Taiwan Mobile

Third Quarter 2026 Results

for the period ending September 30, 2026

November 12, 2026

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TWM Consolidated

NT$bn	3Q26	YoY	1~3Q26	YoY
Revenues	**50.37**	**9%**	**149.58**	**5%**
Operating Income	**5.89**	**15%**	**17.94**	**16%**
Non-op. Income (Expenses)	**(0.12)**	**-48%**	**(0.45)**	**-58%**
Pre-tax Income	**5.77**	**18%**	**17.48**	**22%**
(Income Tax)	**(1.15)**	**21%**	**(3.43)**	**32%**
(Minority Interest)	**(0.35)**	**5%**	**(1.10)**	**-9%**
Net Income	**4.26**	**18%**	**12.95**	**23%**
EPS (NT$)	**1.40**	**18%**	**4.26**	**22%**

Highlights of Operating Results

3Q26

Consolidated revenue rose by 9% YoY, led by an 11% increase in telecom revenue. Coupled with lower D&A expenses, operating income went up by 15% YoY. Supported by improved non-operating performance, 3Q26 net income once again delivered a double-digit YoY increase. Pre-IFRS 16 free cash flow for 1~3Q26 rose 24% YoY to NT$18.48bn, supported by lower capex and higher operating cash inflows. On an annualized basis, this translates into a free cash flow yield of 6.7%.

1~3Q26

Consolidated revenue rose by 5% YoY, as telecom, momo and CATV all achieved revenue growth for three consecutive quarters. Operating income expanded by 16% YoY, driven by telecom subsidy and commission optimizations, AI-driven operational efficiency gains, and lower D&A expenses. Combined with a significant reduction in non-operating expenses, net income surged 23% YoY, with 9M26 EPS reaching NT$4.26, maintaining our industry leadership. Robust free cash flow generation drove a YoY improvement in our gearing ratio, while strong YTD profit growth alongside higher dividend distributions expanded ROE YoY to 18%.

Key Message

Our three growth pillars continue to fire on all cylinders, delivering strong momentum and healthy operating leverage.

The successful tender offer for Systex marks a major milestone in Taiwan Mobile's transformation, positioning us to capture significant growth opportunities in the AI-driven enterprise market.

The transaction is immediately accretive to EPS, with only modest incremental net leverage, preserving our financial flexibility.

Looking ahead, we see three powerful synergy drivers: Cross-Selling, AI Integration, and Regional Expansion.

By combining Taiwan Mobile's robust infrastructure with Systex's leading solutions expertise and extensive customer reach, we are creating a robust platform to accelerate enterprise growth, unlock new opportunities, and compound shareholder value over the long term.

Subsequent Event: Completion of Tender Offer for Systex (6214.TW)

All conditions for the tender offer — including the approval from Fair Trade Commission and surpassing the minimum threshold — were fully satisfied on November 4, 2026. The tender offer period ended on November 5, 2026.

TWM acquired 133,836,625 shares of Systex (49.16% of total issued shares). Combined with the 11.86% stake acquired in September 2024, TWM's total shareholding reached 61.02%, securing majority control. Systex will be consolidated into TWM's financial statements.

Please refer to material information announcement for full details.

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I. Revenue Analysis

Table 1. Key Operational Data

Residual Value (NT$bn)	3Q26	2Q26	3Q25	QoQ	YoY
Mobile Service Revenue	17.05	16.84	16.60	1%	3%
Postpaid ARPU (NT$)	629	628	625	0%	1%
09x Postpaid ARPU (NT$)	697	689	678	1%	3%
Blended ARPU (NT$)	580	578	558	0%	4%

Note: Operational data and reported financials from 4Q23 onwards reflect Taiwan Mobile's merger with T Star effective on December 1, 2023.

