

Ticker Symbol: 2633



# Taiwan High Speed Rail Corporation 1Q' 2021 Operation Report

5/25/2021



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# AGENDA

I. BUSINESS OVERVIEW

II. FINANCIAL OVERVIEW

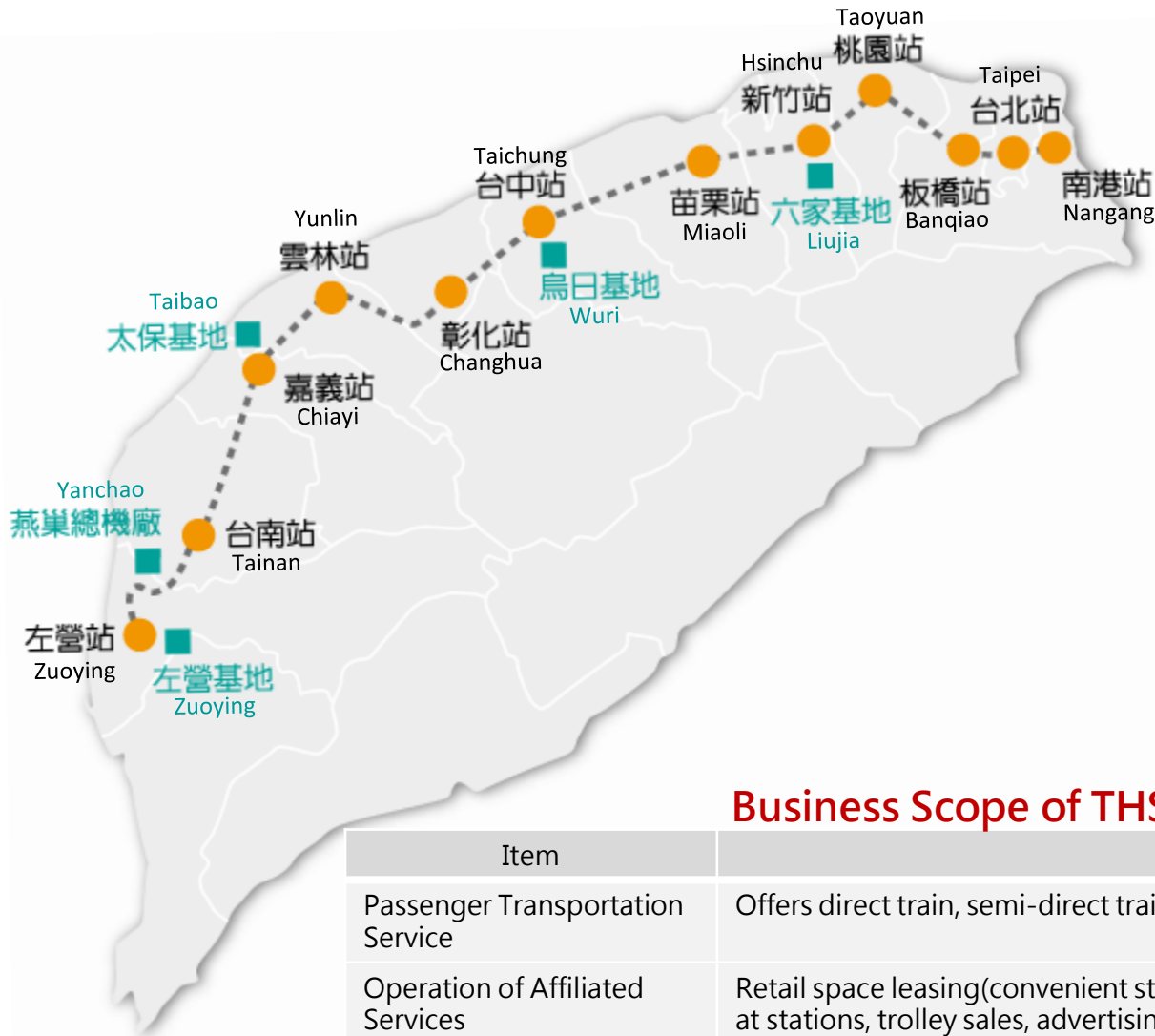
III. MARKET OUTLOOK & CSR PERFORMANCE



# 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.).

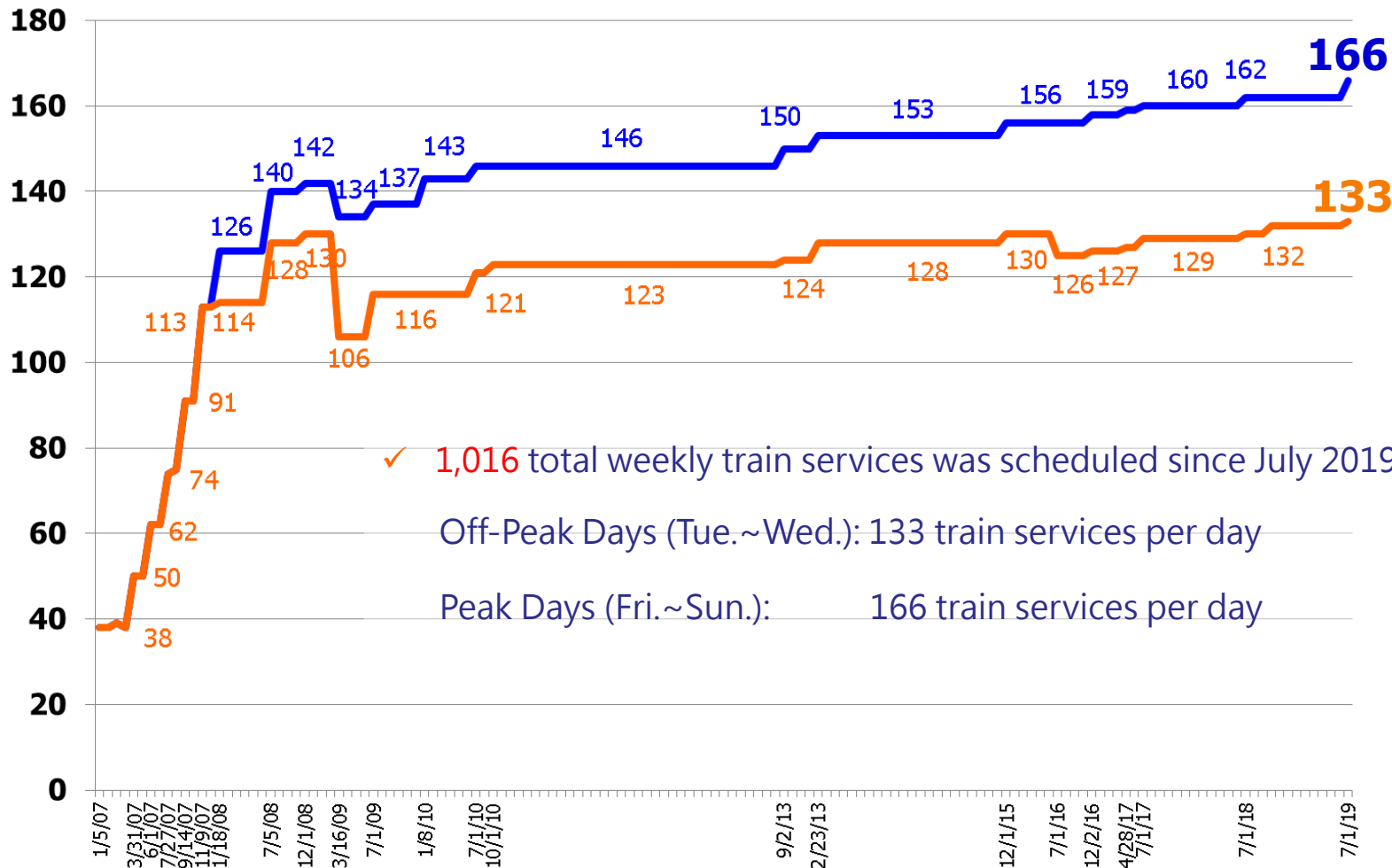
