

# 1Q24 ROADSHOW PRESENTATION

## Advanced Info Service Plc.

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# 1Q24 PERFORMANCE OVERVIEW



# 1Q24 Growth benefit from value-based strategy and business expansion



Tourists and government subsidies boosted Thai economy amid structural challenges



Core businesses continued its growth supported by TTTBB consolidation



Solid performance from profitability focus to deliver quality and efficient operations



Mobile sustained revival momentum from value enhancement and international usage



Broadband growth in scale led by quality acquisitions and TTTBB consolidation



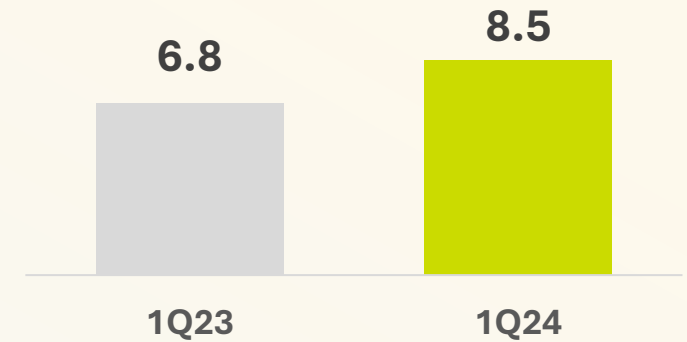
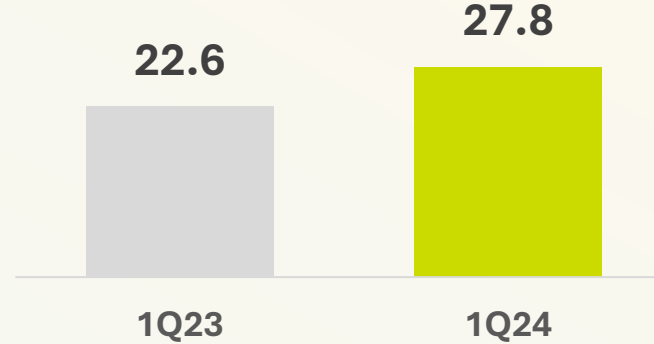
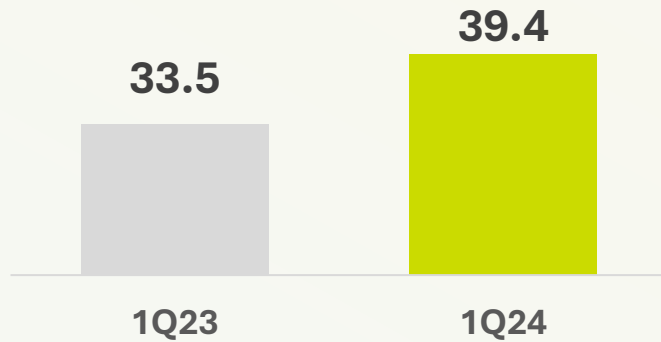
Enterprise showed sustained demand in connectivity alongside digitalization need

# 1Q24 driven by efficiency and value-focus

Core Service Revenue (THB Bn)

EBITDA (THB Bn)

Net Profit (THB Bn)



+13-15%  
Guidance



**+18% YoY**

+14-16%  
Guidance



**+23% YoY**

25%  
YoY



**Deliver profit  
growth**

EBITDA Margin

**52%**

Net Debt to EBITDA\*

**2.5x**

FCF Yield

**9.1 %**

Average  
Cost of Borrowing

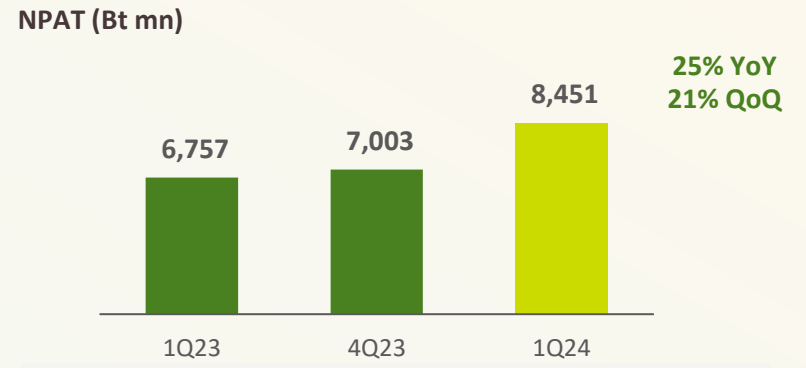
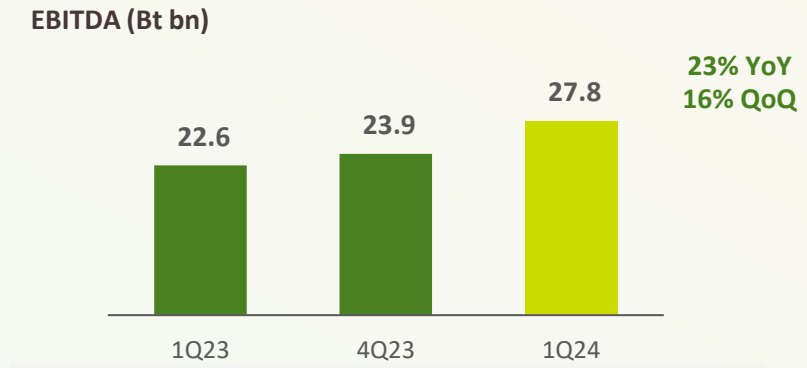
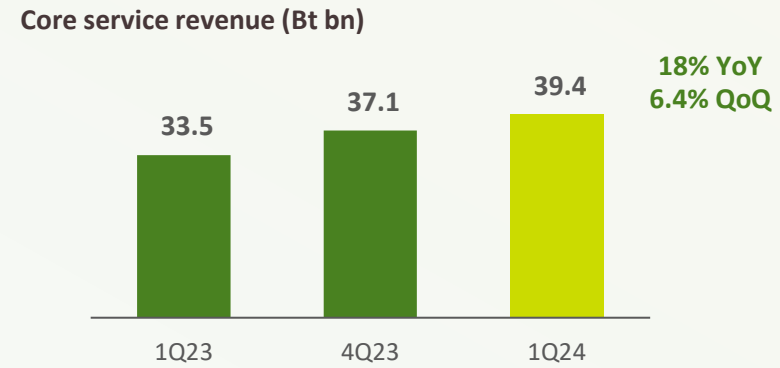
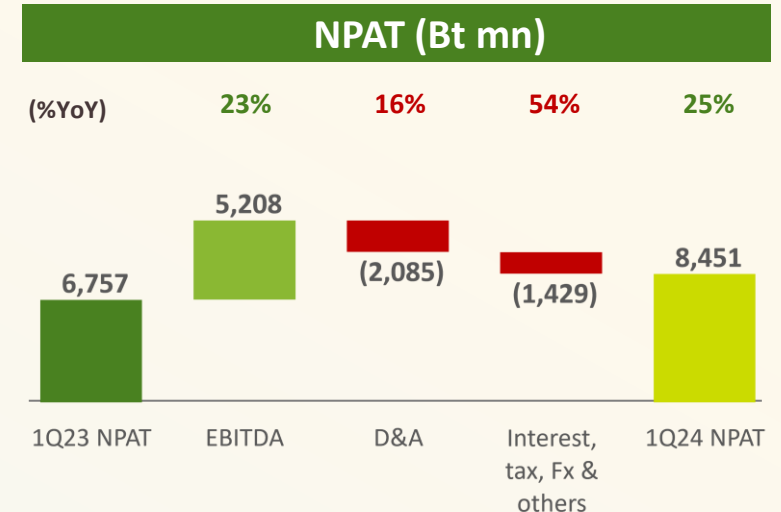
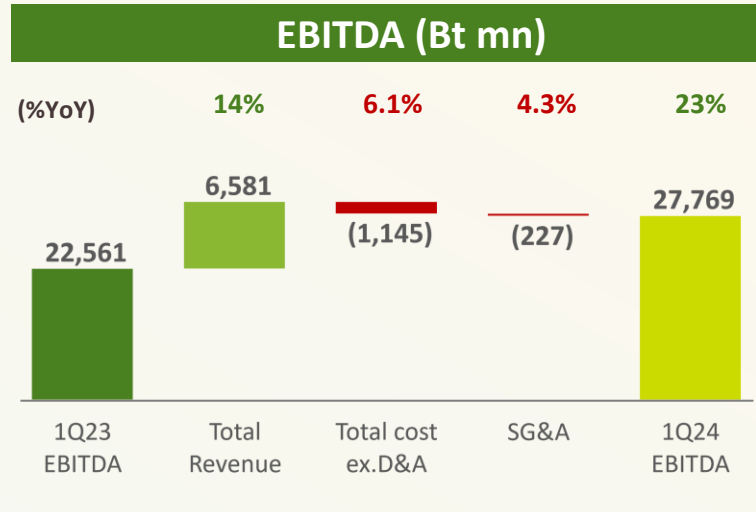
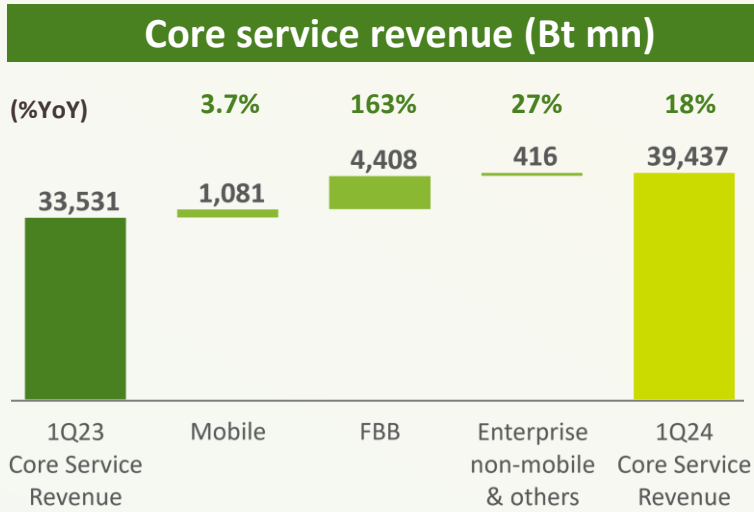
**3.3%**

