

Ticker Symbol: 2633



# Taiwan High Speed Rail Corporation

## 1H, 2021 Operation Report

08/16/2021



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# AGENDA

I. BUSINESS OVERVIEW

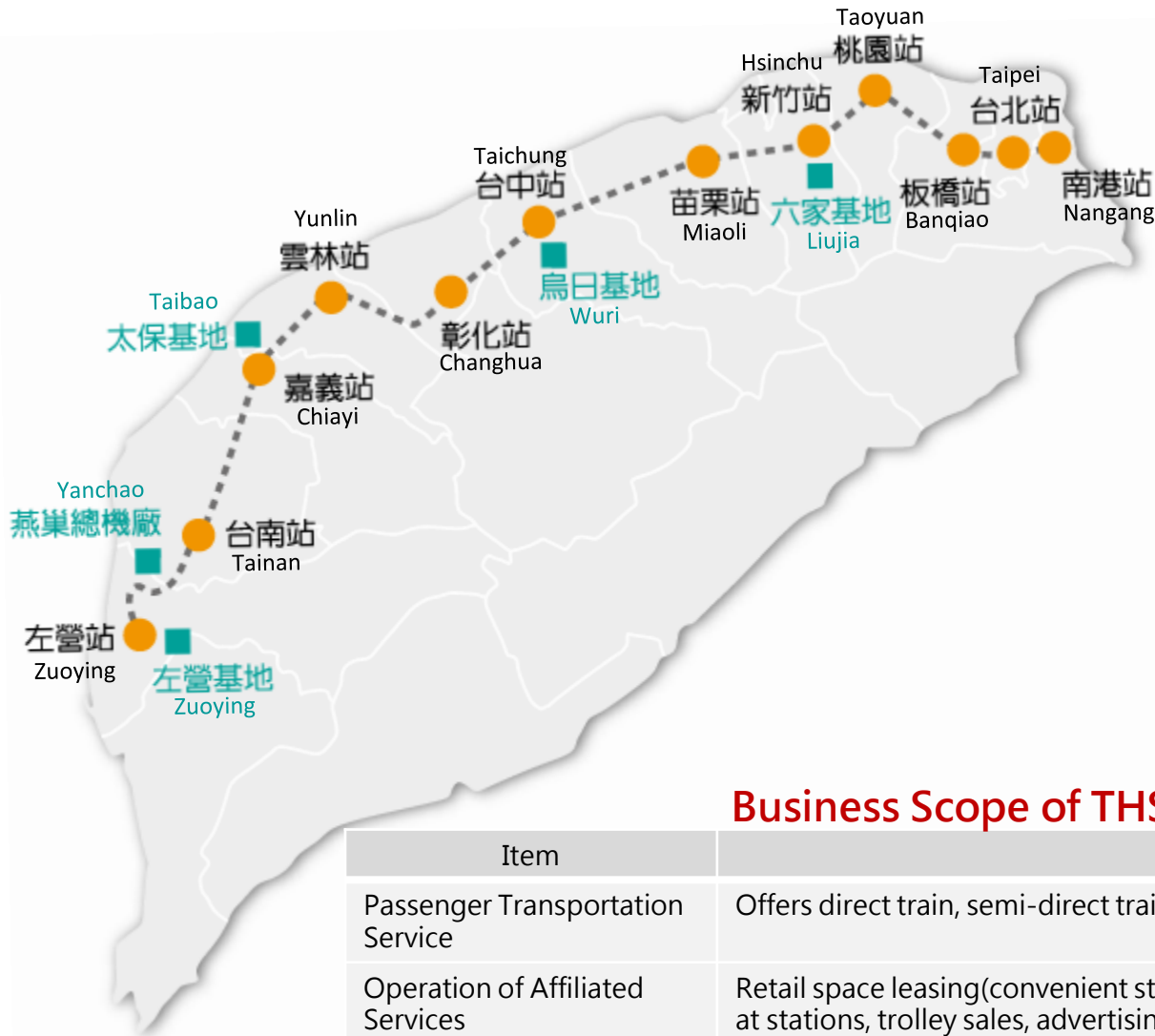
II. FINANCIAL OVERVIEW

III. MARKET OUTLOOK & CSR PERFORMANCE

# I. BUSINESS OVERVIEW

1. High-Speed Rail Network
2. Operational Performance

# 1. High-Speed Rail Network



Operation Area	<b>11 Cities</b>
Population	<b>90 %</b>
Route Length (km)	<b>350</b>
Stations	<b>12</b>
Maintenance Bases	<b>5</b>
Train Model	<b>700T</b>
Total Train Sets	<b>34</b>
Maximum Speed	<b>300 km/h</b>

## Business Scope of THSRC

Item	Content
Passenger Transportation Service	Offers direct train, semi-direct train, and stopping train transport.
Operation of Affiliated Services	Retail space leasing(convenient stores, food and beverage, etc.), retail, parking lots at stations, trolley sales, advertising sales(lightboxes, wall space, column space, product displays, train decorations, etc.).

