

Ticker Symbol: 2633



Taiwan High Speed Rail Corporation 1~3Q, 2023 Operation Report

2023.12.19



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AGENDA

I. OPERATIONAL OVERVIEW

II. FINANCIAL RESULTS

III. OPERATIONAL OUTLOOK

I. OPERATIONAL OVERVIEW

Company Profile



Business Scope



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

Operation Length

350

KM

Operation Area

11

Cities

Train Sets

34

Sets

Stations

12

Sets

Maintenance Depots

5

Sets

Weekly Schedule

1,039

Train Services

Daily Two-way Service

(WEEKEND)

169

Train Services

Daily Two-way Service

(WEEKDAY)

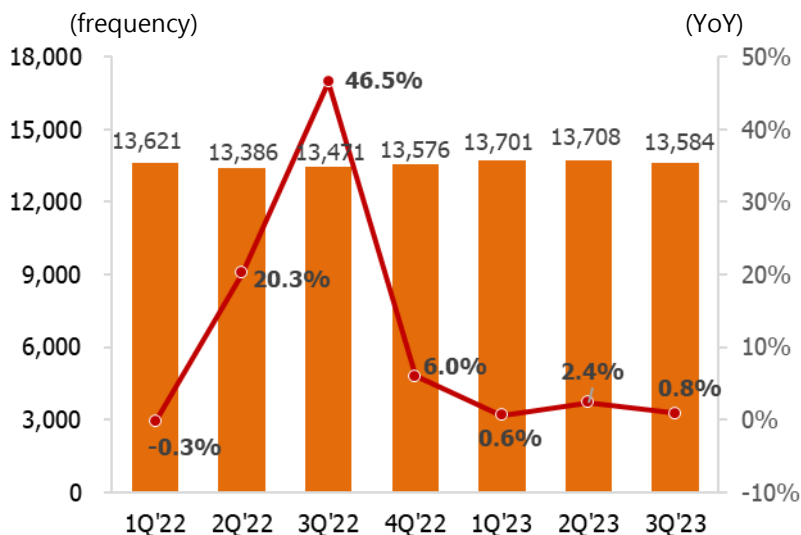
137

