



# 3Q22 Investor Presentation

## Advanced Info Service Plc.

### DISCLAIMER:

Please be informed that this meeting is being recorded. By participating in this meeting, you have allowed AIS to collect, use, or disclose any personal data shared during this meeting by any means. Please do not copy, edit, or modify any content shared during this meeting for any purpose.

# 3Q22 Key Highlights



**Rising inflation  
affected consumer  
spending amid  
price competition**



**5G users surged to  
5.5mn from adoption  
in postpaid and  
expanded prepaid**



**Postpaid grew  
5.1% YoY from  
device-package  
bundling sales**



**Solid growth in  
Broadband focusing  
on service quality  
and package varieties**



**Enterprise growth  
driven by Cloud and  
launched new  
platform to scale up**

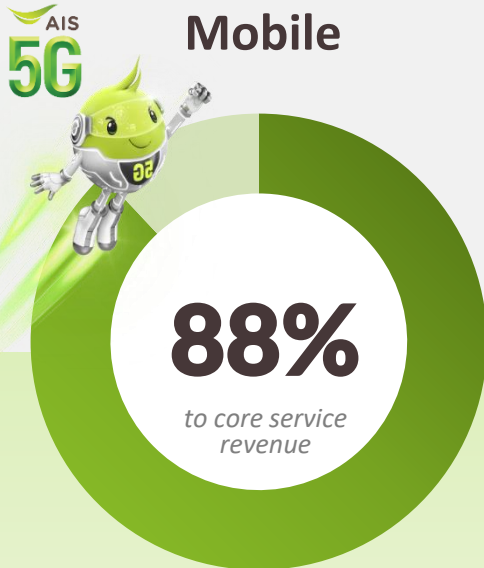


**Continuous cost  
optimization to face  
inflation and rising  
utility cost**

# AIS: Drive toward becoming Cognitive Tech-Co

Cognitive Tech-Co : Deliver Distinctive Customer Experience

## Mobile



Drive 5G leadership and digital experience

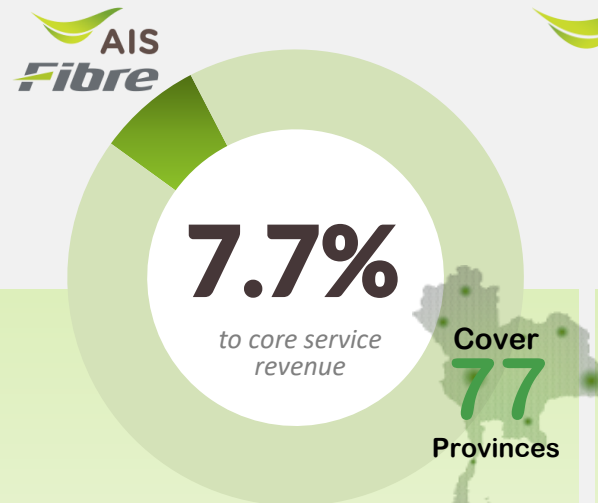
**Bt29.1bn**

As of 3Q22

Flat YoY

Market Share 47%

## Fixed Broadband



Lead with quality of broadband & service

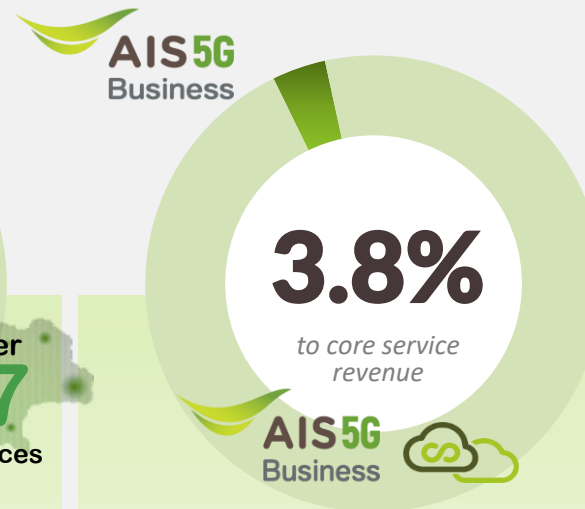
**Bt2.5bn**

As of 3Q22

Growth 16% YoY

Market Share 15%

## Enterprise Business



Capture growth in Cloud, Cybersecurity, IoT, ICT

**Bt1.3bn**

As of 3Q22

Growth 17% YoY

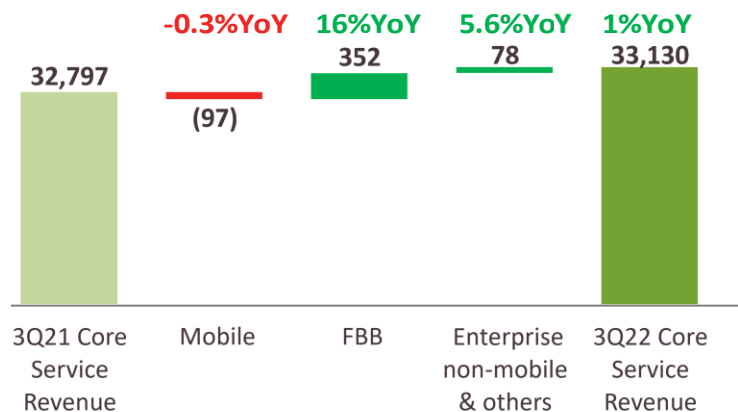
## Digital Services



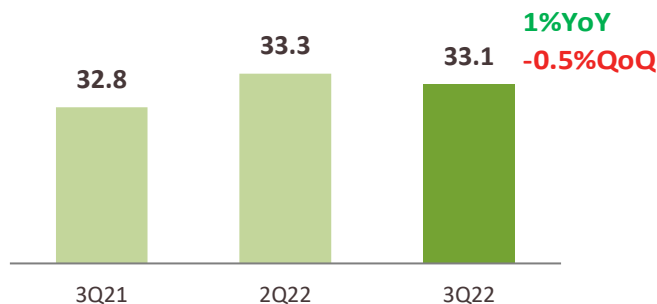
Build new engagement through digital services

# 3Q22 Performance: growing amid slowed down economy and inflation

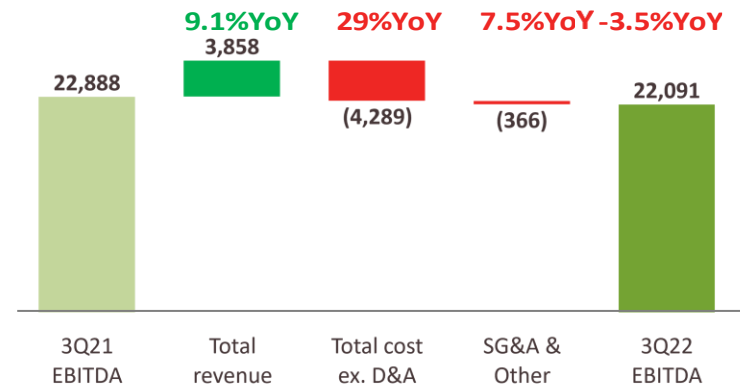
## Core service revenue (Bt mn)



