



4904 (TWSE)

2025 2Q Investor Update

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FET 2025 2Q and 1H Financial Performance

○ Continued YoY Growth Across All Lines, with Improved **Margin %** for Merger Synergy

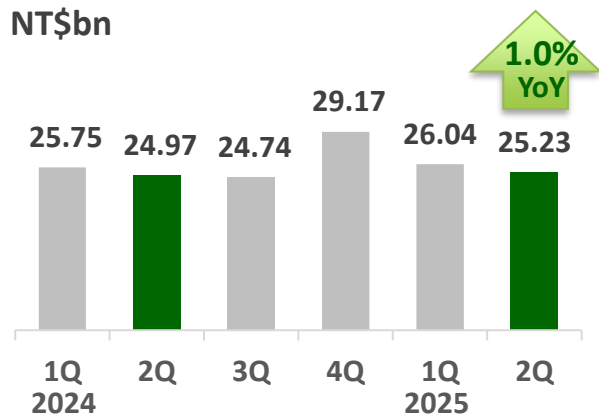
Item Unit: NT\$bn, except for EPS	2Q 2025	2Q 2024	YoY%	Ach. Rate%	1H 2025	1H 2024	YoY %	Ach. Rate %	FY2025 Guidance
Total Revenue	25.23	24.97	+1.0%	98%	51.27	50.72	+1.1%	100%	108.33
EBITDA	9.39	8.94	+5.1%	101%	18.87	17.83	+5.8%	102%	37.68
<i>Margin %</i>	<i>37.2%</i>	<i>35.8%</i>			<i>36.8%</i>	<i>35.2%</i>			<i>34.8%</i>
Net Income	3.37	3.12	+8.1%	106%	6.62	6.06	+9.2%	104%	13.10
<i>Margin %</i>	<i>13.4%</i>	<i>12.5%</i>			<i>12.9%</i>	<i>11.9%</i>			<i>12.2%</i>
EPS (NT\$) ⁽¹⁾	\$0.94	\$0.87	+8.1%	106%	\$1.83	\$1.68	+9.2%	104%	\$3.63

Note: (1) 2024 2Q & 1H net income and EPS #s have been adjusted following the confirmation of the APT merger appraisal, based on 2025 1H audited financial statement, while full-year 2024 figures remain unchanged.

FET 2025 2Q Financial Highlight

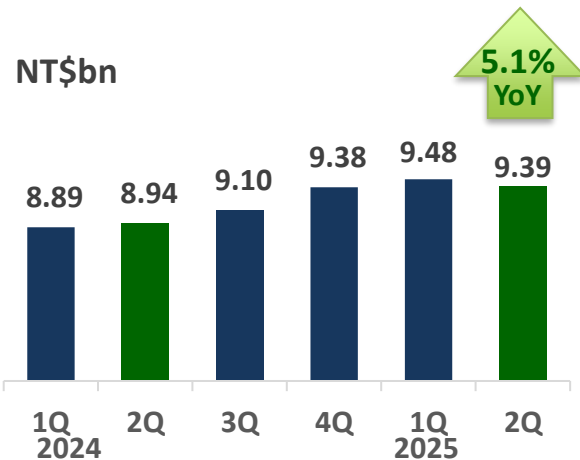
Total Revenue

- 2Q Revenue **\$25.23B**, a record high for the same period, grew **1.0% YoY** driven by steady growth from 5G customer upgrade and prepaid business
- 2Q Revenue has grown YoY for **19 consecutive Qs**



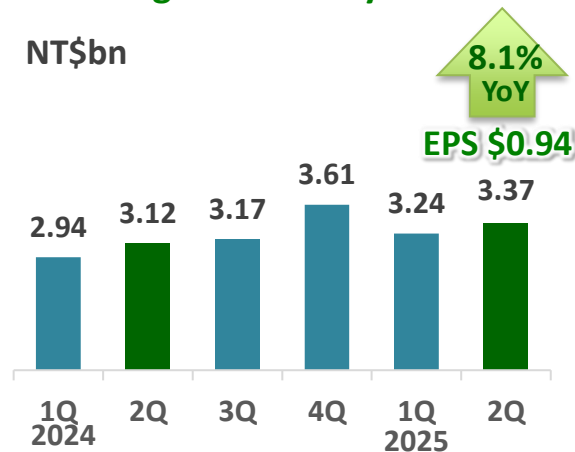
EBITDA

- 2Q EBITDA **\$9.39bn**, reached a all time high for the same 2Q
- 5.1% YoY EBITDA better** was attributed to merger synergies and better margins from existing business



