



# FY21 Investor presentation

Advanced Info Service Plc.

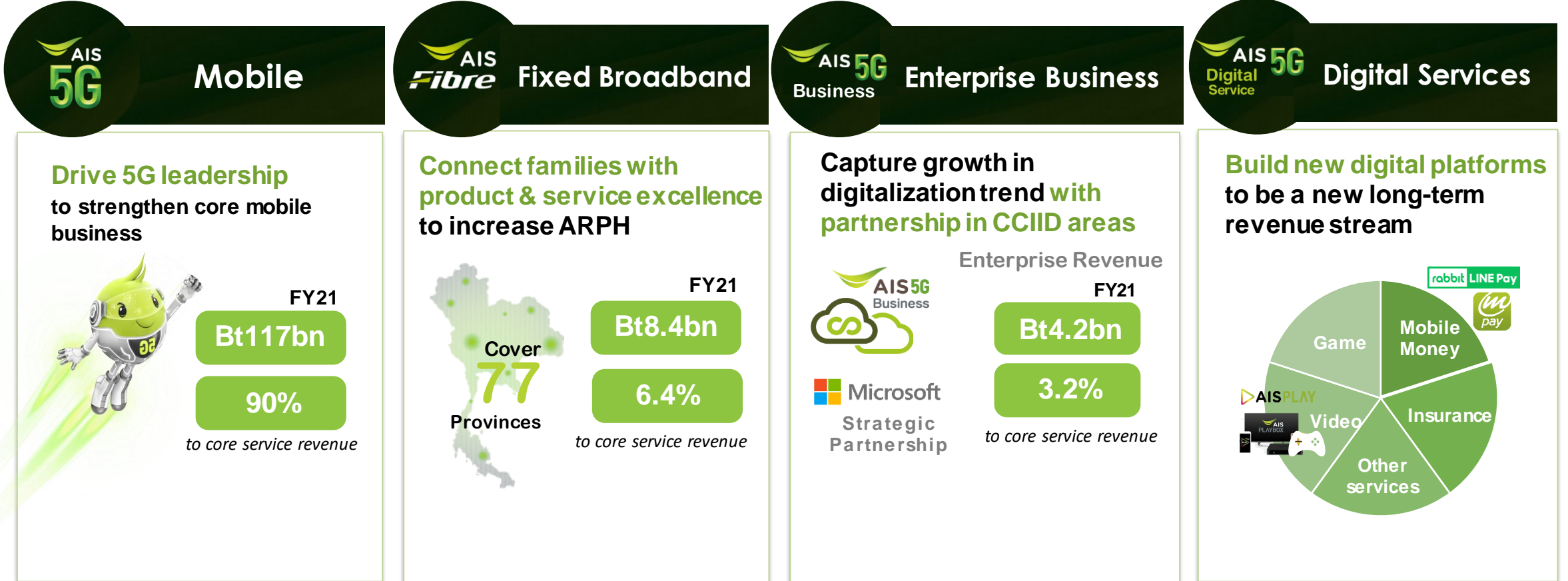


Add AIS IR LINE@

# AIS: Digital Life Service Provider empowered by 5G



Drive AIS toward becoming a Cognitive Telco



Empower growth engines with **5G** technology

# FY21 Executive Summary



## Maintained leadership in mobile business

- Majority of 2021 continued to be affected by weak consumer spending due to pandemic restriction. Some improvement was seen in 4Q21
- Mobile revenue slightly declined by 0.7% YoY to Bt117,244mn following weak economy and competition, offset by strong net addition of 2.68mn

## Expanded leadership in 5G

- Our 5G network has reached 76% of population across 77 cities, focusing on the high-usage areas and utilizing the 2600GHz and 700MHz to provide a superior customer experience.
- 5G subscriber base grew at an accelerated rate, reaching 2.2mn, above the target of 2mn, while ARPU uplift remained around 10-15%.

## Grew strongly in home broadband while Strengthened enterprise business and digital services

- AIS Fibre grew healthily, despite intense competition, with a 21% increase YoY, underpinned by 435,100 net additions, or an estimated 25% of industry's net add share
- Enterprise non-mobile revenue in FY21 climbed 18% YoY and accounted for 3.2% of core service revenue.
- Our enterprise business was reinforced by a strategic partnership with Microsoft

## Delivered FY21 performance above the guidance while expecting mid-single digit growth in FY22

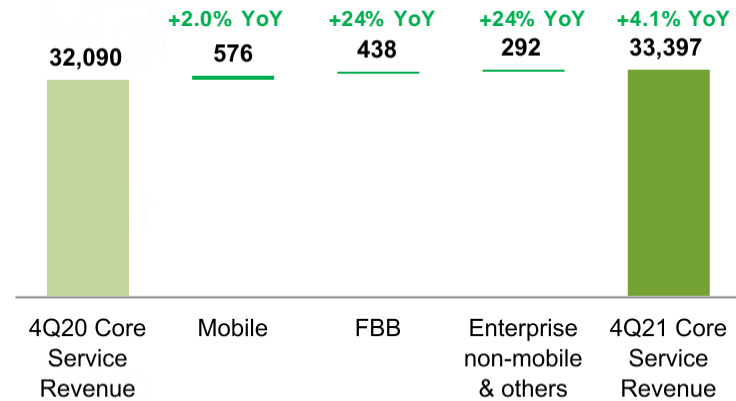
- Core service revenue is expected to grow in mid-single digit rate underpinned by growth across all business segments
- EBITDA is expected to grow in low-single digit as we aim to lead the 5G market and capture growth segments while continue digitalization of operational processes.
- CAPEX is planned Bt30-35bn depending on market situation.

## 4Q21 Performance:

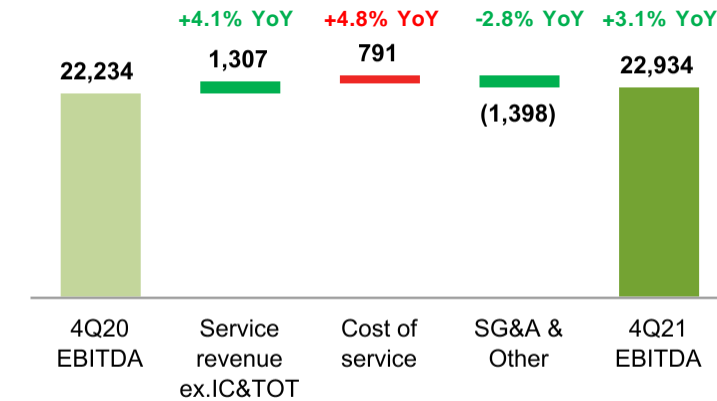
Core service revenue grew supported by all businesses



