Operational Highlights

Performance by division

	Consumer Business Group	Enterprise Business Group	Home Business Group	Retail Business
Brand name	Taiwan Mobile	Taiwan Mobile Enterprise Services	TWM Broadband	momo
Services	• Voice, data and mobile value-added services for consumers	• Voice and data mobile services for enterprises • Fixed-line services • Cloud and enterprise total solutions	• Pay TV services (CATV/DTV) • Cable broadband services • Others	• E-commerce • TV home shopping

Unit: NT$mn

	Telecom business		Cable TV business	Retail business
	Mobile business	Fixed-line broadband business		
Market position	Ranked second in a three-player market, with a market share of around 32% in terms of mobile subscribers (excluding 040 prefix)	One of top three internet service providers (ISP)	Fourth-largest multiple system operator (MSO), covering about 11% of households in Taiwan	Ranked first in B2C e-commerce
2024 revenue*	84,852		5,894	112,564
2024 EBIT*	13,247		2,331	4,303

* Source: 2024 financial reports. The difference between the sum of each division and consolidated numbers was due to interdivisional adjustments and eliminations.

Scope of Business

Business overview

Telecom Business

1. Telecom products and services

Consumer Business Group

Besides providing customers with mobile voice and data services, the Consumer Business Group offers a wealth of value-added services, exclusive games and devices. These include video and music streaming, online cloud gaming, mobile devices, IoT-related services and smart home services. OP Life and Double-Play packages were launched to offer users the ultimate innovative audiovisual experience. Venturing into the electric vehicle field, the Company set up MyCharge service, making it more convenient for drivers to charge their vehicles and accelerating the nation's move toward net zero carbon emissions.

Enterprise Business Group

The Enterprise Business Group has implemented a "6C" strategy – Connectivity, Cloud & AI, Cybersecurity, Carbon Footprint Verification & Energy Saving, Collaboration, and Consulting & Managed Services – to offer a full range of one-stop services to corporate clients.

2. Telecom revenue breakdown

Unit: NT$mn

Item \ Year	2024	
	Revenue	% of total
Service revenue	60,946	72%
Device sales	23,906	28%
Total	84,852	100%

3. New telecom products and services

Consumer Business Group

(1) OP Life one-stop solution: Expand OP Life's product coverage and negotiate exclusive contracts with developers and device makers, such as mobile games/VR game consoles, e-book readers and other tech products.
(2) momo ecosystem: Deepen resource integration with momo e-commerce platform and integrate moPlus' subscription service to boost user loyalty.
(3) MyCharge charging platform: Increase installation of electric vehicle charging facilities with an eye to building 22kW chargers that offer three times the speed of mainstream 7kW chargers on the market to provide users with faster charging services.
(4) MyVideo streaming service: Expand smart TV and car systems supporting MyVideo, increase user base, invest further in content, and negotiate exclusive brand partnerships with global entertainment companies to provide richer audio-visual services.

Enterprise Business Group

(1) Connectivity: Reinforce core telecommunications business, including mobile subscriptions, broadband service, fixed-line resources and IDC; form 5G AIoT app partnerships to develop 5G vertical applications and dedicated 5G private network services; boost commercial vehicle market promotions and develop new IoT platform services to expand leadership in connected vehicles and broaden product offerings.
(2) Cloud & AI: Integrate GPU computing resources from its partner TWSC and cloud technology from CloudMile to provide enterprises with AI computing power and cloud solutions for building intelligent applications; further develop core AI services and combine resources with SYSTEX Corp's expertise in system integration services to accelerate expansion of AI business opportunities
(3) Cybersecurity: Invest in cybersecurity services, offering multilayered protection from within and empowering enterprises to enhance their digital resilience.
(4) Carbon Footprint Verification & Energy Saving: Work with strategic partners to develop net-zero carbon solutions focused on carbon footprint verification, carbon reduction and energy transformation to assist enterprises in adopting advanced energy-saving and storage applications, implementing effective carbon reduction management, and ensuring energy stability and operational resilience.
(5) Collaboration: Enhance development of its enterprise communication integration service "M+" series to provide real-time communication and collaboration solutions tailored to the needs of businesses and government agencies.
(6) Consulting & Managed Service: Offer diverse "Operations and Maintenance Subscription Plans" to provide enterprises with comprehensive, one-stop digital transformation solutions. These services can alleviate businesses' upfront capital expenditure, optimize costs and assist them in achieving a seamless transition to digital operations.

Cable TV and Broadband (Home Business Group)

1. CATV products and services

Its main operations cover a variety of products and services, including cable TV, HD digital TV, high-speed fiber-optic internet access, over-the-top (OTT) service platform, SmartHome services, Android Box and digital TV channel content agency.

