,936</u>	\$ <u>30,594</u>
Amounts recognized in the consolidated financial statements	\$ <u>405,977</u>	\$ <u>40,598</u>	\$ <u>305,936</u>	\$ <u>30,594</u>

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

Information on the employees' compensation and remuneration of directors approved by the Board of Directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant assets and liabilities denominated in foreign currencies were as follows:

		June 30, 2024		
		Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Foreign currency assets</u>				
Monetary items				
USD	\$	75,499	32.53	\$ 2,455,998
EUR		595	34.78	20,697
RMB		19,865	4.457	88,539
Non-monetary items				
USD		168,046	32.53	5,466,527
RMB		92,251	4.457	411,163
SGD		207	23.97	4,973
HKD		41	4.165	173
JPY		300,000	0.203	60,810
<u>Foreign currency liabilities</u>				
Monetary items				
USD		59,839	32.53	1,946,551
EUR		33	34.78	1,151
HKD		291	4.165	1,212
JPY		4,037	0.203	818
		December 31, 2023		
		Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Foreign currency assets</u>				
Monetary items				
USD	\$	89,410	30.705	\$ 2,745,333
EUR		330	34.14	11,251
RMB		20,934	4.319	90,412
Non-monetary items				
USD		176,448	30.705	5,417,838
RMB		90,739	4.319	391,900
SGD		484	23.33	11,283
HKD		159	3.929	623

	December 31, 2023		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Foreign currency liabilities</u>			
Monetary items			
USD	57,174	30.705	1,755,517
EUR	34	34.14	1,169
HKD	660	3.929	2,593
JPY	7,397	0.218	1,614

	June 30, 2023		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 57,731	31.07	\$ 1,793,695
EUR	243	33.92	8,230
RMB	21,118	4.286	90,510
HKD	265	3.965	1,049
Non-monetary items			
USD	148,672	31.07	4,619,250
RMB	109,959	4.286	471,282
HKD	204	3.965	808

	June 30, 2023		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Foreign currency liabilities</u>			
Monetary items			
USD	45,897	31.07	1,426,009
EUR	24	33.92	830
HKD	1,106	3.965	4,385
JPY	10,334	0.215	2,225

Refer to Note 23.a for the information related to the Group's realized and unrealized foreign exchange gains (losses) for the three months and the six months ended June 30, 2024 and 2023. Due to the variety of foreign currency transactions and functional currencies, the Group could not disclose the foreign exchange gains (losses) for each foreign currency with significant influence.

34. ADDITIONAL DISCLOSURES

a. Information on significant transactions and b. Information on investees:

- 1) Financing extended to other parties: Table 1 (attached)
- 2) Endorsements/guarantees provided to other parties: Table 2 (attached)
- 3) Marketable securities held (excluding investments in subsidiaries and associates): Table 3 (attached)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: Table 4 (attached)

- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None
 - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
 - 7) Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: Table 5 (attached)
 - 8) Receivables from related parties of at least NT\$100 million or 20% of the paid-in capital: Table 6 (attached)
 - 9) Names, locations and related information of investees on which TWM exercised significant influence (excluding information on investments in mainland China): Table 7 (attached)
 - 10) Trading in derivative instruments: None
 - 11) Business relationships between the parent and the subsidiaries and significant intercompany transactions: Table 8 (attached)
- c. Information on investments in mainland China:
- 1) The names of investees in mainland China, the main businesses and products, issued capital, method of investment, information on inflow or outflow of capital, ownership, net income or loss and recognized investment gain or loss, ending balance, amount received as earnings distributions from the investment, and limitation on investment: Table 9 (attached)
 - 2) Significant direct or indirect transactions with the investee companies, the prices and terms of payment, unrealized gain or loss, and other related information, which is helpful to understand the impact of investment in mainland China on financial reports: None
- d. Information of major stockholders, the name, the number of stocks owned, and percentage of ownership of each stockholder with ownership of 5% or greater: Table 10 (attached)

35. SEGMENT INFORMATION

a. Segment revenue and operating results

The Group divides its business into four reportable segments with different market attributes and operation modes. The four segments are described as follows:

Telecommunications: providing mobile communication services, mobile phone sales, fixed-line services, etc.

Retail: providing E-commerce shopping, multimedia shopping, etc.

Cable television and broadband: providing pay TV, cable broadband services, etc.

Others: business other than telecommunications, retail, cable television, broadband, etc.