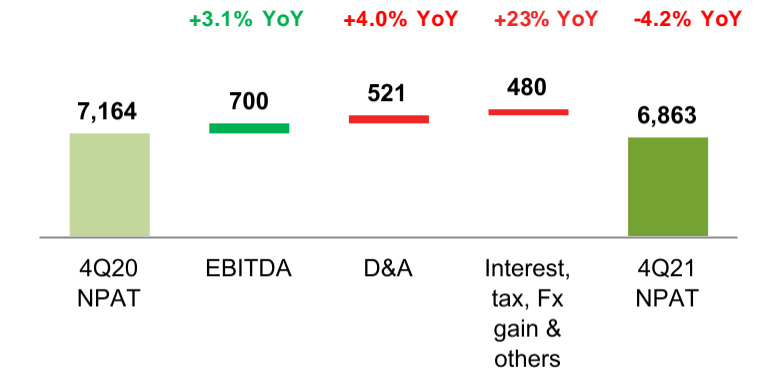
Core service revenue (Bt mn)



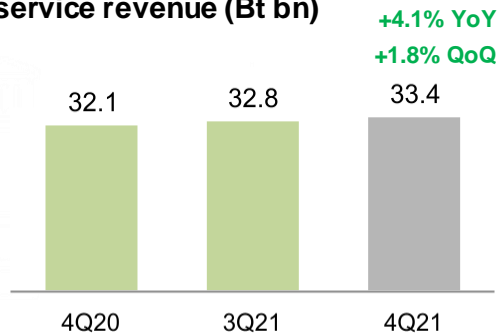
EBITDA (Bt mn)



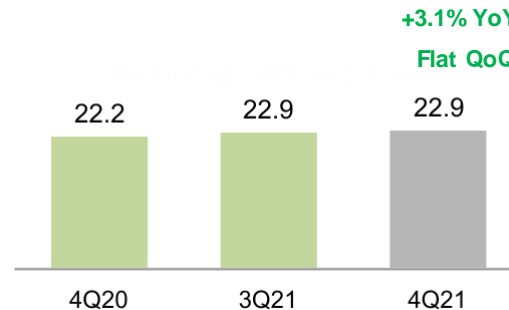
Reported NPAT (Bt mn)



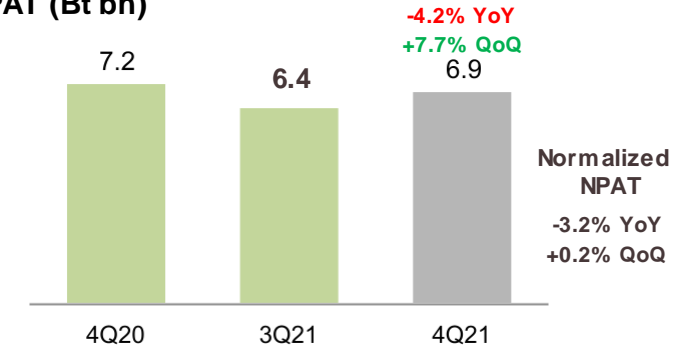
Core service revenue (Bt bn)



EBITDA (Bt bn)



NPAT (Bt bn)



**Core service revenue** increased by 4.1% YoY and 1.8% QoQ from an improvement in mobile revenue and a continuing to strengthen in both FBB and Enterprise businesses.

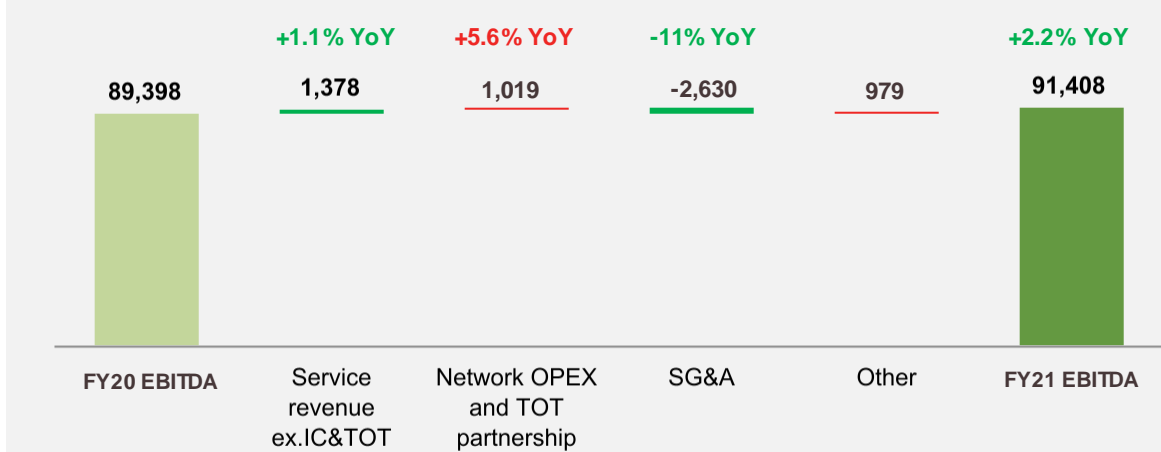
**EBITDA** rose 3.1% YoY but flat QoQ supported by core service revenue growth and optimization of SG&A.

**NPAT** dropped by 4.2% YoY following network investment, spectrum acquisition and FX loss. However, it increased 7.7% QoQ, caused mainly by FX gain in Q4. normalized NPAT (excluding FX loss) declined 3.2% YoY but remained flat QoQ.

## FY21 Performance:

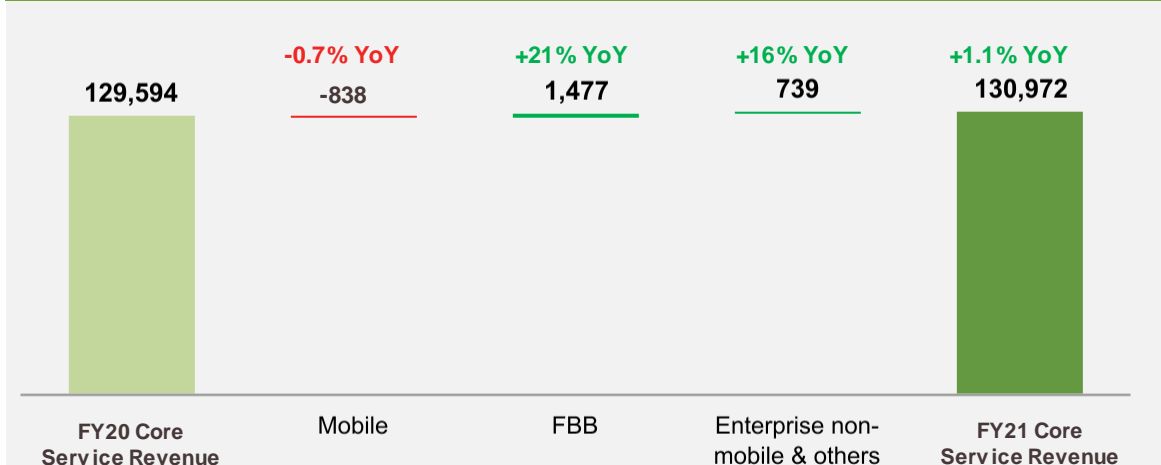
Generated an increased EBITDA beyond guidance following growth in core service revenue with cost optimization

### EBITDA (Bt mn)



- **EBITDA increased by 2.2% YoY**, better than guidance, driven by core service revenue improvement combined with well cost control.
- **NPAT declined 1.9%** from continuing network investment, spectrum acquisition, and effect of FX loss.

