AIS Analyst Briefing 1H18

Advanced Info Service Plc.

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AIS

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AIS

1H18 performance highlights

Maintain leadership and continue to invest for future growth

Invest for leading 4G & FTTH network and perception

4th year

Thailand fastest mobile network by OOKLA

Expand 4G network
3CA 900/1800/2100MHz

50 cities with pure fibre optic

Brand activities: Exclusive content on AIS Video platform - Palit's World

Future-proof network & IT infrastructure

Launched **4.5G network & NB-IoT**

Prepare for **4x4 MIMO 6 sectors**

- Multi-location & multi-tier data center
- Cross border connectivity and joint global footprints with Singtel One Network
- Implement RPA and IT cloudification

New digital products in Enterprise and Consumer

NU mobile 100% digitized service

AIS PLAYBOX new version with improved UI

NB-IoT for Smart city

Pipe Line Maintenance Monitoring System

- **New managed services** for DBaaS, DRaaS, BaaS
- Develop **cyber security**

Digital experience for digital native consumer

"OK GOOGLE"

Hi, how can I help?

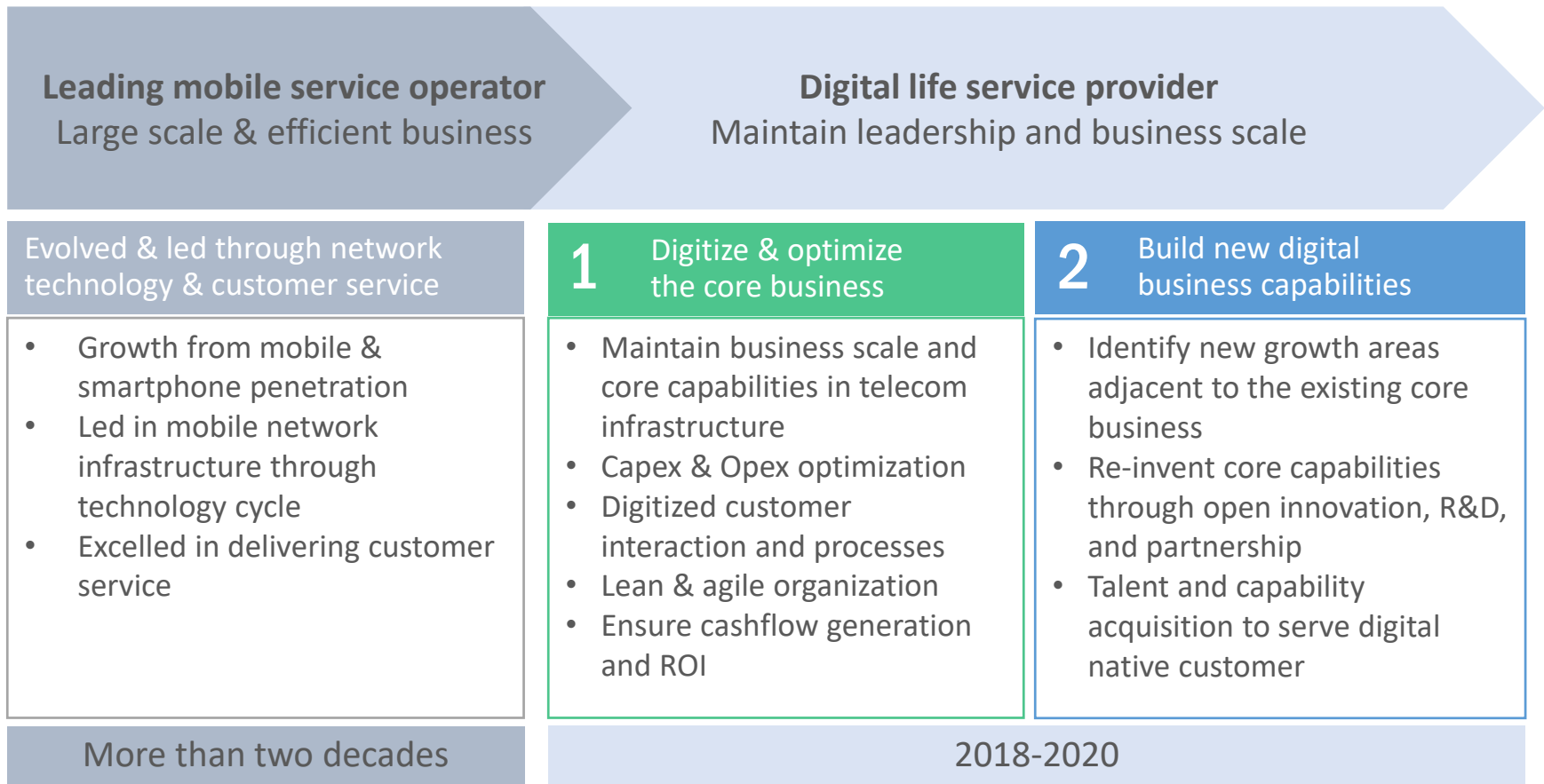Local language voice command on myAIS, AIS PLAY

