



台灣大哥大
Taiwan Mobile

Taiwan Mobile Co., Ltd. 4Q20 Results Summary

(The updated version of Feb. 25th conference presentation. Please refer to page 15 “2021 Guidance”)

Mar. 3rd 2021



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Business Overview



2020 Operational Highlights

**5G D&A and
COVID-19
headwinds**



**5G-driven recovery in
postpaid smartphone
monthly fee**



**Robust e-commerce
momentum**



101%

**Achievement Ratio
for 2020 Net Income**



Mobile Business in 5G Era

2020 results



Service Adoption

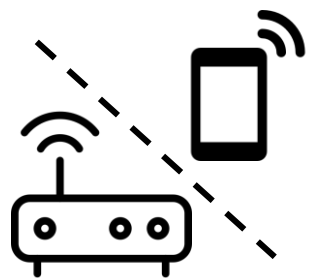
Boosted by **iPhone 12**



5G ARPU

5G overall – ~90% in \$999 or higher rate plans

iPhone 12 series – >80% in \$1399 or higher bundle plans



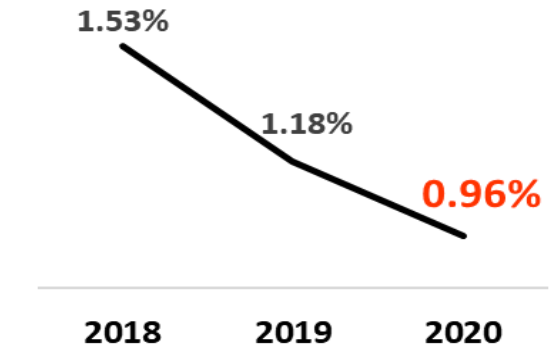
Double Play bundles



Mobile Data
+
Fixed Broadband



Postpaid Churn





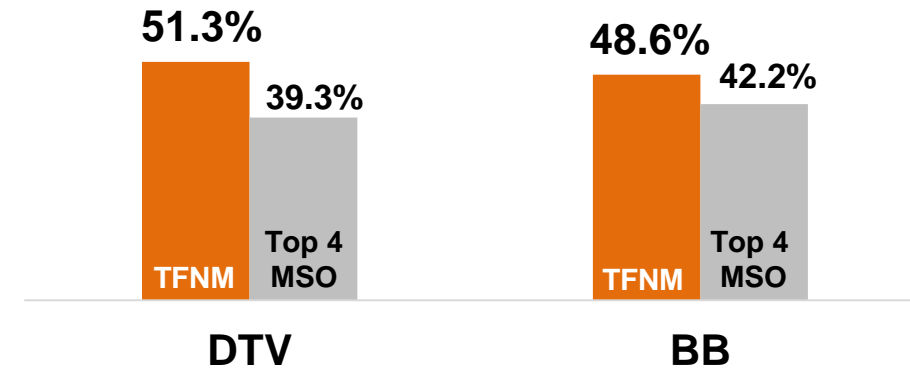
CATV Business – propelled by Broadband

4Q20 Basic TV Subscribers

('000)	Subscribers	YoY
TFNM	548	-1.1%
Top 4 MSO	3,461	-2.1%

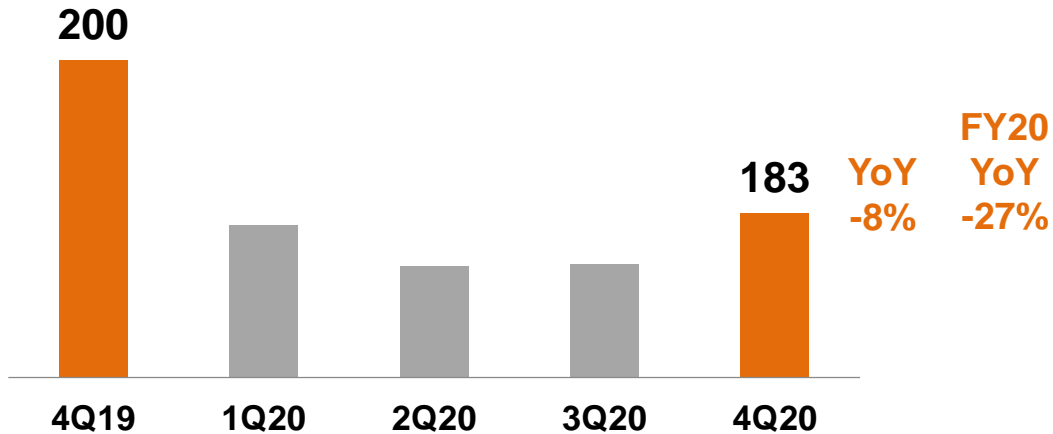
Source: Market intelligence

4Q20 Penetration Rate

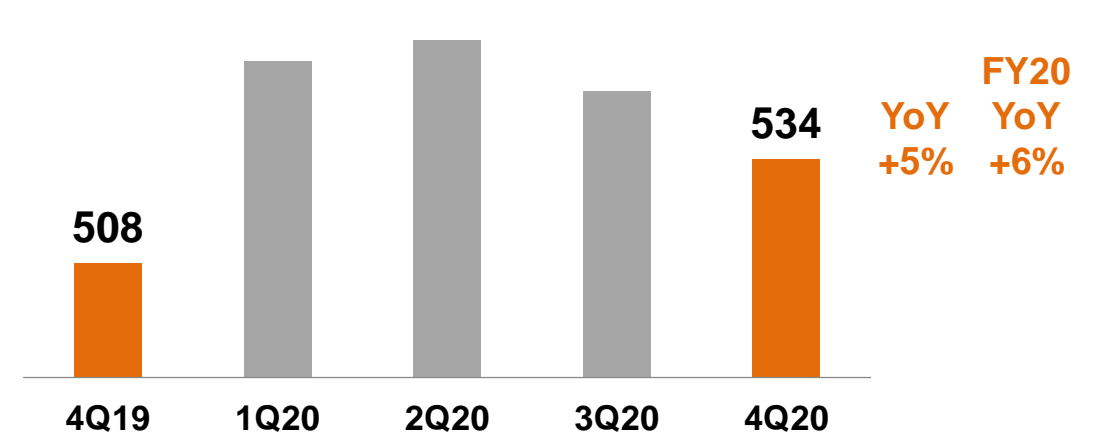


Source: Market intelligence

D&A (NT\$m)



EBIT (NT\$m)





momo – the Growth Engine

Satellite Warehouses (#)



22
+8 YoY
2020

E-commerce Total Transaction (#)