ROIC\*

**12 %**

\* Included Lease Liability & Spectrum payable

# 1Q24: Quality revenue base expansion led to strong profit delivery



**Core Service Revenue** increased YoY and QoQ contributed by TTTBB revenue recognition and core business growth

**EBITDA** improved YoY and QoQ from profitability focus and cost management, supported by TTTBB contribution  
EBITDA Margin improved to 52%

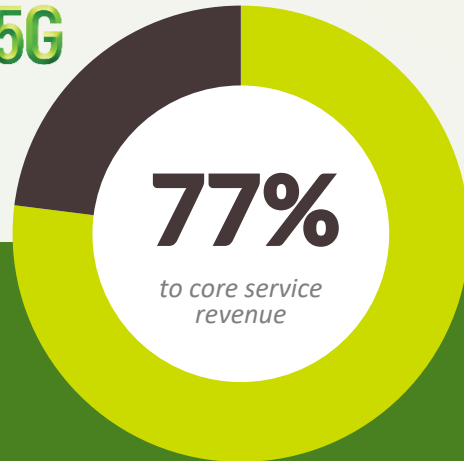
**NPAT** improved YoY and QoQ following improvement of operating performance despite higher finance cost and FX loss

# AIS: Towards becoming Cognitive Tech-Co



## Unleash Excellence in Digital Customer Experience

### Mobile



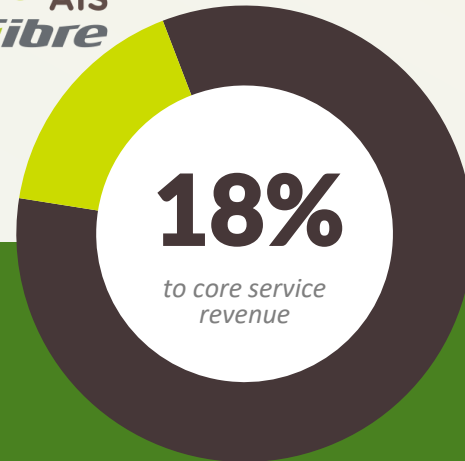
Offering higher value & 5G monetization

**Bt30.3bn**

As of 1Q24

Growth 3.7% YoY

### Fixed Broadband



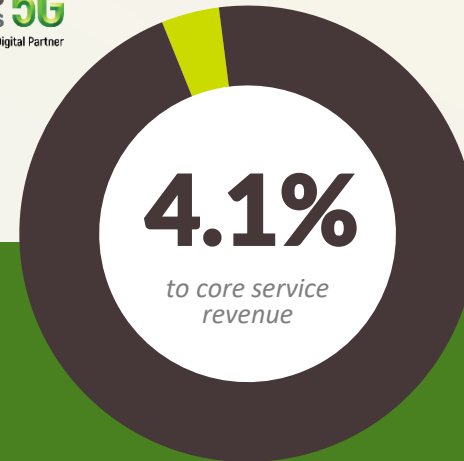
Focusing on high-quality subs acquisition

**Bt7.1bn**

As of 1Q24

Growth 163% YoY

### Enterprise non-mobile Business



Providing end-to-end solutions for industry

**Bt1.6bn**

As of 1Q24

Growth 20% YoY

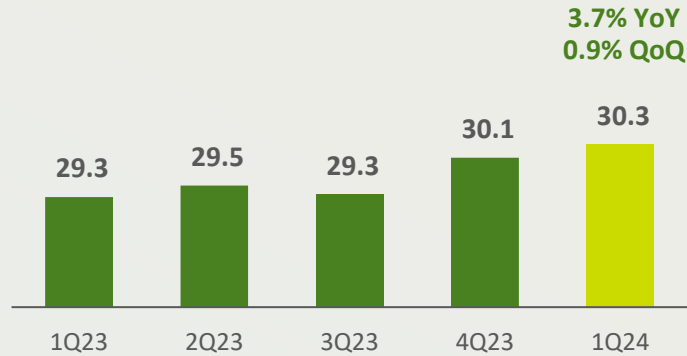
### Digital Services



Building digital adjacencies to engage customers

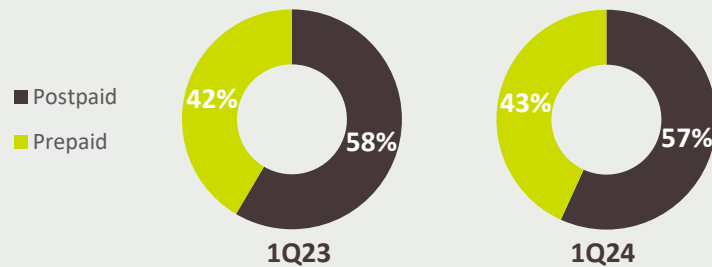
# Mobile: ARPU revival continued from value uplift and tourists

## Mobile revenue (Bt bn)



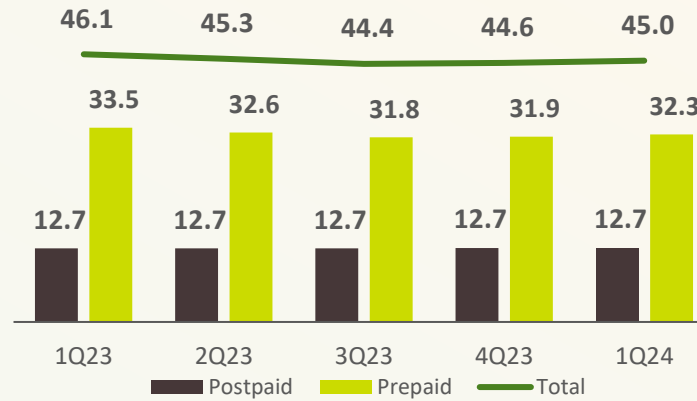
- Quality acquisition with value uplifting
- Tourist-related usage

## % Mobile Revenue Contribution

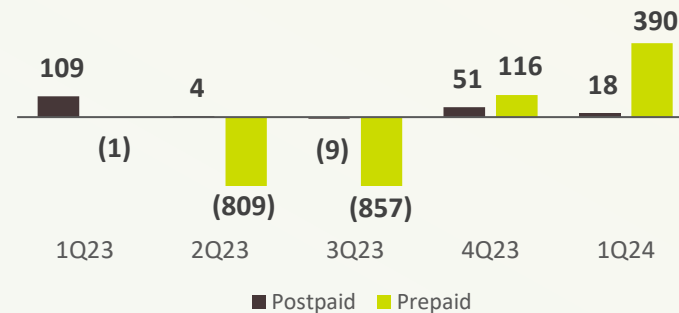


- Prepaid has a higher mix from subs growth and ARPU improvements

## Total subscriber (mn)

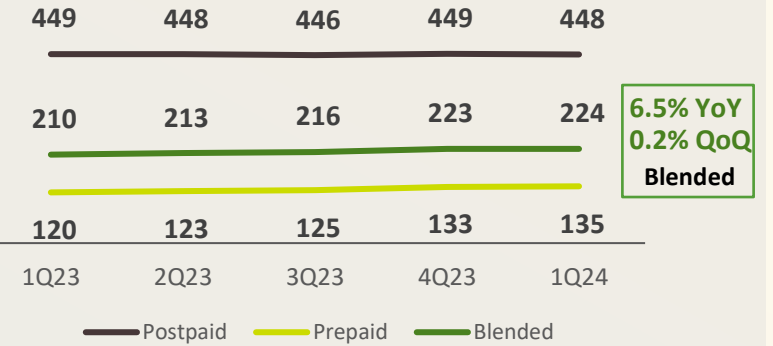


## Net additional subscriber ('000)



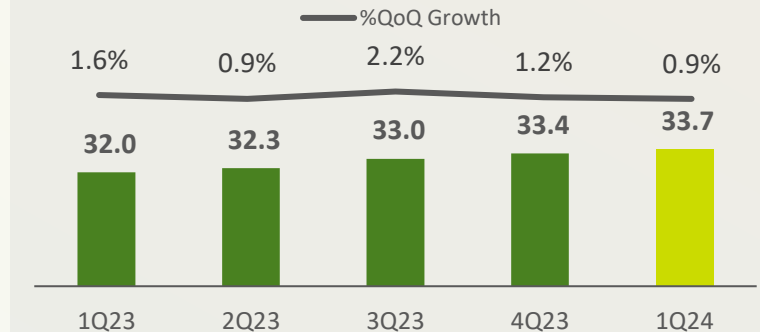
- Positive momentum from tourist influx and a lower churn rate from quality subs focus

