

# Financial Statements



# Board of Directors' Responsibility for Financial Reporting

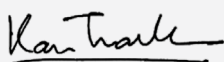
The Board of Directors is responsible for Advanced Info Service Public Company Limited's financial statements and Advanced Info Service Public Company Limited and its subsidiaries' consolidated financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board of Directors provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to retain its assets as well as to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed an Audit and Risk Committee comprising independent directors to be responsible for reviewing quality of the financial reports, internal controls, internal audit and risk management system. The Audit and Risk Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit and Risk Committee Report included in this annual report.

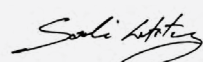
The separate financial statements and the consolidated financial statements of the Company have been examined by an external auditor, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, all records and related data, as requested, are provided to the auditor. The auditor's opinion is presented in the auditor's report as a part of this annual report.

The Board of Directors considers the Company's overall internal control system satisfactory and provides credibility and reliability to Advanced Info Service Public Company Limited's financial statements and Advanced Info Service Public Company Limited and its subsidiaries' consolidated financial statements for the year ended 31 December 2021. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.



(Mr. Kan Trakulhoon)

**Chairman of the Board of Directors**



(Mr. Somchai Lertsutiwong)

**Chief Executive Officer**

## Report of the independent certified public accountants



### TO THE SHAREHOLDERS AND BOARD OF DIRECTORS ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED

#### Opinion

We have audited the consolidated financial statements of Advanced Info Service Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Advanced Info Service Public Company Limited (the “Company”) which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Advanced Info Service Public Company Limited and its subsidiaries and of Advanced Info Service Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

#### Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
<p><b>Revenue recognition</b></p> <p>There is a risk around the accuracy of the Group's revenue recorded given the complexity of IT systems and the impact of changing pricing models to revenue recognition. Furthermore, the application of revenue recognition accounting standards is complex.</p> <p>We focused our audit on the following areas of revenue recognition specifically relating to</p> <ul style="list-style-type: none"> <li>• accounting and tariffs during the year;</li> <li>• the accuracy of revenue recognition</li> </ul> <p>Accounting policies for revenue recognition were disclosed in Note 3.17 to the financial statements.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>• Evaluated the relevant IT systems and the design and implementation and operating effectiveness of controls over the capture and recording of revenue transactions. In doing so, we involved our IT specialists to assist in the audit of automated controls, including interface controls between different IT applications.</li> <li>• Evaluated the business process controls in place over the authorization of rate changes, the introduction of new plans and the input of this information to billing systems. We audited the access controls and change management controls for such systems.</li> <li>• Performed audit on the accuracy of customer bill generation on a sample basis and testing of a sample of the credits and discounts applied to customer bills; and testing cash receipts for a sample of customers back to the customer invoice.</li> <li>• Audited key reconciliations used by management from business support systems to billing systems to the general ledger to assess the completeness and accuracy of revenue.</li> <li>• Audited supporting evidence for manual journal entries posted to revenue accounts to identify any unusual items.</li> <li>• Validated with the assumptions and key management estimates adopted where revenue is recognized but they have not issued invoice yet and items that have been paid but still has an obligation to provide future services to customers</li> <li>• Audited of accuracy of TFRS 15 "Revenue from contracts with customers"</li> </ul>

Key Audit Matters	Audit Responses
<p><b>Significant commercial disputes and litigations</b></p> <p>The Group has several legal, regulatory and commercial disputes. There is a high level of judgment of managements required in estimating the level of provisioning required.</p> <p>The Group operates under the supervision of the National Broadcasting and Telecommunications Commission (NBTC). If NBTC has acted lawfully upon any interpretation amendments and/or enactment of new rules and regulations, the Group may not lawfully file a lawsuit and/or make any claim for any indemnification.</p> <p>In addition, the Group cooperates with state-owned enterprises such as National Telecom Public Company Limited. There is a risk of conflict between the entities from different interpretation in terms and conditions of contracts.</p> <p>We focused our audit on significant commercial disputes and litigations due to managements are required to use of judgment to estimate the provision for these significant commercial disputes and litigations.</p> <p>Accounting policy and significant commercial disputes and litigations were included in Note 3.22 and 38 to the financial statements.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>Designed and performed audit procedures in order to identify litigations and disputes involving the Group which may give rise to a risk of material misstatement, including: <ul style="list-style-type: none"> <li>Inquired of management and in-house legal counsel about significant events, commercial disputes and litigation.</li> <li>Reviewed minutes of meetings of those charged with governance about significant events, commercial disputes and litigation.</li> <li>Sent legal confirmation to external legal counsel regarding to status of significant commercial disputes and legal cases.</li> <li>Reviewed legal expense accounts.</li> </ul> </li> <li>Considered compliance with laws and regulations of the Group including: <ul style="list-style-type: none"> <li>As part of obtaining an understanding of the Group and its environment, we obtained a general understanding of: <ul style="list-style-type: none"> <li>The legal and regulatory framework applicable to the Group and the industry or sector in which the Group operates; and</li> <li>How the Group is complying with that framework.</li> </ul> </li> <li>Inquired of management and those charged with governance, as to whether the Group is in compliance with such laws and regulations and inspecting correspondence, if any, with the relevant regulatory authorities such as NBTC.</li> </ul> </li> <li>Requested management to provide written representations that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to us and accounted for and disclosed in accordance with Thai Financial Reporting Standards.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

## Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Dr. Suphamit Techamontrikul  
Certified Public Accountant (Thailand)  
Registration No. 3356

**BANGKOK**  
February 7, 2022

**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**



## Statements of financial position

Advanced Info Service Public Company Limited and its subsidiaries as at December 31, 2021

UNIT : BAHT					
	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
ASSETS					
Current assets					
Cash and cash equivalents	4, 35	12,739,290,035	18,420,768,856	469,911,679	614,805,617
Specifically-designated bank deposits	5	1,380,727,500	1,909,700,898	-	-
Restricted deposits at a financial institution		11,200,000	11,200,000	-	-
Trade and other current receivables	6, 35	16,552,288,496	17,781,189,871	422,384,607	1,753,889,823
Contract assets	7	1,819,810,542	1,448,322,973	-	-
Short-term loans to related parties	35	-	-	61,903,000,000	52,543,000,000
Inventories	8	2,104,297,782	2,372,085,732	-	-
Current tax assets		5,302,230	1,091,889	-	-
Other current financial assets	36	213,374,674	-	-	-
Other current assets		739,789,349	211,038,270	417,100	5,291,427
Total current assets		35,566,080,608	42,155,398,489	62,795,713,386	54,916,986,867
Non-current assets					
Other non-current financial assets	11	110,251,820	110,030,932	63,140,255	67,694,448
Investments in subsidiaries	10	-	-	37,354,147,807	33,819,366,390
Investments in joint ventures	9	947,662,308	799,044,580	299,999,900	-
Investment in an associate	9	35,212,965	31,588,188	-	-
Long-term loans to a related party	35	100,000,000	-	-	-
Property, plant and equipment	12	117,843,740,261	122,517,637,998	69,325,405	56,165,771
Right-of-use assets	13	50,574,034,229	58,722,695,215	189,294,472	225,706,272
Goodwill	14	2,881,699,659	2,881,699,659	-	-
Other intangible assets other than goodwill	16	10,864,294,734	7,122,852,880	6,391,349	6,404,436
Spectrum licenses	15	131,774,691,227	110,219,201,347	-	-
Deferred tax assets	17	4,235,516,325	4,120,355,274	487,521,346	485,422,372
Other non-current assets		1,288,558,803	1,490,072,824	104,665,131	318,804,496
Total non-current assets		320,655,662,331	308,015,178,897	38,574,485,665	34,979,564,185
Total assets		356,221,742,939	350,170,577,386	101,370,199,051	89,896,551,052

Notes to the financial statements form an integral part of these statements

## Statements of financial position (continued)

Advanced Info Service Public Company Limited and its subsidiaries as at December 31, 2021

