



Taiwan Mobile Co., Ltd.

4Q21 Results Summary



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Business Overview



2021 Highlights

Solid revenue increases across all 3 growth engines

5G

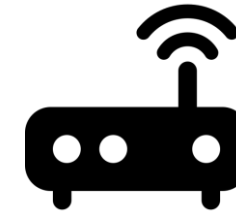
Mobile Service Revenue*

+1% YoY



E-commerce

+35% YoY



Home Broadband

+13% YoY

**Consolidated
EBITDA YoY**

-6% → +6%
2020 2021

*Mobile service revenue based on post-IFRS 15 numbers



Mobile – Growth Engine #1

2021 results



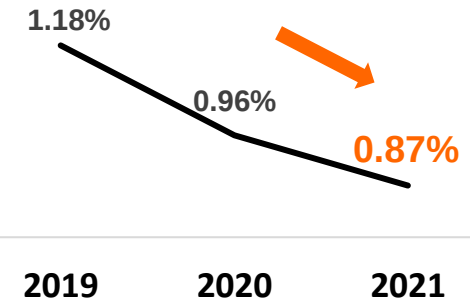
Upselling

5G Adoption

Unique Bundles



Postpaid Churn

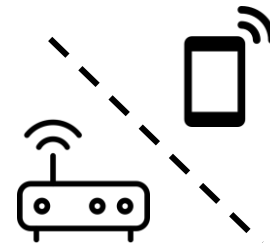


momobile

user contribution to
e-commerce revenue

1.9%

As of Dec 2021

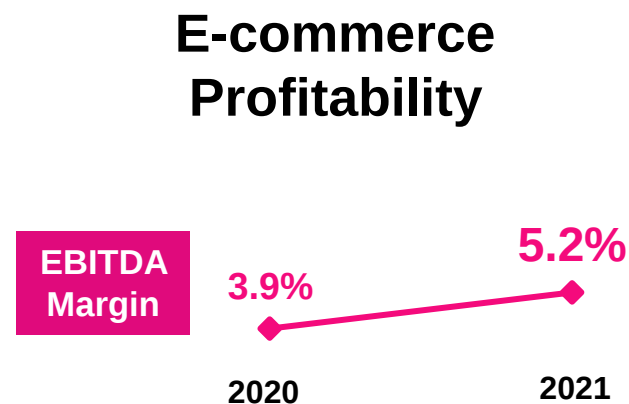
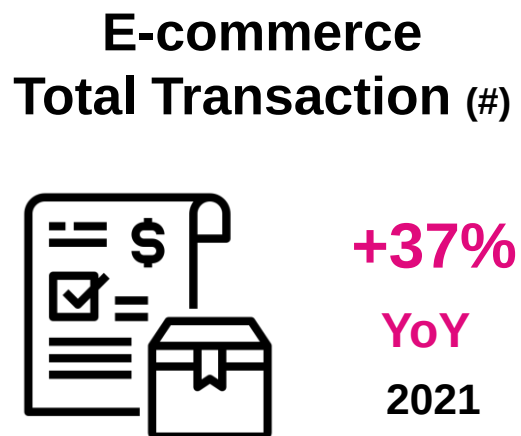
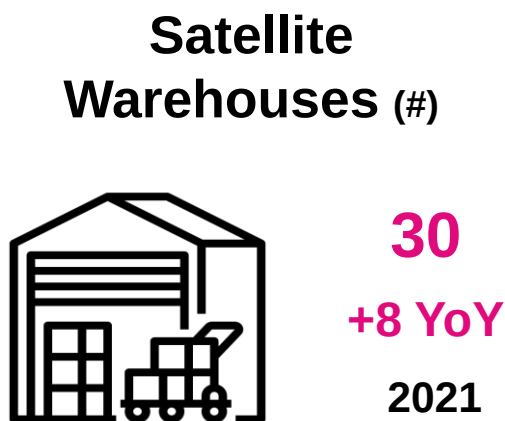
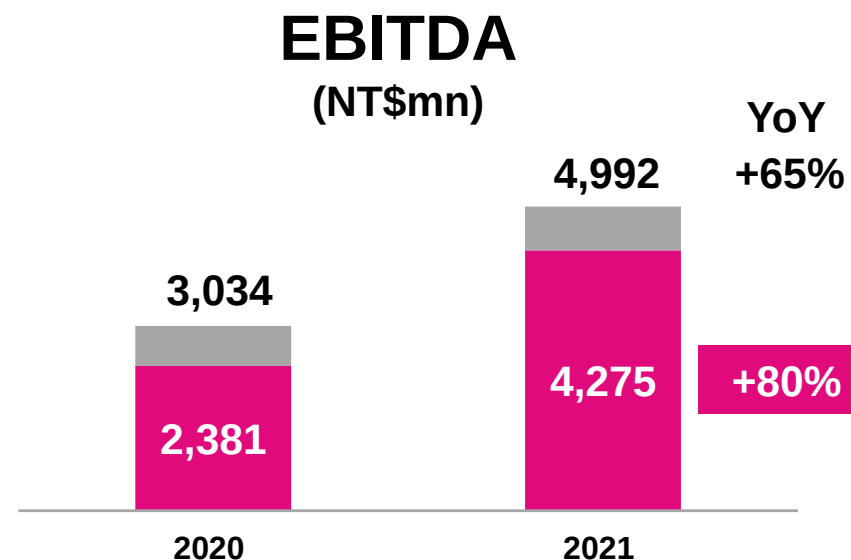
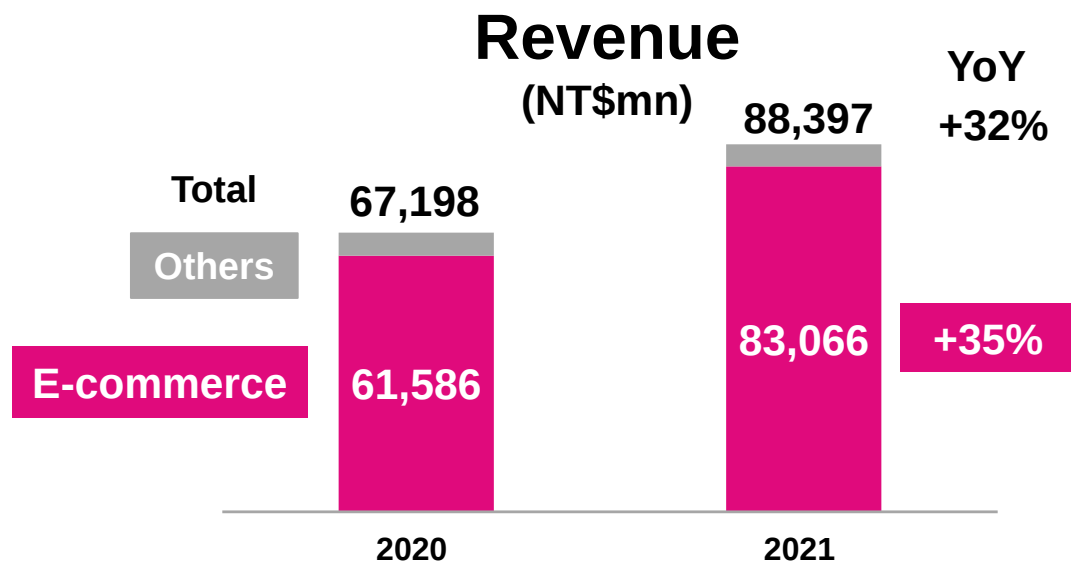


