



1Q21 Financial Results

Advanced Info Service Plc.

5 May 2021

1Q21 Executive Summary



Mobile revenue slightly recovered QoQ

- Mobile revenue recovered QoQ due to strong subscriber acquisition as well as demand driven by government stimulus package.
- Competition around data pricing with unlimited plan remained high and still pressured ARPU

5G penetration is on track to meet 1mn year-end target

- 5G mobile subscribers reached 719k supported by new 5G handset launch, on track to meet target at 1mn by the end 2021
- ARPU uplift on early 5G adopter approximately 10-15%.

Fixed broadband and Enterprise business continued its growth momentum

- AIS Fibre added 95k and reached 1.43 million subscribers with 17%YoY growth
- ARPU continued declining 10%YoY from new acquisition on low price package
- Enterprise non-mobile business continued to deliver low-teen digit growth YoY following digitalization trend.

Stabilized EBITDA from recovered mobile business and cost control

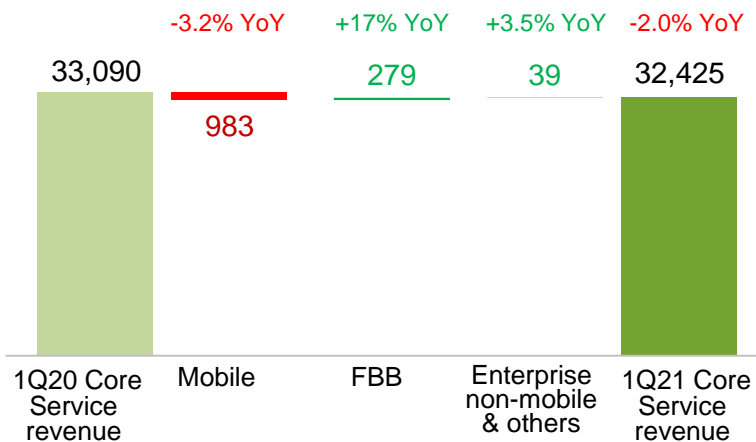
- Core service revenue began to recover and deliver 1%QoQ increase from recovered mobile revenue and robust growth in fixed broadband
- Continuous 5G/4G network expansion led to increase in cost of service 3.9%YoY; however, SG&A was well-managed and dropped -12%YoY resulted in stabilized EBITDA with -0.8%YoY
- Net profit decreased - 1.7%YoY and -7.3%QoQ

1Q21 Performance:

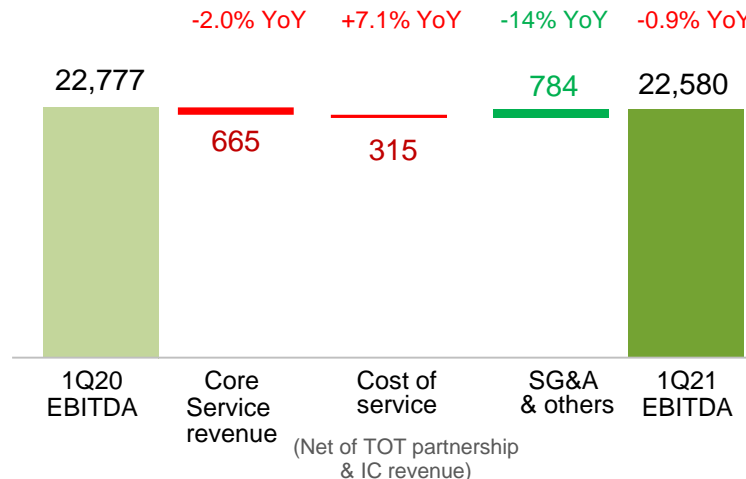
Stabilized EBITDA from recovered mobile business and well-managed cost



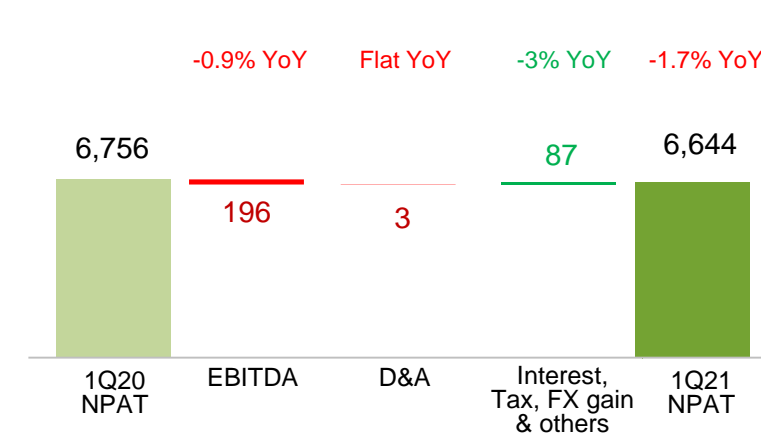
Core service revenue (Bt mn)