UNIT : BAHT					
	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		December 31,	December 31,	December 31,	December 31,
		2021	2020	2021	2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Short-term borrowings from financial institutions	18	-	4,900,000,000	-	-
Trade and other current payables	19, 35, 39	45,055,417,432	40,570,674,698	2,777,862,906	2,779,757,850
Provision for revenue sharing		3,360,878,693	5,248,416,692	3,220,304,522	5,107,842,520
Unearned income - mobile phone service		4,071,667,690	4,348,673,572	9,176,967	9,176,967
Advanced received from customers	5	1,380,727,500	1,909,700,898	-	-
Current portion of long-term liabilities	18	14,131,682,785	13,848,369,520	-	-
Current portion of spectrum licenses payable	20	10,903,220,115	10,538,020,814	-	-
Current portion of lease liabilities	18	10,537,344,008	10,212,816,743	146,050,362	116,637,778
Short-term borrowings from related parties	18, 35	-	-	5,840,000,000	5,080,000,000
Corporate income tax payable		2,276,078,054	1,867,303,487	17,868,559	35,691,522
Other current financial liabilities	36	25,050,678	297,201,697	-	-
Other current liabilities		126,204,884	72,246,113	11,071,107	93,459
Total current liabilities		91,868,271,839	93,813,424,234	12,022,334,423	13,129,200,096
Non-current liabilities					
Long-term liabilities	18, 35	73,696,568,812	79,301,185,042	6,492,840,726	-
Lease liabilities	18, 35	40,597,290,717	48,150,496,963	50,802,732	118,716,176
Provisions for employee benefit	21	3,326,560,928	3,179,944,080	407,968,981	394,889,613
Spectrum licenses payable	20	61,415,647,263	42,911,010,664	-	-
Unrealized adjustment value of spectrum license	1, 20	-	3,283,532,804	-	-
Other non-current financial liabilities	36	722,083,093	1,225,258,428	-	-
Other non-current liabilities		2,770,797,910	2,616,357,834	27,842,575	20,103,923
Total non-current liabilities		182,528,948,723	180,667,785,815	6,979,455,014	533,709,712
Total liabilities		274,397,220,562	274,481,210,049	19,001,789,437	13,662,909,808
Shareholders' equity					
Share capital	22				
Authorized share capital					
4,997 million ordinary shares of					
Baht 1.00 each		4,997,459,800	4,997,459,800	4,997,459,800	4,997,459,800
Issued and paid share capital					
2,974 million ordinary shares of					
Baht 1.00 each, fully paid	22, 24	2,973,925,791	2,973,554,313	2,973,925,791	2,973,554,313
Share premium					
Share premium on ordinary shares	22	22,506,296,380	22,446,531,121	22,506,296,380	22,446,531,121
Other deficits					
Deficits arising from change in ownership interest in					
a subsidiary		(669,657,282)	(669,657,282)	-	-
Retained earnings					
Appropriated					
Legal reserve	23	500,000,000	500,000,000	500,000,000	500,000,000
Unappropriated		56,602,515,530	50,882,427,533	56,602,515,530	50,882,427,533
Other components of shareholders' equity	24	(214,328,087)	(568,871,723)	(214,328,087)	(568,871,723)
Total shareholders' equity attributable					
to owners of the Company		81,698,752,332	75,563,983,962	82,368,409,614	76,233,641,244
Non-controlling interests		125,770,045	125,383,375	-	-
Total shareholders' equity		81,824,522,377	75,689,367,337	82,368,409,614	76,233,641,244
Total liabilities and shareholders' equity		356,221,742,939	350,170,577,386	101,370,199,051	89,896,551,052

Notes to the financial statements form an integral part of these statements

## Statements of profit or loss

Advanced Info Service Public Company Limited and its subsidiaries statements of profit or loss for the year ended December 31, 2021

UNIT : BAHT					
	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
<b>Revenues</b>					
Revenues from rendering of services and equipment rentals	26, 35	144,791,099,393	143,315,889,147	1,992,289,560	1,959,785,000
Revenue from sale of goods	35	36,541,790,371	29,574,376,140	-	-
<b>Total revenues</b>		<b>181,332,889,764</b>	<b>172,890,265,287</b>	<b>1,992,289,560</b>	<b>1,959,785,000</b>
<b>Costs</b>					
Cost of rendering of services and equipment rentals	30, 35	(85,237,940,713)	(81,534,057,465)	(1,225,597,593)	(1,265,622,961)
Cost of sale of goods		(36,215,252,521)	(29,314,265,327)	-	-
<b>Total costs</b>		<b>(121,453,193,234)</b>	<b>(110,848,322,792)</b>	<b>(1,225,597,593)</b>	<b>(1,265,622,961)</b>
<b>Gross profit</b>		<b>59,879,696,530</b>	<b>62,041,942,495</b>	<b>766,691,967</b>	<b>694,162,039</b>
<b>Distribution costs and administrative expenses</b>					
Distribution costs	30	(6,035,057,467)	(6,598,243,894)	(2,647,000)	(1,893,176)
Administrative expenses	30	(15,665,391,668)	(17,732,641,307)	(94,934,288)	(92,678,460)
<b>Total distribution costs and administrative expenses</b>		<b>(21,700,449,135)</b>	<b>(24,330,885,201)</b>	<b>(97,581,288)</b>	<b>(94,571,636)</b>
<b>Profit from services, equipment rentals and sales of goods</b>		<b>38,179,247,395</b>	<b>37,711,057,294</b>	<b>669,110,679</b>	<b>599,590,403</b>
Finance income	27, 35	217,443,626	319,969,373	431,017,966	387,390,405
Other income	28, 35	1,055,201,967	648,697,303	82,598,120	66,567,628
Share of profit (loss) of subsidiaries, joint ventures and an associate accounted for using equity method	9, 10	(140,730,862)	(70,306,065)	26,189,272,844	26,757,273,522
Net gain (loss) on foreign exchange rate		(1,488,550,388)	140,200,640	(4,398,396)	207,672
Gain (loss) from fair value measurement of derivative assets		842,960,470	(138,620,912)	-	-
Management benefit expenses	35	(145,488,578)	(167,773,760)	(145,488,578)	(167,723,760)
Finance costs	31, 35	(5,626,071,941)	(5,917,382,740)	(139,879,810)	(56,935,975)
<b>Profit before income tax expense</b>		<b>32,894,011,689</b>	<b>32,525,841,133</b>	<b>27,082,232,825</b>	<b>27,586,369,895</b>
Tax expense	32	(5,969,548,235)	(5,088,586,512)	(160,087,170)	(152,009,552)
<b>Profit for the years</b>		<b>26,924,463,454</b>	<b>27,437,254,621</b>	<b>26,922,145,655</b>	<b>27,434,360,343</b>
<b>Profit attributable to:</b>					
Owners of the Company		26,922,145,655	27,434,360,343	26,922,145,655	27,434,360,343
Non-controlling interests		2,317,799	2,894,278	-	-
<b>Profit for the years</b>		<b>26,924,463,454</b>	<b>27,437,254,621</b>	<b>26,922,145,655</b>	<b>27,434,360,343</b>
<b>Earnings per share (in Baht)</b>					
Basic earnings per share	33	9.05	9.23	9.05	9.23
Diluted earnings per share		9.05	9.23	9.05	9.23

Notes to the financial statements form an integral part of these statements

## Statements of profit or loss and other comprehensive income

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT					
	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
Profit for the years		26,924,463,454	27,437,254,621	26,922,145,655	27,434,360,343
Other comprehensive income					
Components of other comprehensive income that will be subsequently reclassified to profit or loss					
Exchange differences on translating financial statement		7,973,466	2,921,382	-	-
Gain (Loss) on cash flow hedges	36	506,890,258	(251,241,472)	-	-
Share of other comprehensive income (loss) of subsidiaries accounted for using equity method	10	-	-	413,485,673	(198,071,795)
Income tax relating to components of other comprehensive income that will be subsequently reclassified to profit or loss	32	(101,378,051)	50,248,294	-	-
Total components of other comprehensive income (loss) that will be subsequently reclassified to profit or loss		413,485,673	(198,071,796)	413,485,673	(198,071,795)
Components of other comprehensive income that will not be subsequently reclassified to profit or loss					
Losses on investment in equity designated at fair value through other comprehensive income		(8,668,762)	(2,622,066)	(4,554,193)	(157,370)
Loss on remeasurements of defined benefit plans	21	-	(112,095,664)	-	(30,800,812)
Share of other comprehensive loss of subsidiaries accounted for using equity method	10	-	-	(3,291,655)	(67,175,569)
Income tax relating to components of other comprehensive income that will not be subsequently reclassified to profit or loss	32	1,733,753	22,752,663	910,839	6,191,636
Total components of other comprehensive income that will not be subsequently reclassified to profit or loss		(6,935,009)	(91,965,067)	(6,935,009)	(91,942,115)
Other comprehensive income (loss) for the years, net of income tax		406,550,664	(290,036,863)	406,550,664	(290,013,910)
Total comprehensive income for the years		27,331,014,118	27,147,217,758	27,328,696,319	27,144,346,433
Total comprehensive income attributable to:					
Owners of the Company		27,328,696,319	27,144,346,433	27,328,696,319	27,144,346,433
Non-controlling interests		2,317,799	2,871,325	-	-
Total comprehensive income for the years		27,331,014,118	27,147,217,758	27,328,696,319	27,144,346,433

