

Ticker Symbol: 2633



Taiwan High Speed Rail Corporation 1~4Q, 2023 Operation Report

2024.3.25



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AGENDA

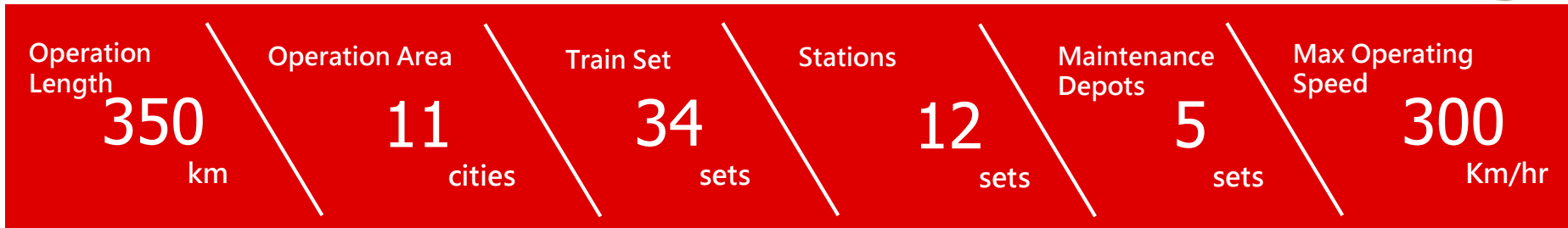
I. OPERATIONAL OVERVIEW

II. FINANCIAL RESULTS

III. OPERATIONAL OUTLOOK

I. OPERATIONAL OVERVIEW

Company Profile



Weekly Schedule	Daily Two-way Service (WEEKEND)	Daily Two-way Service (WEEKDAY)
1,060	171	138



Passenger Transportation Services

- Offers direct train, semi-direct train, and stopping train transport.



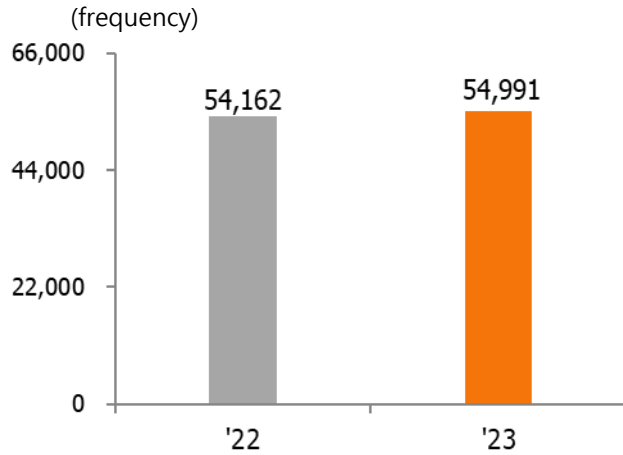
Operation of Affiliated Business

- Space Leasing:(Convenience store, dining, service counter, etc.)
- Advertising Sales:(Lightboxes, wall space, column space, product displays, train decorations, etc.)
- Retail Business
- Trolley Sales
- Parking Lots at Stations

