

Ticker Symbol: 2633



Taiwan High Speed Rail Corporation 1H, 2023 Operation Report

2023.9.19



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AGENDA

I. OPERATIONAL OVERVIEW

II. FINANCIAL RESULTS

III. OPERATIONAL OUTLOOK

I. OPERATIONAL OVERVIEW

Company Profile



Operation Length

350

KM

Operation Area

11

Cities

Train Sets

34

Sets

Stations

12

Sets

Maintenance Bases

5

Sets

Weekly Schedule

1,025

Train Services

Daily Two-way Service
(WEEKEND)

169

Train Services

Daily Two-way Service
(WEEKDAY)

134

Train Services



Business Scope



Passenger Transportation Services

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



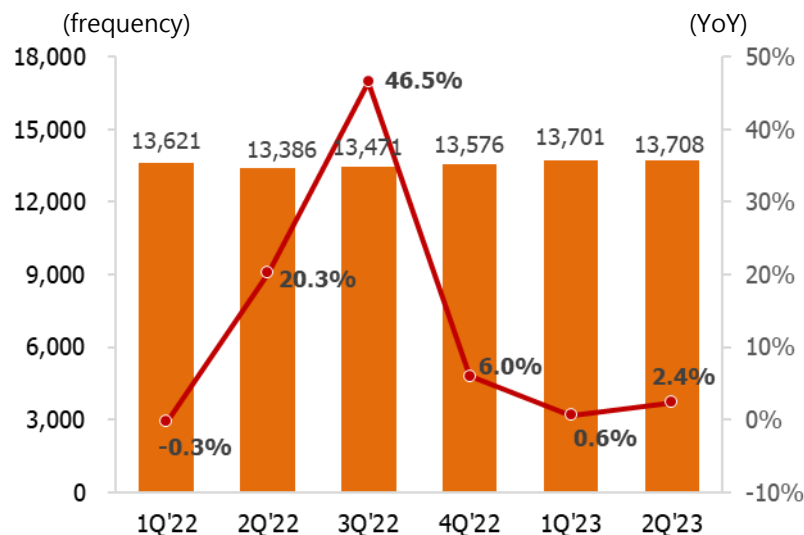
Operation of Affiliated Business

- 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

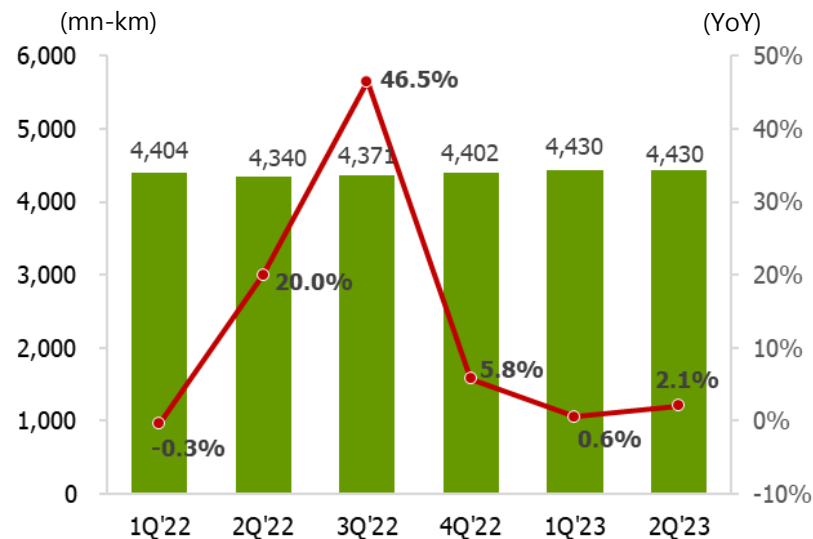
Operational Performance – Transportation Capacity



Trend of Train Services Status



Trend of Seat-km Status

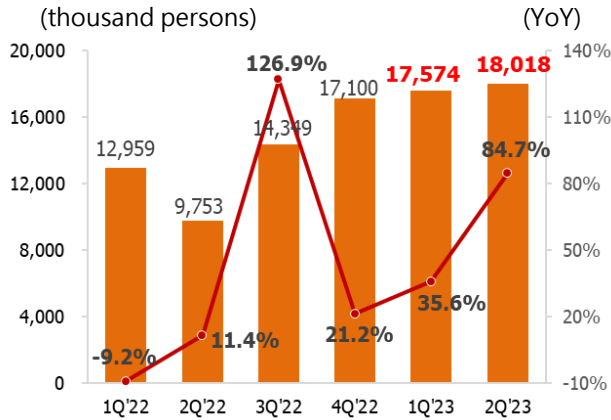


	2Q'23	1Q'23	QoQ	1H'23	1H'22	YoY
Train Service (frequency)	13,708	13,701	0.05%	27,409	27,007	1.49%
Seat-km(mn-km)	4,430	4,430	0.01%	8,860	8,744	1.33%