Customer experience model based on SOC tool

AI Chatbot Ask Aunjai

➢ **online discovery & onboarding** e.g. AIS Social media, AIS NOW - potential upsell, cross sell

AIS digital transformation toward 2020

Leading mobile service operator
Large scale & efficient business

Digital life service provider
Maintain leadership and business scale

Evolved & led through network technology & customer service

- Growth from mobile & smartphone penetration
- Led in mobile network infrastructure through technology cycle
- Excelled in delivering customer service

1 Digitize & optimize the core business

- Maintain business scale and core capabilities in telecom infrastructure
- Capex & Opex optimization
- Digitized customer interaction and processes
- Lean & agile organization
- Ensure cashflow generation and ROI

2 Build new digital business capabilities

- Identify new growth areas adjacent to the existing core business
- Re-invent core capabilities through open innovation, R&D, and partnership
- Talent and capability acquisition to serve digital native customer

More than two decades

2018-2020

AIS digital transformation toward 2020

1 Full Service Digitization	2 Digital Convergence & CVM	3 Enterprise Segments	4 NFV& Cloudification	5 Organization Transformation

Target 2020

• Provide shops & services that never sleep	• Move to ARPH • Improve revenue assurance and add valued users	• Expand revenue contribution of enterprise business	• > 90% cloudification • Network virtualization ready for 5G	• Data-driven organization & culture

Strategy toward 2020

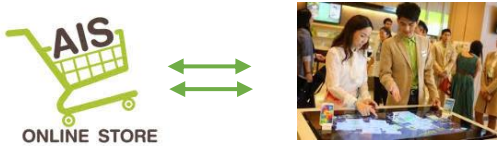|				
• **Digitize** all customer journeys • **AI/Chatbots** embedded into all self-service channels • Deployment of **OMNI channels**	• **Data-driven analysis** based on customer insights: • Bundle mobile, fibre & content via **FMC** • Maximize value of **contents** in customer retention and branding	New **opportunities** • IoT • SME & R-SME • Managed Security • Mobile Digital Marketing	• **5G** future-proof networks • **IT** legacy transformed to Cloud-friendly network architecture • **AI** for network operation	• **Organization** readiness for digital disruption • **Leverage** capabilities and create synergies in value chain supporting digital business objectives

Digital transformation:
1 Full Service Digitization

Transform customers journey through new digital experience delivered with improved cost effectiveness

New shopping experience	Transform service experience	New digitized services

+2.8mn users

- >9mn active users click on AIS digital channels
- Digitize online discovery & on-boarding
- Develop seamless experience between online and offline purchase

- Full-e: e-bill, e-payment, e-receipt, e-service
- Develop Robot Alex to offload traffic on our staffs at AIS Shops
- Apply Robotic Process Automation in call center and service operation
- AI chatbot in local language

- Launched in late May-18
- Target "Digital natives"
- 100% digitized services from registration, payment, account management via app

Enrich customer digital experience through digitized service & support

- **Face recognition** for new postpaid registration
- FBB **digital welcome VDO** on bill explanation, payment guide, self-help basic technical issues
- **Angel team** selected staff with >10 years experience to empower senior citizen who are new to technology

↑
- Digital literacy among elderly
- Customer experience in digital services

↓
- Handling time
- Cost to serve

Price plan

Highlight features

Price Plan	Voice (Min)	No Throttling Data Speed
	All network	
259 B	100	2 Mbps
399 B	100	4 Mbps
559 B	100	6 Mbps
899 B	100	10 Mbps

