

Ticker Symbol: 2633



Taiwan High Speed Rail Corporation

2023 3rd Quarter Operation Overview

December 4, 2023



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AGENDA

1 · COMPANY PROFILE

2 · OPERATIONAL PERFORMANCE

3 · FINANCIAL RESULTS

4 · ESG SUSTAINABLE MANAGEMENT



1 · COMPANY PROFILE

Historical Milestones



May 1998	THSRC was incorporated.
Jul. 1998	THSRC and MoTC entered into the Taiwan North-South High Speed Rail Construction and Operation Agreement, and being granted a 35-year concession (~2033) to construct and operate the high speed rail.
Feb. 2000	Construction period began.
Jan. 2007	THSRC began operating the rail line between Banqiao and Zuoying.
Oct. 2015	THSRC completed “THSRC Financial Resolution Project” with concession extending from 35 years to 70 years(~2068).
Dec. 2015	3 HSR stations in Miaoli, Changhua, and Yunlin joined in operation.
Jul. 2016	A new HSR station, Nangang Station, joined in operation.
Oct. 2016	THSRC listed on Taiwan Stock Exchange.

Staff

4,587 persons

as of 2023.3.31

Capital

56.2 billion dollars

NT\$, as of 2023.9.30

Total Assets

395.5 billion dollars

NT\$, as of 2023.9.30



2 · OPERATIONAL PERFORMANCE

Company Profile



Route Length (km)	Operation Area (cities/counties passed through)	Trainsets	Stations	Maintenance Depots
350	11	34	12	5

Weekly Train Frequencies (in timetable valid from October 16, 2023)	Daily Two-way Service (WEEKEND)	Daily Two-way Service (WEEKDAY)
1,039	169	137

Business Scope



Passenger Transportation Services

- Offers express service, skip stop, and all stop modes to satisfy various trip demands.



Operation of Affiliated Business

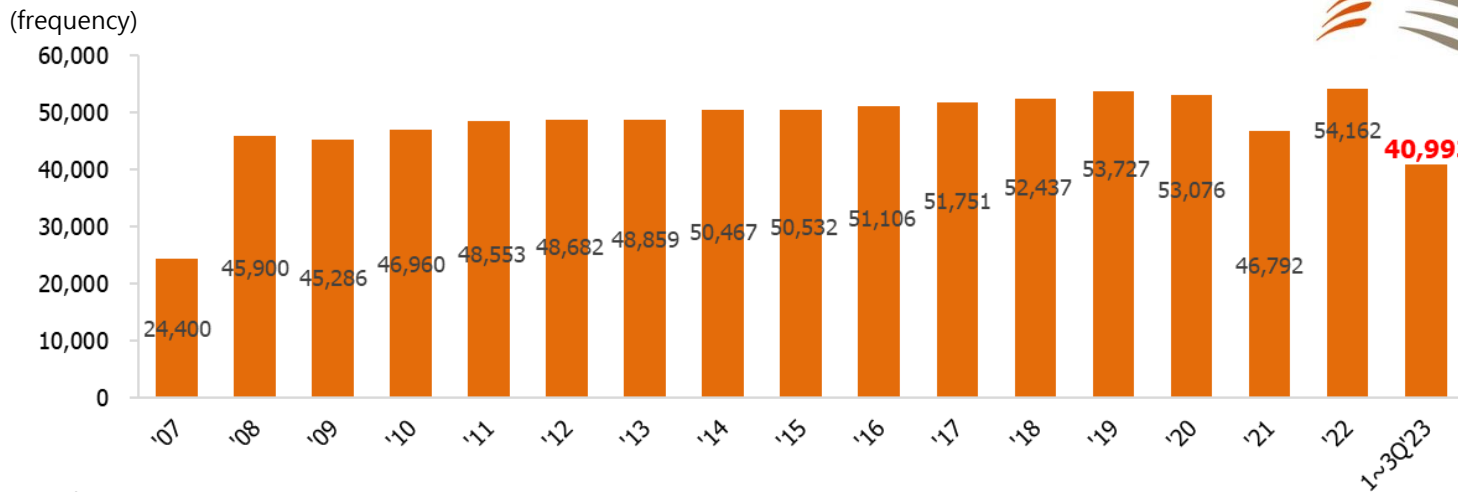
- Renting (convenience store, dining, service counter, etc.)
- Advertising: (lightboxes, wall space, column space, product displays, train decorations, etc.)
- Retail
- Trolley Sales
- Parking Lots at Stations