## Mobile ARPU (Bt/sub/month)



- Continuous value-uplifting and upselling of personalized packages

## Data Consumption



- Increasing customer demand for content and 5G adoption

# Maintaining superior network quality with 9.9 mn of 5G subscriber



## 5G network coverage

## Driving 5G adoption with quality



**9.9 mn**  
5G Subscribers  
In 1Q24



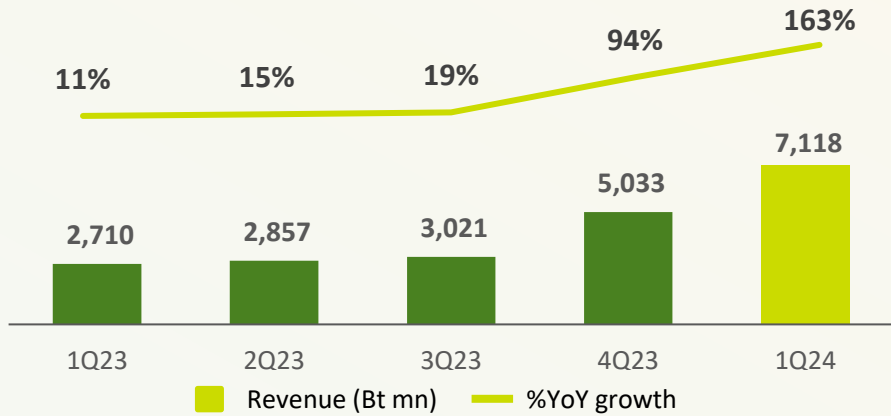
**10-15%**  
5G ARPU uplift

Improved value through 5G  
adoption

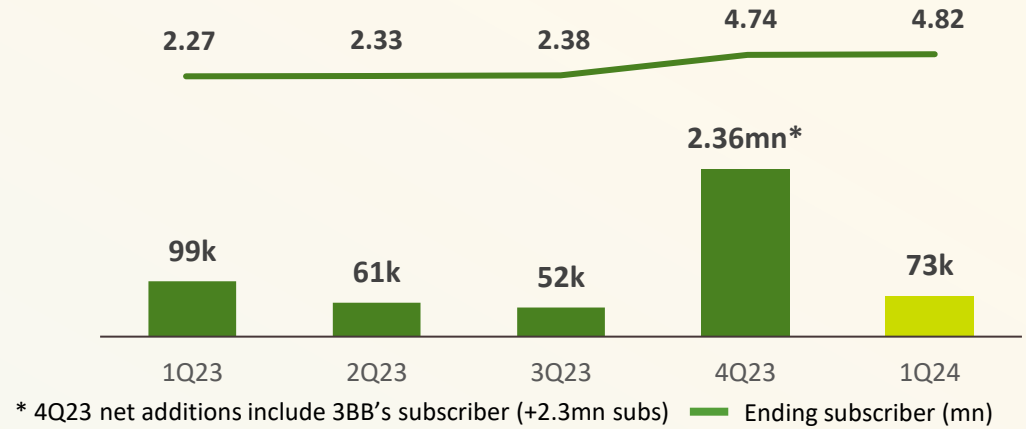


# Home Broadband: Solid expansion boosted by TTTBB consolidation

## Revenue scaled up from sub growth and TTTBB contribution

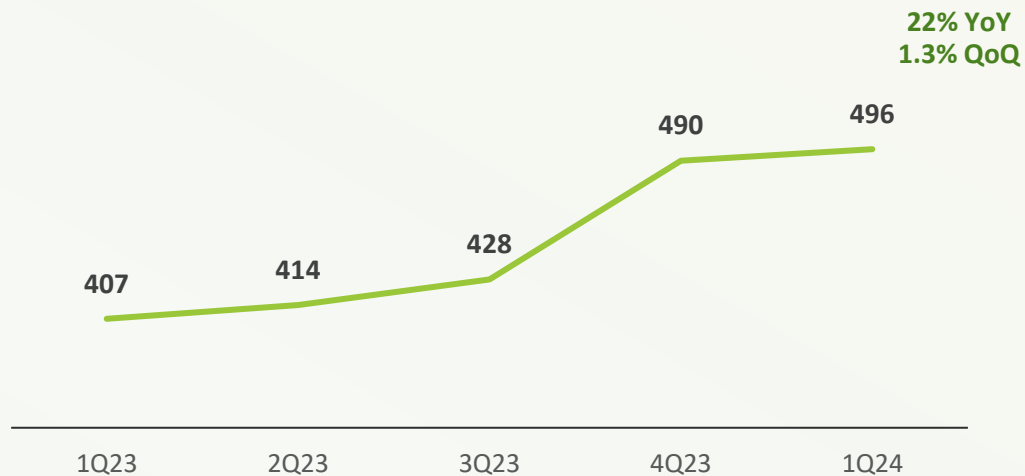


## Subscriber expansion continued with widened footprint



## ARPU growth with focus on comprehensive packages

FBB ARPU (Baht per month)