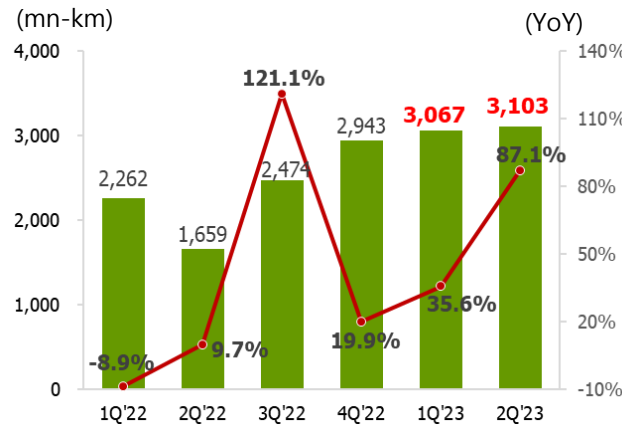
Operational Performance –Transportation Volume



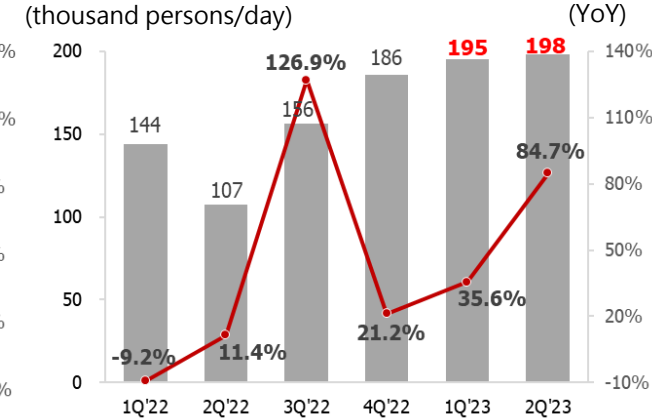
Passenger



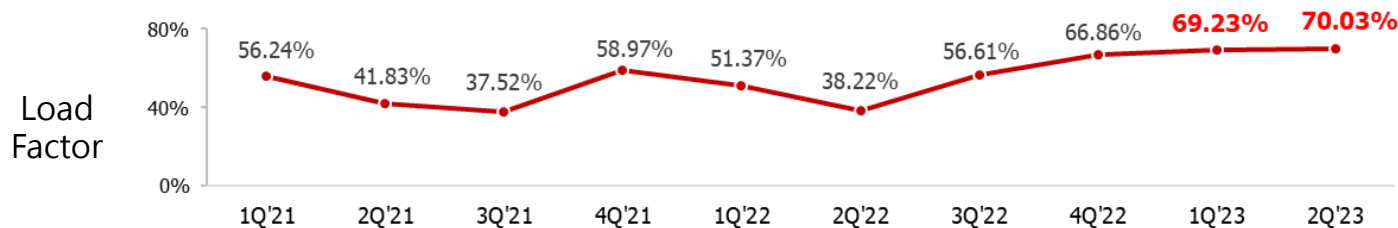
Passenger-km



Daily Avg. Ridership



	2Q'23	1Q'23	QoQ	1H'23	1H'22	YoY
Passenger (thousand persons)	18,018	17,574	2.5%	35,592	22,712	56.7%
Passenger-km (mn-km)	3,103	3,067	1.2%	6,169	3,921	57.4%
Daily Avg. Ridership (thousand persons/day)	198	195	1.4%	197	125	56.7%