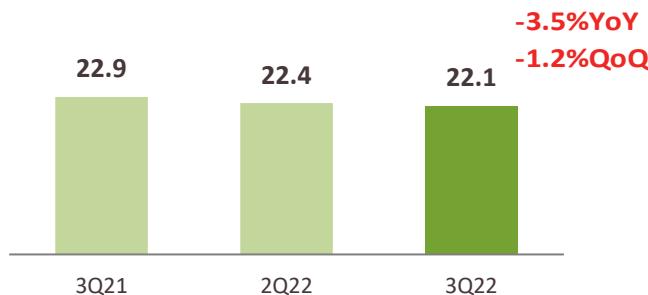
## Core service revenue (Bt bn)



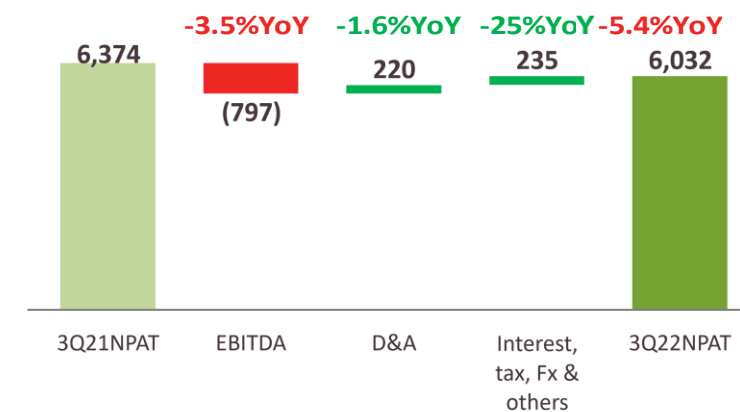
## EBITDA (Bt mn)



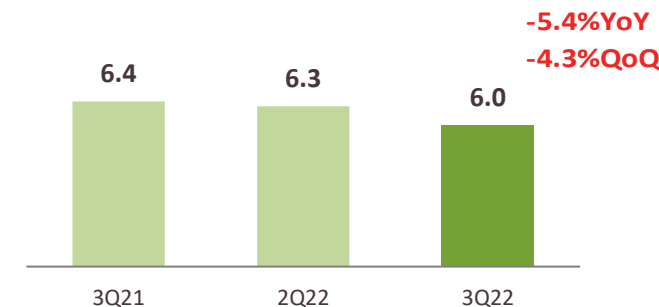
## EBITDA (Bt bn)



## NPAT (Bt mn)



## NPAT (Bt bn)



**Core service revenue increased** driven by the robust growth in both FBB and Enterprise business.

**EBITDA soften QoQ** caused by higher network OPEX and **YoY** from marketing expenses corresponded with rising economic activities.

**NPAT declined YoY** following a lower of EBITDA and Thai baht depreciation partially offset by lower interest expense.

# Mobile Growth Strategies: ARPU uplift for long-term profitability



## Quality of Network

Create differentiation to serve customer who looks at network quality and excellence services



## Privilege Ecosystem

Privilege benefit through partnerships in various industries to build comprehensive ecosystem



## Contents Bundling

Enhanced cross-sell and up-sell with more varieties of contents to penetrate with segmentation strategy

# Broadband Growth Strategies: The Best Trusted Broadband

## Enhanced Customer Experience



### Service Quality

Guarantee service  
Within 24 Hrs.



### Leading Technology

Cutting-Edge  
technology

## Value-added by Convergence



### Mobile Convergence

### Content Convergence

Specific package offering matching with  
our customer need

Accelerate network expansion



# Enterprise: Growing with CLOUD x 5G Connectivity x CONVERGENCE



## Vertical Industry Use Cases

- Manufacturing
- Transportation and Logistics
- Building and Property
- Retails



Smart Factory



Assistant Robot



Remote Controlling



Logistics Drone



Self Driving Vehicle



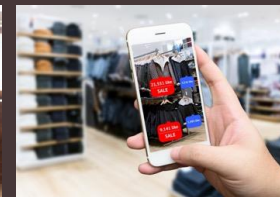
Automated Warehouse



Remote Surgery



eHealth



Smart Retail



AR / VR



VDO Analytics



Digital Signage



Smart Environment



Smart Energy



Smart Meter



Smart Building



Public Safety



Traffic Control

# FY22 Guidance

	Guidance	Rationale
Core service revenue	low-single-digit growth	<ul style="list-style-type: none"> <li>• <b>Mobile business remains under pressure</b>, heighten inflation risk is a key impact in raising cautious spending behavior.</li> <li>• <b>Fixed broadband maintains the growth momentum</b> to outpace the industry growth led by quality acquisition and services.</li> <li>• <b>Enterprise non-mobile will continue delivering double digit</b> growth driven by cloud service.</li> </ul>
EBITDA	Flat to slightly decline	<ul style="list-style-type: none"> <li>• <b>Focus on cost optimization</b> and efficiency improvement.</li> <li>• <b>Increased utilities costs</b> due to higher energy price</li> <li>• <b>Allocate spending to ensure market leadership</b> and better engage customers.</li> </ul>
CAPEX *exclude spectrum	Approx. Bt30bn	<ul style="list-style-type: none"> <li>• <b>Focus on 5G leadership</b> and network quality management</li> <li>• <b>Expand AIS Fibre coverage</b> to capture untapped demand</li> <li>• <b>Enhance our enterprise business</b> and digital services</li> </ul>