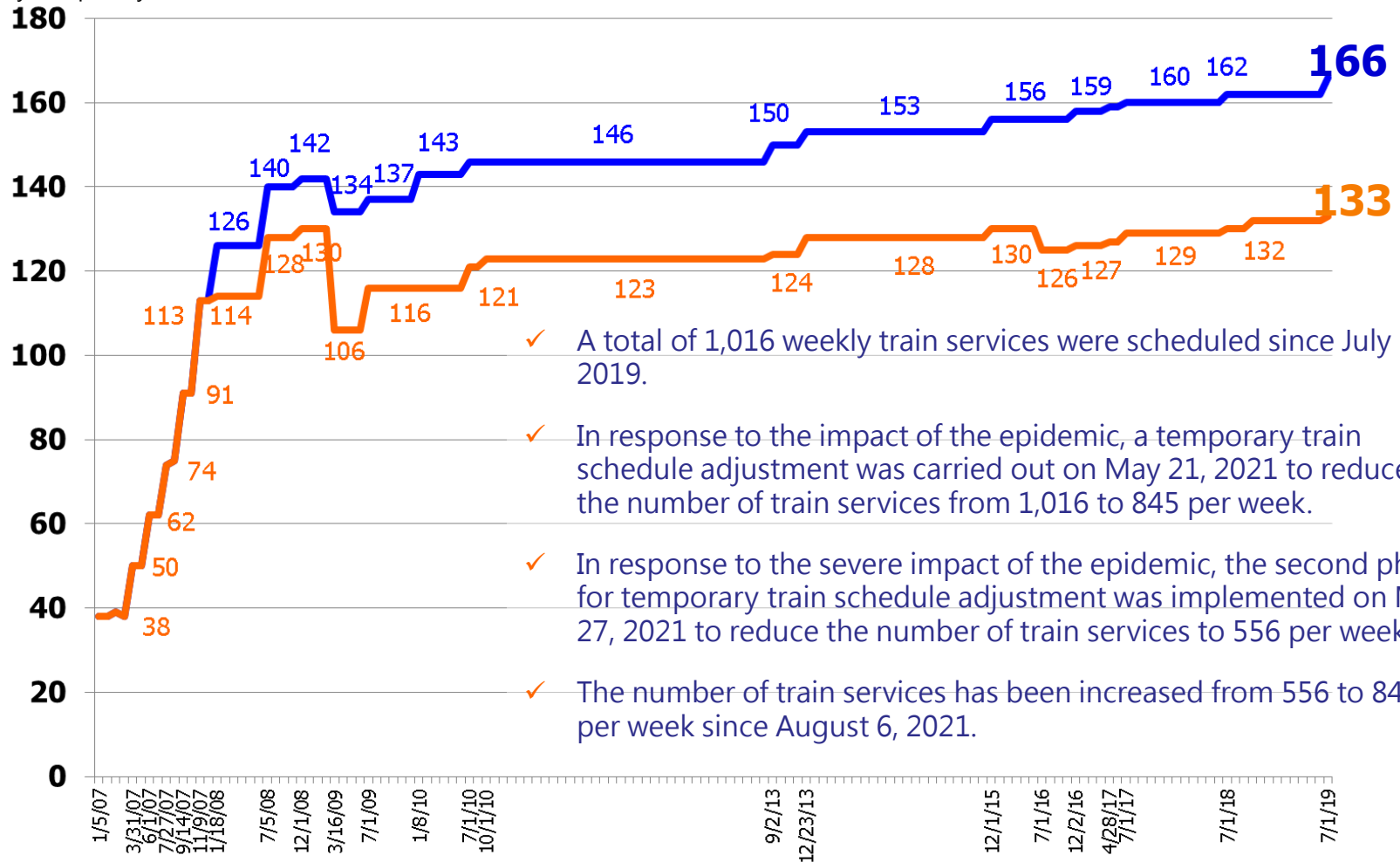
# 2. Operational Performance



## 1. Train Frequency

(Daily Frequency)

- Daily Two-way Service (WEEKEND)
- Daily Two-way Service (WEEKDAY)

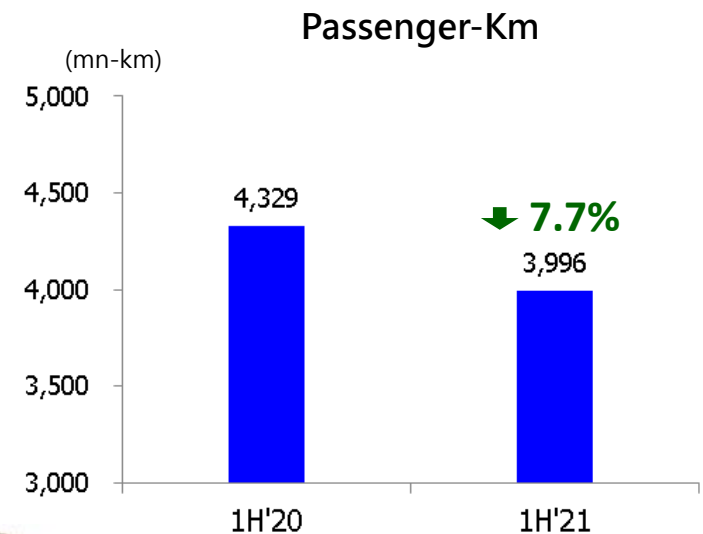
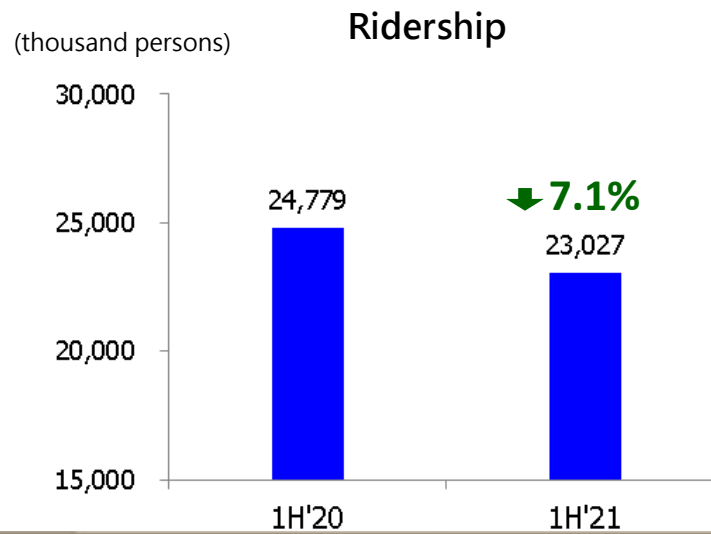
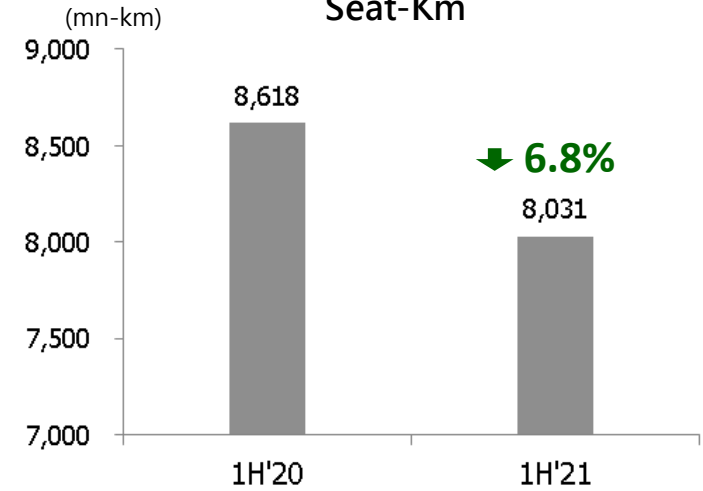
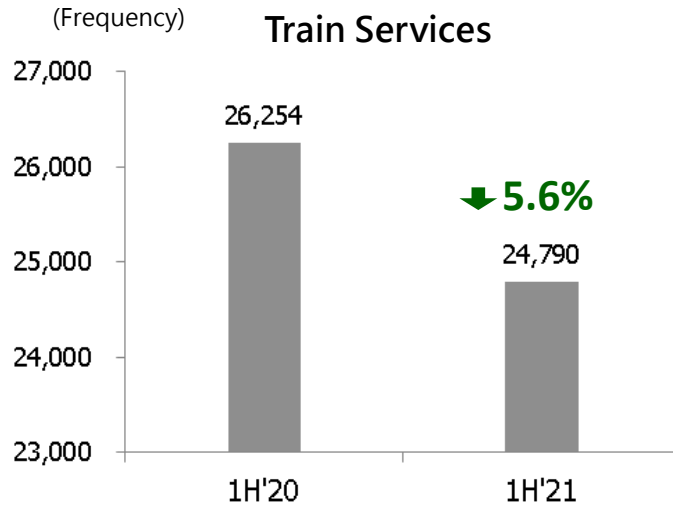