2. CATV revenue breakdown

Unit: NT$mn

Year / Item	2024	
	Revenue	% of total
Pay TV service	2,971	50%
Cable broadband service	2,347	40%
TV content agency and others*	576	10%
Total	5,894	100%

* Including channel leasing revenue

3. New CATV products and services

(1) HD digital TV services: TWM has led the industry in ushering in a whole new era in home entertainment with its introduction of 4K content and multi-angle vision.
(2) High-speed fiber-optic internet access services: Given the increasing demand for high-speed internet access, TWM Broadband launched 1Gbps+WiFi 6 and Mesh WiFi 6 services, and aims to offer even faster access in the near future. To enhance home network security, it introduced exclusive applications such as network protection and parental control services.
(3) Digital home services: The Company is developing multiple value-added services, such as IoT and smart home applications.

Retail Business (momo.com Inc. or “momo”)

1. Retail products and services

momo offers e-commerce and TV home shopping services:

(1) e-commerce
momo sells over 6 million stock keeping units (SKUs), a quarter of which offer 24-hour delivery guarantee. It also provides 24-hour online customer service and a supplier contact platform to satisfy customers’ shopping needs.

(2) TV home shopping
momo has its own professional studio and filming team that provides momo TV programs to 4.4 million cable TV and 2.05 million MOD households nationwide.

An 0800 toll-free hotline and mobile app allow consumers to purchase products featured on momo TV programs or the momo TV app. A customer service team works around the clock to answer questions about product features, as well as purchase and return policy.

2. Retail revenue breakdown

Unit: NT$mn

Year / Item	2024	
	Revenue	% of total
E-commerce	108,808	97%
TV home shopping and others	3,756	3%
Total	112,564	100%

3. New categories and services

(1) momo has continued to usher in more brands, optimize its online shopping platform, and expand its product categories. By providing broader platform management tools and governance principles, momo has attracted a growing number of high-quality brands to create a diverse array of products and services. Its TV home shopping platform has also been introducing more overseas niche products to enhance its unique platform. momo has stepped up its logistics network build-out to accelerate last-mile delivery to offer customers greater convenience. In terms of mobile device application, momo has deployed AI technology to improve voice and image searches, as well as to enhance information security. Additionally, momo has developed a retail media network to empower merchants with premium traffic conversion capabilities and comprehensive online advertising solutions.
(2) momo’s TV home shopping business has steadily adapted to changes in consumer lifestyle and trends. To enhance engagement with its client base and boost customer stickiness, it has expanded its TV fan clubs’ operations, launched a TV app, broadcast live-stream videos on Facebook, and listed on Chunghwa Telecom’s MOD. development will also focus membership management and live streaming capabilities.
(3) To improve logistics efficiency, momo’s distribution center in central Taiwan is under construction.

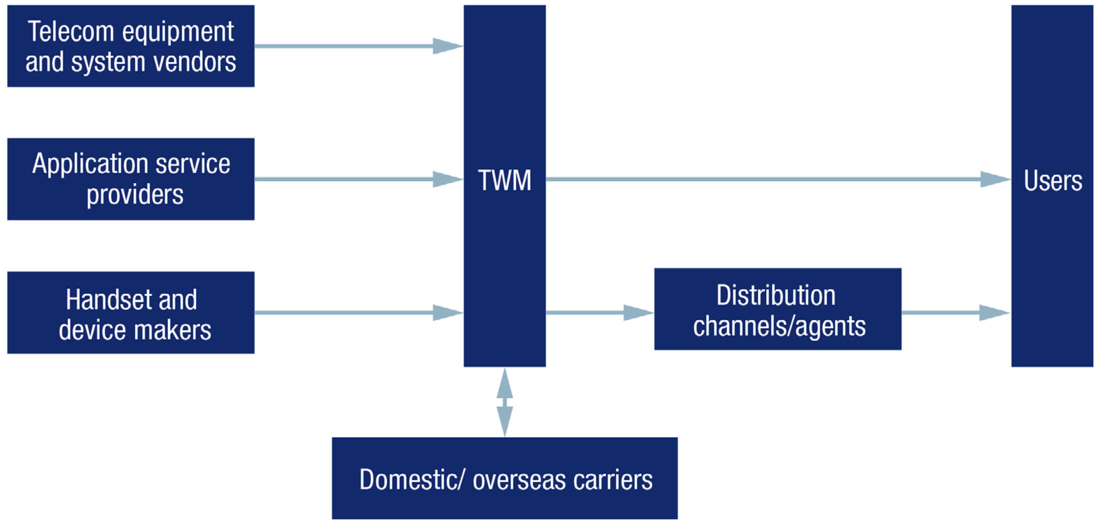
Industry overview

Consumer Business Group

1. Industry status and development

It has been four years since the launch of 5G and the 5G penetration rate in Taiwan has surpassed 30%. However, a killer app has yet to emerge. One year since the mergers of Taiwan Mobile with Taiwan Star, and Far EasTone with Asia Pacific Telecom, competition in the mobile market has not eased as expected. As 5G penetration increases and home broadband adoption becomes more widespread, the competition on the consumer side is shifting toward smart homes, IoT devices and exclusive terminals, and media services.