Double Play

Extensive
Footprint



momo – Growth Engine #2





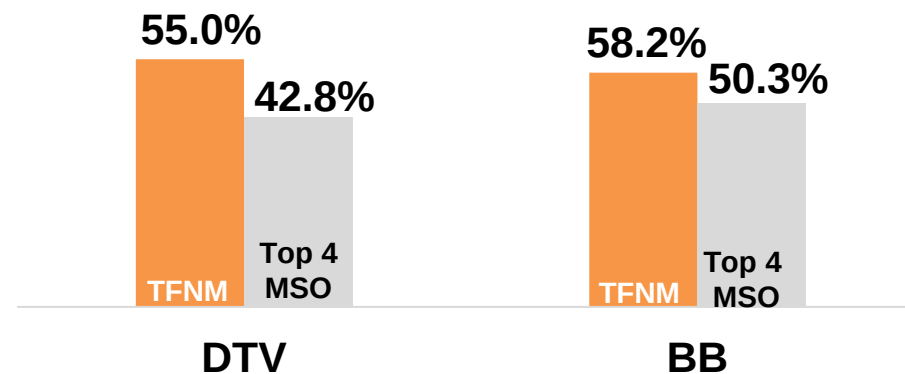
Broadband – Growth Engine #3

4Q21 Basic TV Subscribers

('000)	Subscribers	YoY
TFNM	537	-1.9%
Top 4 MSO	3,368	-2.6%

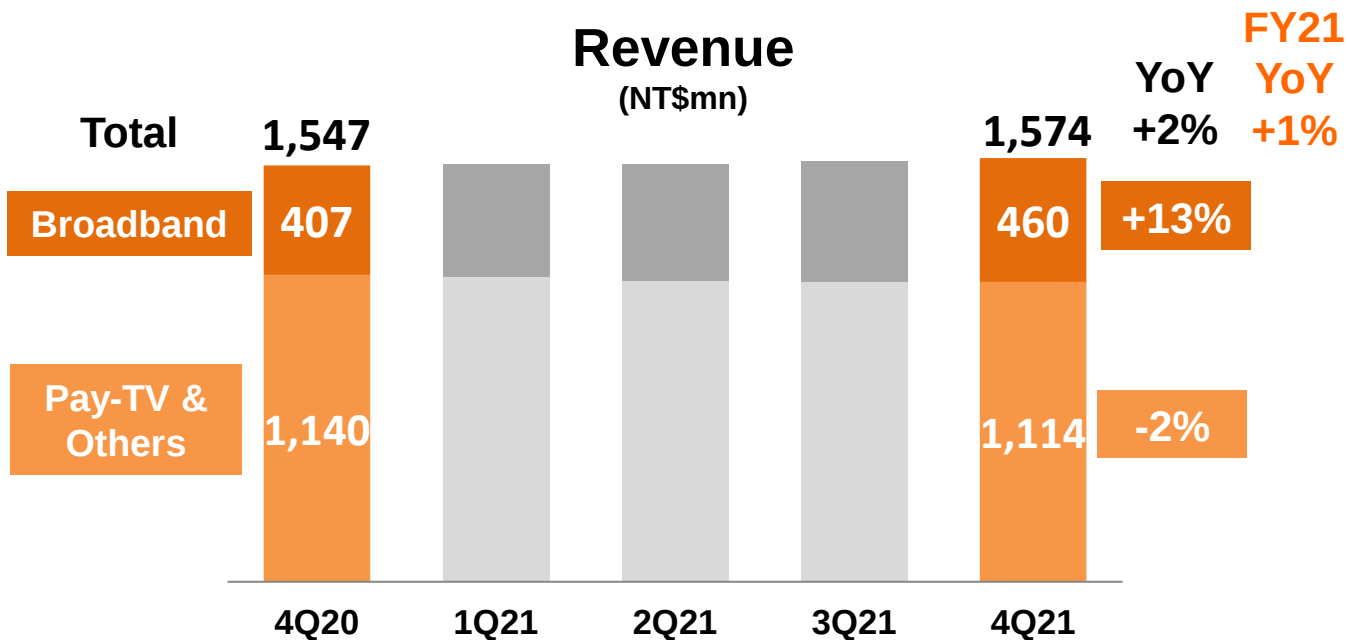
Source: Market intelligence

4Q21 Penetration Rate

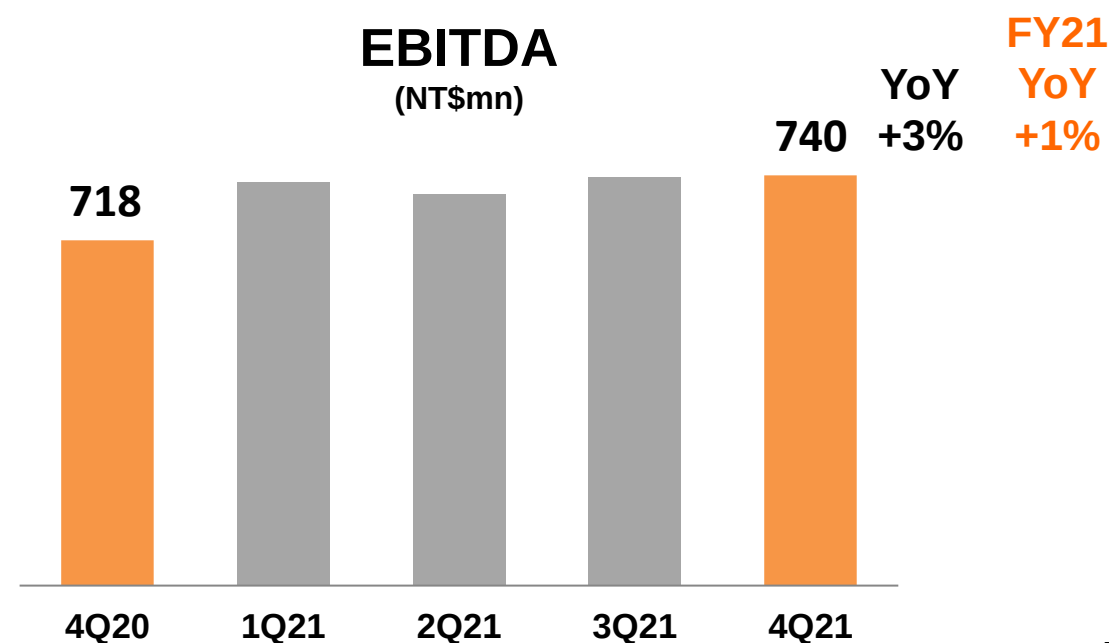


Source: Market intelligence

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
4Q21	17.54	26.87	1.57	44.99	6.03	1.39	0.74	8.29
% of total	39%	60%	3%	100%	73%	17%	9%	100%
4Q21 YoY	2%	30%	2%	17%	1%	44%	3%	7%
2021	64.01	88.40	6.24	156.11	24.71	4.99	2.95	33.12
% of total	41%	57%	4%	100%	75%	15%	9%	100%
2021 YoY	4%	32%	1%	17%	-1%	65%	1%	6%

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	4Q21		2021	
	Amount	YoY	Amount	YoY
Revenues	44.99	17%	156.11	17%
Cash Cost & Expense	(36.69)	20%	(122.99)	21%
Operating Income	3.94	9%	16.05	0%
