



台灣大哥大  
Taiwan Mobile



**Taiwan Mobile Co., Ltd.**  
**4Q23 Results Summary**

**February 21, 2024**



# Disclaimer

**The information contained in this presentation, including all forward-looking information, is subject to change without notice, whether as a result of new information, future events or otherwise, and Taiwan Mobile Co., Ltd. (or hereafter the “Company”) undertakes no obligation to update or revise the information contained in this presentation. No representation, warranty or undertaking, express or implied, is or will be given by the Company as to the adequacy, accuracy, completeness and correctness of information contained herein. Financial numbers in this document may include preliminary unaudited numbers or management accounts.**



# Business Overview



# 2023 Highlights

**Solid top-line expansions across all 3 core sectors**

**5G**

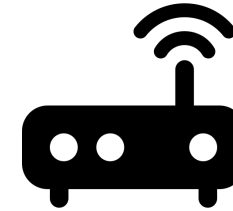
**Mobile Service Revenue**

**+8% YoY**



**E-commerce**

**+7% YoY**



**Home Broadband Subs**

**+4% YoY**

**Consolidated EBITDA**

**+4% YoY**

**Net income**

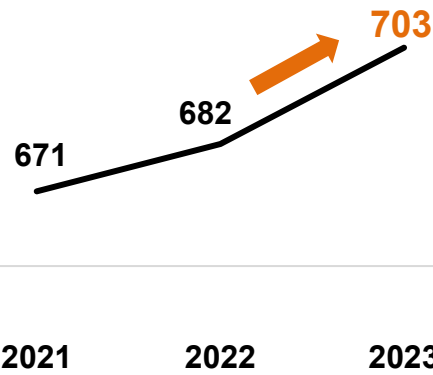
**+11% YoY**



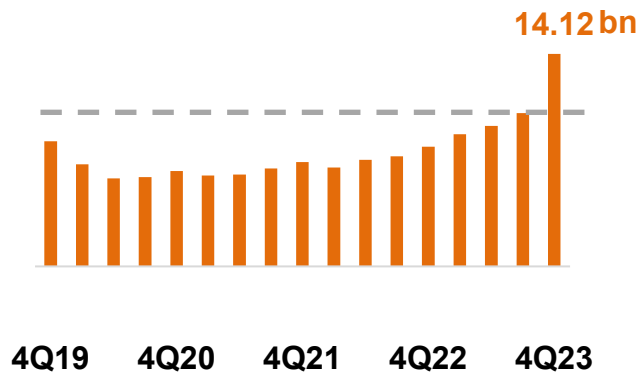
# Mobile – Growth Engine #1

## 4Q23 results

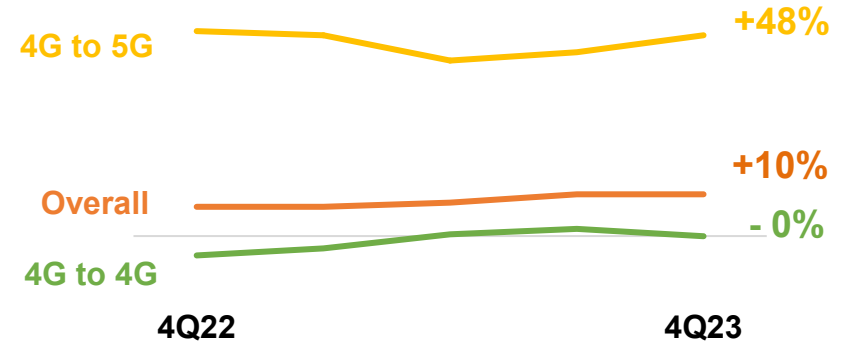
### Smartphone ARPU



### Mobile Service Revenue



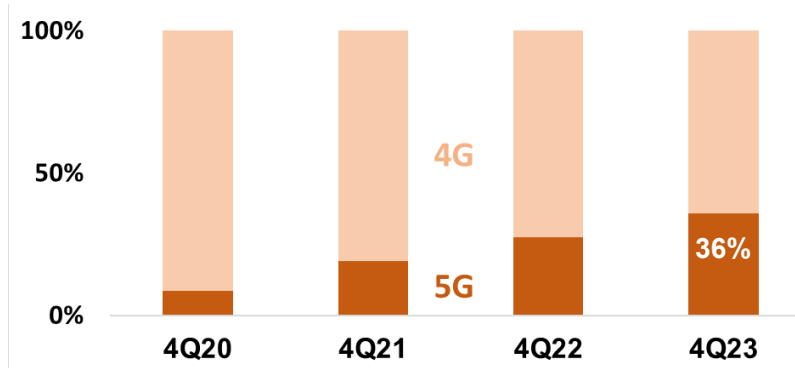
### Monthly fee uplift from renewals



**Unique bundles**

- momobile
- Double Play
- Disney+
- OP Life

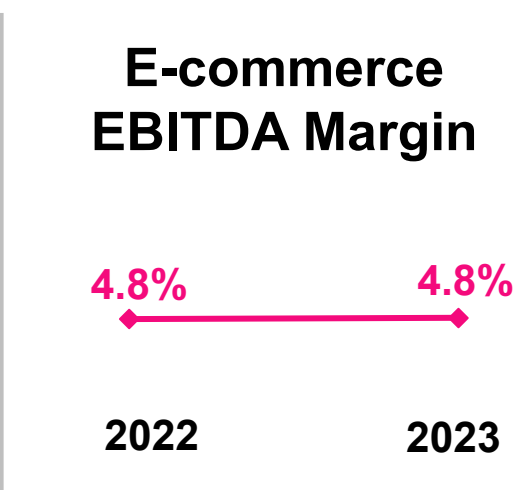
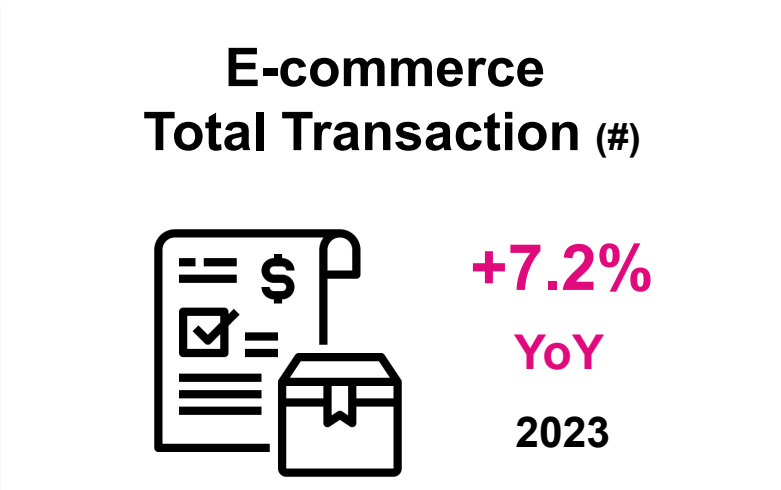
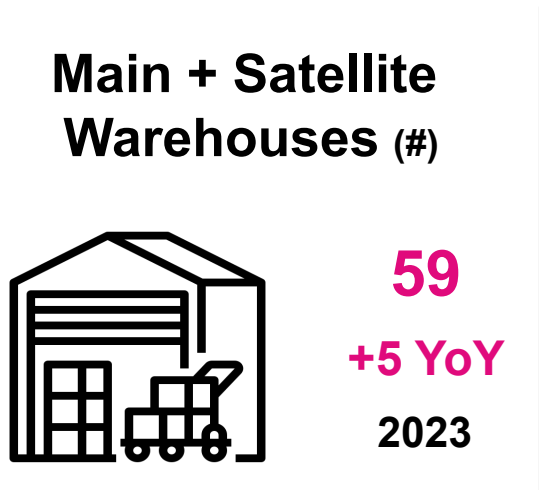
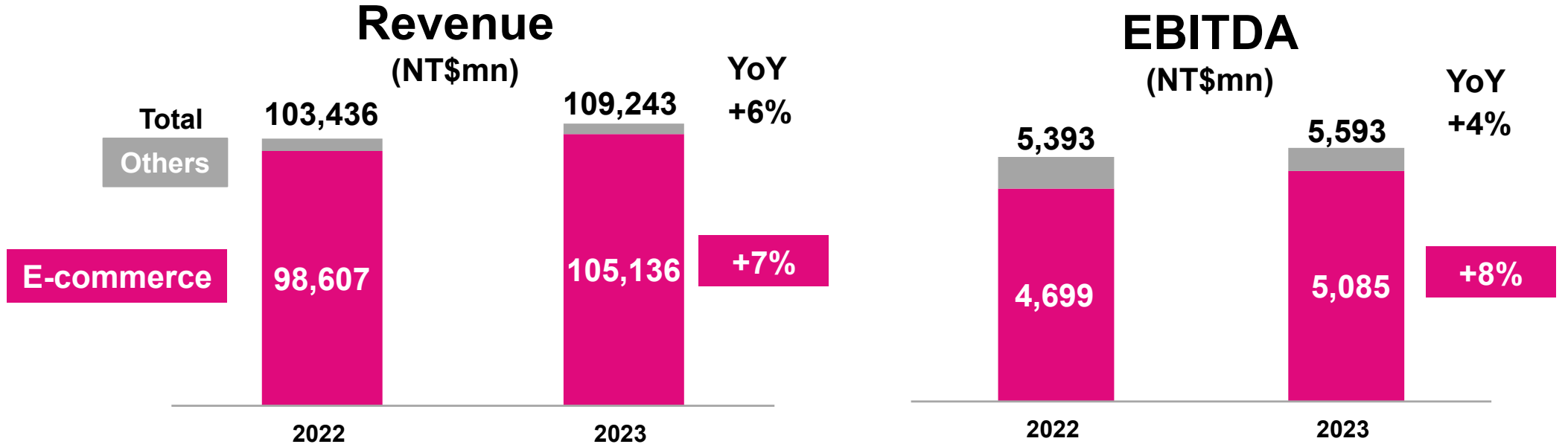
### 5G Penetration of Smartphone User Base