For the Three Months Ended June 30, 2024	Telecommuni- cations	Retail	Cable Television and Broadband	Others	Adjustments and Eliminations	Total
Operating revenue	\$ 20,431,506	\$ 26,656,946	\$ 1,475,845	\$ 159,639	\$(980,040)	\$ 47,743,896
Operating costs and expenses	17,332,433	25,770,276	892,296	97,065	(1,037,346)	43,054,724
Operating income	3,330,537	924,206	584,903	66,222	45,107	4,950,975

For the Three Months Ended June 30, 2023	Telecommuni- cations	Retail	Cable Television and Broadband	Others	Adjustments and Eliminations	Total
Operating revenue	\$ 16,410,235	\$ 26,212,415	\$ 1,571,408	\$ 150,758	\$(798,497)	\$ 43,546,319
Operating costs and expenses	13,763,119	25,246,114	1,014,067	97,102	(822,844)	39,297,558
Operating income	2,854,053	1,000,528	559,214	54,741	11,756	4,480,292

For the Six Months Ended June 30, 2024	Telecommuni- cations	Retail	Cable Television and Broadband	Others	Adjustments and Eliminations	Total
Operating revenue	\$ 41,152,393	\$ 53,534,815	\$ 2,944,582	\$ 308,905	\$(1,920,168)	\$ 96,020,527
Operating costs and expenses	35,379,750	51,560,809	1,781,057	196,194	(2,000,432)	86,917,378
Operating income	6,225,625	2,041,610	1,167,215	116,359	55,465	9,606,274

For the Six Months Ended June 30, 2023	Telecommuni- cations	Retail	Cable Television and Broadband	Others	Adjustments and Eliminations	Total
Operating revenue	\$ 33,639,599	\$ 51,332,455	\$ 3,130,376	\$ 297,297	\$(1,838,070)	\$ 86,561,657
Operating costs and expenses	28,566,515	49,327,350	2,025,098	193,439	(1,894,194)	78,218,208
Operating income	5,432,331	2,092,599	1,109,501	104,943	30,511	8,769,885

b. Geographical information

The Group's revenue is generated mostly from domestic business. Overseas revenue is primarily generated from international calls and data services.

Consolidated geographic information for revenue was as follows:

	For the Six Months Ended June 30	
	2024	2023
Taiwan, ROC	\$ 94,492,144	\$ 85,273,360
Overseas	1,528,383	1,288,297
	<u>\$ 96,020,527</u>	<u>\$ 86,561,657</u>

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

FINANCING EXTENDED TO OTHER PARTIES
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

No.	Lending Company	Borrowing Company	Financial Statement Account	Related Parties	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Drawdown Amounts	Interest Rate	Nature of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Lending Limit for Each Borrowing Company	Lending Company's Lending Amount Limits	Note
													Item	Value			
1	TCC	TWM	Other receivables	Yes	\$ 500,000	\$ 500,000	\$ 302,000	1.83378%~1.83500%	Short-term financing	\$ -	Operation requirements	\$ -	-	\$ -	\$ 34,362,268	\$ 34,362,268	Note 2
		TFC	Other receivables	Yes	300,000	300,000	56,000	1.83500%	Short-term financing	-	Operation requirements	-	-	-	34,362,268	34,362,268	Note 2
2	WMT	TWM	Other receivables	Yes	4,700,000	4,700,000	4,500,000	1.83500%~1.96000%	Short-term financing	-	Operation requirements	-	-	-	8,747,998	8,747,998	Note 2
		TFNM	Other receivables	Yes	2,000,000	2,000,000	-	1.83378%~1.83433%	Short-term financing	-	Operation requirements	-	-	-	8,747,998	8,747,998	Note 2
		WTVB	Other receivables	Yes	1,000,000	600,000	200,000	1.83378%~1.96000%	Short-term financing	-	Operation requirements	-	-	-	8,747,998	8,747,998	Note 2
3	TFN	TWM	Other receivables	Yes	11,000,000	11,000,000	10,233,000	1.83378%~1.83500%	Short-term financing	-	Operation requirements	-	-	-	22,078,705	22,078,705	Note 2
4	PCTV	TFNM	Other receivables	Yes	450,000	450,000	450,000	1.83500%	Transactions	457,737	-	-	-	-	457,737	457,737	Note 3 and 4
5	GCTV	TFNM	Other receivables	Yes	250,000	250,000	250,000	1.83500%	Short-term financing	-	Repayment of financing	-	-	-	275,413	275,413	Note 3
6	YJCTV	TFNM	Other receivables	Yes	100,000	100,000	100,000	1.83500%	Short-term financing	-	Repayment of financing	-	-	-	127,649	127,649	Note 3
7	UCTV	TFNM	Other receivables	Yes	400,000	400,000	300,000	1.83500%	Short-term financing	-	Repayment of financing	-	-	-	735,253	735,253	Note 3

Note 1: The maximum balance for the period and the ending balance represent quotas, not actual drawdown.

Note 2: Where funds are loaned for reasons of business dealings and short-term financing needs, the amount of loaned funds shall be limited to 40% of the lending company's net worth. For short-term financing needs, the aggregate amount of loaned funds shall not exceed 40% of the lending company's net worth. The individual loan funds shall be limited to the lowest amount of the following items: 1) 40% of the lending company's net worth; 2) The amount that the lending company invests in the borrowing entities; or 3) An amount equal to (the share portion of the borrowing entities that the lending company invests in) * (the total loaning amounts of the borrowing company). In the event that a lending company directly and indirectly owns 100% of the borrowing company, or the borrowing company directly and indirectly owns 100% of the lending company, the individual lending amount and the aggregate amount of loaned funds shall not exceed 40% of the lending company's net worth.