- ✓ A total of 1,016 weekly train services were scheduled since July 2019.
- ✓ In response to the impact of the epidemic, a temporary train schedule adjustment was carried out on May 21, 2021 to reduce the number of train services from 1,016 to 845 per week.
- ✓ In response to the severe impact of the epidemic, the second phase for temporary train schedule adjustment was implemented on May 27, 2021 to reduce the number of train services to 556 per week.
- ✓ The number of train services has been increased from 556 to 845 per week since August 6, 2021.

## 2. Trend of Transportation Capacity & Volume



Transportation Capacity

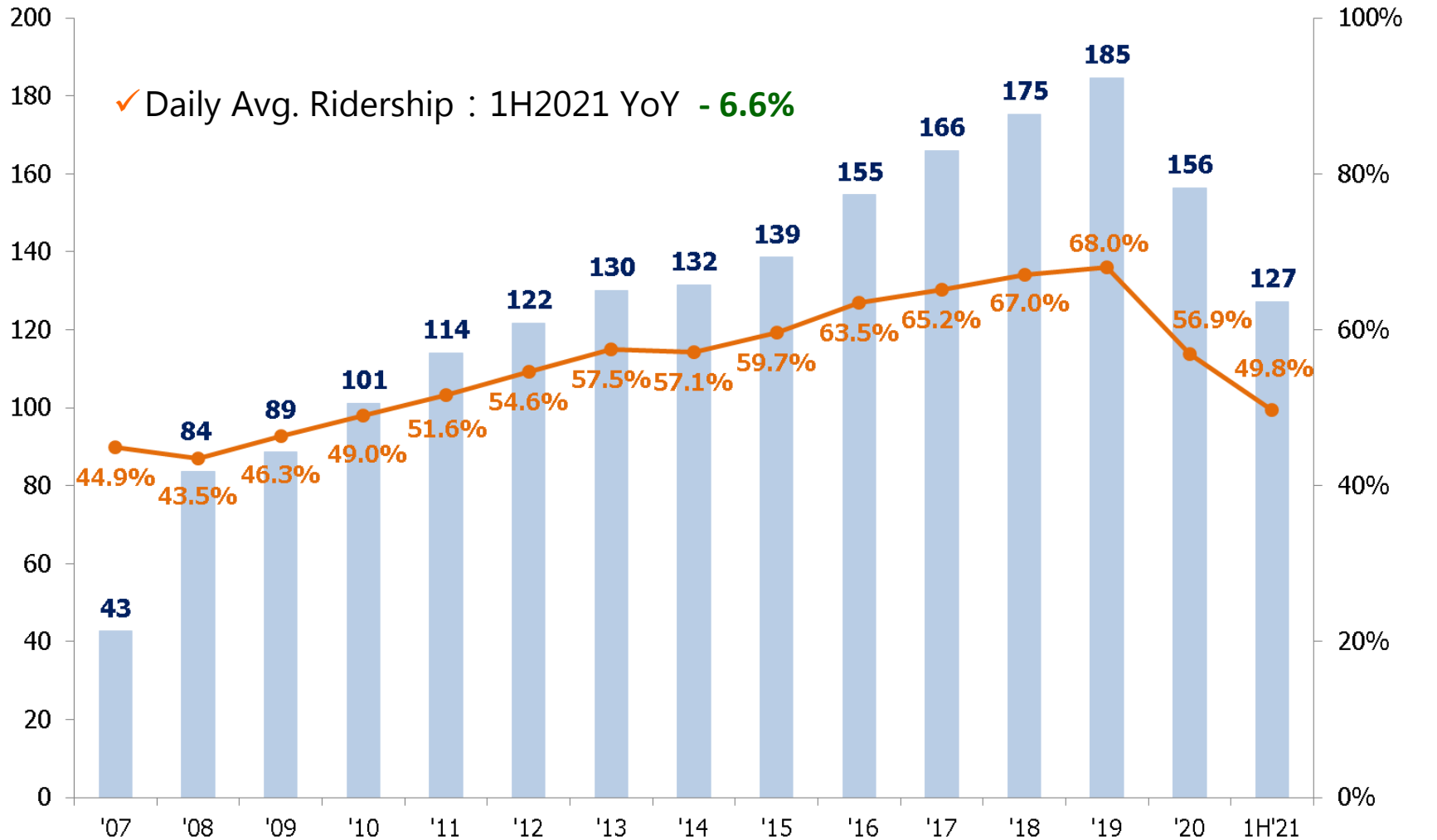


Transportation Volume

### 3. Ridership & Loading Factor



(thousand persons/day)