Non-op. Income (Exp.)	(0.18)	-55%	(0.47)	-21%
Pre-tax Income	3.76	18%	15.58	1%
Net Income	2.48	18%	10.99	-3%
EPS ¹ (NT\$)	0.88	19%	3.90	-3%
EBITDA	8.29	7%	33.12	6%

1. EPS is based on share count of 2.815bn in 2021



Balance Sheet Analysis

NT\$bn	4Q21	3Q21	4Q20
Total Assets	190.98	187.50	184.58
Current Assets	38.65	34.65	32.09
- Cash & Cash Equivalents	15.40	12.67	10.78
- Receivable & Contract Assets	15.17	13.90	13.79
- Inventories	6.44	6.27	5.77
- Other Current Assets	1.64	1.81	1.76
Non-current Assets	152.33	152.85	152.49
- Long-term Investment	5.86	5.29	4.26
- Property, Plant and Equipment	46.03	46.29	45.11
- Right-of-use Assets	9.06	9.15	9.01
- Concession	60.49	61.57	64.80
- Other Non-current & Contract Assets	30.89	30.55	29.31
	4Q21	3Q21	4Q20
Current Ratio	65%	57%	55%
Net Debt to Equity	76%	90%	83%
Net Debt to EBITDA (x)	1.69	1.92	1.91
ROE¹ (annualized)	15%	16%	15%