Notes to the financial statements form an integral part of these statements

## Statements of change in shareholders' equity consolidated financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

Notes	Issued and paid share capital		Other deficits	Retained earnings		Other components of shareholders' equity						Total shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
	Share premium on ordinary share	Share premium on ordinary share	Deficits arising from change in ownership interest in subsidiaries	Appropriated Legal reserve	Unappropriated	Reserve for share-based payment	Gain on dilution of investment	Currency Conversion	Hedging reserves	Fair value reserves	Total other components of shareholders' equity	Total shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
<b>Balance as at January 1, 2020</b>	2,973,178,632	22,386,069,897	(669,657,282)	500,000,000	43,755,735,171	189,745,130	161,186,663	-	(721,880,941)	45,456,631	(325,492,517)	68,619,833,901	128,070,516	68,747,904,417
<b>Transactions with owners, recorded directly in shareholders' equity</b>														
<b>Contributions by and distributions to owners of the Company</b>														
Increase in share capital	22	375,681	60,461,224	-	-	-	(60,836,905)	-	-	-	(60,836,905)	-	-	-
Share-based payment transaction	24	-	-	-	-	-	17,627,148	-	-	-	17,627,148	17,627,148	-	17,627,148
Dividends paid	34, 35	-	-	-	(20,217,823,520)	-	-	-	-	-	-	(20,217,823,520)	(927,026)	(20,218,750,546)
<b>Total contributions by and distributions to owners of the Company</b>		375,681	60,461,224	-	(20,217,823,520)	(43,209,757)	-	-	-	-	(43,209,757)	(20,200,196,372)	(927,026)	(20,201,123,398)
<b>Change in ownership interests in a subsidiary</b>														
Change in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	(4,631,440)	(4,631,440)
		-	-	-	-	-	-	-	-	-	-	-	(4,631,440)	(4,631,440)
<b>Total transactions with owners, recorded directly in shareholders' equity</b>		375,681	60,461,224	-	(20,217,823,520)	(43,209,757)	-	-	-	-	(43,209,757)	(20,200,196,372)	(5,558,466)	(20,205,754,838)
<b>Comprehensive income for the year</b>														
Profit for the year		-	-	-	27,434,360,343	-	-	-	-	-	-	27,434,360,343	2,894,278	27,437,254,621
Other comprehensive income		-	-	-	(89,844,461)	-	-	2,921,382	(200,993,177)	(2,097,654)	(200,169,449)	(290,013,910)	(22,953)	(290,036,863)
<b>Total comprehensive income for the year</b>		-	-	-	27,344,515,882	-	-	2,921,382	(200,993,177)	(2,097,654)	(200,169,449)	27,144,346,433	2,871,325	27,147,217,758
<b>Balance as at December 31, 2020</b>		2,973,554,313	22,446,531,121	(669,657,282)	500,000,000	50,882,427,533	146,535,373	161,186,663	2,921,382	(922,874,118)	43,358,977	75,563,983,962	125,383,375	75,689,367,337

# Statements of change in shareholders' equity consolidated financial statements (continued)



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT														
Notes			Other deficits	Retained earnings		Other components of shareholders' equity						Total shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary share	Deficits arising from change in ownership interest in subsidiaries	Appropriated Legal reserve	Unappropriated	Reserve for share-based payment	Gain on dilution of investment	Currency Conversion	Hedging reserves	Fair value reserves	Total other components of shareholders' equity			
Balance as at January 1, 2021	2,973,554,313	22,446,531,121	(669,657,282)	500,000,000	50,882,427,533	146,535,373	161,186,663	2,921,382	(922,874,118)	43,358,977	(568,871,723)	75,563,983,962	125,383,375	75,689,367,337
Transactions with owners, recorded directly in shareholders' equity														
Contributions by and distributions to owners of the Company														
Increase in share capital	22	371,478	59,765,259	-	-	-	(60,136,737)	-	-	-	(60,136,737)	-	-	-
Share-based payment transaction	24	-	-	-	-	-	8,129,709	-	-	-	8,129,709	8,129,709	-	8,129,709
Dividends paid	34, 35	-	-	-	-	(21,202,057,658)	-	-	-	-	-	(21,202,057,658)	(1,051,129)	(21,203,108,787)
Total contributions by and distributions to owners of the Company		371,478	59,765,259	-	-	(21,202,057,658)	(52,007,028)	-	-	-	(52,007,028)	(21,193,927,949)	(1,051,129)	(21,194,979,078)
Change in ownership interests in a subsidiary														
Change in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	(880,000)	(880,000)
		-	-	-	-	-	-	-	-	-	-	-	(880,000)	(880,000)
Total transactions with owners, recorded directly in shareholders' equity		371,478	59,765,259	-	-	(21,202,057,658)	(52,007,028)	-	-	-	(52,007,028)	(21,193,927,949)	(1,931,129)	(21,195,859,078)
Comprehensive income for the year														
Profit for the year		-	-	-	-	26,922,145,655	-	-	-	-	-	26,922,145,655	2,317,799	26,924,463,454
Other comprehensive income		-	-	-	-	-	-	-	7,973,466	405,512,207	(6,935,009)	406,550,664	-	406,550,664
Total comprehensive income for the year		-	-	-	-	26,922,145,655	-	-	7,973,466	405,512,207	(6,935,009)	406,550,664	27,328,696,319	2,317,799
Balance as at December 31, 2021		2,973,925,791	22,506,296,380	(669,657,282)	500,000,000	56,602,515,530	94,528,345	161,186,663	10,894,848	(517,361,911)	36,423,968	(214,328,087)	81,698,752,332	125,770,045

Notes to the financial statements form an integral part of these statements

## Statements of change in shareholders' equity separate financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	Notes	Retained earnings				Other components of shareholders' equity					
		Issued and paid share capital	Share premium on ordinary share	Appropriated Legal reserve	Unappropriated	Reserve for share- based payment	Gain on dilution of investment	Fair value reserves	Share of other	Total other components of shareholders' equity	Total shareholders' equity
									comprehensive loss		
Balance as at January 1, 2020		2,973,178,632	22,386,069,897	500,000,000	43,755,735,171	189,745,130	161,186,663	16,682,006	(693,106,316)	(325,492,517)	69,289,491,183
Transactions with owners, recorded directly in shareholders' equity											
Increase in share capital	22	375,681	60,461,224	-	-	(60,836,905)	-	-	-	(60,836,905)	-
Share-based payment transaction	24	-	-	-	-	17,627,148	-	-	-	17,627,148	17,627,148
Dividends paid	34, 35	-	-	-	(20,217,823,520)	-	-	-	-	-	(20,217,823,520)
Total transactions with owners, recorded directly in shareholders' equity		375,681	60,461,224	-	(20,217,823,520)	(43,209,757)	-	-	-	(43,209,757)	(20,200,196,372)
Comprehensive income for the year											
Profit for the year		-	-	-	27,434,360,343	-	-	-	-	-	27,434,360,343
Other comprehensive income		-	-	-	(89,844,461)	-	-	(125,896)	(200,043,553)	(200,169,449)	(290,013,910)
Total comprehensive income for the year		-	-	-	27,344,515,882	-	-	(125,896)	(200,043,553)	(200,169,449)	27,144,346,433
Balance as at December 31, 2020		2,973,554,313	22,446,531,121	500,000,000	50,882,427,533	146,535,373	161,186,663	16,556,110	(893,149,869)	(568,871,723)	76,233,641,244

## Statements of change in shareholders' equity separate financial statements (continued)



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	Notes	Statement of Financial Position as at 31 December 2021									
		Retained earnings				Other components of shareholders' equity					
		Issued and paid share capital	Share premium on ordinary share	Appropriated Legal reserve	Unappropriated	Reserve for share- based payment	Gain on dilution of investment	Fair value reserves	Share of other comprehensive gain (loss) of subsidiaries accounted for using equity method	Total other components of shareholders' equity	Total shareholders' equity
Balance as at January 1, 2021		2,973,554,313	22,446,531,121	500,000,000	50,882,427,533	146,535,373	161,186,663	16,556,110	(893,149,869)	(568,871,723)	76,233,641,244
Transactions with owners, recorded directly in shareholders' equity											
Increase in share capital	22	371,478	59,765,259	-	-	(60,136,737)	-	-	-	(60,136,737)	-
Share-based payment transaction	24	-	-	-	-	8,129,709	-	-	-	8,129,709	8,129,709
Dividends paid	34, 35	-	-	-	(21,202,057,658)	-	-	-	-	-	(21,202,057,658)
Total transactions with owners, recorded directly in shareholders' equity		371,478	59,765,259	-	(21,202,057,658)	(52,007,028)	-	-	-	(52,007,028)	(21,193,927,949)
Comprehensive income for the year											
Profit for the year		-	-	-	26,922,145,655	-	-	-	-	-	26,922,145,655
Other comprehensive income		-	-	-	-	-	-	(3,643,354)	410,194,018	406,550,664	406,550,664
Total comprehensive income for the year		-	-	-	26,922,145,655	-	-	(3,643,354)	410,194,018	406,550,664	27,328,696,319
Balance as at December 31, 2021		2,973,925,791	22,506,296,380	500,000,000	56,602,515,530	94,528,345	161,186,663	12,912,756	(482,955,851)	(214,328,087)	82,368,409,614