**Driving Long-term  
Sustainable Business Operation**

# THRIVE IN A GREENER AND INCLUSIVE DIGITAL WORLD



## Drive Digital Economy

Enable people and businesses to grow in the digital economy

## Promote Digital Inclusion

Build inclusive and responsible digital access in our products & services

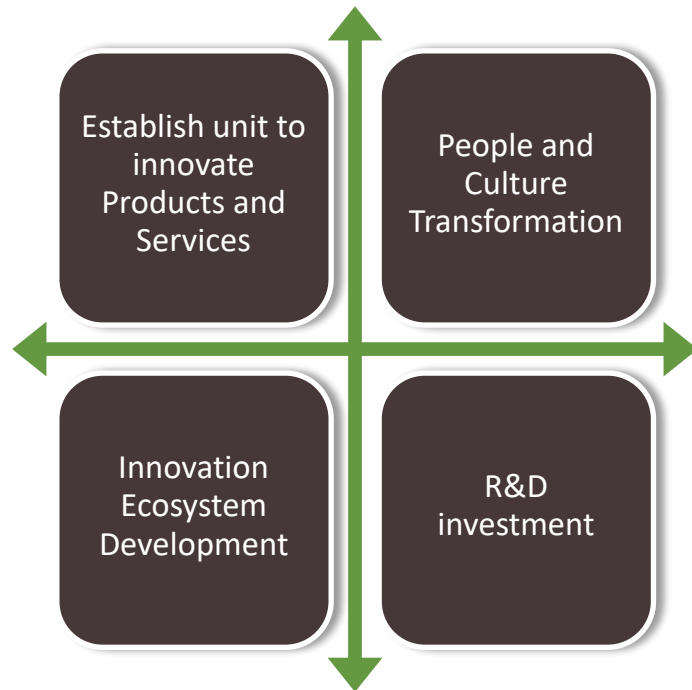
## Climate Actions

Shape a greener future of life for consumers and society

# Drive Digital Economy: Enable people and businesses to grow in the digital economy

## Digital innovation

Drive digital services for both consumers & enterprises



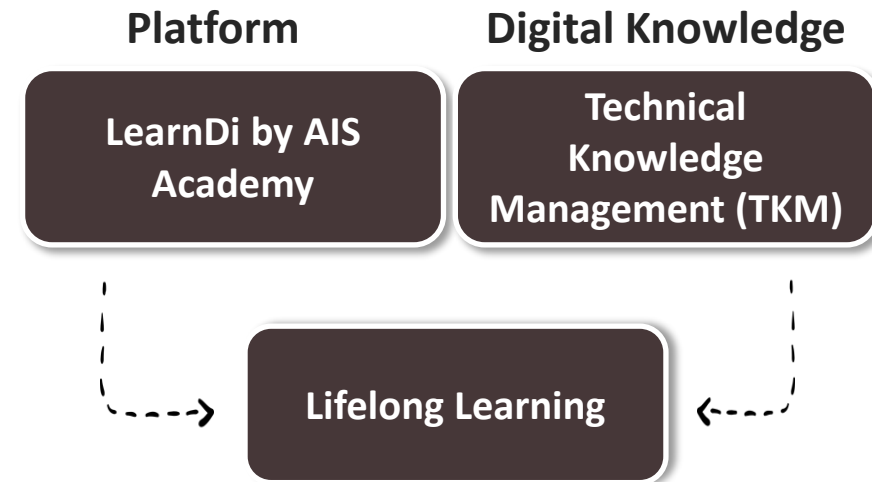
## Data Privacy & Cybersecurity

Maintain resiliency for data security and privacy



## Human Capital Development

Nurture AIS human capital to support business growth



## Promote Digital Inclusion: Build inclusive and responsible digital access

### Social inclusion

Enriching Thai people's knowledge and making it accessible to all



### Digital wellness

Empower digital citizenship by providing digital solutions and tools

สายด่วน 1185



AIS Secure Net



Cyber Wellness Index



Aunjai Cyber Syllabus

## Climate actions

Manage our own network and operation to be light to the environment

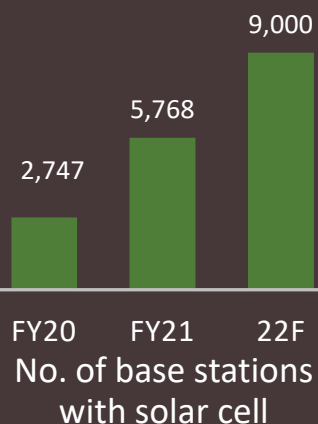
Energy Efficiency

Renewable energy

Smart Solutions

27,543 tCO2e

- Upgrade network equipment
- Use big data to manage network



Machine Monitoring by IoT



Facility Monitoring by IoT sensors

## Waste Management

Promote proper waste disposal



Waste separation at office building



Drop-off with postman campaign



Raising awareness



Non-recyclable E-waste from network operation

0%

E-waste collected from customers

351,300 pieces

# Sustainability Awards & Disclosure Standard

## Disclosure Standard



## ESG Index

Member of  
**Dow Jones**  
**Sustainability Indices**  
Powered by the S&P Global CSA



FTSE4Good

## Sustainability Awards



**IDC Future Enterprise  
Awards**



**SET AWARDS 2022  
Sustainability Excellence  
Highly Commended**



**Thailand Sustainability  
Investment 2022  
8<sup>th</sup> Consecutive years**



**S&P Global Sustainability Silver  
Class Award 2022  
2<sup>nd</sup> Consecutive years**

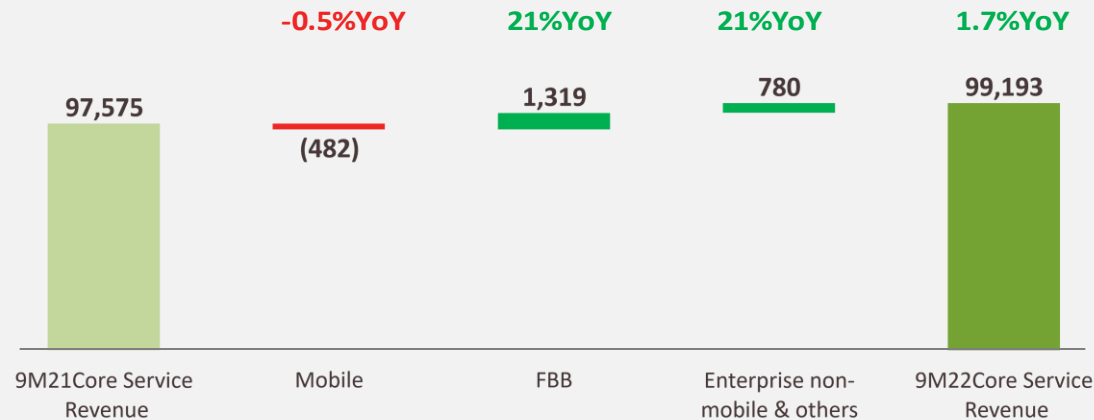




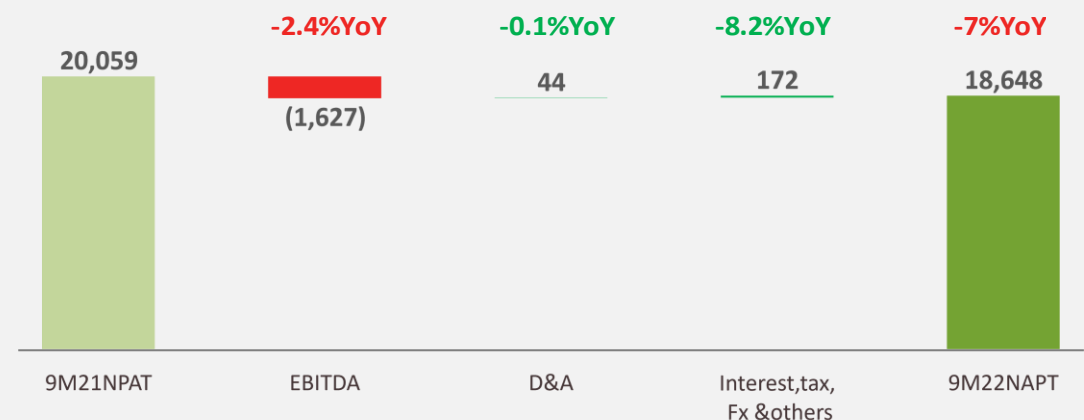
# 3Q22 Financial Performance

# 9M22 Performance: FBB & Enterprise sustained the revenue growth

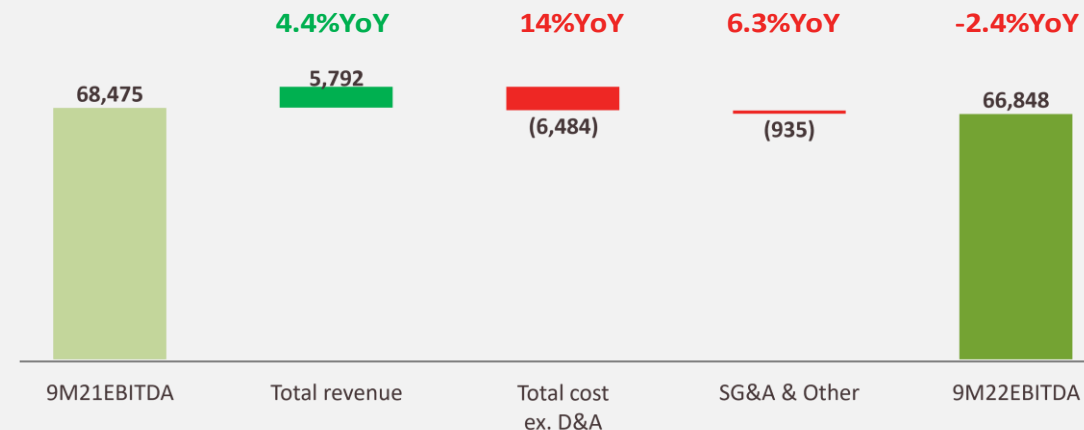
## Core service revenue (Bt mn)