Net Income

- 2Q Net Income **\$3.37bn**, marking an **11-year high for the same period**; with **EPS of \$0.94**, achieving 106% of 2Q guidance
- 8.1% YoY Net Income growth**, leading the industry



FET 2025 2Q Financial Metrics

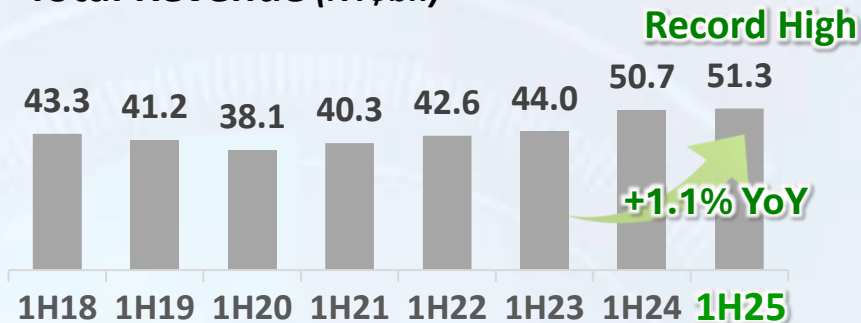
- Net Debt and Net Debt-to-EBITDA continues to improve post-merger
- Free cash flow remains strong
- Capex in line with 2025 guidance, \$8.3bn

Item Unit: NT\$bn, unless otherwise stated	As of 2Q 2024	As of 4Q 2024	As of 2Q 2025
Net Debt	45.23	44.64	33.13
Net Debt to EBITDA(x) ⁽¹⁾	1.33x	1.23x	0.89x
Free Cash Flow ⁽¹⁾ – YTD	12.07	26.44	13.32
Cash-based Capex – YTD	3.42	7.09	3.04

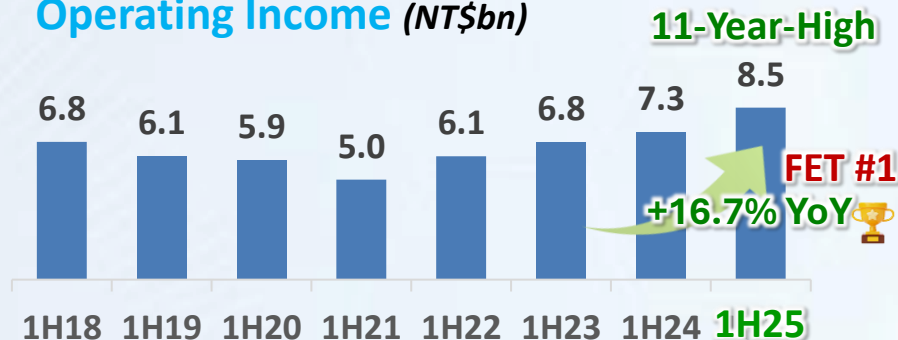
Note: (1) Net Debt to EBITDA and Free Cash Flow in accordance with IFRS 16

FET sets **New Financial Records** again in 1H25!

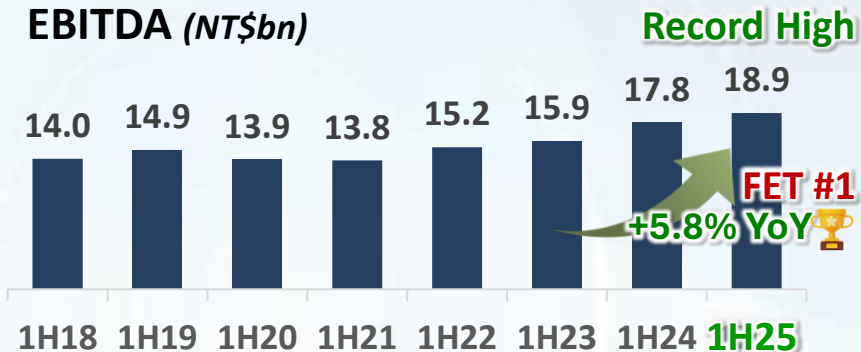
Total Revenue (NT\$bn)



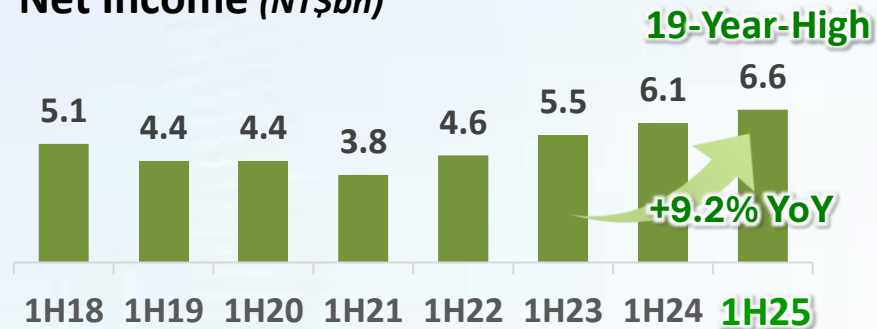
Operating Income (NT\$bn)