2. Industry value chain



3. Product development trends and competitive landscape

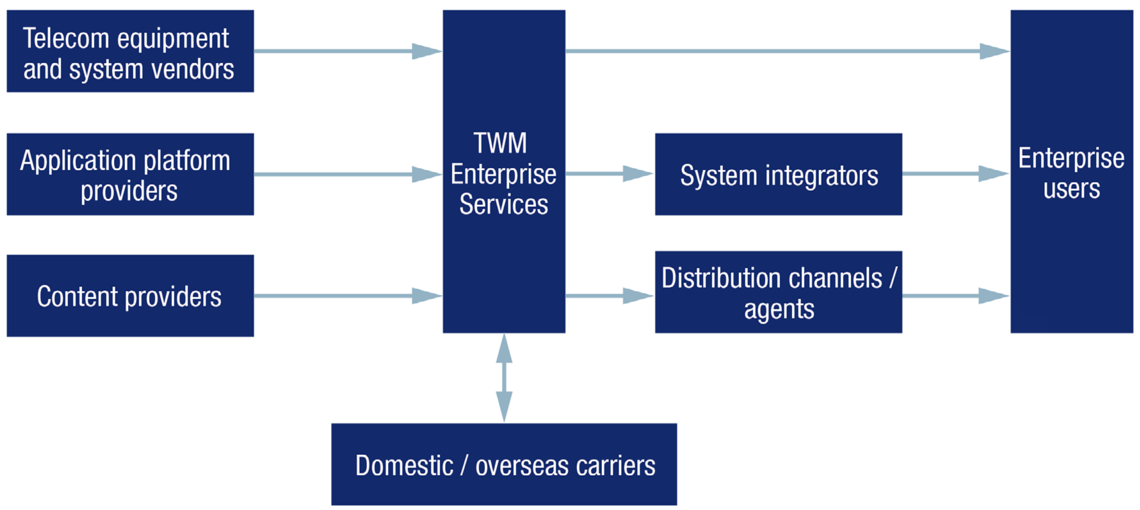
Following the two mergers, competition between the lead operators will focus on offering differentiated 5G programs to enhance user contributions. The 5G competition is expected to switch to smart homes, IoT, exclusive devices and streaming/video services.

Enterprise Business Group

1.Industry status and development

Demand for automation, data visualization and transformation consulting services increased amid the trends of carbon reduction and sustainable development. Furthermore, the need for cloud, IoT and cybersecurity applications driven by AI should bring more business opportunities to ICT providers.

2. Industry value chain



3. Product development trends and competitive landscape

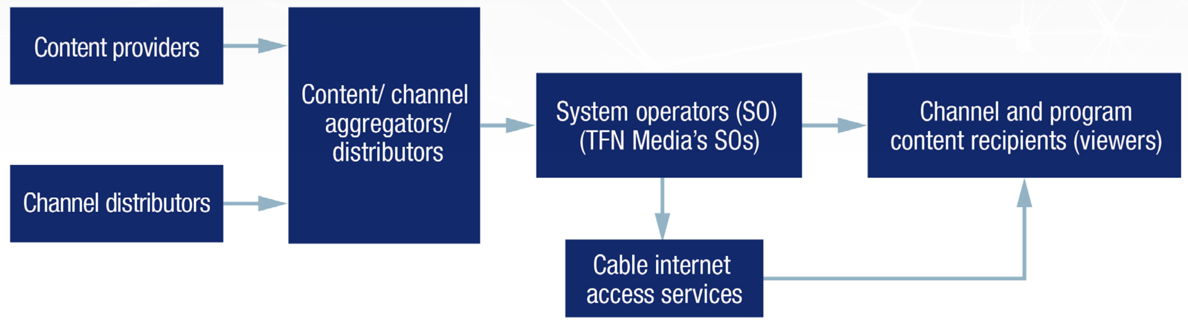
The opening of the O-RAN and 5G private network markets has spurred telecom operators to build 5G private network ecosystems. Through the merger with T-Star, TWM has added numerous SME customers and aims to meet the market demand by launching diverse telecommunications and SaaS services. As more ICT solutions are required for digital transformation, the global and Taiwan ICT services markets are expected to see robust growth. TWM plans to prioritize the development of integrated ICT services by leveraging its existing telecommunications infrastructure, including mobile, fixed-line, and IDC services, and broadening its offerings in AI, IoT, cloud, cybersecurity and energy solutions to capture vertical application opportunities in the enterprise and government sectors.