Train Services

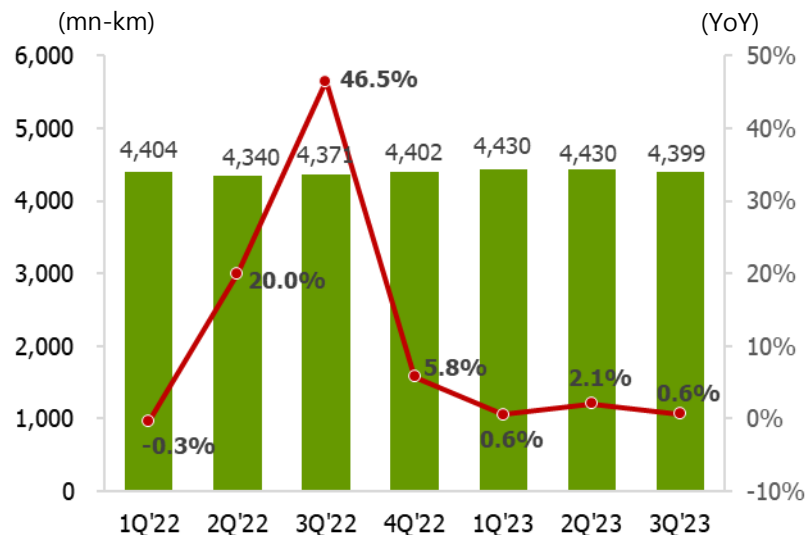
Transportation Capacity



Trend of Train Services Status

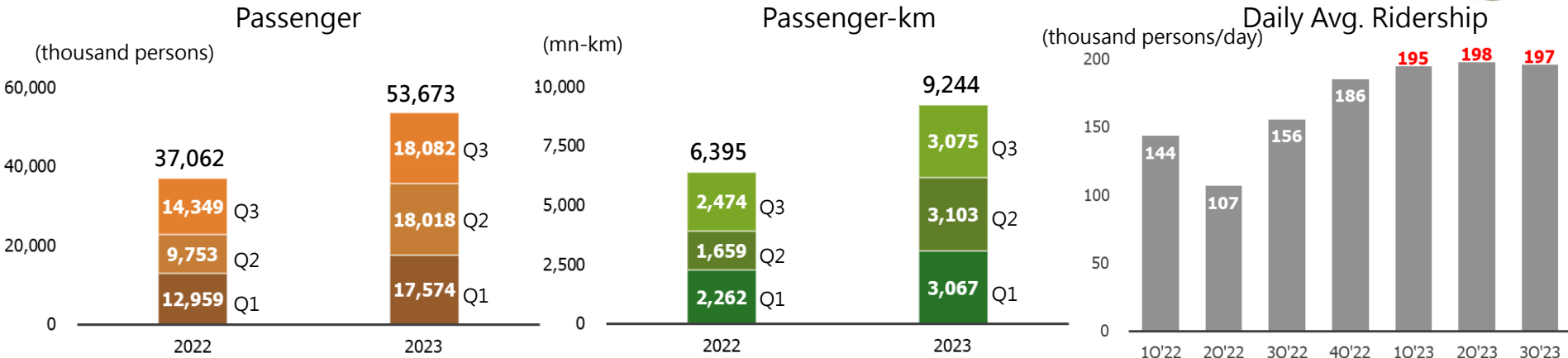


Trend of Seat-km Status

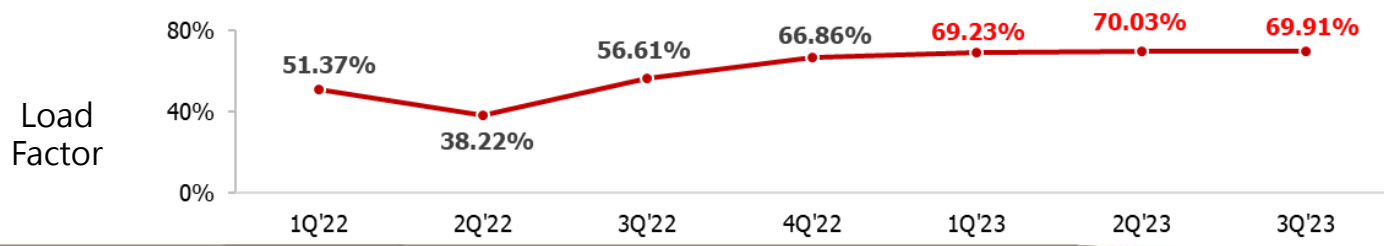


	3Q'23	2Q'23	QoQ	1~3Q'23	1~3Q'22	YoY
Train Service (frequency)	13,584	13,708	-0.90%	40,993	40,478	1.27%
Seat-km (mn-km)	4,399	4,430	-0.71%	13,259	13,115	1.10%

Transportation Volume



	3Q'23	2Q'23	QoQ	1~3Q'23	1~3Q'22	YoY
Passenger (thousand persons)	18,082	18,018	0.35%	53,673	37,062	44.82%
Passenger-km (mn-km)	3,075	3,103	-0.89%	9,244	6,395	44.56%
Daily Avg. Ridership (thousand persons/day)	197	198	-0.74%	197	136	44.82%