Revenue (NT$bn)	3Q26	2Q26	3Q25	QoQ	YoY
Telecom	**23.71**	**21.85**	**21.37**	**9%**	**11%**
Service	16.78	15.98	15.70	5%	7%
Device Sales	6.93	5.87	5.67	18%	22%
momo	**26.30**	**27.09**	**24.56**	**-3%**	**7%**
CATV revenue[1]	**1.69**	**1.71**	**1.48**	**-1%**	**14%**
Pay-TV	0.69	0.71	0.73	-3%	-6%
Broadband[1]	0.64	0.63	0.61	1%	5%
Content & channel leasing	0.36	0.37	0.14	-3%	163%
Others[2]	**0.17**	**0.17**	**0.17**	**3%**	**4%**

1. CATV revenue includes broadband costs borne by TWM for its Double Play customers which is eliminated in consolidated revenue.
2. Other revenue primarily consists of operating revenue from our 49.9%-held Taipei New Horizon Co., Ltd., which became a consolidated entity on Feb 21, 2014.

	3Q26	2Q26	3Q25	QoQ	YoY
Mobile Subscribers (K)	**9,797**	**9,810**	**9,817**	**0%**	**0%**
- Postpaid	8,768	8,753	8,555	0%	2%
Monthly Churn	**1.2%**	**1.1%**	**2.0%**		
-Postpaid	0.5%	0.5%	0.6%		
MOU (bn)	**0.72**	**0.71**	**0.75**	**1%**	**-4%**
Pay-TV Subs (K)	**466**	**469**	**478**	**-1%**	**-3%**
Cable Broadband Subs (K)[1]	336	334	326	1%	3%
DTV Subs (K)	291	291	293	0%	-1%

CATV ARPU (NT$)	3Q26	2Q26	3Q25	QoQ	YoY
Pay-TV	491	501	509	-2%	-3%
Broadband	638	633	630	1%	1%
Blended[2]	949	949	935	0%	1%

1. Cable broadband customers signed via TWM Double Play series are not included.
2. Cable TV & broadband-related revenue (excluding content agency) divided by CATV subscriber number.

Telecom

In 3Q26, 5G penetration among TWM's smartphone postpaid subscriber base reached nearly 46%, up 2.8 ppts YoY. Contract renewals yielded a 6% overall uplift in monthly tariffs, driven by a 47% boost in 4G-to-5G renewals. Consequently, 5G revenue grew 7% YoY, expanding its contribution to mobile service revenue to 70%.

Mobile service revenue rose 3% YoY to a record high of over NT$17bn, supported by a 3% growth in 09x postpaid ARPU. Blended ARPU reflected higher prepaid ARPU following the removal of idle prepaid accounts in 2H25.

Telecom revenue growth accelerated to 11% YoY in 3Q26. Steady performance in our consumer telecom segment, alongside higher contributions from AIDC and SI projects, drove telecom service revenue up 7% YoY. Device sales were further bolstered by the iPhone 18 Pro series launch and expansion in our brand e-commerce services business.

Our unique bundles continued to drive upselling and deepen customer engagement. Coupled with a favorable operating environment, our postpaid monthly churn fell to a record low of 0.48% in 3Q26. Meanwhile, our upgraded Double-Play package — integrating fiber broadband, unlimited 5G, and premium streaming — gained solid traction.

momo

momo achieved its third consecutive quarter of positive YoY revenue growth. E-commerce GMV growth accelerated to 11% YoY in 3Q26, accompanied by a stable take rate.

Cable TV

Broadband revenue delivered solid 5% YoY growth in 3Q26. Including Double-Play users, broadband subscribers on 300Mbps or higher plans surged 19% YoY. CATV revenue achieved double-digit YoY growth, boosted by new channel representation in our content agency business.

