



台灣大哥大
Taiwan Mobile



Taiwan Mobile Co., Ltd.
4Q23 Results Summary

February 21, 2024



Disclaimer

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Business Overview



2023 Highlights

Solid top-line expansions across all 3 core sectors

5G

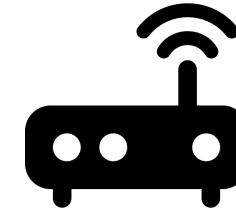
Mobile Service Revenue

+8% YoY



E-commerce

+7% YoY



Home Broadband Subs

+4% YoY

Consolidated EBITDA

+4% YoY

Net income

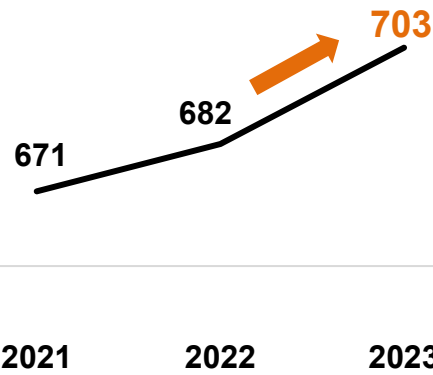
+11% YoY



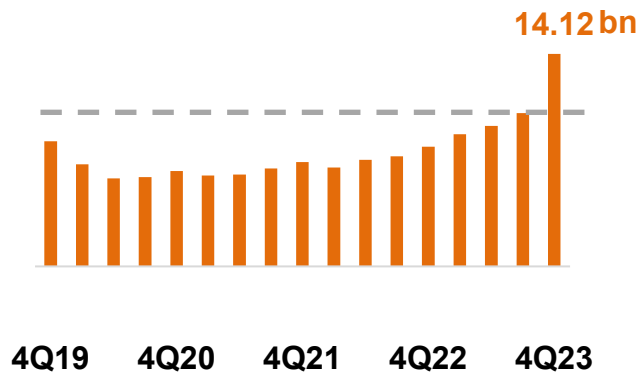
Mobile – Growth Engine #1

4Q23 results

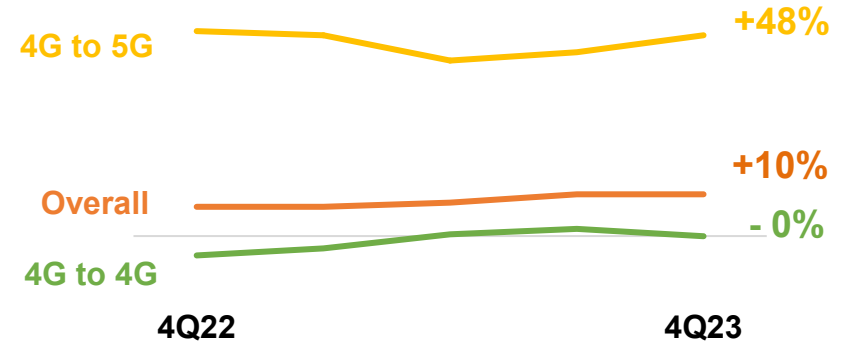
Smartphone ARPU



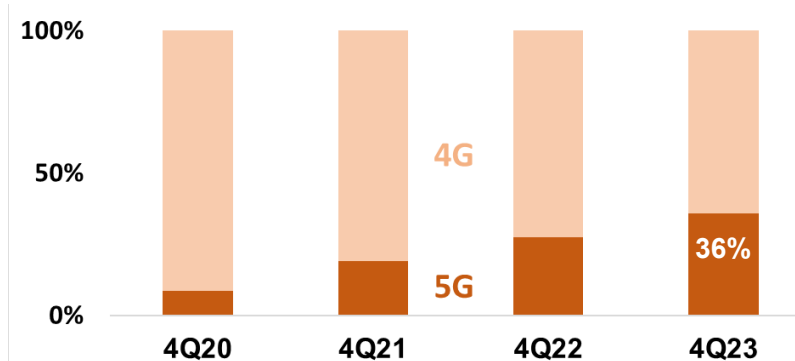
Mobile Service Revenue



Monthly fee uplift from renewals



5G Penetration of Smartphone User Base



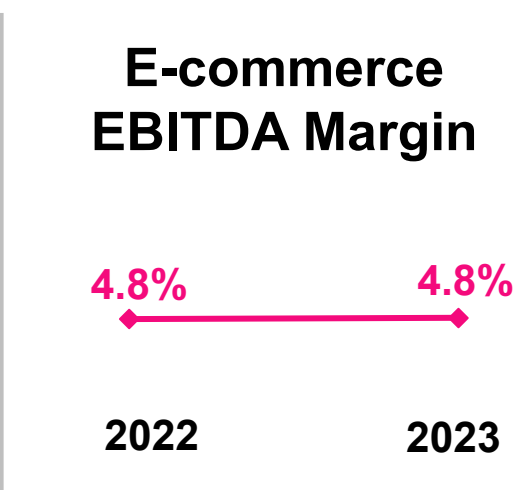
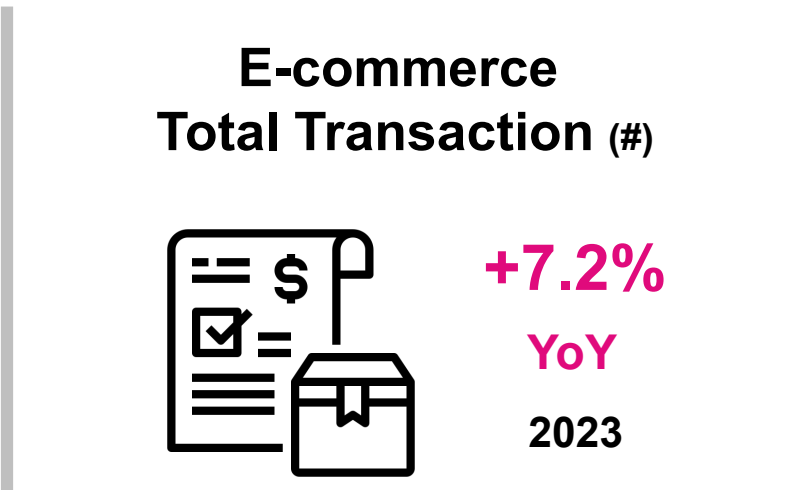
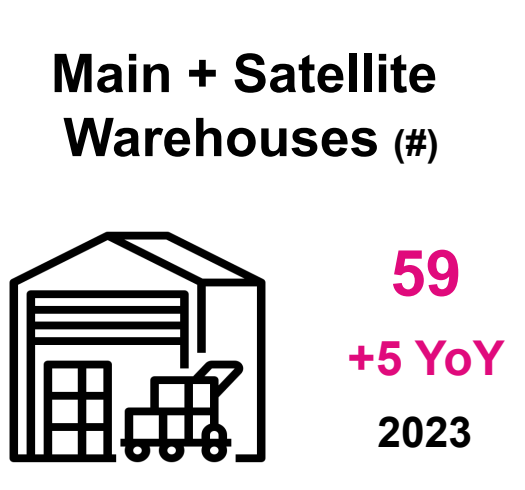
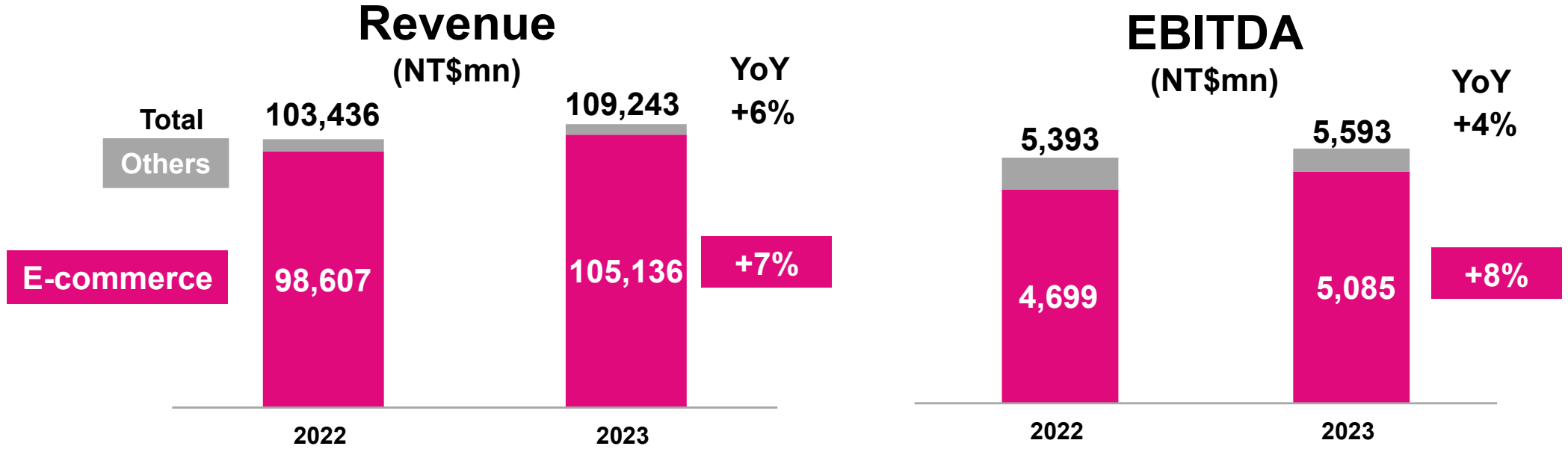
Unique bundles