Note 3: Where funds are loaned for reasons of business dealings and short-term financing needs, the amount of loaned funds shall be limited to the total amount of business dealings and 40% of the lending company's net worth. 1) For reasons of business dealings: The individual lending amount and the aggregate amount of loaned funds shall not exceed the amount of business dealings and the total amount of business dealings, respectively. 2) For short-term financing needs: The individual lending amount and the aggregate amount of loaned funds shall not exceed 40% of the lending company's net worth.

Note 4: Where funds are loaned for reasons of business dealings, the aggregate amount of loans and the maximum amount permitted to a single borrower shall be prescribed within the aggregate amount of business transactions.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES
ENDORSEMENT/GUARANTEE PROVIDED TO OTHER PARTIES
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

No.	Company Providing Endorsements/ Guarantees	Receiving Party		Limits on Endorsements/ Guarantees Amount Provided to Each Entity	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Drawdown Amounts (Note 1)	Amount of Endorsements/ Guarantees Collateralized by Property	Ratio of Accumulated Endorsements/ Guarantees to Net Worth of the Guarantor (Note 1)	Maximum Endorsements/ Guarantees Amount Allowable	Guarantee Provided by Parent Company	Guarantee Provided by a Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Note
		Name	Nature of Relationship											
0	TWM	TFN	Note 2	\$ 42,000,000	\$ 21,500,000	\$ 21,500,000	\$ 7,500,000	\$ -	27.54	\$ 78,075,377	Y	N	N	Note 3
		TVC	Note 2	9,950,000	3,200,000	3,200,000	1,973,500	-	4.10	78,075,377	Y	N	N	Note 3
		FSNR	Note 2	200,000	200,000	200,000	200,000	-	0.26	78,075,377	Y	N	N	Note 3

Note 1: The maximum endorsement/guarantee balance for the period, the ending balance, and the drawdown amounts represent quotas, not actual drawdown.

Note 2: Direct/indirect subsidiary.

Note 3: For 100% directly/indirectly owned subsidiaries, the aggregate endorsement/guarantee amount provided shall not exceed the net worth of TWM, and the upper limit for each subsidiary shall be double the investment amount.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD (EXCLUDING INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES)
JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	At the End of the Period				Note
				Units/Shares (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
TWM	<u>Listed Stocks</u>							
	Chunghwa Telecom Co., Ltd.	-	Current financial assets at FVTOCI	2,174	\$ 272,776	0.028	\$ 272,776	
	<u>Unlisted Stocks</u>							
	LINE Bank Taiwan Limited	-	Non-current financial assets at FVTOCI	75,000	589,742	5	589,742	
	Bridge Mobile Pte Ltd.	-	Non-current financial assets at FVTOCI	800	31,053	10	31,053	
	KKCompany Technologies Inc.	-	Non-current financial assets at FVTOCI	4,547	353,308	2.77	353,308	
	Taiwan Mobile Communication Inc.	-	Non-current financial assets at FVTOCI	400	2,436	0.99	2,436	
	<u>Limited Partnerships</u>							
	Grand Academy Investment, L.P.	-	Non-current financial assets at FVTOCI	-	1,511,181	21.67	1,511,181	Note 1
Starview Heights Investment, L.P.	-	Non-current financial assets at FVTOCI	-	59,432	21.67	59,432	Note 1	
TCC	<u>Unlisted Stocks</u>							
	Arcoa Communication Co., Ltd.	-	Non-current financial assets at FVTOCI	6,998	135,274	5.21	135,274	
WMT	<u>Limited Partnerships</u>							
	The Last Thieves, L.P.	-	Current financial assets at FVTPL	-	-	7.14	-	Note 1
TVC	<u>Listed Stocks</u>							
	17LIVE Group Limited	-	Current financial assets at FVTPL	312	4,973	0.18	4,973	Note 2
	91APP, Inc.	-	Non-current financial assets at FVTOCI	2,500	245,750	2.12	245,750	
	<u>Unlisted Stocks</u>							
	Jayawijaya Finance Limited	-	Non-current financial assets at FVTPL	5	97,427	6.24	97,427	
	FIGMENT INC.	-	Non-current financial assets at FVTOCI	269	5,473	0.11	5,473	
	Stampede Entertainment, Inc.	-	Non-current financial assets at FVTOCI	1,664	570,153	9.43	570,153	
	TIKI GLOBAL PTE. LTD.	-	Non-current financial assets at FVTOCI	760	136,594	2.39	136,594	
	CARSOME GROUP INC.	-	Non-current financial assets at FVTOCI	733	20,006	0.36	20,006	
	Cloud Mile Inc.	-	Non-current financial assets at FVTOCI	5,396	851,928	18.2	851,928	
	BAM Management US Holdings Inc.	-	Non-current financial assets at FVTOCI	246	64,279	0.11	64,279	