Home Business Group

1. Industry status and development

Cable TV faces challenges from alternative services, such as IPTV, digital terrestrial TV and other emerging media (e.g., OTT video streaming) that have successively entered the market. The cable TV industry is facing a critical period of transformation.

2. Industry value chain



Aided by its control over last mile access to customers, TWM Broadband is aiming to take the lead in vertical integration to build up its core competitiveness and explore new business opportunities in the digital age.

3. Product development trends and competitive landscape

Fixed broadband is a saturated market that is dominated by Chunghwa Telecom and characterized by slowing growth. Technological advances and the demand for 5G indoor coverage have also spurred intense competition on pricing and speed. Furthermore, with the CATV industry becoming fully digitalized, user demand for high-definition digital TV channels and OTT content has increased. 4K content and smart home applications, such as internet-connected and voice control devices, are the future trends.

Retail Business

1. Industry status and development

As a leader in the EC market, momo continues to build up its logistics and warehousing system, providing fast delivery services and a one-stop shopping experience for consumers, while expanding its economies of scale and raising barriers to entry in the EC industry.

2. Industry value chain

momo works with suppliers and merchants and sells their products through its TV home shopping networks, online shopping sites and mail order catalogues to members and general consumers.

3. Product development trends and competitive landscape

(1) E-commerce: Competition is no longer limited to e-commerce channels. Fast delivery and cold chain logistics services are maturing. Groceries have become a new focus of competition between e-commerce platforms and hypermarket chains.

(2) TV home shopping: The rise of virtual shopping platforms, such as e-commerce and mobile commerce, has intensified competition in TV home shopping. momo has countered this challenge by collaborating with key opinion leaders or influencers, launching its own mobile

apps and leveraging its social platform and capabilities, including livestreaming, to bolster engagement with members and its customer base.

Major research and development achievements

The Company's research and development expenditures for 2024 and up to February 28, 2025 amounted to NT$682.128million and NT$123.178million, respectively. The main technologies and products resulting from these efforts are as follows:

Project name	Description
Research on interference between satellite and terrestrial communication systems	The study analyzes potential interference scenarios between satellite communication systems and existing or future terrestrial communication systems. It covers a variety of scenarios, including different types of satellites (e.g., low Earth orbit and medium Earth orbit), antennas (e.g., parabolic and array), and communication links (e.g., feeder and service). Each potential interference pattern is evaluated individually, and precise interference models are established to ensure that the impact remains within acceptable limits, while maintaining the normal operation of both systems.
5G network human flow positioning and energy-saving applications	Based on the Open Radio Access Network (O-RAN) architecture, the system fully utilizes the low latency and fast response capabilities of the Radio Intelligent Controller (RIC) component to deliver high-performance intelligent network services. In the 5G network environment, through 3D modeling and ray tracing simulation technologies, the system optimizes base station transmission power and dynamically allocates network resources based on personnel movement patterns to achieve energy-saving goals, while ensuring stable communication service quality.
MyVideo	Support more smart TV models by developing streaming players, optimizing streaming technology, and enhancing system security.
Number masking service	Use AI model to develop abnormal call detection functionality.
Smarter Home	Support the Matter IoT Standard to create a new cross-brand and a more diversified smart home AIoT ecosystem.
MyMoji	Expand the sticker store and mobile modeling features, integrate with the Taiwan Mobile Customer Service App, and explore applications of virtual interaction.
AI voicebot identity verification	Use AI for identity verification to reduce the need for human customer service interaction.
AI customer service voicebot	Develop AI voicebot to replace traditional IVR functions and reduce the need for customer service agents.
Smart telemarketing service	Develop automated outbound calling services to reduce waiting time and minimize waste of human power on ineffective calls.
Digital identity verification (eKYC)	(1) Independently develop a facial occlusion detection and recognition model, integrating data protection and text recognition to create a comprehensive online identity authentication service. (2) Develop an online identity verification service utilizing deep learning models including Face Verification, Presentation Attack Detection, and ID Fraud Detection.
Anti-fraud service	Develop AI deep learning to enhance phishing detection models and improve the security intelligence database. The app offers advanced on-device protection, including communication security and malware scanning function for Android apps.
GenAIus	Develop an integrated platform leveraging large language models (LLM), featuring core functionalities such as enterprise knowledge base management and AI-powered response capabilities to enhance productivity.
Social engineering solution	Establish social engineering drills for enterprises to conduct such exercises for their employees.
Telecom wisdom maximization (TWMax)	Deploy big data and AI models to offer intelligent personalized rate plans, products and/or services that meet customers' preferences.
Cyber threat intelligence	Develop intelligence analysis and mining mechanisms to provide real-time risk alerts and cybersecurity reports.
E-commerce solution for brands	Develop a multichannel unified management platform to enhance the operational efficiency of brand owners.
MyCharge	Establish a charging station platform to manage charging facilities nationwide.
OPBiz	Introduce electronation of OPBiz application forms, and convenient, practical SaaS solutions.
Myfone online and e-store consolidation project	Taiwan Mobile's online store and the Myfone shopping website have been integrated into the myfone online store website to optimize operations and provide customers with a one-stop service.
BNPL (buy now pay later)	(1) Expand partnerships and provide partial refunds for installment transactions and offer electronic payment collection. (2) Support integrated payment with e-ticket sales platform. (3) Utilize business features designed by domain experts, combined with AI technology, to segment collection users into distinct groups and implement differentiated collection schedules and frequencies.
M+/M+ Meet	(1) Provide M+ desktop version, integrate messaging solutions, and extend M+ Multi-Factor Authentication, AI Agent capabilities. (2) Optimize architectures of large-scale video conferences; offer PSTN/mobile dial-out invitations, real-time multilingual subtitles, meeting transcriptions and summary features.
IP camera video retrieval services in cloud-based smart warehousing	Develop and implement an innovative solution by leveraging CCTV footage through hybrid cloud technology to enhance operational efficiency. The objective is to support 44 warehouses across Taiwan, enabling real-time video retrieval via the platform whenever required. The system would facilitate verification of shipping conditions, and identification of product statuses captured in the footage. Verified information would be promptly relayed to the customer service center, ensuring timely and accurate responses to consumer inquiries.

