

## 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 create 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.