1H'23

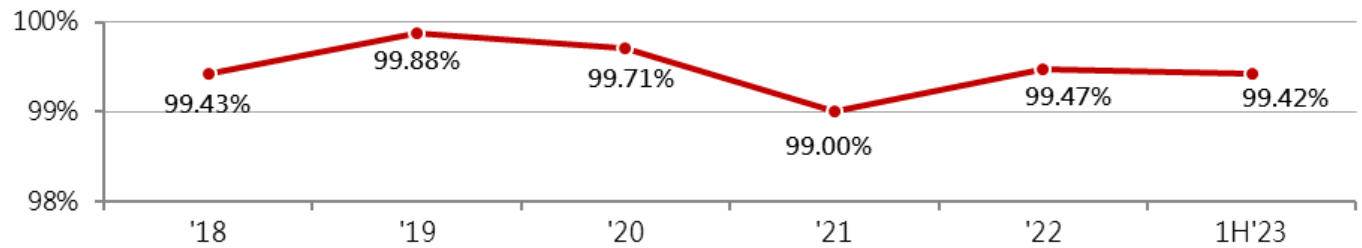
69.63%

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

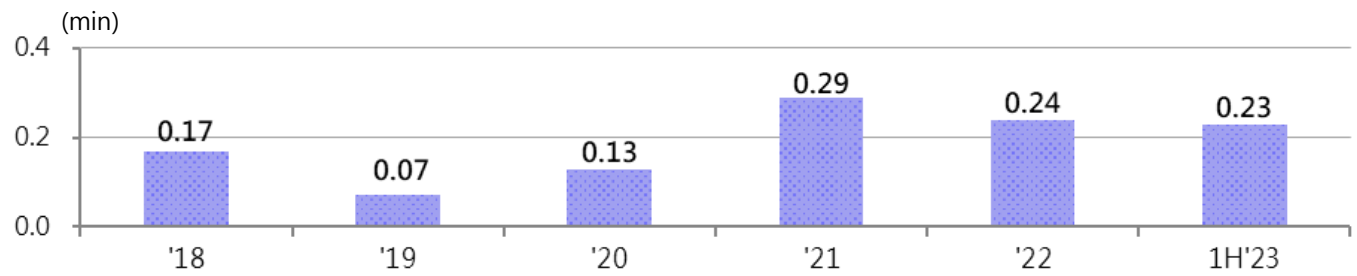
5-year Operational Performance



**Punctuality
(Delay < 5min)**



Avg. Delay Time



**Accidents
resulting in
Liabilities**

'18	'19	'20	'21	'22	1H'23
0	0	0	0	0	0

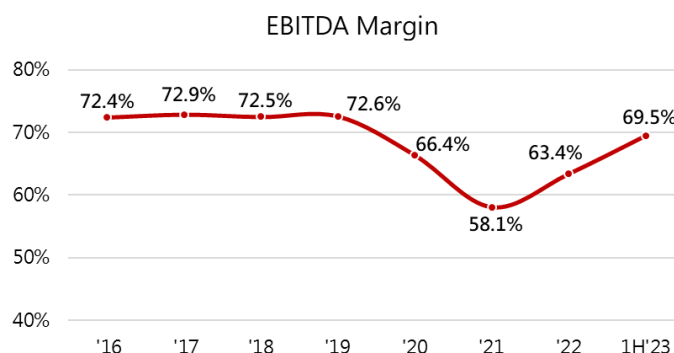
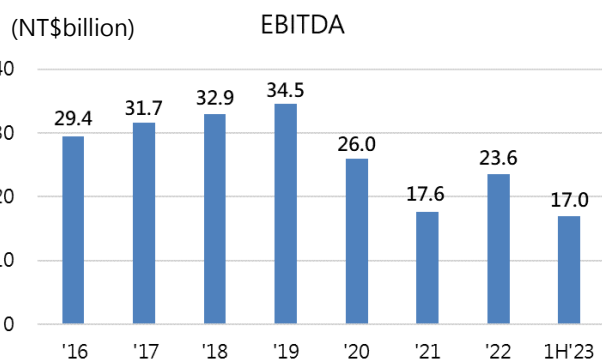


II. Financial Results

Profit & Loss and Financial Results



(NT\$ million)	2Q'23	1Q'23	QoQ	1H'23	1H'22	YoY
Revenue	12,309	12,149	1%	24,457	15,656	56%
Gross Profit	5,405	5,581	-3%	10,985	3,076	257%
Net Income	5,020	5,206	-4%	10,226	2,472	314%
Interest Expense	(1,706)	(1,667)	2%	(3,374)	(2,956)	14%
Stabilization Injection (Expense)	(1,391)	(997)	39%	(2,388)	1,259	-290%
Net Income After Tax	1,627	2,127	-23%	3,754	836	349%
EPS (NTD)	0.29	0.38	-24%	0.67	0.15	347%
EBITDA	8,424	8,573	-2%	16,997	9,237	84%
EBITDA Margin(%)	68.4%	70.6%	-	69.5%	59.0%	-