## 5. Operational Performance



	2021.01.01 ~ 2021.6.30	2007.01.05 ~ 2021.6.30
Train Services	24,790	696,526
Cumulative Passengers (million passengers)	23.0	676.5
Passenger Kilometers (million-km)	3,996	128,292
Loading Factor	49.75 %	56.58 %
Reliability	100 %	99.69 %
Punctuality (delay < 5 min)	99.88 %	99.52 %
Avg. Delay Time (min)	0.08	0.19
Accidents resulting in Liabilities	0	0



## II. FINANCIAL OVERVIEW

1. Financial Performance
2. Financial Risk Management
3. Corporate Credit Rating & Market Cap

# 1. Financial Performance

## 1. Income Statement

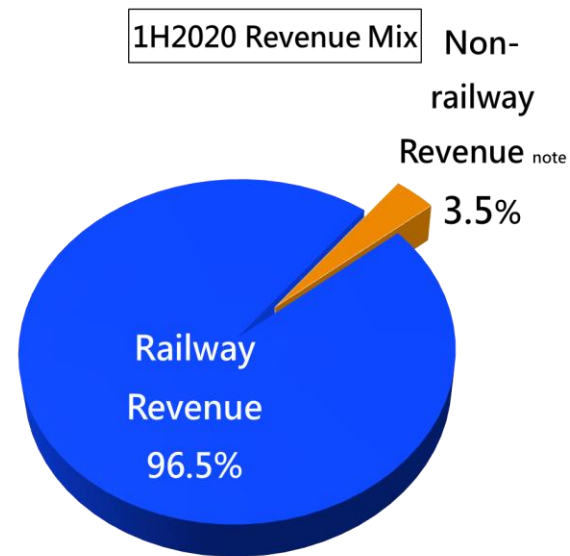
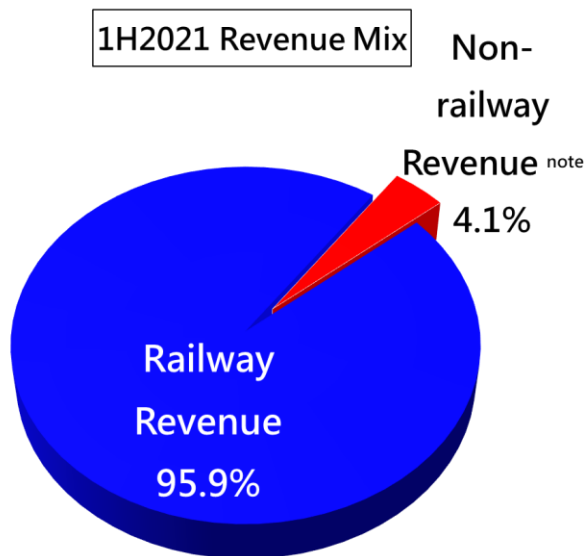
(NT\$m)	1H2021		1H2020		Variance Amount	Var. %
Operating revenue	15,969	100%	17,206	100%	(1,237)	-7.2%
Operating costs	(12,869)	-80%	(12,647)	-74%	(222)	1.8%
Gross Profit	3,100	20%	4,558	26%	(1,458)	-32.0%
Operating expenses	(615)	-4%	(555)	-3%	(60)	10.8%
Net Operating Income	2,485	16%	4,004	23%	(1,519)	-37.9%
Non-operating income and expenses						
Interest expenses	(2,843)	-18%	(3,042)	-18%	199	-6.5%
Stabilization reserve	2,423	15%	271	2%	2,152	794.1%
Others	97	1%	141	1%	(44)	-31.2%
Net Income before tax	2,162	14%	1,373	8%	789	57.5%
Income tax	(295)	-2%	194	1%	(489)	-252.1%
<b>Net Income</b>	<b>1,867</b>	12%	<b>1,567</b>	9%	300	19.1%
<b>EPS</b>	<b>0.33</b>		<b>0.28</b>			



## 2. Net Profits & Operating Revenues

### 1) Revenue Structures

(NT\$bn)	1H2021	1H2020	YoY%
Railway Revenue	15.31	16.61	-7.8%
Non-railway Revenue	0.65	0.59	10.1%
Total	15.97	17.21	-7.2%

