

**Chunghwa Telecom Co., Ltd. and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2025 and 2024**

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Millions of New Taiwan Dollars)

ASSETS	March 31, 2025 (Unaudited)		December 31, 2024 (Audited)		March 31, 2024 (Unaudited)		LIABILITIES AND EQUITY	March 31, 2025 (Unaudited)		December 31, 2024 (Audited)		March 31, 2024 (Unaudited)	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
CURRENT ASSETS							CURRENT LIABILITIES						
Cash and cash equivalents	\$ 29,048	5	\$ 36,260	7	\$ 33,330	6	Short-term loans	\$ 530	-	\$ 215	-	\$ 465	-
Financial assets at fair value through profit or loss	5	-	-	-	1	-	Hedging financial liabilities	-	-	2	-	-	-
Hedging financial assets	-	-	1	-	-	-	Contract liabilities	16,582	3	16,301	3	14,293	3
Contract assets	8,487	2	8,401	1	6,986	2	Trade notes and accounts payable	10,693	2	17,743	3	9,806	2
Trade notes and accounts receivable, net	22,497	4	26,026	5	22,624	4	Payables to related parties	120	-	480	-	186	-
Receivables from related parties	155	-	193	-	77	-	Current tax liabilities	9,706	2	6,822	1	9,313	2
Inventories	11,916	2	12,087	2	11,113	2	Lease liabilities	3,739	1	3,558	1	3,449	1
Prepayments	6,409	1	3,138	1	5,921	1	Other payables	23,586	4	26,581	5	22,937	4
Other current monetary assets	36,773	7	23,408	4	27,795	5	Provisions	669	-	442	-	317	-
Incremental costs of obtaining contracts	339	-	339	-	271	-	Current portion of long-term loans	8,805	2	8,803	2	1,600	-
Other current assets	2,994	1	3,115	1	3,121	1	Other current liabilities	1,017	-	1,050	-	982	-
Total current assets	118,623	22	112,968	21	111,239	21	Total current liabilities	75,447	14	81,997	15	63,348	12
NONCURRENT ASSETS							NONCURRENT LIABILITIES						
Financial assets at fair value through profit or loss	1,083	-	1,005	-	1,080	-	Long-term loans	1,629	-	1,631	1	-	-
Financial assets at fair value through other comprehensive income	5,300	1	4,667	1	5,069	1	Bonds payable	21,690	4	21,689	4	30,484	6
Financial assets at amortized cost	2,000	-	2,000	-	-	-	Contract liabilities	7,407	1	7,541	2	7,559	2
Investments accounted for using equity method	8,926	2	8,879	2	8,362	2	Deferred income tax liabilities	2,714	2	2,658	1	2,517	1
Contract assets	4,354	1	4,327	1	4,017	1	Provisions	308	-	535	-	492	-
Property, plant and equipment	286,590	53	289,840	54	287,065	54	Lease liabilities	7,462	1	7,334	1	7,399	1
Right-of-use assets	11,321	2	10,912	2	11,123	2	Customers' deposits	5,161	1	5,311	1	5,105	1
Investment properties	12,293	2	12,302	2	11,517	2	Net defined benefit liabilities	2,120	-	2,107	-	2,126	-
Intangible assets	64,647	12	66,283	12	71,096	13	Other noncurrent liabilities	7,581	1	7,688	1	7,125	1
Deferred income tax assets	1,749	-	1,661	-	2,076	1	Total noncurrent liabilities	56,072	10	56,494	11	62,807	12
Incremental costs of obtaining contracts	1,209	-	1,222	-	976	-	Total liabilities	131,519	24	138,491	26	126,155	24
Net defined benefit assets	9,072	3	8,884	2	6,138	1	EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE PARENT						
Prepayments	4,790	1	4,461	1	3,618	1	Common stocks	77,574	14	77,574	15	77,574	15
Other noncurrent assets	5,075	1	4,886	2	4,803	1	Additional paid-in capital	150,063	28	150,054	28	149,828	28
Total noncurrent assets	418,409	78	421,329	79	416,940	79	Retained earnings						
							Legal reserve	77,574	14	77,574	15	77,574	15
							Special reserve	2,676	-	2,676	-	2,899	-
							Unappropriated earnings	83,681	17	74,362	14	81,069	16
							Total retained earnings	163,931	31	154,612	29	161,542	31
							Others	1,231	-	586	-	1,081	-
							Total equity attributable to stockholders of the parent	392,799	73	382,826	72	390,025	74
							NONCONTROLLING INTERESTS	12,714	3	12,980	2	11,999	2
							Total equity	405,513	76	395,806	74	402,024	76
TOTAL	\$ 537,032	100	\$ 534,297	100	\$ 528,179	100	TOTAL	\$ 537,032	100	\$ 534,297	100	\$ 528,179	100

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Millions of New Taiwan Dollars, Except Earnings Per Share) (Unaudited)

	Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
REVENUES	\$ 55,808	100	\$ 54,943	100
OPERATING COSTS	<u>34,203</u>	<u>61</u>	<u>34,454</u>	<u>63</u>
GROSS PROFIT	<u>21,605</u>	<u>39</u>	<u>20,489</u>	<u>37</u>
OPERATING EXPENSES				
Marketing	6,140	11	5,931	10
General and administrative	1,793	3	1,637	3
Research and development	1,030	2	943	2
Expected credit loss	<u>120</u>	<u>-</u>	<u>56</u>	<u>-</u>
Total operating expenses	<u>9,083</u>	<u>16</u>	<u>8,567</u>	<u>15</u>
OTHER INCOME AND EXPENSES	<u>1</u>	<u>-</u>	<u>3</u>	<u>-</u>
INCOME FROM OPERATIONS	<u>12,523</u>	<u>23</u>	<u>11,925</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	212	-	156	-
Other income	37	-	38	-
Other gains and losses	(25)	-	15	-
Interest expense	(89)	-	(83)	-
Share of profits of associates and joint ventures accounted for using equity method	<u>38</u>	<u>-</u>	<u>13</u>	<u>-</u>
Total non-operating income and expenses	<u>173</u>	<u>-</u>	<u>139</u>	<u>-</u>
INCOME BEFORE INCOME TAX	12,696	23	12,064	22
INCOME TAX EXPENSE	<u>2,964</u>	<u>5</u>	<u>2,814</u>	<u>5</u>
NET INCOME	<u>9,732</u>	<u>18</u>	<u>9,250</u>	<u>17</u>
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified to profit or loss:				
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	568	1	627	1
Gain or loss on hedging instruments subject to basis adjustment	1	-	-	-

(Continued)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Millions of New Taiwan Dollars, Except Earnings Per Share)

(Unaudited)

	Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
Share of other comprehensive income of associates and joint ventures	\$ <u>1</u>	<u>-</u>	\$ <u>-</u>	<u>-</u>
	<u>570</u>	<u>1</u>	<u>627</u>	<u>1</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising from the translation of the foreign operations	74	-	104	-
Share of other comprehensive income of associates and joint ventures	<u>7</u>	<u>-</u>	<u>25</u>	<u>-</u>
	<u>81</u>	<u>-</u>	<u>129</u>	<u>-</u>
Total other comprehensive income, net of income tax	<u>651</u>	<u>1</u>	<u>756</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 10,383</u>	<u>19</u>	<u>\$ 10,006</u>	<u>18</u>
NET INCOME ATTRIBUTABLE TO				
Stockholders of the parent	\$ 9,319	17	\$ 9,010	17
Noncontrolling interests	<u>413</u>	<u>1</u>	<u>240</u>	<u>-</u>
	<u>\$ 9,732</u>	<u>18</u>	<u>\$ 9,250</u>	<u>17</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO				
TO				
Stockholders of the parent	\$ 9,964	18	\$ 9,738	18
Noncontrolling interests	<u>419</u>	<u>1</u>	<u>268</u>	<u>-</u>
	<u>\$ 10,383</u>	<u>19</u>	<u>\$ 10,006</u>	<u>18</u>
EARNINGS PER SHARE				
Basic	<u>\$1.20</u>		<u>\$1.16</u>	
Diluted	<u>\$1.20</u>		<u>\$1.16</u>	

(Concluded)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Millions of New Taiwan Dollars)
(Unaudited)

	Equity Attributable to Stockholders of the Parent						Others						
	Common Stocks	Additional Paid-in Capital	Retained Earnings			Total Retained Earnings	Exchange Differences Arising from the Translation of the Foreign Operations	Unrealized Gain or Loss on Financial Assets at FVOCI	Gain or Loss on Hedging Instruments	Total Others	Total Equity Attributable to Stockholders of the Parent	Noncontrolling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings								
BALANCE, JANUARY 1, 2024	\$ 77,574	\$ 149,828	\$ 77,574	\$ 2,899	\$ 72,059	\$ 152,532	\$ (168)	\$ 521	\$ -	\$ 353	\$ 380,287	\$ 12,432	\$ 392,719
Cash dividends by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(717)	(717)
Net income for the three months ended March 31, 2024	-	-	-	-	9,010	9,010	-	-	-	-	9,010	240	9,250
Other comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	-	101	627	-	728	728	28	756
Total comprehensive income for the three months ended March 31, 2024	-	-	-	-	9,010	9,010	101	627	-	728	9,738	268	10,006
Changes in equities of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	16	16
BALANCE, MARCH 31, 2024	<u>\$ 77,574</u>	<u>\$ 149,828</u>	<u>\$ 77,574</u>	<u>\$ 2,899</u>	<u>\$ 81,069</u>	<u>\$ 161,542</u>	<u>\$ (67)</u>	<u>\$ 1,148</u>	<u>\$ -</u>	<u>\$ 1,081</u>	<u>\$ 390,025</u>	<u>\$ 11,999</u>	<u>\$ 402,024</u>
BALANCE, JANUARY 1, 2025	\$ 77,574	\$ 150,054	\$ 77,574	\$ 2,676	\$ 74,362	\$ 154,612	\$ 23	\$ 564	\$ (1)	\$ 586	\$ 382,826	\$ 12,980	\$ 395,806
Cash dividends by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(710)	(710)
Net income for the three months ended March 31, 2025	-	-	-	-	9,319	9,319	-	-	-	-	9,319	413	9,732
Other comprehensive income for the three months ended March 31, 2025	-	-	-	-	-	-	70	574	1	645	645	6	651
Total comprehensive income for the three months ended March 31, 2025	-	-	-	-	9,319	9,319	70	574	1	645	9,964	419	10,383
Changes in equities of subsidiaries	-	9	-	-	-	-	-	-	-	-	9	(7)	2
Net increase in noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	32	32
BALANCE, MARCH 31, 2025	<u>\$ 77,574</u>	<u>\$ 150,063</u>	<u>\$ 77,574</u>	<u>\$ 2,676</u>	<u>\$ 83,681</u>	<u>\$ 163,931</u>	<u>\$ 93</u>	<u>\$ 1,138</u>	<u>\$ -</u>	<u>\$ 1,231</u>	<u>\$ 392,799</u>	<u>\$ 12,714</u>	<u>\$ 405,513</u>

