



台灣大哥大
Taiwan Mobile

Taiwan Mobile Co., Ltd. 1Q23 Results Summary

May 8th 2023



Disclaimer

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Business Overview



1Q23 Highlights

Solid top-line expansions across all 3 core engines

5G

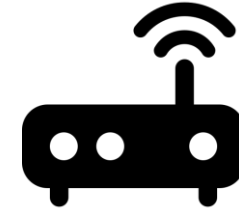
Mobile Service Revenue*

+5.4% YoY



E-commerce

+11% YoY



Home Broadband

+7% YoY

**Consolidated
EBITDA**

+3% YoY

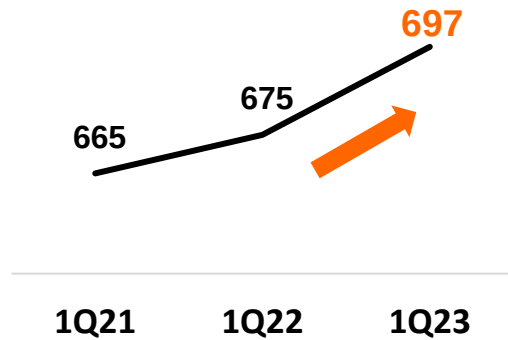
*Mobile service revenue based on IFRS 15 numbers