Operational Performance



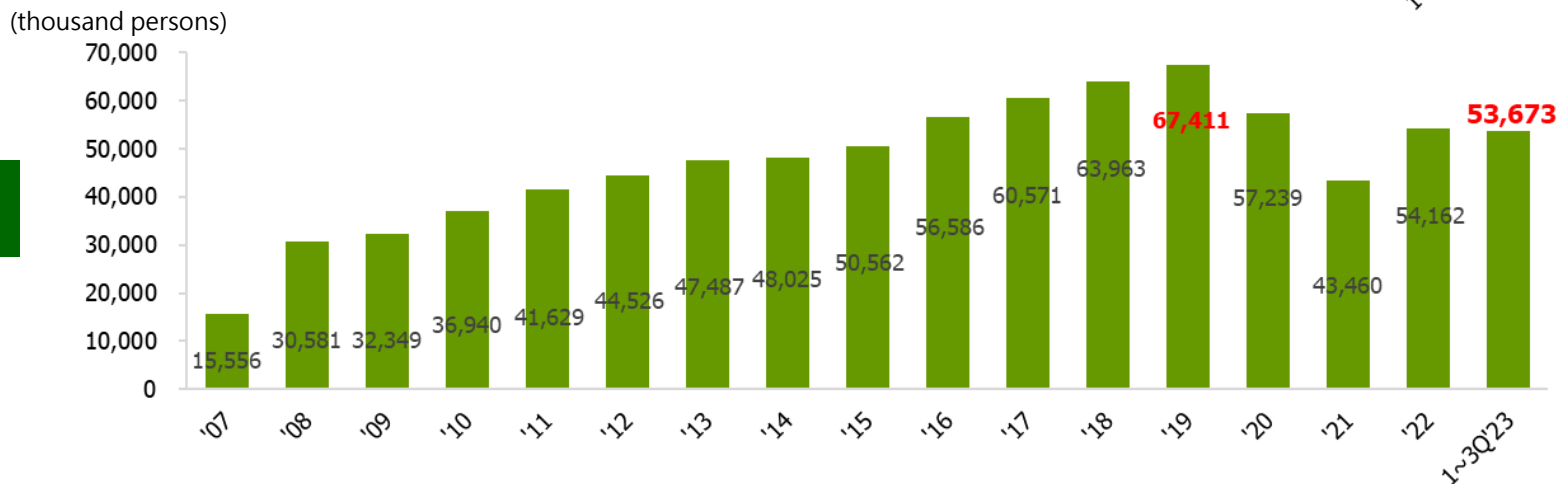
Transportation Capacity

Train Services

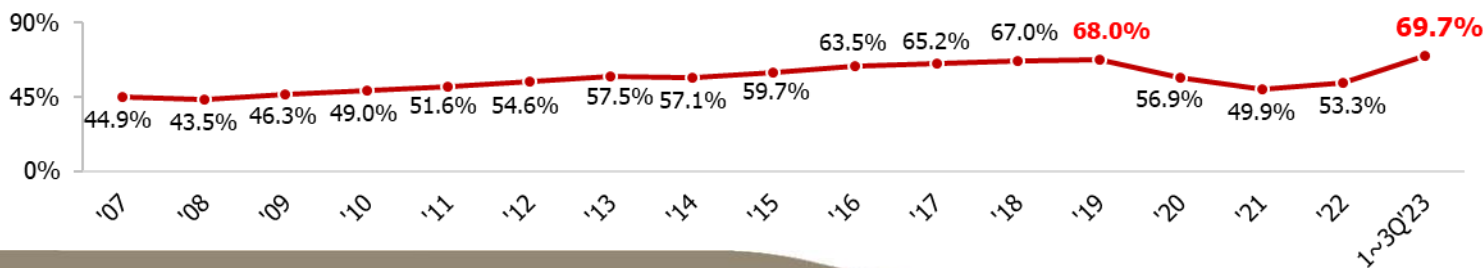


Ridership

persons



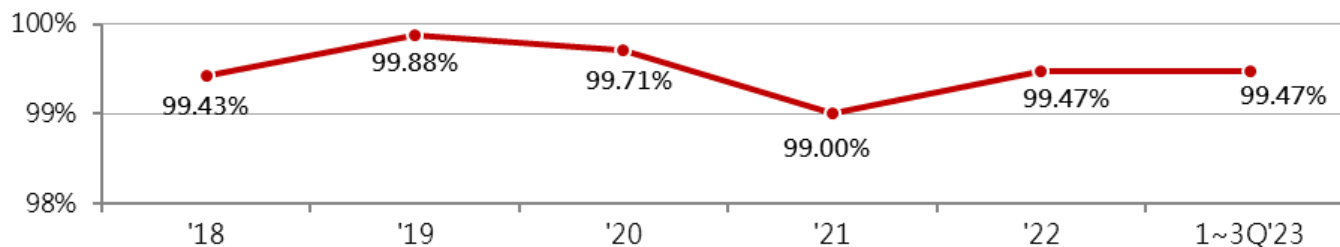
Loading Factor



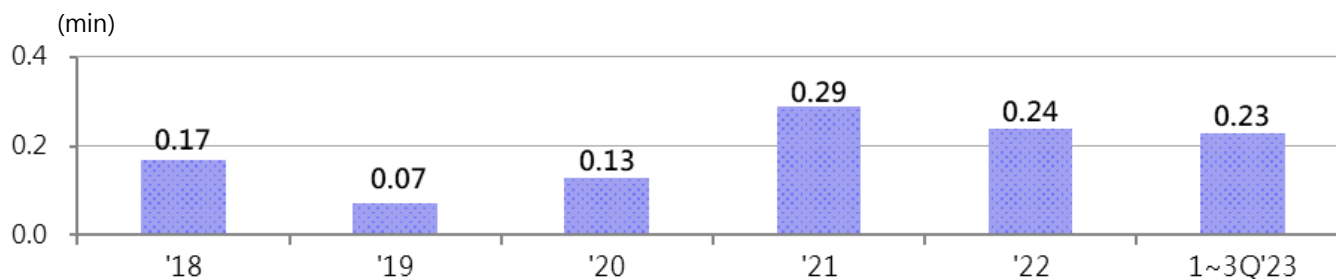
5-Year Operation Performance



**Punctuality
(Delay < 5min)**