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Millions of New Taiwan Dollars)

(Unaudited)

	Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 12,696	\$ 12,064
Adjustments to reconcile income before income tax to net cash provided by operating activities:		
Depreciation	8,340	8,236
Amortization	1,669	1,672
Amortization of incremental costs of obtaining contracts	238	215
Expected credit loss	120	56
Valuation loss (gain) on financial assets and liabilities at fair value through profit or loss, net	-	62
Interest expense	89	83
Interest income	(212)	(156)
Compensation cost of share-based payment transactions	1	3
Share of profits of associates and joint ventures accounted for using equity method	(38)	(13)
Gain on disposal of property, plant and equipment	(1)	(3)
Gain on disposal of financial instruments	-	(1)
Gain on disposal of investments accounted for using equity method	-	(77)
Provision for impairment loss and obsolescence of inventory	38	26
Gain on disposal of subsidiaries	(15)	-
Others	50	15
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Contract assets	(121)	(521)
Trade notes and accounts receivable	3,407	2,163
Receivables from related parties	38	1
Inventories	127	382
Prepayments	(3,258)	(3,028)
Other current assets	118	(299)
Other current monetary assets	(119)	33
Incremental cost of obtaining contracts	(225)	(312)
Increase (decrease) in:		
Contract liabilities	155	204
Trade notes and accounts payable	(7,041)	(4,589)
Payables to related parties	(360)	(199)
Other payables	(2,349)	(1,628)
Provisions	-	(13)
Other current liabilities	(35)	(1)
Net defined benefit plans	(177)	(147)
Cash generated from operations	13,135	14,228
Interests paid	(71)	(65)
Income taxes paid	(113)	(35)
Net cash provided by operating activities	<u>12,951</u>	<u>14,128</u>

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CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Millions of New Taiwan Dollars)

(Unaudited)

	Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (65)	\$ (30)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	3
Acquisition of financial assets at fair value through profit or loss	(82)	(109)
Proceeds from disposal of financial assets at fair value through profit or loss	-	5
Net cash outflow from loss of control of subsidiaries	(9)	-
Acquisition of property, plant and equipment	(5,407)	(5,043)
Proceeds from disposal of property, plant and equipment	2	5
Acquisition of intangible assets	(33)	(40)
Acquisition of investment properties	(2)	-
Acquisition of time deposits, negotiable certificates of deposit and commercial paper with maturities of more than three months	(23,031)	(19,414)
Proceeds from disposal of time deposits, negotiable certificates of deposit and commercial paper with maturities of more than three months	9,705	11,842
Increase in other noncurrent assets	(204)	(165)
Increase in prepayments for leases	(342)	(341)
Interests received	169	149
Dividends received	156	151
Proceeds from capital reduction and profit distribution of financial assets at fair value through profit or loss	<u>-</u>	<u>-</u>
Net cash used in investing activities	<u>(19,143)</u>	<u>(12,987)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	530	265
Repayments of short-term loans	(150)	(385)
Decrease in customers' deposits	(141)	(205)
Payments for the principal of lease liabilities	(1,203)	(1,055)
Decrease in other noncurrent liabilities	(107)	(281)
Cash dividends distributed to noncontrolling interests	(1)	(4)
Change in other noncontrolling interests	<u>13</u>	<u>13</u>
Net cash used in financing activities	<u>(1,059)</u>	<u>(1,652)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>39</u>	<u>17</u>

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CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Millions of New Taiwan Dollars)

(Unaudited)

	Three Months Ended March 31	
	2025	2024
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (7,212)	\$ (494)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>36,260</u>	<u>33,824</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 29,048</u>	<u>\$ 33,330</u> (Concluded)

CHUNGHWA TELECOM CO., LTD. AND SUBSIDIARIES

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS

Three Months Ended March 31, 2025 and 2024

(Unaudited)

STATEMENT OF COMPLIANCE

The Company has prepared its consolidated balance sheets as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024 in accordance with IAS 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (IASB). The consolidated financial statements are incomplete as they omit the related footnote disclosures as required under International Financial Reporting Standards as issued by IASB.