4Q 2021 Operating Results

MasterLink Securities

March 8, 2022

2022 Taiwan Corporate Day

Disclaimer

STATEMENT REGARDING UNAUDITED FINANCIAL INFORMATION

The unaudited financial information under T-IFRSs in this presentation is preliminary and subject to adjustments and modifications. Adjustments and modifications to the financial statements may be identified during the course of the audit /review work, which could result in significant differences from this preliminary unaudited financial information.

NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements. These statements constitute "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. Statements that are not historical facts, including statements about Chunghwa's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Investors are cautioned that actual events and results could differ materially from those statements as a result of a number of factors including, but not limited to the risks outlined in Chunghwa's filings with the U.S. Securities and Exchange Commission on Forms F-1, F-3, 6-K and 20-F, in each case as amended. The forward-looking statements in this presentation reflect the current belief of Chunghwa as of the date of this presentation and Chunghwa undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date, except as required under applicable law.

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SPECIAL NOTE REGARDING NON-GAAP FINANCIAL MEASURES

A body of generally accepted accounting principles is commonly referred to as "GAAP". A non-GAAP financial measure is generally defined by the SEC as one that purports to measure historical or future financial performance, financial position or cash flows but excludes or includes amounts that would not be so adjusted in the most comparable U.S. GAAP measure. We disclose in this report certain non-GAAP financial measures, including EBITDA. EBITDA for any period is defined as consolidated net income (loss) excluding (i) depreciation and amortization, (ii) total net comprehensive financing cost (which is comprised of net interest expense, exchange gain or loss, monetary position gain or loss and other financing costs and derivative transactions), (iii) other expenses, net, (iv) income tax, (v) cumulative effect of change in accounting principle, net of tax and (vi) (income) loss from discontinued operations.

In managing our business we rely on EBITDA as a means of assessing our operating performance. We believe that EBITDA can be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effect of (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) certain financing costs, which are significantly affected by external factors, including interest rates, foreign currency exchange rates and inflation rates, which have little or no bearing on our operating performance, (iii) income tax and tax on assets and statutory employee profit sharing, which is similar to a tax on income and (iv) other expenses or income not related to the operation of the business.

EBITDA is not a measure of financial performance under U.S. GAAP or T-IFRSs. EBITDA should not be considered as an alternate measure of net income or income from operations, as determined on a consolidated basis using amounts derived from statements of operations prepared in accordance with U.S. GAAP or T-IFRSs, as an indicator of operating performance or as cash flows from operating activity or as a measure of liquidity. EBITDA has material limitations that impair its value as a measure of a company's overall profitability since it does not address certain ongoing costs of our business that could significantly affect profitability such as financial expenses and income taxes, depreciation, pension plan reserves or capital expenditures and associated charges. These non-GAAP measures are not in accordance with or an alternative for GAAP financial data, the non-GAAP results should be reviewed together with the GAAP results and are not intended to serve as a substitute for results under GAAP, and may be different from non-GAAP measures used by other companies.

"Rise on Together, 2021" strategic transformation

3 years of consecutive growth in EBITDA Margin, Net Income and EPS

Mobile Service Revenue
Turn around

Broadband Revenue ▲ CAGR 2%

Mobile Churn Rate 1.52% (2019)
0.79%

(2021 vs. 2019)

Revenue Per Head ▲ 6%

Profit Per Head ▲ 15%

Core Business

Emerging Business

躍升2021
RISE ON, TOGETHER

Customer-centric Value Creation, commenced in 2019

Cost Optimization

Core Competency

IDC Revenue ▲ CAGR 5%

Cloud Revenue ▲ CAGR 5%

ICT Gross Profit ▲ CAGR 17%

Backbone Network.
100% SDN ready

FTTH Coverage 74%

NPS (eShop) +24.9

NPS (Store) +11 (2021 vs.2019)

5G + 4G #1 Recognized by NCC, Speedtest, & OpenSignal

Organizational transformation

Customer Centric

Business Groups
- Consumer
- Enterprise
- International

- Consumer, Enterprise and International Business Groups develop businesses under the customer-centric spirit

Focus on business competitiveness

Technology Groups
- Network Technology
- Data Communications
- Telecommunication Laboratories

- Network Technology Group, Data Communications Group and Telecommunication Laboratories serve to support business development