Avg. Delay Time



**Accidents
resulting in
Liabilities**

'18	'19	'20	'21	'22	1~3Q'23
0	0	0	0	0	0

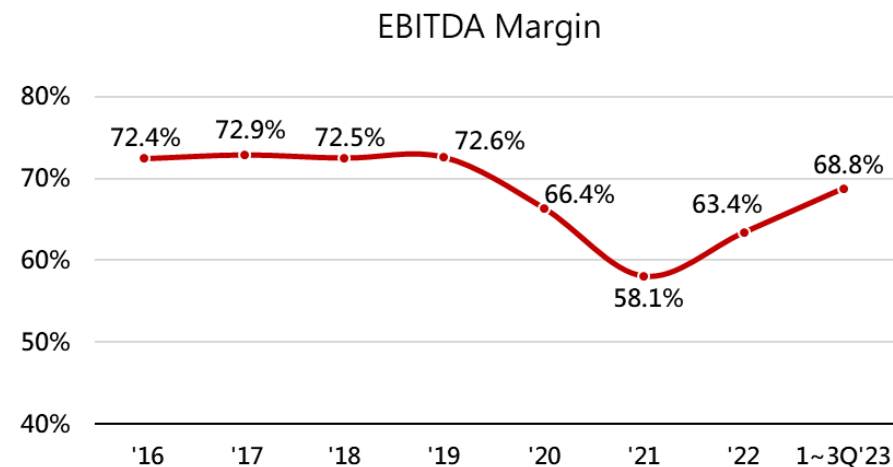
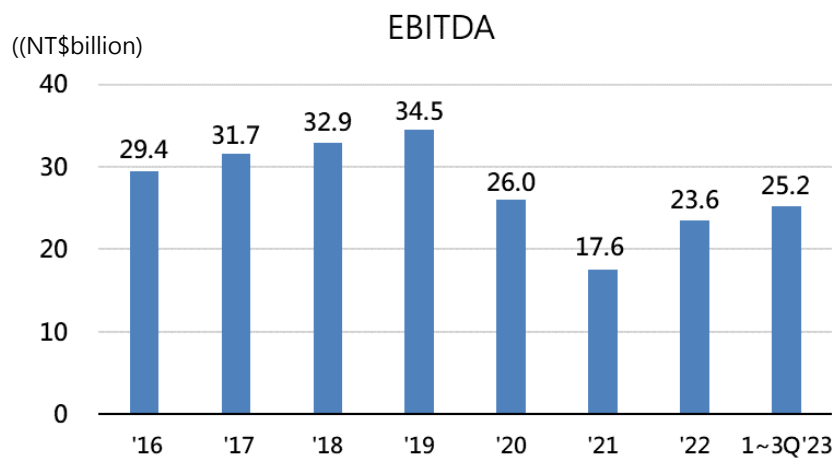


3 · FINANCIAL RESULTS

Earnings Performance



(NT\$ Million)	3Q'23	2Q'23	QoQ	1~3Q'23	1~3Q'22	YoY
Revenue	12,189	12,309	-1%	36,647	25,436	44%