Notes to the financial statements form an integral part of these statements



## Statements of cash flows

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	NOTES	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
Cash flows from operating activities					
Profit for the years		26,924,463,454	27,437,254,621	26,922,145,655	27,434,360,343
Adjustments for					
Depreciation and amortization	12, 13, 15, 16, 30	53,374,025,722	51,841,589,128	139,962,092	152,237,335
Finance income	27, 35	(217,443,626)	(319,969,373)	(431,017,966)	(387,390,405)
Finance costs	31, 35	5,626,071,941	5,917,382,740	139,879,810	56,935,975
(Reversal of) Expected credit losses		2,066,791,618	2,875,760,943	(1,799,946)	(1,600,000)
Share-based payment transaction	24	8,129,709	17,627,148	8,129,709	17,627,148
(Reversal of) Loss for obsolete, decline in value and write-off inventories	8	9,289,106	(42,416,084)	-	-
Loss for unused equipment	12	635,510,991	700,428,653	-	-
Loss on terminate contract assets		223,542,819	524,572,869	-	-
(Gain) Loss on sales and write-off of assets		29,433,916	37,609,387	(4,970,608)	(6,855,734)
Unrealized (gain) loss on foreign exchange rate and (gain) loss from fair value measurement of derivative assets		242,558,226	(144,399,835)	2,236,976	128,415
Share of (profit) loss of subsidiaries, joint ventures and an associate accounted for using equity method	9, 10	140,730,862	70,306,065	(26,189,272,844)	(26,757,273,522)
Employee benefit expense		202,593,812	196,970,421	30,156,197	39,769,635
Tax expense	32	5,969,548,235	5,088,586,512	160,087,170	152,009,552
Cash provided by operation before changes in operating assets and liabilities		95,235,246,785	94,201,303,195	775,536,245	699,948,742
Changes in operating assets and liabilities					
Specifically-designated bank deposits		528,973,398	79,388,152	-	-
Trade and other current receivables		(2,417,168,521)	(3,371,745,566)	(142,565,162)	(14,436,684)
Contract assets		(595,030,389)	(104,157,529)	-	-
Inventories		258,498,845	2,498,786,035	-	-
Other current assets		(527,885,173)	307,586,354	4,874,327	59,967,648
Other non-current assets		123,453,100	(361,374,979)	214,139,369	(35,767,906)
Trade and other current payables		1,012,583,961	(1,062,139,696)	(49,487,237)	(159,990,297)
Provision for revenue sharing		(303,821,738)	-	(313,293,998)	-
Unearned income - mobile phone service		(277,005,882)	159,648,093	-	-
Advanced received from customers		(528,973,398)	(79,388,152)	-	-
Other current liabilities		53,962,697	15,204,180	10,916,900	160,281
Other financial liabilities		(5,174,726)	(99,683,652)	-	-
Other non-current liabilities		(26,903,604)	(23,427,027)	-	-
Cash generated by operating activities		92,530,755,355	92,159,999,408	500,120,444	549,881,784
Employee benefit paid		(116,055,634)	(56,432,164)	(24,044,541)	(12,991,839)
Tax paid		(5,780,655,265)	(6,474,175,466)	(179,098,268)	(49,730,533)
Net cash provided by operating activities		86,634,044,456	85,629,391,778	296,977,635	487,159,412

## Statements of cash flows (continued)

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT					
	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
<b>Cash flows from investing activities</b>					
Interest received		219,702,005	326,271,472	332,644,290	473,476,282
Purchase of property, plant, equipment and other intangible assets		(25,786,081,883)	(28,056,506,397)	(27,716,676)	(21,444,506)
Proceeds from sale of equipment		111,392,524	108,662,577	6,796,701	3,493,657
Payment of spectrum licenses	20	(19,511,950,000)	(26,834,978,550)	-	-
Net increase in short-term loans to related parties	35	-	-	(9,360,000,000)	(2,044,000,000)
Increase in investments in joint ventures	9	(299,999,900)	(246,899,800)	(299,999,900)	-
Increase in investments in subsidiaries	10	-	-	-	(25,999,970)
Increase in long-term loan to a related party	35	(100,000,000)	-	-	-
Dividend received		15,000,000	8,999,970	23,064,685,442	19,963,915,443
<b>Net cash provided by (used in) investing activities</b>		<b>(45,351,937,254)</b>	<b>(54,694,450,728)</b>	<b>13,716,409,857</b>	<b>18,349,440,906</b>
<b>Cash flows from financing activities</b>					
Finance cost paid		(3,692,107,561)	(4,218,326,797)	(132,175,607)	(47,017,478)
Lease liabilities paid	18	(11,882,214,110)	(11,753,609,774)	(119,136,035)	(125,361,385)
Net increase (decrease) in short-term borrowings from financial institutions	18	(4,900,000,000)	4,900,000,000	-	-
Net increase in short-term borrowings from related parties	18, 35	-	-	760,000,000	160,000,000
Proceed of long-term borrowings	18	8,600,000,000	24,000,000,000	6,500,000,000	-
Repayments of long-term borrowings	18	(13,884,860,000)	(24,828,560,000)	-	-
Proceeds from issue of ordinary shares		-	-	35,086,745	33,188,038
Cash paid for purchase of a subsidiary from non-controlling interest		(880,000)	(4,631,440)	-	-
Dividend paid	34	(21,203,108,787)	(20,218,750,546)	(21,202,057,658)	(20,217,823,520)
<b>Net cash used in financing activities</b>		<b>(46,963,170,458)</b>	<b>(32,123,878,557)</b>	<b>(14,158,282,555)</b>	<b>(20,197,014,345)</b>
Effect of exchange rate changes on balances held in foreign currencies		(415,565)	(26,921,103)	1,125	(36)
<b>Net decrease in cash and cash equivalents</b>		<b>(5,681,478,821)</b>	<b>(1,215,858,610)</b>	<b>(144,893,938)</b>	<b>(1,360,414,063)</b>
Cash and cash equivalents as at January 1,		18,420,768,856	19,636,627,466	614,805,617	1,975,219,680
<b>Cash and cash equivalents as at December 31,</b>	4	<b>12,739,290,035</b>	<b>18,420,768,856</b>	<b>469,911,679</b>	<b>614,805,617</b>
<b>Supplemental disclosures of cash flow information</b>					
<b>Non-cash transactions</b>					
Outstanding debts arising from investments in capital expenditures, spectrum license and lease liabilities		142,014,482,524	127,598,345,017	200,396,373	236,525,552
Provision for revenue sharing presented net of accrued income		1,583,716,260	-	1,574,244,000	-

Notes to the financial statements form an integral part of these statements

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Notes	Contents
1.	Company operations and other general information
2.	Basis of preparation and presentation of the financial statements
3.	Significant accounting policies
4.	Cash and cash equivalents
5.	Specifically-designated bank deposits
6.	Trade and other current receivables
7.	Contract assets
8.	Inventories
9.	Investments in an associate and joint ventures
10.	Investments in subsidiaries
11.	Other non-current financial assets
12.	Property, plant and equipment
13.	Right-of-use assets
14.	Goodwill
15.	Spectrum licenses
16.	Other intangible assets other than goodwill
17.	Deferred tax assets
18.	Interest-bearing liabilities
19.	Trade and other current payables
20.	Spectrum licenses payable
21.	Provisions for employee benefit
22.	Share capital
23.	Legal reserve
24.	Other components of shareholders' equity
25.	Segment financial information and disaggregation of revenue
26.	Revenue from rendering of services and equipment rentals
27.	Finance income
28.	Other income
29.	Provident fund
30.	Expenses by nature
31.	Finance costs
32.	Tax expense
33.	Earnings per share
34.	Dividends
35.	Related parties

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Notes	Contents
36.	Financial instruments
37.	Commitments with non-related parties
38.	Significant events, commercial disputes and litigations
39.	Events after the reporting period
40.	Approval of financial statements

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 1. COMPANY OPERATIONS AND OTHER GENERAL INFORMATION

Advanced Info Service Public Company Limited (the “Company”) is incorporated in Thailand and has its registered office at 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in November 1991.

As at December 31, 2021, Intouch Holdings Public Company Limited is a major shareholder, holding 40.44% (as at December 31, 2020 : 40.45%) of the authorized share capital of the Company and is incorporated in Thailand and Singtel Strategic Investments Pte Ltd. is a shareholder, holding 23.31% (as at December 31, 2020 : 23.32%) of the authorized share capital of the Company and is incorporated in Singapore.