# 2、Operational Performance



## 1. Train Frequency

(Daily Frequency)

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



✓ 1,016 total weekly train services was scheduled since July 2019

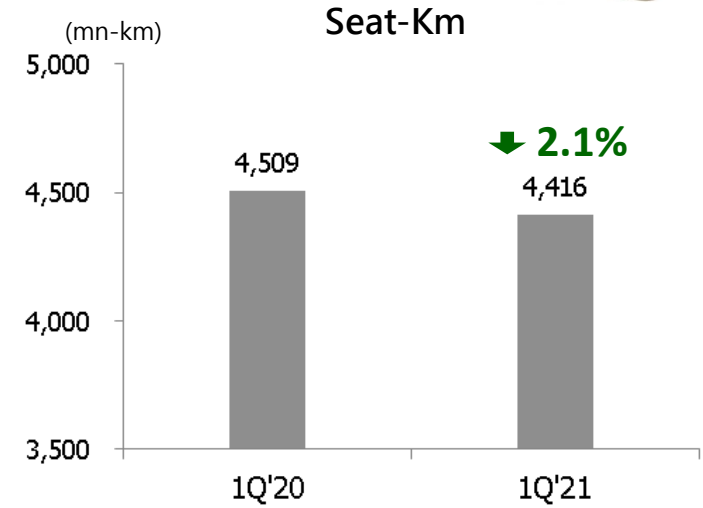
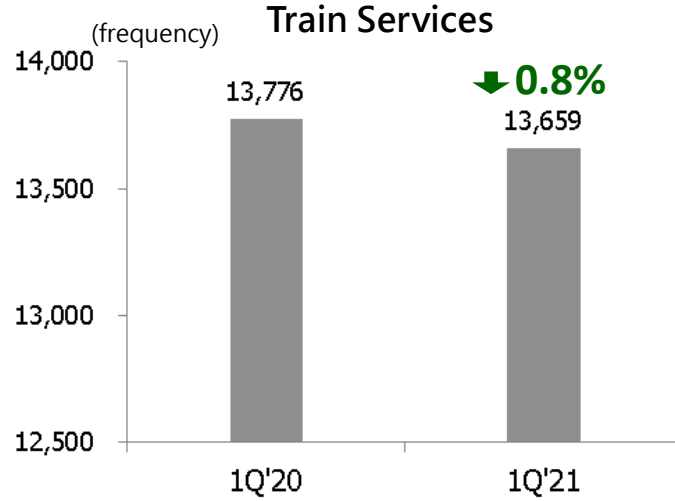
Off-Peak Days (Tue.~Wed.): 133 train services per day