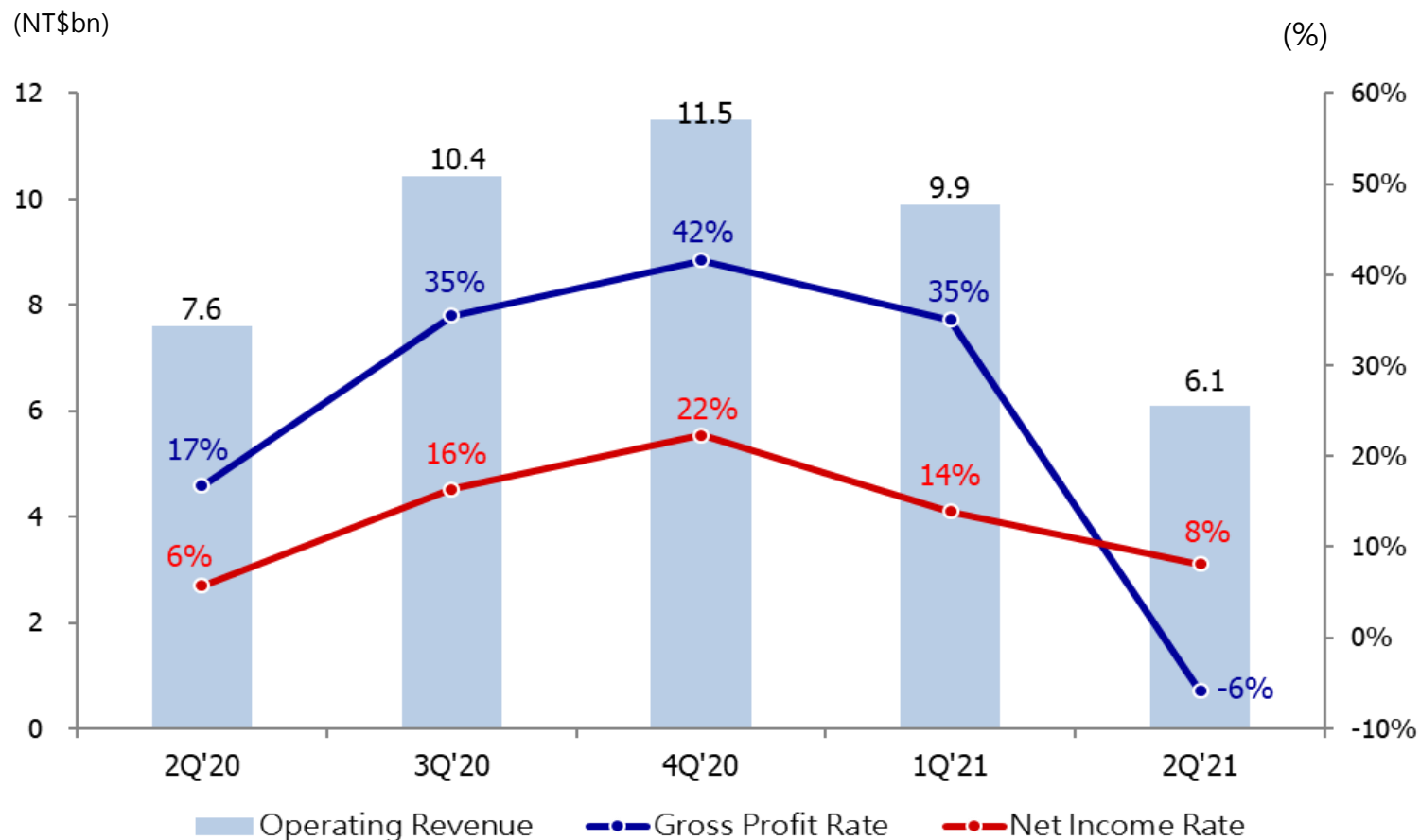


Note: Non-railway revenues mainly include rental incomes, advertising revenues, and onboard sales