## NPAT (Bt mn)



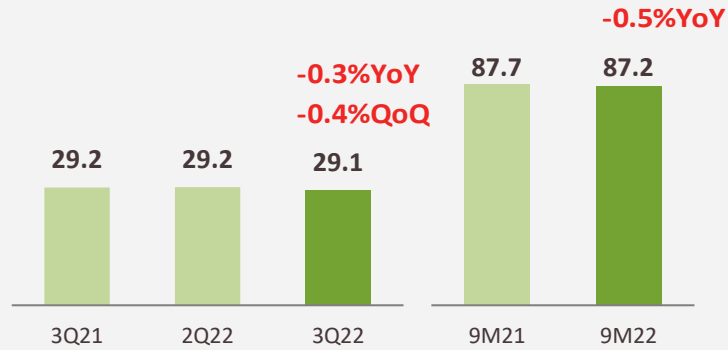
## EBITDA (Bt mn)



- **Core Service Revenue increased 1.7% YoY** driven by growth in broadband and enterprise business offset by lower mobile revenue from prepaid segment.
- **EBITDA dropped -2.4% YoY**, due to rising of utility price which impacted network OPEX and higher marketing expense.
- **NPAT declined -7% YoY** following lower EBITDA and one-time other income that occurred in previous year.

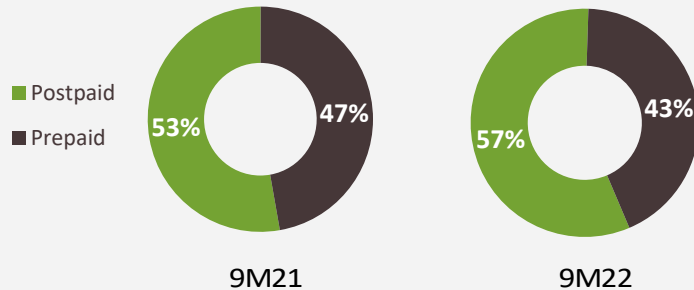
# Mobile: Postpaid led the growth in mobile with a strong ARPU foundation

## Mobile revenue (Bt bn)



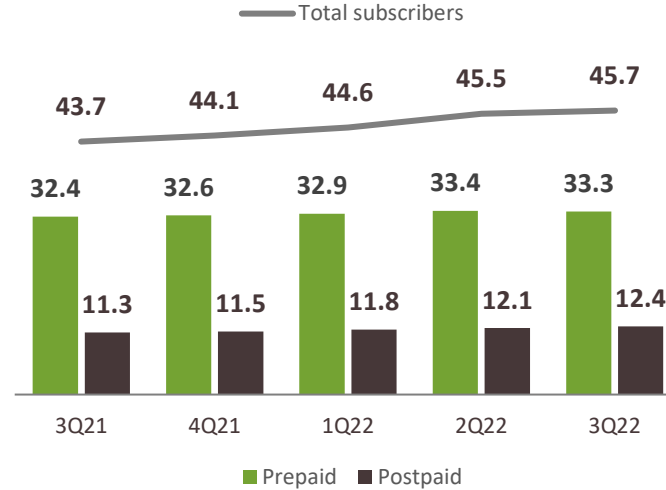
- 3Q22 revenue decrease from competition and inflation which affected the mass customer segment

## % Mobile Revenue Contribution

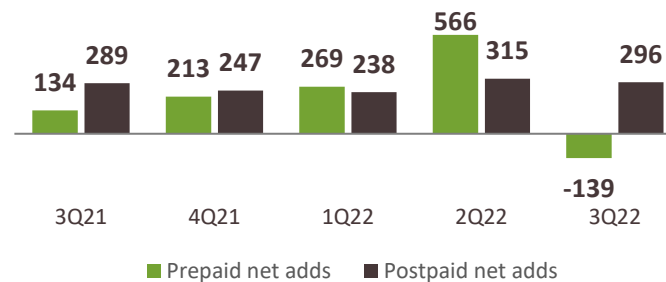


- Rising postpaid mix was driven by 5G adoption and customer conversion from prepaid to postpaid

## Total subscriber (mn)

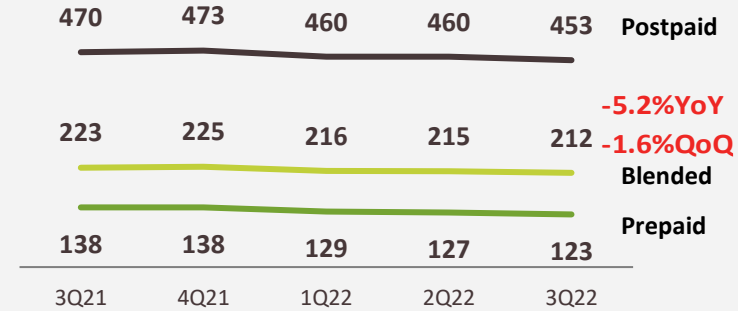


## Net additional subscriber ('000)



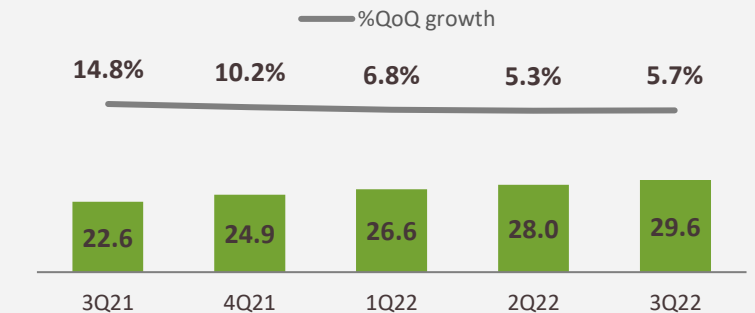
- 3Q22 negative prepaid net adds from lower purchasing power and high churn from tourist sim activated in the previous quarter.