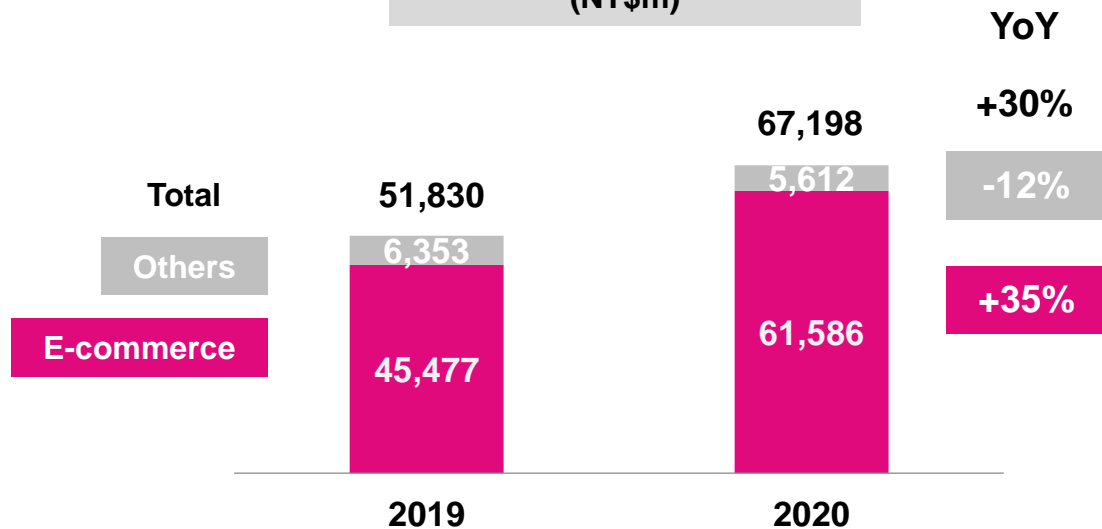
+36%
YoY
2020

E-commerce Profitability

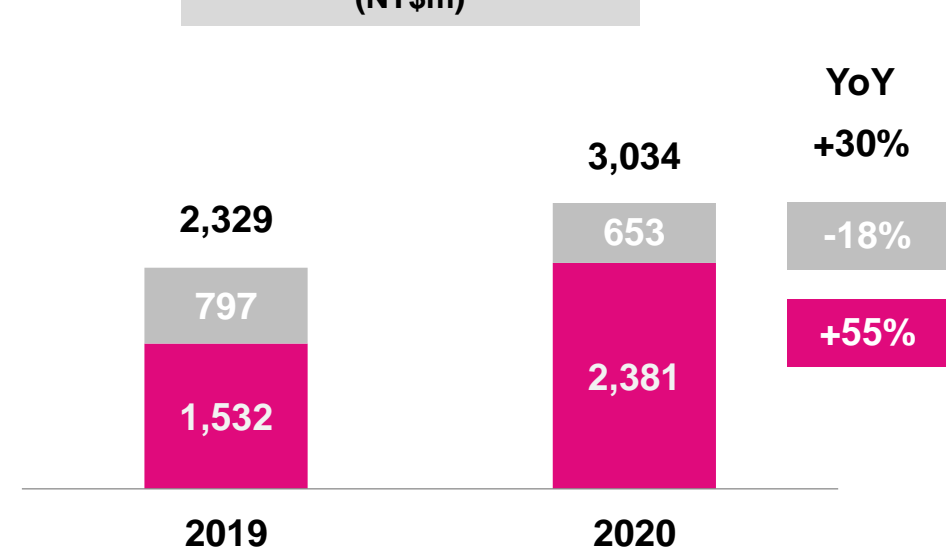
EBITDA
Margin

3.4% → 3.9%
2019 2020

Total Revenue (NT\$m)



EBITDA (NT\$m)





Financial Overview



Performance by Business

NT\$bn	Revenue				EBIT			
	Telecom	CATV	momo	Total ¹	Telecom	CATV	momo	Total ¹
4Q20	17.12	1.55	20.68	38.42	2.27	0.53	0.74	3.60
% of total	45%	4%	54%	100%	63%	15%	21%	100%
4Q20 YoY	-1%	5%	30%	13%	-31%	5%	42%	-18%
2020	61.53	6.19	67.20	132.86	11.32	2.21	2.22	16.06
% of total	46%	5%	51%	100%	71%	14%	14%	100%
2020 YoY	-9%	2%	30%	7%	-15%	6%	34%	-7%

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



Results Summary

NT\$bn	2020		
	Amount	YoY	% of guidance
Revenues	132.86	7%	99%
Cash Cost & Expense	(101.53)	12%	99%
Operating Income	16.06	-7%	102%
Non-op. Income (Exp.)	(0.60)	-2%	61%
Pre-tax Income	15.46	-7%	104%
Net Income	11.29	-10%	101%
EPS ¹ (NT\$)	4.01	-11%	101%
EBITDA	31.33	-6%	99%

1. EPS is based on share count of 2.812bn in 2020



Balance Sheet Analysis

NT\$bn	4Q20	3Q20	4Q19
Total Assets	184.58	180.74	153.92
Current Assets	32.09	32.05	29.91
- Cash & Cash Equivalents	10.78	10.46	8.66
- Receivable & Contract Assets	13.79	13.44	14.07
- Inventories	5.77	4.89	5.67
- Other Current Assets	1.76	3.26	1.50
Non-current Assets	152.49	148.69	124.01
- Long-term Investment	4.26	3.80	6.72
- Property and Equipment	45.11	41.36	39.17
- Right-of-use Assets	9.01	9.01	9.66
- Concession	64.80	65.88	37.71
- Other Non-current & Contract Assets	29.31	28.64	30.76
	4Q20	3Q20	4Q19
Current Ratio	55%	51%	67%
Net Debt to Equity	83%	89%	46%
Net Debt to EBITDA (x)	1.91	1.95	1.03
ROE¹ (annualized)	15%	17%	18%