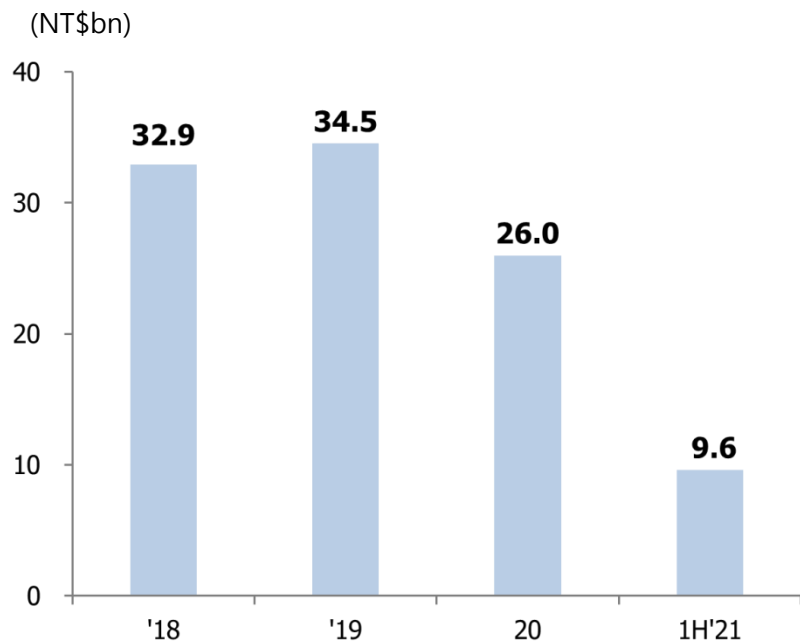
## 2. Net Profits & Operating Revenues

### 2) Operating Revenue, Gross Profit & Net Income



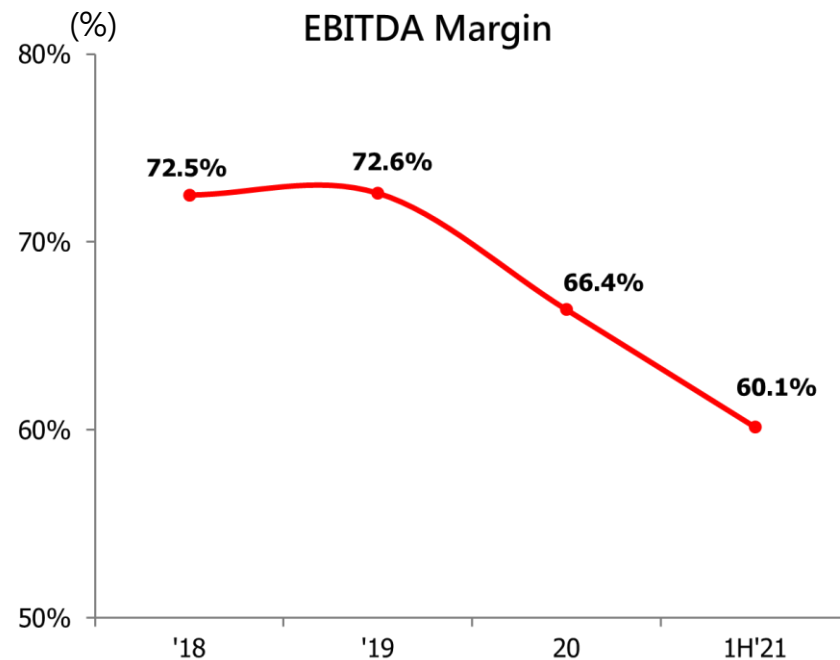


### 3. EBITDA & EBITDA Margin



#### ✓ EBITDA

- 1H2021 : YoY - **13.3%**



#### ✓ EBITDA Margin

- Due to impact of the pandemic in 1H'21 · EBITDA Margin reduced to 60.1%



## 4. Balance Sheets

(NT\$m)	2021.6.30	2020.12.31	2020.6.30
Current assets	42,589	38,621	39,507
Operating concession asset	372,403	378,291	383,797
Other non-current assets	10,368	10,654	10,213
<b>Total assets</b>	<b>425,360</b>	<b>427,567</b>	<b>433,518</b>
Current liabilities	18,950	7,067	28,188
Non-current liabilities	340,366	350,413	339,496
<b>Total liabilities</b>	<b>359,316</b>	<b>357,480</b>	<b>367,684</b>
Common stock	56,283	56,283	56,283
Capital surplus	173	173	173
Legal reserve & unappropriated earnings	9,588	13,631	9,378
<b>Total equity</b>	<b>66,044</b>	<b>70,087</b>	<b>65,834</b>
<b>Total liabilities &amp; equity</b>	<b>425,360</b>	<b>427,567</b>	<b>433,518</b>