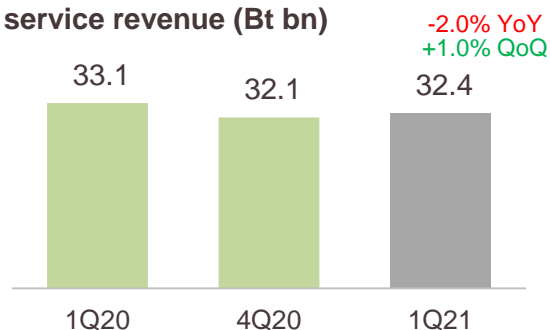
EBITDA (Bt mn)



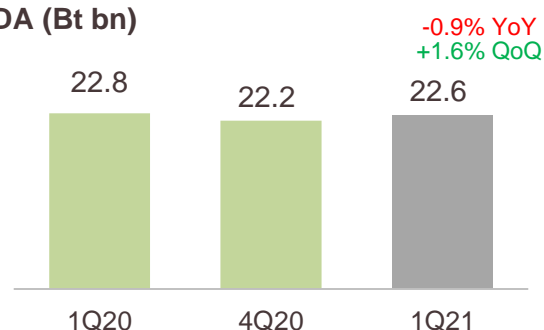
Reported NPAT (Bt mn)



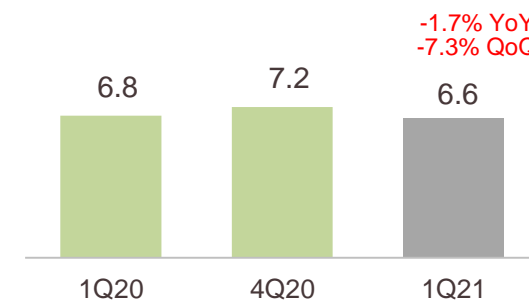
Core service revenue (Bt bn)



EBITDA (Bt bn)



Reported NPAT (Bt bn)

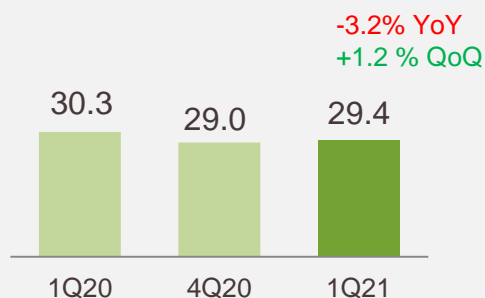


- **Core service revenue** declined YoY from weak mobile offset by growth in FBB and enterprise; but slightly increased QoQ from rebounded mobile revenue
- **EBITDA** was stabilized QoQ from recovered service revenue and continuous cost management
- **NPAT** dropped - 1.7%YoY as D&A rose from spectrum acquisition and network investment while decreasing -7.3%QoQ from unrealized foreign exchange loss and tax benefit in 4Q20

Mobile business slightly recovered QoQ following strong acquisition and government stimulus campaign



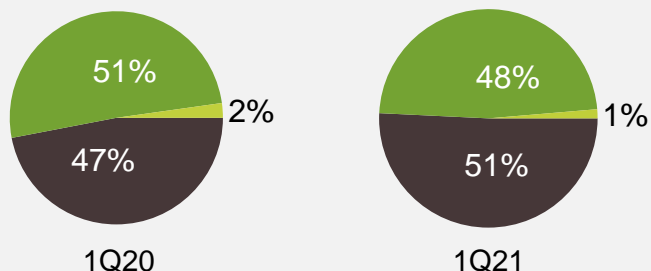
Mobile revenue (Bt bn)



- Mobile revenue shown recovered trend in 1Q21 from improved new subscriber acquisition and higher demand due to government stimulus campaign.