1~3Q'23

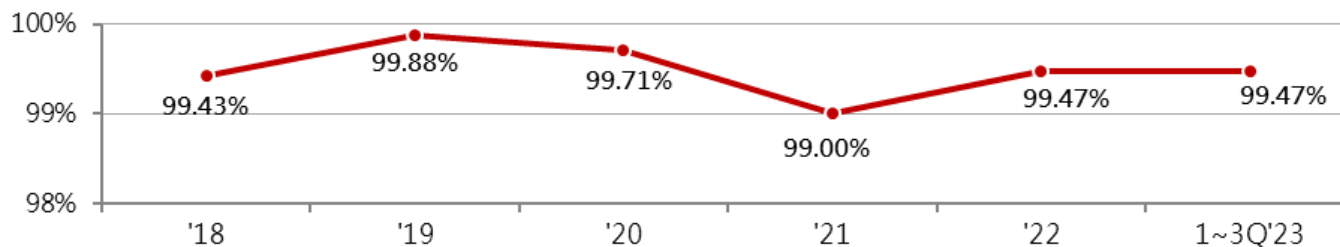
69.72%

Pre-pandemic(FY'19)
Avg. Load Factor : 68.0%

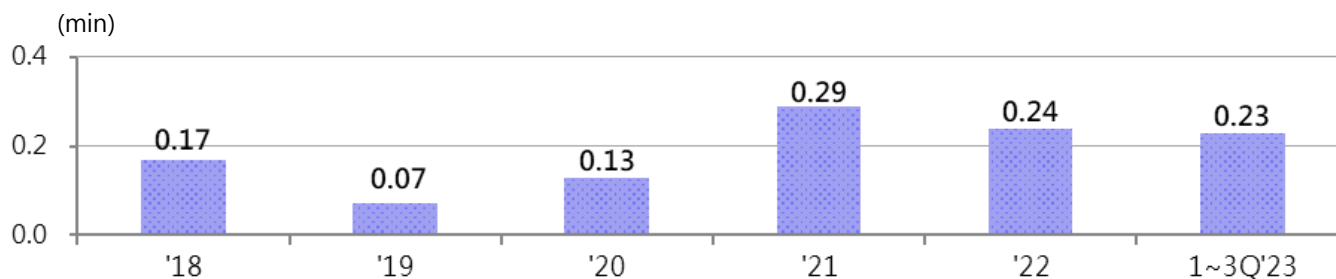
5-Year Operation Performance



**Punctuality
(Delay < 5min)**



Avg. Delay Time



**Accidents
resulting in
Liabilities**

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

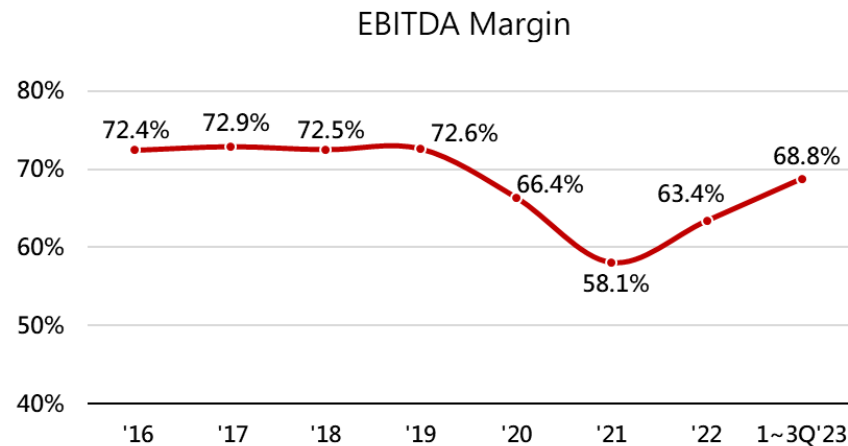
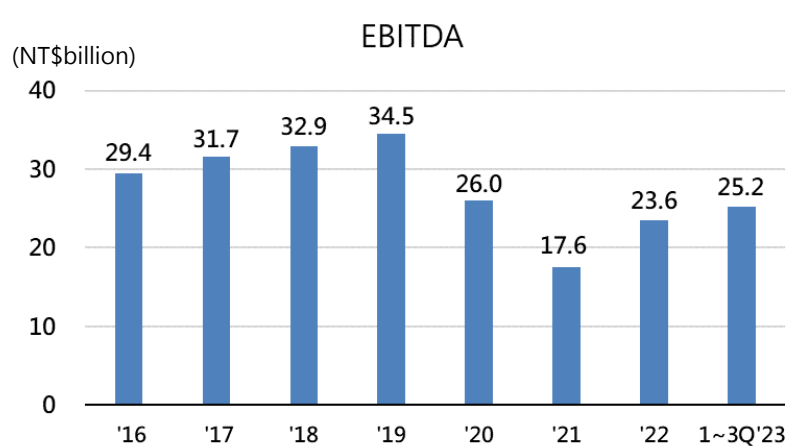