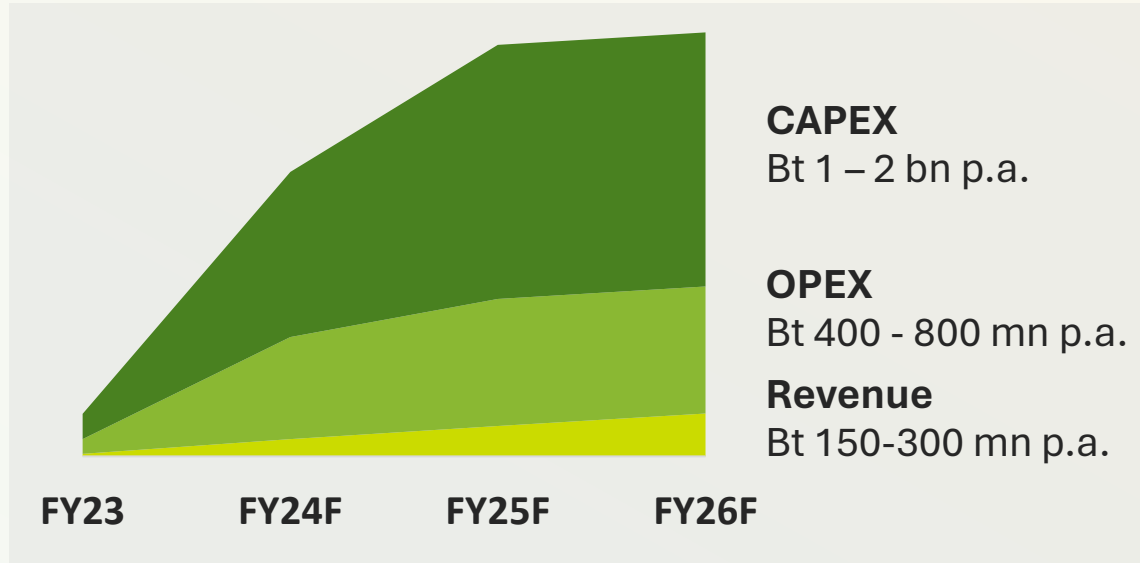


## Cross-selling with enhanced value-added products



# Driving Synergies through optimization and efficiency

## GROSS SYNERGY vs. BASE LINE FY22



**CAPEX**

- Utilize 3BB wider network footprint

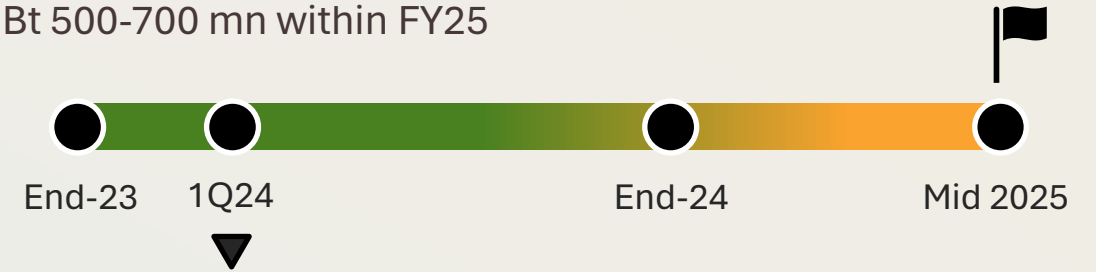
**REVENUE**

- Uplifted with higher value package
- Cross-sell AIS mobile
- Upsell content

## 2024 SYNERGY REALIZATION

### Total Integration Cost (OPEX & CAPEX)

Bt 500-700 mn within FY25



**Gross synergy: Bt 750mn**

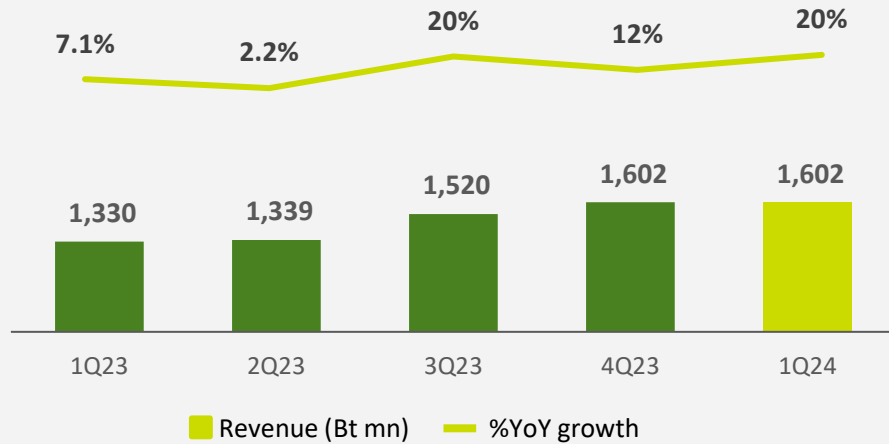
**Integration cost: Bt 23mn**

**OPEX**

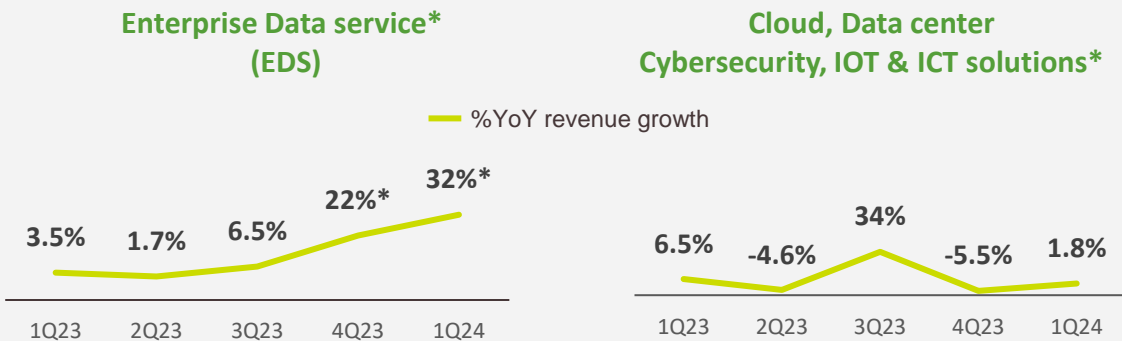
- Channel optimization executed in phases to protect revenue and ensure service quality
- Churn improvement from enhanced value proposition to the customer, resulting in saving write-off equipment expense
- Completed transmission optimization, resulting in lower network cost
- Completed content cost optimization with IPTV

# Enterprise non-mobile: Solid demand for connectivity

## Growth momentum from demand and TTTBB contribution



## Enhanced connectivity services showed sustaining growth



\* %YoY revenue growth include 3BB's revenue

## Enterprise key strategic products

- ### Core Connectivity Service

  - Airtime
  - FBB, Link EDS
  - Cloud, Datacenter
- ### Platform and Solutions

  - Mobile PBX
  - IoT
  - Automation
  - AIS Paragon Platform
  - Network Security
  - Data Analysis Service
  - IT Outsource
  - M2M
  - VDO Analytics
- ### Vertical Solution

  - Property
  - Manufacturing
  - Logistics
  - Retail

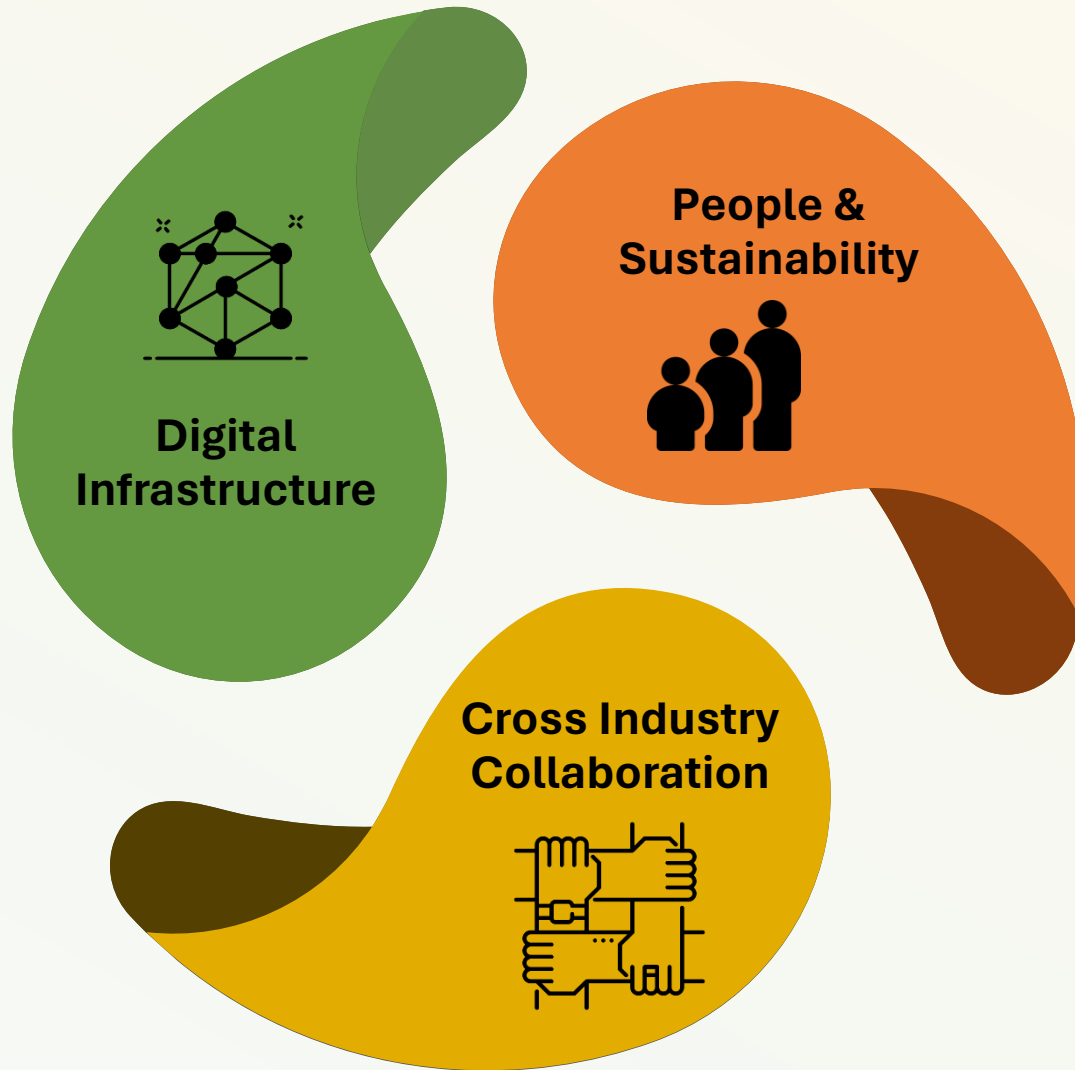
# FY24 Guidance: positive outlook with organic and inorganic base



	Guidance	Rationale
Core service revenue	Around 13-15%	<ul style="list-style-type: none"> <li>• <b>Inorganic</b> growth from TTTBB acquisition</li> <li>• <b>Organic</b> performance driven by value focus offerings and stabilized competition outlook                             <ul style="list-style-type: none"> <li>• <b>Mobile:</b> sustain network quality, personalization and uplift value proposition</li> <li>• <b>Broadband:</b> leverage on combined coverage, innovative product offerings, and superior service quality to offer more than broadband</li> <li>• <b>Enterprise:</b> Focused profitable growth leveraging connectivity and digitization through differentiated platforms</li> </ul> </li> </ul>
EBITDA	Around 14-16%	<ul style="list-style-type: none"> <li>• Ongoing <b>cost optimization</b></li> <li>• TTTBB <b>synergies</b></li> <li>• Enhance IT processes &amp; systems, autonomous network, data analytics, and people capability</li> </ul>
CAPEX (exclude spectrum)	Approx. Bt25-26bn	<ul style="list-style-type: none"> <li>• Lower CAPEX in FY24 from acceleration in FY23 for 700MHz 5G rollout</li> <li>• Leverage TTTBB's network for home broadband expansion</li> <li>• Ensure profitable investment to sustain quality and efficient investment</li> <li>• 60% mobile, 28% Broadband enterprise &amp; others 12%</li> </ul>