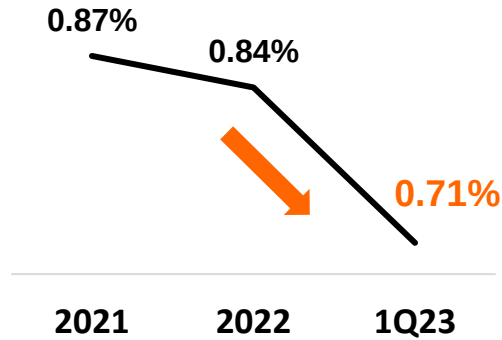
Mobile – Growth Engine #1

1Q23 results

Smartphone ARPU

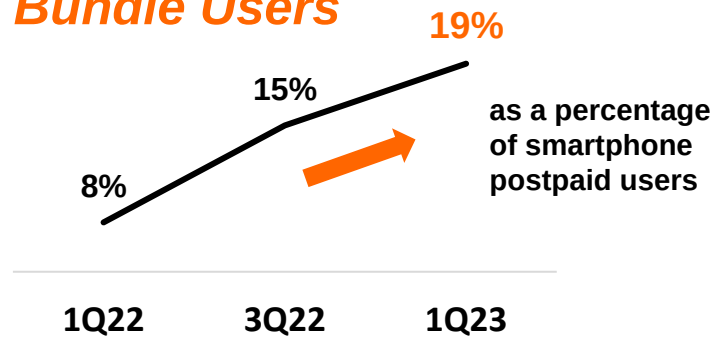


Postpaid Churn



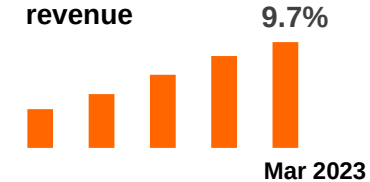
Upselling via Unique Bundles

Unique Bundle Users

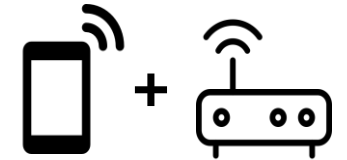


momobile

user contribution to e-commerce revenue



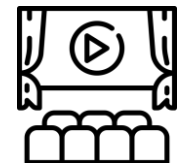
Double Play



Disney+



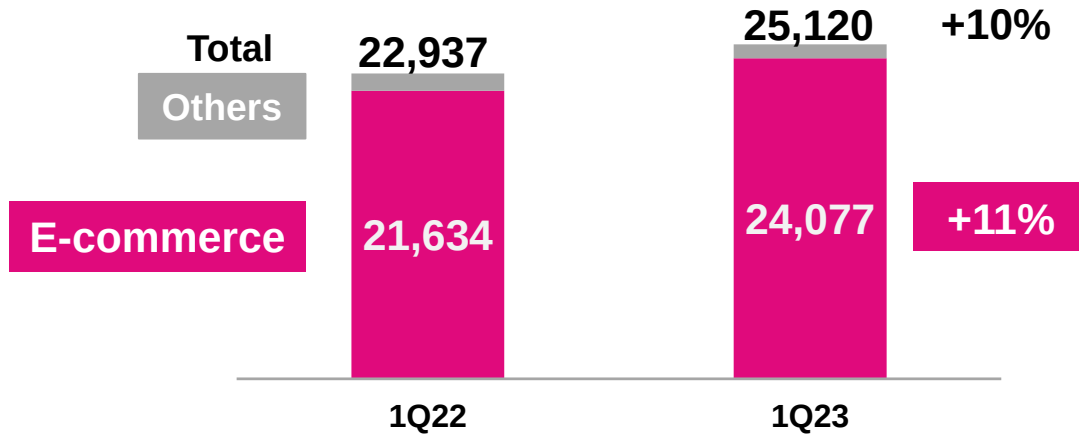
OP Life



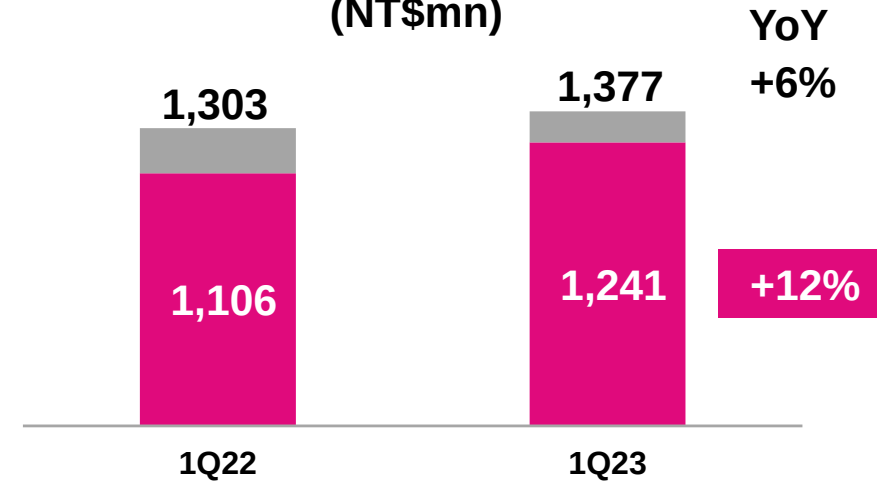


momo – Growth Engine #2

Revenue (NT\$mn)



EBITDA (NT\$mn)



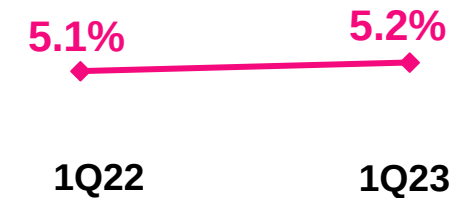
Main + Satellite Warehouses (#)



E-commerce Total Transaction (#)