II. Financial Results

Profit & Loss and Financial Results



(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%
Net Income	4,811	5,020	-4%	15,036	5,260	186%
Interest Expense	(1,724)	(1,706)	1%	(5,097)	(4,550)	12%
Stabilization Injection (Expense)	(1,660)	(1,391)	19%	(4,048)	1,385	-392%
Net Income After Tax	1,244	1,627	-24%	4,998	2,144	133%
EPS (\$)	0.22	0.29	-24%	0.89	0.38	133%
EBITDA	8,219	8,424	-2%	25,216	15,457	63%
EBITDA Margin(%)	67.4%	68.4%	-	68.8%	60.8%	-

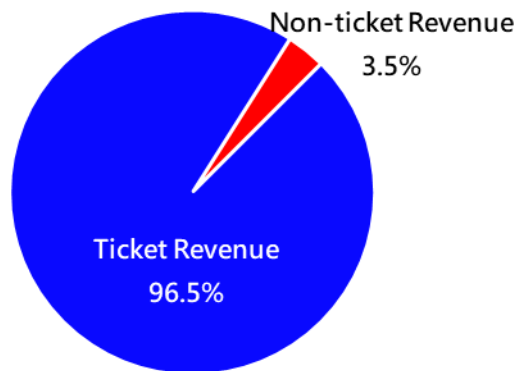


Pre-pandemic : EBITDA CAGR ('16~'19) : **+ 5.5%** ; EBITDA Margin ('16~'19) : **72%~73%**

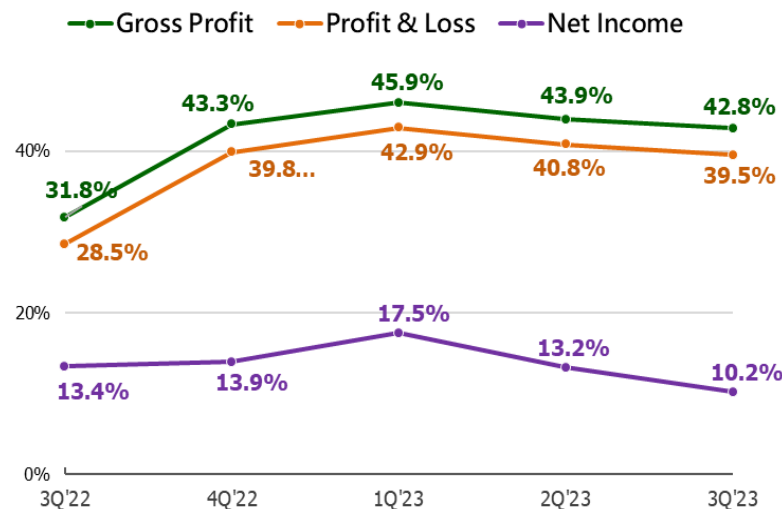
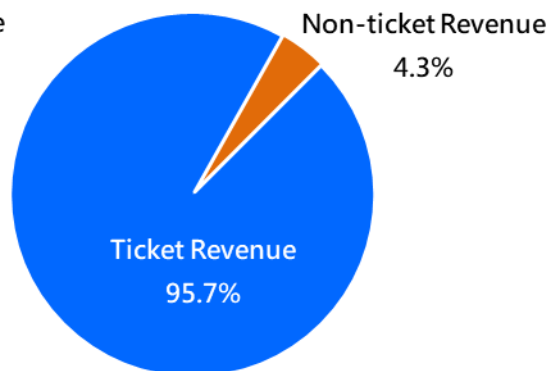
Revenue Structure and Profit & Loss



