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 2025, the mobile penetration rate in Taiwan had reached 121.5%. 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 market growth. In addition, the gradual development of AI-enabled applications, digital services, smart energy solutions and pure eSIM devices is expected to further extend market growth beyond traditional telecom services.

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. TWM is gradually moving toward platformization and cross-domain integration, strengthening competitive 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, use data analysis to select locations for building electric vehicle hotspot areas and establish 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 2025, its roaming services included the following: GSM: 212 countries, 397 networks; 3G: 182 countries, 341 networks; 4G: 131 countries, 243 networks; 5G: 77 countries, 147 networks.

2. Market status

According to the 2025 CIO Survey, cybersecurity tops the list of chief information officers' procurement priorities, followed by infrastructure modernization and AI. IDC predicts that by 2028, global spending on AI solutions would surpass US$600 billion. With the rise of AI agents and edge computing, enterprises will increasingly invest in AI-driven products and data infrastructure.

3. Competitive advantages

(1) Premium brand equity and customer relationship: The enterprise business brand – Taiwan Mobile Enterprise Service – builds upon the prestige of the Taiwan Mobile brand. By integrating over 300 ecosystem partners and strategic allies such as Systex, Taiwan AI Cloud and CloudMile, it provides corporate clients with tailored, one-stop integrated solutions. Through its commitment to maximizing client benefits, the brand has earned widespread recognition across diverse industries.

(2) Professional management team and efficient support unit: The Company maintains a highly experienced team of senior consultants and leverages extensive Group resources to provide comprehensive professional delivery and services across the pre-sales, sales and after-sales stages. Furthermore, the Company's IDC is the first high-end infrastructure in the nation to achieve Uptime Tier III certification across all three stages, ensuring international-grade reliability and stability.

(3) Industrial ecosystem partner: By leveraging a leading advantage in telecommunications networks, the Company effectively integrates resources from partners such as Systex and Kbro to develop solutions tailored to specific industry needs, assisting corporate clients in achieving digital transformation and innovative applications.

4. Opportunities and challenges

Favorable factors

(1) The rise of AI has accelerated corporate transformation. Leveraging its strengths in telecommunications network infrastructure, Taiwan Mobile integrates ecosystem partner resources to develop 5G vertical applications and 5G private network services. Furthermore, the Company is strengthening commercial vehicle market promotion and IoT platform service development to provide corporate customers with diverse and innovative solutions.

(2) By collaborating with strategic partners, the Company provides enterprise AI computing power and cloud solutions. It also continues to develop AI applications to empower corporate operations and capture emerging AI market opportunities.

(3) According to MIC's Top 10 Technology Trends for 2026, the annual revenue of Taiwan's IT services industry is expected to reach NT$720 billion, with the information security sector projected to grow to NT$74.9 billion by 2027. This highlights AI's significant role in driving growth within these markets. The Company has actively invested in AI research and development, focusing on technologies such as speech recognition and enterprise AI knowledge bases to create new solutions.

(4) Taiwan Mobile is investing in the research and development of cybersecurity services. By collaborating with government, academia and research institutions, the Company has established an anti-fraud ecosystem to provide multilayered security from the inside out, empowering enterprises to enhance their digital resilience.

(5) As the importance of net-zero transformation, ESG and digital transformation continues to rise, the Company has invested in sustainable business development. In addition to offering high-end green cloud data centers with Uptime Tier III certification and AI data centers that integrate the latest liquid cooling techniques to achieve an optimal PUE of 1.2, the Company provides comprehensive solutions for ESG, carbon footprint tracking and energy management to secure a competitive edge in the market.

(6) As instant messaging and collaboration platforms for hybrid work become the norm, Taiwan Mobile has developed the "M+" series, a proprietary integrated communication service. It offers high-specification collaboration products for enterprises and government agencies, featuring support for on-premises deployment and AI application integration.

(7) The Company offers diverse subscription-based plans to alleviate the pressure of one-time capital expenditure for enterprise customers, helping businesses reduce costs, increase efficiency and achieve a seamless transformation.

Unfavorable factors

(1) The ubiquity of mobile internet and the transition of traditional communication services to IP-based platforms have cannibalized existing telecommunications businesses. Consequently, local fixed-line services continue to decline as they are rapidly replaced by Voice over Internet Protocol (VoIP).