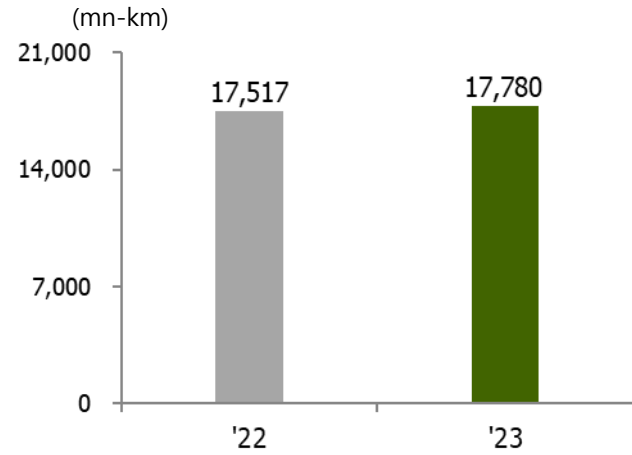
Transportation Capacity



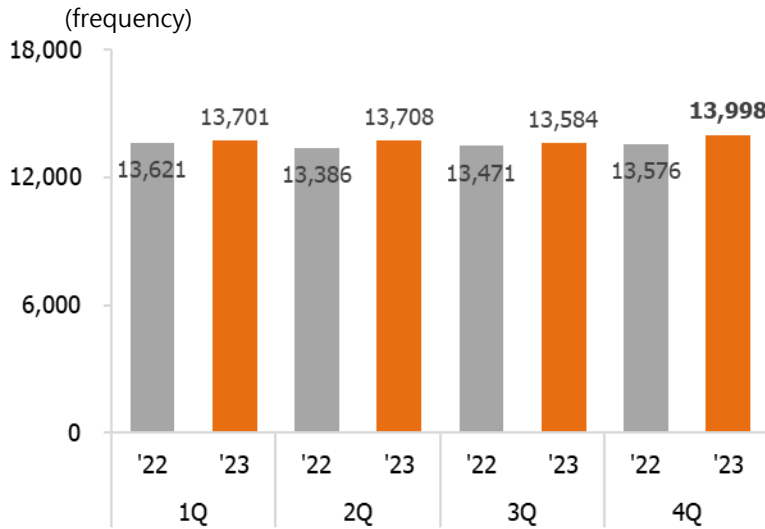
Train Services



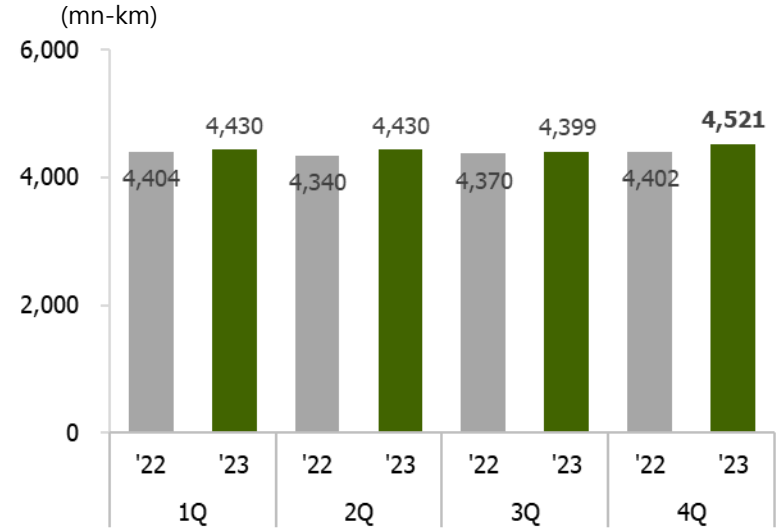
Seat-Km



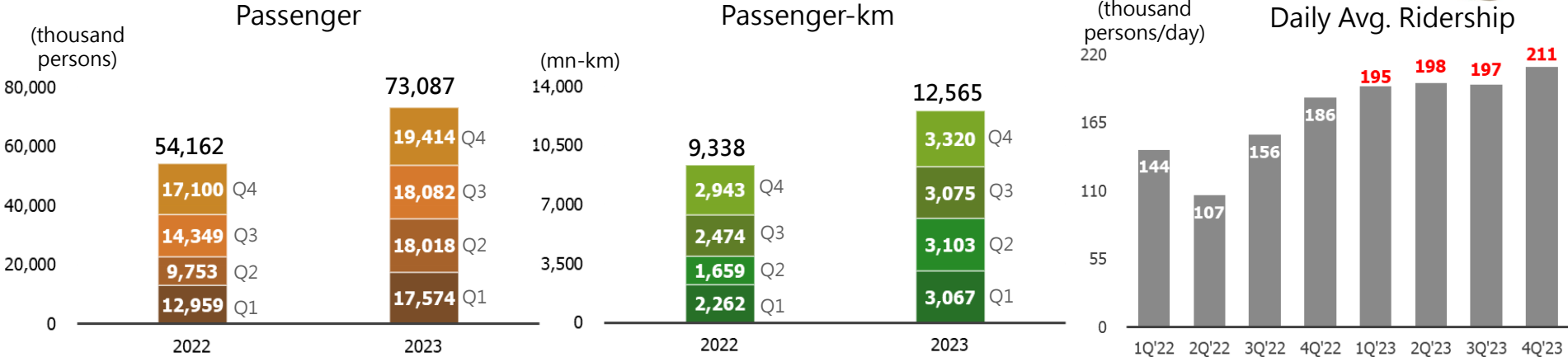
Trend of Train Services Status



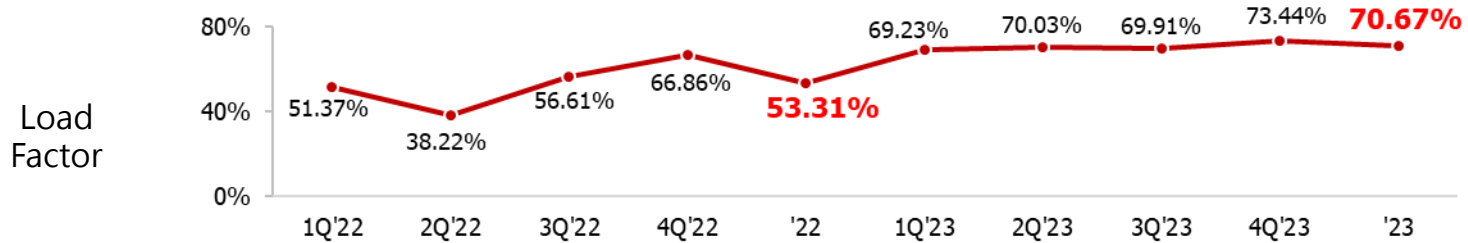
Trend of Seat-km Status



Transportation Volume



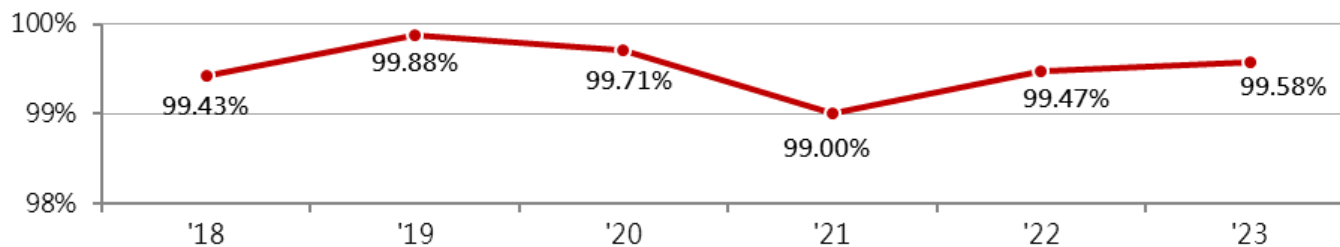
	4Q'23	3Q'23	QoQ	'23	'22	YoY
Passenger (thousand persons)	19,414	18,082	7.4%	73,087	54,162	34.9%
Passenger-km (mn-km)	3,320	3,075	8.0%	12,565	9,338	34.6%
Daily Avg. Ridership (thousand persons/day)	211	197	7.4%	200	148	34.9%