1~3Q'23 Revenue Mix



1~3Q'22 Revenue Mix



(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	'22	'21
Gross Profit	44.2%	30.3%	15.0%
Profit & Loss	41.0%	26.7%	11.0%
Net Income	13.6%	10.2%	11.9%

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

Cash Flows



NT\$ Million	3Q'23	2Q'23	1~3Q'23	1~3Q'22
Cash flows from operating activities <small>[note1]</small>	7,120	5,911	20,168	3,594
Cash flows from investing activities <small>[note2]</small>	(894)	(6,631)	(9,256)	13,768
Cash flows from financing activities <small>[note3]</small>	(3,910)	(9,974)	(13,884)	(22,341)
Cash and cash equivalent at the end of the period	13,593	11,277	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).

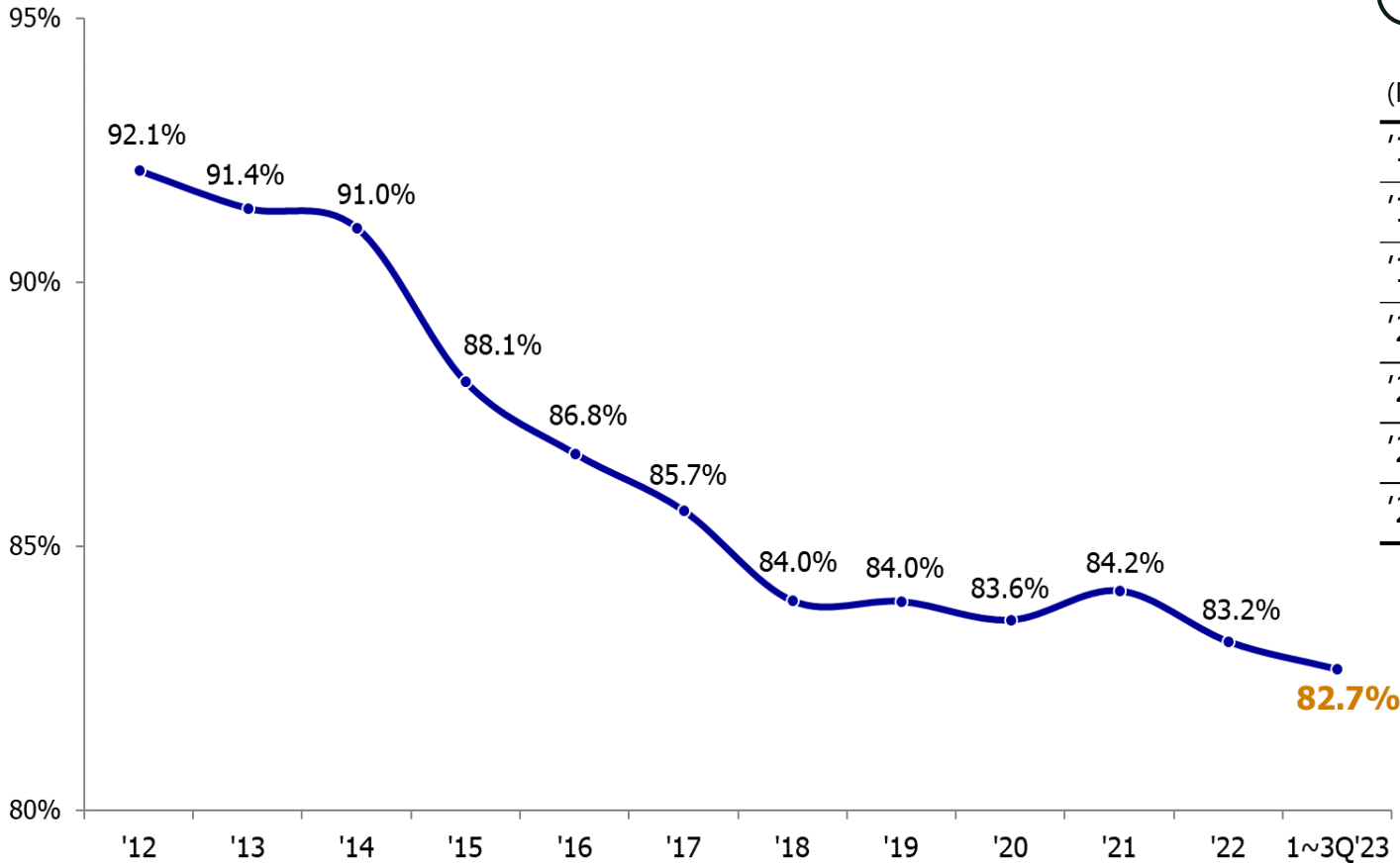
(2).Capital expenditure totaling \$3.7 bn in 1~3Q, 2022 (vs 1~3Q, 2023: \$3.5 bn).