momobile Double Play Disney+ OP Life

Note: Financial numbers on this page include preliminary unaudited numbers and management accounts.



momo – Growth Engine #2

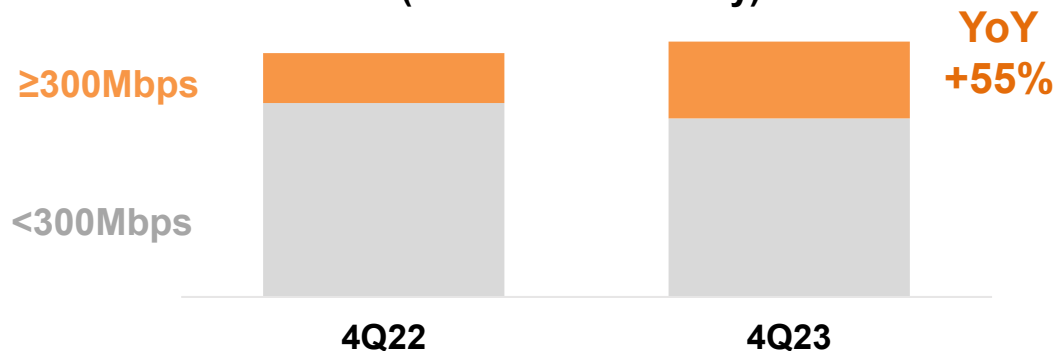


Note: E-commerce includes B2C and B2B2C businesses. Financial numbers on this page include preliminary unaudited numbers and management accounts.

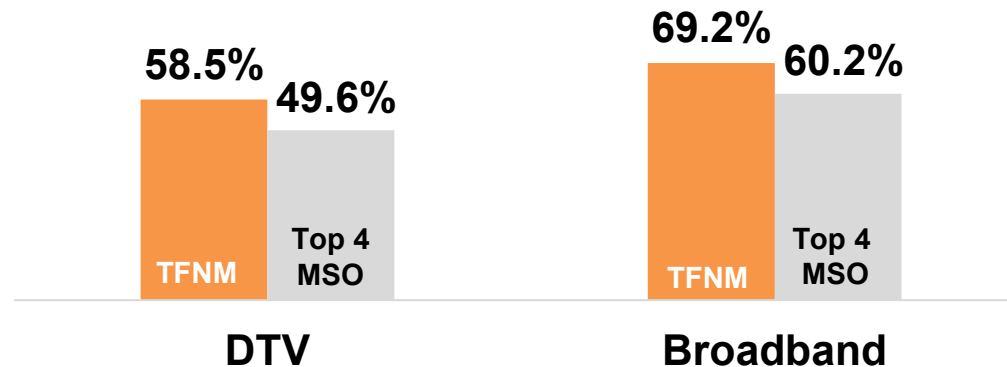


Broadband – Growth Engine #3

Cable Broadband Subscriber (TFNM+Double Play)