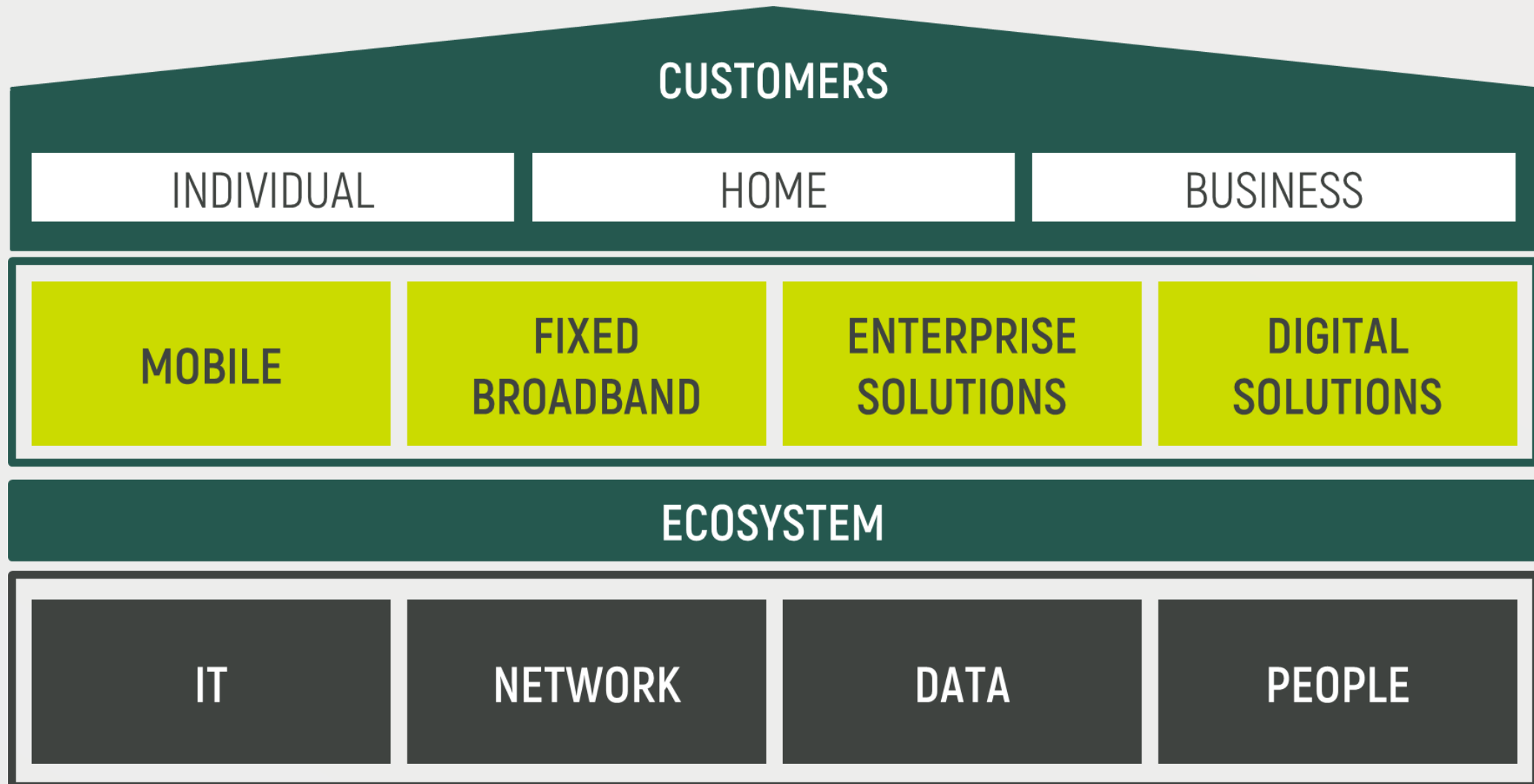
# STRATEGIC DIRECTION





# AIS ECOSYSTEM ECONOMY

# TOWARDS COGNITIVE TECH-CO



# OUR GROWTH STRATEGY 2024

## Core Strengths, New Digital Services, and New Capabilities

### MORE VALUE

- 5G Upgrades
- Upsell/Cross-sell
- FMC
- Innovative FBB Products

### SEGMENT FOCUS

- High Value Customer
- Family
- SME
- Industry

### NEW SERVICES

- Smart home
- Cloud & Data Center
- 5G IoT & Platforms  
Paragon & CPaaS

### ENHANCED EXPERIENCE & EFFICIENCY

- myAIS channel
- Cost Efficiency
- 4 Core foundations of IT, Network, Data, People

**+13-15%**  
Core Service Revenue growth

**Mobile**  
Low Single-Digit Growth

**Broadband**  
Double in Size Growth

**Enterprise**  
Double-Digit Growth

Continue Optimization with Synergy Realization

**+14-16%**  
EBITDA growth



# Driving Long-term Sustainable Business Operation



# THRIVING 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

## Act on Climate

Shape a greener future of life for  
consumers and society

# Sustainability Highlight

## Build Cyber-Savvy citizens by “Aunjai Cyber” e-learning collaboration with MHDHS



Equip MHDHS' staff with essential digital skills and cybersecurity knowledge

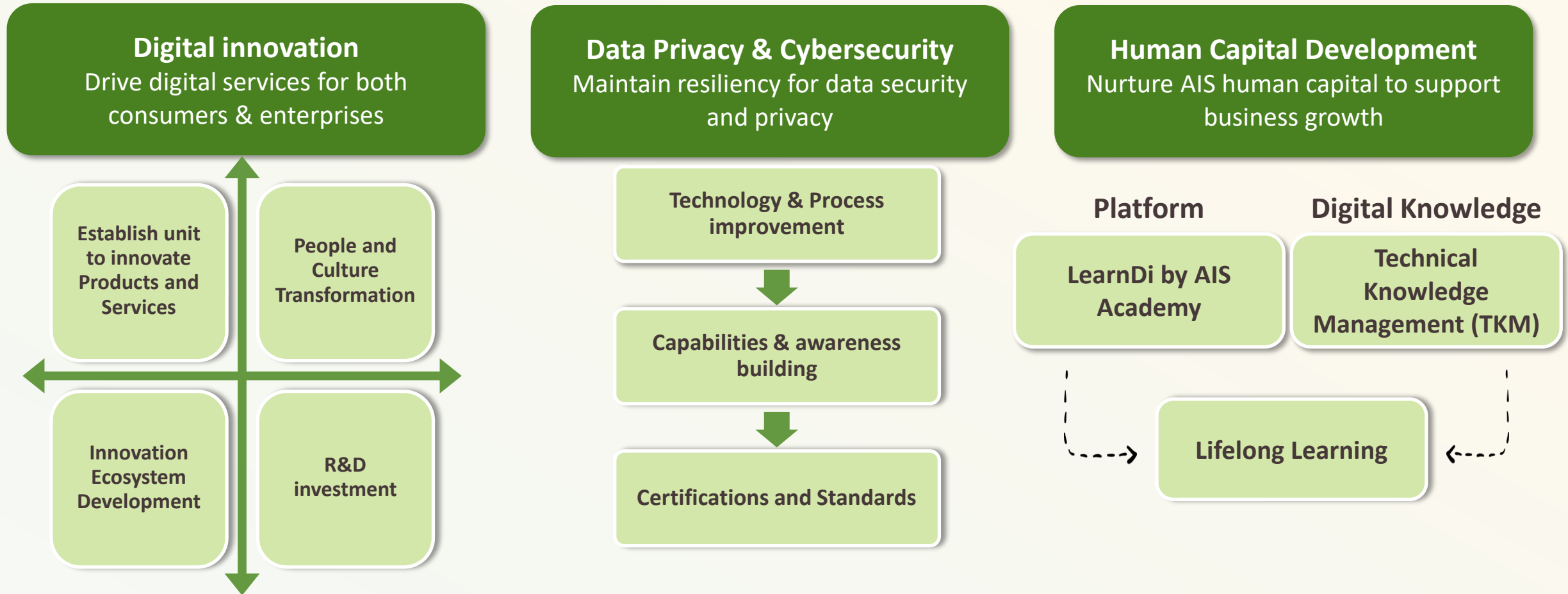
Share knowledge on Personal Data Protection Act (PDPA) for online staff