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



Debt/Asset Ratio



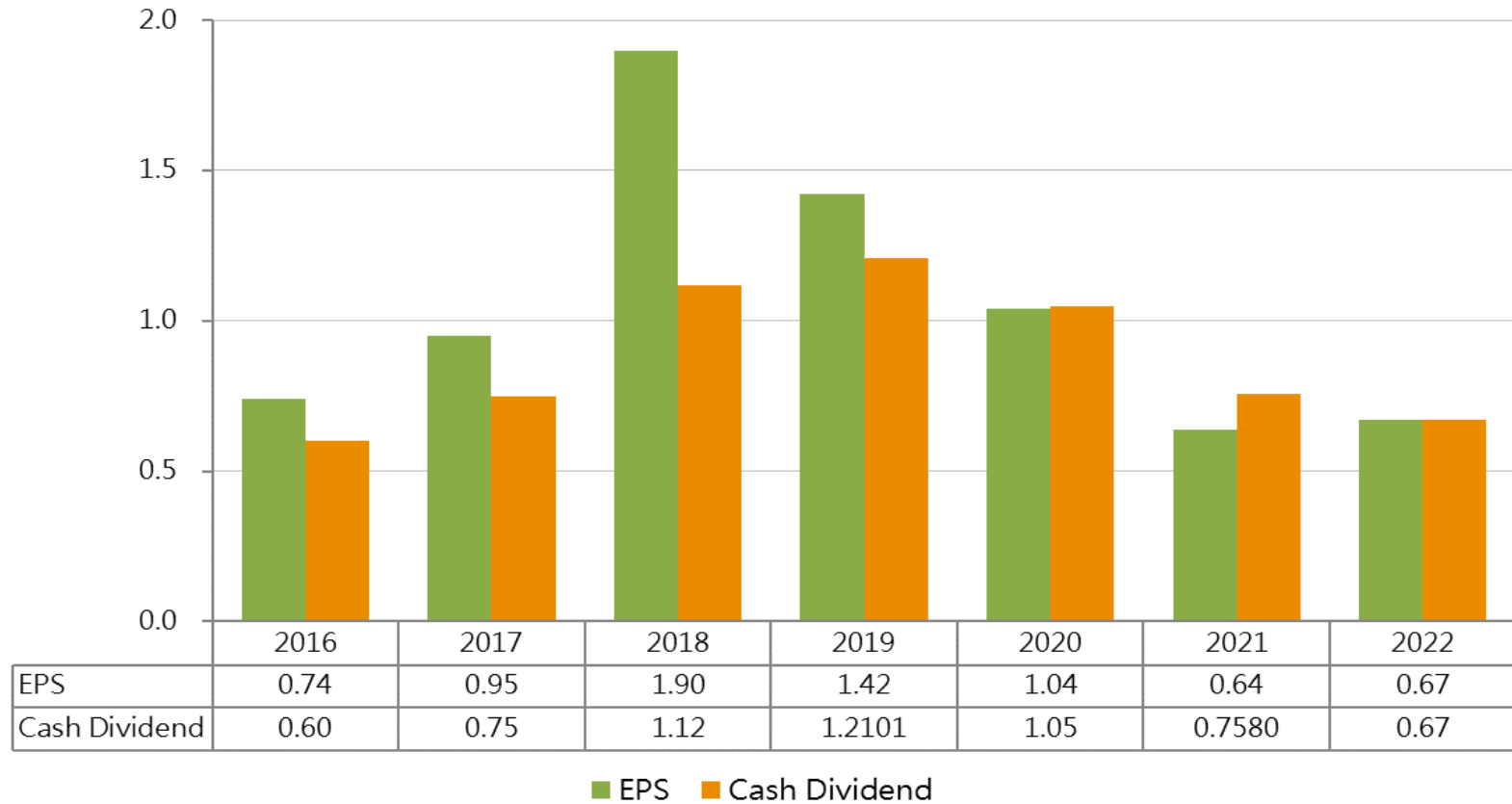
Total early payment of syndicated loan, from 2016 to 2023.