Gross Profit	5,219	5,405	-3%	16,204	6,183	162%
Operating Income	4,811	5,020	-4%	15,036	5,260	186%
Net Income	1,244	1,627	-24%	4,998	2,144	133%
EPS (\$)	0.22	0.29	-24%	0.89	0.38	133%



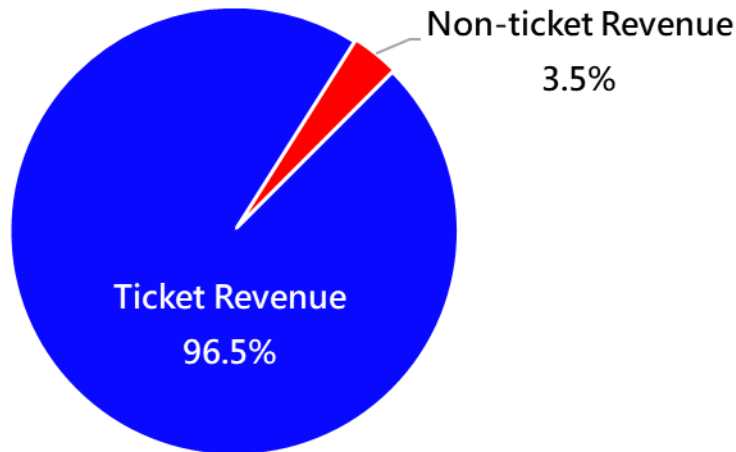
Pre-pandemic : EBITDA CAGR ('16~'19) : **+ 5.5%**
 EBITDA Margin ('16~'19) : **72%~73%**