Focus on technology competitiveness

Headquarters

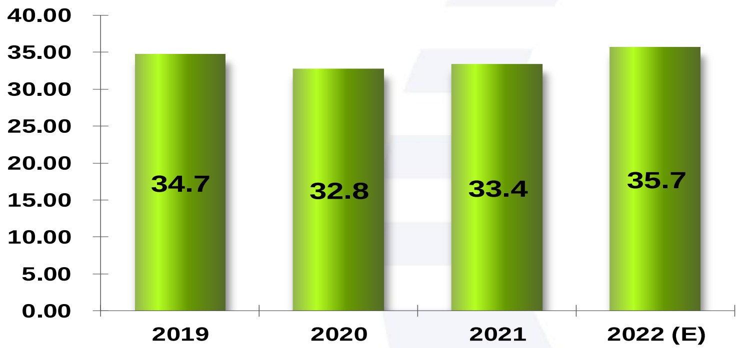
- Headquarters maximize functions of devising strategies and resource allocation

Focus on strategic competitiveness

Committed to Improving Shareholder Value

Cash Return

NT$ bn



- 2022 Board of directors resolved to distribute NT$35.7 billion to shareholders
  - NT$4.608 per share
  - payout ratio 100%

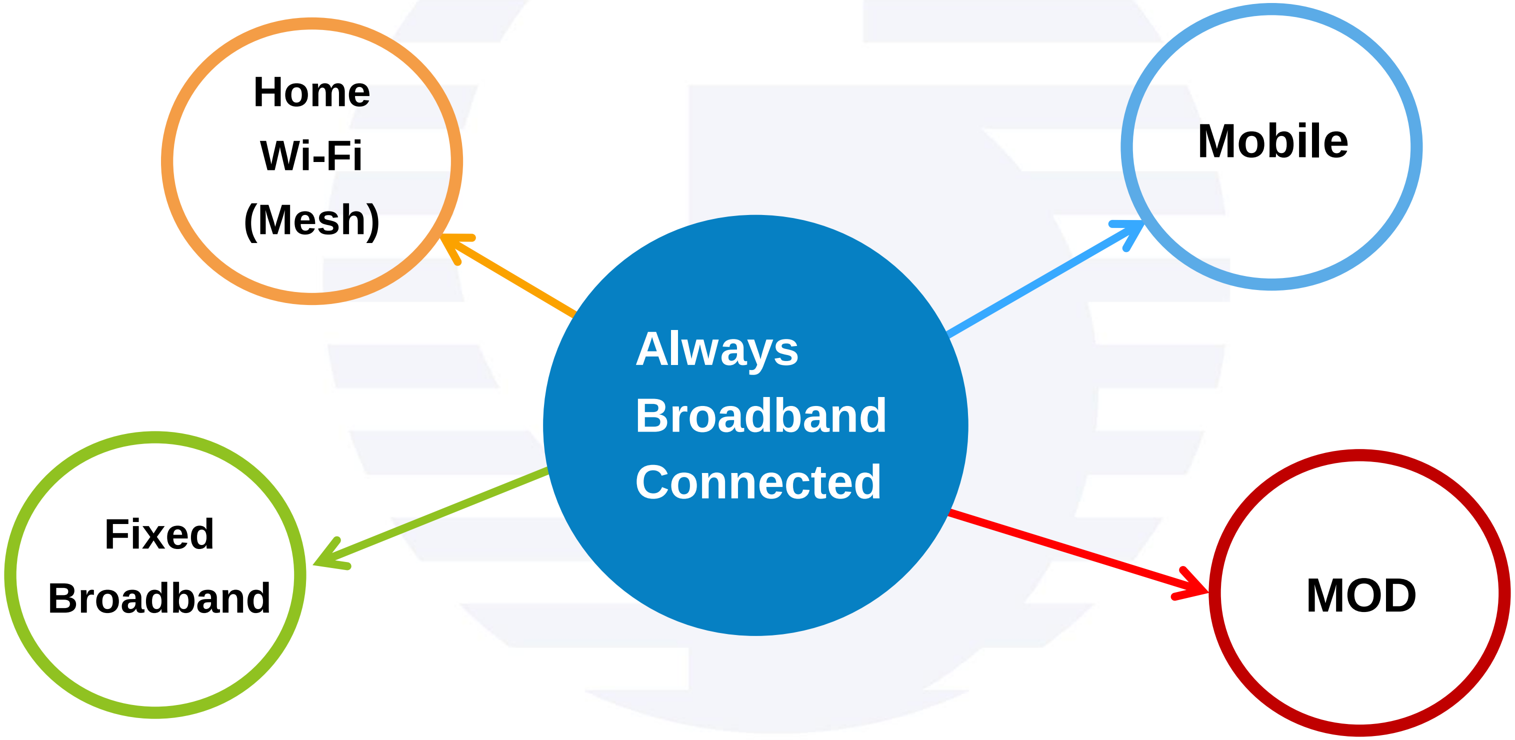
Note:
1. 1 ADR = 10 common shares
2. The regular dividend has been calculated based on total share number 7,757,446,545.

