

(Translation)

Registration No. 0107535000265  
(Formerly Bor Mor Jor 59)

20 February 2017

**Subject** Invitation to the 2017 Annual General Shareholders' Meeting

**To** All Shareholders of Advanced Info Service Public Company Limited

**Enclosures:**

1. A copy of Minutes of the 2016 Annual General Shareholders' Meeting held on 29 March 2016 (For Agenda No.2)
2. Annual Report in which the Statement of Financial Position (Balance Sheet) and Statements of Income for financial year ended 31 December 2016 as well as dividend policy and details of dividend payment are also attached (For Agenda No.3, 4, 5, 7 and 9)
3. Sustainability Development Report for the year 2016 (recorded on the same CD as the Annual Report)
4. Information of Auditors' Profile (For Agenda No.6)
5. Preliminary information on the retiring directors proposed for re-appointment; and on the new directors proposed for appointment to fill up vacancy (For Agenda No.7 and 8)
6. (a) Terms and conditions of the Warrants, to purchase ordinary shares of Advanced Info Service Public Company Limited, not exceeding 1,410,500 units to Employees of the Company and its subsidiaries (For Agenda No.10)  
(b) Capital increase/share allotment report (For Agenda No. 11)  
(c) Opinion of the Leadership Development and Compensation Committee (For Agenda No. 12)
7. Proxy Form B (which particulars of delegations are clearly determined)  
Proxy Form A (general) and Proxy Form C (for foreign investors in which custodians in Thailand have been appointed) can be downloaded from the Company's Website <http://investor.ais.co.th>
8. Definition and information of the independent directors to present as proxy
9. The Company's Articles of Association in relation to the General Meeting of Shareholders
10. Clarifications concerning documents and evidence identifying shareholders and proxies eligible to register, attend and vote at the Meeting
11. Procedures for attending the 2017 Annual General Shareholders' Meeting
12. Procedures for sending any query in advance
13. Map of the Meeting Venue: Centara Grand at Central Plaza Ladprao Bangkok

The Company will not provide any souvenir at the Annual General Meeting of Shareholders so as to comply with the policy of Securities Exchange Commission and Thai Investors Association.

Notice is hereby given by the Board of Directors (“the Board”) of Advanced Info Service Public Company Limited (the Company) that the 2017 Annual General Shareholders’ Meeting (“the Meeting”) shall be held on Thursday 30 March 2017 at 14.00 hours (**registration opens at 12.00 hours**) at Vibhavadee Ballroom, lobby level, Centara Grand Central Plaza Ladprao Bangkok, No.1695 Phaholyothin Road, Chatuchak, Bangkok (*Venue*). The agenda are as follows:

**Agenda 1      Matters to be Informed**

**Objectives and Rationale:** This agenda is designated for the Board to report any significant update or progress (if any) of the Company to the Meeting. There will be neither proposal for the Meeting to consider and approve, nor be any voting in this item.

**Agenda 2      To Consider and Certify the Minutes of the 2016 Annual General Shareholders’ Meeting, held on 29 March 2016**

**Objectives and Rationale:** The 2016 Annual General Shareholders’ Meeting was held on 29 March 2016 and the minutes were prepared and filed with the Stock Exchange of Thailand within 14 days of the Meeting. The details were publicly disclosed on the Company’s Website (<http://investor.ais.co.th>) and submitted to the Ministry of Commerce within the period required by law.

**The Board’s Opinion:** The Board has recommended that the minutes of the 2016 Annual General Shareholders’ Meeting, held on 29 March 2016 be adopted because they were accurately recorded as shown in *Attachment 1*. Nevertheless, please kindly be informed that the Board will not propose the minutes of shareholders’ meeting to any subsequent shareholders’ meeting going forward since the Company will have published minutes in timely manner as required by laws and the relevant regulations of Stock Exchange of Thailand.

**Voting:** To approve this matter, a resolution shall be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Agenda 3      To Acknowledge the Board of Directors’ Report on the Company’s Operating Results in 2016**

**Objectives and Rationale:** The Company has summarized the operating results for 2016 along with the significant changes that occurred during the year in the 2016 Annual Report.