Revenue Structure

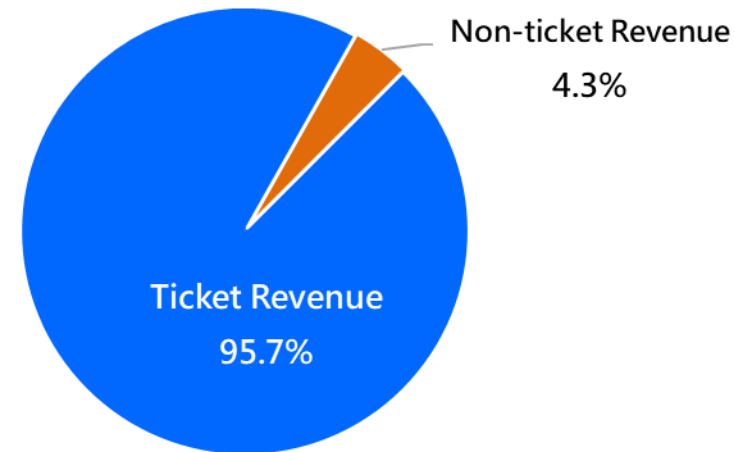


(NT\$ Million)	3Q'23	2Q'23	QoQ	1~3Q'23	1~3Q'22	YoY
Ticket Revenue	11,748	11,887	-1.2%	35,360	24,335	45.3%
Non-ticket Revenue	442	422	4.7%	1,287	1,101	16.9%
Total	12,189	12,309	-1.0%	36,647	25,436	44.1%

1~3Q'23 Revenue Structure



1~3Q'22 Revenue Structure



Note: Non-ticket revenues mainly include: rental income, advertising sales, and trolley sales.

Cash Flows



NT\$ Million	2023.1.1~9.30	2022.1.1~9.30
Cash flows from operating activities <small>[note1]</small>	20,168	3,594
Cash flows from investing activities <small>[note2]</small>	(9,256)	13,768
Cash flows from financing activities <small>[note3]</small>	(13,884)	(22,341)
Cash and cash equivalent at the end of the period	13,593	16,673

Note 1: An annual profit sharing of \$8.0 bn paid in 2022. (vs 2023: \$0.4 bn)

Note 2: (1).The main variance (yoy) is the total net cash inflow of money market funds (MMF) and >3-mth fixed deposits/RP totaling \$17.5 bn in 1~3Q, 2022 (vs 1~3Q, 2023: \$(4.2) bn).

(2).Capital expenditure totaling \$3.7 bn in 1~3Q, 2022 (vs 1~3Q, 2023: \$3.5 bn).