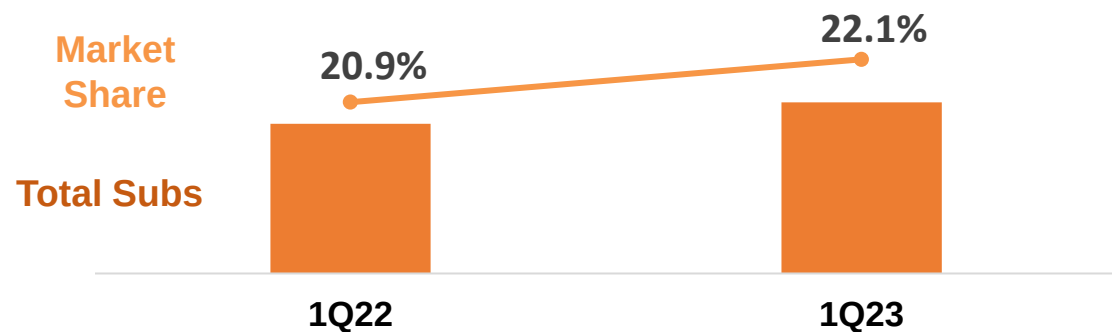
E-commerce EBITDA Margin





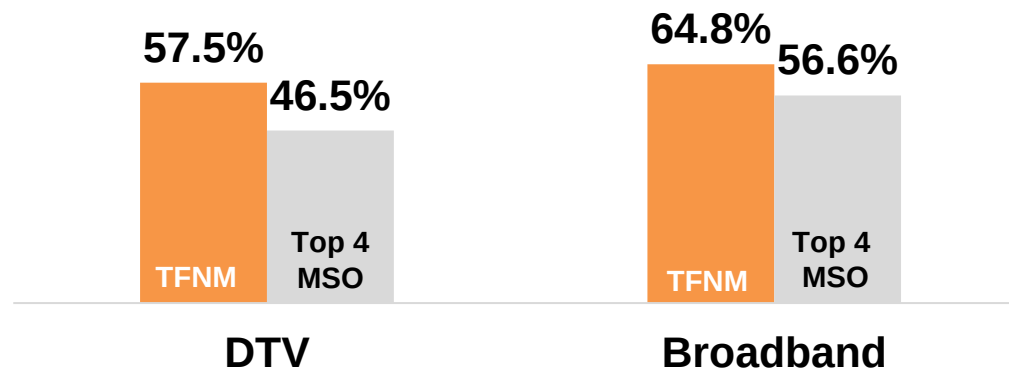
Broadband – Growth Engine #3

Cable BB Subscriber and Market Share (TFNM+Double Play)



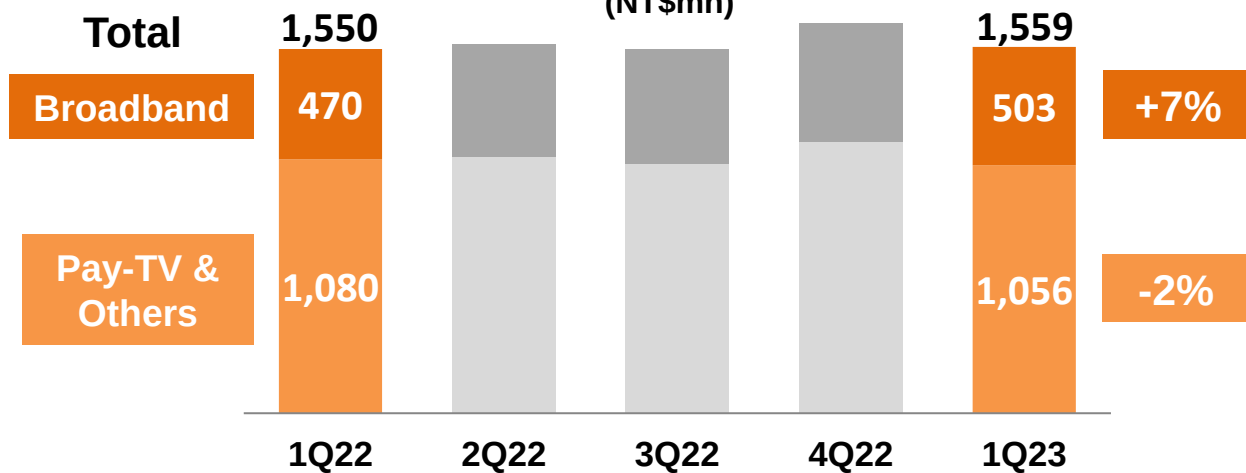
Source: Market intelligence

1Q23 Penetration Rate

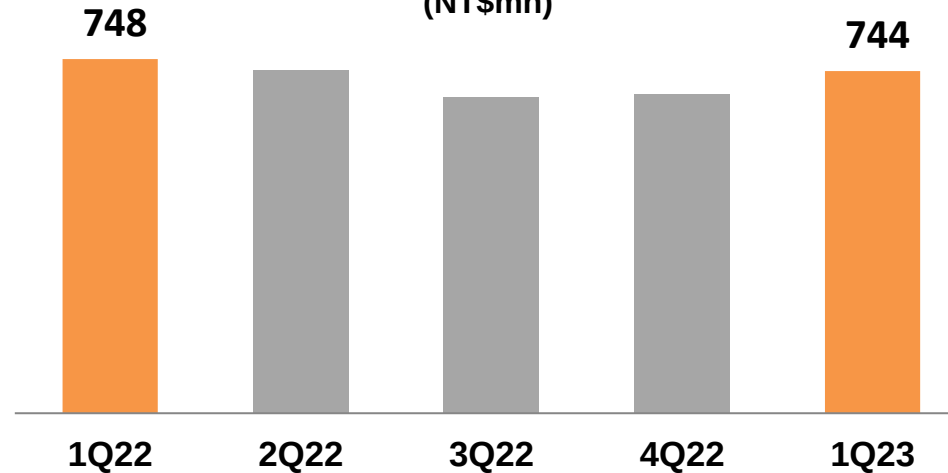


Source: Market intelligence

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
1Q23	17.23	25.12	1.56	43.02	6.45	1.38	0.74	8.68
% of total	40%	58%	4%	100%	74%	16%	9%	100%
1Q23 YoY	8%	10%	1%	8%	3%	6%	-1%	3%
4Q22 YoY	5%	18%	6%	12%	3%	17%	0%	5%