Sales development plans

Consumer Business Group

1. Short-term plan

(1) Continue installing electric vehicle charging stations to expand the MyCharge service network as part of the Company's venture into the green energy market.
(2) Expand the range of one-stop service experience products (OP Life packages); collaborate with various mobile/VR gaming devices to launch the Smart Gamer Set; utilize Matter to connect cross-brand IoT products and create a more diverse smart home set, encouraging users to choose higher rate plans and enhancing customer loyalty.
(3) Deepen integration with momo e-commerce platform resources to create a 5G sales advantage; offer exclusive "momobile member's day" deals for TWM users; and enhance user loyalty through the moPlus subscription service.

2. Medium to long-term plan

(1) Become a leading brand in smart homes: Establish TWM's smart home brand to integrate users' network environment, smart home appliances/devices, data and services to provide a one-stop service solution and become the core partner brand in creating smart homes.
(2) Build up the MyCharge brand: Integrate technology, telecommunications and big data analysis to offer diverse charging solutions; and install 22kW rate chargers to provide users with faster charging efficiency.
(3) Set up a diversified eSIM platform to support more advanced applications and collaborations in pure eSIM smartphones, smart vehicles, wearable devices and more.

Enterprise Business Group

1. Short-term plan

(1) Integrate group resources from Kbro and cable TV systems to expand service coverage; collaborate with its partners to develop 5G solutions for the manufacturing, retail, healthcare, financial and government sectors.
(2) Work with ecosystem partners to develop diverse cloud services to meet the needs of enterprises.
(3) Provide multilayered cybersecurity protection from the inside out, empowering enterprises to enhance their digital resilience.
(4) Focus on solutions supporting enterprise sustainability and cultivate brand ESG development.
(5) Build an e-service platform for customer, product and sales information to enhance operational efficiency and optimize user experience.

2. Long-term plan

(1) Expand the industry ecosystem, launch innovative vertically integrated solutions that meet different industries' requirements, improve enterprise customers' operational efficiency, seize opportunities in the ICT integration services market, and expand TWM's presence in foreign markets.
(2) Develop more diversified cloud services and accelerate the practical application of AI to help corporate customers speed up their digital transformation.
(3) Develop cybersecurity solutions to address evolving security threats and strengthen enterprise cybersecurity resilience.
(4) Create enterprise-specific net-zero carbon solutions, including carbon inventory, carbon reduction and energy transformation, to promote sustainable value.
(5) Develop comprehensive end-to-end ICT solutions by integrating complementary resources through strategic alliances.