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



# momo – Growth Engine #2

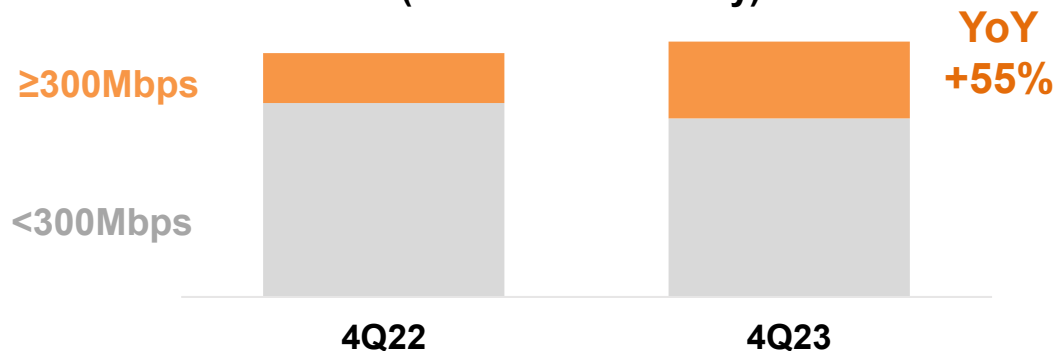


Note: E-commerce includes B2C and B2B2C businesses. Financial numbers on this page include preliminary unaudited numbers and management accounts.