Business Overview

Business Overview

Home Wi-Fi Devices
YoY ▲ 167%

5G Penetration rate
≈ 20%

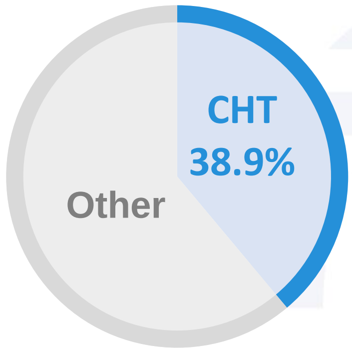


300Mbps ↑ Customers
YoY ▲ 45%

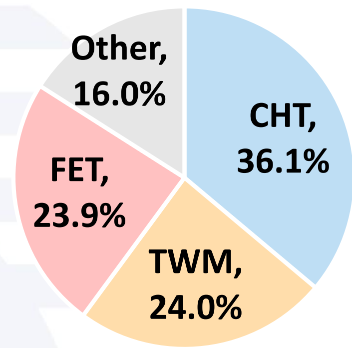
ARPU and revenue ↗

#1 Mobile Services Provider

#1 Mobile Revenue [(a)(b)(c)]

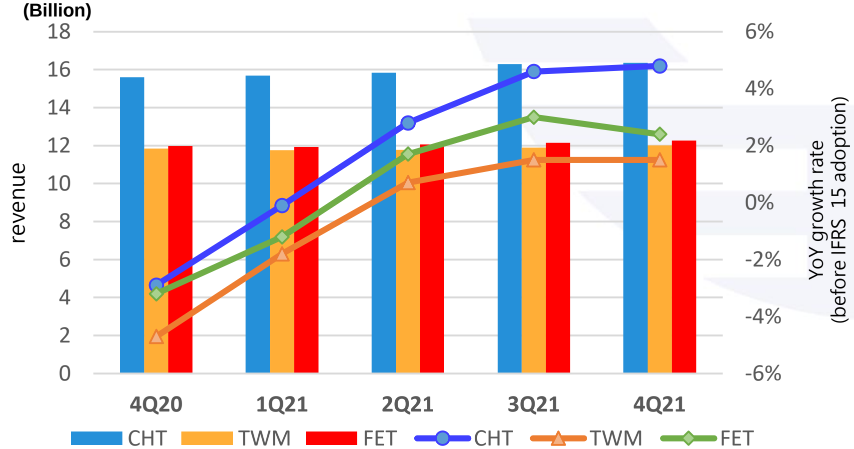


#1 Mobile Subscribers [(c)]



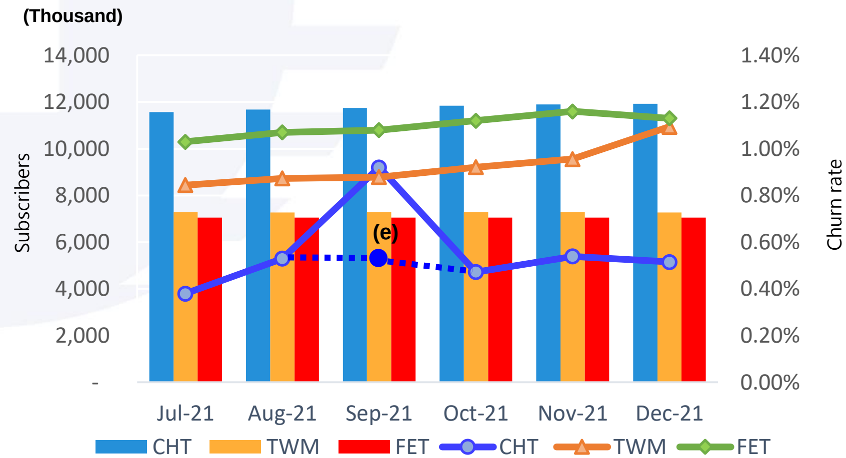
Source: Company data,
MOTC and NCC statistics
Note :
a) Market share as of Nov. 2021
b) Revenues are based on T-IFRSs
c) Excluding IoT SIMs

Better Performance in Mobile Service Revenue



Note : For TWM and FET, mobile service revenue is derived from mobile ARPU under Residual Value Method times the average subscriber number.