Home Business Group

1. Short-term plan

(1) Optimize its network infrastructure in regions where it already operates CATV systems and provide more HD digital content and video on demand to set the foundation for its digital services.
(2) Launched 1Gbps super high-speed internet access service and HD digital TV service to boost its cable broadband and digital TV service penetration rates, as well as increase its ratio of high-speed broadband internet users.
(3) Partner with global cybersecurity leader Trend Micro to provide network security services, such as network protection and parental control services.

2. Long-term plan

The Home Business Group plans to integrate HD digital content, multiple-viewing terminal devices, high-speed fiber-optic internet access services and cloud technology to introduce more innovative and value-added digital TV services, allowing families and individual subscribers to enjoy the benefits of "multi-screens and a cloud" (i.e., mobile phones, PCs, tablets and TVs) and experience smart living.

Retail Business

1. Short-term plan

(1) E-commerce: Provide differentiated value-added services by leveraging big data analysis to optimize product portfolios and recommend more personalized products to customers; deepen cooperation between momo and leading brands, and integrate offline and online loyalty programs; expand collaboration models with merchants to encourage them to sell their products on our shopping platform, creating a mutually beneficial marketplace for growth; and employ retail media network (RMN) tools to enhance traffic monetization, providing a more precise, personalized shopping experience.
(2) TV home shopping: Enhance distribution channel's competitiveness by listing more branded products from overseas, deepening the development of live-streaming business and membership management, and cooperating with e-commerce suppliers to expand product offerings.

2. Medium to long-term plan

(1) E-commerce: Leverage big data to implement diverse marketing strategies, refine and optimize search engines, strengthen the short-chain logistics network, improve traffic efficiency, upgrade product functionalities, and continue to enhance user experience (UX) and user interface (UI). Empower innovation to strengthen our foundation, reinforce market leadership and accelerate market share gains.
(2) Take a pro-active approach in raising momo's brand image, exporting best-selling products across multiple countries, leverage the group's marketing resources and sales channels to enhance operating efficiency, and provide innovative services through mobile and cloud platforms.

Market and Sales Overview

Market analysis

Consumer Business Group

1. Main products and service areas

The Company provides nationwide and international roaming services. The coverage includes Taiwan and the outlying islands of Kinmen and Matsu.

2. Market status

As of December 2024, the mobile penetration rate in Taiwan had reached 126.9%. While the market is highly saturated, the rise of 5G applications and the increasing demand for IoT, broadband, wearable devices, smart home devices, etc., indicate promising future market growth.

3. Competitive advantages

(1) Synergy of group resources
Leveraging the synergy of group resources in telecommunications, cable television and e-commerce through strategic collaborations, the Company aims to expand its customer base through cross-selling, enlarging user usage scenarios, and establishing a mutually beneficial ecosystem to deepen customer loyalty.

(2) Diverse innovative services
TWM has introduced various services based on potential user needs and usage scenarios, such as diverse OTT streaming, cloud/online gaming, telecom-integrated e-commerce consumer rewards and electric vehicle charging service. The Company also offers diverse packages of technological service devices/products according to user demands, enhancing perceived value and brand differentiation.

4. Opportunities and challenges

Favorable Factors

(1) Diversified 5G application services are driving the emergence of value-added services and revenue growth.
(2) One-stop services meet user needs and enhance brand value.
(3) Growth opportunities in the developing market for smart homes, and meeting the needs of an aging society, as well as the rising problem of hearing loss among the young.
(4) Growing demand for charging facilities due to increasing sales of electric vehicles.

Unfavorable Factors

(1) Low user awareness and involvement in smart homes due to technical barriers.
(2) High production costs of domestic IoT-related products, making it a challenge to meet users' price expectations.
(3) The disproportionate growth of charging stations to that of electric vehicles; costly and time-consuming installation of home charging stations; and intense competition due to more public charging operators entering the market.

Countermeasures

(1) Collaborate with domestic and international smart home appliance brands to upgrade products to IoT to jointly develop the smart home market.
(2) Leverage group resources to attract potential smart home users, such as employing cross-selling from consultation to installation and after-sales warranty and providing a one-stop customized service to encourage users to upgrade to smart homes.
(3) Collaborate with smart parking partners to offer "parking + charging" services, providing car owners with a convenient charging environment and the best experience. At the same time, using data analysis to select locations for building electric vehicle hotspot areas and establishing profitable charging stations.

Enterprise Business Group

1. Main products and service areas

Taiwan Mobile Enterprise Services provides international services in 239 countries. As of the end of 2024, its roaming services included the following: GSM: 213 countries, 403 networks; 3G: 182 countries, 345 networks; 4G: 127 countries, 234 networks; 5G: 68 countries, 125 networks.