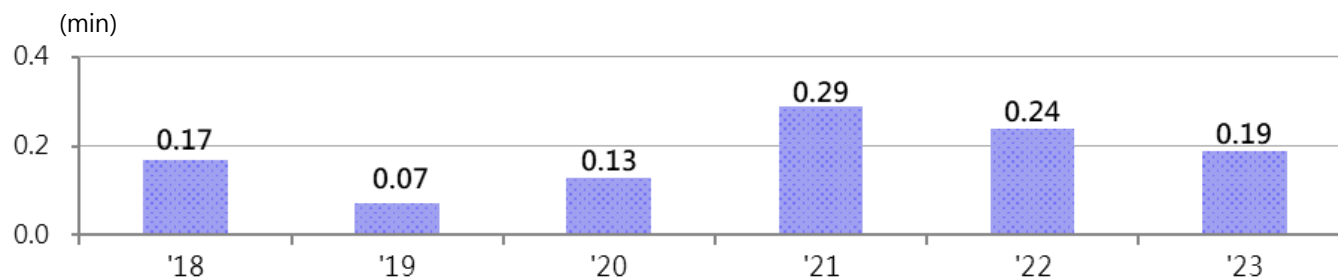
5-Year Operation Performance



**Punctuality
(Delay < 5min)**



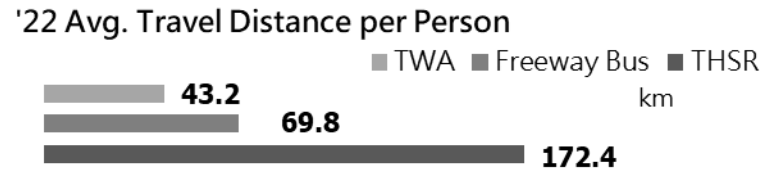
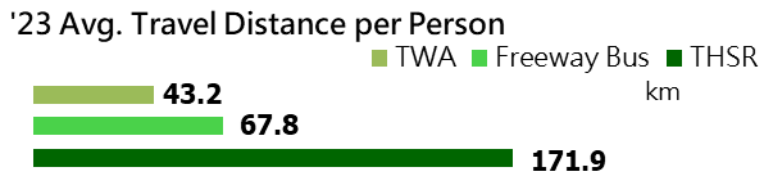
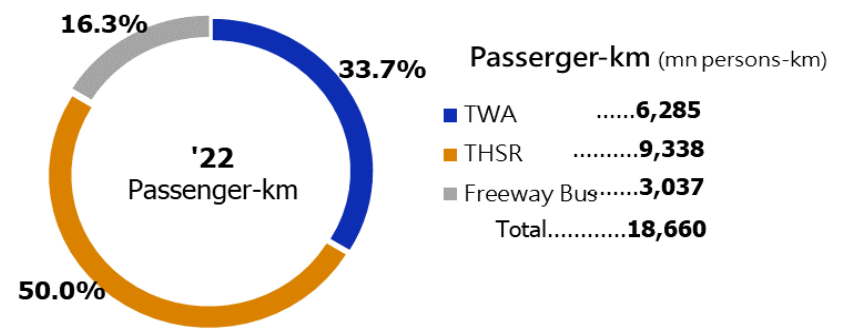
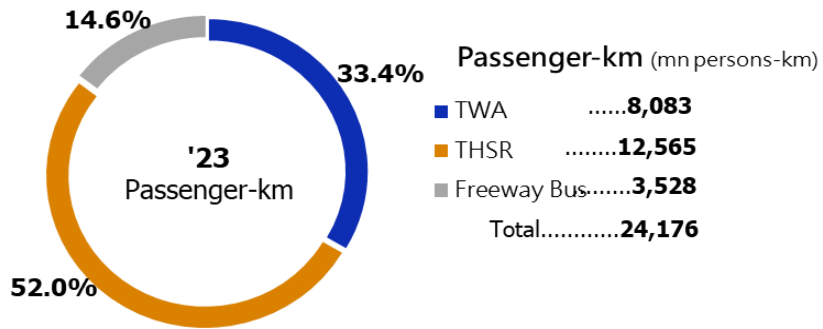