### Core service revenue (Bt mn)



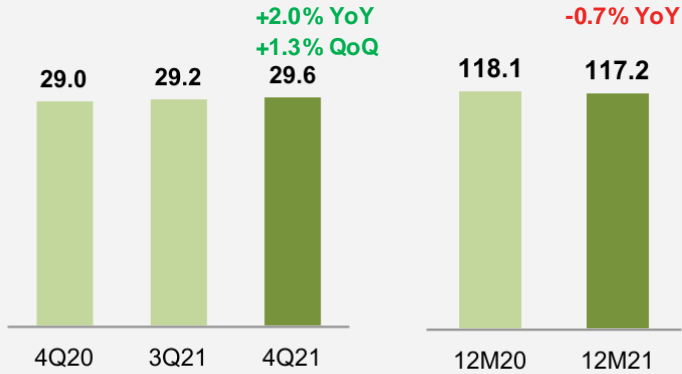
### NPAT (Bt mn)



# Mobile: Revenue improved amidst weak economy and price competition



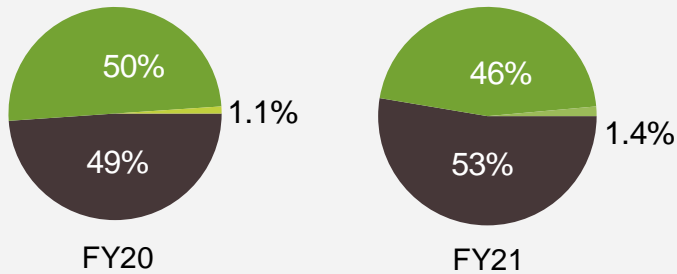
## Mobile revenue (Bt bn)



- Slightly increased in 4Q21 supported by strong net addition despite weak customer spending and price competition

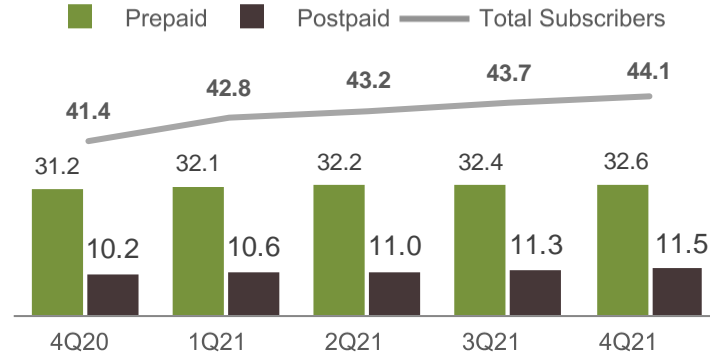
## % Mobile Revenue Contribution

■ Postpaid ■ Prepaid ■ IR+IDD

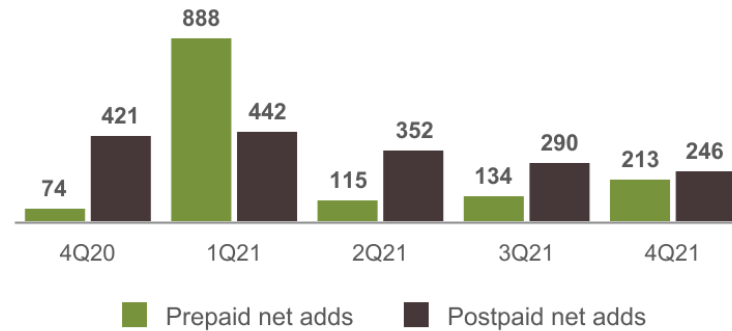


- Postpaid revenue mix continued to expand from pre-to-post migration trend

## Total subscriber (mn)

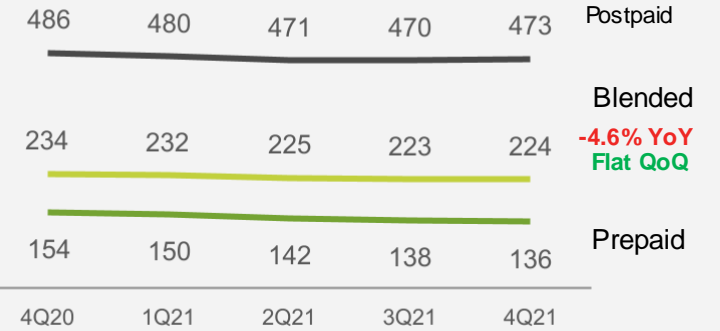


## Net additional subscriber ('000)



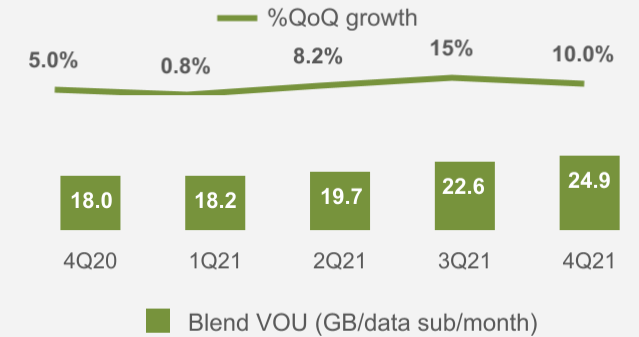
- Subscriber base grew strongly in both prepaid and postpaid driven by our strong acquisition strategy and ongoing efforts to maintain market share and raise awareness of 5G

## Mobile ARPU (Bt/sub/month)



- Blended ARPU was flat QoQ despite aggressive competition

## Data Consumption



- Decelerated growth in data consumption after the lockdown eased

# Continuous 5G subscriber scale expansion and maintain a leading position in 5G development



## Enhance leadership in 5G network

**>76%**

Nationwide coverage  
(Population coverage)

**19K** sites

5G Base station  
(as of Dec-21)