Peak Days (Fri.~Sun.): 166 train services per day

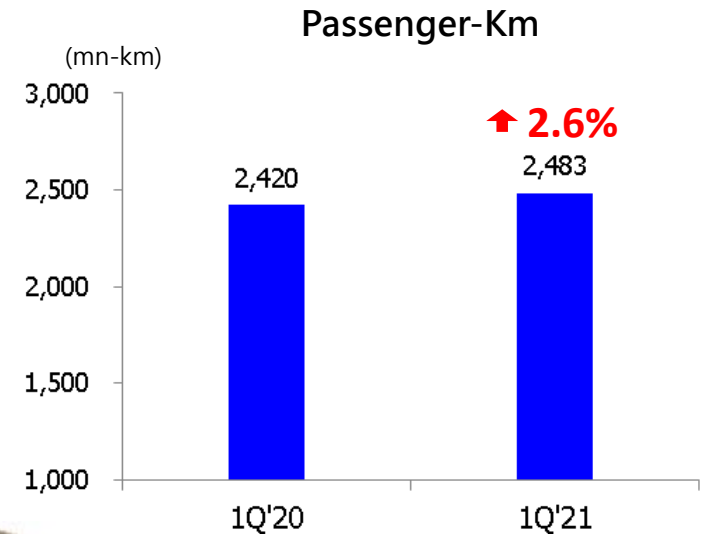
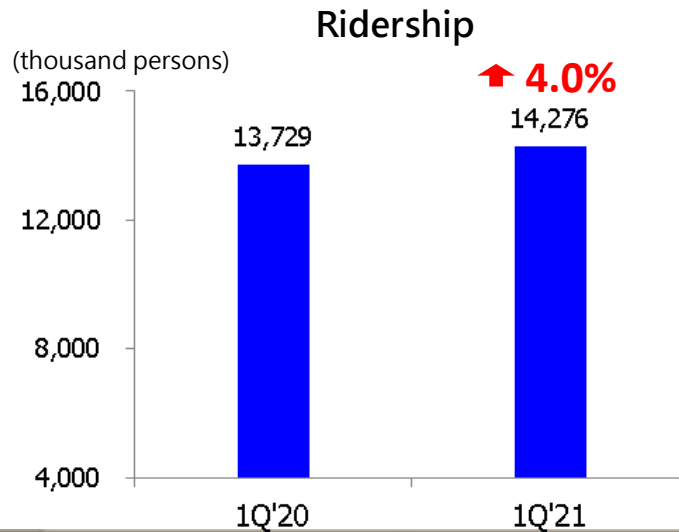
## 2. Transportation Capacity & Volume (1Q' 21 vs. 1Q' 20)



Transportation Capacity



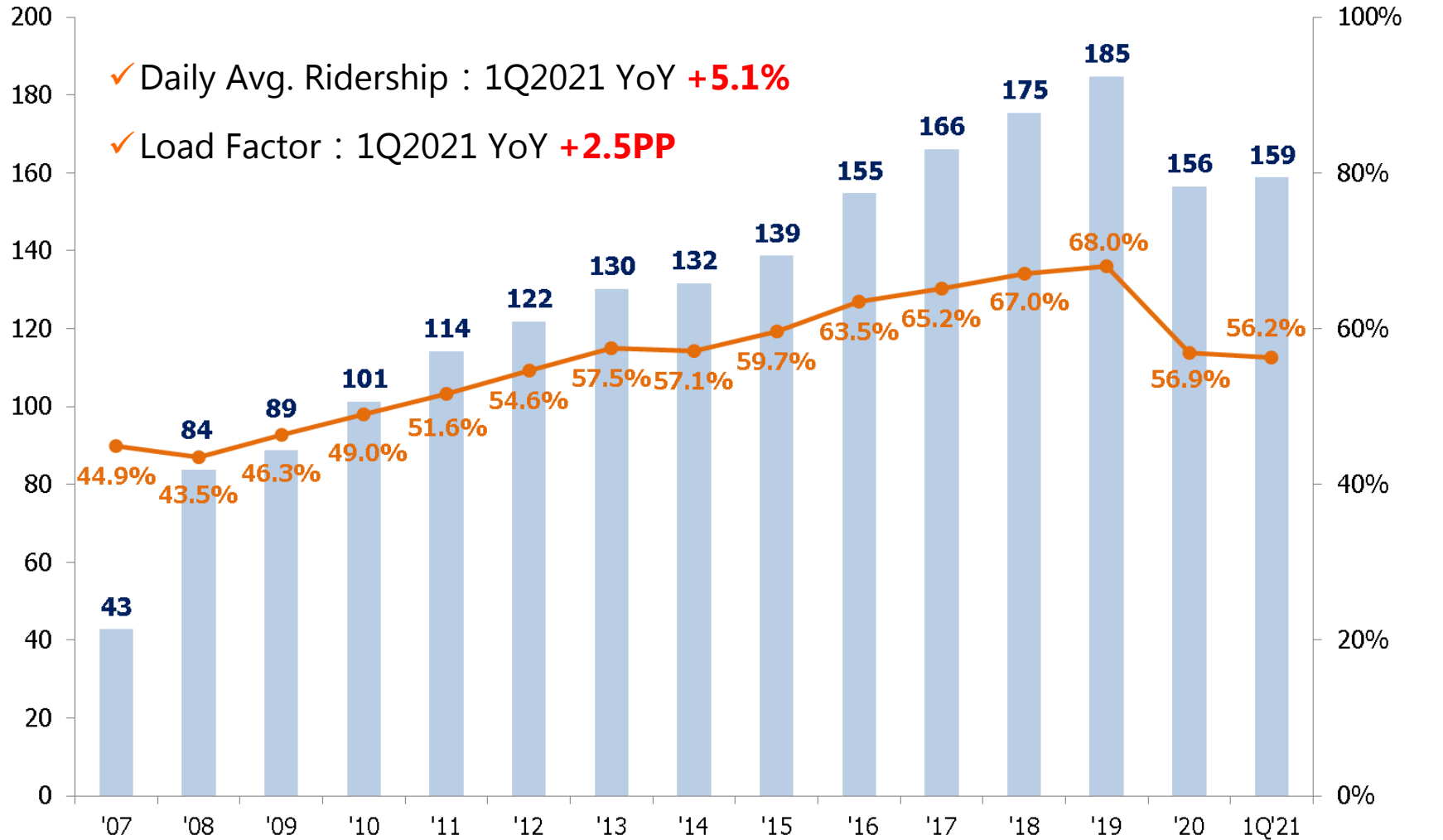
Transportation Volume



### 3. Ridership & Loading Factor



(thousand persons)