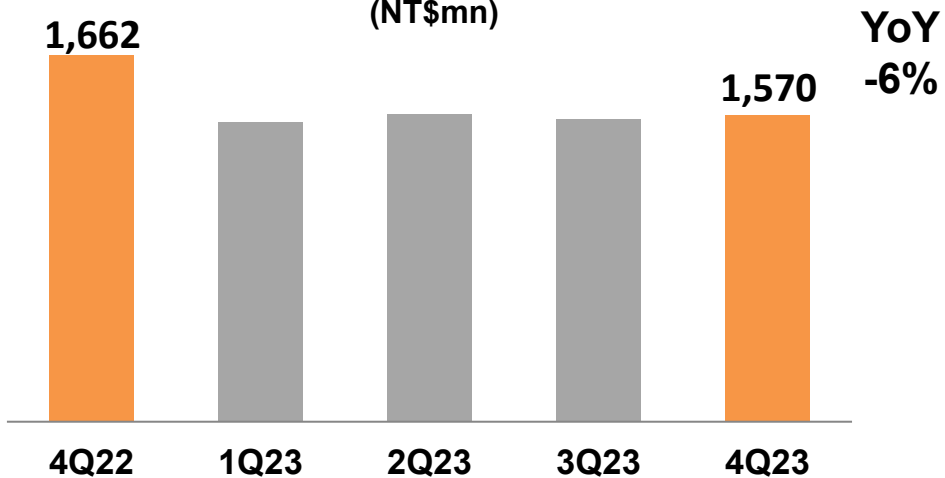
4Q23 Penetration Rate



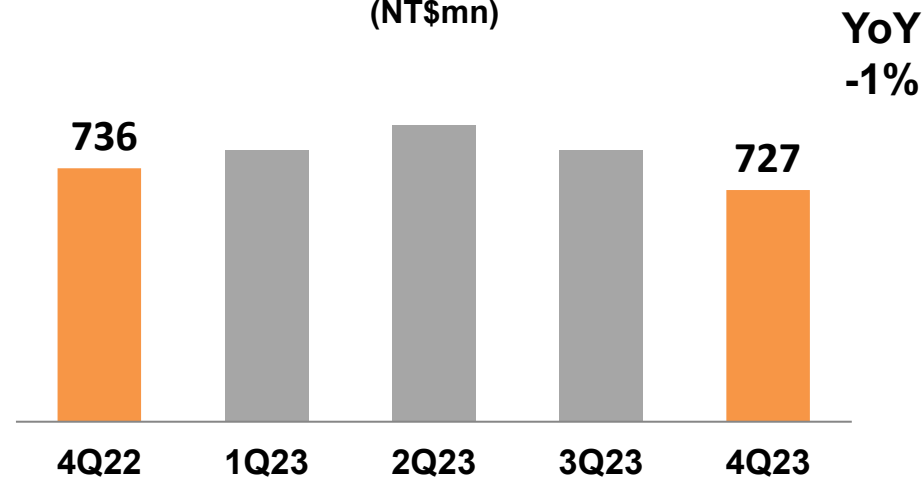
Source: Market intelligence

Source: Market intelligence

CATV Revenue (NT\$m)



CATV EBITDA (NT\$m)



Note: Financial numbers on this page include preliminary unaudited numbers and management accounts.