Fully Online

Online Touchpoint only

No Premium SMS

eBill

No Excess Charge

Auto ePayment eReceipt

No Hidden Conditions

Truly Unlimited Data
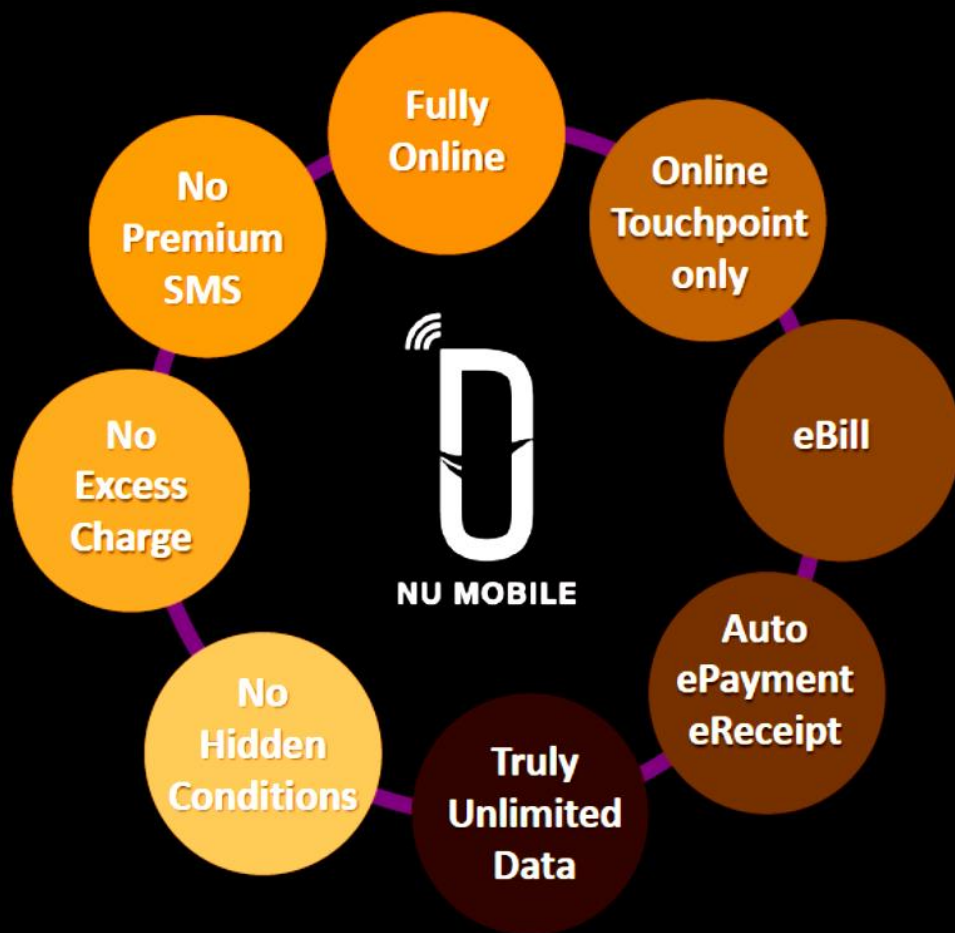
NU MOBILE

Thailand first face recognition in service kiosks
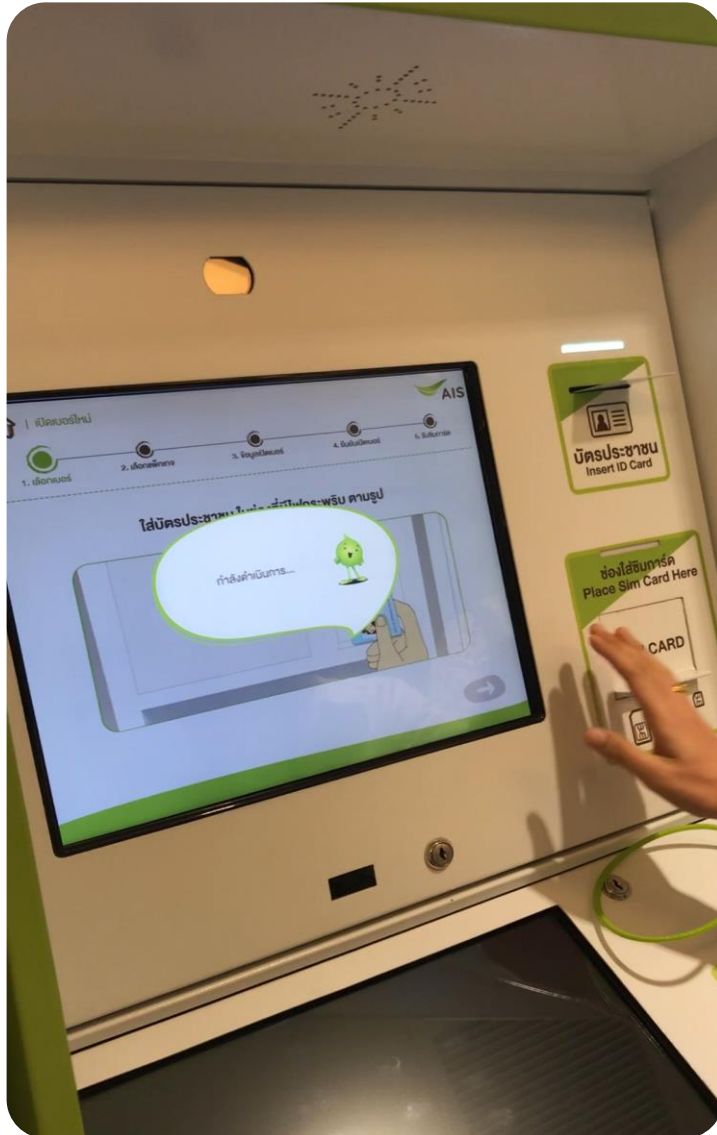
Face recognition kiosks

AIS

80+ service kiosks
at 66 shops

With face recognition for mobile number registration
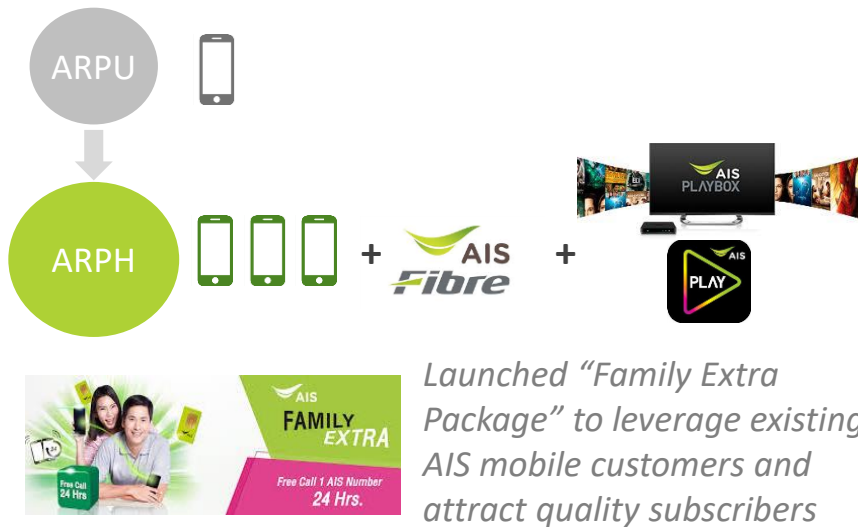
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Ensure customer security from precise identity

Reduce handling time

Digital transformation:
2 Digital convergence & Customer value management