**The Board’s Opinion:** The Board has recommended the report on the Company’s operating results for 2016 along with the significant changes that occurred during the year, as shown in *Attachment 2, Annual Report, Section: Management Discussion and Analysis (“MD&A”)* be presented to the Meeting.

**Voting:** As this item is for information to shareholders; therefore, a vote is not required.

**Agenda 4 To Approve the Statements of Financial Position and Statements of Income for the Year Ended 31 December 2016**

**Objectives and Rationale:** According to Section 112 of the *Public Limited Companies Act, B.E 2535*, the Company shall prepare a statement of financial position (balance sheet) and statements of income at the end of each fiscal year, which have been audited by an external auditor, and submit these to the shareholders' meeting for approval.

**The Audit Committee's Opinion:** The Audit Committee has reviewed the Company's financial statements for the year ended 31 December 2016, which have been audited and signed by Dr.Suphamit Techamontrikul, a certified public accountant (registration No. 3356) of Deloitte Touche Tohmatsu Jaiyos Audit Ltd., and recommended that the Board submit the Company's financial statements for the year ended 31 December 2016 to the Meeting for approval. For more details of the Company's financial statement, please refer to *Attachment 2 Annual Report, Financial Statements*.

**The Board's Opinion:** The Board has recommended the Company's audited financial statements for the year ended 31 December 2016, which have been reviewed and accepted by the Audit Committee, be presented to the Meeting for approval. A summary of the Company's significant financial status and operating results is shown in the table below.

**Selected Information from the Company's Financial Statements**

Unit: Baht million

Description	2016	2015	Variance	Percentage
Total assets	275,670	181,761	93,909	51.67
Total liabilities	232,962	133,268	99,694	74.81
Total revenue	152,149	155,276	(3,217)	2.01
Net profit attribute to owners of the Company	30,666	39,152	(8,486)	21.67
Earnings per share (baht / share)	10.31	13.17	(2.86)	21.72

**Voting:** To approve this matter, a resolution shall be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Agenda 5 To Approve the Allocation of 2016 Net Profit as Dividend**

**Objectives and Rationale:** According to the dividend payment policy of the Company, dividend payments will be subject to change, depending on cash flow and investment plan including other future obligations of the Company and subsidiaries. Such dividend payments shall not exceed the retained earnings in the separate financial statements of the Company nor adversely affect the Company and subsidiaries ongoing operations. In 2016, the Company has a net profit attribute to owners of the Company on its consolidated financial statement of Baht 30,666,538,425. Therefore, the Company considered appropriate to declare a dividend

payment at the rate of Baht 10.08 per share, of which Baht 5.79 per share was paid as an interim dividend on 1 September 2016. The remaining dividend for 2016 shall be paid at Baht 4.29 per share. Therefore, total dividend payment is approximately Baht 29,968,800,926.40. This dividend payment is in accordance with the Company's policy. In compliance with the Public Companies Act, B.E. 2535, the dividend payment is subject to shareholders approval.

**The Book Closing and Dividend Payment Dates**

The share registration on book closing date to determine the right to receive dividend will be on 11 April 2017 and the dividend payment will be made on 26 April 2017.

**Details of Dividend Payment**

According to the *Public Companies Act, B.E. 2535*, the Company shall allocate not less than five per cent of its annual net profit less the accumulated losses brought forward (if any) to legal reserve until this reserve attains an amount not less than ten per cent of the registered capital. This has been already performed by the Company.

For more details of dividend policy and dividend payment, please refer to Attachment 2 Annual Report, Dividend Policy.