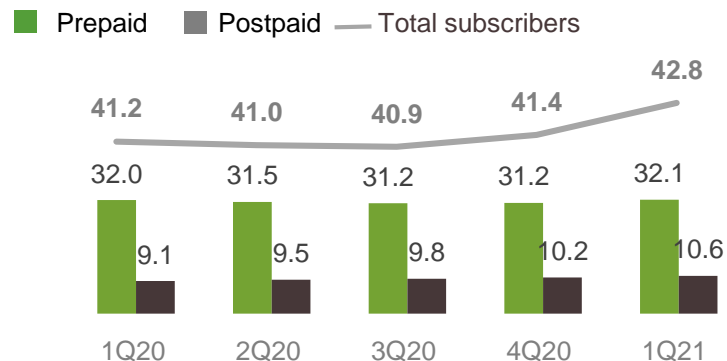
% Mobile Revenue Contribution

■ Postpaid ■ Prepaid ■ IR+IDD



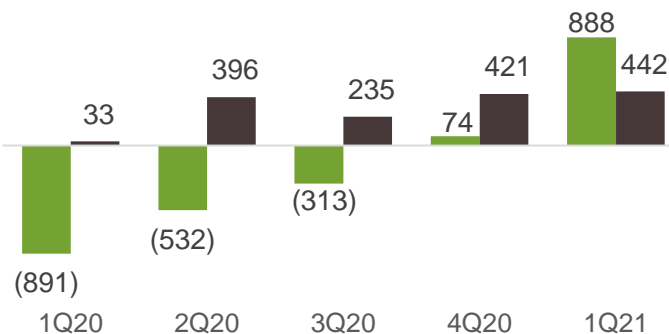
- Postpaid contribution continued to grow as customers continued moving from prepaid to post paid while prepaid remained weak from lack of traveler segment

Total subscriber (mn)



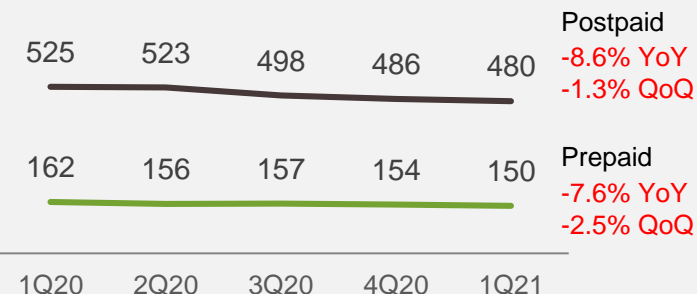
Net additional subscriber ('000)

■ Prepaid ■ Postpaid



- Prepaid grew robustly underpinned by strong acquisition and government stimulus campaigns as well as improving churn management
- Postpaid maintained its acquisition momentum and posted net addition of 442k

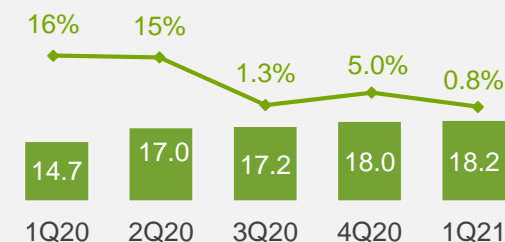
Mobile ARPU (Bt/sub/month)



- Weak consumer spending and price competition around unlimited plans continued to pressure ARPU

Data consumption

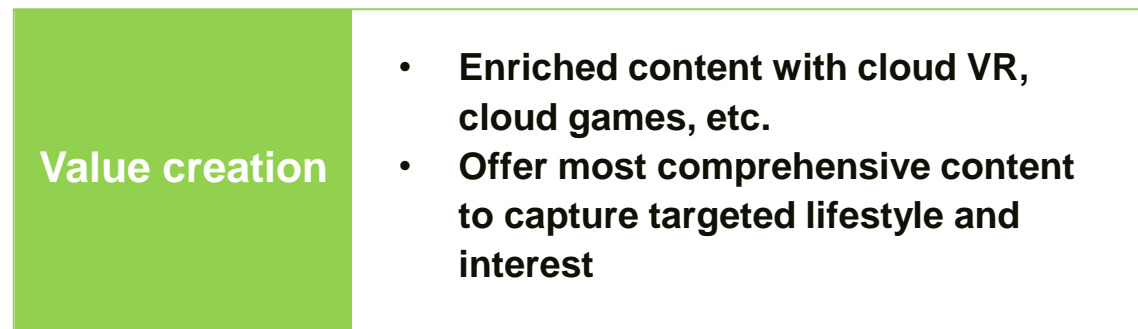
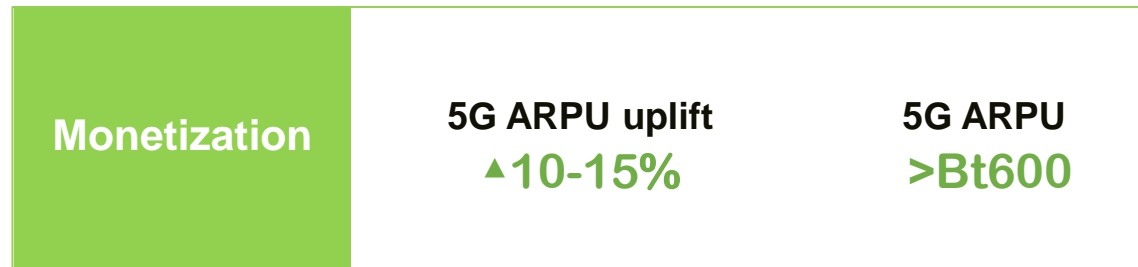
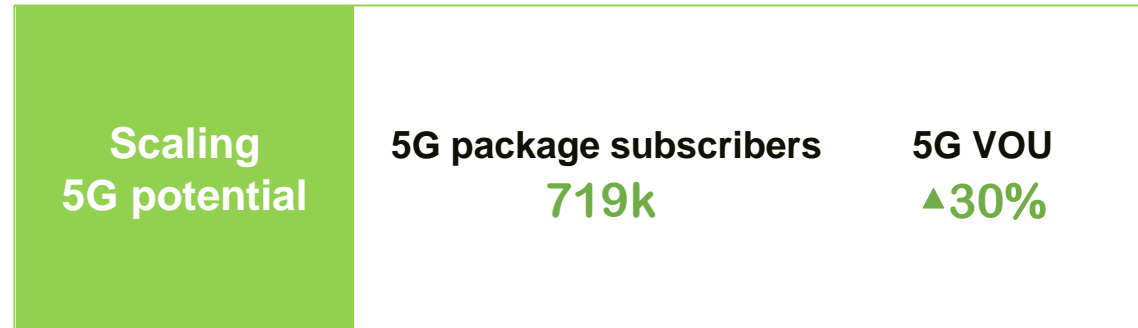
■ Blended VOU (GB/data sub/month) — %QoQ growth