Financial Overview



Performance by Business

NT\$bn	Revenue				EBITDA			
	Telecom	momo	CATV	Total ¹	Telecom	momo	CATV	Total ¹
4Q23	20.63	32.84	1.57	53.60	6.90	1.70	0.73	9.45
% of total	38%	61%	3%	100%	73%	18%	8%	100%
4Q23 YoY	12%	3%	-6%	6%	11%	5%	-1%	9%
2023	71.49	109.24	6.26	183.35	26.79	5.59	2.97	35.79
% of total	39%	60%	3%	100%	75%	16%	8%	100%
2023 YoY	9%	6%	-1%	6%	5%	4%	0%	4%

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.
2. Financial numbers on this page include preliminary unaudited numbers and management accounts.



Results Summary

NT\$bn	4Q23			2023	
	Amount	QoQ	YoY	Amount	YoY
Revenues	53.60	24%	6%	183.35	6%
Cash Cost & Expense	(44.15)	28%	5%	(147.56)	7%
Operating Income	4.48	4%	4%	17.54	4%
Non-op. Income (Exp.)	0.46	nm	nm	(0.07)	-90%
Pre-tax Income	4.93	19%	28%	17.47	8%
Net Income	3.59	22%	45%	12.27	11%
EPS (NT\$)	1.25	20%	42%	4.33	11%
EBITDA	9.45	8%	9%	35.79	4%

Note: Financial numbers on this page include preliminary unaudited numbers and management accounts.



Balance Sheet Analysis

NT\$bn	4Q23	3Q23	4Q22
Total Assets	242.96	187.56	193.07
Current Assets	44.16	37.95	41.44
- Cash & Cash Equivalents	13.24	11.02	14.93
- Receivable & Contract Assets	20.28	17.30	16.74
- Inventories	8.19	7.44	8.10
- Other Current Assets	2.44	2.20	1.66
Non-current Assets	198.81	149.61	151.63
- Long-term Investment	9.38	7.61	7.76
- Property, Plant and Equipment	52.86	45.93	46.98
- Right-of-use Assets	13.75	10.95	9.78
- Concession	72.24	52.94	56.18
- Other Non-current & Contract Assets	50.58	32.18	30.93
	4Q23	3Q23	4Q22
Current Ratio	58%	63%	60%
Net Debt to Equity	86%	88%	77%
Net Debt to EBITDA (x)	2.23	1.71	1.64
ROE¹ (annualized)	15%	16%	15%

NT\$bn	4Q23	3Q23	4Q22
Liabilities	149.58	118.97	120.22
Current Liabilities	75.73	60.56	69.57
- ST Debts	35.05	27.02	33.42
- Accounts & Notes Payable	13.61	14.16	13.98
- Current Lease Liabilities	5.79	3.81	3.69
- Other Current Liabilities	21.28	15.58	18.48
Non-current Liabilities	73.85	58.41	50.65
- Long-term Borrowings	58.10	44.55	37.76
- Non-current Lease Liabilities	7.98	7.16	6.16
- Other Non-current Liabilities	7.77	6.71	6.73
	93.38	68.59	72.85
Shareholders' Equity			
Paid-in Capital	37.23	35.19	35.19
Capital Surplus	31.30	13.11	15.33
Legal Reserve	33.50	33.50	32.60
Treasury Shares	(29.72)	(29.72)	(29.72)
Un-appropriated Earnings	0.00	0.00	0.00
Non-controlling Interest	8.56	7.90	8.38
Retained Earnings & Others ²	12.51	8.60	11.07

1. ROE = Accumulated Net Income (Annualized) / Average Shareholders' Equity
2. Including accumulated profits and other equity items.
3. Financial numbers on this page include preliminary unaudited numbers and management accounts.



Cash Flow Analysis

NT\$bn	4Q23	4Q22	2023	2022
Operating	7.69	8.20	29.06	29.58
Investing	0.51	(2.06)	(7.07)	(11.63)
Financing	(6.14)	(3.00)	(23.67)	(18.41)

NT\$bn	4Q23	4Q22	2023	2022
Pre-IFRS 16 Operating¹	6.45	7.18	24.53	25.37
Cash CAPEX	(1.43)	(1.79)	(8.10)	(9.63)
Free Cash Flow	5.01	5.39	16.43	15.74

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. Financial numbers on this page include preliminary unaudited numbers and management accounts.