2. Market status

According to the 2024 CIO Survey, cybersecurity tops the list of CIOs' procurement priorities, followed by network security, storage backup and AI. A survey by IDC also predicts that by 2027, global spending on AI solutions would surpass US$500 billion. Going forward, businesses will focus more on investing in AI technologies and AI-driven products and services.

3. Competitive advantages

(1) Premium brand equity and customer relationship: Taiwan Mobile Enterprise Services has won widespread recognition among major corporations. It actively responds to customer needs and designs one-stop services for enterprises to help them create maximum benefits for their clients.
(2) Professional management team and efficient support unit: The Company has experienced sales and logistics teams, as well as extensive corporate group resources. Its cloud IDC server room has received Uptime Tier III certifications for design, construction and operational sustainability.
(3) Industrial ecosystem partner: The Company effectively integrates its telecommunications advantages with partners' resources to creates customized industry solutions for corporate customers.

4. Opportunities and challenges

Favorable Factors

(1) Driving Post-Pandemic Digital Transformation: TWM offers innovative enterprise solutions by leveraging its telecom infrastructure and ecosystem partnerships to advance 5G applications, private networks and IoT platforms.
(2) AI Innovation and Strategic Partnerships: TWM partners with leading tech providers to offer scalable AI and cloud solutions while advancing AI research and development to boost enterprise productivity.
(3) Emerging AI Technologies and Industry Applications: TWM has been investing in AI research and development, focusing on text and voice customer service solutions. Additionally, the Company integrates AI technologies with 5G private networks to develop 5G AIoT application services, including smart heritage sites, smart transportation and smart tourism, driving the upgrade of diverse vertical applications.
(4) Comprehensive Cybersecurity Ecosystem: TWM collaborates with government, academia and industry to build a robust anti-fraud ecosystem.
(5) Commitment to Net-Zero and ESG Goals: To underpin sustainable growth, TWM offers Tier III green data centers and ESG-focused energy solutions to help businesses achieve net zero goals and thrive in the green economy.
(6) Solutions for the Hybrid Work Era: TWM's proprietary platform "M+" supports hybrid work with secure, real-time communication tools tailored for enterprises and government agencies.
(7) Flexible Subscription Models: TWM provides subscription-based solutions to reduce upfront costs, improve efficiency and facilitate enterprises' digital transformation.

Unfavorable Factors

Market Competition: Chunghwa Telecom's fixed-line network has scale advantage over TWM.

Countermeasures

The Company will continue to pursue innovation, develop cross-field alliance opportunities, cooperate with partners in various fields to create industrial vertical integration solutions, as well as more comprehensive 5G, cloud, IoT and information security services, and work with customers to carry out digital transformation and boost customer stickiness.

Home Business Group

1. Main products and service areas

TWM Broadband's main service areas are New Taipei City's Xinzhuang and Xizhi districts, Yilan County and Kaohsiung's Fongshan District among others.

2. Market status

(1) Cable TV: Taiwan's CATV penetration rate has reached over 50% of households, according to NCC data. Watching TV is a major leisure activity in Taiwan – one that is relatively unaffected by fluctuations in the economy. However, intensifying competition from cable system operators (SO), Chunghwa Telecom's MOD system and OTT content providers has affected market pricing.
(2) HD digital TV and broadband internet access: Thanks to rich HD content, stable and quality signals, expanding platforms for viewing TV programs, and rapid development of online video services and social media, the demand for HD digital TV and high-speed broadband Internet access has continued to increase.

3. Competitive advantages

(1) TWM offers high-speed broadband network and WiFi 6 transmission which, coupled with its rich digital content and value-added services, should drive digital TV revenue growth.
(2) The Company can leverage the group's rich and varied resources to offer innovative digital convergence products and services.

4. Opportunities and challenges

Favorable Factors

(1) High-speed broadband internet service has become the mainstream.
(2) Backed by a solid base in smart home applications, TWM leads the industry in launching comprehensive services, such as Android Box and HomeSecurity services.

Unfavorable Factors

(1) The competitiveness of cable system operators (SO) expanding their service areas has been ebbing. However, they still pose a risk of subscriber losses for TWM.
(2) The TV industry is facing headwinds due to the rise of OTT platforms and unauthorized set-top boxes.

Countermeasures

(1) TWM Broadband is observing developments in Taiwan's digital content industry and global industry trends, focusing on providing a richer assortment of digital channels and connected TV content.
(2) With the launch of Android Box – an open platform integrating cable TV channels and diverse OTT content – and 1Gbps+WiFi 6 service, TWM Broadband offers Smarter Home service, and GeForce NOW cloud gaming, etc.