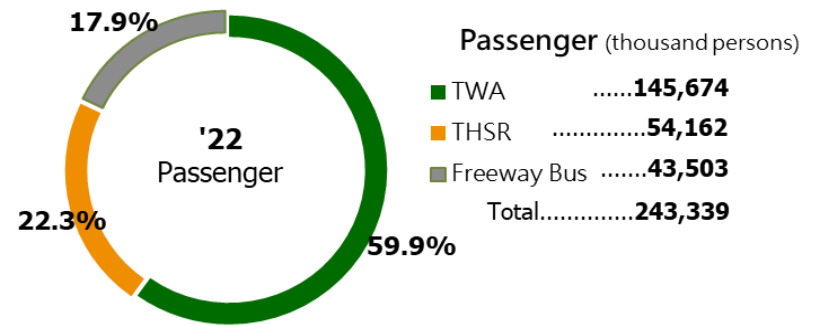
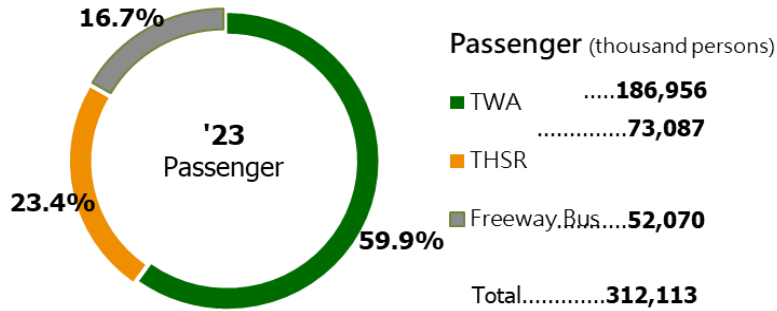
Avg. Delay Time



**Accidents
resulting in
Liabilities**

'18	'19	'20	'21	'22	'23
0	0	0	0	0	0

Transportation Performance



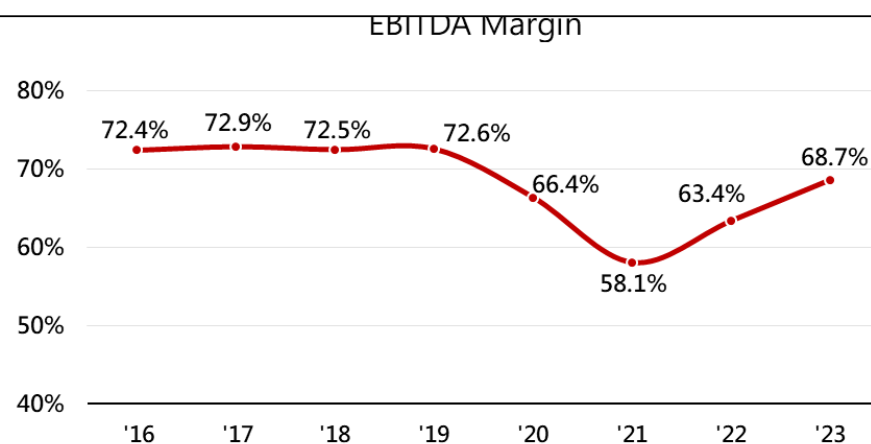
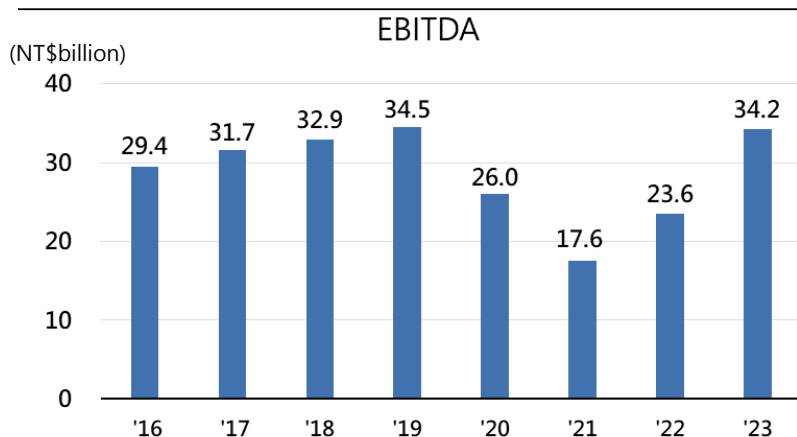