Highest Subs & Lowest Churn[(d)]

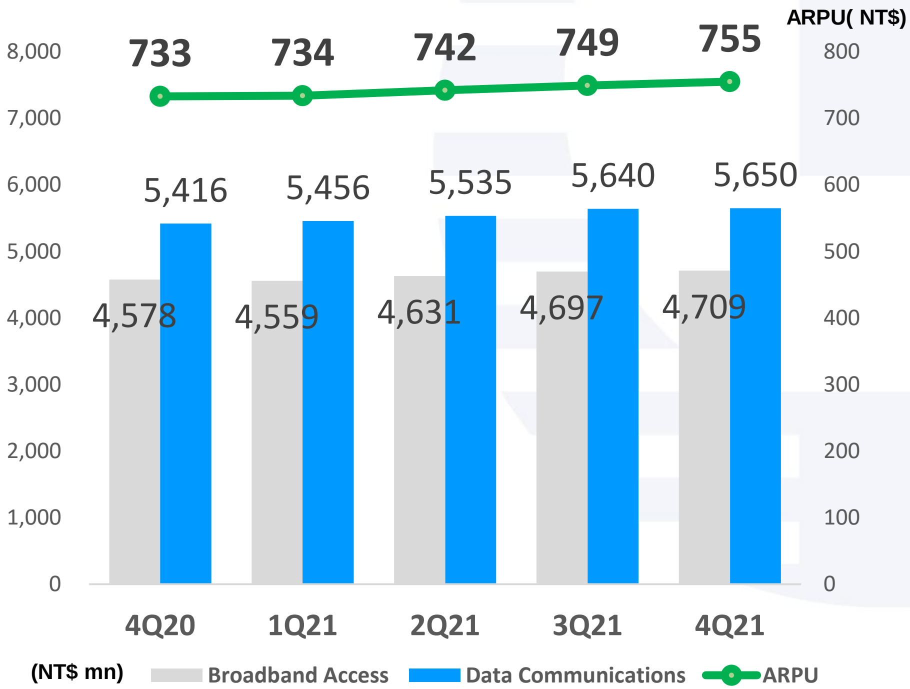


Note :
d)Churn rate for postpaid subscribers
e)Excluding the one-time round-trip adjustment of IoT SIMs

Fixed Broadband Service

Broadband Revenue

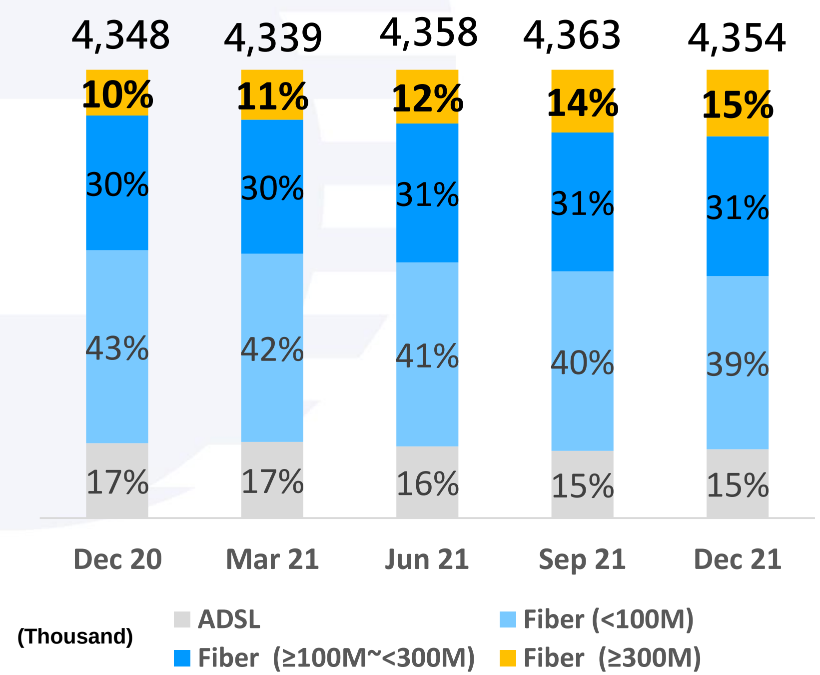
Continued ARPU growth for 9 consecutive quarters