Expand Aunjai Cyber Syllabus to the Thai public reached to 320K peoples



Practice  
Personality  
Protection  
Participation

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



## 2023 Progress

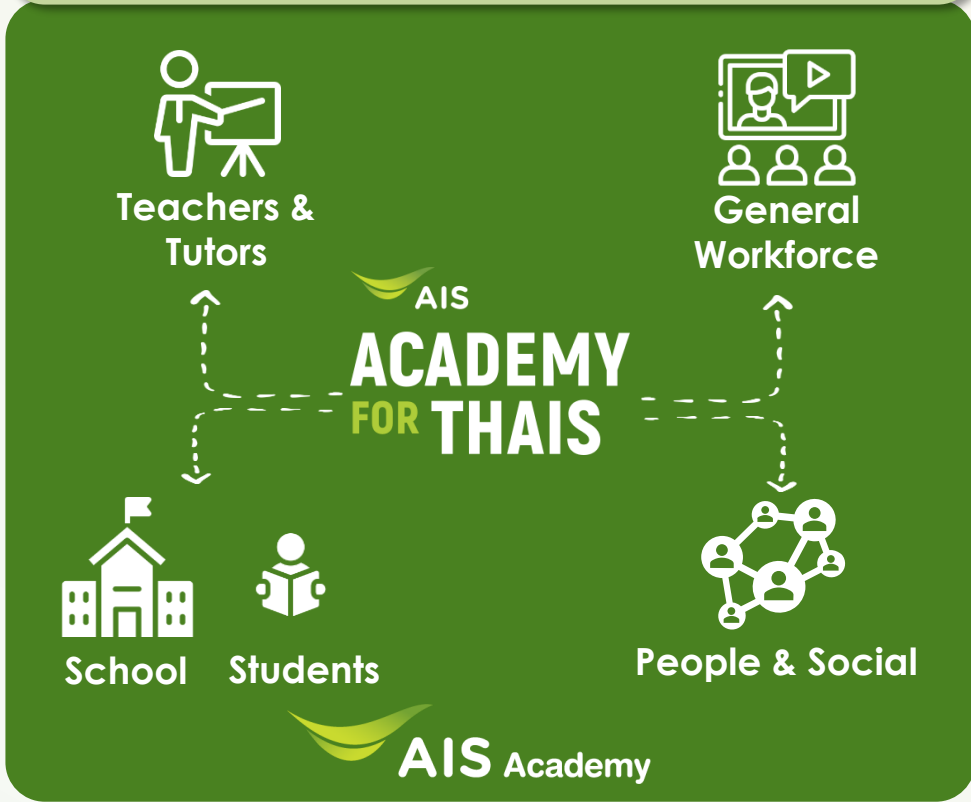
- 4.1% of revenue generated from new digital services
- Established the IT third-party risk management policy
- Cybersecurity assessment score was higher than the industry average
- Executive-level employees were assessed in digital skills, the scores were higher than the global averages and telecom peers

2

# Promote Digital Inclusion: Build inclusive and responsible digital access

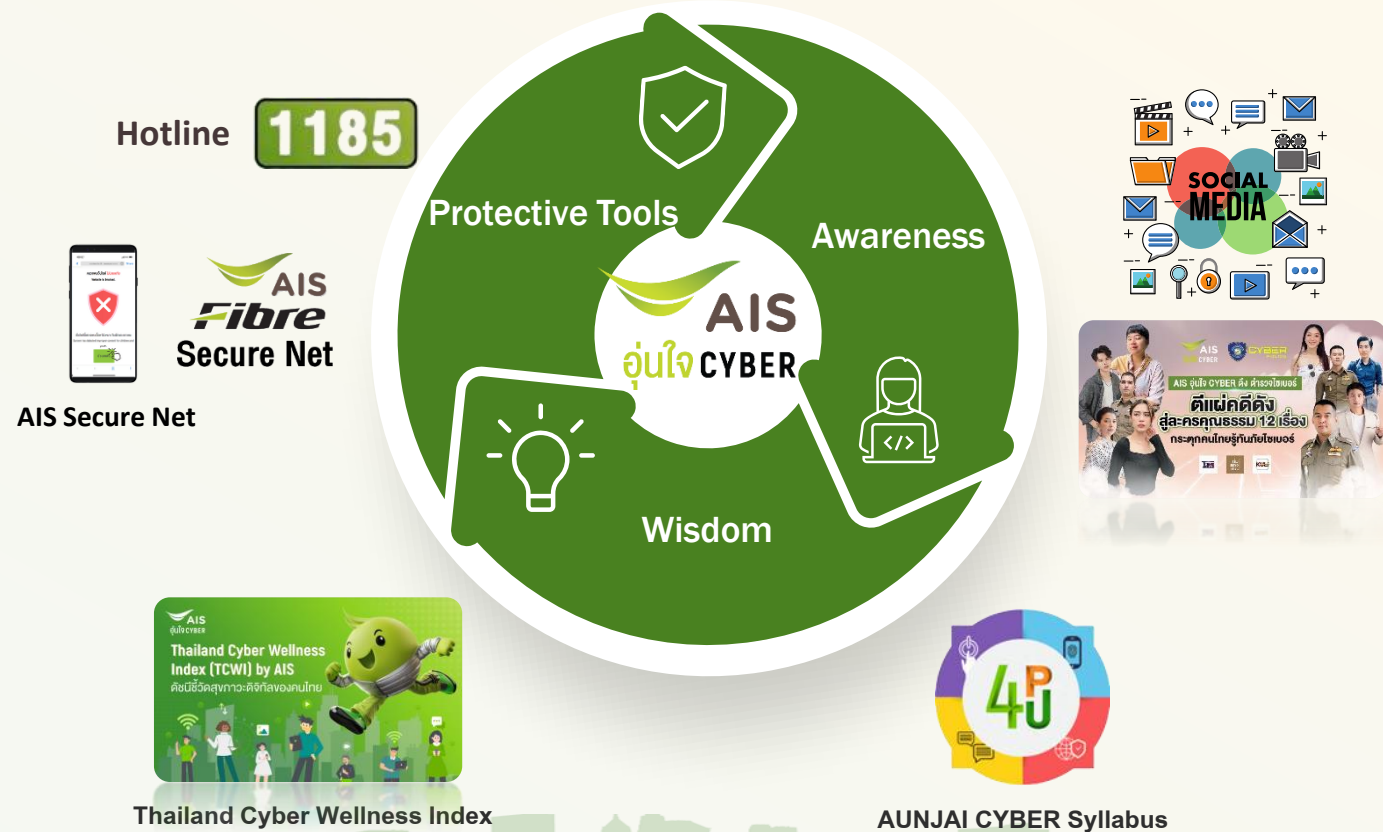
## Social inclusion

Enriching Thai people's knowledge of total 2.57 million people in 2023



## Digital wellness

Empower digital citizenship by providing digital solutions and tools in total 0.51 million people



# 3 Act on climate: Shape a greener future of life for consumers and society

## Climate actions

Manage our own network, operation and supply chain to be light to the environment

Energy Efficiency

Renewable energy

Smart Solutions

13,951 tCO2e

Fiscal Year	CO2e (t)
FY20	2,747
FY21	5,768
FY22	8,751
FY23	8,822

16,376 tCO2e

Machine Monitoring by IoT

Smart Transportation & Logistics

No. of base stations with solar cell

Fiscal Year	No. of base stations
FY20	2,747
FY21	5,768
FY22	8,751
FY23	8,822

- Adopt AI in processing and analyzing network utilization
- Adopt power saving features in planning

## Waste Management

Promote proper waste disposal

Waste separation at office building

Transformed the Thais Say No to E-Waste project into AIS HUB of E-Waste

Raising awareness

Non-recyclable E-waste from network operation **0%**

E-waste collected from customers **140,467\* pcs.**

**Accumulated >600,000 pcs.**

\*Data as of 1 Jan - 31 Dec 2023



# An affirmation of our determination towards sustainable business

## Global Level



In 2023, AIS received a rating of AA in the MSCI ESG Ratings Assessment



Dow Jones Sustainability Indices 2023, member of DJSI World



Top 5% S&P Global ESG Score 2023



In 2023, AIS received an ESG Risk Rating from Sustainalytics. Copyright ©2023 Sustainalytics. All rights reserved.