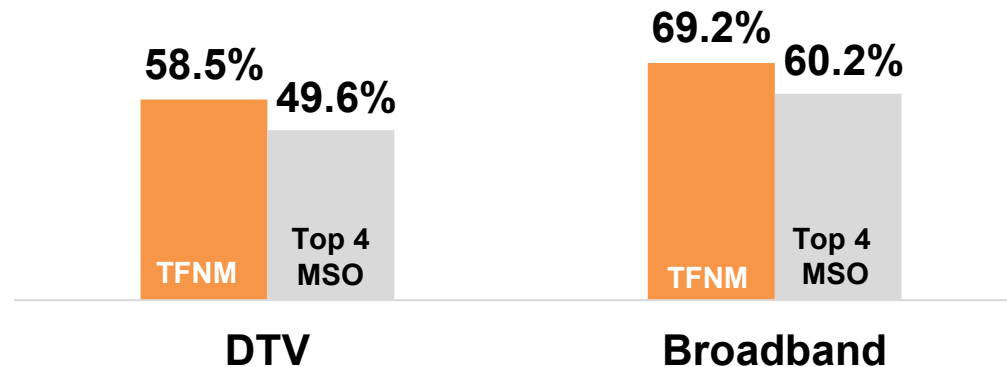
# Broadband – Growth Engine #3

## Cable Broadband Subscriber (TFNM+Double Play)



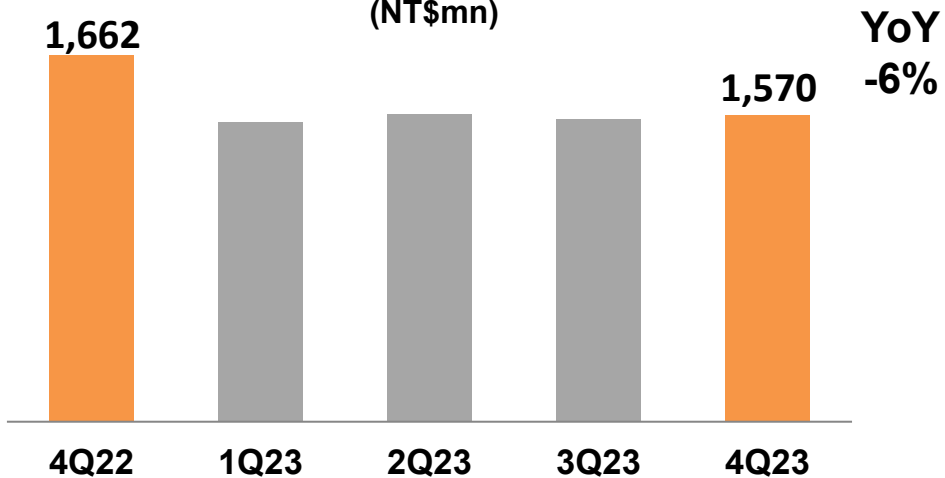
Source: Market intelligence

## 4Q23 Penetration Rate

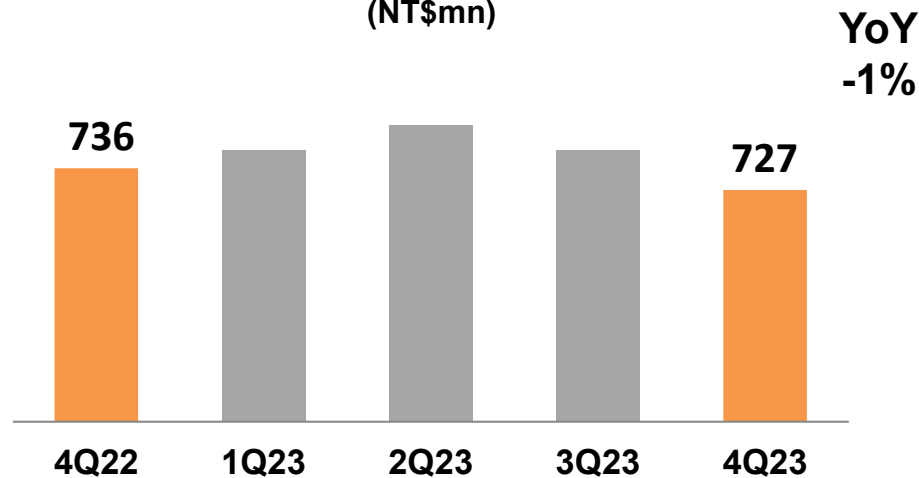


Source: Market intelligence

## 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 <sup>1</sup>	Telecom	momo	CATV	Total <sup>1</sup>
<b>4Q23</b>	<b>20.63</b>	<b>32.84</b>	<b>1.57</b>	<b>53.60</b>	<b>6.90</b>	<b>1.70</b>	<b>0.73</b>	<b>9.45</b>
<b>% of total</b>	<b>38%</b>	<b>61%</b>	<b>3%</b>	<b>100%</b>	<b>73%</b>	<b>18%</b>	<b>8%</b>	<b>100%</b>
<b>4Q23 YoY</b>	<b>12%</b>	<b>3%</b>	<b>-6%</b>	<b>6%</b>	<b>11%</b>	<b>5%</b>	<b>-1%</b>	<b>9%</b>
<b>2023</b>	<b>71.49</b>	<b>109.24</b>	<b>6.26</b>	<b>183.35</b>	<b>26.79</b>	<b>5.59</b>	<b>2.97</b>	<b>35.79</b>
<b>% of total</b>	<b>39%</b>	<b>60%</b>	<b>3%</b>	<b>100%</b>	<b>75%</b>	<b>16%</b>	<b>8%</b>	<b>100%</b>
<b>2023 YoY</b>	<b>9%</b>	<b>6%</b>	<b>-1%</b>	<b>6%</b>	<b>5%</b>	<b>4%</b>	<b>0%</b>	<b>4%</b>

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
<b>Total Assets</b>	<b>242.96</b>	<b>187.56</b>	<b>193.07</b>
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
	<b>4Q23</b>	<b>3Q23</b>	<b>4Q22</b>
<b>Current Ratio</b>	58%	63%	60%