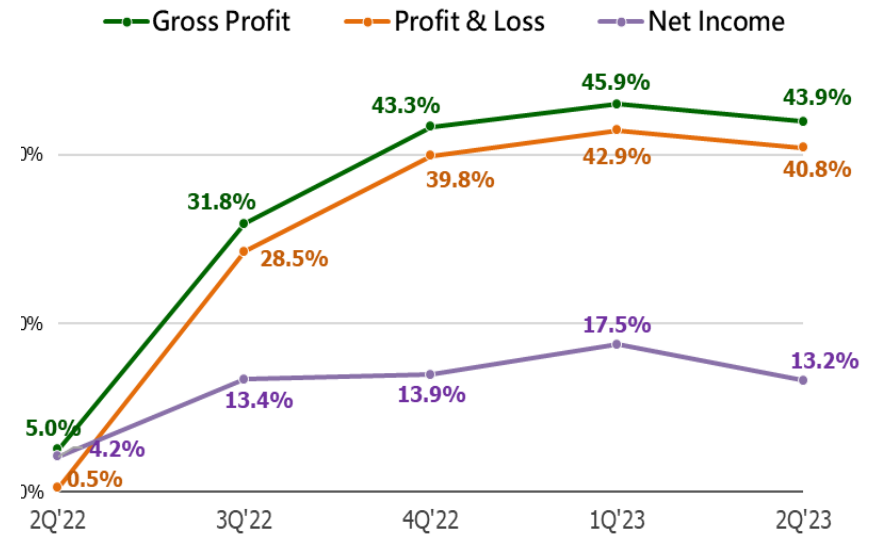
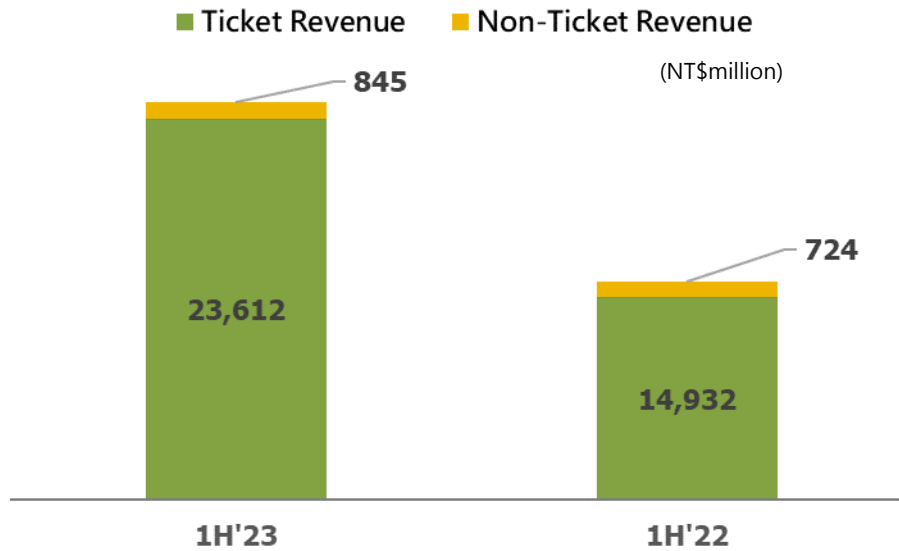


Pre-pandemic :

EBITDA CAGR ('16~'19) : **+ 5.5%**

EBITDA Margin ('16~'19) : **72%~73%**

Revenue Structure and Profit & Loss



(NT\$million)	2Q'23	1Q'23	QoQ	1H'23	1H'22	YoY
Ticket Revenue	11,887	11,725	1.4%	23,612	14,932	58.1%
Non-Ticket Revenue	422	424	-0.5%	845	724	16.8%
Total	12,309	12,149	1.3%	24,457	15,656	56.2%

	1H'23	'22	'21
Gross Profit	44.9%	35.0%	15.0%
Profit & Loss	41.8%	31.5%	11.0%
Net Income	15.3%	13.2%	11.9%

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

Cash Flows



NT\$million	2Q'23	1Q'23	1H'23	1H'22
Cash flows from operating activities [note1]	5,911	7,137	13,048	(2,366)
Cash flows from investing activities [note2]	(6,631)	(1,731)	(8,362)	18,359
Cash flows from financing activities [note3]	(9,974)	0	(9,974)	(18,075)
Cash and cash equivalent at the end of the period	11,277	21,972	11,277	19,537

Note 1: In 2022, a profit sharing payment of \$8.05 billion was paid.