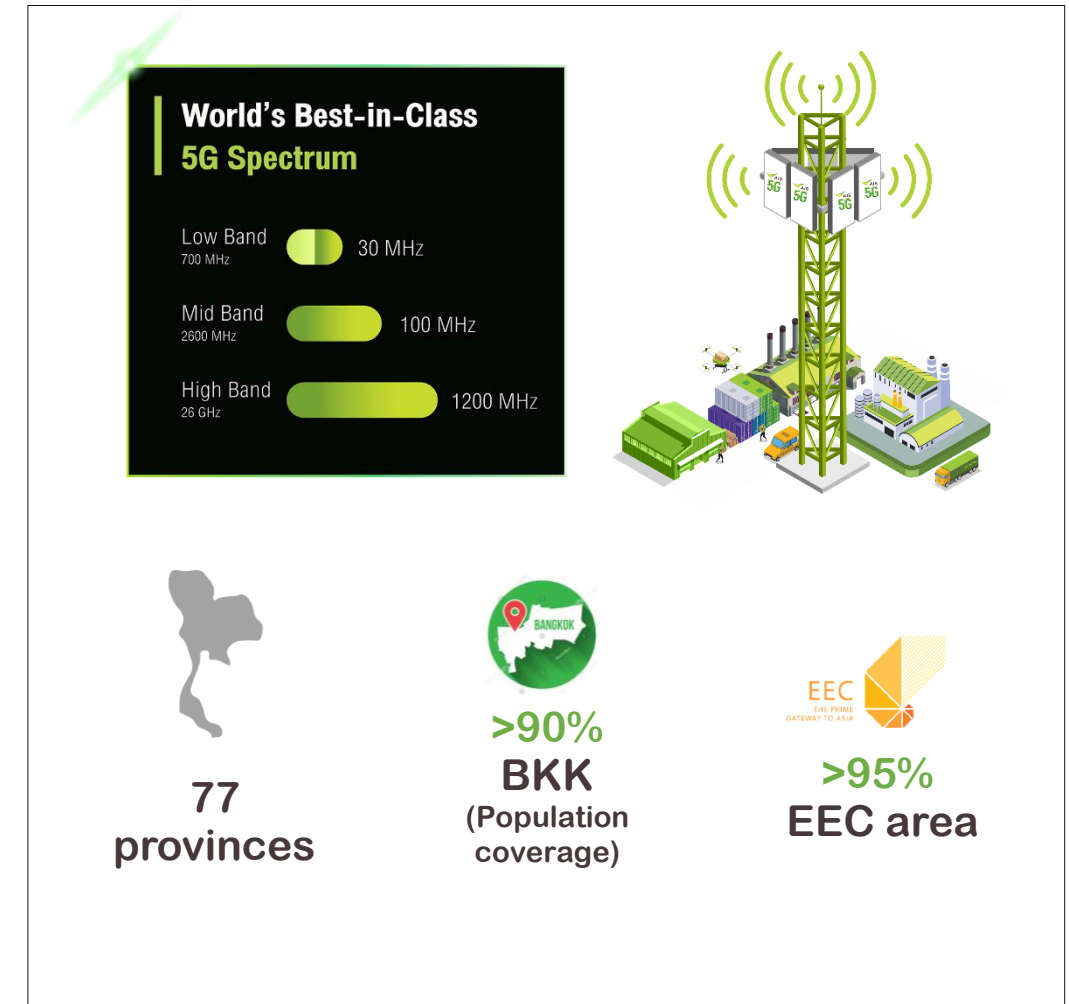
- Continuous increase in data consumption driven by pandemic situation