Details of Dividend Payment	Year 2016 (Proposed year)	Year 2015	Year 2014
1. Net Profit Attribute to Owners of the Company (Baht)	30,666,538,425	39,152,410,435	36,033,165,556
<b>2. Total Dividend Payment (Baht per Share)</b>	<b>10.08</b>	<b>12.99</b>	<b>12.00</b>
2.1 Interim Dividend (Baht per Share)	5.79	6.50	6.04
2.2 Annual Dividend (Baht per Share)	4.29	6.49	5.96
2.3 Special Dividend (Baht per Share)	-	-	-
3. Total amount of shares (shares)	2,973,095,330	2,973,095,330	2,973,095,330
4. Total Dividend Amount (Baht)	29,968,800,926.40	38,620,508,336.70	35,677,143,960
5. Dividend Payout Ratio	97.72%	98.64%	99.01%

**The Board's Opinion:** The Board has recommended the Meeting approve the appropriation of the net profit for the dividend payment for the fiscal year 2016 at the rate of Baht 10.08 per share, according to the Company's dividend policy. The Company paid an interim dividend at the rate of Baht 5.79 per share, thus the dividend for the fiscal year 2016 remains at Baht 4.29 per share.

**Voting:** To approve this matter, a resolution shall be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Agenda 6 To Approve the Appointment of the Company's External Auditors and Fix Their Remuneration for year 2017**

**Objectives and Rationale:** According to Section 120 of the *Public Limited Companies Act, B.E. 2535*, the appointment of the Company's external auditors and the audit fees shall be approved at the annual general meeting of shareholders. In addition, a notification from the

Capital Market Supervisory Board imposes limits on an appointment of individual external auditors (but not the audit firm) at listed companies to no more than five consecutive years (one term). After five years, the auditors shall be rotated although they can be reappointed after a two-year interval break.

**The Audit Committee's Opinion:** After considering the independence, competency, experience in auditing, value added service, and the competitiveness of the audit fee of the auditors of Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd. (Deloitte), the Audit Committee recommended the following auditors of Deloitte to be the Company's external auditor for the year 2017:

	Name of Auditor	CPA Registration No.
1.	Dr.Suphamit Techamontrikul	3356
2.	Mr.Permak Wongpatcharakorn	3427
3.	Mr.Chavala Tienpasertkij	4301

Any of the above auditors can conduct an audit and express an opinion on the Company's financial statements. Each auditor's profile is shown in Enclosure 4.

In 2017, the proposed Audit fee is Baht 1,640,000 equivalent to year 2016, excluding other actual payable non-audit fees that the company made payment. The Audit Committee then recommended the Board propose this matter to the Annual General Shareholders' Meeting for approval.

In addition, Deloitte and the proposed auditors are independent and do not have any conflicts of interest with the Company, the management, the major shareholders or any related person.

**The Board's Opinion:** The Board has agreed with the Audit Committee and proposed that the Meeting approve the appointment of the auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd. as the Company's external auditors for fiscal year 2017 and fix their remuneration for year 2017.

<b>Audit Fee and Non-audit Fee</b>	<b>2017 (Proposed year)</b>	<b>2016</b>	<b>2015</b>
<b>Company:</b> Audit fee and quarterly review fee	Baht 1,640,000	Baht 1,640,000	Baht 2,500,000
<b>Non-audit fee</b>	-	Baht 510,600	Baht 1,795,000

In addition, The Board has agreed to notify the Annual General Shareholders' Meeting that Deloitte should be appointed as an external audit firm for the Company's subsidiaries for fiscal year 2017. The audit fee and quarterly review fee is Baht 6,830,000. The details of the engagement are as follows:

<b>Audit Fee and Non-audit Fee</b>	<b>2017 (Proposed year)</b>	<b>2016</b>	<b>2015</b>
<b>Subsidiaries:</b> Audit fee and quarterly review fee	Baht 6,830,000	Baht 6,830,000	Baht 6,730,000
<b>Non-audit fee</b>	-	Baht 161,000	Baht 2,364,900

Details of the audit fee and quarterly review fee of the Company's subsidiaries for the fiscal year 2016, please refer to Attachment 2 Annual Report.

**Voting:** To approve this matter, a resolution shall be passed by a majority of the shareholders who attend the Meeting and cast their votes.