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	1Q23		
	Amount	QoQ	YoY
Revenues	43.02	-15%	8%
Cash Cost & Expense	(34.33)	-18%	10%
Operating Income	4.29	-1%	5%
Non-op. Income (Exp.)	(0.23)	-51%	92%
Pre-tax Income	4.06	5%	2%
Net Income	2.71	10%	0%
EPS ¹ (NT\$)	0.96	9%	-1%
EBITDA	8.68	0%	3%

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



NT\$bn	1Q23	4Q22	1Q22
Liabilities	115.34	120.22	113.08
Current Liabilities	64.24	69.57	54.89
- ST Debts	31.37	33.42	22.34
- Accounts & Notes Payable	12.48	13.98	11.54
- Current Lease Liabilities	3.66	3.69	3.63
- Other Current Liabilities	16.72	18.48	17.38
Non-current Liabilities	51.10	50.65	58.19
- Long-term Borrowings	38.21	37.76	45.98
- Non-current Lease Liabilities	6.08	6.16	5.68
- Other Non-current Liabilities	6.81	6.73	6.53
Shareholders' Equity	76.13	72.85	76.34
Paid-in Capital	35.19	35.19	35.19
Capital Surplus	15.37	15.33	16.90
Legal Reserve	32.60	32.60	31.50
Treasury Shares	(29.72)	(29.72)	(29.72)
Un-appropriated Earnings	0.00	0.00	0.00
Non-controlling Interest	8.85	8.38	8.22
Retained Earnings & Others ²	13.82	11.07	14.24

2. Including accumulated profits and other equity items.



Cash Flow Analysis

NT\$bn	1Q23	4Q22	1Q22
Operating	4.81	8.20	6.62
Investing	(2.61)	(2.06)	(3.02)
Financing	(2.88)	(3.00)	(4.35)

NT\$bn	1Q23	4Q22	1Q22
Pre-IFRS 16 Operating ¹	3.66	7.18	5.55
Cash CAPEX	(2.37)	(1.79)	(2.30)
Free Cash Flow	1.29	5.39	3.25

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



2022 Earnings Distribution

On May 3rd, TWM's Board approved the proposal to distribute NT\$12.1bn in cash dividends, translating to c.4.2% yield to shareholders.

Dividend per share is NT\$4.30 on 2.82bn shares, excluding treasury shares held by 100%-owned subsidiaries. Post earnings distribution, there will be NT\$37.2bn excess reserves available for future dividend distribution.



Merger with T-Star

On February 24th, both TWM and T-Star's boards reached an agreement on a new share exchange ratio of one T-Star share for 0.03260 TWM shares vs. one for 0.04508 shares previously. 204mn TWM shares are planned to be issued vs. 282mn previously, effectively lowering the equity dilution by around 30%.

The deal is still pending approvals from the Fair Trade Commission and the Taiwan Stock Exchange.



Awards and Recognitions

- Among the top 5% in S&P Global's "The Sustainability Yearbook 2023" and ranked 3rd in the telecommunication services industry.
- Obtained the SGS Qualicert global service quality certificate for 11 consecutive years.
- Earned the highest score, an "A" rating, in CDP's Supplier Engagement Rating, and is one of the top 8% of companies evaluated.



Key Message

We are confident that our three primary growth engines: 5G, momo, and home broadband, will continue to strengthen our market position and enhance group synergies. TWM is dedicated to maximizing shareholder value through two key initiatives: 1) seamlessly integrating with T-Star following approvals from the FTC and TWSE, and 2) executing our Telco+ strategies to provide meaningful applications, including e-sports games and “TelcoFin” services, while capitalizing on our expanding customer base, data and AI capabilities.



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Q&A