FTSE4Good FTSE 4 Good Index Series 9<sup>th</sup> Consecutive Years



Top five ranking in Technology of WSIS Prizes 2023



E-Waste+ project being top 10 finalists in the Planet category for the SDG Digital GameChangers Award, by ITU and UNDP



SL25 Honoree of 2023 in leveraging EdTech for inclusion and digital literacy in Thailand

## National Level



ESG rating of AAA from the Stock Exchange of Thailand



Commended Sustainability Awards, Sustainability Excellence by the Stock Exchange of Thailand and Money and Banking Magazine



ESG100 for 9<sup>th</sup> consecutive years by Thaiptat Institute

## Disclosure Standards



Global Reporting Initiative



Sustainability Accounting Standards Board



Carbon Disclosure Project



Task Force on Climate-Related Financial Disclosures

# Appendix





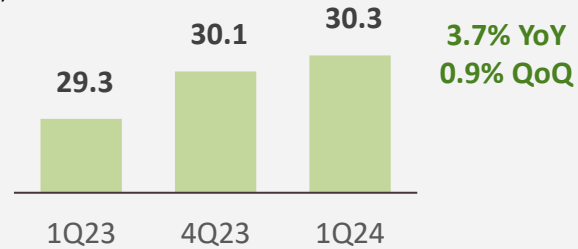
# Financial Highlights

Bt mn	1Q23	4Q23	1Q24	%YoY	%QoQ
Mobile revenue	29,258	30,065	30,339	3.7%	0.9%
FBB revenue	2,710	5,033	7,118	163%	41%
Other revenues	1,564	1,957	1,980	27%	1.2%
<b>Core service revenue</b>	<b>33,531</b>	<b>37,055</b>	<b>39,437</b>	<b>18%</b>	<b>6.4%</b>
IC and NT partnership	3,255	3,371	3,366	3.4%	-0.1%
<b>Service revenue</b>	<b>36,786</b>	<b>40,426</b>	<b>42,803</b>	<b>16%</b>	<b>5.9%</b>
SIM and device sales	9,926	10,892	10,490	5.7%	-3.7%
<b>Total revenue</b>	<b>46,712</b>	<b>51,318</b>	<b>53,293</b>	<b>14%</b>	<b>3.8%</b>
Cost of service	21,950	23,036	24,881	13%	8.0%
SG&A	5,601	7,438	5,890	5.2%	-21%
<b>EBITDA</b>	<b>22,561</b>	<b>23,945</b>	<b>27,769</b>	<b>23%</b>	<b>16%</b>
EBIT	9,410	10,205	12,529	33%	23%
<b>NPAT</b>	<b>6,757</b>	<b>7,003</b>	<b>8,451</b>	<b>25%</b>	<b>21%</b>
Sales margin	1.8%	2.3%	4.7%		
EBITDA margin	48.3%	46.7%	52.1%		
EBIT margin	20.1%	19.9%	23.5%		
NPAT margin	14.5%	13.6%	15.9%		

# 1Q24 Revenue Breakdown

## Mobile Revenue

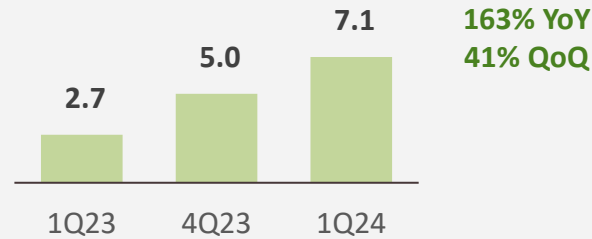
(Bt bn)



- ARPU uplift through value-based package structuring, cross-selling, and 5G adoption
- Recovery in tourist usage

## Fixed Broadband Revenue

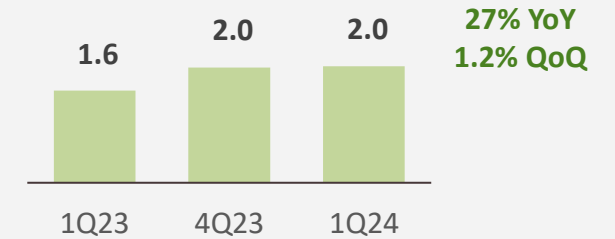
(Bt bn)



- Consolidation of TTTBB's revenue
- Organic growth from expanded subscribers and ARPU improvement

## Enterprise and Other Revenues

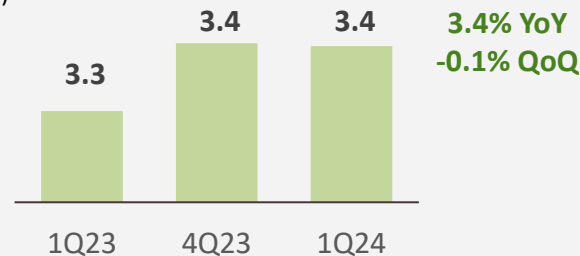
(Bt bn)



- Increased YoY from growth of connectivity services and TTTBB's revenue recognition
- Increased QoQ from full quarter TTTBB's revenue contribution offset by large deal closed in 1Q24

## IC and NT Partnership

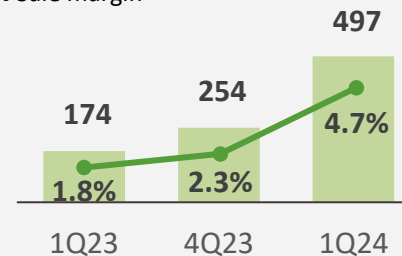
(Bt bn)



- Increased YoY due to higher usages from NT and equipment rental revenue of NT's 700MHz

## Net Sales & Margin

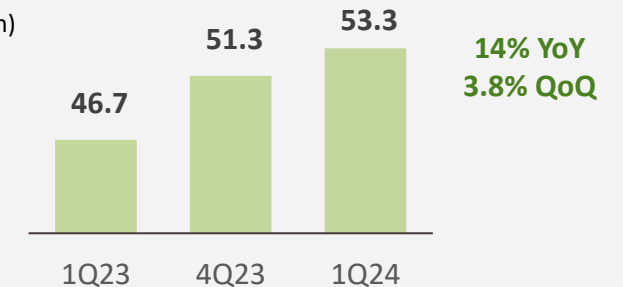
(Bt mn) — % Sale margin



- Subsidy optimization boosted by government stimulus campaign (Easy E-Receipt)

## Total Revenue

(Bt bn)

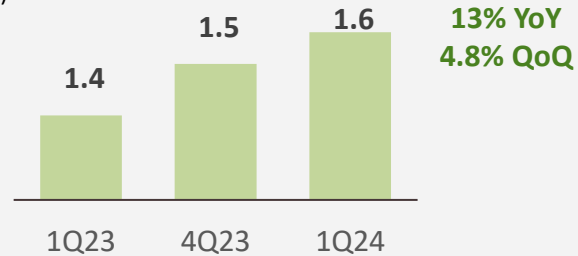


- Increased YoY from the consolidation of TTTBB revenue and organic business growth
- Increased QoQ from full quarter TTTBB revenue recognition

# 1Q24 Cost and Expense Breakdown

## Regulatory

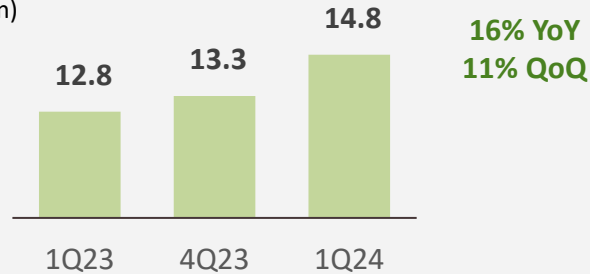
(Bt bn)



- Stayed at 4% of core service revenue

## Depreciation & Amortization

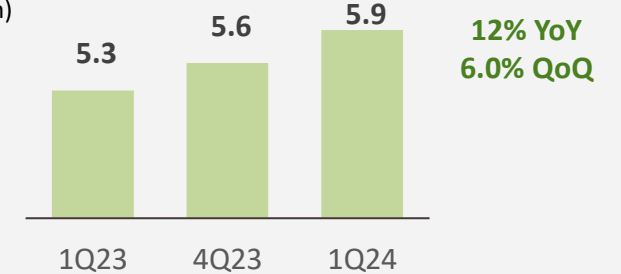
(Bt bn)



- Higher ROU assets from TTTBB acquisition, partially offset by fully depreciated network equipment

## Network OPEX and NT partnership

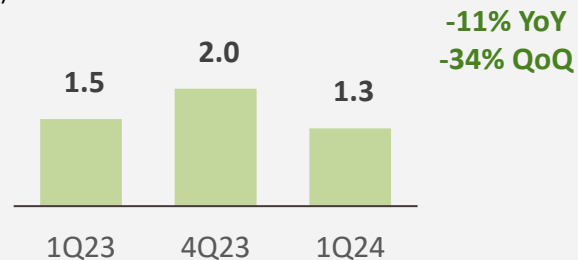
(Bt bn)



- Increased YoY due to fibre-related cost from TTTBB, offset by lower FT rate
- Increased QoQ from full-quarter recognition of TTTBB's cost and higher utility cost

## Marketing expense

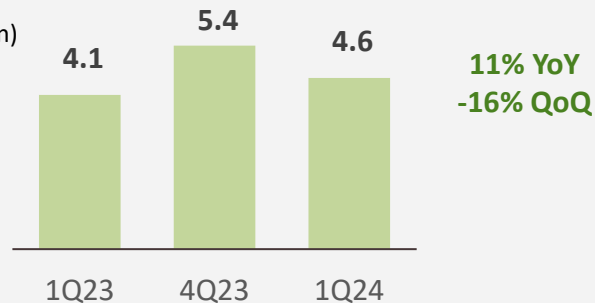
(Bt bn)