II. Financial Results

Profit & Loss and Financial Results



(NT\$million)	4Q'23	3Q'23	QoQ	'23	'22	YoY
Revenue	13,166	12,189	8%	49,812	37,133	34%
Gross Profit	5,989	5,219	15%	22,193	11,243	97%
Net Income	5,496	4,811	14%	20,532	9,920	107%
Interest Expense	(1,718)	(1,724)	0%	(6,816)	(6,232)	9%
Stabilization Injection (Expense)	(7,173)	(1,660)	332%	(11,221)	399	-2914%
Benefits of Contract Modification	6,832	-	-	6,832	-	-
Net Income After Tax	2,827	1,244	127%	7,824	3,769	108%
EPS (\$)	0.50	0.22	127%	1.39	0.67	133%
EBITDA	8,988	8,219	9%	34,204	23,556	45%
EBITDA Margin(%)	68.3%	67.4%	-	68.7%	63.4%	-

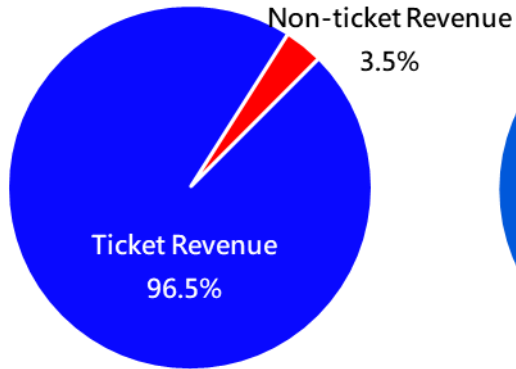


Pre-pandemic : EBITDA CAGR ('16~'19) : **+ 5.5%** ; EBITDA Margin ('16~'19) : **72%~73%**

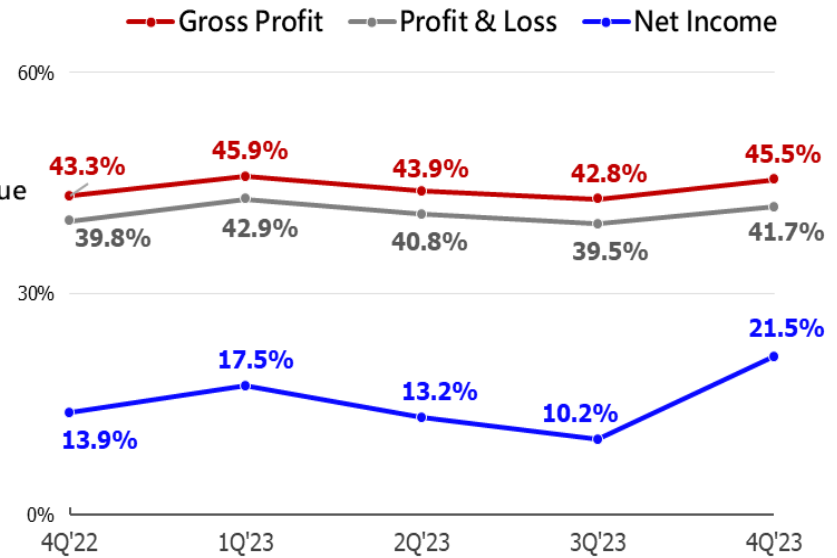
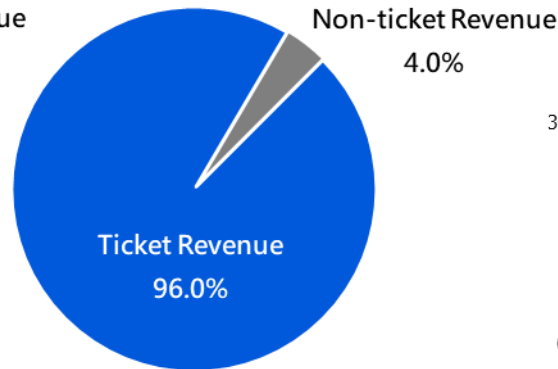
Revenue Structure and Profit & Loss



'23 Revenue Mix



'22 Revenue Mix



(NT\$million)	4Q'23	3Q'23	QoQ	'23	'22	YoY
Ticket Revenue	12,715	11,748	8.2%	48,075	35,641	34.9%
Non-ticket Revenue	450	442	2.0%	1,737	1,493	16.4%
Total	13,166	12,189	8.0%	49,812	37,133	34.1%

	'23	'22	'21
Gross Profit	44.6%	30.3%	15.0%
Profit & Loss	41.2%	26.7%	11.0%
Net Income	15.7%	10.2%	11.9%

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

Cash Flows



NT\$million	4Q'23	3Q'23	'23	'22
Cash flows from operating activities [note1]	7,583	7,120	27,751	9,827
Cash flows from investing activities [note2]	(3,619)	(894)	(12,875)	7,467
Cash flows from financing activities [note3]	12	(3,910)	(13,872)	(22,349)
Cash flows increase (decrease)	3,976	2,316	1,010	(5,061)
Cash and cash equivalent at the end of the period	17,569	13,593	17,569	16,559

Note 1: An annual profit sharing of \$8.0 bn paid in 2022.