Building strong foundation for 5G services

Development for value creation and monetization

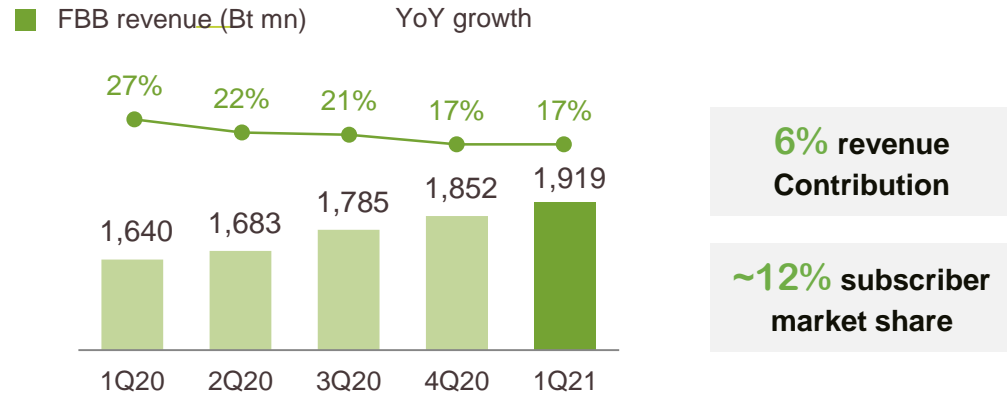


Continue to invest for 5G leadership



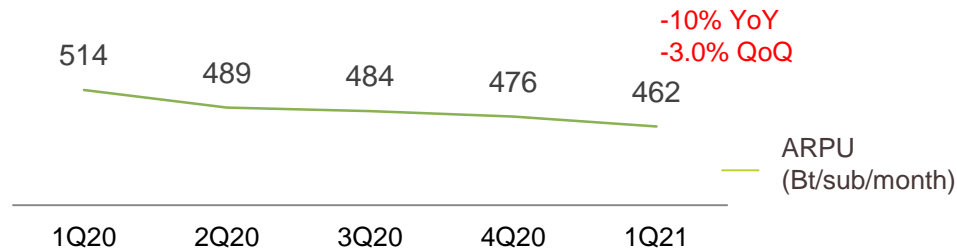
Home broadband continued its growth momentum

Despite soften ARPU, FBB continued to deliver high growth



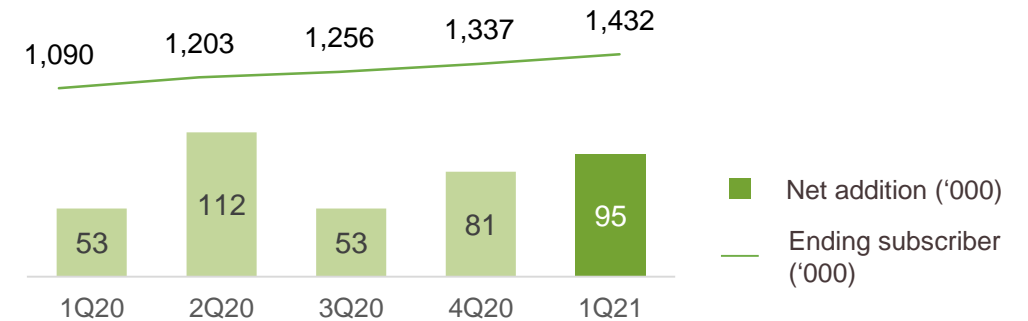
- With continuing trends for work and learn from home, FBB business maintained its momentum with 17%YoY revenue growth.

ARPU softened following the popularity of low price plan



- Despite eased price competition since 4Q20 , ARPU continued declining 10%YoY from new acquisition on low price package

Solid subscriber growth from rising demand for home connectivity



- FBB subscribers grew double-digit YoY with 95k net addition in 1Q21
- Target subscriber by end-21 maintained at 1.6mn

Emphasized churn management through 24-month contract



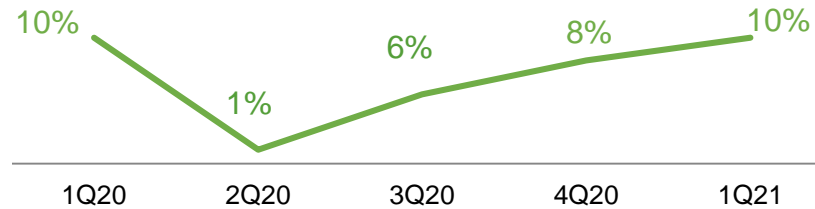
- The new package aims to enhance service quality beyond the industry for better customer retention and reduce churn with contract length of 24 months.