Retail Business

1. Main products and service areas

momo mainly provides e-commerce and TV home shopping services in Taiwan.

2. Market status

B2C e-commerce topline growth is accelerating, bolstered by share gains from offline and continued expansion in mobile and streaming platforms.

3.Competitive advantages

(1) Scale benefit: As the largest B2C e-commerce platform in Taiwan, the Company has continued to expand its leading position. This has given it stronger bargaining power with suppliers and a solid traffic base, further attracting first-tier supplier products to the platform and increasing the variety and quality of available merchandise.
(2) Solid reputation: momo has built a solid reputation among suppliers and customers in the TV home shopping industry. Besides winning customers' confidence, it has enhanced suppliers' willingness to entrust their brands to the Company, boosting its product diversity.

(3) Strong support from the group: momo is able to leverage the resources of affiliates to create opportunities in digital convergence, mobile platforms, mobile payment mechanisms and warehouse management system.

4. Opportunities and challenges

Favorable Factors

(1) Mobile usage time and mobile shopping continue to increase.

Unfavorable Factors

(1) High product homogeneity and intensifying market competition have led to margin pressure.
(2) Risk management of product quality and food safety is increasingly important as momo's scale increases.

Countermeasures

(1) momo has an extensive system of suppliers and a professional product development team. This facilitated its expansion into mobile and streaming platforms, as it already has a trove of best-selling products to tap into, which not only prolonged their product life cycle, but also increased sales volumes and differentiated it from the competition.
(2) momo has an online shopping mobile app to tap into the mobile commerce market and optimize customer experience. By promoting limited time and livestream promotions, momo is able to reach more consumers and stimulate buying willingness. The mobile platform also offers convenience, encouraging consumers to increase their shopping frequency.
(3) momo has set up a quality control team to visit new suppliers' factories, outsource product testing to reduce food safety risks, filter out controversial products and clarify supplier responsibility to provide consumers with a safe place to shop.

Main features and production process of major products:

1. Main features of major products:

The Company provides wireless/fixed-line telecom services, digital TV subscription, cable broadband, e-commerce/TV home shopping, and integrated information and communication services.

2. Production process of major products:

Not applicable as the Company is not a manufacturer

Supply of raw materials:

Not applicable as the Company is not a manufacturer

Major suppliers and customers in the past two years

- A supplier/customer that accounts for at least 10% of consolidated procurement/revenue

1. Major suppliers

Unit: NT$1,000

2023				2024			
Company	Procurement amount	As a % of 2023 total net procurement	Nature of relationship	Company	Procurement amount	As a % of 2024 total net procurement	Nature of relationship
Company A	13,809,647	10	Third party	Company A	15,921,981	11	Third party
Others	119,093,778	90		Others	124,462,594	89	
Total	132,903,425	100		Total	140,384,575	100	

2. Major customers:

Not applicable as the Company's revenue from a single customer did not exceed 10% of its consolidated operating revenue.

3. Reasons for variation

Procurements from suppliers varied as the Company purchased handsets from different vendors to meet its business development needs and market demand.

Human Resources

Employee statistics in the past two years up to the publication date

Year		2023	2024	2025 (as of February 28)
Number of employees	Consolidated	10,345	10,645	10,571
	Stand-alone	4,577	4,527	4,517
Educational attainment	Ph.D.	0.17%	0.16%	0.16%
	Master's	12.81%	12.76%	12.79%
	University	61.80%	62.32%	62.23%
	College	13.05%	12.45%	12.47%
	Others	12.17%	12.31%	12.35%
Average age		39.24	39.49	39.65
Average years of service		8.65	8.76	8.86

Environmental Protection Expenditure

Employee statistics in the past two years up to the publication date

Loss or penalty due to environmental pollution in 2024 up to the publication date in 2025

None.

Countermeasures:

TWM has incorporated the risks of possible violations of various environmental laws and regulations into its daily operation management system and mechanisms. The Company practices preventive management and actively tracks government policies and proposed legislation to adopt countermeasures in advance. To date, the Company has not committed any environmental infraction requiring major compensation, penalties, or other expenditures.

The Company attaches great importance to corporate environmental responsibility and promotes the following environmental protection measures: green procurement, green machine room construction, energy-efficient base stations and machine rooms, water conservation in stores and offices, paperless operations, and carbon reduction initiatives. It also conducts cable and battery recycling, mobile phone recycling, and used phone exchange programs. Additionally, TWM encourages users to adopt electronic billing, virtualized services, and energy-saving value-added services. Since 2023, TWM has been promoting next-generation stores, incorporating digital screens, electronic price tags, and various paperless initiatives to further enhance its environmental sustainability efforts.