Investing Company	Marketable Securities Type and Name	Relationship with the Securities Issuer	Financial Statement Account	At the End of the Period				Note	
				Units/Shares (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value		
TVC	LINE MAN CORPORATION PTE. LTD.	-	Non-current financial assets at FVTOCI	1,100	\$ 254,905	0.94	\$ 254,905		
	Swift Navigation, Inc.	-	Non-current financial assets at FVTOCI	214	15,567	0.3	15,567		
	Swift Navigation, Inc.	-	Non-current financial assets at FVTOCI	364	26,464	0.5	26,464		
	Partipost Pte. Ltd.	-	Non-current financial assets at FVTOCI	899	13,891	2.53	13,891		
	Taiwan Web Service Corporation	-	Non-current financial assets at FVTOCI	3,000	5,956	4.48	5,956		
	SoundOn Inc.	-	Non-current financial assets at FVTOCI	2,623	159,681	12.79	159,681		
	REMOV Co., Ltd.	-	Non-current financial assets at FVTOCI	-	60,810	2.11	60,810	Note 3	
	<u>Limited Partnerships</u>								
	AUM CREATIVE FUND II	-	Non-current financial assets at FVTPL	-	20,877	16.38	20,877	Note 1	
	Linse Capital Fund I, L.P.	-	Non-current financial assets at FVTPL	-	104,231	0.89	104,231	Note 1	
	LINSE CAPITAL SKY II LLC	-	Non-current financial assets at FVTPL	-	97,794	2.67	97,794	Note 1	
	Northstar Equity Partners V Limited	-	Non-current financial assets at FVTPL	-	238,402	1.72	238,402	Note 1	
	Northstar Ventures I, L.P.	-	Non-current financial assets at FVTPL	-	25,722	3.62	25,722	Note 1	
	Pantera Blockchain Offshore Fund L.P.	-	Non-current financial assets at FVTPL	-	180,420	0.32	180,420	Note 1	
	Pioneer Fund II L.P.	-	Non-current financial assets at FVTPL	-	164,167	13.58	164,167	Note 1	
	Soma Capital Fund III, L.P.	-	Non-current financial assets at FVTPL	-	80,847	1.21	80,847	Note 1	
	TOMORROW TOGETHER FUND	-	Non-current financial assets at FVTPL	-	37,657	16	37,657	Note 1	
	<u>Convertible Notes</u>								
	CARSOME GROUP INC.	-	Non-current financial assets at FVTPL	-	126,672	-	126,672		
	Manuscript Inc.	-	Non-current financial assets at FVTPL	-	415,734	-	415,734		
TCCI	<u>Listed Stocks</u>								
	TWM	TWM	Non-current financial assets at FVTOCI	200,497	21,453,154	5.38	21,453,154		
TUI	<u>Unlisted Stocks</u>								
	Great Taipei Broadband Co., Ltd.	-	Non-current financial assets at FVTOCI	10,000	35,196	6.67	35,196		
TUI	<u>Listed Stocks</u>								
	TWM	TWM	Non-current financial assets at FVTOCI	410,665	43,941,185	11.03	43,941,185		
TID	<u>Listed Stocks</u>								
	TWM	TWM	Non-current financial assets at FVTOCI	87,590	9,372,082	2.36	9,372,082		
momo	<u>Listed Stocks</u>								
	eSun Holdings Limited	-	Current financial assets at FVTOCI	728	173	0.04	173	Note 2	
	We Can Medicines Co., Ltd.	-	Non-current financial assets at FVTOCI	3,073	213,607	6.94	213,607		
	<u>Unlisted Stocks</u>								
	Gaius Automotive Inc.	-	Non-current financial assets at FVTPL	5,750	287,500	7.07	287,500		
	LINE Bank Taiwan Limited	-	Non-current financial assets at FVTOCI	37,500	294,871	2.5	294,871		

Note 1: Percentage of ownership is the percentage of capital contribution.

Note 2: Foreign listed stock.

Note 3: The shares held as of the period ended were fewer than 1,000 shares.

Note 4: For the information on investments in subsidiaries and associates, see Table 7 and Table 9 for details.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal			Ending Balance		
					Units/Shares (In Thousands)	Amount	Units/Shares (In Thousands)	Amount	Units/Shares (In Thousands)	Amount	Carrying Amount	Gain (Loss) on Disposal	Units/Shares (In Thousands)	Amount (Note 1)
TVC	Unlisted Stocks Fubon Green Power	Investment accounted for using equity method	-	Associate	-	\$ -	40,000	\$ 400,000	-	\$ -	\$ -	\$ -	40,000	\$ 399,798
momo	Fubon Green Power	Investment accounted for using equity method	-	Associate	-	-	20,000	200,000	-	-	-	-	20,000	199,899