Digitalization trend remained key growth driver in enterprise segment

Enterprise business remained resilient amidst the new outbreak

Enterprise non-mobile revenue

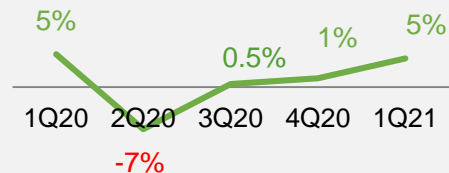
%YoY revenue



- Enterprise non-mobile growth had rebounded to pre-Covid level following demand for digital transformation

Enterprise Data service (EDS)

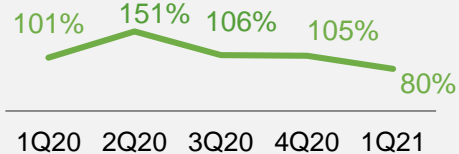
%YoY revenue



- EDS revenue regained growth momentum after the corporate resuming their operation

Cloud, Data center and ICT solutions

%YoY revenue



- Cloud, Data center and ICT solution grew double digit and expected to deliver strong growth following products and service expansion

5G industrial pilot projects with in EEC area



Collaboration with SNC FORMER to joint trial industrial use case with 26GHz spectrum



5G AGV

- Deploy 5G to control and operate AGV car which transport parts to production line, and between factories efficiently.