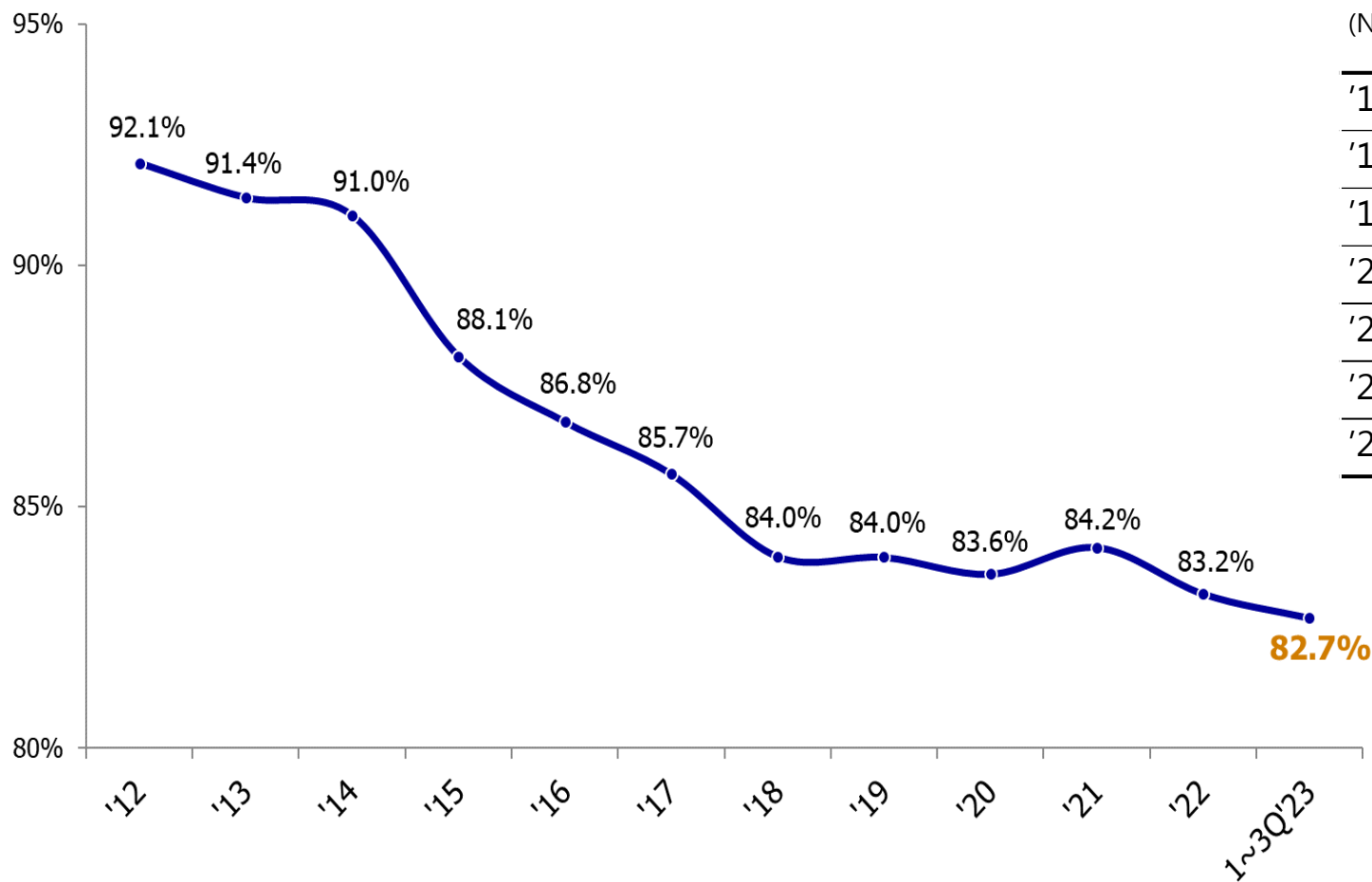
Note 3: The main variance (yoy) is (1).Issuing \$7 bn of commercial paper, and (2).Early retirement of syndicated loans totaling \$(25) bn in 1~3Q, 2022 (vs early retirement of syndicated loans totaling \$(10) bn in 1~3Q, 2023).