Note 2: In 1H'22, the total net cash inflow of money market funds (MMF) and fixed deposits/RP with a maturity of more than 3 months totaled \$21 billion (vs 1H'23: \$(4.8) billion), and capital expenditure totaled \$2.6 billion (vs 1H'23: \$2.8 billion).

Note 3: In 2022, financial operations included: (1) Issued \$7 billion of commercial paper. (2) Early partial payment of \$25 billion was repaid for the syndicated loan principal. (vs. In 1H'23, early partial payment of \$10 billion was repaid for the syndicated loan principal).

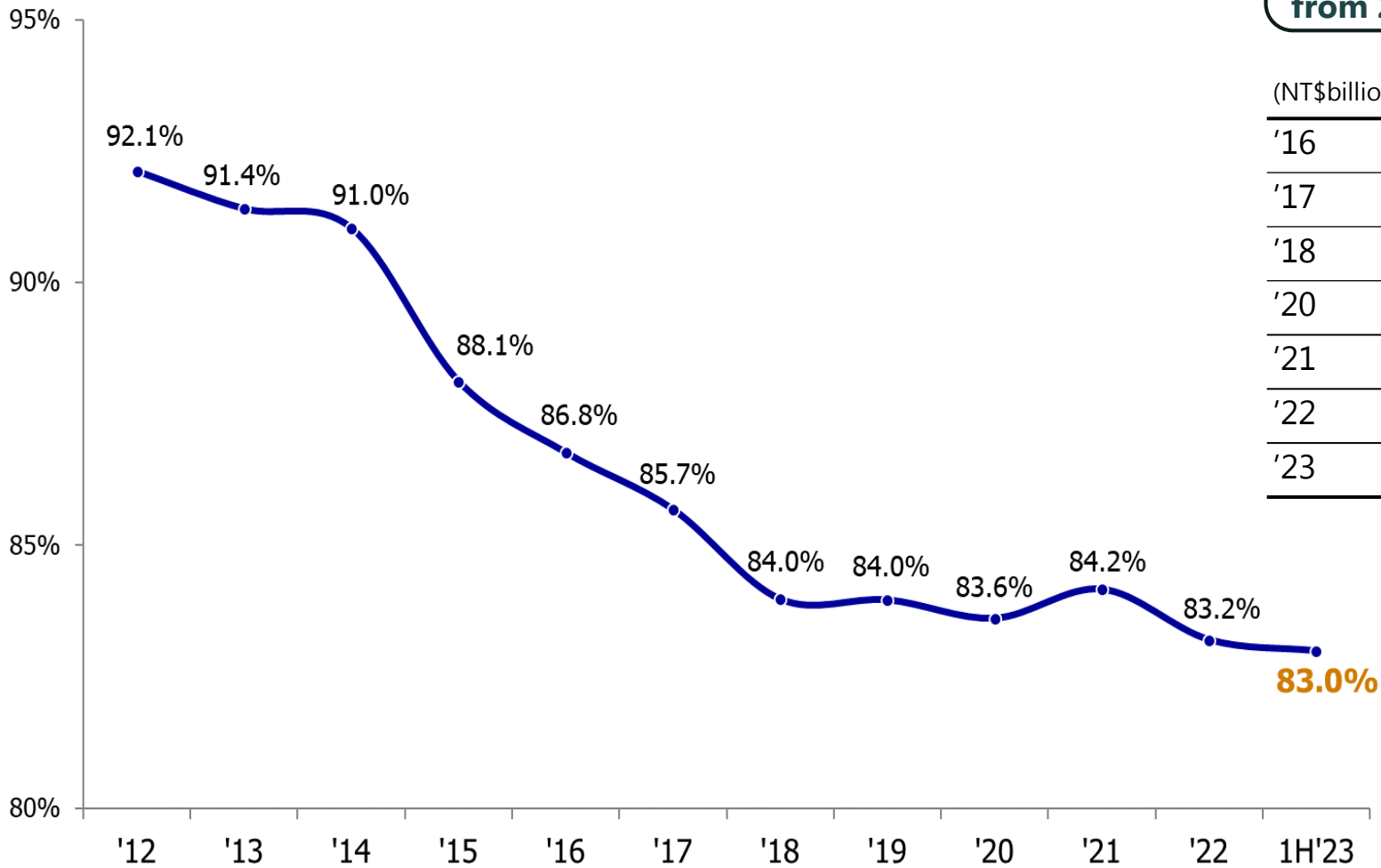
Financial Risk Management



Debt/Asset Ratio

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

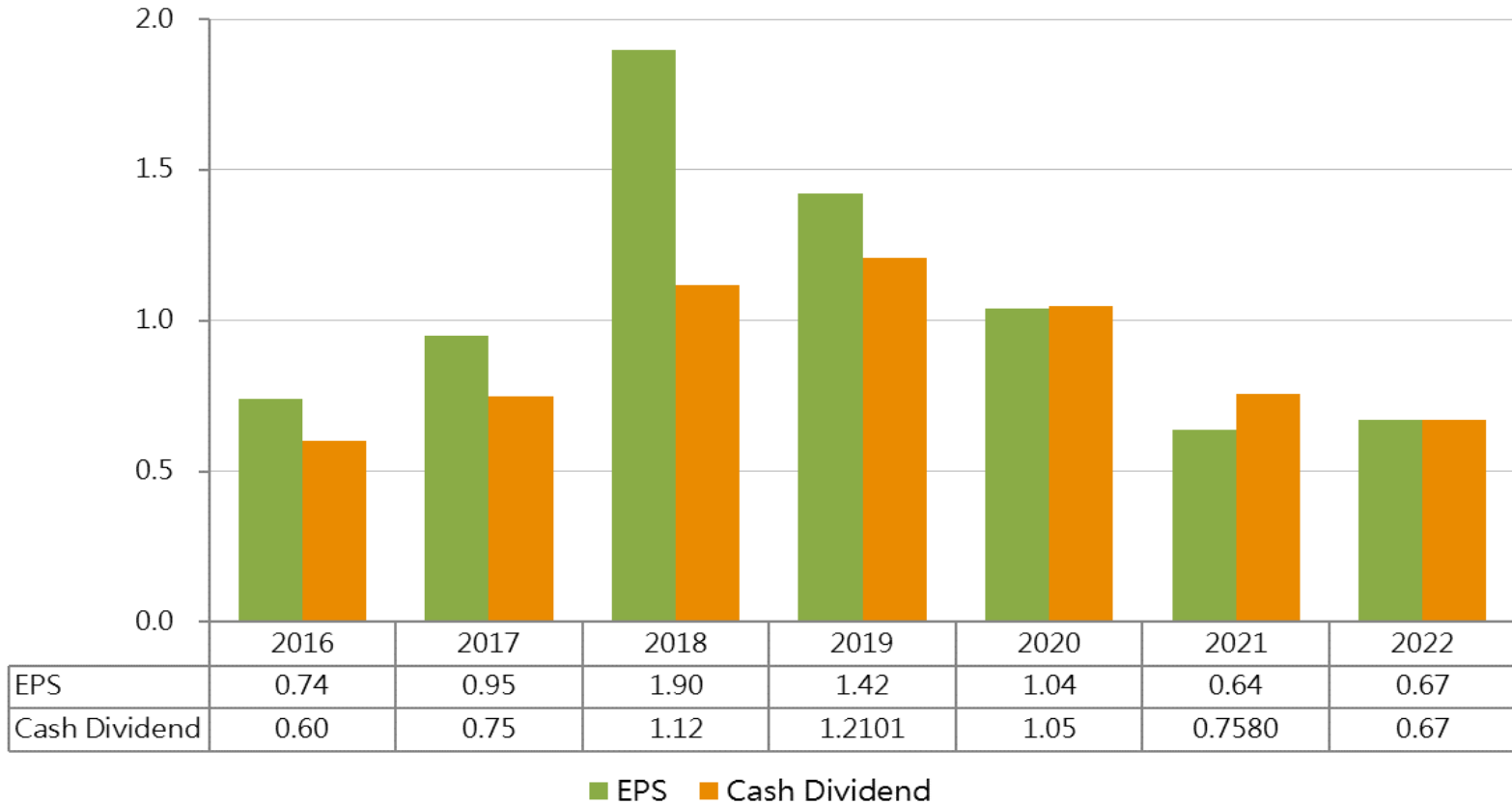
(NT\$billion)	Amount
'16	21.0
'17	41.2
'18	10.0
'20	18.5
'21	15.0
'22	25.0
'23	10.0
Total	140.7