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II. EBITDA Analysis

Table 2. EBITDA Breakdown

NT$bn	3Q26	2Q26	3Q25	QoQ	YoY
EBITDA	**11.31**	**11.50**	**10.63**	**-2%**	**6%**
- Telecom	9.38	9.52	8.79	-1%	7%
- momo	1.06	1.13	1.00	-6%	6%
- CATV	0.80	0.79	0.79	1%	2%

NT$bn	3Q26	2Q26	3Q25	QoQ	YoY
D&A	**5.43**	**5.38**	**5.51**	**1%**	**-1%**
- Telecom	4.86	4.82	4.92	1%	-1%
- momo	0.34	0.33	0.35	3%	-2%
- CATV	0.21	0.21	0.21	0%	-2%

NT$bn	3Q26	2Q26	3Q25	QoQ	YoY
EBIT	**5.89**	**6.12**	**5.12**	**-4%**	**15%**
- Telecom	4.52	4.71	3.87	-4%	17%
- momo	0.72	0.79	0.65	-10%	11%
- CATV	0.59	0.58	0.58	1%	3%

EBITDA Analysis

Telecom EBITDA rose 7% YoY in 3Q26, driven by higher revenues, effective mobile plan upselling, and prudent cost discipline.

Following momo's top-line recovery over the past three quarters, its EBITDA returned to YoY growth in 3Q26, while EBIT increased 11% YoY, supported by lower D&A as momo consolidated capacity and reduced outsourced warehouse leases.

CATV EBITDA grew 2% YoY, as solid broadband growth, fueled by higher-speed migrations and our bundle offerings, more than offset lower pay-TV revenue.

D&A Analysis

D&A dipped YoY in 3Q26, as telecom, momo, and CATV all saw lower D&A during the quarter. Within telecom, lower equipment depreciation more than offset the IFRS 16 lease depreciation associated with AIDC expansion. (Under IFRS 16, facility lease expenses are primarily recognized as depreciation.)

Table 3. Non-operating Items

NT$bn	3Q26	2Q26	3Q25	QoQ	YoY
Non-Operating Income (Expense)	**(0.12)**	**(0.07)**	**(0.23)**	**71%**	**-48%**
- Net Interest Expense	(0.33)	(0.28)	(0.36)	16%	-9%
- Write-off Loss	(0.03)	(0.03)	(0.05)	21%	-38%
- Other Income (Expense)[1]	0.24	0.24	0.18	1%	33%

1. Lawsuit-related interest expenses accrued from 4Q24 onwards are classified under other expenses rather than interest expense, to reflect its non-recurring and accrual nature.

Non-Operating Item Analysis

3Q26 non-operating performance improved notably YoY, on the back of lower financing costs and increased disposal and mark-to-market gains on investment holdings.

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III. Income Statement Analysis

Table 4. 3Q26 Consolidated Results

NT$bn	3Q26	QoQ	YoY
Revenue	**50.37**	**2%**	**9%**
Cash Cost & Expense	(39.05)	3%	9%
Operating Income	**5.89**	**-4%**	**15%**
Non-op. Income (Expense)	(0.12)	71%	-48%
Pre-tax Income	5.77	-5%	18%
Net Income	**4.26**	**-6%**	**18%**
EPS (NT$)	1.40	-6%	18%
EBITDA	**11.31**	**-2%**	**6%**

Table 5. 1~3Q26 Consolidated Results

NT$bn	1~3Q26	1~3Q25	YoY
Revenue	**149.58**	**141.98**	**5%**
Cash Cost & Expense	(115.41)	(110.20)	5%
Operating Income	**17.94**	**15.44**	**16%**
Non-op. Income (Expense)	(0.45)	(1.08)	-58%
Pre-tax Income	17.48	14.36	22%
Net Income	**12.95**	**10.56**	**23%**
EPS (NT$)	4.26	3.49	22%
EBITDA	**34.17**	**31.77**	**8%**

Income Statement Analysis

3Q26

Consolidated revenue rose by 9% YoY, led by an 11% increase in telecom revenue. Coupled with lower D&A expenses, operating income went up by 15% YoY. Supported by improved non-operating performance, 3Q26 net income once again delivered a double-digit YoY increase.

1~3Q26

Consolidated revenue rose by 5% YoY, as telecom, momo and CATV all achieved revenue growth for three consecutive quarters. Operating income expanded by 16% YoY, driven by telecom subsidy and commission optimizations, AI-driven operational efficiency gains, and lower D&A expenses. Combined with a significant reduction in non-operating expenses, net income surged 23% YoY, with 9M26 EPS reaching NT$4.26, maintaining our industry leadership.