Event Updates



2023 Earnings Distribution

On February 21st, Taiwan Mobile's Board approved the proposal to distribute NT\$13bn in cash dividends, translating to c.4.4% yield to shareholders.

Dividend per share is NT\$4.3 on 3.025bn shares, excluding treasury shares held by 100%-owned subsidiaries.



2024 Guidance

- **Consolidated revenue: up 12~14% YoY**
 - Telecom-related revenues: up 18~20% YoY
 - E-commerce, new technology services and other revenue: up 9~11% YoY
- **Consolidated EBITDA: up 11~13% YoY**
 - Gross profit margin: between 18% and 20%
 - Operating profit margin: between 7% and 9%
- **Group capex: NT\$8.55bn**
 - Telecom: NT\$6.15bn
 - Cable TV: NT\$0.95bn
 - momo & others: NT\$1.45bn



Awards and ESG Recognitions



SGS

Carbon Management Award



National Sustainable Development Awards

by National Council for Sustainable Development of the Executive Yuan



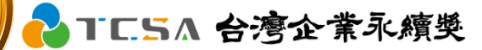
DJSI World Index

For 7 years in a row

Ranked top 3 in the telecom industry

DJSI Emerging Markets Index

For 12 years in a row



Sustainable Taiwanese Service Businesses Award

Top 10 for 9 years in a row

*Highest ranked telecom operator
7 awards received*



Sports Activist Awards

by Ministry of Education



Key Message

Taiwan Mobile delivered strong top-line and EBITDA growth in our core telecom business throughout 2023, underscored by the successful completion of the T Star merger. Now, as the clear #2 player with a robust 10 million user base, we are poised to maximize shareholder value.

Our strategic focus centers on:

- 1) **Synergy Capture**: Vigorously realizing the full potential of our merger.
- 2) **Accelerated Growth**: Propelling our SGF flywheel by fully leveraging our expanded scale.
- 3) **Business Expansion**: Capitalizing on our Telco+Tech capabilities to serve our larger customer base and seizing new business opportunities in AI and ESG.

We are confident this strategy will power the next wave of TWM's growth and value creation.



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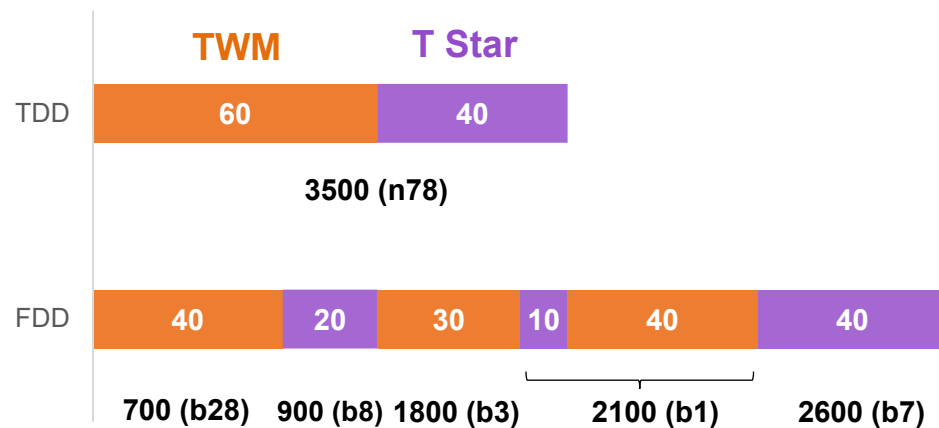
Q&A



Appendix: TWM – TST Merger

- The merger with T Star was effective on December 1, 2023.
- Approximately 204mn new shares were issued, bringing total outstanding shares to 3,723mn (including 699mn treasury shares which are excluded from EPS calculation and dividend distribution).

Combined Sub 6GHz Spectrum Holdings (MHz)



Market Share by 09x Subscribers (As of Dec 2023)