The major principal business operations of the Company is to provide consulting and management services to its subsidiaries and the Company and its subsidiaries (the “Group”) is summarized as follows:

- 1) The operation of a 2.1 GHz cellular telephone system as the operator. Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), to operate and service Cellular Mobile Telephone, frequency between 1950 MHz to 1965 MHz and 2140 MHz to 2155 MHz, nationwide in accordance with the license certificate (the “License”) No. NBTC/FREQ/TEL/55/1, dated December 7, 2012. AWN started the operation commencing from December 7, 2012, ending December 6, 2027 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

#### License of Spectrum for Telecommunications Service in the Frequency Band of 1800 MHz

On November 17, 2015, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), to operate and service Cellular Mobile Telephone, frequency between 1725 MHz to 1740 MHz and 1820 MHz to 1835 MHz, nationwide in accordance with the license certificate (the “License”) No. NBTC/FREQ/TEL/55/1 (Addendum No.1), dated November 25, 2015. AWN started the operation commencing from November 26, 2015, ending September 15, 2033 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

#### License of Spectrum for Telecommunications Service in the Frequency Band of 900 MHz

On May 27, 2016, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), to operate and service Cellular Mobile Telephone, frequency between 895 MHz to 905 MHz and 940 MHz to 950 MHz, nationwide in accordance with the license certificate (the “License”) No. NBTC/FREQ/TEL/55/1 (Addendum No.2), dated June 30, 2016 at the bidding price of Baht 75,654 million. AWN started the operation commencing from July 1, 2016 to June 30, 2031 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

According to the auction terms and conditions, AWN paid the 1<sup>st</sup> installment by 11% of the fee plus VAT, totaling Baht 8,603 million on June 28, 2016 and submitted bank guarantee to pay the remaining fee to the NBTC. For the 2<sup>nd</sup> installment and the 3<sup>rd</sup> installment of 5% of the fee plus VAT each will be paid in the second year and the third year since date of the first installment, and the remaining will be paid in the fourth year.

On April 11, 2019, the National Council for Peace and Order (“NCPO”) issued NCPO Order No. 4/2562 specified that The National Broadcasting and Telecommunications Commission (“NBTC”) shall consider dividing the total amount of auction payment which the licensee of 890-915 MHz/935-960 MHz are required to pay into ten installments, one payment per year, in equal amount. The licensee who cannot pay the spectrum auction fee according to their original payment term shall notify in writing to NBTC within 30 days from the date of the NCPO order becomes effective. However, the condition specified in NCPO order mention that the licensee is required to participate in the 700 MHz spectrum allocation which shall be allocated by NBTC.

On May 10, 2019, AWN submitted a letter to the Office of National Broadcasting and Telecommunications Commission (“Office of NBTC”) regarding the extension of the 900 MHz spectrum license payment period.

On June 19, 2019, AWN participated in the 700 MHz spectrum allocation to the Office of NBTC and has been allocated one block of 700 MHz spectrum. Subsequently, AWN received the letter from the Office of NBTC confirming that AWN has complied with the conditions determined by NCPO Order No.4/2562. As a result, AWN is entitled to divide the payment for 900 MHz spectrum into ten installments, in equal amount, as specified by NCPO Order No. 4/2562. AWN has remeasured 900 MHz spectrum license payable by determine change in payment term and participation in the 700 MHz spectrum allocation. The difference from measurement 900 MHz spectrum license payable between previous terms and conditions and new terms and conditions is recognized as unrealized adjustment value of spectrum license in the consolidated statement of financial position which recorded as part of the cost of spectrum license 700 MHz when AWN received a license on January 15, 2021.

### License of Spectrum for Telecommunications Service in the Frequency Band of 1800 MHz

On August 19, 2018, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), to operate and service Cellular Mobile Telephone, frequency between 1740 MHz to 1745 MHz and 1835 MHz to 1840 MHz, nationwide in accordance with the license certificate (the “License”) No. NBTC/FREQ/TEL/55/1 (Addendum No.3), dated September 21, 2018. AWN started the operation commencing from September 24, 2018 to September 15, 2033 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

### License of Spectrum for Telecommunications Service in the Frequency Band of 700 MHz

On June 19, 2019, AWN has been allocated the frequency band 700 MHz from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) frequency between 723 MHz to 733 MHz and 778 MHz to 788 MHz for 15 years from January 15, 2021 to January 14, 2036 according to the terms and conditions in the notification of NBTC dated June 5, 2019. AWN is obliged to comply with various conditions and pay fees within the time period as specified in the license.

## Notes to the Financial Statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### License of Spectrum for Telecommunications Service in the Frequency Band of 2600 MHz

On February 19, 2020, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), to operate and service Cellular Mobile Telephone, frequency between 2500 MHz to 2600 MHz, nationwide in accordance with the license certificate (the “License”) No. NBTC/FREQ/TEL/55/1 (Addendum No.4), dated February 21, 2020. AWN started the operation commencing from February 21, 2020 to February 20, 2035 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

### Auction License of Spectrum for Telecommunications Service in the Frequency Band of 26 GHz

On February 18, 2021, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), to operate and service Cellular Mobile Telephone, frequency between 25.2 GHz to 26.4 GHz, nationwide in accordance with the license certificate (the “License”) No. FREQ/TEL/001, dated February 18, 2021. AWN started the operation commencing from February 18, 2021, ending February 17, 2036 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

### License of Spectrum for Telecommunications Service in the Frequency Band of 700 MHz

On April 1, 2021, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”), to operate and service Cellular Mobile Telephone, frequency 700 MHz between 733 MHz to 738 MHz and 788 MHz to 793 MHz, nationwide in accordance with the license certificate (the “License”) No. FREQ/TEL/001, dated April 1, 2021. AWN started the operation commencing from April 1, 2021, ending March 31, 2036 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

- 2) Super Broadband Network Co., Ltd. (“SBN”), a subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) under the broadcasting network license for non - frequency business at national. The license certificate (the “License”) No. B1-N21331-0001-60 dated on March 20, 2017 and will be expired on March 19, 2032. In addition, SBN has been granted licenses from NBTC for the operation of television broadcasting service several channels the period of 1 - 8 years each. SBN is obliged to comply with various conditions and pay fee within the time period as specified in the License.
- 3) CS Loxinfo Public Company Limited (“CSL”), an indirect subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) under the Internet Operation License type II, Telecom Operation License type I, and type III to operate and service internet data centre, internet and satellite uplink-downlink services for domestic and international communications and distribute internet equipment.

According to the conditions specified by NBTC, provided that the authorized licenses is not in significant violation of the conditions specified in the license, NBTC will consider renewing the license as normal procedure.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Details of the Company's subsidiaries, an associate and joint ventures as at December 31, are as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)		
			2021	2020	
Subsidiaries					
Advanced Contact Center Company Limited	Service provider of call center	Thailand	99.99	99.99	
Digital Phone Company Limited	Ceased mobile phone operation	Thailand	98.55	98.55	
Advanced Magic Card Company Limited	Service provider of electronic payment network	Thailand	99.99	99.99	
Advanced Mpay Company Limited	Service provider of electronic payment and cash card	Thailand	99.99	99.99	
AIN GlobalComm Company Limited	Service provider of international telephone service/gateway	Thailand	99.99	99.99	
Advanced Wireless Network Company Limited	Service provider of cellular telephone network, distributor of handsets and international telephone service, network operator, telecommunication service operator and internet	Thailand	99.99	99.99	
Super Broadband Network Company Limited	Network operator and telecom service operator, including as service provider of broadcasting network and television broadcasting service several channels	Thailand	99.99	99.99	
Advanced Digital Life Company Limited <sup>4</sup>	Service provider of digital platform	Thailand	99.99	99.99	
Fax Lite Company Limited	Service provider of operation in space, land and building services, and related facilities	Thailand	99.98	99.98	
MIMO Tech Company Limited	Developer of IT systems service provider of content aggregator and outsourcing service for billing and collection	Thailand	99.99	99.99	
Advanced Broadband Network Company Limited	Service provider of training within the Group	Thailand	99.99	99.99	
Advanced Digital Distribution Company Limited	Service provider of insurance broker	Thailand	99.99	99.99	
LearnDi Company Limited	Service provider of training	Thailand	99.99	99.99	



## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			2021	2020
Indirect Subsidiaries				
Advanced Datanetwork Communications Company Limited	Under liquidation process.	Thailand	51.00 <sup>1,2</sup>	51.00 <sup>1,2</sup>
CS LoxInfo Public Company Limited	Service provider of internet data center services, internet and satellite uplink-downlink services for domestic and international communications and distribute internet equipment.	Thailand	99.68 <sup>1,3</sup>	99.67 <sup>1,3</sup>
Teleinfo Media Public Company Limited	Service provider of publishing and advertising telephone directories	Thailand	99.99 <sup>1</sup>	99.99 <sup>1</sup>
AD Venture Public Company Limited	Service provider of mobile contents	Thailand	99.99 <sup>1</sup>	99.99 <sup>1</sup>
Yellow Pages Commerce Company Limited	Service provider of online advertising business	Thailand	99.94 <sup>1</sup>	99.94 <sup>1</sup>
Associate				
Information Highway Company Limited	Service provider of transmission network	Thailand	29.00 <sup>1</sup>	29.00 <sup>1</sup>
Joint Ventures				
Amata Network Company Limited	Service provider of infrastructure developer of fibre optic network	Thailand	60.00 <sup>1</sup>	60.00 <sup>1</sup>
Rabbit - Line Pay Company Limited	Service provider of electronic money and electronic payment service business	Thailand	33.33 <sup>1</sup>	33.33 <sup>1</sup>
Digital Games International Private Limited	Service provider of games online	Singapore	33.33 <sup>1</sup>	33.33 <sup>1</sup>
Saha Advance Network Company Limited	Service provider of infrastructure developer of fibre optic network	Thailand	70.00 <sup>1</sup>	70.00 <sup>1</sup>
AISCB Company Limited	Service provider of digital lending via online platform	Thailand	50.00	-

<sup>1</sup> % ownership interest in indirect subsidiaries, an associate and joint ventures are presented by ownership interest hold by subsidiaries.

<sup>2</sup> On September 1, 2020, Advanced Datanetwork Communications Company Limited (“ADC”) registered for liquidation on Ministry of Commerce. On December 31, 2021, ADC has cash and cash equivalent of Baht 89 million presented in cash and cash equivalent of consolidated financial statement and the other items are not significant to consolidated financial statement.

<sup>3</sup> For the year ended December 31, 2021, Awn purchased additional ordinary share of 100,000 ordinary shares of CSL at the price of Baht 8.80 per shares, totaling Baht 1 million representing 0.01% of total issued and paid ordinary share of CSL. Then Awn hold 592,624,524 ordinary shares of CSL or equivalent owned 99.68% of total issued and paid-up shares of CSL.

<sup>4</sup> On September 27, 2021, Wireless Device Supply Company Limited has registered to change its name to AIS Digital Life Company Limited with Department of Business Development, Ministry of Commerce.

The Group and the Company have extensive transactions and relationships with the related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Group and the Company had operated without such affiliation.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group and the Company operate. Nevertheless, the Group’s and the Company’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

## 2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group and the Company maintain its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and practice generally accepted in Thailand.
- 2.2 The Group’s and the Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (“TAS”) No. 1 “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2021 onward, and the Regulation of The Stock Exchange of Thailand (“SET”) dated October 2, 2017, regarding “the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560” and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement (No.3) B.E. 2562” dated December 26, 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Group and the Company have adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group’s and the Company’s financial statements.

### The Rent Concessions related to COVID-19

The Group and the Company elected to adopt the practical expedient relating to COVID-19 related Rent Concessions according to the amendments to TFRS 16 “Leases”. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. Any reduction in lease payments affects only payments originally due on or before June 30, 2022 and there is no substantive change to other terms and conditions of the lease.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group's and the Company's managements have adopted such aforementioned practical expedient in the preparation of the financial statements for the year ended December 31, 2021 (see Note 13).

### 2.5 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Amendment to Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 "Insurance Contracts", Thai Financial Reporting Standards No. 7 "Financial Instruments: Disclosures", and Thai Financial Reporting Standards No. 9 "Financial Instruments", which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

In addition, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards which have been announced in the Royal Gazette on December 22, 2021, as follow:

- Thai Financial Reporting Standards No. 1 "First-time Adoption of Thai Financial Reporting Standards", to be effective for the financial statements for the period beginning on or after January 1, 2022 onwards.
- Thai Financial Reporting Standards No. 6 "Exploration for and Evaluation of Mineral Resources", to be effective for the financial statements for the period beginning on or after January 1, 2022 onwards.
- Accounting Treatment Guidance on "Guidelines regarding the provision of financial assistance to the debtors affected by the COVID-19", which the objective of this accounting treatment guidance is to be used as the temporary relaxation measures for entities who providing assistance their debtors affected by the COVID-19 with the supporting period during January 1, 2022 to December 31, 2023 or until there are any changes from the Bank of Thailand, which require the compliance for such changes. The entities elect to apply the temporary relaxation measures according to this accounting treatment guidance should be disclosed information as required.

The Group's management will adopt such relevant TFRSs in the preparation of the Group's financial statements when they become effective. The Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies as follows:

#### 3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in an associate and joint ventures.

##### Business combinations

The Group and the Company apply the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group and the Company take into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group and the Company to the previous owners of the acquiree, and equity interests issued by the Group and the Company. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the Company and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognized in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group and the Company measure any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group and the Company incur in connection with a business combination such as legal fees, other professional and consulting fees are expensed as incurred.

##### Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the Federation of Accounting Professions.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

### Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in the statement of profit or loss and the statement of profit or loss and other comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

### Interests in equity - accounted investees

The Group's interests in equity-accounted investees comprise interests in an associate and joint ventures.

The Company's interests in equity-accounted investees comprise interests in subsidiaries.

Associate is entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Joint venture is a joint arrangement whereby the parties that have a joint control arrangement have rights to the net assets of the arrangement. The investment in a joint venture is accounted for in the consolidated financial statements using the equity method and is recognized initially at cost.

Interests in an associate, subsidiaries and joint ventures are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated and separate financial statements include the Group's and the Company's share of profit or loss of equity-accounted investees in the profit or loss and other comprehensive income, until the date on which significant influence or joint control ceases.

### Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 3.2 Foreign currencies

#### Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (Thai Baht) of the Group at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency using the foreign exchange rates ruling at the dates of the transactions.

### 3.3 Financial instruments

Financial assets and financial liabilities are recognized in the Group and the Company consolidated statement of financial position and separate statement of financial position when the Group and the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### Financial assets

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

#### Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset;

- The Group and the Company may irrevocable elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (2) below); and
- The Group and the Company may irrevocable designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (3) below).

### (1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognized in profit or loss and is included in the “finance income” line item.

### (2) Debt instruments classified as at FVTOCI

On initial recognition, the Group and the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

The Group and the Company have designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

### (3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (1) to (2) above) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss and is included in the “gain (loss) from fair value measurement of derivative assets” line item. Fair value is determined in the manner described in Note 3.23

### Impairment of financial assets

The Group and the Company recognize a loss allowance for expected credit losses on, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group and the Company always recognize lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

### (1) Write-off policy

The Group and the Company write off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

### (2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

### **Financial liabilities**

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

A financial liability may be designated as at FVTPL upon initial recognition if;

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's and the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Financial liabilities measured subsequently at amortized cost



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

### Derivative financial instruments

The Group and the Company enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of interest rate risk in cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements;

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationships; and
- The hedged ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

### Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group use financial instruments to manage exposure of fluctuations in foreign currency exchange and interest rates. These instruments, which mainly comprise forward contracts and interest rate swap are recorded in the financial statements on the contract date. The purpose of these instruments is to mitigate risk.

Swap and forward contracts prevent effect from fluctuations in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled. Swap and forward contracts are recorded as other financial assets or liabilities on inception, and are translated at the end of the reporting period exchange rate. Unrealized gains or losses on transactions are recognized in the statement of profit or loss. Premiums or discounts are amortized in the statement of profit or loss on a straight-line basis over the contract period.

Interest rate swap contracts prevent effects from fluctuations in floating interest rates. Any differential to be received or paid on an interest rate swap contracts are recognized as a component of interest income or expense over the period of such instrument. Gains or losses of early termination of interest rate swap contracts or on earlier repayment of the borrowing are recognized in the statement of profit or loss.

### 3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash, cash at banks type current accounts, saving accounts and fixed accounts not exceeding 3 months excluding cash at banks used as collateral and highly liquid short-term investments with original maturities of three months or less.

### 3.5 Trade and other current receivables

Trade receivables, other receivables are stated at cost less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.3.

### 3.6 Inventories

Inventories comprise mobile phones, sim cards and spare parts used for repairs and services.

Inventories are stated at the lower of cost and net realizable value. The Group's and the Company's cost of inventories are calculated by using moving weighted average method.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance for obsolete are decline in value are made for all deteriorated, changed, obsolete and slow-moving inventories.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 3.7 Investments

Investments in an associate, subsidiaries and joint ventures

Investments in subsidiaries in the separate financial statements of the Company and investment in an associate and joint ventures in the consolidated financial statements are accounted for using the equity method.