Note 1: The ending balance included the relevant adjustments to share of loss of investments accounted for using equity method.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NTS100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Transactions with Terms Different from Others		Notes/Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
TWM	TFN	Subsidiary	Purchase	\$ 2,663,604	9	Based on contract terms	-	-	\$(515,766)	Note 2	Note 3
	TPIA	Subsidiary	Sale	112,801	-	Based on contract terms	-	-	87,140	1	
	TFNM	Subsidiary	Purchase	113,615	-	Based on contract terms	-	-	(49,647)	Note 2	
	momo	Subsidiary	Sale	1,325,000	3	Based on contract terms	-	-	272,860	3	
				Purchase	135,067	-	Based on contract terms	-	-	(22,374)	
TWM&TDS	Fubon Insurance	Other related party	Sale	153,128	-	Based on contract terms	-	-	53,092	1	
TFN	TFNM	Fellow subsidiary	Sale	109,490	2	Based on contract terms	-	-	36,210	3	
	kbro	Other related party	Sale	210,152	4	Based on contract terms	-	-	69,003	6	
TT&T	TWM	Ultimate parent	Sale	562,081	92	Based on contract terms	-	-	95,836	92	
TPIA	Fubon Insurance	Other related party	Sale	189,977	96	Based on contract terms	-	-	115,986	96	
TFNM	YJCTV	Subsidiary	Channel leasing fee	179,854	10	Based on contract terms	Note 1	Note 1	-	-	
	PCTV	Subsidiary	Channel leasing fee	219,822	12	Based on contract terms	Note 1	Note 1	-	-	
	UCTV	Subsidiary	Channel leasing fee	107,112	6	Based on contract terms	Note 1	Note 1	-	-	
momo	FSL	Subsidiary	Purchase	613,588	1	Based on contract terms	-	-	(226,941)	2	
MFS	momo	Parent	Sale	105,629	97	Based on contract terms	-	-	22,031	94	

Note 1: The companies authorized a related party to deal with the copyrights transactions for cable television. As the said account item was the only one, there was no comparable transaction.

Note 2: Including accounts payable and other payables.

Note 3: Accounts receivable (payable) was the net amount after being offset.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss	
					Amount	Action Taken			
TWM	momo	Subsidiary	Notes and accounts receivable	\$ 272,860	9.23	\$ -	-	\$ 270,165	\$ -
			Other receivables	67,038		-	-	12,543	-
TCC	TWM	Parent	Other receivables	303,898		-	-	-	-
WMT	TWM	Parent	Other receivables	4,527,470		-	-	341,438	-
	WTVB	Subsidiary	Other receivables	200,784		-	-	90,353	-
TFN	TWM	Ultimate parent	Notes and accounts receivable	524,469	10.57	-	-	460,509	-
			Other receivables	10,367,859		-	-	22,133	-
TPIA	Fubon Insurance	Other related party	Notes and accounts receivable	115,986	3.31	-	-	32,282	-
YJCTV	TFNM	Parent	Notes and accounts receivable	5,703	7.13	-	-	3,687	-
			Other receivables	100,002		-	-	1	-
PCTV	TFNM	Parent	Notes and accounts receivable	6,266	7.24	-	-	4,011	-
			Other receivables	450,036		-	-	35	-
UCTV	TFNM	Parent	Notes and accounts receivable	4,172	7.02	-	-	2,549	-
			Other receivables	300,362		-	-	1	-
GCTV	TFNM	Parent	Notes and accounts receivable	2,640	6.89	-	-	1,654	-
			Other receivables	250,002		-	-	1	-
momo	TWM	Ultimate parent	Notes and accounts receivable	75,237	12.54	-	-	64,549	-
			Other receivables	48,213		-	-	44,579	-
	TFCB	Other related party	Notes and accounts receivable	165,858	Note 1	-	-	114,464	-
			Other receivables	432,407		-	-	431,669	-
FSL	momo	Parent	Notes and accounts receivable	227,477	4.86	-	-	125,169	-

Note 1: Not applicable due to the transaction partners and the nature of transactions.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