#### **Agenda 7 To Approve the Appointment of Directors Replacing those Retired by Rotation in 2017**

**Objectives and Rationale:** According to the *Public Limited Companies Act, B.E. 2535* and Clause 18 of the Company's Articles of Association, one-third of all directors must retire by rotation on the date of each Annual General Shareholders' Meeting. 4 directors listed below are due to retire by rotation in 2016:

<i>Name of Director</i>	<i>Positions held</i>
1. Mr. Somprasong Boonyachai	- Vice-Chairman of Board of Directors
2. Mrs. Tasanee Manorot	- Independent Director
3. Mr. Krairit Euchukanonchai	- Independent Director
4. Mr. Somchai Lertsutiwong	- Director

The Company would like to inform that during October - December 2016, in accordance with the principle of good corporate governance policy relating to the promoting of shareholders' right, the Company invited its shareholders to nominate qualified persons to be elected as the Company's director in advance. However, no shareholders had nominated a qualified person to be elected as the Company's director.

Further, Mrs. Tasanee Manorot, an independent director who retired by rotation, has notified her intention not to be re-elected as director of the Company for another term.

**The Nomination and Corporate Governance Committee's Opinion:** The Nomination and Corporate Governance Committee, with the exception of the directors with special interests on this agenda, has considered the qualifications, knowledge, competency, experience, ethics and performance of each director due to retire by rotation and recommended to re-election three (3) directors to be reappointed for another term of office for directorship.

The criteria for selection, and nomination process, please refer to Attachment 2 Annual Report, Corporate Governance.

Details of each director's age, percentage of shareholdings, educational background, work experience, and board-meeting attendance are provided in Attachments 5.

**The Board's Opinion:** The Board, with the exception of the directors with special interests on this agenda, has agreed with the Nomination and Corporate Governance Committee and proposed that the Meeting approve the reappointment of three (3) directors for another term of office.

The directors proposed for reappointment meet all the requirements stipulated in the *Public Limited Companies Act, B.E. 2535* and relevant regulations of the Capital Market Supervisory Board.

**Voting:** To approve this matter, a resolution shall be passed by a majority of the shareholders who attend the Meeting and cast their votes.

#### **Agenda 8 To Approve the Appointment of New Director**

**Objectives and Rationale:** Due to Mrs. Tasanee Manorot, an independent director retired by rotation, has notified her intention not to be re-elected as director of the Company for another term.

**The Nomination and Corporate Governance Committee's Opinion:** The Nomination and Corporate Governance Committee has considered the current board diversity and lack of necessary skills in order to select the right person for the position and proposed Mr. Prasan Chuaphanich to be an independent director in replacement of Mrs. Tasanee Manorot, taking into consideration of qualifications stipulated in the *Public Company Limited Act B.E. 2535* and relevant regulations of the Capital Market Supervisory Board and experience could be well support the Company's development.

Details of each director's age, percentage of shareholdings, educational background, and work experience, are provided in *Attachments 5*.

**The Board's Opinion:** The Board has agreed with the Nomination and Corporate Governance Committee and proposed that the Meeting approve the appointment for new director to replace the resigned director as described above.

**Voting:** To approve this matter, a resolution shall be passed by a majority of the shareholders who attend the Meeting and cast their votes.

#### **Agenda 9 To Approve the Remuneration of the Company's Board of Directors for Year 2017**

**Objectives and Rationale:** According to Clause 16 of the Company's Articles of Association, the Company's directors are eligible to receive remuneration in the form of a monthly retainer fee, meeting allowance, travel expense and bonus.

**The Leadership Development and Compensation Committee's Opinion:** The Leadership Development and Compensation Committee ("LDCC") has carefully considered the directors' remuneration and concluded that it is in line with the market and industry standards, and commensurate with each member's responsibility and performance. The LDCC recommended that the remuneration budget for the Board and its committees in 2017 is set at not more than Baht 36,000,000 (Thirty Six Million Baht comprising of monthly retainer fee, meeting allowance, bonus and travel allowance<sup>1</sup>), equivalent to 2016 remuneration budget. The other policy on director remuneration remains the same as approved by the Annual General Shareholders' Meeting Year 2016 as follows:

## Policy on Directors Remuneration for the Year 2017

Director	Monetary Remuneration for 2017 (Baht)		
	Monthly Retainer Fee	Meeting Allowance	Bonus
<b>Board of Directors</b>			
Chairman <sup>2)</sup>	300,000	x	√
Member <sup>3)</sup>	75,000	25,000	√
<b>Audit Committee and Executive Committee</b>			
Chairman	25,000	25,000	√
Member	x	25,000	√
<b>Other Committees</b>			
Chairman	10,000	25,000	√
Member	x	25,000	√

**Notes:**

- 1) Directors shall be entitled to travel allowance in the event that they travel and perform their duties overseas at the same rate as Chief Executive Officer and in accordance with the regulations of the Company.
- 2) Chairman of the Board is not entitled to an additional monthly retainer or meeting allowance if he or she holds any position in the Board's sub-committees.
- 3) Directors, who are executives / employees of the Company or of the subsidiaries or of the major shareholders, shall not be entitled to receive such remuneration.

The Board shall consider and impose any conditions, details and rate of such remuneration of directors and members of committees as deemed appropriate.

**The Board's Opinion:** The Board has agreed with the Leadership Development and Compensation Committee's recommendation and proposed that the Meeting approve the Board of Directors' remuneration for 2017 according to the proposal.

During 2016, the total directors' remuneration was Baht 26,704,774; the Details are shown in the Corporate Governance Report, which provided in *Enclosure 2 Annual Report, Management Structure*.

**Voting:** To approve this matter, a resolution shall be passed by not less than two-thirds of the shareholders who attend the Meeting.

### **Agenda 10 To Approve the Issuance and Sale of Warrants to Employees of the Company and its subsidiaries in the Amount Not Exceeding 1,410,500 Units**

**Objectives and Rationale:** The objective of the program is to retain qualified employees in executive level and promote the best interests of the Company and its subsidiaries in the long run. In addition, the program motivates and rewards the employees of the Company and its subsidiaries. This Year (2017) will be the fifth year of the program after it was approved by the shareholders' meeting in 2013.



**The Leadership Development and Compensation Committee’s Opinion:** considered and approved the issuance and offering of the Warrants, and submitted the proposal to the Board of Directors.

**The Board’s Opinion:** The Board agreed with the opinion of the Leadership Development and Compensation Committee and approved the issuance and sale of warrants not exceeding 1,410,500 units to the employees in executive level of the Company and its subsidiaries to purchase the Company’s ordinary shares at the rate of Baht 0 (zero) per unit and at the exercise ratio of 1 unit per 1 ordinary share and the exercise price of Baht 160.434 per share. Details of the terms and conditions are shown in *Attachment 6 (a)*.

The Board or other persons delegated by the Board shall have the authority to determine the other provisions pertaining to the issuance of the Warrants, including obtaining approval from the relevant authorities and performing any other related actions considered necessary.

**Voting:** The issuance and sale of the Warrants shall be approved by the shareholders’ meeting with not less than three-quarters of all the votes cast by shareholders attending the meeting and having the right to vote and shall not be opposed by shareholders with an aggregate number of shares exceeding ten (10) percent of all eligible votes.

**Agenda 11      To Approve the Allotment of Ordinary Shares in the Amount Not Exceeding 1,410,500 Shares, the Par Value of Which Baht 1 each, for the Conversion of Warrants**

**Objectives and Rationale:** The Company will issue and allot new ordinary shares in the amount not exceeding 1,410,500 shares, at a par value of Baht 1 (one) each, to be reserved for the exercise of the Warrants which we issued and offered for sale to company and subsidiaries’ employees in executive level as described in Agenda No. 10 above.

**The Board’s Opinion:** The Board has recommended the Meeting to approve the issuance and allotment of 1,410,500 new ordinary shares at a par value of Baht one (1) each, from the remaining 2,024,364,470 unpaid shares, to be reserved for the exercise of the Warrants. Details of the allotment are shown in *Attachment 6 (b)*.

The Board or other persons delegated by the Board shall have the authority to determine the related terms and conditions and take any necessary action in connection with the issuance and allocation of the new shares and their listing on the Stock Exchange of Thailand.

**Voting:** To approve this matter, a resolution shall be passed by a majority of the shareholders who attend the Meeting and cast their votes.

