



Taiwan Mobile Co., Ltd.

2Q23 Results Summary



Disclaimer

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Business Overview



2Q23 Highlights

Solid top-line expansions across all 3 core engines

5G

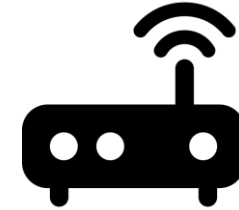
Mobile Service Revenue*

+6% YoY



E-commerce

+6% YoY



Home Broadband

+6.5% YoY

Consolidated EBITDA

Record High

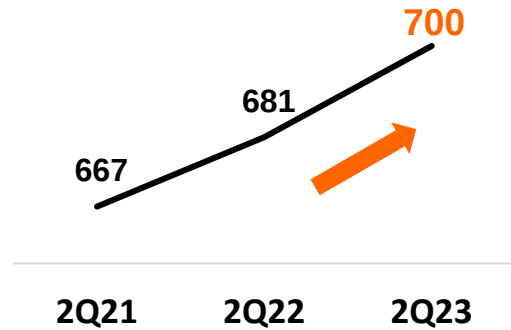
*Mobile service revenue based on IFRS 15 numbers



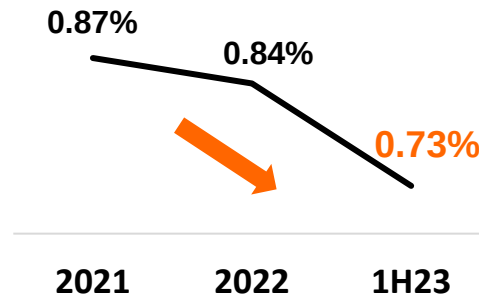
Mobile – Growth Engine #1

2Q23 results

Smartphone ARPU

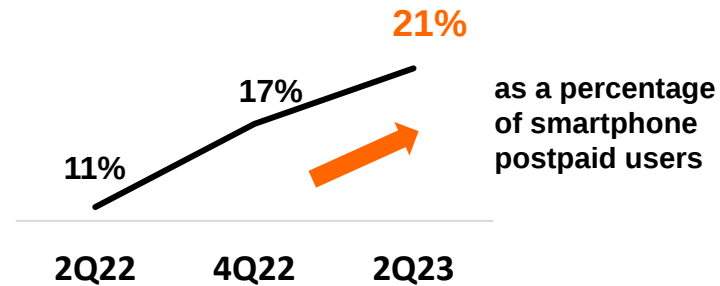


Postpaid Churn



Upselling via Unique Bundles