5G Smart Robot

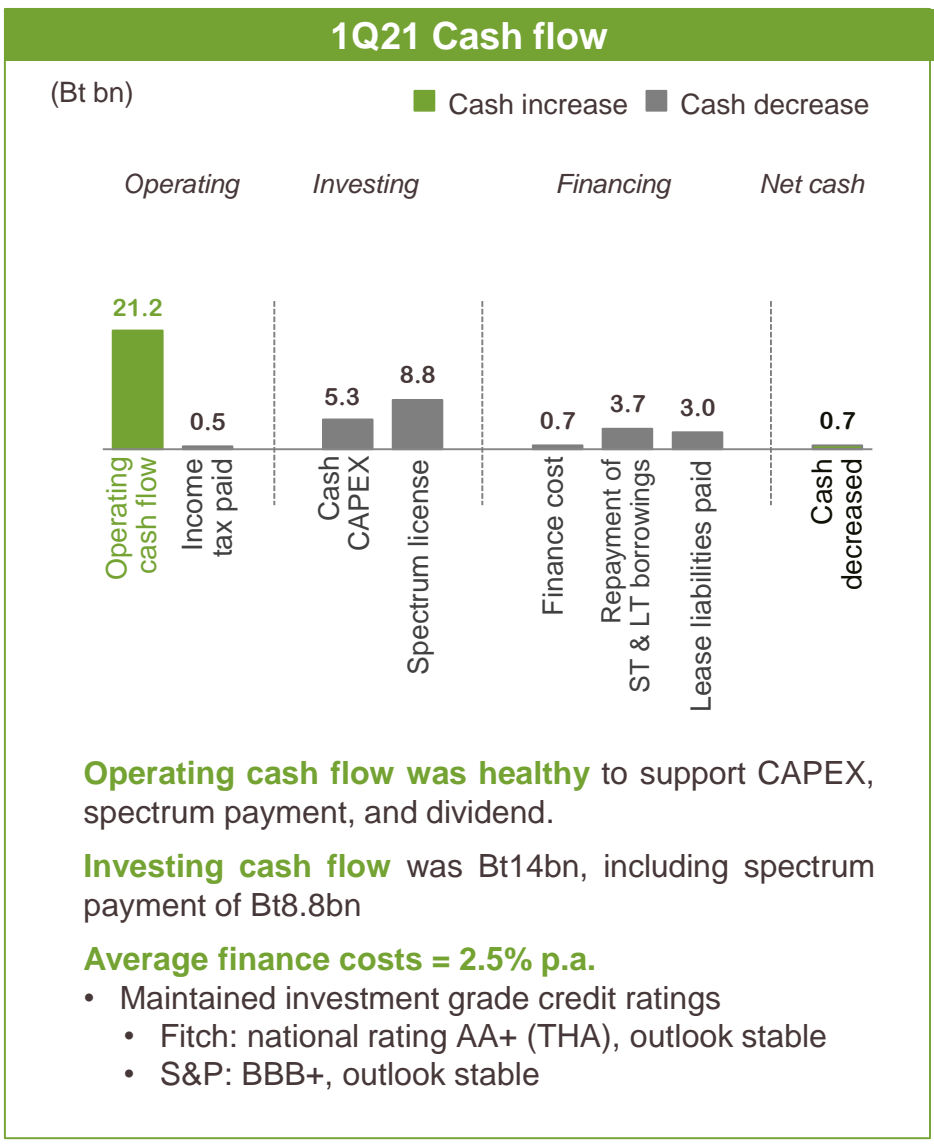
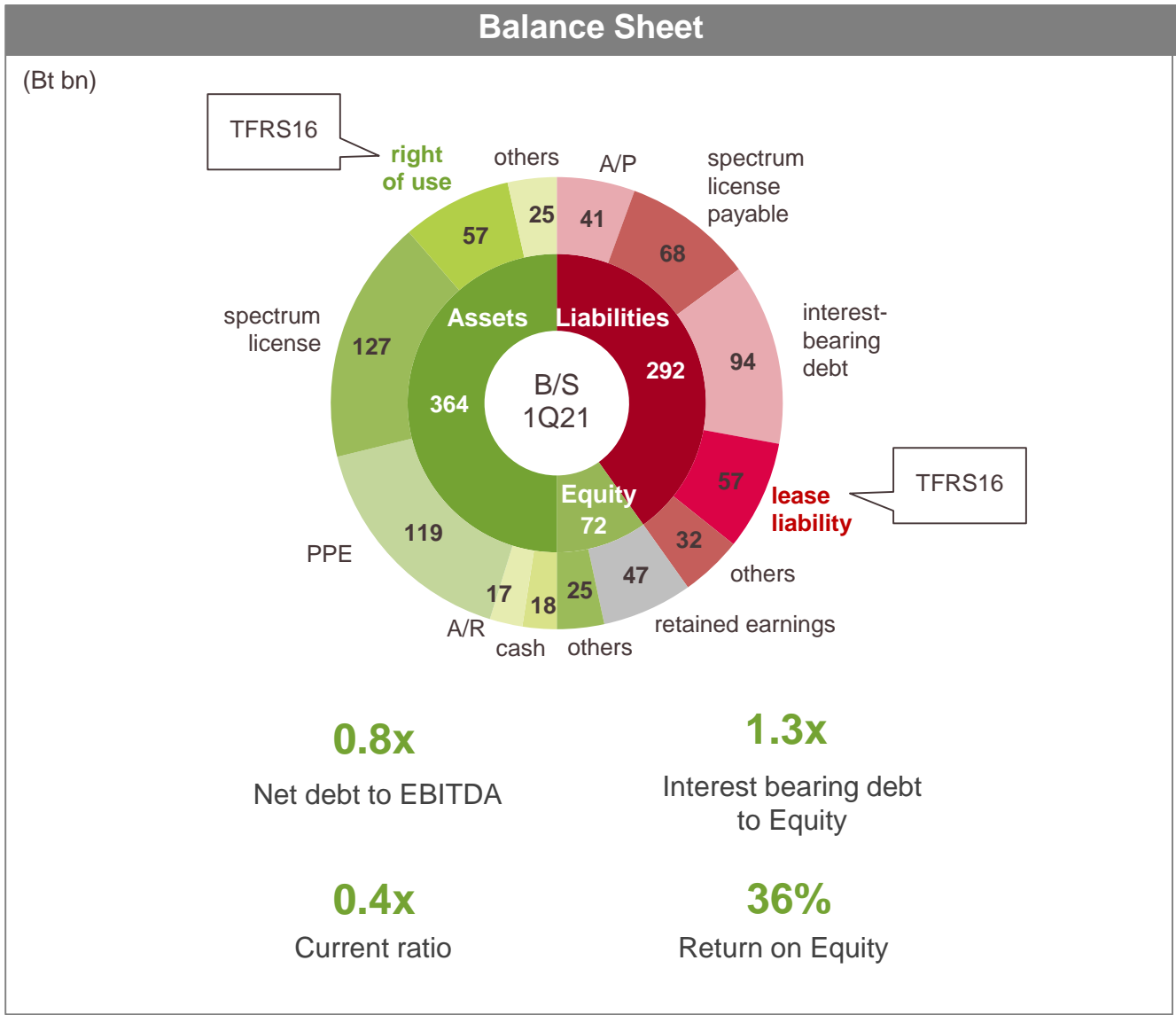
- Control and operate industrial robots used in the production line such as Press, Brazing, CNC, Heat & Cool and the assembly line



5G Active Dashboard

- 5G to connect Servers with Machines to enable monitoring of various production processes.