## 4. Operational Performance



	2021.01.01 ~ 2021.3.31	2007.01.05 ~ 2021.3.31
Train Services	13,659	685,395
Cumulative Passengers (million passengers)	14.3	667.7
Passenger Kilometers (million-km)	2,483	126,779
Loading Factor	56.24 %	56.82 %
Reliability	100 %	99.69 %
Punctuality (delay < 5 min)	99.89 %	99.52 %
Avg. Delay Time (min)	0.05	0.19
Accidents resulting in Liabilities	0	0



## II. FINANCIAL OVERVIEW

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

# 1. Financial Performance



## 1. Income Statement(1Q' 21 vs. 1Q' 20)

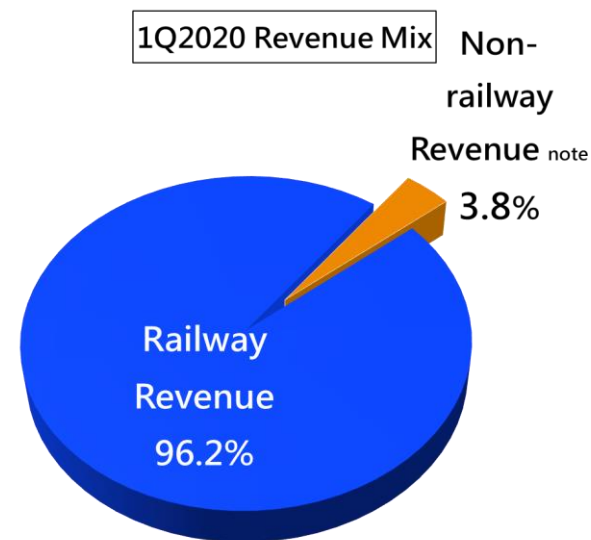
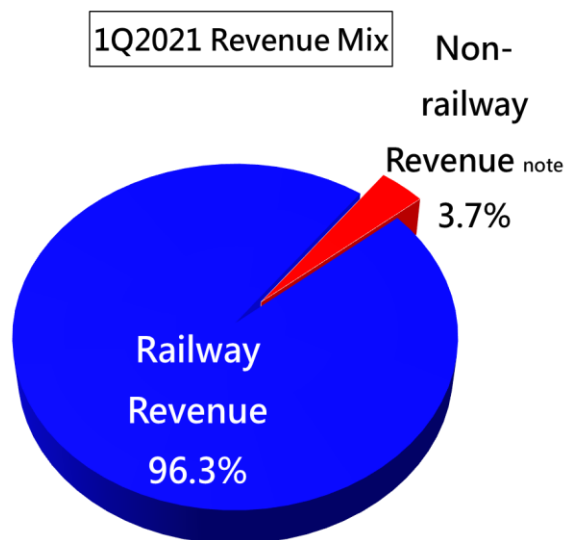
(NT\$m)	1Q'2021		1Q'2020		Variance Amount	Var. %
Operating revenue	9,867	100%	9,600	100%	267	2.8%
Operating costs	(6,409)	-67%	(6,313)	-54%	(96)	1.5%
Gross Profit	3,458	33%	3,287	46%	171	5.2%
Operating expenses	(285)	-3%	(270)	-3%	(15)	5.6%
Net Operating Income	3,173	30%	3,017	43%	156	5.2%
Non-operating income and expenses						
Interest expenses	(1,414)	-15%	(1,614)	-13%	200	-12.4%
Stabilization reserve	(660)	-2%	(383)	-14%	(277)	72.3%
Others	64	1%	67	-	(3)	-4.5%
Net Income before tax	1,163	14%	1,086	16%	77	7.1%
Income tax	211	1%	43	1%	168	390.7%
<b>Net Income</b>	<b>1,374</b>	<b>15%</b>	<b>1,130</b>	<b>17%</b>	<b>244</b>	<b>21.6%</b>
<b>EPS</b>	<b>0.24</b>		<b>0.20</b>			



## 2. Net Profits & Operating Revenues

### 1) Revenue Structures

(NT\$bn)	1Q2021	1Q2020	YoY%
Railway Revenue	9.50	9.23	2.9%
Non-railway Revenue	0.36	0.37	-0.3%
Total	9.87	9.60	2.8%