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IV. Cash Flow Analysis

Table 6. Cash Flow

NT$bn	3Q26	2Q26	3Q25
Operating	**7.56**	**10.45**	**9.35**
Pre-tax Income	5.77	6.05	4.89
Non-cash Add-backs	5.92	5.88	6.05
--Depreciation[1]	2.45	2.49	2.69
--Amortization	1.67	1.66	1.65
--Others[1]	1.80	1.72	1.70
Changes in Working Capital & Income Taxes	(4.05)	(1.31)	(1.64)
Others	(0.07)	(0.16)	0.05
Investing	**(2.18)**	**(1.72)**	**(3.16)**
Capex[2]	(2.32)	(1.82)	(3.01)
Divestment (Acquisition)	(0.03)	0.03	(0.10)
Other Financial Assets (Increase)	0.00	(0.00)	0.32
Refundable Deposits (Increase)	(0.01)	0.01	(0.33)
Others	0.19	0.08	(0.04)
Financing	**(9.20)**	**(6.68)**	**(10.95)**
Short-term Borrowings	8.30	(7.88)	5.88
Proceeds from Issuance of Bonds	0.00	0.00	0.00
Long-term Bank Loan	(0.08)	(0.65)	(0.08)
Repayment of The Principal Portion of Lease Liabilities[3]	(1.21)	(1.14)	(1.09)
Dividends Payments	(15.98)	(0.10)	(15.39)
Repayments of Bonds Payable	0.00	0.00	0.00
Interest (Payment) & Others	(0.23)	3.10	(0.26)
Net Cash Position Chg.	**(3.81)**	**2.06**	**(4.76)**

1. Depreciation of right-of-use assets shown separately under "Others" instead of "Depreciation" in this table.
2. Inclusive of prepayments for equipment, the acquisition of computer software & other intangible assets, cash capex is net of government subsidies.
3. An operating cash outflow item prior to 2019.

Table 7. Capex & FCF

NT$bn	3Q26	2Q26	3Q25
Cash Capex	**2.32**	**1.82**	**3.01**
- Mobile	1.28	1.09	1.99
- Fixed-line	0.27	0.23	0.31
- Cable	0.20	0.18	0.24
- momo & others	0.59	0.32	0.48
% of Revenue	**5%**	**4%**	**7%**
Free Cash Flow[1]	**3.98**	**7.45**	**5.19**

1. Free cash flow was on a pre-IFRS 16 basis.

Cash Flow Analysis

Although cash earnings grew 7% YoY in 3Q26, operating cash flow decreased YoY. This drop reflects accelerated scaling in our non-mobile businesses — specifically AI data center services, a pay-TV content agency, and the retail launch of a newly represented lifestyle brand.

Investing cash outflows increased QoQ due to momo's cash capex spending for its Central Distribution Center. For 1~3Q26, cash capex declined by NT$2.24bn YoY to NT$6.62bn, with a NT$1.73bn reduction in our telecom business and NT$0.41bn at momo.

Financing cash outflows rose QoQ, mainly reflecting higher dividend payments, partly offset by short-term borrowings to help fund dividend payments.

Capex and Free Cash Flow Analysis

Despite lower free cash flow in 3Q26 for the reasons noted above, pre-IFRS 16 free cash flow for 1~3Q26 rose 24% YoY to NT$18.48bn, supported by reduced capex and higher operating cash inflows. On an annualized basis, this translates into a free cash flow yield of 6.7%.