(2) Chunghwa Telecom maintains a competitive edge in fixed-line services and economies of scale. However, the enterprise market is increasingly characterized by cross-sector integration and heterogeneity, further intensifying competitive pressures.

(3) As growth in the telecommunications market slows, operators are transforming from traditional carriers into ICT service providers. This shift has led to increasingly fierce competition within the ICT solutions and value-added services markets.

Countermeasures

The Company will continue to pursue innovation and develop cross-industry alliances. By collaborating with partners such as Systex and Kbro to create vertically integrated industrial solutions, the Company has implemented its "6C Strategy," which encompasses Connectivity, Cloud & Computing, Client Solutions & AI, Cybersecurity, Carbon & Energy Service, and Consulting & Managed Services. Through these initiatives, the Company empowers customers to achieve industrial upgrades amid the digital transformation wave, thereby enhancing customer stickiness. Concurrently, the Company continues to evaluate ecosystem partners with strategic synergies to strengthen its horizontal and vertical market presence through strategic investments or deep resource integration.

Home Business Group

1. Main products and service areas

TWM Broadband's main service areas cover New Taipei City's Sinjhuang and Sijhih districts, Yilan County and Kaohsiung's Fongshan District among others.

2. Market status

(1) Cable TV: Taiwan's CATV penetration rate has reached nearly 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 increased steadily.

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 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 services, GeForce NOW cloud gaming, and other value-added services.

Retail Business

1. Main products and service areas

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

2. Market status

With the rapid evolution of retail formats, the e-commerce market, driven by mobile devices and digital platforms, continues to maintain strong growth, with penetration rates steadily increasing.

3.Competitive advantages

(1) Scale benefit: As the largest e-commerce platform in Taiwan, the Company has continued to expand its leading position. Thanks to its strong bargaining power and solid traffic foundation, the Company attracts top-tier brands and suppliers, further enhancing the breadth and quality of its product portfolio.

(2) Solid reputation: momo TV Shopping Channel has cultivated the market for many years, building a strong brand image that not only enhances consumer confidence, but also increases brand licensing and partnership willingness. This approach expands product diversity and differentiation, reinforcing competitive strength.

(3) Strong support from the group: Backed by group resources, momo has strong advantages in areas such as digital convergence, mobile platform development, mobile payment, smart warehousing and AI integration. The Company is also investing in retail media advertising, personalized recommendations and intelligent logistics to further consolidate its market leadership.

4. Opportunities and challenges

Favorable factors

(1) The proportion of online shoppers in Taiwan continues to increase, with digital consumption habits deeply embedded in daily life, driving steady growth in the e-commerce market.

(2) Advancements in logistics technology and the widespread adoption of payment tools provide favorable conditions for the expansion of the e-commerce industry.

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, extending its products' life cycles and boosting sales volume. These also create product differentiation, thereby strengthening its competitive advantages.

(2) momo continues to optimize customer experience through its mobile shopping app, bolstering its position in the mobile commerce market. Through interactive features such as limited-time deals and live streaming, the Company proactively delivers promotional messages, combining immediacy and convenience to increase purchase frequency among consumers.

(3) momo has set up a quality control team to visit new suppliers' factories, outsource product testing to reduce food safety risks and filter out controversial products to ensure compliance with relevant regulations and standards. Through a clear responsibility segregation mechanism, the Company provides 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$'000

2024				2025			
Company	Procurement amount	As a % of 2024 total net procurement	Nature of relationship	Company	Procurement amount	As a % of 2025 total net procurement	Nature of relationship
Company A	15,921,981	11	Third party	Company A	17,144,657	12	Third party
Others	124,462,594	89		Others	121,011,555	88	
Total	140,384,575	100		Total	138,156,212	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		2024	2025	2026(as of January 31)
Number of employees	Consolidated	10,645	10,578	10,634
	Stand-alone	4,527	4,554	4,565
Educational attainment	Ph.D.	0.16%	0.16%	0.15%
	Master's	12.76%	13.08%	13.06%
	University	62.32%	62.06%	62.12%
	College	12.45%	12.21%	12.17%
	Others	12.31%	12.49%	12.50%
Average age		39.49	40.29	40.18
Average years of service		8.76	9.10	9.15