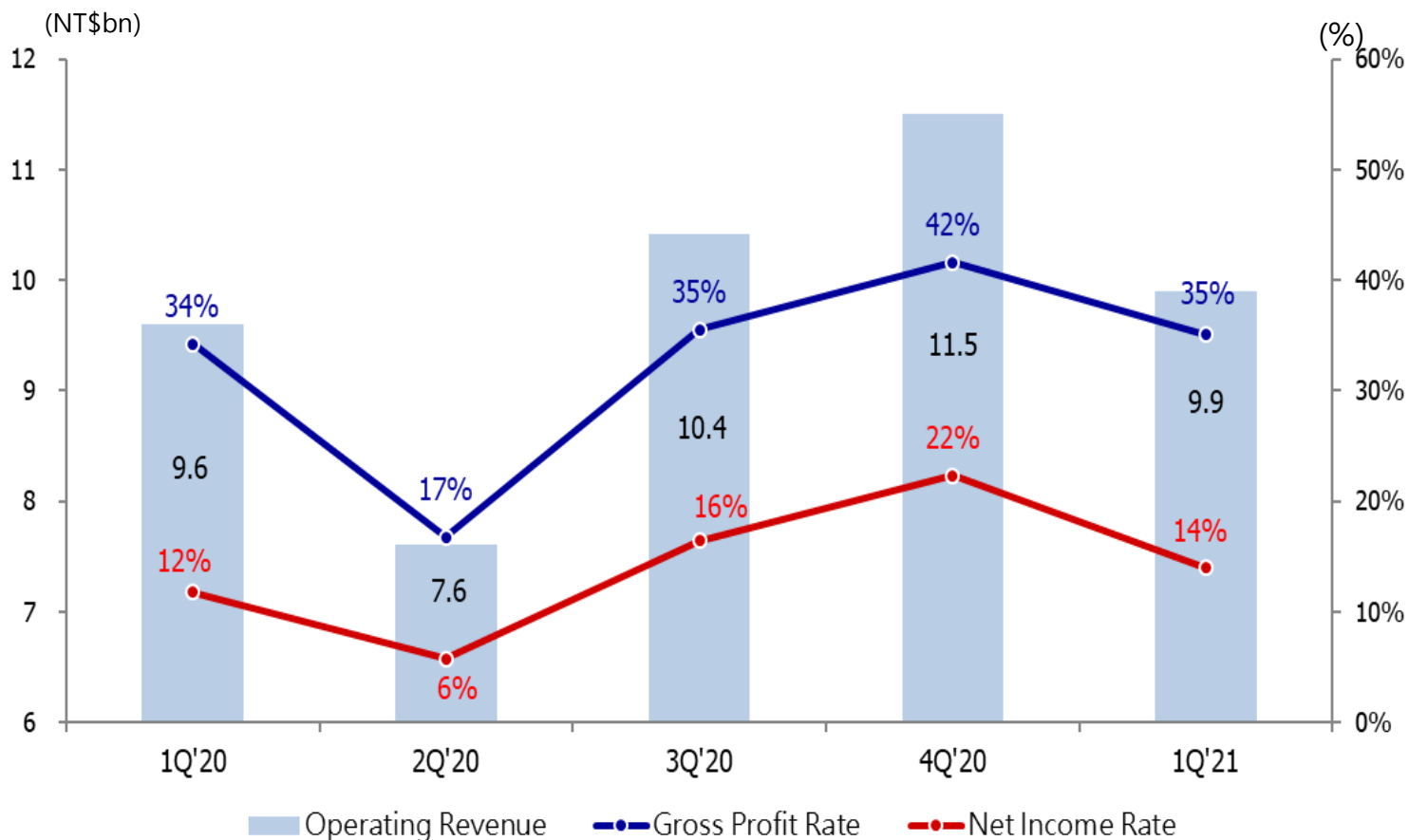


Note: Non-railway revenues mainly include rental incomes, advertising revenues, and onboard sales



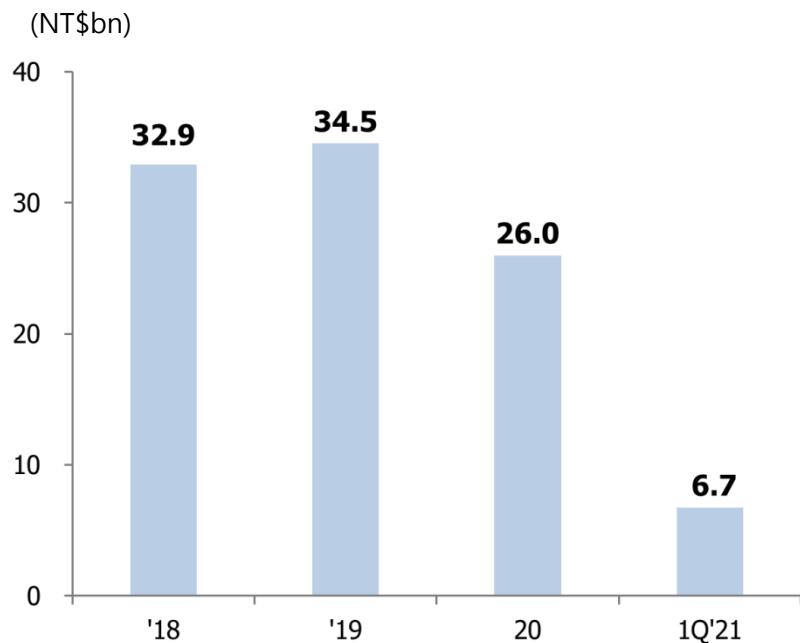
## 2. Net Profits & Operating Revenues

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



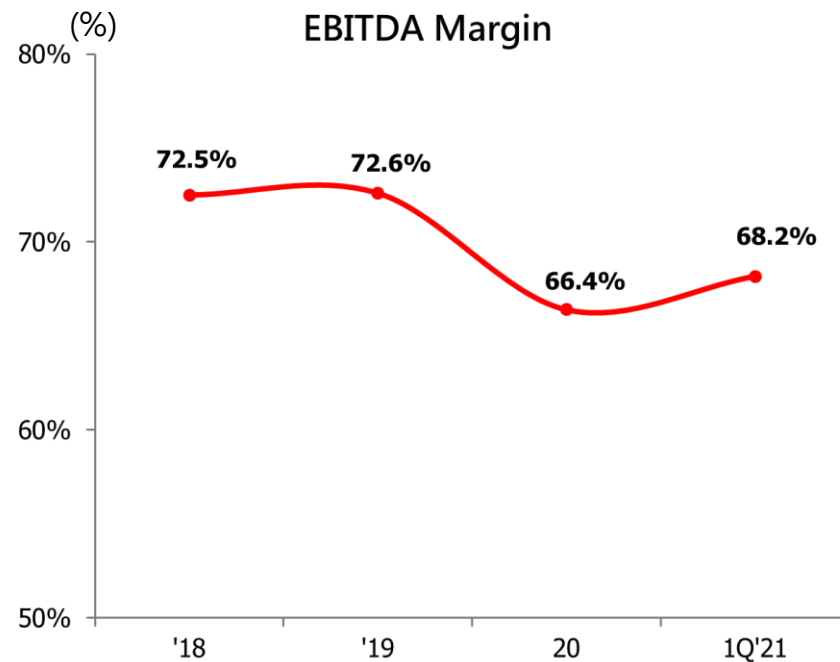


### 3. EBITDA & EBITDA Margin



#### ✓ EBITDA

- 1Q2021 : YoY **+2.7%**



#### ✓ EBITDA Margin

- Due to impact of the pandemic in '20, EBITDA Margin reduced to 66.4%.
- 1Q'21 EBITDA Margin shows upward trend.