## Mobile ARPU (Bt/sub/month)



- ARPU impacted by ongoing price competition
- Postpaid ARPU sustained QoQ with 5G adoption

## Data Consumption



- Data consumption grew at a slower pace after the relaxation of COVID control

# Driving 5G leadership with subscribers surged to 5.5mn beyond year end target



## Enhance 5G network leadership



**>99%**

**BKK**

**>96%**

**EEC**

**77**  
provinces

**>85%**

**Nationwide  
Population  
coverage**

## Drive 5G adoption with value uplift



**5.5mn**

3Q22 Subscribers  
Beyond year-end Target



**10-15%**

5G ARPU uplift

**Improved value through 5G  
adoption**

# AIS 5G : Merging consumers and businesses now and beyond



## 5G GOALS (GSMA)

BOUNDLESS CONNECTIVITY FOR ALL

VERTICAL / INDUSTRIAL TRANSFORMATION

NETWORK ECONOMICS & INNOVATION

MASSIVE IOT & CRITICAL COMMUNICATIONS

ENHANCED BROADBAND

## The COMMERCIAL 5G Network Platform for Business

Cloud x 5G Connectivity x Convergence

## The LARGEST COVERAGE with the best network quality

> 85% Nationwide Coverage (26K Sites - 5G Base Station)

**Largest Coverage in EEC**

>96% EEC Area

## The MOST BANDWIDTH to serve all customers' needs

Band	Frequency	Bandwidth
High Band	26 GHz	1200 MHz
Mid Band	2600 MHz	100 MHz
Low Band	700 MHz	30 MHz

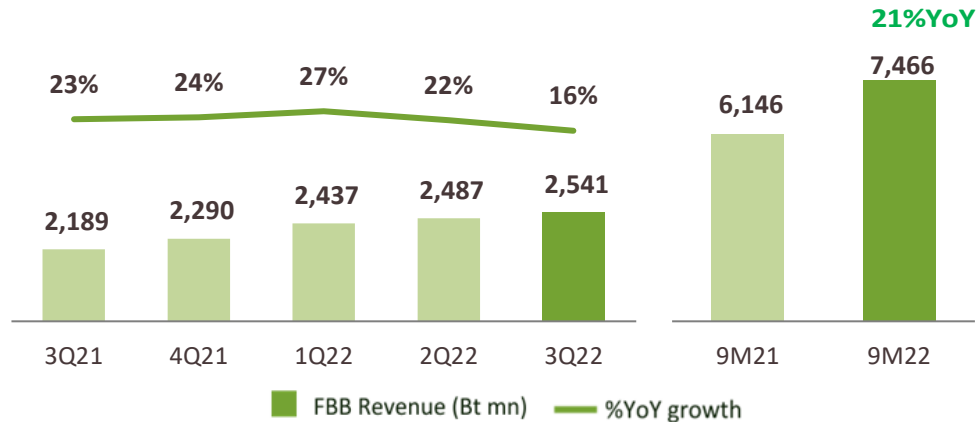
mmW

**MID BAND**

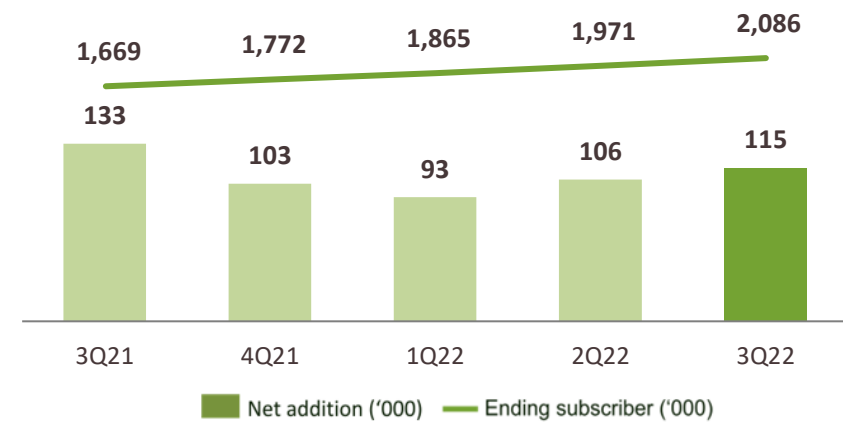
**LOW BAND**

# Home Broadband: Solid growth and focus on network & service quality

## Delivered strong double-digit revenue growth

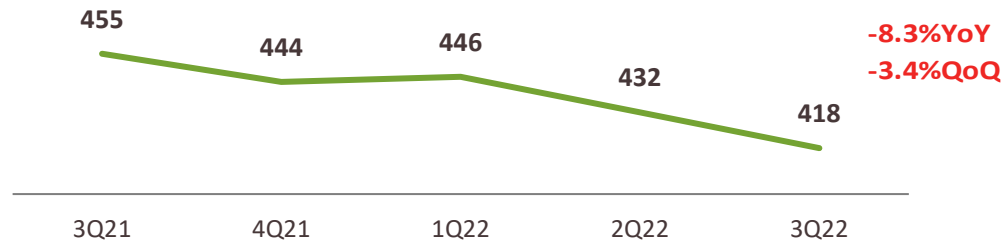


## Solid demand driving subscriber growth



## ARPU declined from lower entry price driven by competition

FBB ARPU (Baht per month)