Investments in fixed deposit at banks, other debt and equity securities

Fixed deposit at bank is classified as part of current investment with maturities over three months, not exceeding one year.

### 3.8 Property, plant and equipment

Recognition and measurement

Owned assets

Property is stated at cost less allowance for impairment (if any).

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items for each major components of property, plant and equipment.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net in the statement of profit or loss.

Leased assets

Leases in terms of which the Group and the Company substantially assume all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and allowance for impairment losses. Lease payments are apportioned between the finance cost and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance cost are recognized in the statement of profit or loss.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit or loss as incurred.

### Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of plant and equipment, or other amount substituted for cost, less its residual value.

Depreciation is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building improvements	5 - 30 years
Leasehold building improvements	5 - 10 years
Computer, tools and equipment	3 - 20 years
Furniture, fixtures and office equipment	2 - 18 years
Vehicles	5 years

The Group and the Company have no depreciation provided on freehold land and assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### 3.9 Right-of-use assets and Lease liabilities

The Group and the Company as lessee

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, The Group and the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company uses its incremental borrowing rate.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position and the separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group and the Company incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and Company expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term as follows:

Land and Building	1 - 11	years
Spectrum License	6	years
Leasehold for Tower	9	years
Equipment for Telecom	1 - 15	years
Office Building	1 - 5	years
Vehicle	1 - 5	years

The right-of-use assets are presented as a separate line in the consolidated statement of financial position and the separate statement of financial position.

The Group and the Company apply TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group and the Company has used this practical expedient.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of space and equipment.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance lease or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies TFRS 15 to allocate the consideration under the contract to each component.

### 3.10 Intangible assets

#### Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in Note 3.1. Subsequent to initial recognition, goodwill is measured at cost less impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount.

#### Spectrum licenses

Spectrum licenses represent with its value measured at the cash equivalent price based on the present value of the installments. The difference between the total payment to be made and the cash equivalent price is recognized as finance cost over the license fee payment period, with the cost being amortized starting on date of the license effective.

#### Other intangible assets

Other intangible assets are consist of customer relationship, customer contracts, fibre optics licenses and software licenses which are acquired by the Group and the Company, which have finite useful lives, are measured at cost less accumulated amortization and impairment losses (if any).

#### Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in the statement of profit or loss.

#### Amortization

Amortization is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The estimated useful lives are as follows:

Spectrum licenses	Over the license period
Customer relationship	5 years
Customer contracts	5 years
Fibre optics licenses	Over the remaining agreement period
Software licenses	3 - 10 years

The Group and the Company have no amortization provided on asset under installation.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### 3.11 Other assets

Deferred charges

Deferred charges represent International circuit and cost of motion picture production are stated at cost less accumulated amortization and impairment losses (if any).

Amortization

Amortization is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

International circuit	Over the agreement period
Cost of motion picture production	Over the agreement period

### 3.12 Impairment

The carrying amounts of the Group's and the Company's assets are reviewed at the end of the reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of profit or loss.



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the assets' value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### Reversals of impairment

An impairment loss in respect of goodwill is not reversed.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized in the statement of profit or loss.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at the end of the reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 3.13 Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the borrowings on an effective interest basis.

### 3.14 Trade and other current payables

Trade and other current payables are stated at cost.

### 3.15 Employee benefits

#### Provident fund

The Group and the Company had provident funds which is a defined contribution plan. The fund's asset of the provident fund is separated from the Group's and the Company's asset and has been managed by a licensed fund manager. The provident fund receives a cash contribution from employee and the related Group and the Company. The contribution expenditure of the provident fund is recognized as expense in the statement of profit or loss of the reporting period that transaction occurred.

#### Post-employment benefit and long-term service award

The provision in respect of post-employment benefits that provide compensation according to labour law and long-term service award are recognized in the Group's and the Company's financial statements based on calculations by a qualified actuary using the projected unit credit method.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group and the Company recognized all gains (losses) on remeasurements of defined benefit plans arising from provisions for employee benefit in statement of profit or loss and other comprehensive income and all expenses related to provisions for employee benefit in the statement of profit or loss.

### Termination benefits

Termination benefits are recognized as an expense in the statement of profit or loss when the Group and the Company are committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy or the Group and the Company have made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the end of the reporting period, then they are discounted to their present value.

### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognized as an expense in the statement of profit or loss as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group and the Company have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

### Share-based payments

The Group measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date.

The expense of the Project is recognized in the statement of profit or loss from operation corresponding to the increase in “reserve for share-based payment transaction” in shareholders’ equity over the periods in which the service conditions are fulfilled.

## 3.16 Provisions

A provision is recognized if, as a result of a past event, the Group and the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

## 3.17 Recognition of revenue and expense

### Revenue recognition

Revenue is measured at the fair value of the standalone selling price of each performance obligation in contracts.

Revenue from sale of goods recognized in statement of profit or loss when control is passed to the buyer.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Revenue from rendering of services from providing internet and other services recognized when the services are transferred to customers.

Revenue from design contract and installation of internet network, computer and communication (“ICT”) recognize based on percentage of completion at the end of reporting period and in the period which the services were provided.

Revenue from contracts with multiple elements are allocated by fair value of standalone selling price in each performance obligation. In case of contracts have both obligations to perform at point of time and overtime, difference from revenue recognition and performance obligations at the beginning of contracts is recognized as contract assets or contract liabilities and recognized over the contracts periods.

Contract assets stated at net book value after allowance for terminate contracts

Allowance for terminate contracts is mostly assessed primarily on analysis of payment histories, future expectations of customer payments and cancellation contracts history. Contract assets will be written off when contracts are cancelled.

Costs of obtaining a contract

Cost of obtaining the contract is the commission paid to acquire the contract with the customers is recorded as an asset stated at net book value after allowance for impairment (if any) and recognized as an expense systematically over the contract periods in accordance with the revenue recognition from contracts. In case of costs of obtaining a contract’s amortization period is less than 1 year, the Group and the Company will recognized costs of obtaining a contract as expenses when incurred.

Rental income

Rental income from rental equipment is recognized in the statement of profit or loss and on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income.

Interest income

Interest income is recognized in the statement of profit or loss on the accrual basis.

Expense

Expense is recognized in the statement of profit or loss on the accrual basis.

### 3.18 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, fair value losses on financial assets at fair value through the statement of profit or loss, impairment losses recognized on financial assets (other than trade receivables), and losses on hedging instruments that are recognized in the statement of profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit or loss using the effective interest method.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 3.19 Tax expense

Tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in the statement of profit or loss except to the extent that they relate to a business combination, or items recognized directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted and any tax adjustment items in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group and the Company expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the end of the reporting period.

In determining the amount of current and deferred tax, the Group and the Company take into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group and the Company believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group and the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the reporting period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 3.20 Earnings per share

The Group and the Company present basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group and the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted with own shares held and the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

### 3.21 Segment financial information

Segment results that are reported to the Group's Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

### 3.22 Use of management's judgement

The preparation of financial statements in conformity with Thai Financial Reporting Standards ("TFRSs") also requires the Group's and the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Significant judgements in applying accounting policies are as follows:

#### The recognition cost of assets and depreciation method

Recognition of cost of assets incurred as part of the carrying amount of property, plant and equipment and intangible assets ended when the management has determined that the assets is in a working condition for their intended use of the management. Moreover, the accounting policies regarding to depreciation methods and estimated useful life of the asset requires management's judgments to review each financial year.

#### Impairment

The Group shall assess the assets balance at the statement of financial position whether there is any indication that an asset may be impaired. If any such indication exists, the Group shall estimate the recoverable amount of the asset.

#### Recognition of deferred tax assets associated with tax losses carryforward

Deferred tax assets are recognized to the extent that it is probable that it will be utilized in the future and the Company has assessed it to be probable that the Company will generate taxable income sufficient to fully utilize the tax losses that exist.

#### Significant commercial disputes and litigations

Item required to use management judgement in provision estimation from significant disputes and litigations because the outcome of litigations has not been finalized.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 3.23 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements are determined on such basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

### 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, are as follows:

	Notes	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Cash on hand		15	11	1	1
Cash at bank - current accounts	35	977	605	(4)	(1)
Cash at bank - savings accounts	35	13,127	19,529	473	615
Cash at bank - fixed accounts not exceeding 3 months		1	1	-	-
Highly liquid short-term investment		-	185	-	-
		14,120	20,331	470	615
<u>Less</u> Specifically-designated bank deposits	5	(1,381)	(1,910)	-	-
<b>Total</b>		<b>12,739</b>	<b>18,421</b>	<b>470</b>	<b>615</b>

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The currencies denomination of cash and cash equivalents as at December 31, are as follows:

	Notes	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Thai Baht (THB)		12,610	17,075	470	615
US Dollar (USD)	36	52	788	-	-
Euro (EUR)	36	77	558	-	-
<b>Total</b>		<b>12,739</b>	<b>18,421</b>	<b>470</b>	<b>615</b>

As at December 31, 2021, the effective interest rate of the Group and the Company on cash and cash equivalents are 0.01% - 1.95% and 0.01% - 0.35% per annum, respectively (as at December 31, 2020: 0.01% - 1.75% and 0.01% - 0.45% per annum, respectively).