NAMES, LOCATIONS AND RELATED INFORMATION OF INVESTEEES ON WHICH TWM EXERCISED SIGNIFICANT INFLUENCE
(EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance at the End of the Period			Net Income (Loss) of the Investee	Investment Income (Loss)	Note
				June 30, 2024	December 31, 2023	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
TWM	TCC	Taiwan	Investment	\$ 40,397,288	\$ 40,397,288	502,970	100	\$ 18,674,569	\$ 1,941,749	\$ 1,941,936	Note 1
	WMT	Taiwan	Investment	16,871,894	16,871,894	42,065	100	21,868,083	1,697,502	1,697,245	Note 1
	TVC	Taiwan	Investment	4,975,000	4,975,000	512,260	100	5,136,332	(57,088)	(57,088)	
	TNH	Taiwan	Building and operating Songshan Cultural and Creative Park BOT project	1,918,655	1,918,655	191,866	49.9	1,965,245	69,260	35,692	Note 1
	FSD	Taiwan	Virtual asset platform and transaction service provider	35,000	30,000	3,500	100	3,334	(5,631)	(6,820)	Note 1
	TPC	Taiwan	Information software service	100,000	100,000	10,000	100	89,372	(9,732)	(9,732)	
	FSNR	Taiwan	Branding agency and retail sales	100,000	100,000	10,000	100	85,653	(9,449)	(14,200)	Note 1
	AppWorks	Taiwan	Venture capital, investment consulting, and management consulting	235,000	235,000	2,168	51	242,067	(10,725)	(5,900)	Note 1
	NADA	Taiwan	Animation production	50,000	50,000	1,667	7.42	23,710	(21,256)	(2,591)	Note 1
	Tropics	Taiwan	Animation investment, production, and distribution	16,000	-	1,600	40	15,887	(2,507)	(113)	
TCC	TFN	Taiwan	Fixed line service provider	21,000,000	21,000,000	2,100,000	100	55,197,725	1,748,984	-	Note 2
	TT&T	Taiwan	Call center service and telephone marketing	56,210	56,210	2,484	100	88,123	28,653	-	Note 2
	TWM Holding	British Virgin Islands	Investment	347,951	347,951	-	100	263,634	13,649	-	Note 2 and 3
	TCCI	Taiwan	Investment	17,285,441	17,285,441	154,721	100	29,316,160	1,776	-	Note 2
	TDS	Taiwan	Commissioned maintenance services	25,000	25,000	2,500	100	99,718	5,325	-	Note 2
	TPIA	Taiwan	Property insurance agent	5,000	5,000	500	100	66,476	56,476	-	Note 2
	TFC	Taiwan	Cloud and information services	200,000	200,000	24,000	100	268,760	22,058	-	Note 2
WMT	TFNM	Taiwan	Broadcasting and TV program distribution and investment in cable TV service providers, etc	5,210,443	5,210,443	230,921	100	5,960,171	974,313	-	Note 2
	GFMT	Taiwan	Investment	16,984	16,984	1,500	100	17,280	(15)	-	Note 2
	GWMT	Taiwan	Investment	92,189	92,189	8,945	100	96,508	707	-	Note 2
	WTVB	Taiwan	TV program provider	222,417	222,417	18,177	100	287,326	1,369	-	Note 2
	momo	Taiwan	Wholesale, retail, and retail sale no storefront	8,129,394	8,129,394	108,189	45.01	10,301,983	1,677,210	-	Note 2 and 4
TVC	TWMFM	Taiwan	Film production	11,300	11,300	1,130	100	11,277	(42)	-	Note 2
	AppWorks Fund III	Taiwan	Venture capital	583,292	583,292	57,877	20.14	508,930	(108,253)	-	Note 2
	NADA	Taiwan	Animation production	60,000	60,000	4,286	19.08	84,256	(21,256)	-	Note 2
	AppWorks Fund IV	Taiwan	Venture capital	292,810	249,200	-	21.01	260,576	(5,401)	-	Note 2 and 5
	Uspace	Taiwan	Information software service	200,030	200,030	5,969	31	186,404	(47,834)	-	Note 2
	Fubon Green Power	Taiwan	Energy technical services	400,000	-	40,000	10	399,798	(2,036)	-	Note 2 and 6
TFN	TUI	Taiwan	Investment	22,314,609	22,314,609	400	100	38,491,132	(173)	-	Note 2
TCCI	TID	Taiwan	Investment	3,603,149	3,603,149	104,712	100	8,215,882	1,204	-	Note 2
TWMFM	SFF	Taiwan	Film production	300	300	30	100	282	(45)	-	Note 2
TFNM	YJCTV	Taiwan	Cable TV service provider	2,355,998	2,355,998	33,940	100	1,723,490	5,683	-	Note 2

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance at the End of the Period			Net Income (Loss) of the Investee	Investment Income (Loss)	Note	
				June 30, 2024	December 31, 2023	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount				
TFNM	MCTV	Taiwan	Cable TV service provider	\$ 510,724	\$ 510,724	6,248	29.53	\$ 616,856	\$ 11,734	\$ -	Note 2 and 7	
	PCTV	Taiwan	Cable TV service provider	3,261,073	3,261,073	68,090	100	3,415,413	58,024	-	Note 2	
	UCTV	Taiwan	Cable TV service provider	1,986,250	1,986,250	169,141	99.22	2,027,061	9,137	-	Note 2	
	GCTV	Taiwan	Cable TV service provider	1,221,002	1,221,002	51,733	92.38	1,258,593	11,768	-	Note 2	
	kbro Media	Taiwan	Film distribution, arts and literature services, and entertainment	341,250	341,250	14,103	33.58	60,300	872	-	Note 2	
	M.E.	Taiwan	Livestreaming artists management services and digital media production	30,628	30,628	537	11.33	32,375	14,325	-	Note 2	
GFMT	UCTV	Taiwan	Cable TV service provider	16,218	16,218	1,300	0.76	15,584	9,137	-	Note 2	
GWMT	GCTV	Taiwan	Cable TV service provider	91,910	91,910	3,825	6.83	95,041	11,768	-	Note 2	
momo	Asian Crown (BVI)	British Virgin Islands	Investment	885,285	885,285	9,735	81.99	13,617	749	-	Note 2	
	Honest Development	Samoa	Investment	670,448	670,448	21,778	100	422,467	(1,461)	-	Note 2	
	FI	Taiwan	Comprehensive insurance agent	8,000	3,000	1,000	100	15,473	645	-	Note 2	
	FST	Taiwan	Travel agent	6,000	6,000	3,000	100	48,077	5,342	-	Note 2	
	Bebe Poshe	Taiwan	Wholesale of cosmetics	99,805	98,965	9,425	94.25	30,335	627	-	Note 2	
	FSL	Taiwan	Logistics and transport	250,000	250,000	25,000	100	317,913	40,619	-	Note 2	
	MFS	Taiwan	Wholesaling	100,000	100,000	10,000	100	110,761	9,331	-	Note 2	
	Prosperous Living	Taiwan	Wholesale and retail sales	220,850	220,850	22,085	73.62	223,069	1,807	-	Note 2	
	SK Biomedical	Taiwan	Wholesale and retail sales	6,000	-	600	20	5,947	(400)	-	Note 2	
	Fubon Green Power	Taiwan	Energy technical services	200,000	-	20,000	5	199,899	(2,036)	-	Note 2 and 6	
	Asian Crown (BVI)	Fortune Kingdom	Samoa	Investment	1,132,789	1,132,789	11,594	100	11,923	518	-	Note 2
	Fortune Kingdom	HK Fubon Multimedia	Hong Kong	Investment	1,132,789	1,132,789	11,594	100	11,923	518	-	Note 2
Honest Development	HK Yue Numerous	Hong Kong	Investment	670,448	670,448	16,600	100	422,465	(1,072)	-	Note 2	