**77**  
provinces

**>99%**

**BKK**  
(Population coverage)

**>90%**

**EEC**  
Area



**2.2mn**

> 5G package subscribers

**2.4mn**

> 5G handset on AIS network

**Scaling 5G potential**



**10-15%**

> 5G ARPU uplift

**~Bt600**

> 5G ARPU

**Monetization**

## 5G Network Leader

Guaranteed from global awards



**OOKLA**  
SPEEDTEST

**Fastest 5G Mobile  
Network in 2021**

## Drive mass adoption



Samsung  
Galaxy A22



Xiaomi Redmi  
Note 9T



Xiaomi Redmi  
Note10



VIVO Y52



R1 5G SA

**Affordable 5G Handsets**  
Starting price with Bt5,690– 8,290



# Strengthen 5G Competitiveness to increase 5G awareness



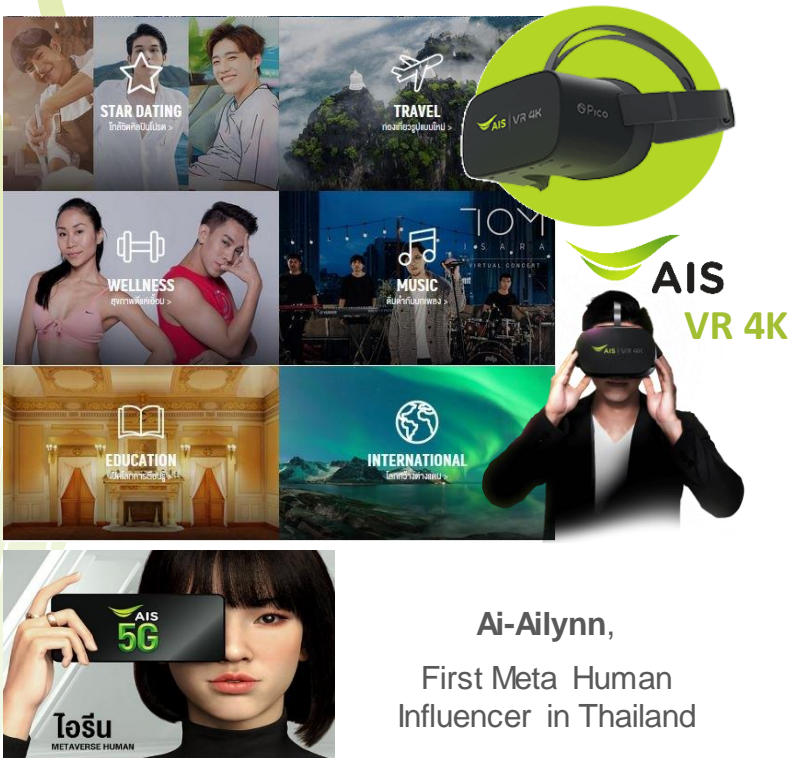
## Upscale and differentiate customer experiences

Continue to drive MAU on AIS V-AVENUE.CO



## Metaverse & other Experiences

360-degree visual and audio experience with a variety of content via AIS 5G PLAY VR



Ai-Ailynn,  
First Meta Human  
Influencer in Thailand



# Create value through a wide range of services



## Variety Contents

Drive MAU and strengthen service competitiveness



Exclusive partner with Disney+



Premium channels



EXCLUSIVE ONLY ON AIS  
>800 matches

AISPLAY



Video Platform expanded to

4 million users

(as of DEC-21)

Strong subscription growth

+35%  
YoY

## Other Services

Serve digital life and address more customer experiences

- Online Insurance with partnerships



travel insurance

accident insurance

health insurance

cancer insurance

Car insurance and compulsory

- Digital money & Digital lending

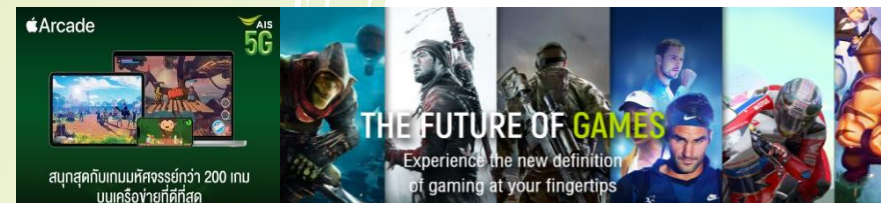
Partner with banks and financial institutions to create most convenience way to access financial services



AIS SCB is a joint venture between AIS and SCB to serve a digital financial services

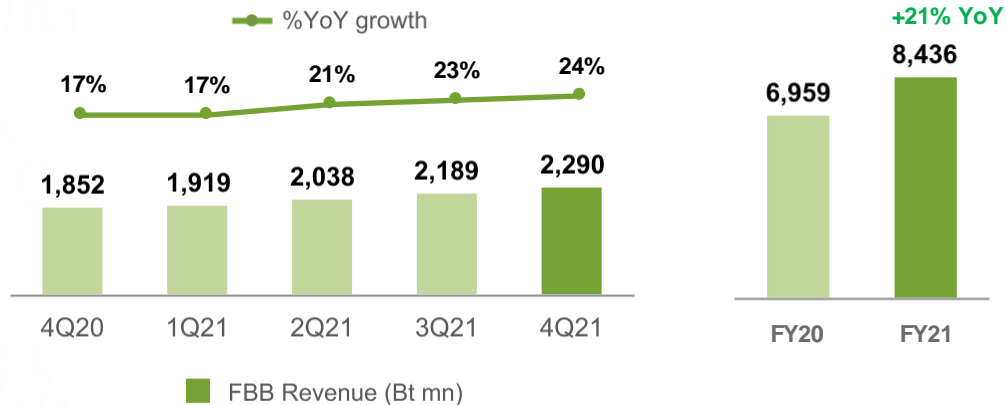
- Game

Develop gaming experiences with Apple Arcade platform and Game Cloud Services



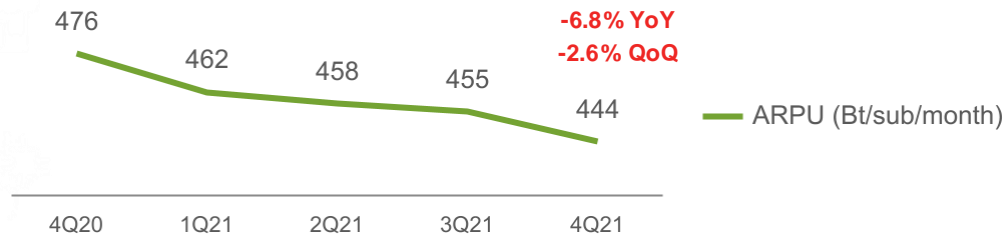
# FBB: Continued to rise strongly driven by a robust demand