Note1 : Broadband ARPU is calculated as access plus ISP
Note2 : Revenue is calculated based on T-IFRSs

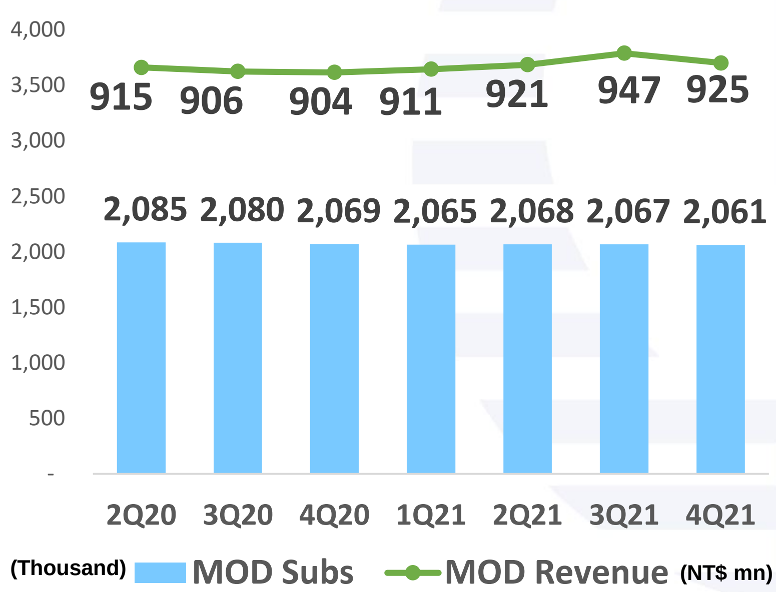
Fixed Broadband Subs

Fiber ≥ 300M
YoY ▲ 45 %

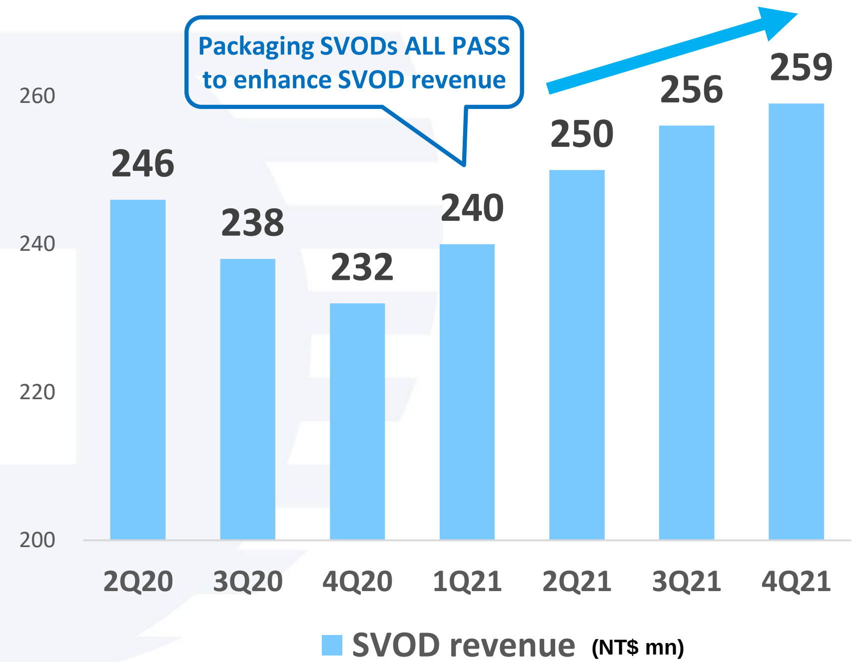


MOD/ IPTV Service

MOD Revenue and Subs

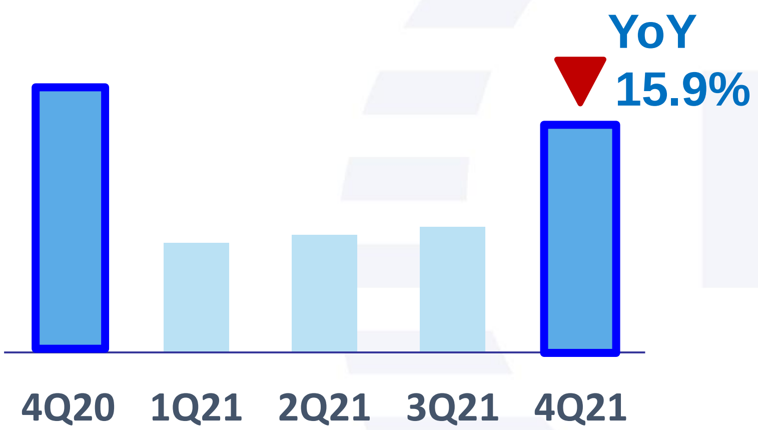


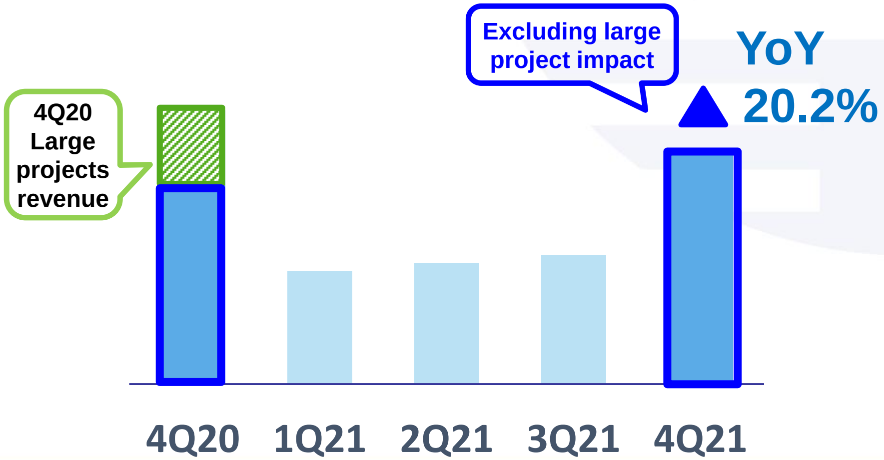
SVOD Revenue



ICT Business

ICT Business Revenue





Emerging Business Revenue

IDC Chunghwa Telecom — YoY ▲ 22.1%

雲端 cloud services — YoY ▲ 3.3%

Cyber Security — YoY ▼ 1.7%

Note: Excludes impact of large projects

Financials Overview

Financials: Income Statement Highlights

(NT$bn)	Consolidated					
	Q4 2021	Q4 2020	Growth %	2021	2020	Growth %
Revenues	59.89	59.48	0.7	210.48	207.61	1.4
Operating Costs and Expenses	48.42	50.30	(3.7)	165.18	166.84	(1.0)
Income from Operations	11.10	10.50	5.8	44.93	42.36	6.1
Net Income[2]	8.63	8.21	5.1	35.75	33.41	7.0
EPS	1.11	1.06	5.1	4.61	4.31	7.0
EBITDA	20.86	19.90	4.8	83.33	78.71	5.9
EBITDA Margin (%)	34.82	33.45		39.59	37.91	

Note:
1. Financials are prepared in accordance with T-IFRSs. Figures for 2021 are unaudited.
2. Net income attributable to owners of the parent.