Note 2: The main variance (yoy) is the total net cash inflow of money market funds (MMF) and >3-mth fixed deposits/RP totaling \$12.7 bn in 2022 (vs 2023: \$(6.7) bn). Capital expenditure totaling \$5.2 bn in 2022 (vs 2023: \$6.1 bn).

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

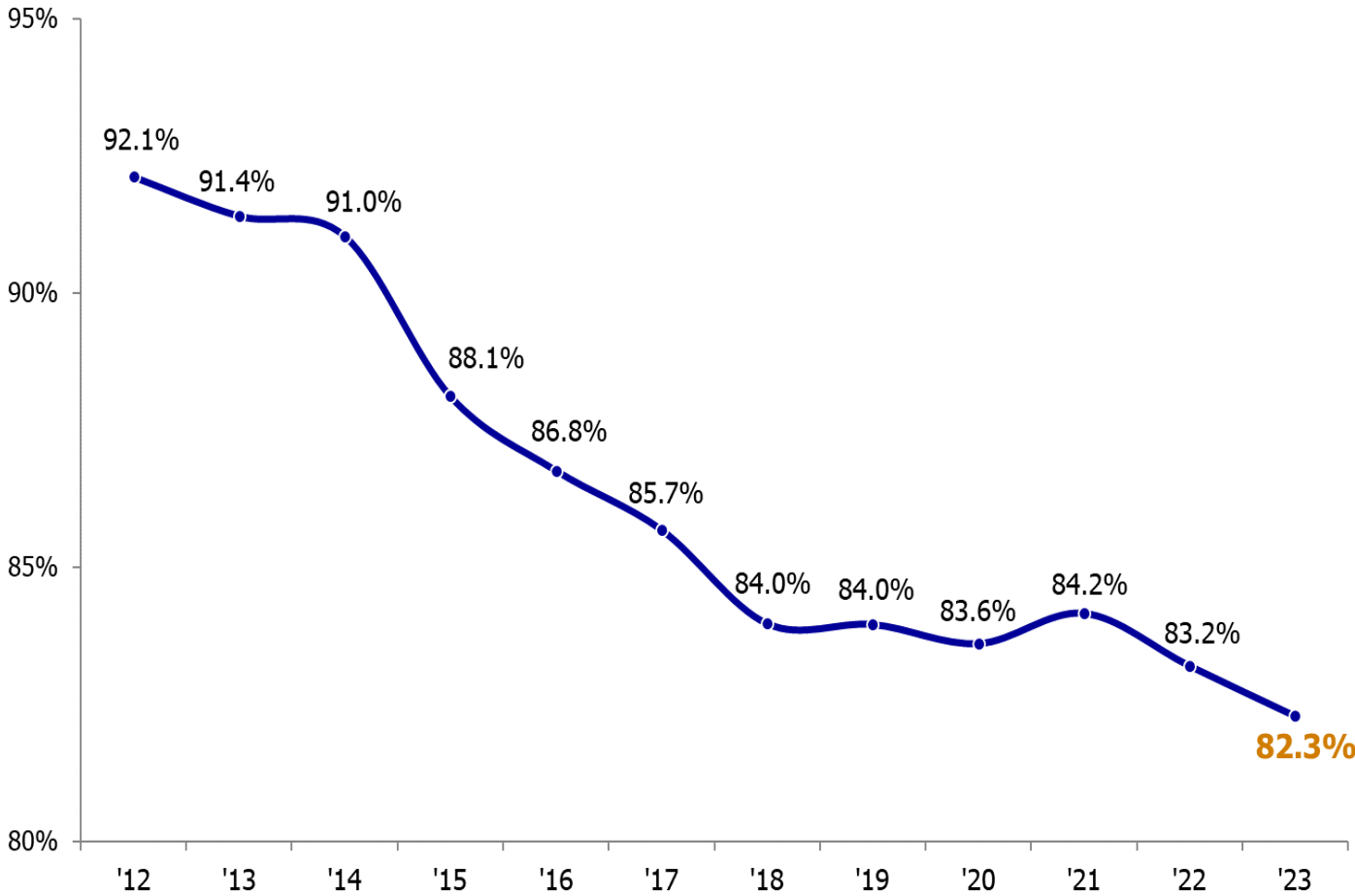
Financial Risk Management



Debt/Asset Ratio

Total early payment of syndicated loan, from 2016 to 2023.