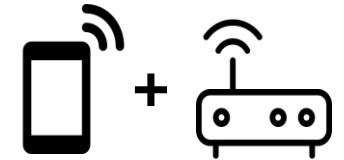
Unique Bundle Users



momobile



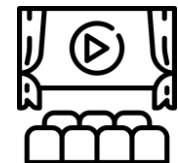
Double Play



Disney+



OP Life

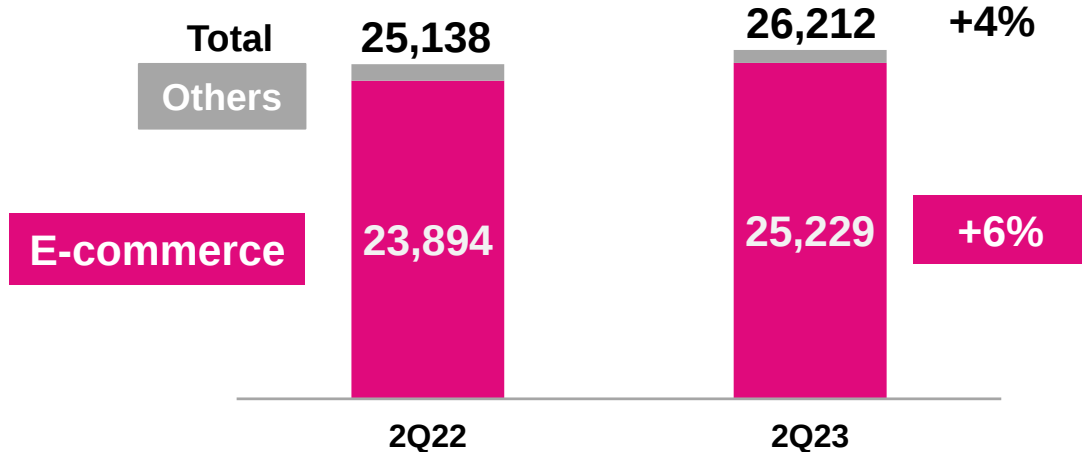




momo – Growth Engine #2

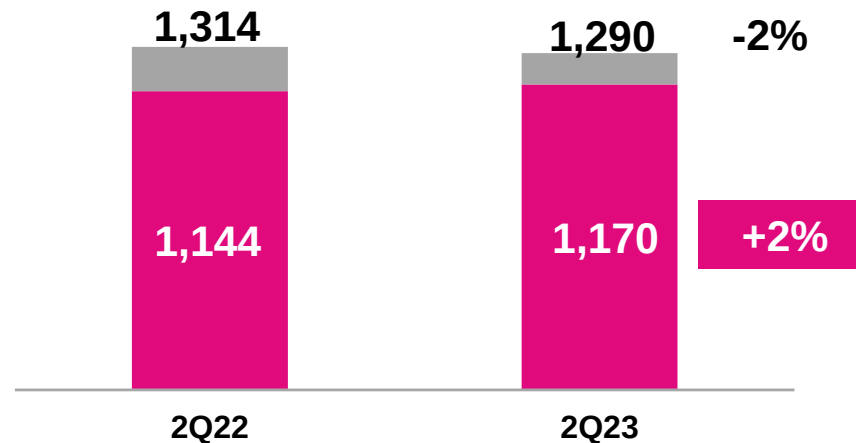
Revenue (NT\$mn)

YoY
+4%



EBITDA (NT\$mn)

YoY
-2%



Main + Satellite Warehouses (#)



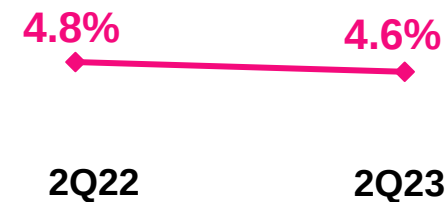
55
+4 YoY
2Q23

E-commerce Total Transaction (#)



+5%
YoY
2Q23

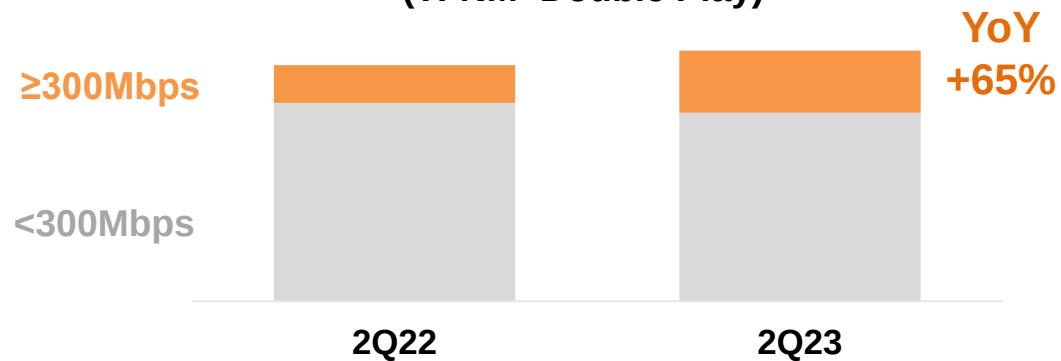
E-commerce EBITDA Margin





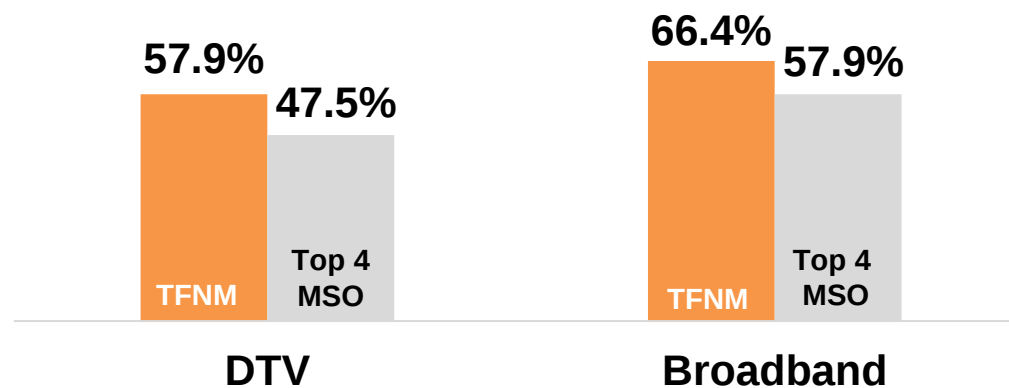
Broadband – Growth Engine #3

Cable BB Subscriber (TFNM+Double Play)