NT\$bn	4Q20	3Q20	4Q19
Liabilities	112.59	111.12	79.74
Current Liabilities	58.53	62.91	44.52
- ST Debts	26.93	34.69	18.47
- Accounts & Notes Payable	9.79	8.53	7.80
- Current Lease Liabilities	3.51	3.47	3.53
- Other Current Liabilities	18.31	16.21	14.72
Non-current Liabilities	54.06	48.21	35.22
- Long-term Borrowings	43.75	37.99	24.49
- Non-current Lease Liabilities	5.53	5.52	6.12
- Other Non-current Liabilities	4.78	4.70	4.61
	71.99	69.62	74.18
Shareholders' Equity			
Paid-in Capital	35.12	35.12	35.09
Capital Surplus	18.94	18.94	20.27
Legal Reserve	30.17	30.17	28.92
Treasury Shares	(29.72)	(29.72)	(29.72)
Un-appropriated Earnings	0.00	0.00	0.49
Non-controlling Interest	6.63	6.27	6.16
Retained Earnings & Others ²	10.85	8.83	12.95

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

2. Including accumulated profits and other equity items.



Cash Flow Analysis

NT\$bn	4Q20	3Q20	4Q19	2020	2019
Operating	8.73	6.31	2.88	31.74	30.22
Investing	(5.40)	(0.59)	(2.88)	(39.32)	(8.37)
Financing	(3.01)	(3.50)	(4.36)	9.69	(20.67)

NT\$bn	4Q20	3Q20	4Q19	2020	2019
Pre-IFRS 16 Operating ¹	7.76	5.28	1.90	27.75	26.33
Cash CAPEX ²	(6.35)	(1.65)	(1.62)	(11.55)	(7.14)
Free Cash Flow ²	1.41	3.63	0.28	16.20	19.19

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

2. Excluding 5G License Fees



Event Updates



Awards and Recognitions

- Selected for the Dow Jones Sustainability Indices (DJSI) “DJSI World” for 4 consecutive years and once again ranked No.1 in its “Global Telecom Industry” segment. Listed in the DJSI “Emerging Markets” for 9 years in a row.
- Recognized as an A-list climate change enterprise by CDP, the world’s largest carbon disclosure organization, for 2 years in a row.
- Received 10 awards at the Taiwan Corporate Sustainability Awards (TCSA), winning “The Most Prestigious Sustainability Awards – Top Ten Domestic Companies” for the 6th time and ranking 1st in the “Service Industry” segment.
- Honored with a “Silver Award” in the Environmental Protection Administration (EPA) “National Enterprise Environmental Protection Awards”.
- Won the “Enterprise Project Management Benchmarking Award” of the Project Management Institute (PMI) “2020 PMI Taiwan Grand Awards”.
- Recognized as the “Best Customer Service Management Team” and “Best Customer Service Sales Team” in the Taiwan Contact Center Development Association (TCCDA) “2020 Customer Service Excellence Awards” (CSEA).
- Acknowledged by the Sports Administration in its "Sports Activist Awards" for 4 consecutive years. Recipient of its "Sponsorship Award - Gold Class" and "Long-term Sponsorship Award" in 2020.



2021 Guidance

- **Consolidated revenue: up 12~15% YoY**
 - **E-commerce, new technology services and other revenue: up 19~23% YoY**
 - **Telecom related revenues: up 4~6% YoY**
- **Consolidated EBITDA: flat to slightly down by 2% YoY**
 - **Gross profit margin: between 20% and 23%**
 - **Operating profit margin: between 9% and 11%**
- **Group capex: NT\$11.8bn**
 - **Telecom: NT\$8.65bn, mobile roll-out scale to be halved from 2020.**
 - **Cable TV: NT\$0.87bn**
 - **momo & others: NT\$2.29bn**



Key Message

With momo firing on all cylinders and mobile ARPU seeing an uplift from better 5G coverage and more compelling bundles, accelerating top line growth will be our No.1 priority in 2021. We believe that this will translate into greater shareholder value in the long-run.



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