EBITDA (NT\$bn)



Net Income (NT\$bn)



2025 1H Revenue Breakdown & Performance

Mobile Service

Rev YoY +1%, Margin YoY +2%,
driven by:



- APT contract renewals delivered a 14% uplift in monthly fees with well-managed churn;
- Continuing 5G upgrades resulting in ~40% uplift in monthly fees

Digital/Essential Services

Rev YoY +4%, Margin YoY +7%



Revenue Growth Drivers:

- Insurance Agency Business ▲ 8% YoY
- Payment (DCB) ▲ 4% YoY
- friDay Video (OTT) ▲ 5% YoY
- Fraud Prevention Service ▲ 40% YoY

ICT & Fixed Business

Rev and Margin YoY +4%,
driven by:



- ICT Revenue grew +8% YoY
 - ✓ SI Project ▲ 39% YoY
 - ✓ Security ▲ 28% YoY
 - ✓ Cloud ▲ 4% YoY

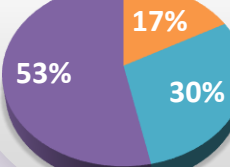
Merchandise

Rev YoY -1%, Margin sustained



- Handset sales to e-commerce and external channels remained weak, as more units were shifted to bundled offers

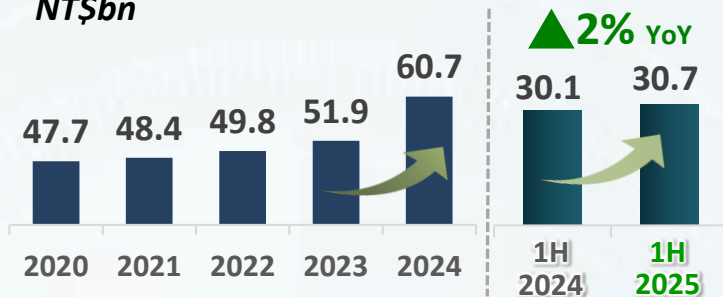
Revenue Breakdown



Sustaining Mobile Business Growth Post-Merger

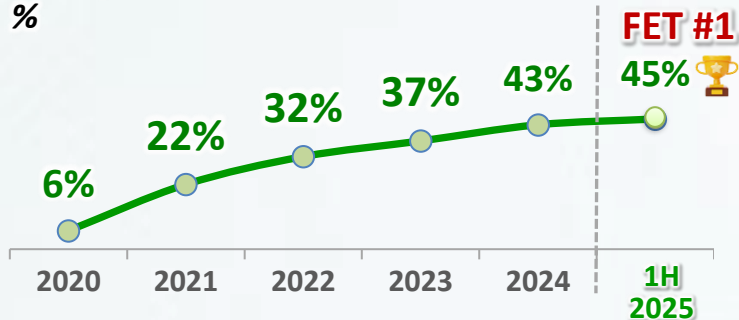
Mobile Service Revenue

NT\$bn



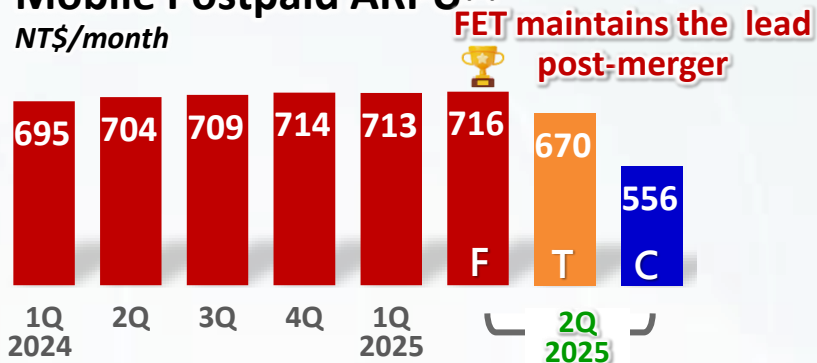
Postpaid 5G Penetration

%



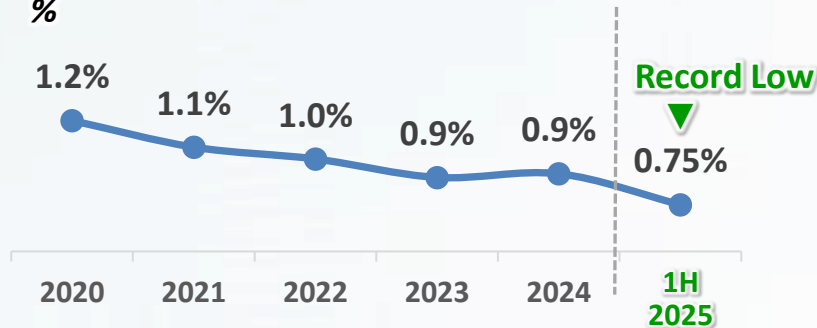
Mobile Postpaid ARPU⁽¹⁾

NT\$/month



Postpaid Churn Rate

%



2025 2Q Enterprise ICT Highlight

- Demand for Infrastructure Resilience boosted ICT contracts, 1H'25 new contract value ▲126% YoY; Smart City ▲157% YoY; 2Q key awarded projects are:



Sustainable Smart City

- ✓ Advanced Metering Infrastructure Project for a power company;
- ✓ Smart Energy Management System - Phase II for a Local Government



Telecom Based SI

- ✓ Network Telephony and PBX System Project for the Coast Guard
- ✓ PBX Upgrade Projects for a Government Headquarter
- ✓ Ministry of Education-Taiwan Academic Network Infrastructure - International Internet Traffic Transmission Project



Smart Healthcare

- ✓ Telemedicine Services and In-Hospital Network Optimization and Cybersecurity Services



Digital Transformation

- ✓ Microsoft LSP Contracts for different industries across airline, hospital and electronics;
- ✓ Maritime Law Enforcement Prediction and Analysis System for the Coast Guard

2025 YTD Digital Services Highlight

Growing Revenue & Subs

- FET **friDay Video** maintains **Taiwan's #1 local OTT**, with Exclusive Korean content driving a **20% Monthly Increase** in Paid Users and **Reset Viewership Records 3 Times** in 6 months



- FET's AI-enpowered **Guardian Network** hit a new record with **437K+ paid subscribers**, up **40% YoY** and nearly **60% trial-to-pay conversion rate**



Driving Transactions Across Services