(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

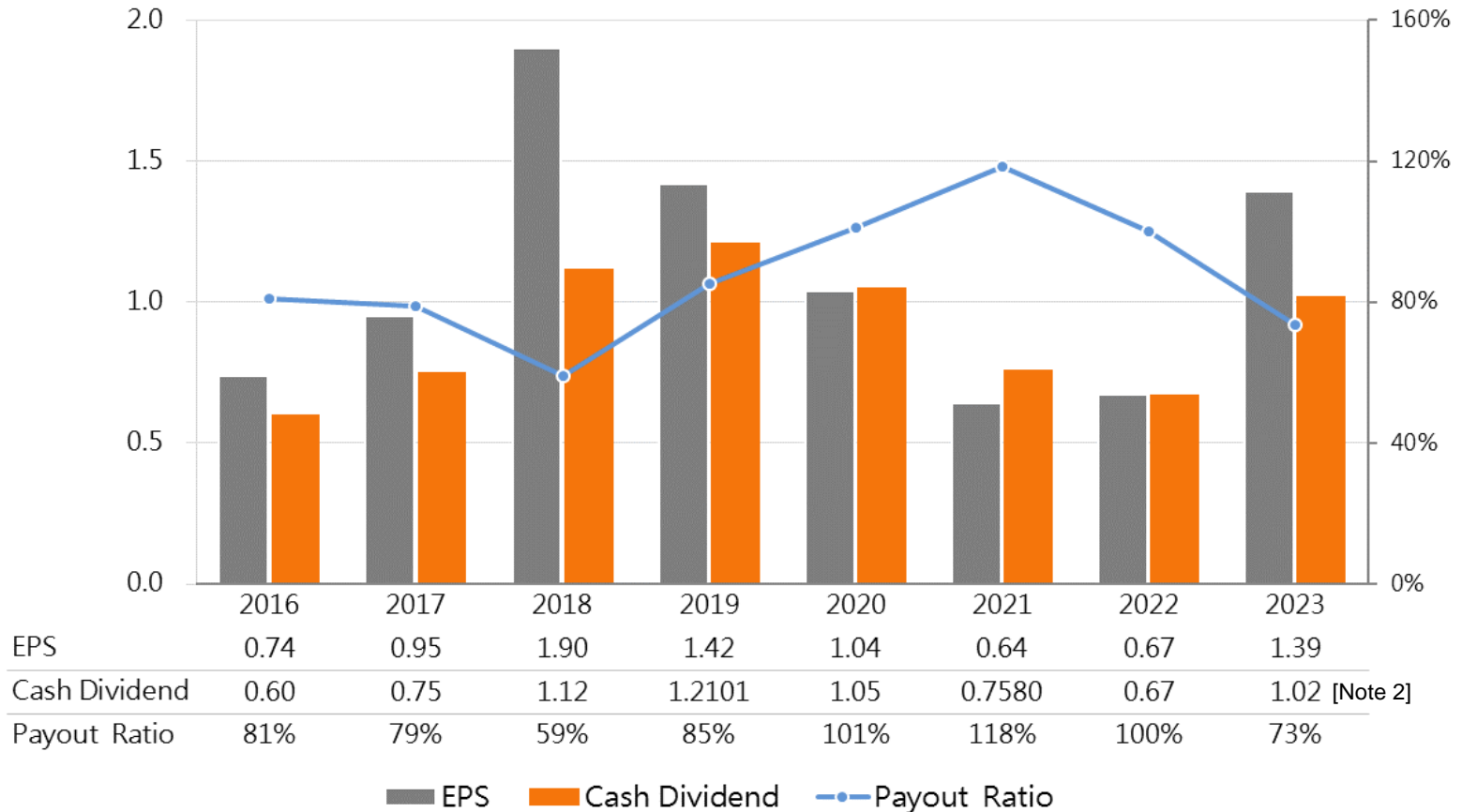


Note : Ratio of liabilities to assets = total liabilities/total assets

EPS & Cash Dividend



Unit : NT\$

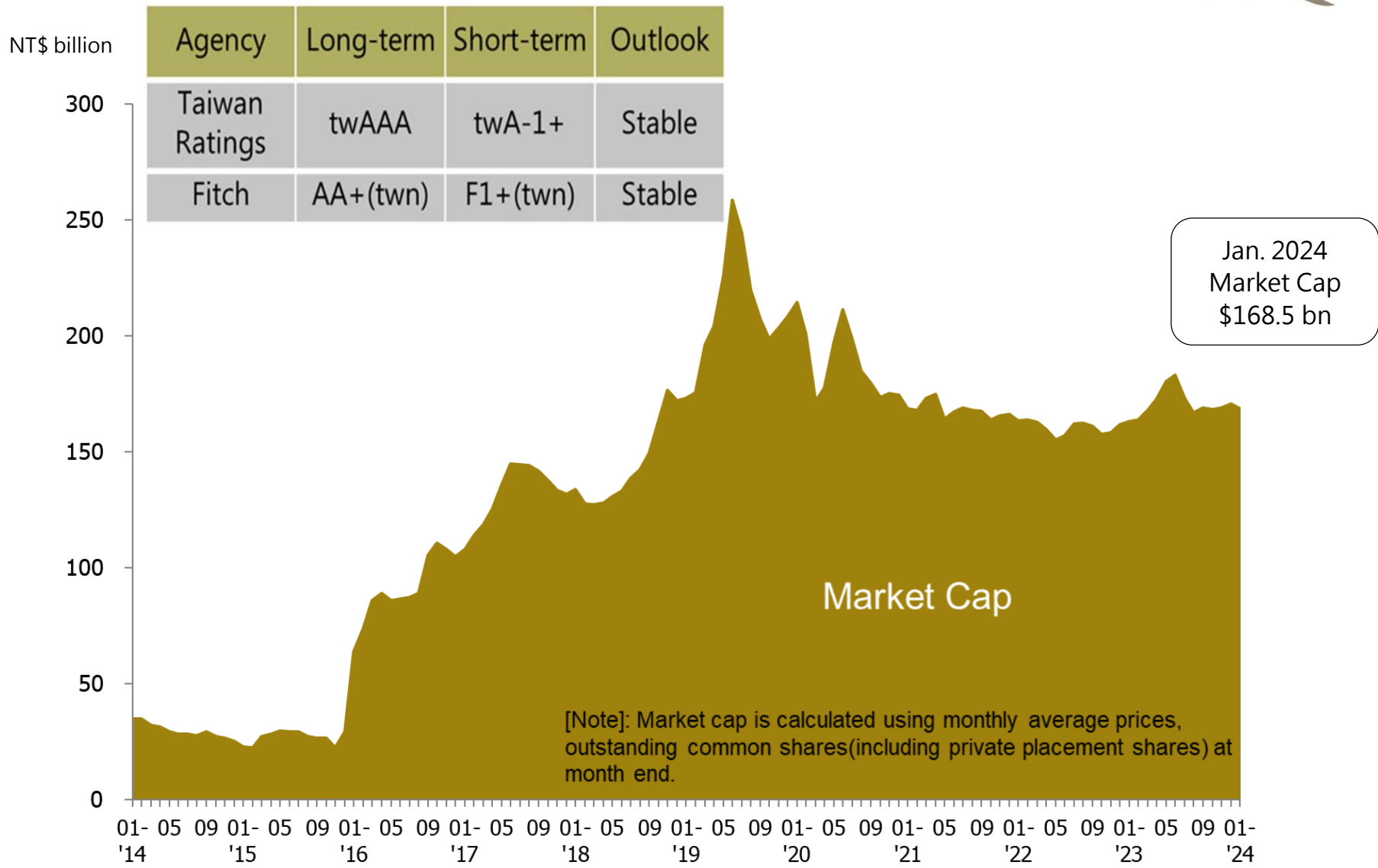


EPS	0.74	0.95	1.90	1.42	1.04	0.64	0.67	1.39
Cash Dividend	0.60	0.75	1.12	1.2101	1.05	0.7580	0.67	1.02 [Note 2]
Payout Ratio	81%	79%	59%	85%	101%	118%	100%	73%

Note 1: The calculation of earnings per share is based on the weighted average number of ordinary shares of 5.628 billion shares.

Note 2: Allocated by the resolution of the board of directors in March 2024, and will be recognized by the 2024 general meeting of shareholders.

Corporate Credit Ratings & Market Cap





III 、 OPERATIONAL OUTLOOK

Operational Growth Strategy



● Revenue Growth Momentum

In response to the basic travel needs for business and commuting, we will increase train services in a timely manner, develop new customer sources, promote the diversification of tourism products, and optimize the mobile ticket purchasing platform:

- ✓ Increase the regular and short-term train schedule, and temporarily adjust cabin type for the non-reserved seats.
- ✓ Enhance the cross-industry cooperation to expand passenger sources and add promotions during off-peak hours.
- ✓ Launch diversified products for the international travel market, aiming at T-holidays/hotel and overseas coupons.
- ✓ Extend the TGo membership management and develop precision marketing and points economy.
- ✓ Increase non-ticket revenue through co-branded products and stores.





To be the platform for advancement and enjoyment.

THSRC not only provides passengers with safe, fast, and punctual transportation services, but also cooperates and builds alliances with external industries to enhance our railway capabilities. THSRC also strives to provide passengers with comprehensive, high-quality life experiences through integration of advanced technology, local culture, and environmental protection.



Received the Taiwan Corporate Sustainability Awards for **7** consecutive years. 2017-2023

Won the “Gold Award” for Corporate Sustainability Report



Selected as a constituent of the FTSE4Good TIP Taiwan ESG Index for **6** consecutive years. 2019-2024



Selected for the TWSE RA Taiwan Employment Creation 99 Index for **4** consecutive years. 2020-2023



Selected for the National Brand Yushan Award for **4** consecutive years. 2020-2023

Received the first prize in the Outstanding Enterprise Category

Received top 5% ranking in the Corporate Governance Evaluation for **6** consecutive years. 2018-2023

Selected as one of the Top 100 Global Sustainable Companies by Corporate Knights for **2** consecutive years.



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