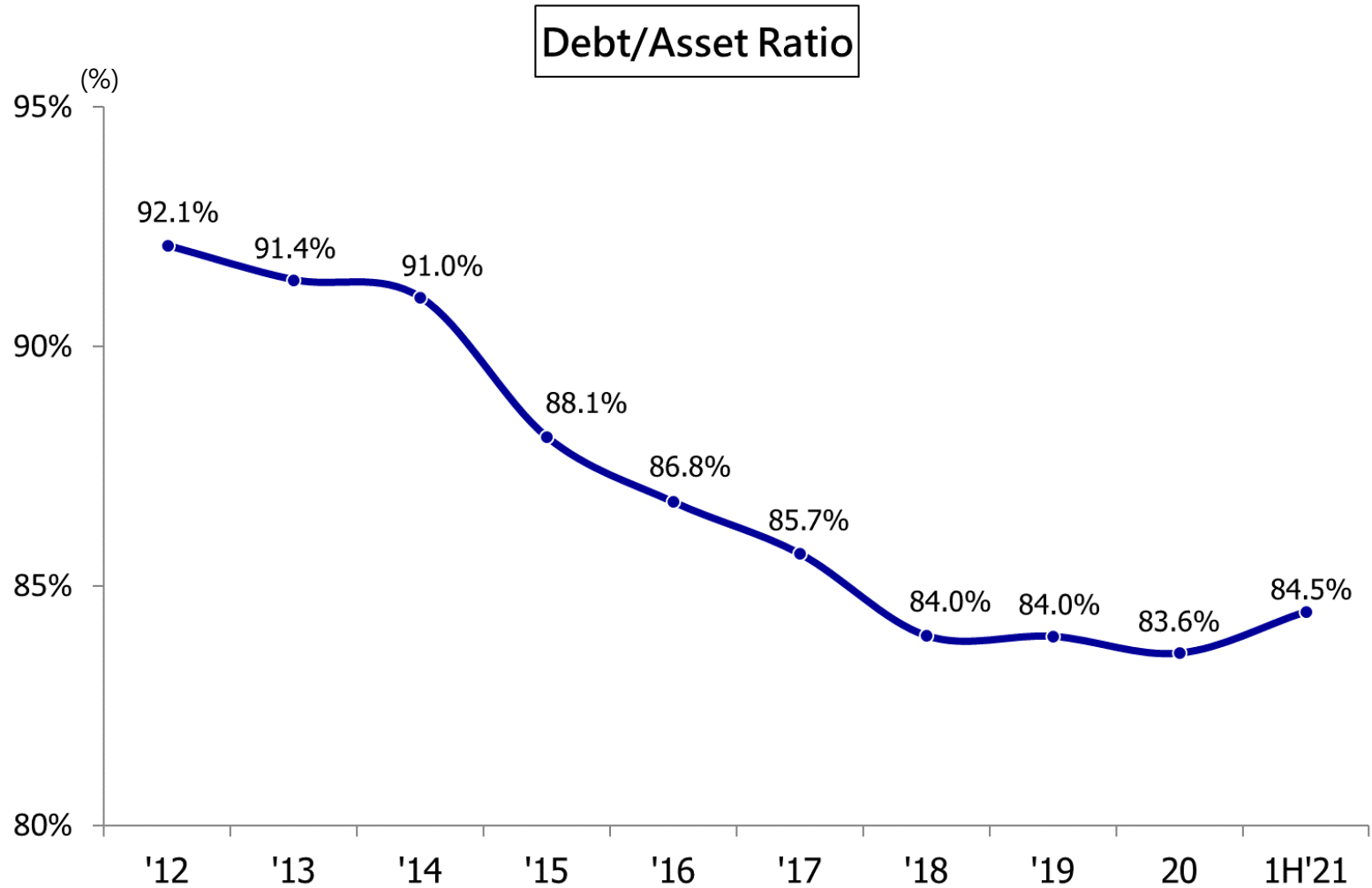


## 5. Statement of Cash Flows

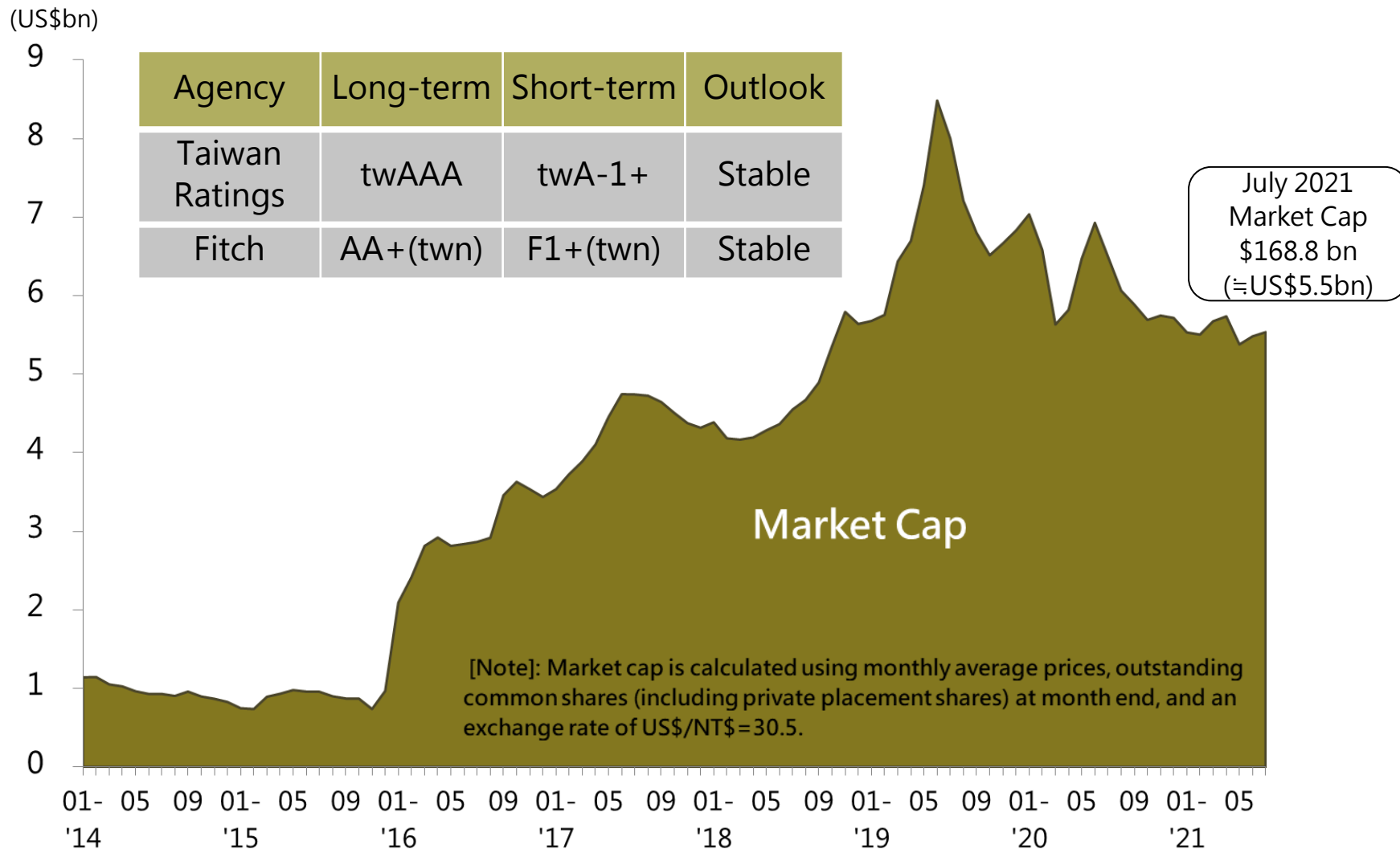
(NT\$mn)	2021.6.30	2020.12.31	2020.6.30
Cash & cash equivalents at the beginning of the period	652	16,272	16,272
Cash flows from operating activities	7,972	(1,532)	3,715
Cash flows from investing activities	13,604	821	538
Cash flows from financing activities	45	(14,909)	(7,998)
Net increase in cash & cash equivalents	21,597	(15,620)	(11,336)
Cash & cash equivalents at the end of the period	<b>22,249</b>	<b>652</b>	<b>4,936</b>



# 2、Financial Risk Management



# 3. Corporate Credit Ratings & Market Cap

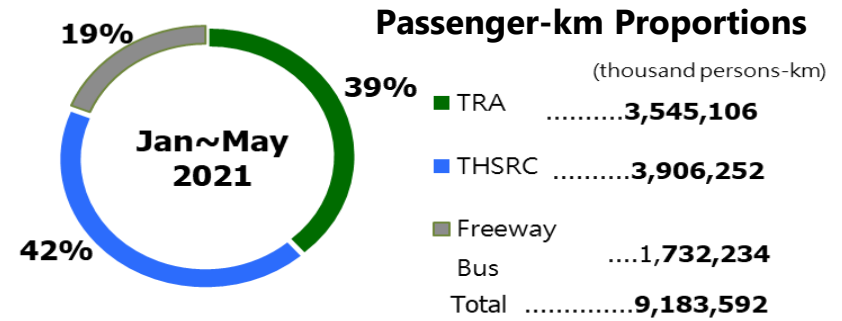
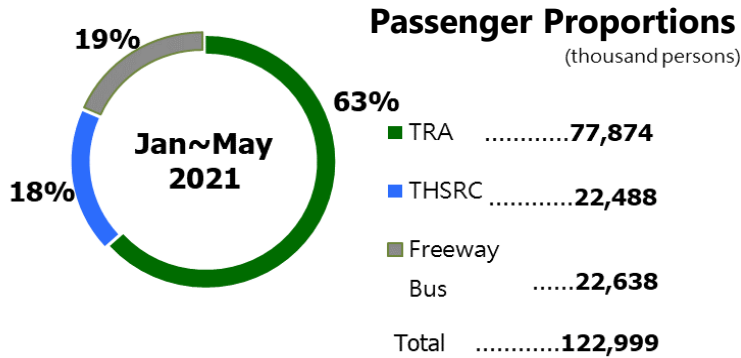