(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

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



Agency	Long-term	Short-term	Outlook
Taiwan Ratings	twAAA	twA-1+	Stable
Fitch	AA+(twn)	F1+(twn)	Stable

NT\$ Billion

300

250

200

150

100

50

0

01- '14 05 '14 09 '14 01- '15 05 '15 09 '15 01- '16 05 '16 09 '16 01- '17 05 '17 09 '17 01- '18 05 '18 09 '18 01- '19 05 '19 09 '19 01- '20 05 '20 09 '20 01- '21 05 '21 09 '21 01- '22 05 '22 09 '22 01- '23 05 '23 09 '23

Nov. 2023
Market Cap
\$169.1 Billion

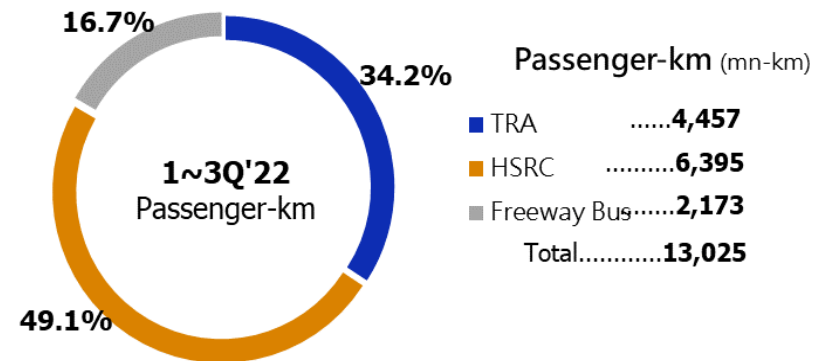
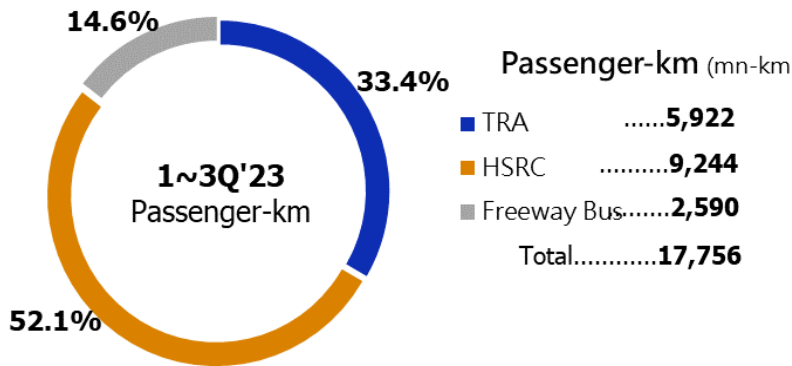
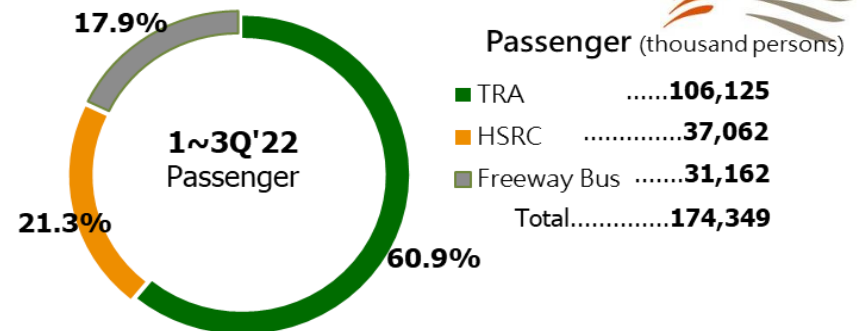
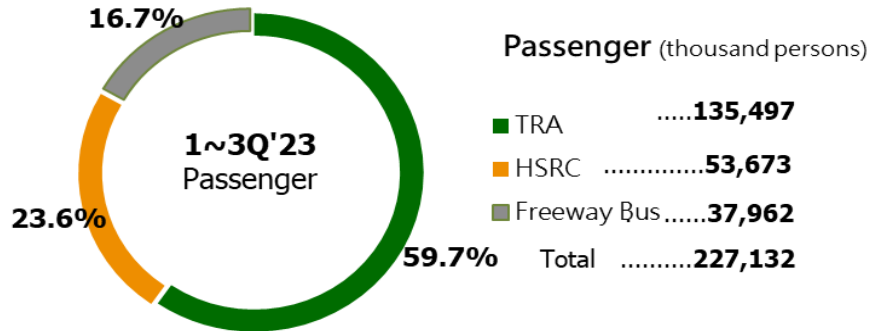
Market Cap

[Note]: Market cap is calculated using monthly average prices, outstanding common shares(including private placement shares) at month end.