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V. Balance Sheet Analysis

Table 8. Balance Sheet

NT$bn	3Q26	2Q26	3Q25
Total Assets	**238.74**	**237.39**	**233.59**
Current Assets	43.80	45.46	39.81
- Cash & Cash Equivalents	8.31	12.12	7.46
- Receivable & Contract Assets	22.61	22.44	20.40
- Inventories	8.83	6.77	7.66
- Short-term Investment	0.32	0.31	0.80
- Other Current Assets	3.72	3.81	3.48
Non-current Assets	194.95	191.93	193.78
- Long-term Investment	16.30	16.00	11.58
- Property and Equipment	50.82	50.93	53.45
- Right-of-use Assets	18.65	14.73	13.45
- Concession	56.25	57.70	62.05
- Other Non-current & Contract Assets	52.93	52.57	53.26
Liabilities	**141.91**	**145.33**	**143.51**
Current Liabilities	79.70	86.52	62.51
- ST Borrowings	39.33	31.00	24.47
- Accounts & Notes Payable	15.89	14.65	14.46
- Current Lease Liabilities	4.75	4.37	4.18
- Other Current Liabilities	19.74	36.50	19.39
Non-current Liabilities	62.21	58.81	81.00
- Long-term Borrowings	40.86	41.05	64.36
- Non-current Lease Liabilities	14.30	10.66	9.41
- Other Non-current Liabilities	7.04	7.10	7.24
Shareholders' Equity	**96.83**	**92.06**	**90.09**
-Paid-in Capital	37.25	37.23	37.23
-Capital Surplus	29.32	29.15	29.03
-Legal Reserve	37.54	37.54	36.11
-Treasury Shares	(28.21)	(28.21)	(29.72)
-Un-appropriated Earnings	0.00	0.00	0.00
-Non-controlling Interest	7.94	7.58	7.85
-Retained Earnings & Others[1]	12.99	8.76	9.57

1: Including YTD profits and other equity items

Table 9. Ratios

	3Q26	2Q26	3Q25
Current Ratio	55%	53%	64%
Interest Coverage (x)	18.6	20.3	14.5
Net Debt (Cash) to Equity	74%	65%	90%
Net Debt (Cash) to EBITDA (x)	1.58	1.33	1.88
ROE (annualized)[1]	18%	19%	15%
ROA (annualized)[2]	8%	8%	6%

1. The interest expense used in the calculation for coverage ratio excludes the aforementioned lawsuit-related one-off interest expenses. (refer to note 1 in Table 3)
2. ROE = Accumulated Net Income (Annualized) /Average Shareholders' Equity
3. ROA = Accumulated Net Income + Interest Expenses*(1-Tax Rate) (Annualized) / Average Total

Assets

Accounts receivable and contract assets increased by 11% YoY, reflecting stronger performance in mobile and fixed-line segments, including continued growth in AIDC services.

Inventories rose YoY as momo built up inventory to support business growth amid a positive sales outlook, and TWM stepped up mobile device procurement to meet sales demand.

Right-of-use assets and lease liabilities were higher YoY and QoQ as we executed a phased AIDC commercialization schedule, in line with sequential milestones for energized MW.

Liabilities & Shareholders' Equity

Our gross debt increased by NT$8.1bn QoQ, driven by higher short-term borrowings to fund dividend payments. Borrowings typically rise in the third quarter to meet these funding needs and are gradually repaid thereafter.

TWM's share price performance in 3Q26 prompted an additional NT$0.15bn in convertible bond conversions, with conversion momentum accelerating further into October. These conversions will lower our future interest expenses and benefit our bottom line. We continued to maintain disciplined balance sheet management and healthy cash flow generation.

Ratio Analysis

In 3Q26, net debt-to-EBITDA rose sequentially to 1.58x to fund dividend payments, but strong FCF generation reduced the gearing ratio on a YoY basis. Driven by robust YTD profit growth and higher dividend distributions, ROE expanded YoY to 18%.

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VI. Management Remarks

Key Message

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The transaction is immediately accretive to EPS, with only modest incremental net leverage, preserving our financial flexibility.

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Awards and ESG Recognitions

- Opensignal 1H 2026 Mobile Network Experience Report: Ranked No. 1 in Reliability and Consistent Quality, and took home joint wins in Time on Network, Video Experience, Voice App, and 5G Voice App.

VII. Subsequent Event: Completion of Tender Offer for Systex (6214 TT)

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