3. EBITDA = operating income + Depreciation & Amortization.
4. The calculation of growth rates is based on NT$mn.

Financials: Business Segment Revenues

(NT$bn)	Q4 2021	Q4 2020	Growth %	2021	2020	Growth%
Domestic Fixed	18.12	20.24	(10.4)	64.78	69.47	(6.7)
Local	5.86	6.04	(3.0)	23.76	24.46	(2.8)
DLD	0.48	0.49	(1.4)	1.94	2.02	(3.7)
Broadband Access	4.71	4.58	2.9	18.60	18.14	2.5
MOD	0.93	0.90	2.3	3.71	3.64	1.9
ICT and Other Services	5.01	7.11	(29.6)	12.36	16.94	(27.0)
Mobile	27.20	24.96	9.0	95.25	90.23	5.6
Mobile Service Revenue	14.82	14.21	4.3	58.05	56.72	2.3
Sales of Mobile Handsets and Wearable Devices	11.52	10.30	11.9	35.41	32.11	10.3
ICT and Other Services	0.86	0.45	90.0	1.79	1.39	28.2
Internet	9.39	9.72	(3.4)	33.08	32.12	3.0
Data Communications	5.65	5.42	4.3	22.28	21.45	3.9
Application VAS	2.88	3.54	(18.7)	8.39	8.33	0.7
Services Provided to the government	0.85	0.76	12.7	2.41	2.34	3.0
International Fixed	2.64	2.14	23.7	9.10	8.70	4.6
ILD	0.51	0.55	(8.7)	2.15	2.48	(13.0)
Leased line	0.58	0.55	5.1	2.21	2.17	1.9
ICT and Other Services	0.73	0.24	203.3	1.41	0.89	58.4
Others	2.54	2.43	4.4	8.27	7.10	16.5
Total	59.89	59.48	0.7	210.48	207.61	1.4