## 4. Balance Sheets

(NT\$mn)	2021.3.31	2020.12.31	2020.3.31
Current assets	43,244	38,621	37,975
Operating concession asset	375,179	378,291	387,005
Other non-current assets	10,925	10,654	10,219
<b>Total assets</b>	<b>429,347</b>	<b>427,567</b>	<b>435,198</b>
Current liabilities	6,652	7,067	12,025
Non-current liabilities	351,235	350,413	350,966
<b>Total liabilities</b>	<b>357,886</b>	<b>357,480</b>	<b>362,992</b>
Common stock	56,283	56,283	56,283
Capital surplus	173	173	173
Legal reserve & unappropriated earnings	15,005	13,631	15,751
<b>Total equity</b>	<b>71,461</b>	<b>70,087</b>	<b>72,207</b>
<b>Total liabilities &amp; equity</b>	<b>429,347</b>	<b>427,567</b>	<b>435,198</b>

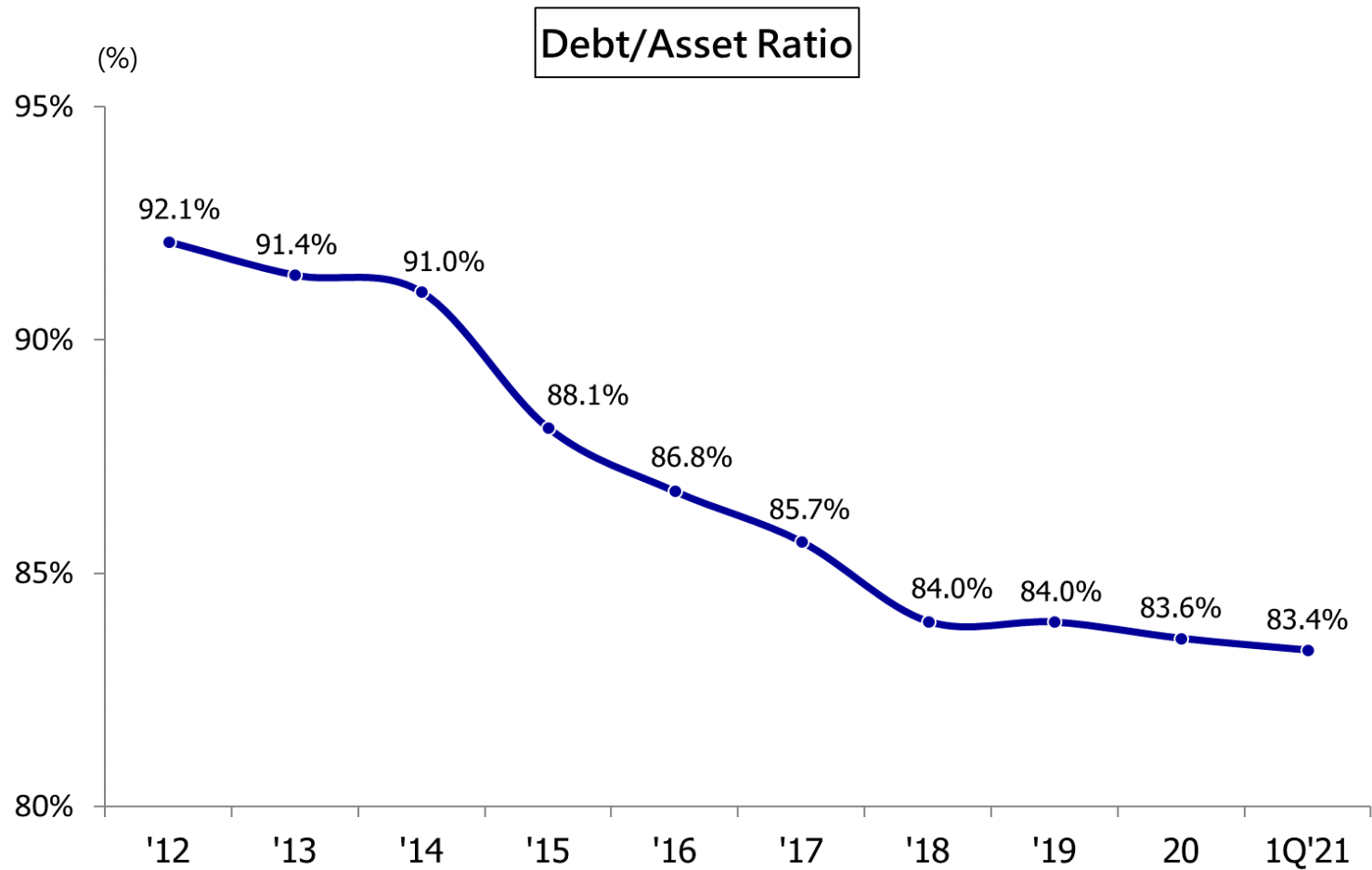


## 5. Statement of Cash Flows

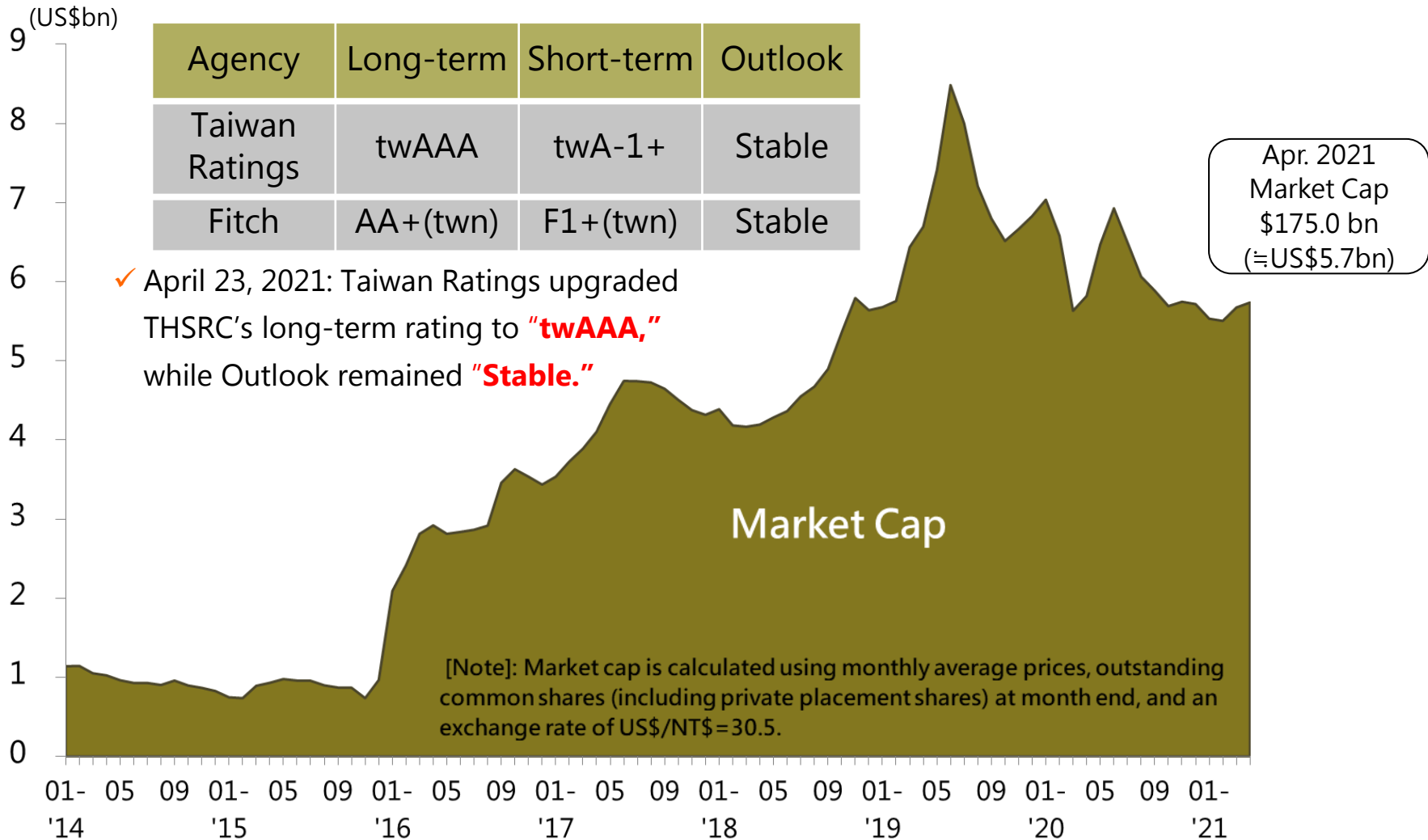
(NT\$mn)	<b>2021.3.31</b>	<b>2020.12.31</b>	<b>2020.3.31</b>
Cash & cash equivalents at the beginning of the period	652	16,272	16,272
Cash flows from operating activities	(1,203)	(1,532)	3,715
Cash flows from investing activities	4,595	821	(10,950)
Cash flows from financing activities	45	(14,909)	(8,016)
Net increase in cash & cash equivalents	3,437	(15,620)	(15,252)
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>4,089</b>	<b>652</b>	<b>1,020</b>