## FBB continued to grow double-digit despite downward trend in ARPU



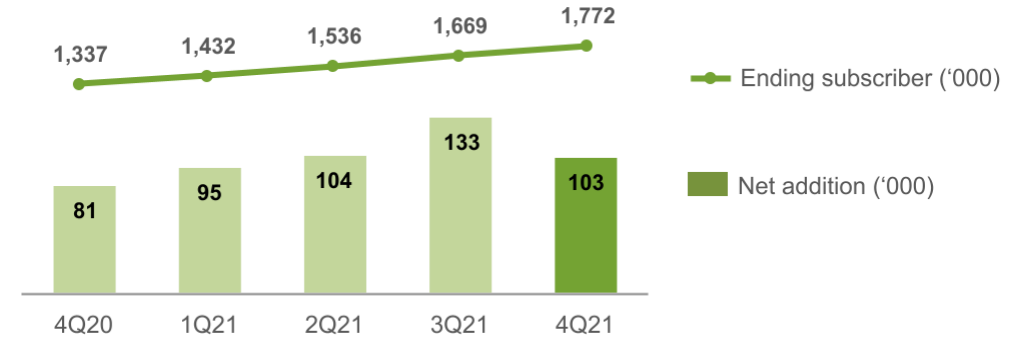
- Expanded with double-digit growth from strong demand and churn management offsetting by lower ARPU

## ARPU declined from the popularity of a low-price plan



- FBB ARPU continued to have a downward trend with 6.8% YoY from offering of a low-price plan at Bt399 pressured ARPU

## Still gained a solid subscriber demand from work and study from home



- Gained 435k subscribers in FY21 or an estimated 25% of industry's net add share for the year

## Developed network's capabilities to deliver high-quality experience



### Focus on high-value segment

- Reinforce quality leadership launching 2Gbps and 1.5Gbps package



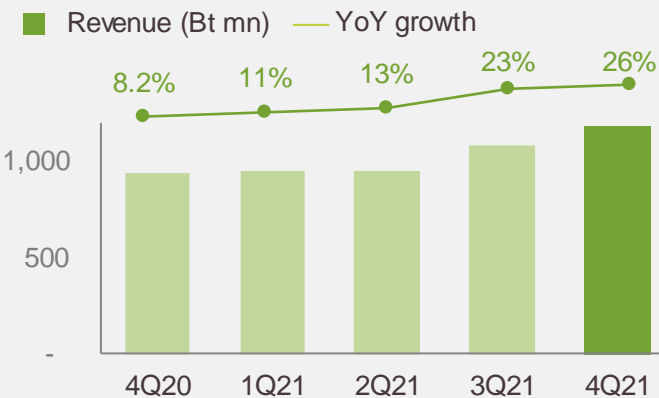
- Excellent Service standard within 24 hours



# Enterprise business continued to scale up across several product categories

Still expanding to create new growth engines in the future

## Enterprise non-mobile revenue\*

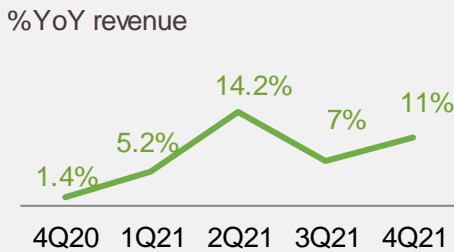


**4.2 billion**  
Enterprise Rev in FY21

**3.2%**  
% on core service revenue

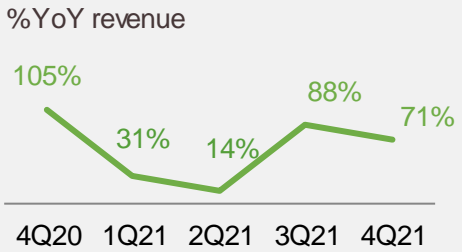
- Non-mobile enterprise business still had a strong growth following a higher demand of Cloud, Cybersecurity and ICT solutions.

## Enterprise Data service (EDS)\*










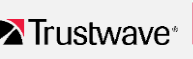















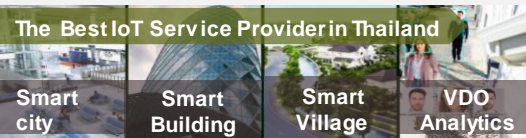
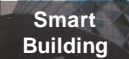



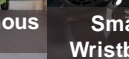
- EDS grew strongly albeit at competitive price

## Cloud, Data center Cybersecurity, IOT and ICT solutions\*



- CCIID continued to scale up boosted by a demand toward digitalization

## Enhance our product suites via partnership strategy

Connectivity services	Cloud / Data Center	        
	Cybersecurity	        
	IT Solution	        
	IoT	         

\*Note: there has been a reclassification in revenue for enterprise services since 2020