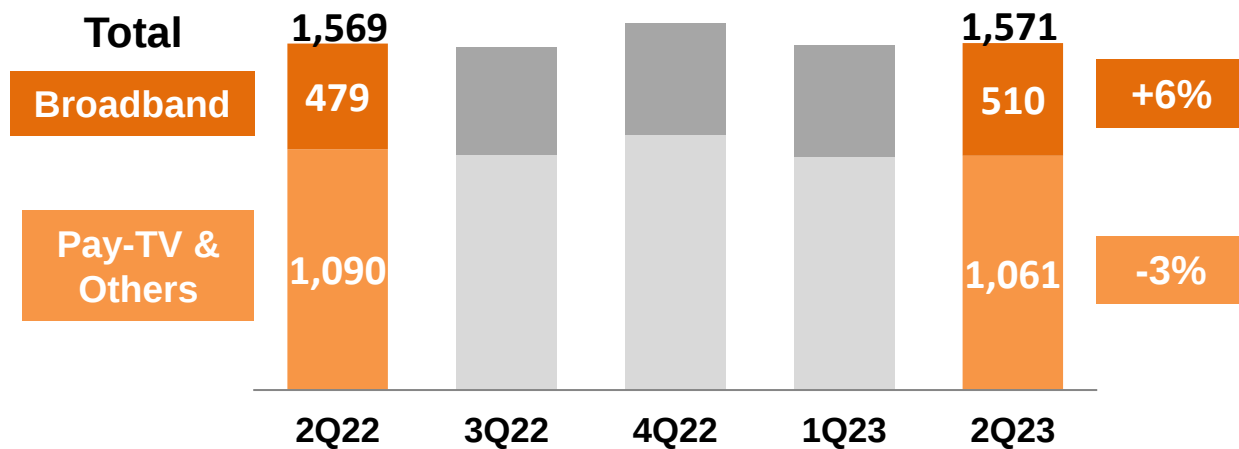
Source: Market intelligence

2Q23 Penetration Rate

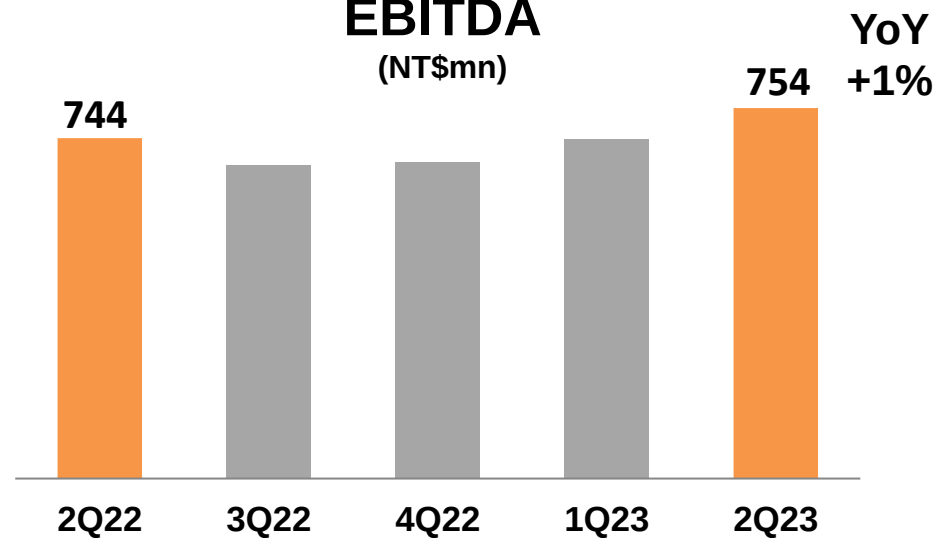


Source: Market intelligence

Revenue (NT\$m)



EBITDA (NT\$m)





Financial Overview



Performance by Business

NT\$bn	Revenue				EBITDA			
	Telecom	momo	CATV	Total ¹	Telecom	momo	CATV	Total ¹
2Q23	16.41	26.21	1.57	43.55	6.75	1.29	0.75	8.91
% of total	38%	60%	4%	100%	76%	14%	8%	100%
2Q23 YoY	7%	4%	0%	5%	2%	-2%	1%	1%
1Q23 YoY	8%	10%	1%	8%	3%	6%	-1%	3%