<b>Net Debt to Equity</b>	86%	88%	77%
<b>Net Debt to EBITDA (x)</b>	2.23	1.71	1.64
<b>ROE<sup>1</sup> (annualized)</b>	15%	16%	15%

NT\$bn	4Q23	3Q23	4Q22
<b>Liabilities</b>	<b>149.58</b>	<b>118.97</b>	<b>120.22</b>
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
	<b>93.38</b>	<b>68.59</b>	<b>72.85</b>
<b>Shareholders' Equity</b>			
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 <sup>2</sup>	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

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

<b>NT\$bn</b>	<b>4Q23</b>	<b>4Q22</b>	<b>2023</b>	<b>2022</b>
<b>Pre-IFRS 16 Operating<sup>1</sup></b>	<b>6.45</b>	<b>7.18</b>	<b>24.53</b>	<b>25.37</b>
<b>Cash CAPEX</b>	<b>(1.43)</b>	<b>(1.79)</b>	<b>(8.10)</b>	<b>(9.63)</b>
<b>Free Cash Flow</b>	<b>5.01</b>	<b>5.39</b>	<b>16.43</b>	<b>15.74</b>

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 21<sup>st</sup>, 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*



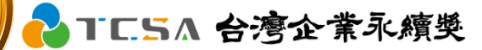
**DJSI World Index**

**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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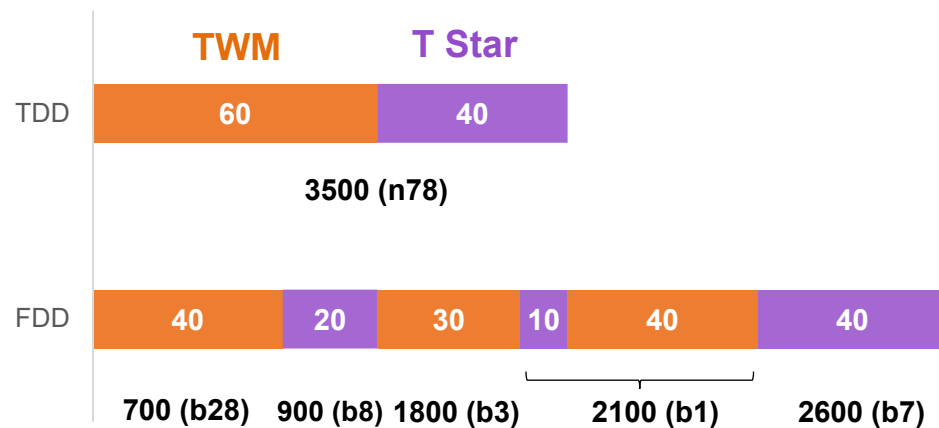




# Appendix: TWM – TST Merger

- 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)