## Focus on innovation for coverage and service guarantee



Lead confidence with service quality along 24h from the AIS Fibre team

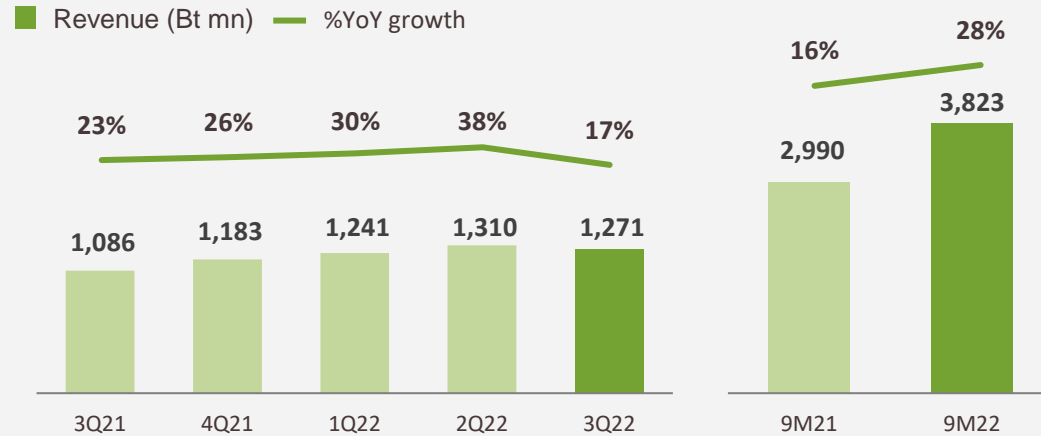


A new standard with cutting-edge technology for the first time in Thailand

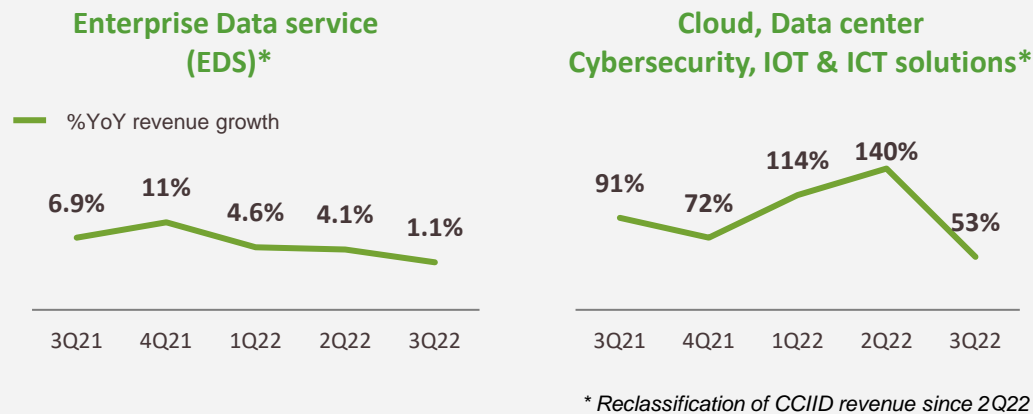


# Enterprise: Cloud services as a growth driver to build demand for 5G

## Enterprise non-mobile revenue continued growing double-digit



## Cloud and ICT solutions are the key growth engine



**AIS Cloud**

**AIS 5G NEXTGen PLATFORM**

## Cloud x 5G Connectivity x Convergence

**C○MPUTE**

- Smart & Secure
- Anywhere
- Multi / Agile / Hybrid

**C○NNECT**

- Intelligent 5G
- Low Latency
- Reliable

**C○MPLETE**

- End-to-End Service
- Cloud Ecosystem
- Partnership

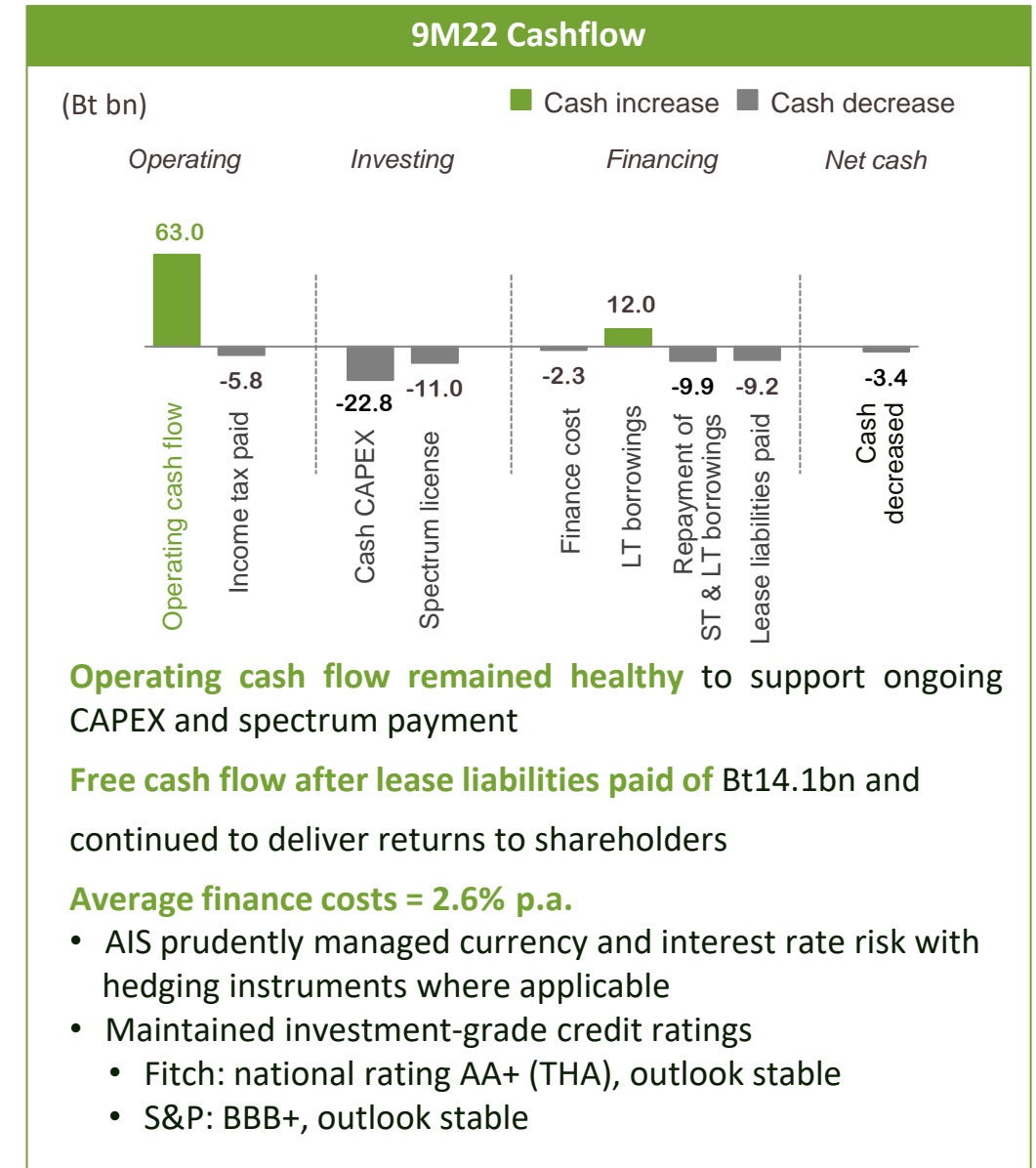
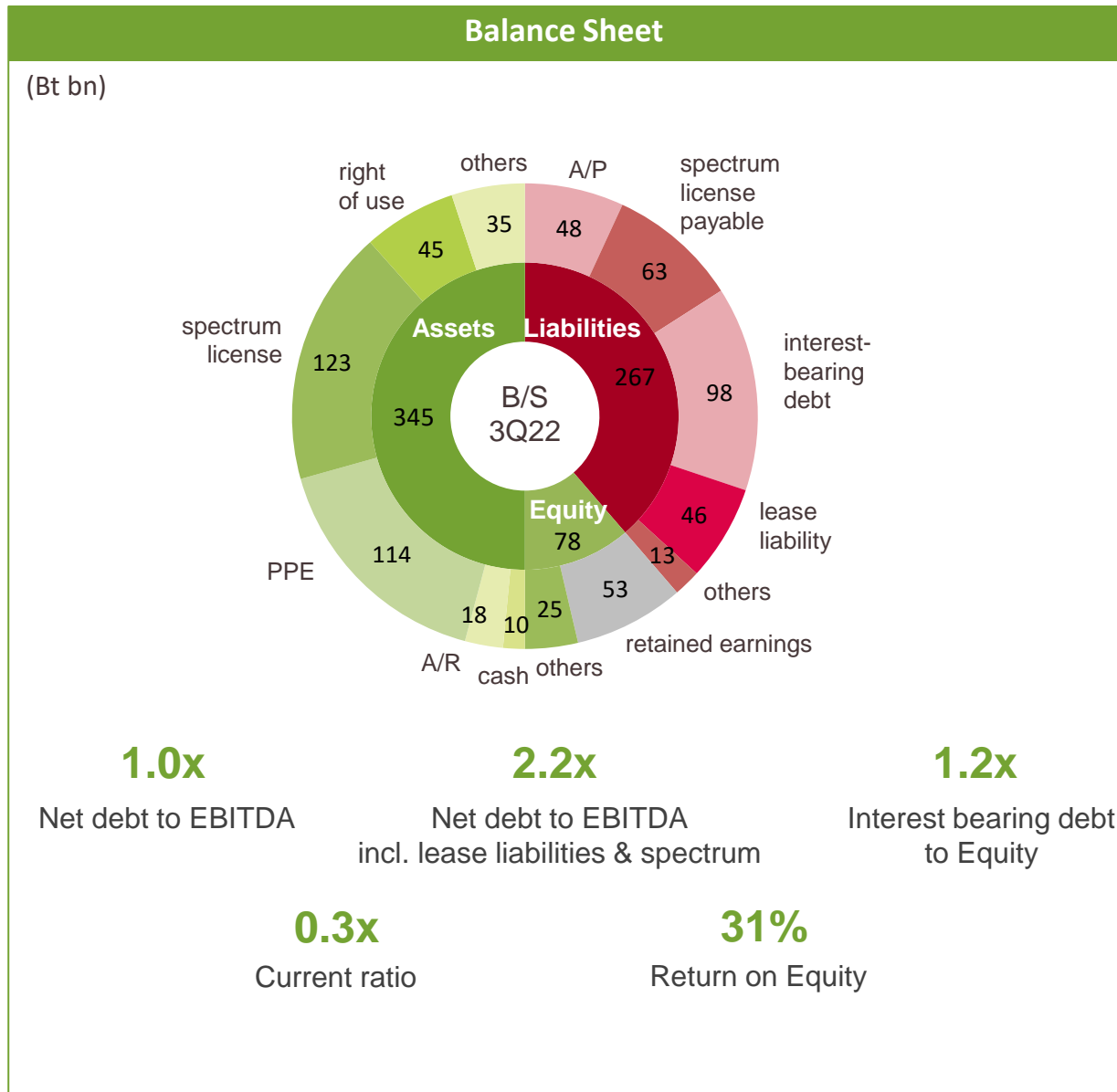