# 2、Financial Risk Management



# 3. Corporate Credit Ratings & Market Cap

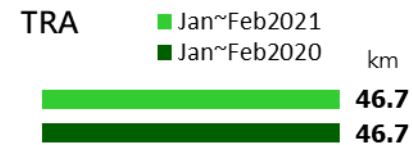
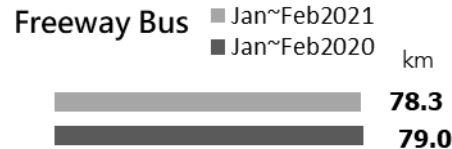
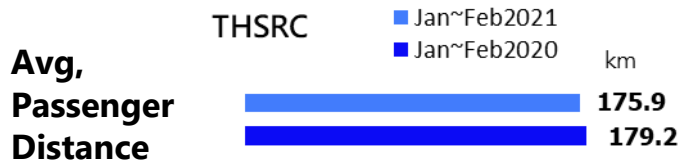
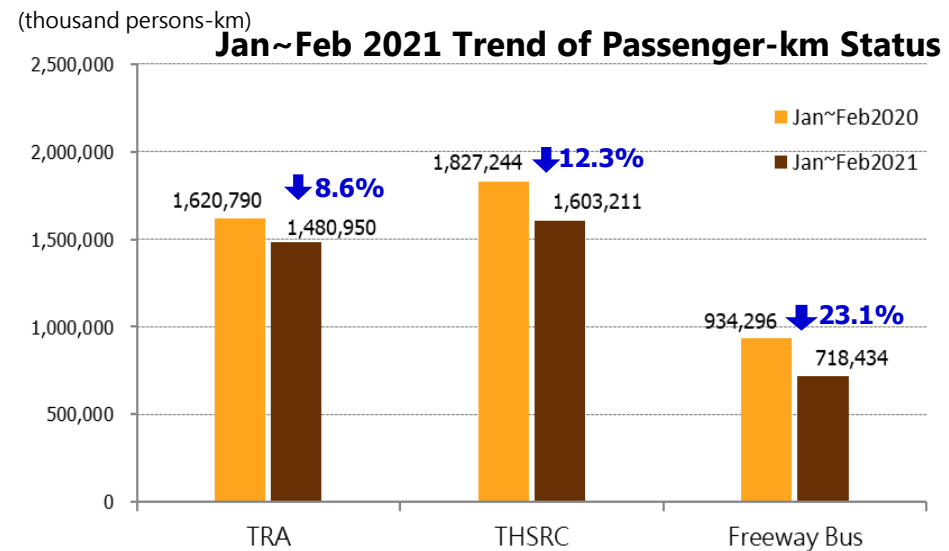
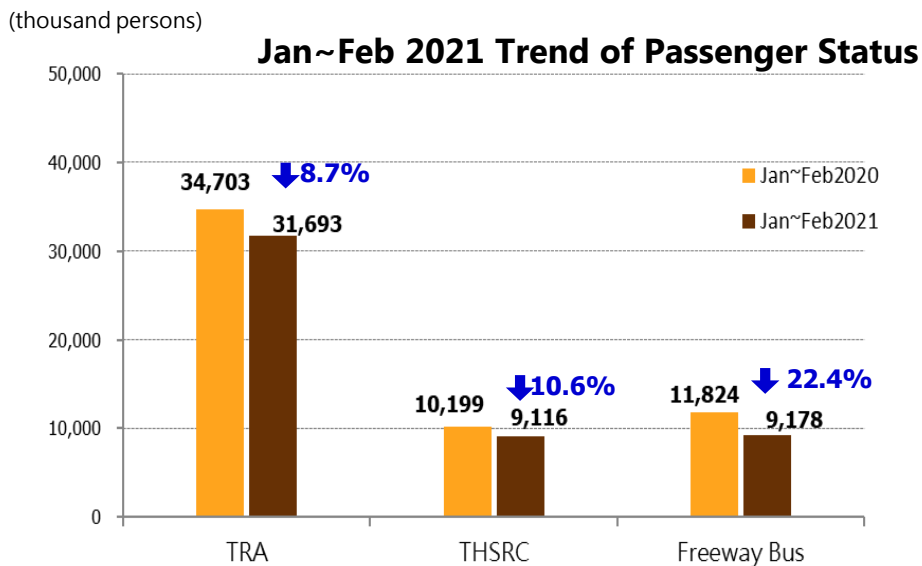
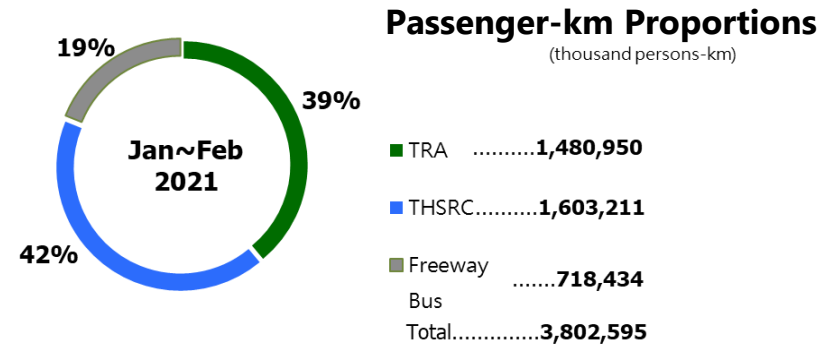
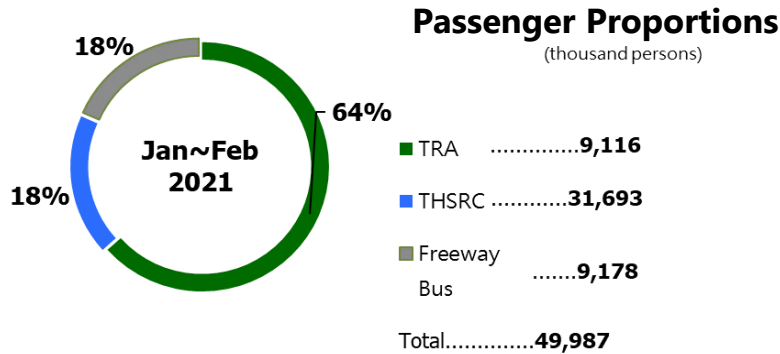




## III 、 MARKET OUTLOOK & CSR PERFORMANCE

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

# 1. Inter-City Public Transport Market



## 2、CSR Performance

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



- ✓ 2021.04 Ranked in the top 5% of the Corporate Governance Evaluation for the 4<sup>th</sup> consecutive years.
- ✓ 2021.03 For the past 12 years, the “High-Speed Educational Endowment Program” has been in collaboration with the Down Syndrom Foundation to raise an amount of more than NTD 148 million in donations, which helped almost 27,000 developmentally challenged children and provided them with better resources..
- ✓ 2021.01 The establishment of the THSRC e-procurement, a paperless procurement process 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 Received 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 “FTSE4Good Index Series.”
- ✓ 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 eco-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>