Financial Risk Management



Total Early Retirement of Syndicated Loan, from 2016 to 2023

Debt/Asset Ratio

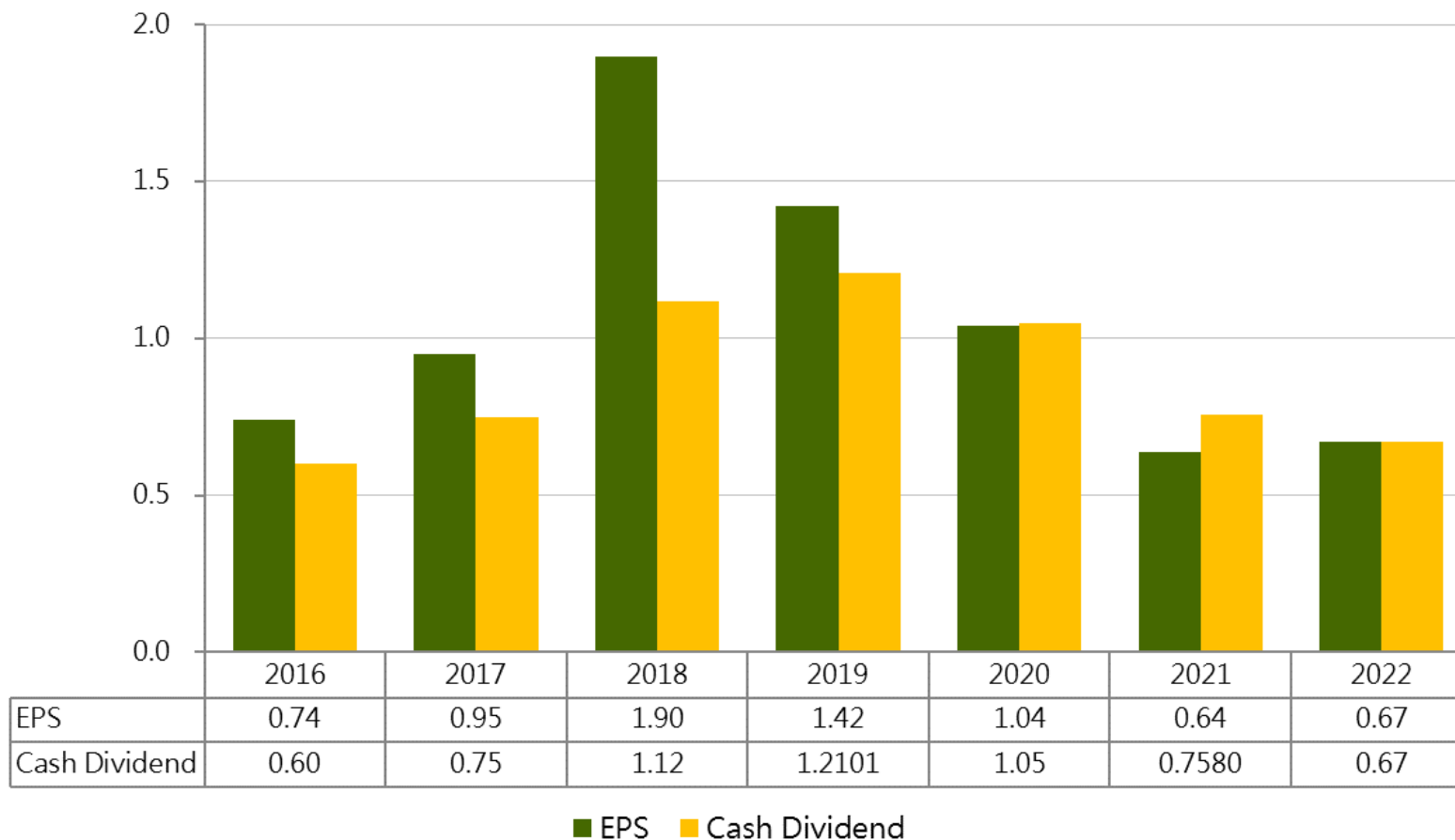


(NT\$billion)	Amount
'16	21.0
'17	41.2
'18	10.0
'20	18.5
'21	15.0
'22	25.0
'23	10.0
Total	140.7