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	2Q23			1H23	
	Amount	QoQ	YoY	Amount	YoY
Revenues	43.55	1%	5%	86.56	7%
Cash Cost & Expense	(34.64)	1%	6%	(68.97)	8%
Operating Income	4.48	4%	2%	8.77	3%
Non-op. Income (Exp.)	(0.14)	-41%	12%	(0.36)	52%
Pre-tax Income	4.34	7%	2%	8.41	2%
Net Income	3.04	12%	1%	5.75	1%
EPS ¹ (NT\$)	1.08	13%	2%	2.04	0%
EBITDA	8.91	3%	1%	17.59	2%

1. EPS is based on share count of 2.820bn in 2Q23



Balance Sheet Analysis

NT\$bn	2Q23	1Q23	2Q22
Total Assets	186.39	191.46	191.30
Current Assets	36.29	40.43	38.95
- Cash & Cash Equivalents	11.23	14.26	15.28
- Receivable & Contract Assets	16.56	16.37	16.00
- Inventories	6.63	7.89	5.60
- Other Current Assets	1.86	1.91	2.08
Non-current Assets	150.11	151.03	152.34
- Long-term Investment	8.38	7.83	6.08
- Property, Plant and Equipment	46.54	46.76	47.14
- Right-of-use Assets	9.72	9.76	9.98
- Concession	54.02	55.10	58.34
- Other Non-current & Contract Assets	31.44	31.59	30.81
	2Q23	1Q23	2Q22
Current Ratio	57%	63%	55%
Net Debt to Equity	79%	73%	79%
Net Debt to EBITDA (x)	1.47	1.57	1.49
ROE¹ (annualized)	17%	15%	16%

NT\$bn	2Q23	1Q23	2Q22
Liabilities	120.51	115.34	125.35
Current Liabilities	63.15	64.24	71.16
- ST Debts	18.55	31.37	25.67
- Accounts & Notes Payable	12.87	12.48	12.43
- Current Lease Liabilities	3.64	3.66	3.72
- Other Current Liabilities	28.10	16.72	29.33
Non-current Liabilities	57.36	51.10	54.20
- Long-term Borrowings	44.66	38.21	41.43
- Non-current Lease Liabilities	6.08	6.08	6.31
- Other Non-current Liabilities	6.61	6.81	6.45
Shareholders' Equity	65.89	76.13	65.95
Paid-in Capital	35.19	35.19	35.19
Capital Surplus	13.11	15.37	15.33
Legal Reserve	33.50	32.60	32.60
Treasury Shares	(29.72)	(29.72)	(29.72)
Un-appropriated Earnings	0.00	0.00	0.00
Non-controlling Interest	7.49	8.85	7.38
Retained Earnings & Others ²	6.32	13.82	5.16

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

2. Including accumulated profits and other equity items.



Cash Flow Analysis

NT\$bn	2Q23	1Q23	2Q22
Operating	8.71	4.81	7.73
Investing	(2.06)	(2.61)	(4.67)
Financing	(9.67)	(2.88)	(2.44)

NT\$bn	2Q23	1Q23	2Q22
Pre-IFRS 16 Operating ¹	7.65	3.66	6.70
Cash CAPEX	(2.12)	(2.37)	(3.73)
Free Cash Flow	5.52	1.29	2.97

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



Event Updates



Awards and ESG Recognitions



Overall Asia

#1 in telecom sector & Most Honored Company
#1 in Best CEO, Best CFO, Best IR Program, Best IR Team, Best ESG, Best Company Board

Rest of Asia (ex-China)

#1 in telecom sector & Most Honored Company for 2 years in a row
#1 in all categories → “All-Star” status



Top 5% in the “Corporate Governance Evaluation” for the 9th consecutive year



Annual Honor Roll for the 2nd year
#1 in Human Resources Development
Model Award in Education Promotion



Other ESG Highlights

- Taiwan Mobile has declared 2023 as the starting year of **Biodiversity Conservation** and is committed to reaching **No Gross Deforestation** by 2050.
- Our “**Solar for Good**” project has built 524.7 kW of solar power systems over the past 6 years, and is expected to generate stable income of NT\$72.85 million for 6 NPOs in 20 years.





2023 Capex Budget Additions

On August 4, 2023, the Board approved network related capex budget additions for 2023. Total capex budget will be NT\$15.653bn, with actual cash payments subject to the actual progress of the network deployment.



Key Message

TWM continues to fire on all cylinders, with our unique bundles momobile, Double Play, Disney+ and OP Life propelling our telecom service revenue. Coupled with steady growth in e-commerce and home broadband, our 2Q23 consolidated EBITDA reached an all-time high. Free cash flow also went up by 10% YoY during the first half of this year, reflecting our strong fundamentals. Meanwhile, we are one step closer toward establishing a sustainable foundation for long-term growth.