# 2022 Guidance

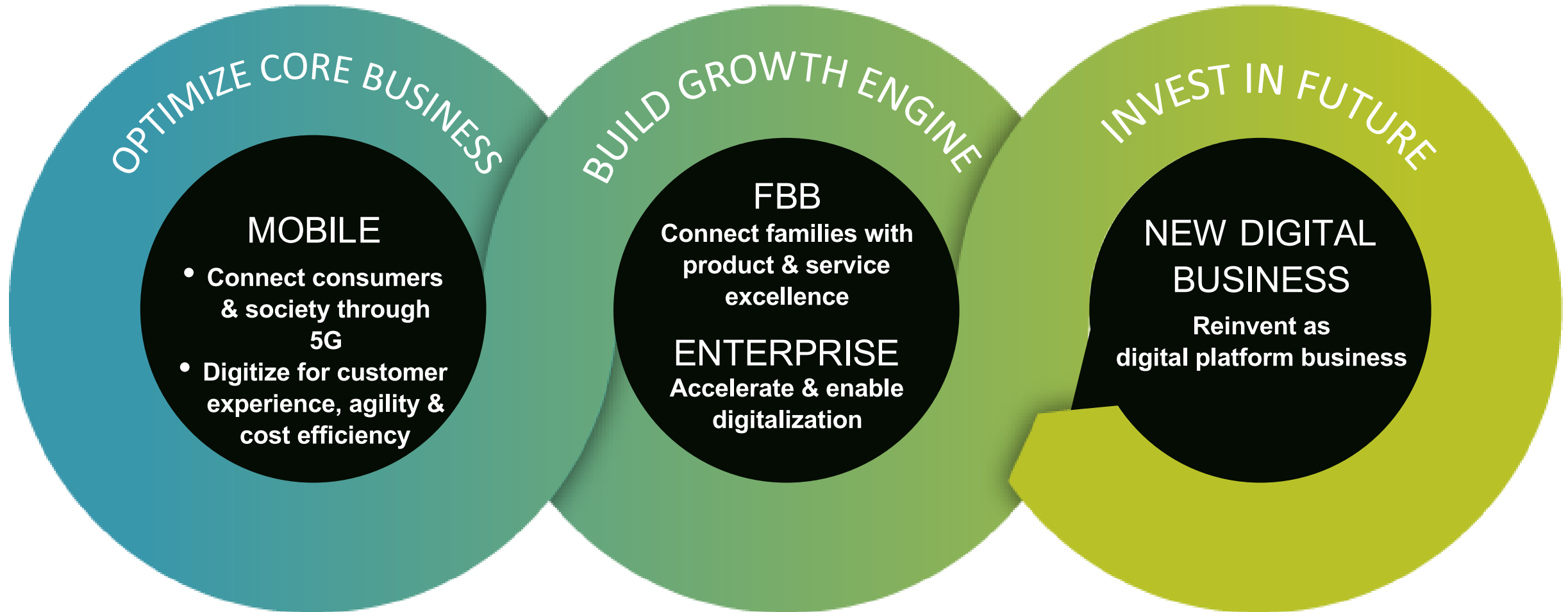
FY22 Guided items	Guidance	Rationale
Core service revenue	Mid-single digit growth	<ul style="list-style-type: none"> <li>Leverage 5G service to gain market share in high value segment</li> <li>Grow FBB with target of 2.2mn subscribers with increase in ARPH from FMC strategy</li> <li>Enterprise non-mobile continues to grow double digit</li> </ul>
EBITDA	Low-single digit growth	<ul style="list-style-type: none"> <li>Continue to digitally transform focusing on customer experience and to optimize the cost to serve</li> <li>ensure an effective capital allocation to capture growth opportunity</li> </ul>
CAPEX *exclude spectrum	Bt30-35bn	<ul style="list-style-type: none"> <li>Build 5G leadership to deliver a superior customer experience, targeted to reach 85% population coverage</li> <li>Expand AIS Fibre coverage to capture untapped demand</li> <li>Enhance our enterprise business and digital services</li> </ul>



# 2022 DRIVING LONG TERM VALUE



# DRIVING LONG TERM VALUE CREATION



**Maintain resiliency of digital infrastructure amid pandemic and facilitate consumers, businesses and communities to adapt in digital economy**

# Solid position in **Mobile business**

## Maintain resiliency

Deliver profit / free cash flow and retain financial strength

## 5G leadership

2.2mn subscribers exceed target 2mn YE

+10-15% ARPU uplift

Strong positioned in spectrum

## Digitalization

Customer interaction & internal process

Cloud base network & IT operation

Talent & capability building



คลื่นมากที่สุด

Keep families  
connected  
powered by  
superior Fiber  
network & service



Expect to reach  
**No.3 position**  
in 2022

**13% market**  
share growing 1/3  
shares annually

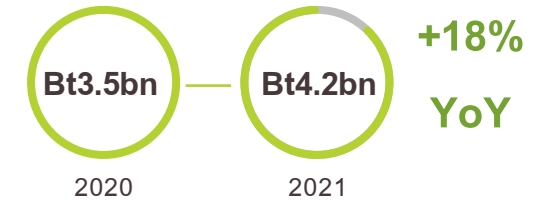
Differentiate with  
**Service**  
excellence

Deliver  
**Positive EBIT**



# Accelerate & Enable Businesses toward Digital Transformation post COVID-19

**Grow Enterprise portfolio**  
THB4.2 billion (non-mobile)



**Open Ecosystem & Strategic Partnership**  
to externalize innovation & accelerate new services

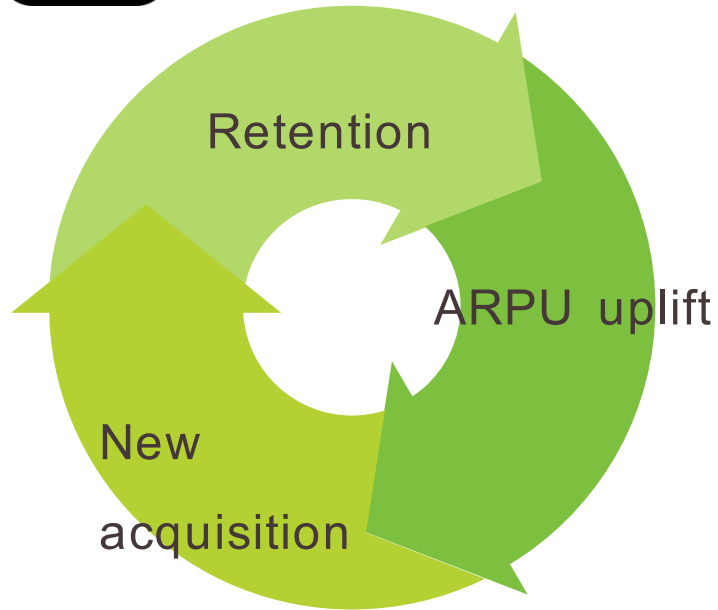
**5G and Edge computing**  
to deliver extreme automation & performance

**Enhance end-to-end enterprise service delivery**  
to build business agility and ensure effective execution

# Position as integrated value to customers



## Build accretive value



>4mn

**Video MAU**  
as of Dec-21

### PLAY PREMIUM Premium package

- Differentiate through premium contents



### engagement for B2C

- New source of revenue from  
advertising on streaming content



### Made Available B2B Segment

- Expand services to corporate segment with bulk premium package sales



# Mobile Price Plan: 5G packages launched to capture high value market



## แพ็คเกจ 5G Max Speed

มีให้เลือกครบ ทั้งใช้คนเดียว ใช้หลายอุปกรณ์ หรือแชร์กันในครอบครัว

	ค่าบริการรายเดือน (บาท)	เน็ตต่อเนื่อง 5G   4G   3G เร็วสูงสุด 1Gbps	โทร		ซิมการ์ดพร้อมเบอร์ (12 รอบบิล)	YouTube Premium 	Google One 	VR Service 
			โทรเบอร์ AIS	โทรทุกเครือข่าย (นาที)				
เหมาะกับครอบครัว แชร์กันในกลุ่ม ประหยัด สบายกระเป๋า	1,999	ไม่จำกัด	ฟรี 24 ชม.	700	2 SIM แถมเน็ตถึง 200GB หรือนำสิทธิตัวรวมกับเบอร์หลัก	4 เดือน	6 เดือน	12 เดือน
	1,699			500	2 SIM แถมเน็ตถึง 100GB หรือนำสิทธิตัวรวมกับเบอร์หลัก			
	1,399			280	2 SIM ( 50GB/SIM )			
	1,199			150	1 SIM ( 50GB )			
	899	80 GB		70	-			
	699	50 GB		50	-			
เหมาะกับผู้ใช้ สมาร์ทโฟน 5G และอุปกรณ์ อื่นๆ เช่น แท็บเล็ต	599	16 GB (4G/3G)	300	300	-	3 เดือน	3 เดือน	-
	499	10 GB (4G/3G)		200	-			
	399	5 GB (4G/3G)		150	-			
	299	1.5 GB (4G/3G)		100	-			
เหมาะกับผู้ใช้ สมาร์ทโฟน 5G								

