

(Translation)

Registration No. 0107535000265
(Formerly Bor Mor Jor 59)

20 February 2018

Subject Invitation to the 2018 Annual General Shareholders' Meeting

To All Shareholders of Advanced Info Service Public Company Limited

Attachments:

1. Annual Report in which the Statement of Financial Position (Balance Sheet) and Statements of Income for financial year ended 31 December 2017 as well as dividend policy and details of dividend payment are also attached (For Agenda No. 1, 2, 3, 5 and 6)
2. Information of Auditors' Profile (For Agenda No.4)
3. Preliminary information on the retiring directors proposed for re-election (For Agenda No. 5)
4. Information of Amendment to Section 30 of Articles of Association (For Agenda No.7)
5. 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/shareholder_meeting.html
6. Definition and information of the independent directors to present as proxy
7. The Company's Articles of Association in relation to the General Meeting of Shareholders
8. Clarifications concerning documents and evidence identifying shareholders and proxies eligible to register, attend and vote at the Meeting
9. Procedures for attending the 2018 Annual General Shareholders' Meeting
10. Procedures for sending any query in advance
11. 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 promote transparency in compliance with the guideline suggested by the supervising authorities.



Notice is hereby given by the Board of Directors (“the Board”) of Advanced Info Service Public Company Limited (the Company) that the 2018 Annual General Shareholders’ Meeting (“the Meeting”) shall be held on Thursday, 29 March 2018 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 To Acknowledge the Board of Directors’ Report on the Company’s Operating Results in 2017

Objectives and Rationale: The Company has summarized the operating results for 2017 along with the significant changes that occurred during the year in the 2017 Annual Report.

The Board’s Opinion: The Board has recommended the report on the Company’s operating results for 2017 along with the significant changes that occurred during the year, as shown in *Attachment 1, 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 2 To Approve the Statements of Financial Position and Statements of Income for the Year Ended 31 December 2017

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 2017, 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 2017 to the Meeting for approval. For more details of the Company’s financial statement, please refer to *Attachment 1 Annual Report, Financial Statements*.

The Board’s Opinion: The Board has recommended the Company’s audited financial statements for the year ended 31 December 2017, 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	2017	2016	Variance	Percentage
Total assets	286,067	275,670	8,397	3.05
Total liabilities	233,640	232,962	678	0.29
Total revenue	157,722	152,150	5,572	3.66
Net profit attribute to owners of the Company	30,077	30,666	(589)	1.92
Earnings per share (baht / share)	10.12	10.31	(0.19)	1.84

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 Approve the Allocation of 2017 Net Profit as Dividend

Objectives and Rationale: The Company has adopted the policy to pay dividend to shareholders at least 70% of its net profit as reported in the consolidated financial statement. The dividend payment may be made to the shareholders twice a year by which the first payment shall be the interim dividend and the second payment shall be the annual dividend. Dividend payments will be subject to change, depending on cash flow and investment plan including other future obligations of the Company and its 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 2017, the Company has a net profit attribute to owners of the Company on its consolidated financial statement of Baht 30,077 million. Therefore, the Company considered appropriate to declare a dividend payment at the rate of Baht 7.08 per share, of which Baht 3.51 per share was paid as an interim dividend on 25 August 2017. The remaining dividend for 2017 shall be paid at Baht 3.57 per share. In this regard, the total dividend payment is approximately Baht 21,049 million. 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 Record Date and Dividend Payment Date

The record date to determine the right to receive dividend will be on 9 April 2018 and the dividend payment will be made on 26 April 2018.

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 1 Annual Report, Dividend Policy*.

Details of Dividend Payment	Year 2017 (Proposed year)	Year 2016	Year 2015
1. Net Profit Attribute to Owners of the Company (Baht)	30,077,312,101	30,666,538,425	39,152,410,435
2. Total Dividend Payment (Baht per Share)	7.08	10.08	12.99
2.1 Interim Dividend (Baht per Share)	3.51	5.79	6.50
2.2 Annual Dividend (Baht per Share)	3.57	4.29	6.49
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)	21,049,514,936.40	29,968,800,926.40	38,620,508,336.7
5. Dividend Payout Ratio	70.00%	97.72%	98.64%

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 2017 at the rate of Baht 7.08 per share, according to the Company's dividend policy. The Company paid an interim dividend at the rate of Baht 3.51 per share, thus the dividend for the fiscal year 2017 remains at Baht 3.57 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 4 To Approve the Appointment of the Company's External Auditors and Fix Their Remuneration for year 2018

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 2018:

Name of Auditor	CPA Registration No.
1. Dr. Suphamit Techamontrikul	3356
2. Mr. Permsak 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 Attachment 2.

In 2018, the proposed Audit fee is Baht 1,714,000, increased in the amount of Baht 74,000 that of 2017, 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. Such appointment will be Deloitte's second consecutive fiscal years.

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 approves the appointment of the auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co. Ltd. as the Company's external auditors for fiscal year 2018 and fix their remuneration for year 2018.