- Decreased YoY from cost optimization
- Decreased QoQ from the seasonality of marketing campaigns peaked in 4Q23

## Admin & Others

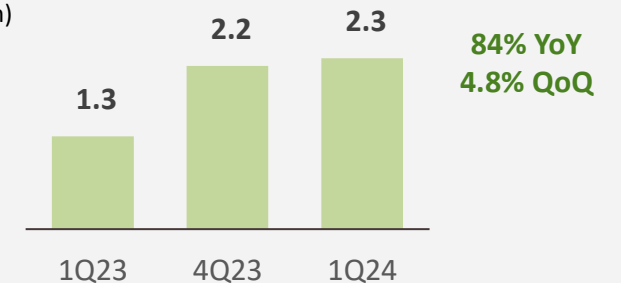
(Bt bn)



- Increased YoY from staff costs and admin expenses following TTTBB acquisition.
- Decreased QoQ due to a one-time asset provision expense incurred in 4Q23

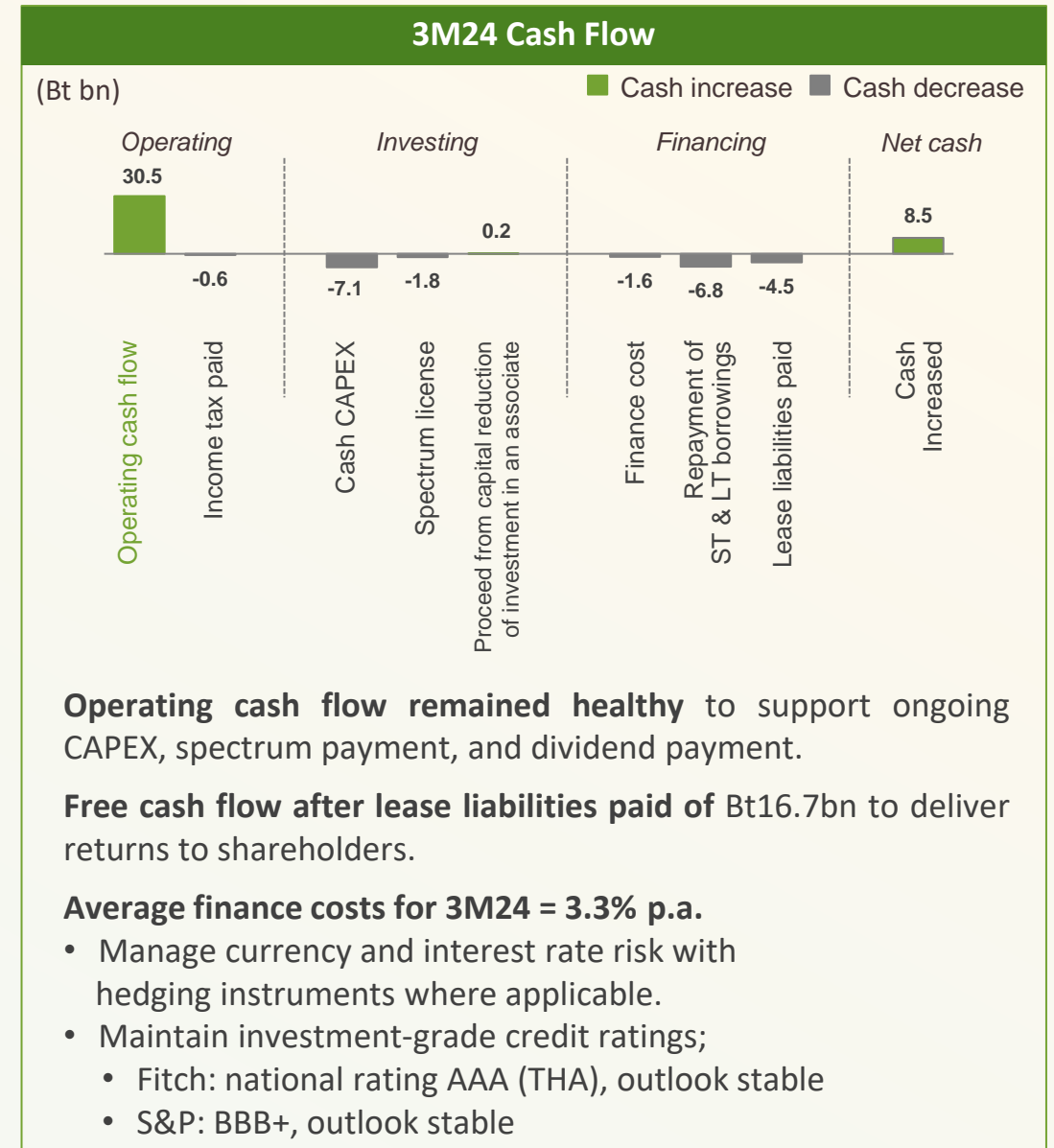
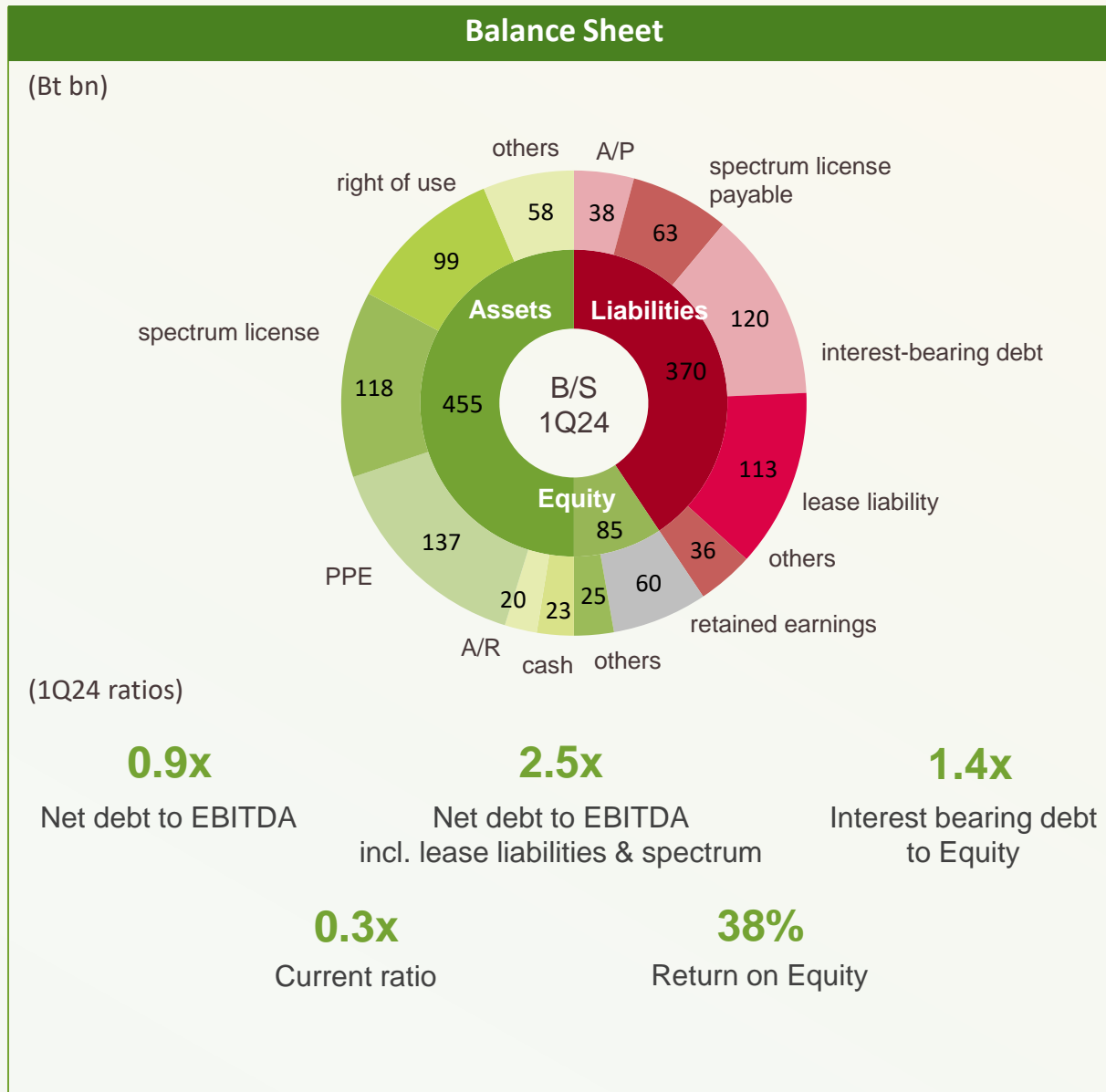
## Finance cost

(Bt bn)



- Higher debt for TTTBB acquisition and higher ROU asset.

# Healthy balance sheet and cash flow to support investment





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

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

Tel: +662 029 5000

Sustainability website: <https://sustainability.ais.co.th>

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

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.