**Agenda 12      To Approve the Allocation of Warrants to Employees of the Company and its Subsidiaries, Each of Whom is Entitled to the Allocation of Warrants in Exceeding 5 percent of the Total Warrants under the Scheme**

The listed below are eligible to receive more than five percent of the Warrants issued:

	Executive	Number of the Warrants Allocated (Units)	Percentage of Warrants
1.	<b>Mr. Somchai Lertsutiwong</b> Chief Executive Officer, Acting Chief Strategy Officer, and director of subsidiaries	Not exceeding 93,200 units	6.61%
	<b>Company meetings in the previous year</b>	<b>No. of meetings</b>	<b>Attendance</b>
	1. Wireless Device Supply Co., Ltd	6	6
	2. Advanced mPAY Co., Ltd	6	6
	3. Advanced Magic Card Co., Ltd.	3	3
	4. AIN Globalcomm Co., Ltd.	5	5
	5. Advanced Wireless Network Co., Ltd.	4	4
6. Advanced Contact Center Co., Ltd.	6	6	

**Objectives and Rationale:** To retain valuable human resources of the Company and to reward their dedicated hardwork in order to fortify business growth of the Group of Company.

**The Leadership Development and Compensation Committee's Opinion:** considered and consented to the allocation of more than five percent of the Warrants to the mentioned employee in executive level as he is experienced and knowledgeable businessman and possess leadership acceptable by both inside and outside the organization. Further, this executive will have the key responsibility to lead the Company to higher level in the future and be the role model for the next generation leaders for the Company's sustainable development. Details are shown in *Attachment 6 (c)*.

**The Board's Opinion:** The Board has agreed with the Leadership Development and Compensation Committee and proposed to the Meeting to approve the allocation of more than five percent of the Warrants to mentioned employee.

**Voting:** The issuance and sale of more than five percent of the Warrants to any employee in executive level shall be approved by the shareholders' meeting with not less than three-quarters of all vote of the shareholders attending the meeting and having the right to vote, and shall not be opposed by shareholders with an aggregate number of shares exceeding five (5) percent of all eligible votes.

### Agenda 13 Others business (if any)

**Objectives and Rationale:** This agenda is designated so that shareholders can raise query and/or express comments to the Board and/or request the Board to provide explanation. There will be neither proposal for the Meeting to consider and approve, nor be any voting on this agenda.

The Record Date will be on 17 February 2017 and the Share Registration Book Closing Date (to collect the names of shareholders who have the right to attend the shareholders' meeting as stipulated in Section 225 of the *Securities and Exchange Act, B.E. 2535*) will be scheduled on 20 February 2017.

Any shareholder who wishes to appoint a proxy to attend the Meeting and vote on his or her behalf must complete only one proxy (Proxy Form B can be found in *Attachment 7*); or can download either Proxy Form A (general appointment) or Proxy Form C (only foreign shareholders as registered in the registration book who have custodian in Thailand) from the Company Website: <http://investor.ais.co.th>

Any shareholder who is unable to attend the shareholders' meeting can authorize one of the Company's independent directors namely; Mr.Krairit Euchukanonchai or Mr.Surarak Vajasit, to attend and vote on his or her behalf. Details of independent directors and definition of independent director can be found in Attachment 8. The Company requests the shareholders' proxy be mailed to the address below and be received by the Company by 17 March 2017:

Company Secretary Office,  
414 AIS Tower I, 28<sup>th</sup> Floor,  
Phaholyothin Road, Samsen-nai, Phyathai,  
Bangkok 10400

Yours sincerely,  
By order of the Board of Directors

- (*Signature*) -

Mr. Kan Trakulhoon  
Chairman of the Board of Directors  
Advanced Info Service Public Company Limited

NOTES:

-All shareholders can access the notice of the Annual General Shareholders' Meeting for 2017 and all related documents at the Company's website (<http://investor.ais.co.th>) from 24 February 2017 under "Investor/New & Events/Shareholders' Meeting". If any shareholders have a query about the agenda, he or she can contact the Company through the procedures for sending any query in advance can be found in Attachment 12.