Audit Fee and Non-audit Fee	2018 (Proposed year)	2017	2016
Company: Audit fee and quarterly review fee	Baht 1,714,000	Baht 1,640,000	Baht 1,640,000
Non-audit fee	-	-	-

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 2018. The audit fee and quarterly review fee is Baht 7,137,000. The details of the engagement are as follows:

Audit Fee and Non-audit Fee	2018 (Proposed year)	2017	2016
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Subsidiaries: Audit fee and quarterly review fee	Baht 7,137,000	Baht 6,830,000	Baht 6,315,600
Non-audit fee	-	-	-

Details of the audit fee and quarterly review fee of the Company's subsidiaries for the fiscal year 2017, please refer to Attachment 1 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 5 To Approve the Appointment of Directors Replacing those Retired by Rotation in 2018

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 2018:

<i>Name of Directors</i>	<i>Positions held</i>
1. Mr. Kan Trakulhoon	- Chairman of Board of Directors and Independent Director
2. Mr. Gerard C. Ablaza Jr.	- Independent Director
3. Mr. Allen Lew Yoong Keong	- Director
4. Mr. Hui Weng Cheong	- Director

The Company would like to inform that during October - December 2017, 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.

The Nomination and Governance Committee's Opinion: The Nomination and 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-elect four (4) directors for another term.

The criteria for selection, and nomination process, please refer to Attachment 1 Annual Report, Corporate Governance.

Details of each director's age, percentage of shareholdings, educational background, work experience, and board-meeting attendance are provided in Attachment 3.

The Board’s Opinion: The Board, with the exception of the directors with special interests on this agenda, has agreed with the Nomination and Governance Committee and proposed that the Meeting re-elects four (4) directors for another term.

Further, for independent directors due to retire by rotation, the Board has considered that those independent directors could provide opinions freely and in accordance with relevant regulations.

The directors proposed for re-election 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 6 To Approve the Remuneration of the Company’s Board of Directors for Year 2018

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, per diem 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 2018 is set at not more than Baht 36,000,000 (Thirty-Six Million Baht comprising of monthly retainer fee, meeting allowance, bonus and per diem¹), equivalent to 2017 remuneration budget. The other policy on director remuneration remains the same as approved by the Annual General Shareholders’ Meeting Year 2017 as follows:

Policy on Directors Remuneration for the Year 2018

Director	Monetary Remuneration for 2018 (Baht)		
	Monthly Retainer Fee	Meeting Allowance	Bonus
Board of Directors			
Chairman ²⁾	300,000	x	✓
Member ³⁾	75,000	25,000	✓
Audit Committee and Executive Committee			
Chairman	25,000	25,000	✓
Member	x	25,000	✓
Other Committees			
Chairman	10,000	25,000	✓
Member	x	25,000	✓

Notes:

- 1) Directors shall be entitled to per diem 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.

In this regard, the Company has not provided any other remuneration to its directors, except certain facilities assisting the directors in performing their duties such as directors & officers liability insurance, health and life insurance, training tuition, mobile devices and tablets for communication and access to the Board Portal system which have been arranged in accordance with the Company's respective policy.

The Board shall be assigned to specify the conditions in details including the actual payment amount to each specific director and board committee member as deem appropriate.

The Board's Opinion: The Board has agreed with the Leadership Development and Compensation Committee's recommendation and proposed that the Meeting approves the Board of Directors' remuneration for 2018 according to the proposal.

For 2017, the total actual directors' remuneration was Baht 28,638,697; the Details are shown in the Corporate Governance Report, which provided in *Attachment 1 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 7 To Approve the Amendment to Section 30 of Articles of Association

Objectives and Rationale: According to the Order of Head of the National Council for Peace and Order Re: Amendment to the Law for Business Facilitation. Section 100 of the *Public Limited Companies Act B.E. 2535* has been amended.

The Nomination and Governance Committee's Opinion: The Nomination and Governance Committee has considered and proposed to concur with the amendment to Section 30 of Articles of Association so as to be in compliance with the amended law.

The Board's Opinion: The Board has agreed with the Nomination and Governance Committee's recommendation and proposed that the Meeting approves the amendment to Section 30 of Articles of Association, please refer to Attachment 4.

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

Agenda 8 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 in relation thereto will be on 19 February 2018 to collect the names of shareholders who have the right to attend the shareholders' meeting.

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 5); 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/shareholder_meeting.html

Any shareholder who is unable to attend the shareholders' meeting can authorize one of the Company's independent directors namely; Mr. Krairit Euchukanonchai, Mr. Surarak Vajasit or Mr. Prasan Chuaphanich to attend and vote on his or her behalf. Details of independent directors and definition of independent director can be found in Attachment 6. The Company requests the shareholders' proxy be mailed to the address below and be received by the Company by 16 March 2018:

Company Secretary Office,
414 AIS Tower I, 28th 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 2018 and all related documents at the Company's website: http://investor.ais.co.th/shareholder_meeting.html from 27 February 2018 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 10.