Increase share of wallet per household through Fixed Mobile Content Convergence

ARPU

ARPH

📱📱📱 + *AIS Fibre* +

Launched "Family Extra Package" to leverage existing AIS mobile customers and attract quality subscribers

Enhance digital convergence through Rabbit LINE-Pay

- Enhance digital lifestyle
- Convenient payment
- Expand to new customers
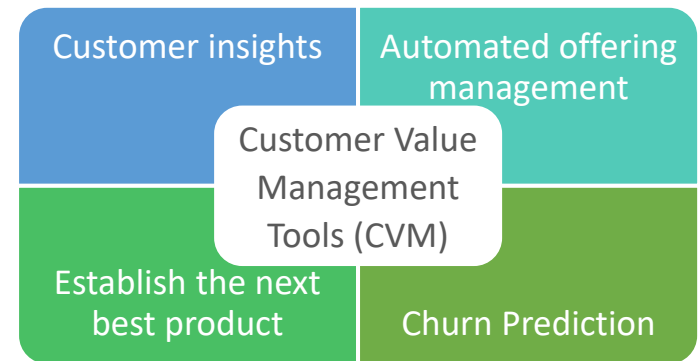
LINE +45mn users

rabbit LINE Pay +3.4mn users

+8.5mn users

Gain customer insights and manage effective service and privilege offerings to match with individual needs through **data-driven analytics**