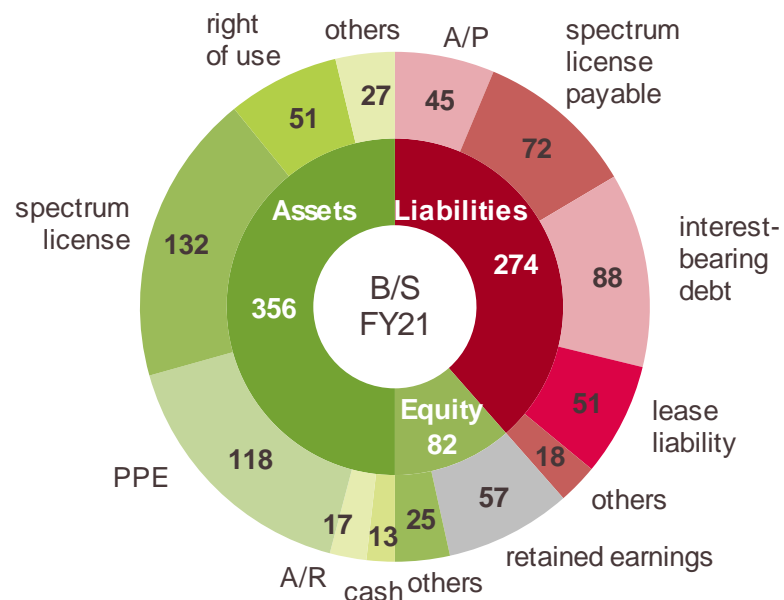


# Appendix

# Healthy Balance sheet and cash flow to support investment

## Balance Sheet

(Bt bn)



**0.8x**

Net debt to EBITDA

**1.1x**

Interest bearing debt to Equity

**0.4x**

Current ratio

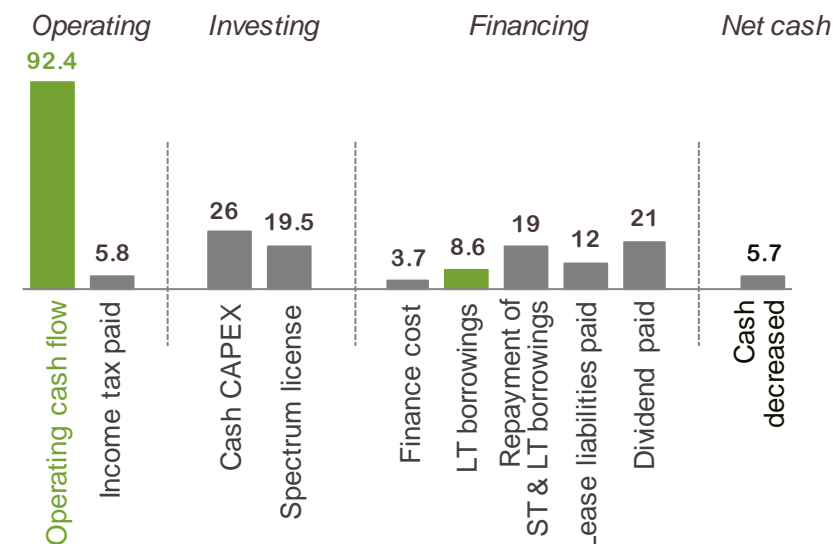
**34%**

Return on Equity

## FY21 Cash flow

(Bt bn)

■ Cash increase ■ Cash decrease



**Operating cash flow was healthy** to support CAPEX, spectrum payment, and dividend

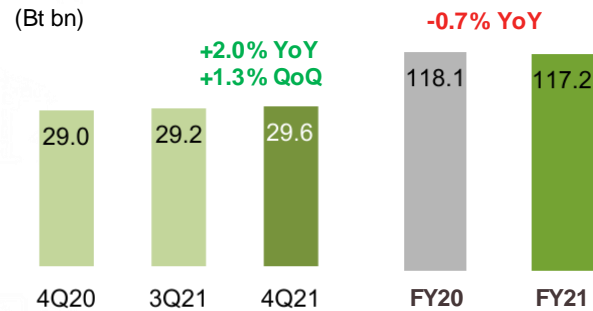
**Investing cash flow** was Bt45.3bn, including spectrum payment of Bt19.5bn

**Average finance costs = 2.6% p.a.**

- Maintained investment grade credit ratings
  - Fitch: national rating AA+ (THA), outlook stable
  - S&P: BBB+, outlook stable

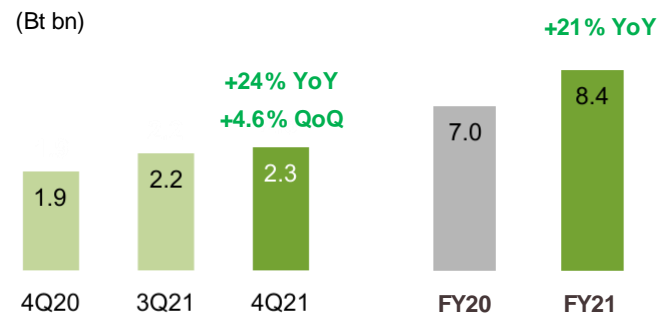
# 4Q21 & FY21 Revenue breakdown

## Mobile revenue



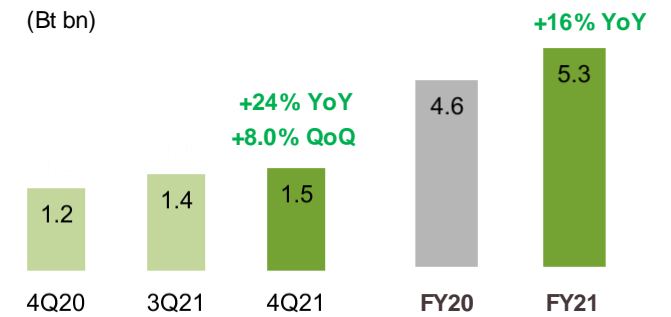
- Slightly decreased among weak economy and price competition