- Payment Business (Direct Carrier Billing):** Strong YoY transaction growth driven by higher ARPU user contribution and broader adoption of subscription services



- Insurance Agency Business:** Achieved YoY growth with new channels and innovative products like 'Family Insurance', driving record-high transactions



2025 YTD Strategic Investment Highlight

Continue to Invest for Growth and Innovation



- **Smart Energy IoT:** invested in *InSynerger* to enhance energy, IoT, and AI capabilities, enabling smart buildings and EV charging. Over 800 IoT device types support Taiwan's net-zero goals;
- **Ecosystem expansion:** Invested in startups to enhance the 'Mobile Circle' lifestyle platform, including *Jimmy's*, a leading service-matching platform;
- **Content Investment:**
 - ✓ Invested in an Entertainment fund to develop quality local content for global reach;
 - ✓ Began filming the Chinese adaptation of 'Our Blues' with Korea's entertainment giant, CJ ENM, advancing cross-border IP strategy;
 - ✓ FET Board approved participation in *LiTV's* next fundraising to deepen video content and digital advertising collaboration
- **Invest for Future:** FET continues to evaluate further strategic investments in consumer, enterprise, telemedicine area and more

2025 2-3Q Major Honors and Recognitions

○ Product and Service

- ✓ MOEA – 9th National Innovation Award – awarded an Outstanding Innovative Enterprise, the 1st time a telco received the award, with its 5G telemedicine project
- ✓ 2025 the Best Customer Service in Taiwan – Golden Award, the only company in Taiwan to achieve this honor for **14 years in a row**

○ Environmental Sustainability

- ✓ FTSE4Good TIP Taiwan ESG Index – **consistently been selected for 8 years in a row**, highlighting FET's long-term commitment to sustainability and corporate responsibility

○ Corporate Governance

- ✓ Extel (formerly Institutional Investor) – 2025 Asia Executive Team: Ranked #1 for Best CEO, CFO, and IR Program for Small & Mid-Cap category
- ✓ Taiwan Stock Exchange – Consistently ranked in **Top 5%** of publicly listed Companies for **Corporate Governance for 11 years**



FET 2025 2H Priorities

○ Continue to:

- ▶ Complete Migration of APT Customers
- ▶ Launch New Offerings to grow mobile base and revenue
- ▶ Expand Digital/Essential Services Offering for Consumers
- ▶ Monetize Mobile Circle for Platform Economy
- ▶ Grow Smart ICT business with More AI-enabled Enhancement and synergy with subsidiaries and M&A

○ Continue to increase employees' AI tool adoption

Q & A

For further Information,

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