Customer insights	Automated offering management
Establish the next best product	Churn Prediction

Customer Value Management Tools (CVM)

Reduce churn
Improve customer satisfaction
Upsell & increase revenue

Digital transformation:
3 Enterprise business

Enlarge & capture emerging enterprise demand through end-to-end service platform and carrier grade infrastructure

- Multi locations, multi-tier Cloud & Data Center
- Corporate internet with cost advantage from economy of scale
- Communication services & Business solutions
- End-to-end ICT solution and managed service i.e. cyber security, DRaaS, DBaaS, BaaS
- Online advertising & Digital marketing which leverage large database
- Regional hub and cross border connectivity

Revenue Synergy | *Cost Synergy* | *Operation Efficiency*

Business integration progress

- Product & marketing alignments
- Sales force optimization
- Upsell and Cross sell
- Media leased line migration

Build IoT ecosystem for the future economic growth

600+ members — **AIS | AIAP IoT Alliance Program**

- Access to facility through IoT Dev Center, Available NB-IoT tool kits
- Build versatile IoT solutions to benefit wide range of industries e.g. Transportation, Healthcare, Manufacturing, Property Development

Digital transformation:
4 Network Function Virtualization & Cloudification

| Cloudification & NFV preparation	• NFV planning and prepare for legacy network transfer • 4x4MIMO and 6 sector • IT cloud technology implementation • Prepare knowledge for staff	*Benefits* ✓ Increased capacity per footprint ✓ Lower power consumption ✓ Resource sharing ✓ Programmable operations

5G future-proof networks
Building IoT Ecosystem

Partners **Solutions** **Network**

↑ Quality of life
↑ Cost Efficiency
↓ Energy consumption

Smart City/Campus Solutions

- **Energy saving:** Smart Street Lamp (detect movement to auto turn on/off the lights), CCTV camera, using Solar power

- **Easy transport:** Smart Bike, Smart Shuttle Service: real time location and ETA

- **High Security:** Smart License Plate, Smart Tracking and Face Recognition

Partnership in various sectors
Partner with Thammasat University and Property Perfect, Mobike and Samsung Electronics, providing NB-IoT based solutions to effectively manage the community areas
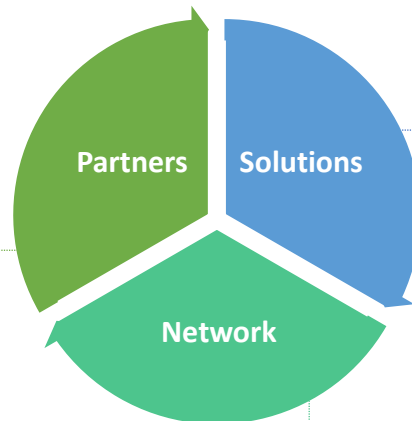
Narrow Band IoT
- Cover 77 provinces
- Low power consumption
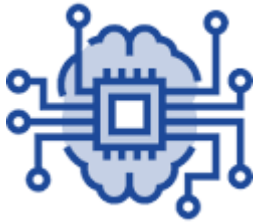- Deep penetration
- +100k connections per cell

Digital transformation:
5 Organization Transformation

Build & acquire new capabilities	Streamline/digitized operation & maintenance	Lean organization
• Digital competency e.g. Robotics, Data Analytics, Blockchain, Fintech, Design thinking, Social marketing • Online learning platform (ReadDi & LearnDi) • Build digital, Innovation-driven environment and e.g. AIS ACADEMY, Innovation canter, AISD.C. • Partnership with international leading educational institutes	• Data driven analytics decision approach • Develop automated online campaign optimization • Develop and deploy more automation tools for IT operation and maintenance	• Lean organization structure based on new business solutions, services and demand • Shorten internal process and reduce time to market

Q&A

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