Note 1: Downstream transactions, upstream transactions, and consolidated unrealized gain or loss, etc., are included.

Note 2: The income/loss of the investee was already included in the income/loss of the investor, and is not presented in this table.

Note 3: Held 1 share as of period end.

Note 4: Material non-controlling interests.

Note 5: Percentage of ownership is the percentage of capital contribution.

Note 6: Acquired in June 2024.

Note 7: 70.47% of stocks are held under trustee accounts.

Note 8: For information on investments in mainland China, see Table 9 for the details.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES
INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars)

Number	Company Name	Counterparty	Nature of Relationship (Note 1)	Transaction Details			
				Account	Amount	Transaction Terms (Note 2)	Percentage of Consolidated Total Operating Revenue or Total Assets
0	TWM	TFN	1	Notes and accounts receivable	\$ 28,591	-	-
		TPIA	1	Notes and accounts receivable	87,140	-	-
		momo	1	Notes and accounts receivable	272,860	-	-
		TFN	1	Other receivables	33,199	-	-
		FSNR	1	Other receivables	16,940	-	-
		momo	1	Other receivables	67,038	-	-
		TNH	1	Other non-current assets	19,969	-	-
		TFNM	1	Other non-current assets	24,453	-	-
		TCC	1	Short-term borrowings	302,000	-	-
		WMT	1	Short-term borrowings	4,500,000	-	2%
		TFN	1	Short-term borrowings	10,233,000	-	4%
		TFN	1	Notes and accounts payable	106,411	-	-
		TFNM	1	Notes and accounts payable	49,448	-	-
		momo	1	Notes and accounts payable	22,374	-	-
		WMT	1	Other payables	27,470	-	-
		TFN	1	Other payables	513,793	-	-
		TT&T	1	Other payables	96,976	-	-
		TDS	1	Other payables	16,952	-	-
		momo	1	Other payables	61,803	-	-
		TNH	1	Lease liabilities (current and non-current)	604,644	-	-
		TFN	1	Lease liabilities (current and non-current)	47,410	-	-
		YJCTV	1	Lease liabilities (current and non-current)	17,085	-	-
		GCTV	1	Lease liabilities (current and non-current)	11,192	-	-
		TFN	1	Other current liabilities	38,673	-	-
		momo	1	Other current liabilities	44,622	-	-
		TFN	1	Operating revenue	73,890	-	-
TPIA	1	Operating revenue	112,801	-	-		
momo	1	Operating revenue	1,325,000	-	1%		

Number	Company Name	Counterparty	Nature of Relationship (Note 1)	Transaction Details					
				Account	Amount	Transaction Terms (Note 2)	Percentage of Consolidated Total Operating Revenue or Total Assets		
0	TWM	TFN	1	Operating costs	\$ 2,663,604	-	3%		
		TDS	1	Operating costs	33,213	-	-		
		FSNR	1	Operating costs	16,003	-	-		
		TFNM	1	Operating costs	113,615	-	-		
		momo	1	Operating costs	135,067	-	-		
		TFN	1	Operating expenses	18,304	-	-		
		TT&T	1	Operating expenses	561,269	-	1%		
		TFN	1	Other income and expenses, net	21,165	-	-		
		WMT	1	Finance costs	39,578	-	-		
		TFN	1	Finance costs	93,787	-	-		
		1	TCC	TFC	1	Other receivables	56,172	-	-
				WMT	1	Other receivables	200,784	-	-
		2	WMT	WTVB	1	Other receivables	200,784	-	-
		3	TNH	TWM	2	Operating revenue	71,761	-	-
4	TFN	TFC	3	Notes and accounts receivable	26,772	-	-		
		TFNM	3	Notes and accounts receivable	36,210	-	-		
		momo	3	Notes and accounts receivable	10,707	-	-		
		TWM	2	Lease liabilities (current and non-current)	93,712	-	-		
		TWM	2	Lease revenue	19,303	-	-		
		TFC	3	Operating revenue	76,980	-	-		
		TFNM	3	Operating revenue	109,490	-	-		
		momo	3	Operating revenue	20,538	-	-		
		TT&T	3	Operating expenses	50,339	-	-		
		5	TFNM	momo	3	Notes and accounts receivable	17,849	-	-
				YJCTV	1	Other receivables	46,333	-	-
				MCTV	1	Other receivables	20,341	-	-
				PCTV	1	Other receivables	65,187	-	-
				UCTV	1	Other receivables	35,704	-	-
GCTV	1			Other receivables	23,187	-	-		
YJCTV	1			Short-term borrowings	100,000	-	-		
PCTV	1			Short-term borrowings	450,000	-	-		
UCTV	1			Short-term borrowings	300,000	-	-		
GCTV	1			Short-term borrowings	250,000	-	-		
WTVB	3			Notes and accounts payable	20,008	-	-		
TFN	3			Lease liabilities (current and non-current)	98,707	-	-		
YJCTV	1			Operating revenue	196,809	-	-		
PCTV	1			Operating revenue	239,679	-	-		
UCTV	1	Operating revenue	107,112	-	-				
GCTV	1	Operating revenue	88,288	-	-				
momo	3	Operating revenue	17,848	-	-				
WTVB	3	Operating costs	19,293	-	-				