Note:
1. Financials are prepared in accordance with T(IFRSs. Figures for 2021 are unaudited.
2. The calculation of growth rates is based on NT$ mn.
3. Businesses shown under each segment are highlighted; therefore, sum of the highlighted revenues is not equal to the total.

Financials: Costs & Expenses

(NT$bn)	Consolidated					
	Q4 2021	Q4 2020	Growth %	2021	2020	Growth %
Operating Costs	40.11	42.33	(5.2)	135.11	137.03	(1.4)
Operating Expenses	8.31	7.97	4.2	30.07	29.81	0.9
Marketing	5.84	5.51	6.0	21.09	20.96	0.6
General and Administrative	1.49	1.49	(0.4)	5.29	5.00	5.8
R&D Expense	0.98	0.97	1.2	3.69	3.85	(4.2)
Total	48.42	50.30	(3.7)	165.18	166.84	(1.0)

Note:
1. Financials are prepared in accordance with T-IFRSs. Figures for 2021 are unaudited.
2. The calculation of growth rates is based on NT$ mn.

Financials: Cash Flow

(NT$bn)	Consolidated					
	Q4 2021	Q4 2020	Growth %	2021	2020	Growth %
Net Cash Flow from Operating Activities	26.89	27.55	(2.4)	74.86	74.46	0.5
CapEx	12.30	9.48	29.7	35.33	23.51	50.3
Free Cash Flow	14.59	18.07	(19.3)	39.53	50.95	(22.4)
Cash and Cash Equivalents at the end of period	39.82	30.42	30.9	39.82	30.42	30.9

Note:
1. Financials are prepared in accordance with T-IFRSs. Figures for 2021 are unaudited.
2. The calculation of growth rates is based on NT$ mn.
3. Free cash flow is calculated by subtracting CapEx from Net Cash Flows from Operating Activities.

Operating Results vs. Forecast

(NT$bn)	Consolidated					
	Q4 2021 (A)	Q4 2021 （E）	Achieving %	2021 (A)	2021 (E)	Achieving %
Revenues	**59.89**	**59.07~59.32**	**101.0~101.4**	**210.48**	**209.26~209.72**	**100.4~100.6**
Operating Costs and Expenses	**48.42**	**48.05~48.10**	**100.7~100.8**	**165.18**	**167.58~167.66**	**98.5~98.6**
Income from Operations	**11.10**	**11.20~11.65**	**95.3~99.1**	**44.93**	**41.72~42.51**	**105.7~107.7**
Net Income[2]	**8.63**	**8.67~9.41**	**91.7~99.5**	**35.75**	**32.60~34.09**	**104.8~109.7**
EPS	**1.11**	**1.12~1.22**	**91.7~99.5**	**4.61**	**4.20~4.40**	**104.8~109.7**
EBITDA	**20.85**	**20.73~21.18**	**98.5~100.6**	**83.33**	**79.90~80.65**	**103.3~104.3**
EBITDA Margin (%)	**34.82**	**35.10~35.70**		**39.59**	**38.18~38.46**	

Note:
1. Financials are prepared in accordance with T-IFRSs. Figures for 2021 are unaudited.
2. Net income attributable to owners of the parent.
3. EBITDA = operating income + Depreciation & Amortization.