EPS & Cash Dividend

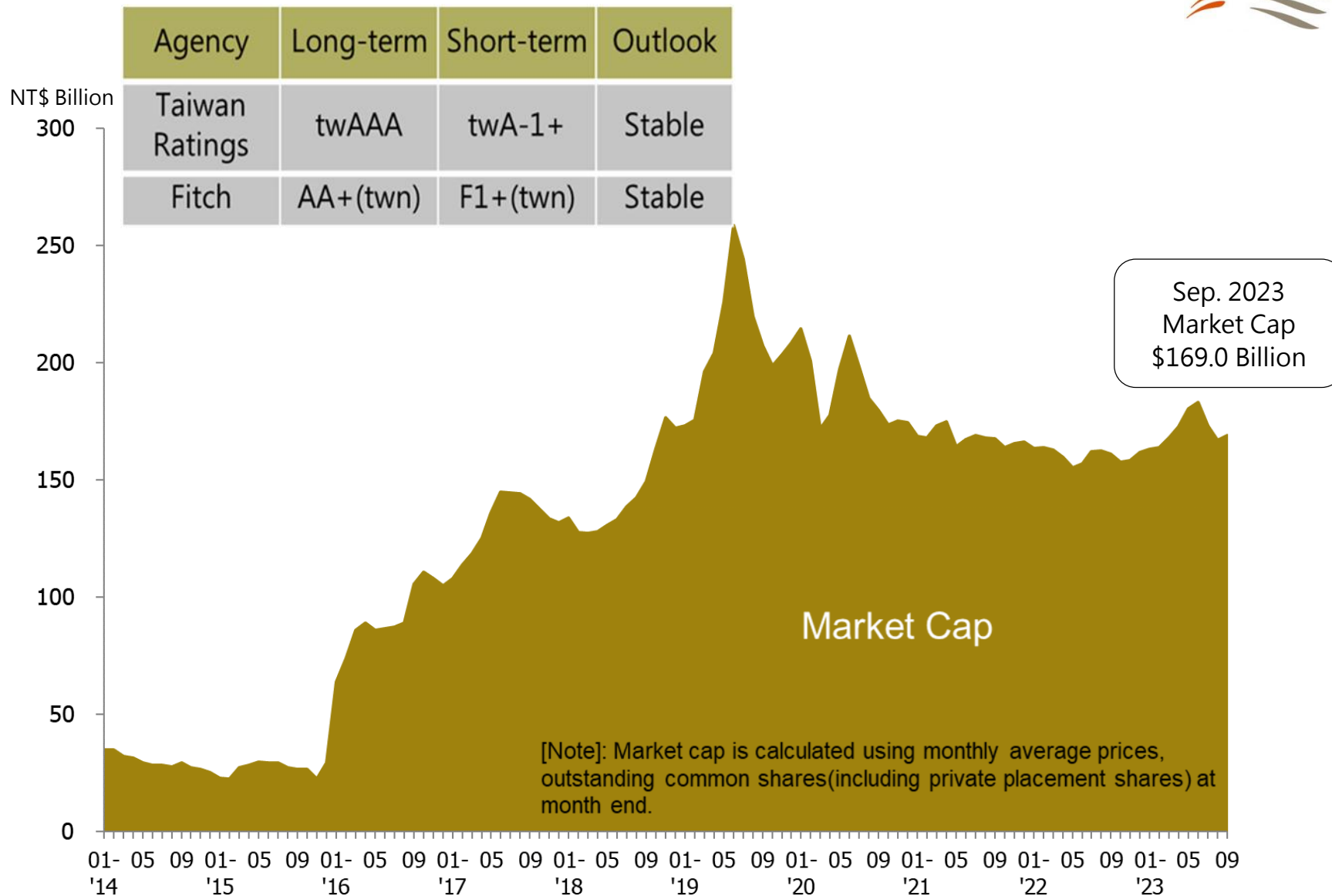


Unit : NT\$



Note: The calculation of earnings per share is based on the weighted average number of ordinary shares of 5.628 billion shares.

Corporate Credit Ratings & Market Cap





4 · ESG SUSTAINABLE MANAGEMENT



- Construction of green building public spaces.
- Promote renewable energy stations.
- High-speed rail with low carbon, low pollution, and high energy efficiency.
- Strengthen the ability to respond to climate change.
- Properly manage the quality of the environment surrounding the track facilities to mitigate the impact on the environment during the operation.



- Help the development of the rail industry in Taiwan through cooperation with the local industry.
- Integrate the core business and invest in social care to promote the overall economic development.
- Establish a sustainable supply chain management mechanism.
- Attach importance to the safety and health of employees' working environment and career development.



- Abide by laws and regulations to create maximum value for stakeholders.
- Continue to promote the operation of the Corporate Governance Promotion Committee.
- Establish Information Security Management Committee, to implement information security measure in accordance with the requirements of the Cyber Security Responsibility Level A in Taiwan.
- Apply technology to provide fast and convenient transport services under the principle of safety first.



Received the Taiwan Corporate Sustainability Awards for 6 consecutive years.



Received top 5% ranking in the Corporate Governance Evaluation for 6 consecutive years.

Selected as a constituent of the FTSE4Good TIP Taiwan ESG Index for 5 consecutive years.



Selected as one of the Top 100 Global Sustainable Companies by Corporate Knights 2023 for the first time



To learn more about THSRC,
please visit
<http://www.thsrc.com.tw>