NT\$bn	4Q21	3Q21	4Q20
Liabilities	117.71	117.94	112.59
Current Liabilities	59.49	61.27	58.53
- ST Debts	25.38	29.49	26.93
- Accounts & Notes Payable	11.96	12.20	9.79
- Current Lease Liabilities	3.54	3.59	3.51
- Other Current Liabilities	18.61	16.00	18.31
Non-current Liabilities	58.22	56.67	54.06
- Long-term Borrowings	46.03	46.10	43.75
- Non-current Lease Liabilities	5.55	5.59	5.53
- Other Non-current Liabilities	6.63	4.98	4.78
	73.28	69.56	71.99
Shareholders' Equity			
Paid-in Capital	35.19	35.14	35.12
Capital Surplus	16.90	16.43	18.94
Legal Reserve	31.50	31.50	30.17
Treasury Shares	(29.72)	(29.72)	(29.72)
Un-appropriated Earnings	0.00	0.00	0.00
Non-controlling Interest	7.74	7.17	6.63
Retained Earnings & Others ²	11.66	9.04	10.85

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

2. Including accumulated profits and other equity items.



Cash Flow Analysis

NT\$bn	4Q21	4Q20	2021	2020
Operating	7.51	8.73	30.20	31.74
Investing	(0.15)	(5.40)	(9.64)	(39.32)
Financing	(4.63)	(3.01)	(15.93)	9.69

NT\$bn	4Q21	4Q20	2021	2020
Pre-IFRS 16 Operating ¹	6.49	7.76	26.09	27.75
Cash CAPEX ²	0.28	(6.35)	(9.02)	(11.55)
Free Cash Flow	6.77	1.41	17.08	16.20

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. 2020 capex excluded 5G license fees. 2021 capex was net of government subsidies.



Event Updates



Awards and Recognitions

- Achieved “Leadership band” in CDP Climate Change for 3 years in a row.
- Selected for the “Dow Jones Sustainability Indices (DJSI) World” for 5 consecutive years and once again ranked No.1 in its “Global Telecom Industry” segment. Included in the “DJSI Emerging Markets” for 10 years in a row.
- Honored with 8 awards at the 2021 Taiwan Corporate Sustainability Awards (TCSA). Won “The Most Prestigious Sustainability Awards – Top Ten Domestic Companies” for the 7th time and scored the highest among awardees of the "Growth Through Innovation Leadership Award" under the Service and Information Communication Industry segment.
- Received ISO 27701 Privacy Information Management System certification.
- Honored with Sports Activist Awards by the Ministry of Education for 5 consecutive years and won “Sponsorship Award Gold Class” and “Sponsorship Award Long-Term Sponsorship Award”.



2022 Guidance

- **Consolidated revenue: up 15~17% YoY**
 - E-commerce, new technology services and other revenue: up 22~25% YoY
 - Telecom related revenues: up 3~5% YoY
- **Consolidated EBITDA: up 1~3% YoY**
 - Gross profit margin: between 17% and 19%
 - Operating profit margin: between 8% and 10%
- **Group capex: NT\$11.2bn**
 - Telecom: NT\$6.43bn, where 5G capex will decline YoY
 - Cable TV: NT\$0.92bn
 - momo & others: NT\$3.87bn, mainly from momo's logistic center expansions

The above guidance does not take T-Star into account.



Key Message

In 2021, TWM delivered better-than-expected results and demonstrated our special ability to go to the market with unique offerings that cater to the needs of our customers. Going forward, we expect to continue to allocate capital to growth areas, including the acquisition of Taiwan Star and synergy creation post merger, as well as emerging opportunities in smart logistics, web3, metaverse and Southeast Asia, in order to grow our customer base, meet their growing digital demands and gain a greater share of their overall spending.