## Fixed broadband revenue



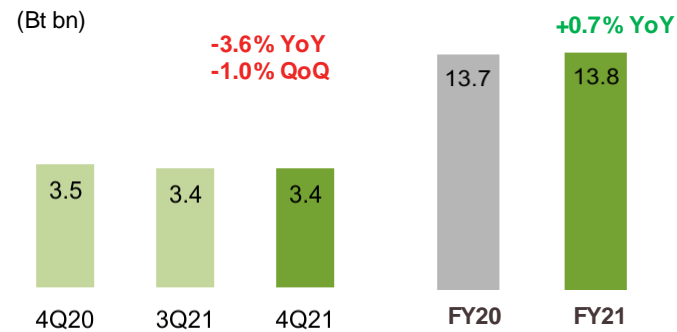
- Subscriber base expanded to 1.77mn with a good churn management while ARPU still had a downward trend

## Other service revenues



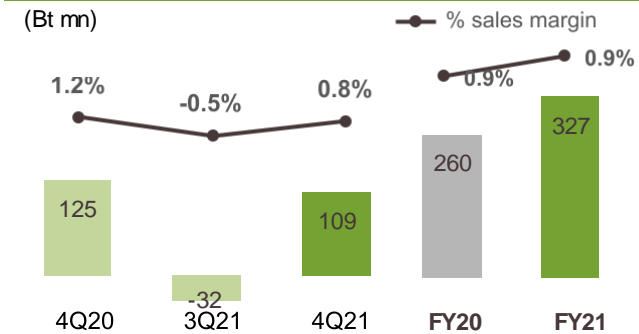
- Cloud & Data center and ICT business were the main growth driver, boosted by higher demand from digitalization trend

## IC and TOT partnership



- Slightly increased YoY due to higher network traffic offset with higher IC cost

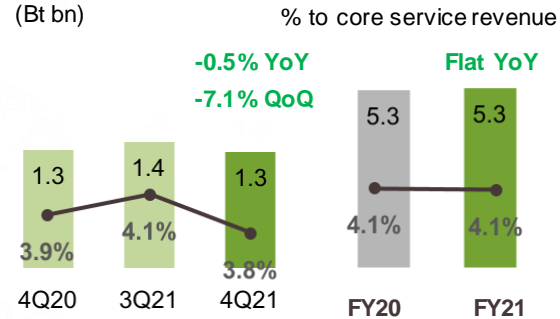
## Net Sales & margin



- Higher sale volume from iPhone13 and sale margin remained stable due strong demand in high devices sale

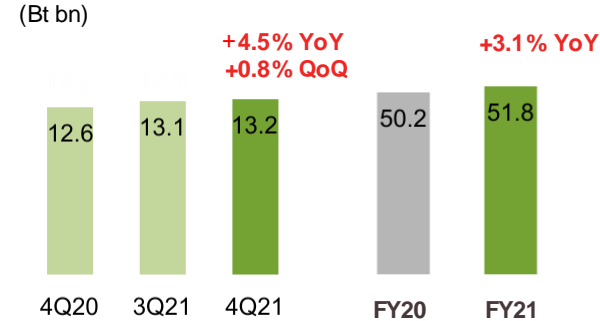
# 4Q21 & FY21 Cost breakdown

## Regulatory fee



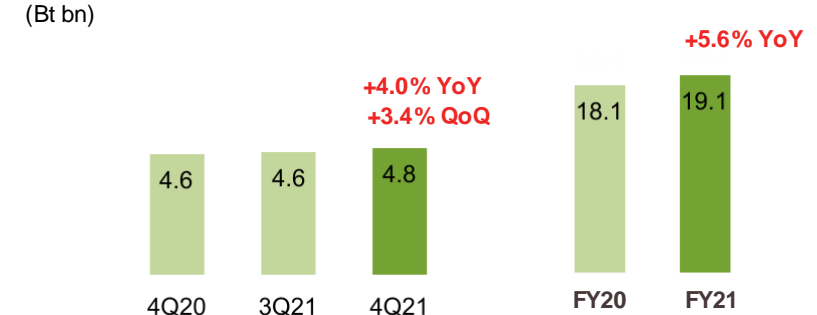
- YoY flat following core service revenue and represented a stable ratio at 4.1%

## D&A



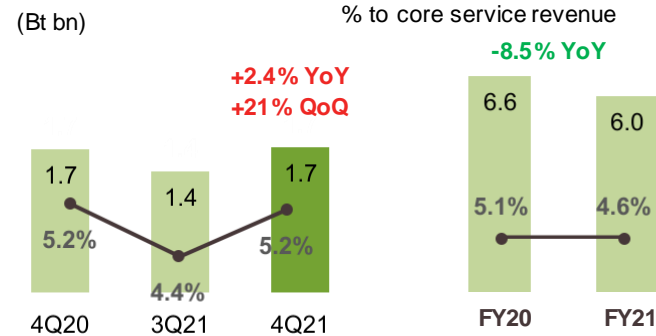
- FY21 D&A increased YoY from continued new spectrum acquisition and network investment

## Network OPEX and TOT partnership



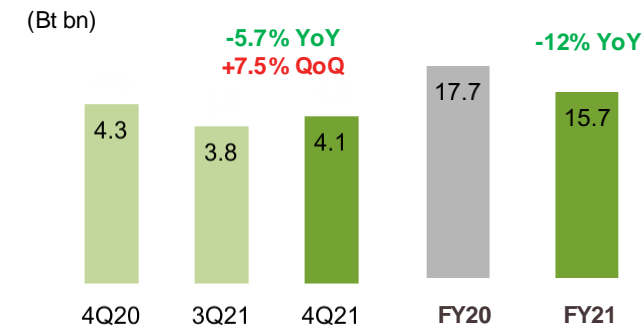
- Increased from higher base rental & utility cost as well as maintenance

## Marketing expense



- 4Q21 increased QoQ from higher activities and campaigns to promote 5G
- FY21 decreased from lower marketing activities in lockdown period and continued cost saving measures

## Admin & others



- 4Q21 dropped YoY due to cost control and lower bad debt expenses while increased QoQ from higher amortization of contract assets
- FY21 decreased from cost measure and lower bad debt





#### Contact us

IR website: <http://investor.ais.co.th>

Email: [investor@ais.co.th](mailto:investor@ais.co.th)

Tel: +662 029 3145



*Some statements made in this material are forward-looking statements with the relevant assumptions, which are subject to various risks and uncertainties. These include statements with respect to our corporate plans, strategies and beliefs and other statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “anticipate”, “intend”, “estimate”, “continue” “plan” or other similar words. The statements are based on our management’s assumptions and beliefs in light of the information currently available to us. These assumptions involve risks and uncertainties which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Please note that the company and executives/staff do not control and cannot guarantee the relevance, timeliness, or accuracy of these statements.*