# III 、 MARKET OUTLOOK & CSR PERFORMANCE

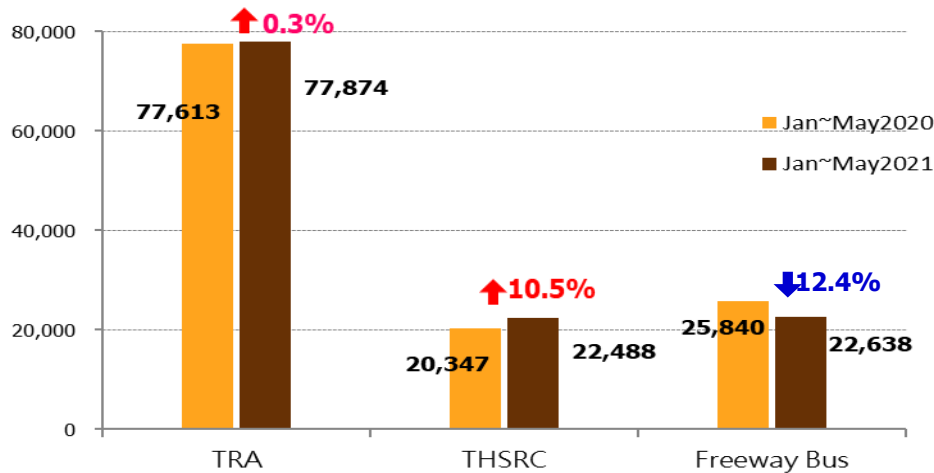
1. Inter-City Public Transport Market
2. CSR Performance

# 1. Inter-City Public Transport Market



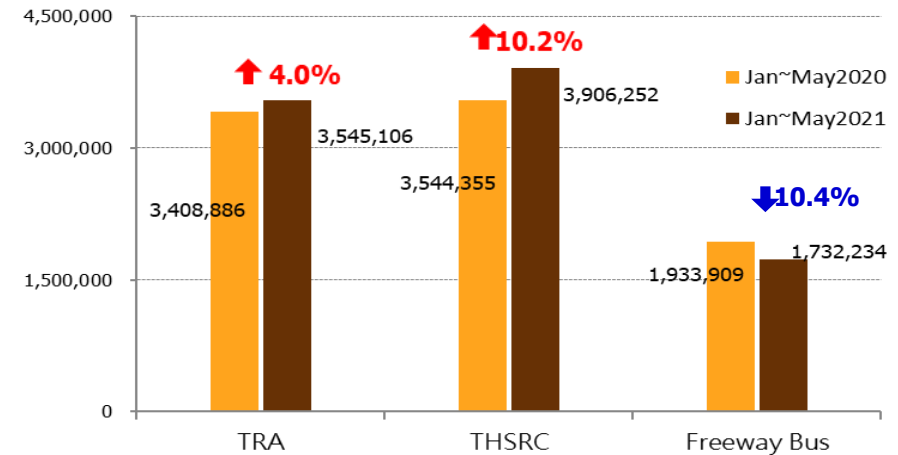
(thousand persons)

### Jan~May 2021 Trend of Passenger Status

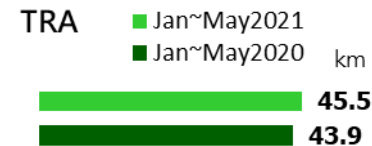
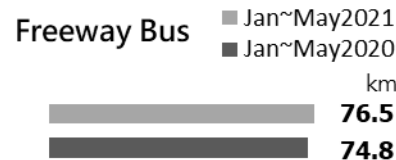
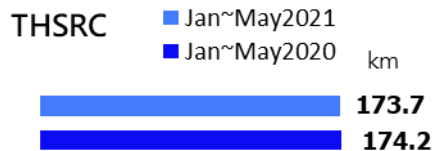


(thousand persons-km)

### Jan~May 2021 Trend of Passenger-km Status



**Avg,  
Passenger  
Distance**



Source : MOTC

## 2、CSR Performance



### ESG ( Environmental、Social、Governance ) Promote and Awards

- ✓ 2021.07 Continued to be selected as a constituent of the "FTSE4Good Index Series."
- ✓ 2021.04 Ranked top 5% in Corporate Governance Evaluation for the fourth consecutive years.
- ✓ 2021.03 For the past 12 years, the "High-Speed Educational Endowment Program" has been in collaboration with the Down Syndrome Foundation to raise an amount of more than NTD 148 million and is estimated to have helped more than 27,000 disadvantaged schoolchildren achieve their dreams of learning.
- ✓ 2021.01 The THSRC e-procurement, a paperless procurement process, was introduced to implement environmental protection and to promote sustainable supply chain development.
- ✓ 2020.12 The first domestic railway company to obtain Environmental Management System (EMS) certification from the British Standards Institute (BSI).
- ✓ 2020.07 Awarded excellent certification under the Corporate Governance Evaluations, hosted by the Taiwan Corporate Governance Association.
- ✓ 2020.07 Continued to be selected as a constituent of the "TWSE CG 100 Index."
- ✓ 2020.06 Continued to be selected as a constituent of the "FTSE4GOOD TIP Taiwan ESG Index."
- ✓ 2014.11 Awarded with the carbon footprint certificate for high-speed rail service, THSR was the first domestic transportation mode to obtain the carbon label.

# Conclusion



**Vision: To be the platform for advancement and enjoyment.**

Integrate technology into services for new 4T smart and convenient life.

THSRC strives to be one of the top ten brands in Taiwan.



**運輸**  
*ransportation*

To build professional transportation systems that provide high quality services and products.



**科技**  
*echnology*

To implement intelligent transportation that improves operational efficiency and quality, and enhances services, safety, and emergency responses.



**在地**  
*aiwan*

To combine unique local cultures and landscapes to create a multicultural platform.



**關懷**  
*ouch*

To establish brand culture, enhance talent skills and corporate efficiency, and participate in social caring and environmental protection.



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