# Appendix

# Financial Highlights

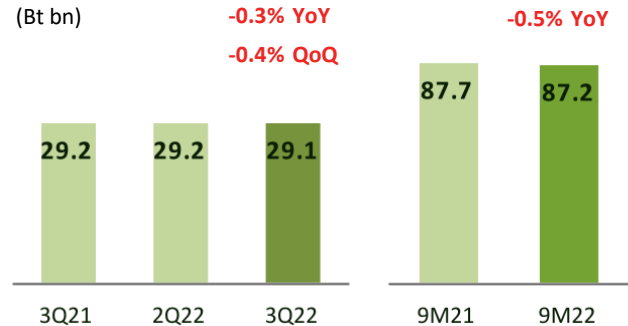
Bt mn	3Q21	2Q22	3Q22	%YoY	%QoQ	9M21	9M22	%YoY
Mobile revenue	29,204	29,217	29,107	-0.3%	-0.4%	87,653	87,171	-0.5%
FBB revenue	2,189	2,487	2,541	16%	2.2%	6,146	7,466	21%
Other revenues	1,403	1,588	1,481	5.6%	-6.7%	3,776	4,556	21%
<b>Core service revenue</b>	<b>32,797</b>	<b>33,293</b>	<b>33,130</b>	<b>1.0%</b>	<b>-0.5%</b>	<b>97,575</b>	<b>99,193</b>	<b>1.7%</b>
IC and NT partnership	3,407	3,193	3,171	-6.9%	-0.7%	10,446	9,603	-8.1%
<b>Service revenue</b>	<b>36,204</b>	<b>36,486</b>	<b>36,301</b>	<b>0.3%</b>	<b>-0.5%</b>	<b>108,020</b>	<b>108,796</b>	<b>0.7%</b>
SIM and device sales	6,173	8,786	9,934	61%	13%	22,974	27,990	22%
<b>Total revenue</b>	<b>42,377</b>	<b>45,273</b>	<b>46,234</b>	<b>9.1%</b>	<b>2.1%</b>	<b>130,995</b>	<b>136,786</b>	<b>4.4%</b>
Cost of service	21,435	21,630	21,863	2.0%	1.1%	63,574	65,030	2.3%
SG&A	5,236	5,690	5,633	7.6%	-1.0%	15,875	16,861	6.2%
<b>EBITDA</b>	<b>22,888</b>	<b>22,353</b>	<b>22,091</b>	<b>-3.5%</b>	<b>-1.2%</b>	<b>68,475</b>	<b>66,848</b>	<b>-2.4%</b>
EBIT	9,446	9,161	8,869	-6.1%	-3.2%	28,647	27,064	-5.5%
<b>NPAT</b>	<b>6,374</b>	<b>6,305</b>	<b>6,032</b>	<b>-5.4%</b>	<b>-4.3%</b>	<b>20,059</b>	<b>18,648</b>	<b>-7.0%</b>
Sales margin	-0.5%	0.2%	1.0%			0.9%	0.9%	
EBITDA margin	54.0%	49.4%	47.8%			52.3%	48.9%	
EBIT margin	22.3%	20.2%	19.2%			21.9%	19.8%	
NPAT margin	15.0%	13.9%	13.0%			15.3%	13.6%	

# Healthy Balance sheet and cashflow to support investment



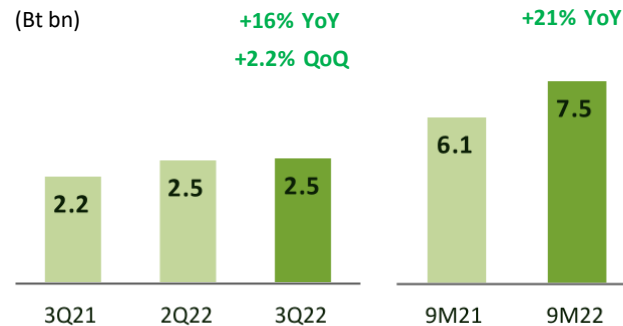
# 3Q22 & 9M22 Revenue Breakdown

## Mobile revenue



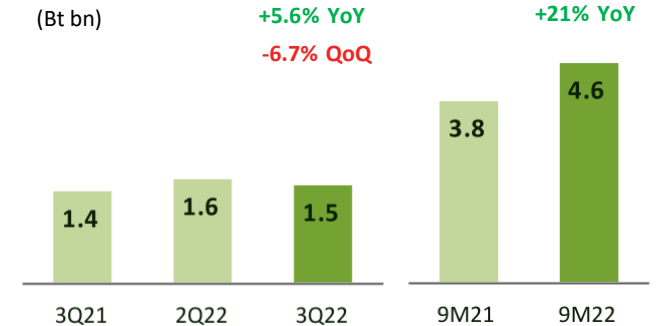
- Intense market competition and impact from the decline in domestic purchasing power

## Fixed broadband revenue



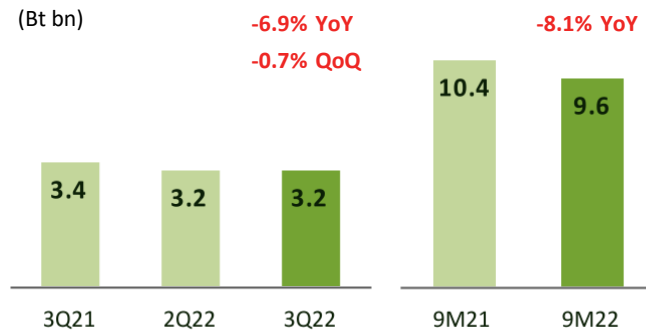
- Subscriber expanded strongly almost reach FY22 target at 2.2mn offset by lower ARPU due to competition.