EPS & Cash Dividend

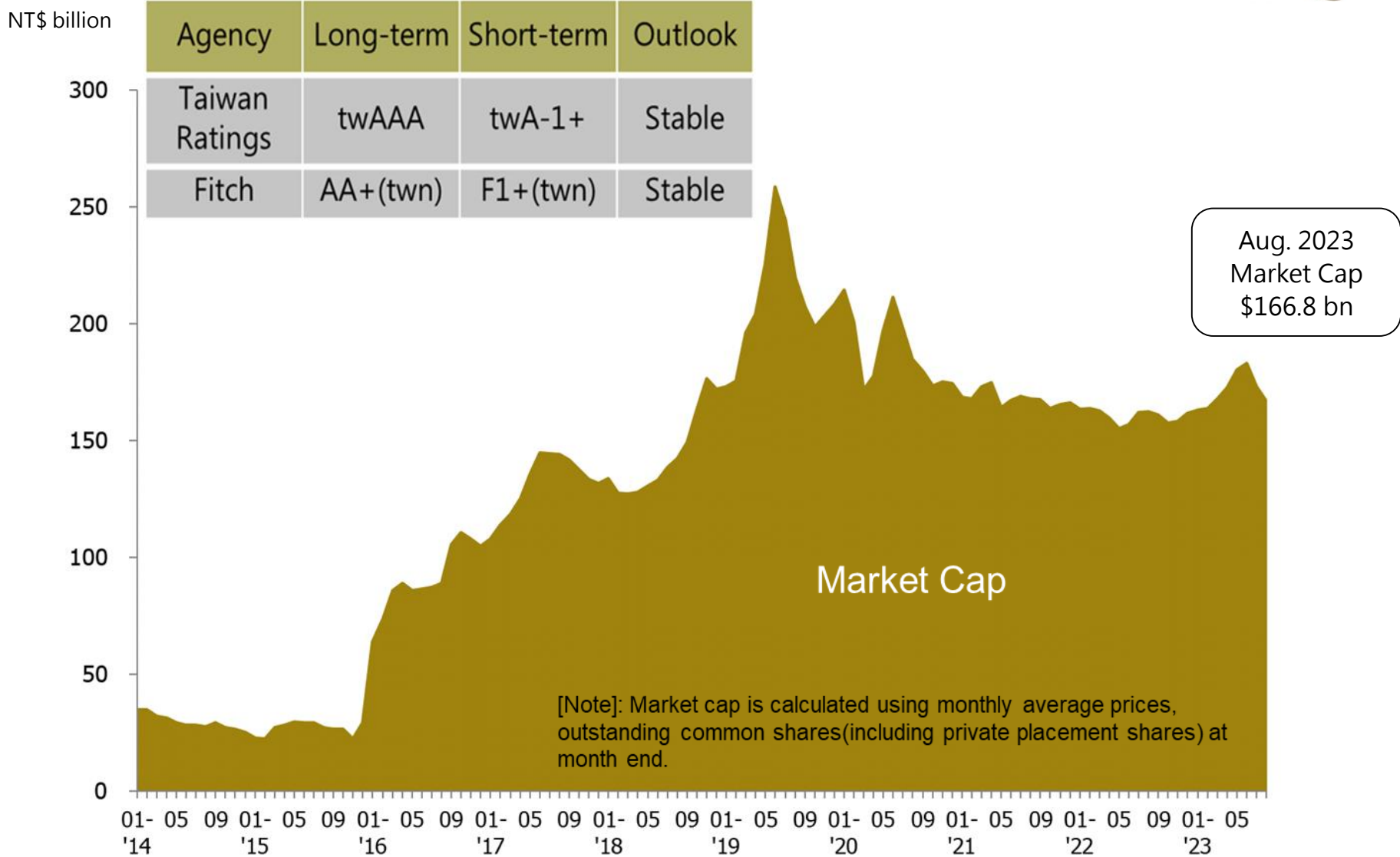


Unit : NT\$



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

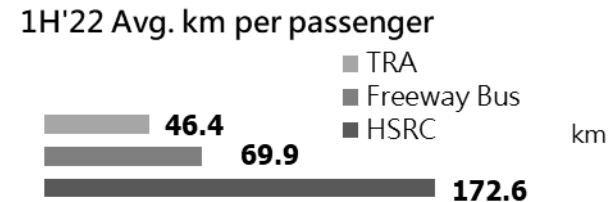
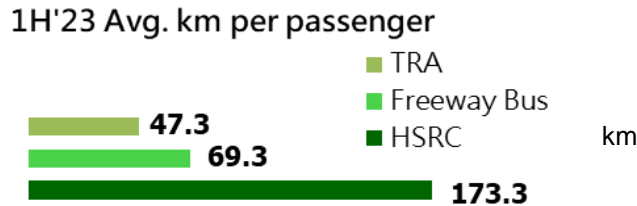
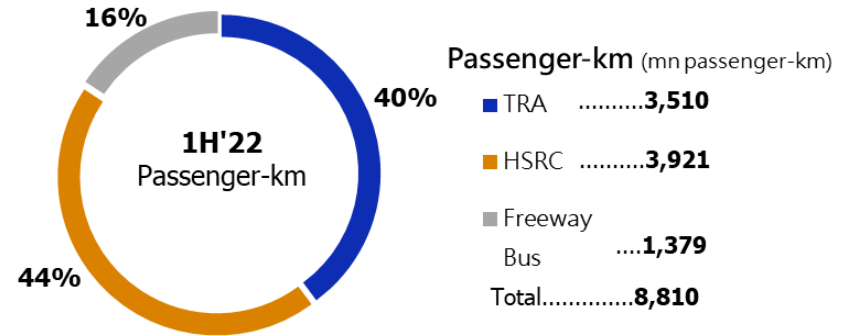
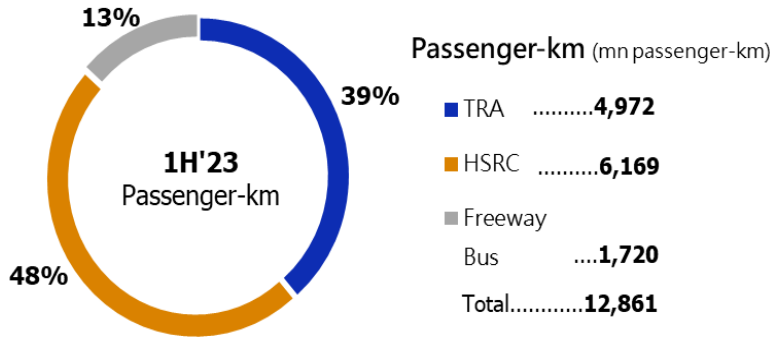