Number	Company Name	Counterparty	Nature of Relationship (Note 1)	Transaction Details			
				Account	Amount	Transaction Terms (Note 2)	Percentage of Consolidated Total Operating Revenue or Total Assets
5	TFNM	YJCTV	1	Operating costs	\$ 18,146	-	-
		PCTV	1	Operating costs	20,972	-	-
		UCTV	1	Operating costs	13,158	-	-
6	WTVB	TFN	3	Lease liabilities (current and non-current)	27,038	-	-
7	YJCTV	TWM	2	Operating revenue	13,653	-	-
8	momo	FSL	1	Notes and accounts payable	226,941	-	-
		MFS	1	Notes and accounts payable	22,025	-	-
		Bebe Poshe	1	Operating costs	14,780	-	-
		FSL	1	Operating costs	613,588	-	1%
		MFS	1	Operating costs	87,096	-	-
		Prosperous Living	1	Operating costs	13,133	-	-

Note 1: 1. Parent to subsidiary.

2. Subsidiary to parent.

3. Between subsidiaries.

Note 2: The terms of transaction are determined in accordance with mutual agreements or general business practices.

Note 3: All intra-group transactions, balances, income and expenses are adjusted and eliminated in full upon consolidation.

TAIWAN MOBILE CO., LTD. AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2024

(In Thousands of New Taiwan Dollars and Foreign Currencies)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type (Note 1)	Accumulated Outflow of Investment from Taiwan at the Beginning of the Period	Investment Flows		Accumulated Outflow of Investment from Taiwan at the End of the Period	Net Income (Loss) of Investee	% Ownership through Direct or Indirect Investment	Investment Income (Loss)	Carrying Value at the End of the Period	Accumulated Inward Remittance of Earnings at the End of the Period	Note
					Outflow	Inflow							
TWMC	Data communication application development	\$ 97,590 (USD 3,000)	b	\$ 158,483 (USD 4,872)	\$ -	\$ -	\$ 158,483 (USD 4,872)	\$ 116	100	\$ 116	\$ 85,056	\$ -	Note 2
FGE	Wholesaling	345,419 (RMB 77,500)	b	853,285 (USD 14,000) (RMB 89,267)	-	-	853,285 (USD 14,000) (RMB 89,267)	(13)	76.7	(10)	2,353	-	Note 2
Haobo	Investment	49,027 (RMB 11,000)	b	-	-	-	-	1,347	100	1,347	414,051	-	Note 3
GHS	Wholesaling	222,851 (RMB 50,000)	b	-	-	-	-	1,295	20	976	411,163	60,183 (RMB 13,503)	Note 3

Company	Accumulated Investment in Mainland China at the End of the Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment Authorized by Investment Commission, MOEA (Note 4)
TWM and subsidiaries	\$ 1,713,733 (USD18,872, RMB89,267 and HKD168,539)	\$ 1,713,733 (USD18,872, RMB89,267 and HKD168,539)	\$ 51,385,961

Note 1: The investment types are as follows:

- a. Direct investment in mainland China.
- b. Indirect investments in mainland China through subsidiaries, invested by TCC and momo, in third regions.
- c. Others.

Note 2: The legal cancellation process was completed, and the liquidation process was still in progress.

Note 3: Earnings amounting to RMB13,503 thousand were remitted back to momo.

Note 4: The upper limit on investment in mainland China is calculated by 60% of the consolidated net worth.

TABLE 10

TAIWAN MOBILE CO., LTD.
INFORMATION OF MAJOR STOCKHOLDERS
JUNE 30, 2024

Name of Major Stockholder	Shares	
	Number of Shares	Percentage of Ownership (%)
TUI	410,665,284	11.03
TCCI	200,496,761	5.38

Note: The table discloses the information of major stockholders whose stockholding percentages are more than 5%. The Taiwan Depository & Clearing Corporation calculates the total number of common stocks (including treasury stocks) that have completed the dematerialized registration and delivery on the last business day of the quarter.