## Enterprise and Other revenues



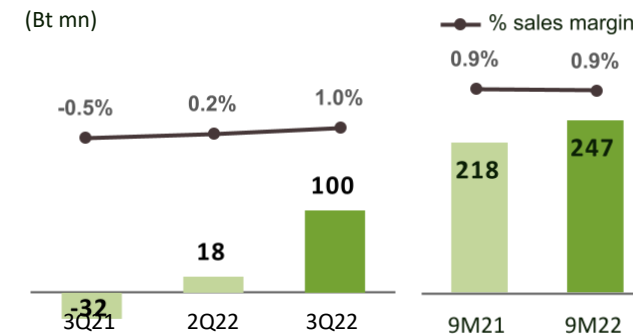
- Digital transformation is a key driver of enterprise business, with a decrease in QoQ from a large deal closed in 2Q22 on cloud product

## IC and NT partnership



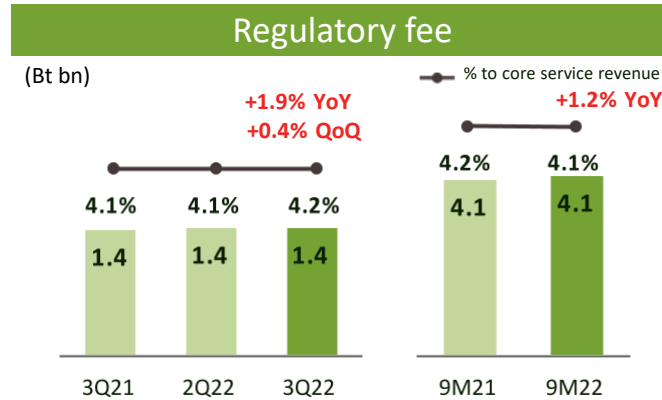
- Decrease YoY and QoQ due to lower network traffic with NT

## Net Sales & margin

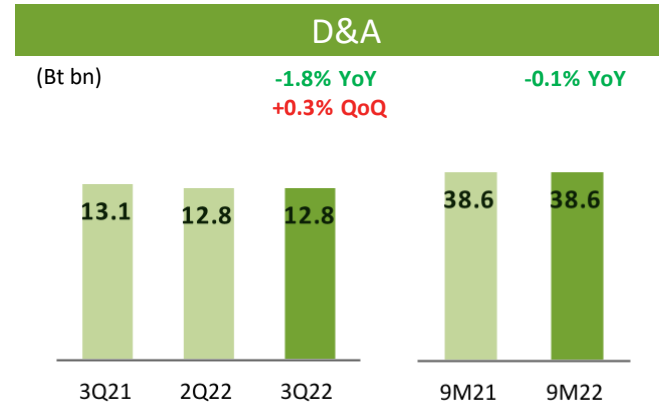


- Higher sale volume and sale margin from new iPhone.

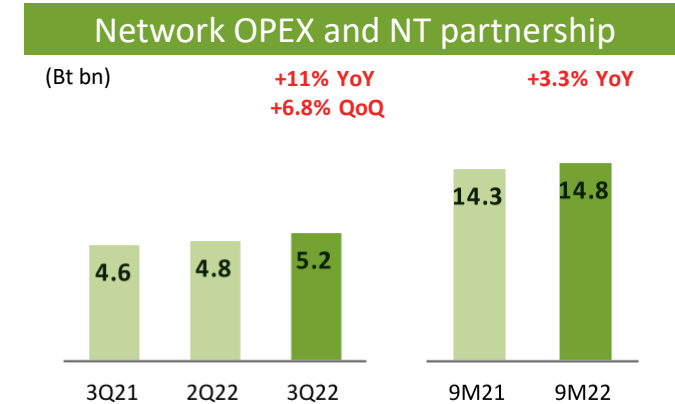
# 3Q22 & 9M22 Cost Breakdown



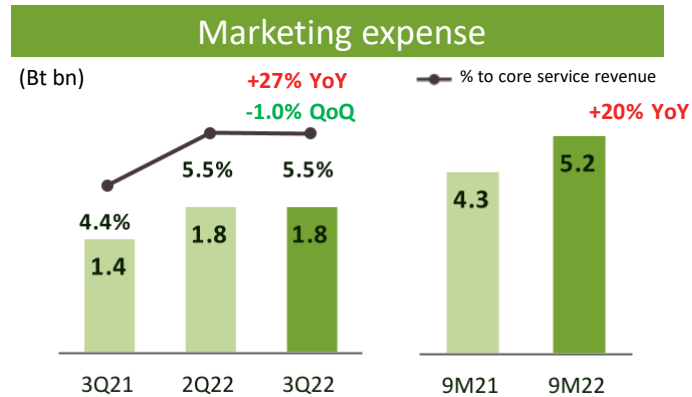
- Regulatory fee increased YoY following the trend of core service revenue



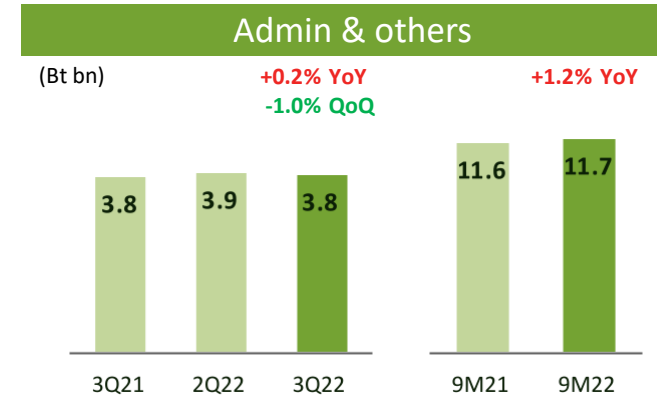
- D&A decrease YoY due to fully depreciated asset in some part of 3G network equipment and remain flat QoQ.



- Network OPEX highly increase from rising energy price and higher number of base stations



- Marketing YoY increased significantly both 3Q22 and 9M22 caused by last year's low base and declined QoQ from marketing cost optimization.



- 3Q22 flat YoY and declined QoQ, mainly from cost control initiatives



# Mobile 5G official packages launched

## Subsidize 5G handset

Exclusive at AIS only

ไม่มีค่าบริการล่วงหน้า

ราคาเริ่มต้น (ปกติ 5,999.-) **1,234.-**



## Bundle attractive content with 5G offering

ค่าบริการรายเดือน (บาท)	5G   4G   3G		โทร		AIS WiFi	สนุกไม่อั้น กับความบันเทิงระดับโลก		
	เร็วสุด 1000 Mbps	เน็ตต่อเนื่อง	โทรฟรี AIS	โทรทุกเครือข่าย (บาท)		Disney+ Hotstar	PLAY Family	VR Service
1,999	ไม่จำกัด	-	ฟรี 24 ชม.	700	ไม่จำกัด	12 เดือน*	12 เดือน	12 เดือน
1,699				500				
1,399				280				
1,199				150				
999 799	60 GB	ความเร็ว 20 Mbps	ฟรี 24 ชม.	600	-	-	-	6 เดือน
799 599	40 GB			500				-
599 399	30 GB			400				-

## BRINGING YOU PREMIUM EXPERIENCE

Smooth online learning and meeting experience



Continuous streaming with no lagging ensured for gamers and streamers


Seamless live streaming for e-commerce entrepreneurs, YouTubers, series lovers and movie watchers

**AIS Fibre 4 POWER SPECIAL II** *Special*

**EXCLUSIVE OFFERS ALL IN ONE PACK**  
Home broadband internet, mobile internet, and ultimate entertainment

Only **599\*** Baht  
\*For AIS Customer

High-speed home internet 1000/500 Mbps + Seamless, fast mobile internet AIS 4G MAX Speed 15GB + AIS SUPER WiFi Unlimited





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

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

Tel: +662 029 4443



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.