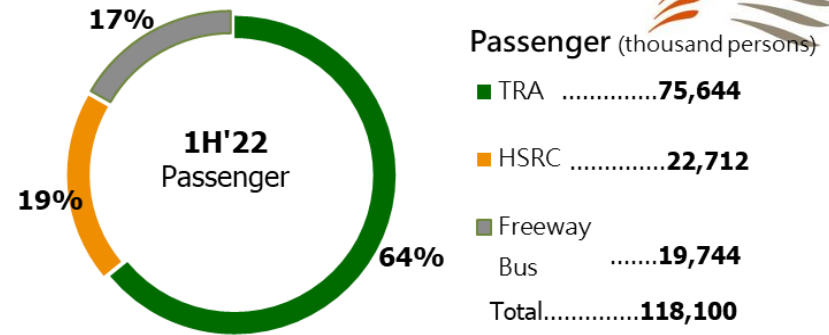
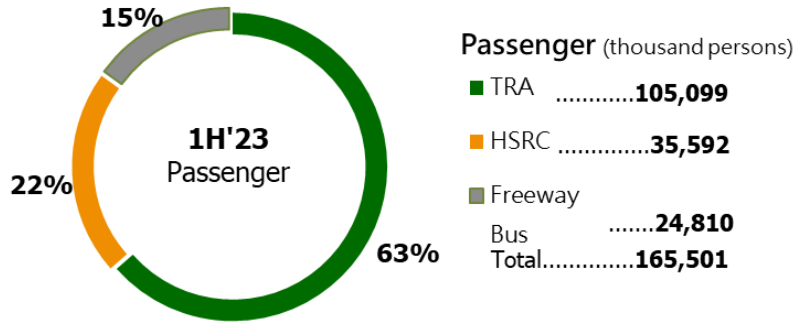
Corporate Credit Ratings & Market Cap





III 、 OPERATIONAL OUTLOOK

Transportation Volume Growth



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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