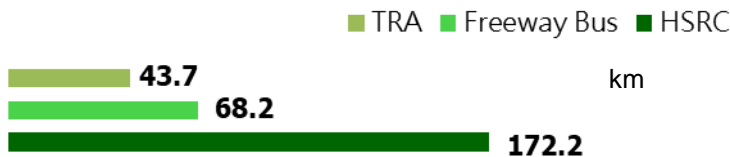


III 、 OPERATIONAL OUTLOOK

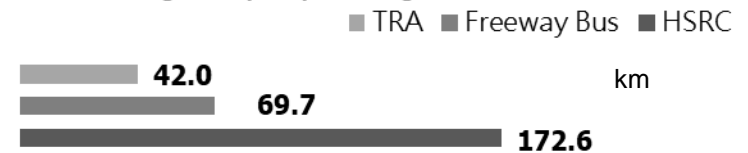
Transportation Volume Growth



1~3Q'23 Avg. km per passenger



1~3Q'22 Avg. km per passenger



Growth Momentum of Company's Operation

- ✓ High-speed rail already has an absolute advantage in the medium- and long-distance transportation market. In response to the basic travel needs of business and commuting, marketing strategies such as promoting the diversification of tourism products, expanding sales channels, optimizing mobile ticketing platforms, and deeply cultivating high-speed rail TGo membership operations will enhance high-speed rail tourism volume.

ESG Promote and Awards



- 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



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