Healthy Balance sheet and cash flow to support investment



2021 Guidance (maintained)

FY21 guided items	Guidance	Rationale
Core service revenue	Low-single digit growth	<ul style="list-style-type: none"> • Lead mobile business with 5G to capture high value segment and gain revenue market share • Grow FBB with target of 1.6mn subscribers
EBITDA	Low single digit growth	<ul style="list-style-type: none"> • Focus on cost optimization for operation and SG&A
CAPEX *excluding spectrum	Bt25-30bn	<ul style="list-style-type: none"> • 5G/4G network, FBB, digital and enterprise services • Build 5G leadership and 4G quality to deliver superior quality in selective are with high 5G device penetration • Focus on delivering 5G user experience, ensure good 5G coverage and expand 5G as penetration grows



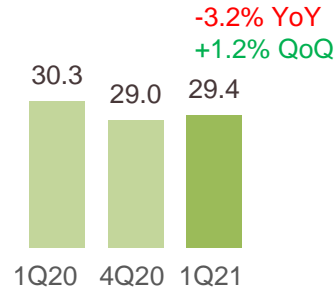
APPENDIX

1Q21 Revenue breakdown



Mobile revenue

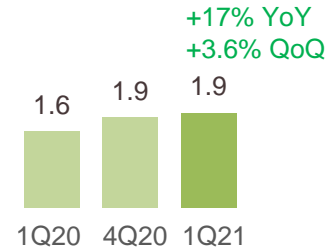
(Bt bn)



- QoQ increased from improved new subscriber acquisition

Fixed broadband revenue

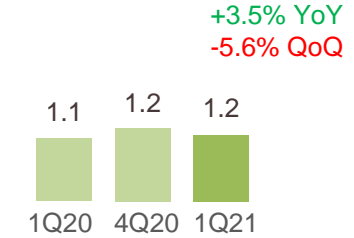
(Bt bn)



- Expanded subscriber base to 1.4mn while ARPU continued downward trend

Other service revenues

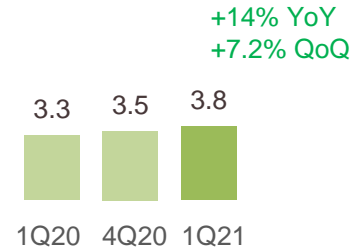
(Bt bn)



- Rising demand for Cloud, Data center & ICT solution drove YoY growth
- QoQ dropped from fluctuation in seasonal ICT projects.

IC and TOT partnership

(Bt bn)

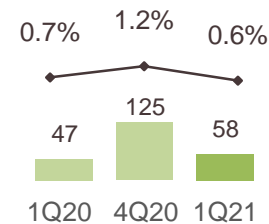


- Increased from higher network traffic. The increase will be offset with higher IC & partnership cost.

Net Sales & margin

(Bt mn)

% sales margin

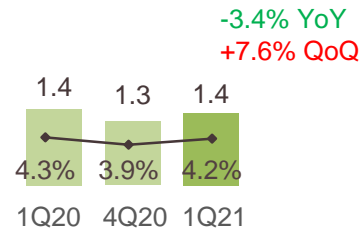


- Sale margin slightly declined QoQ due to decline in high margin devices sale from seasonality.

1Q21 Cost breakdown

Regulatory fee

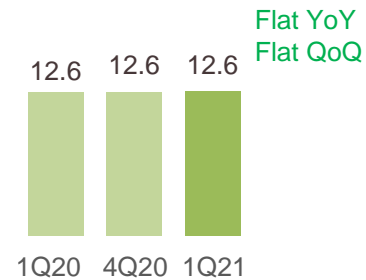
(Bt bn) % to core service revenue



- Regulatory fee rose QoQ from one-time USO reduction in 4Q20

D&A

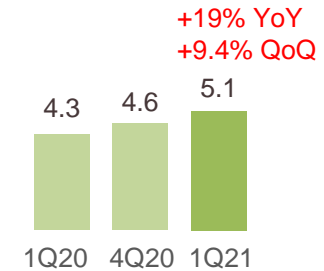
(Bt bn)



- D&A was flat YoY and QoQ from new spectrum acquisition and network expansion offsetting by fully depreciated 3G equipment

Network OPEX and TOT partnership

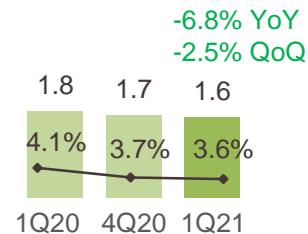
(Bt bn)



- Network OPEX increased from higher base rental & utility as well as maintenance from 5G/4G network expansion

Marketing expense

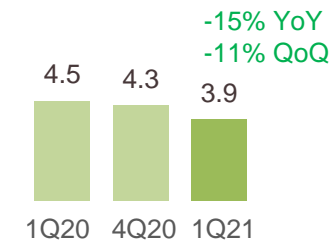
(Bt bn) % to total revenue



- Dropped from from lower marketing campaign and activities following cost saving measures.

Admin & others

(Bt bn)



- Decreased YoY mainly from lower bad debt provision
- QoQ decreased due to some seasonal staff-related expenses.



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