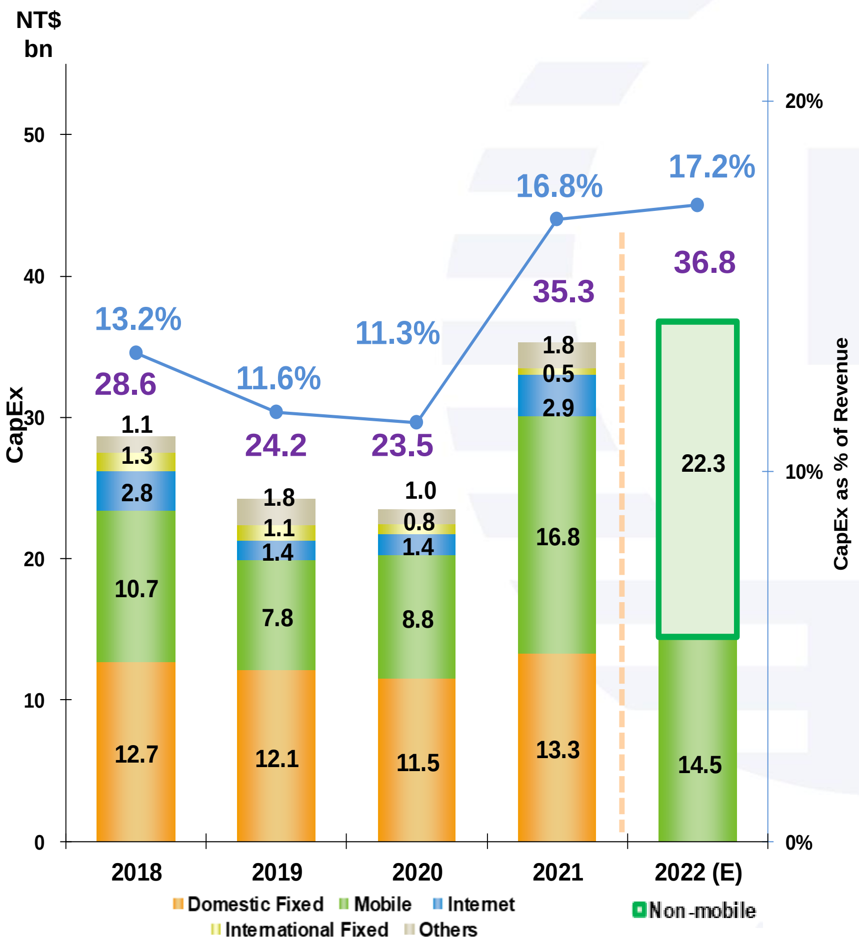
2022 Forecast

(NT$bn)	Consolidated		
	2022（E）	2021	Growth %
Revenues	**212.80~214.00**	**210.48**	**1.1~1.7**
Operating Costs and Expenses	**168.42~168.81**	**165.18**	**2.0~2.2**
Income from Operations	**44.55~46.08**	**44.93**	**-0.8~2.6**
Net Income[2]	**34.11~36.04**	**35.75**	**-4.6~0.8**
EPS	**4.40~4.65**	**4.61**	**-4.6~0.8**
EBITDA	**82.91~84.44**	**83.33**	**-0.5~1.3**
EBITDA Margin (%)	**38.96~39.46**	**39.59**	

Note：
1. Financials are prepared in accordance with T-IFRSs. Figures for 2021 are unaudited.
2. Net income attributable to owners of the parent.
3. The information therein is predictive and will not necessarily be fully realized in the future, and that reference to the company's significant accounting policy and summary of basic assumptions shall be made for further details.

Effective and Efficient Capital Expenditure

Capital Expenditure



Note: Numbers or percentages are on cash basis.

- Budgeted CapEx for 2022- NT$36.8 bn
  - Mobile - NT$14.5 bn
  - Non-mobile –NT$ 22.3 bn
- Continue to focus on core businesses for future investments in 5G,FTTx, IDC/Cloud and Submarine cable

Awards and Recognition

Best 5G Service Provider in Taiwan

- ✓ Winner of **Speedtest** "Fastest 5G " and "Fastest Mobile Network" in Taiwan in Q3-Q4 2021
- ✓ Winner of **Opensignal** "5G Download Speed" and "Fastest 5G Upload Speed," as well as "5G Game Experience," "5G Video Experience," and "5G Voice App Experience"
- ✓ Winner of **Frost & Sullivan** "2021 Taiwan Private 5G Network Customer Value Leadership Award" – the first and the only winner among Taiwan operators

Acknowledged ESG Practice and Corporate Sustainability

- ✓ Awarded by **The Asset (HK)** with the Jade Award in The Asset ESG Corporate Award 2021

  - the only Asian telecom operator to receive the top award
- ✓ Awarded by **Capital Finance International (UK)** with Best Telecom Holding Governance - Asia 2021
- ✓ Won multiple categories of 2021 Taiwan Corporate Sustainability Awards by **Taiwan Institute for Sustainable Energy**
- ✓ Won 2021 Global Corporate Sustainability Awards by **Taiwan Institute for Sustainable Energy** in categories of English Sustainability Reports and Pandemic Response

中華電信 Chunghwa Telecom

Q&A