### 5. SPECIFICALLY-DESIGNATED BANK DEPOSITS

In order to comply with the Notification of the Bank of Thailand applicable to the electronic cash card business, the subsidiaries held deposits at call with banks not less than to the subsidiaries' outstanding balance of advance received from customers which cannot be used for other purposes apart from payments to service providers in the consolidated financial statements as at December 31, 2021 amounting to Baht 1,381 million (as at December 31, 2020 : amounting to Baht 1,910 million).

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 6. TRADE AND OTHER CURRENT RECEIVABLE

Trade and other current receivables as at December 31, are as follows:

	Notes	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
<b>Trade receivables</b>					
Related parties	35				
Trade receivables		83	37	211	15
Accrued income		60	16	5	-
		<u>143</u>	<u>53</u>	<u>216</u>	<u>15</u>
Other parties					
Trade receivables		10,064	10,668	103	179
Accrued income		6,689	7,727	-	1,574
		<u>16,753</u>	<u>18,395</u>	<u>103</u>	<u>1,753</u>
<b>Total trade receivables</b>		<u>16,896</u>	<u>18,448</u>	<u>319</u>	<u>1,768</u>
<u>Less</u> Allowance for expected credit losses		<u>(1,677)</u>	<u>(1,869)</u>	<u>(95)</u>	<u>(97)</u>
<b>Trade receivables - net</b>		<u>15,219</u>	<u>16,579</u>	<u>224</u>	<u>1,671</u>
<b>Other receivables</b>					
Prepaid expense		1,093	1,028	37	21
Account receivables - cash card/ refill on mobile		53	74	-	-
Value-added tax receivable		170	49	-	-
Others	35	17	51	161	62
<b>Total other receivables</b>		<u>1,333</u>	<u>1,202</u>	<u>198</u>	<u>83</u>
<b>Total trade and other current receivables</b>		<u>16,552</u>	<u>17,781</u>	<u>422</u>	<u>1,754</u>
 (Reversal of) Expected credit loss for the years ended December 31,		 <u>1,838</u>	 <u>2,876</u>	 <u>(11)</u>	 <u>(2)</u>



## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Aging analysis for trade receivables are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Related parties</b>				
Current - overdue 3 months	127	43	216	15
Overdue 3 - 6 months	6	3	-	-
Overdue 6 - 12 months	5	3	-	-
Overdue over 12 months	5	4	-	-
	<u>143</u>	<u>53</u>	<u>216</u>	<u>15</u>
<b>Other parties</b>				
Current - overdue 3 months	15,439	14,450	-	1
Overdue 3 - 6 months	745	729	-	-
Overdue 6 - 12 months	288	1,325	-	-
Overdue over 12 months	281	1,891	103	1,752
	<u>16,753</u>	<u>18,395</u>	<u>103</u>	<u>1,753</u>
Less Allowance for expected credit losses	(1,677)	(1,869)	(95)	(97)
	<u>15,076</u>	<u>16,526</u>	<u>8</u>	<u>1,656</u>
<b>Trade receivables - net</b>	<u>15,219</u>	<u>16,579</u>	<u>224</u>	<u>1,671</u>

The normal credit term granted by the Group and the Company ranges from 14 days to 120 days.

The following table shows the movement in lifetime expected credit losses that has been recognized for trade receivables by collectively assessed in accordance with the simplified approach set out in TFRS 9.

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Balance as at January 1,</b>	(1,869)	(1,765)	(97)	(98)
Provision for expected credit losses	(2,286)	(3,054)	-	-
Amounts written off	2,258	2,770	-	-
Amounts recovered	220	180	2	1
<b>Balance as at December 31,</b>	<u>(1,677)</u>	<u>(1,869)</u>	<u>(95)</u>	<u>(97)</u>

The currencies denomination of trade receivables as at December 31, are as follows:

	Notes	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Thai Baht (THB)		14,851	16,096	224	1,671
US Dollar (USD)	36	358	453	-	-
Euro (EUR)	36	2	7	-	-
Japanese Yen (JPY)	36	8	21	-	-
Singapore Dollar (SGD)	36	-	2	-	-
<b>Total</b>		<u>15,219</u>	<u>16,579</u>	<u>224</u>	<u>1,671</u>

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020, the Group and the Company have the outstanding balance of accrued income of revenue sharing in international direct dial service (“IDD”) which is presented in overdue 12 months of Baht 1,584 million and Baht 1,574 million, respectively (as at December 31, 2021: Nil).

On January 16, 2013, the Company has submitted a dispute to the Arbitration Institute demanding National Telecom Public Company Limited (“NT”) (see Note 38) to pay this receivable plus interest, the total amount of Baht 1,526 million.

On May 1, 2017, the Arbitral Tribunal gave the arbitration award to order NT to pay the revenue sharing of international call service from November 2008 to September 2012 to the Company in the amount of Baht 1,355 million and plus interest since date of the arbitration award until fully repayment date at 7.5% per annum of the principal amount. Moreover, NT has to pay the revenue sharing of international phone service from October 2012 to the ending of the Agreement for operation on September 30, 2015, or until the agreement is amended or renewed.

On September 7, 2017, the Company received a Black case No.1148/2560 dated July 17, 2017, which NT has filed to revoke the Arbitral Tribunal’s award ordering NT to pay the revenue share of international call service as mention above.

On January 22, 2021, the Central Administrative Court has resolved to dismiss NT’s petition, resulting in NT shall pay the revenue share of international direct dialing service to the Company in accordance with the Arbitration ruling.

Subsequently, on February 18, 2021, NT filed an appeal a Black case No.Or 107/2564 to the Supreme Administrative Court.

On November 26, 2013, Digital Phone Company Limited (“DPC”), a subsidiary, has submitted a dispute to the Central Administrative Court demanding NT to pay the revenue sharing of IDD of Baht 9 million plus interest rate at 7.5% per annum until the date of dispute submission, the total amount of Baht 11 million.

On May 31, 2018, the Central Administrative Court gave the decision and order NT to pay for the revenue sharing of IDD to DPC of Baht 2.56 million plus interest rate at 7.5% per annum of principal amount from the date of dispute submission until full payment which shall be paid within 60 days from the date that the case was decided.

On June 29, 2018, DPC has appealed to the Supreme Administrative Court under the disagreement with the Central Administrative Court’s decision ordering NT to pay for the revenue sharing of IDD from the remuneration rate of usage and connection in accordance with the National Telecommunication Commission Order No. 11/2553 regarding “the Notification of Inter Connection charge on Telecommunication” which such rate was not the mutually agreed rate between DPC and NT from revenue share agreement.

On September 8, 2021, the Company and DPC have agreed to settle the disputes against NT as specified under Note 38 Significant Events, Commercial Disputes and Litigations. As a result of this settlement, accrued income of Baht 1,584 million and Baht 1,574 million were reduced in the consolidated and separate statements of financial position, respectively.

The Company, DPC and NT hence submitted dispute withdrawal to the Supreme Administrative Court on September 8, 2021, which the court decided to dispose of the cases as requested on October 1, 2021 and October 18, 2021.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 7. CONTRACT ASSETS

Contract assets as at December 31 are as follows: (Separate financial statements : nil)

	Unit: Million Baht	
	Consolidated	
	financial statements	
	2021	2020
<b>Current assets</b>		
Sales of device and monthly service contract	2,100	1,715
Less Allowance for expected credit losses	(280)	(267)
<b>Contract assets - net</b>	<b>1,820</b>	<b>1,448</b>
Loss on terminate contract for the year ended December 31,	144	525

Contract assets are from sales of device and monthly service contract with customers. The contract assets are from price allocation to device sales which are recognized revenues at point in time, when the Group transferred control of device to customers. Contract asset will decrease relative to monthly service in each month. Monthly network service are recognized revenues at over time and percentage of completion.

Contract assets which is terminated or expected to be terminated before end of contract period are reduced and recognized as loss from terminate contract.

The following table shows the movement in lifetime expected credit losses that has been recognized for contract assets in accordance with the simplified approach set out in TFRS 9. (Separate financial statements : nil)

	Unit: Million Baht	
	Consolidated	
	financial statements	
	2021	2020
<b>Balance as at January 1,</b>	(267)	(350)
(Reversal of) Provision for expected credit losses	(13)	83
<b>Balance as at December 31,</b>	<b>(280)</b>	<b>(267)</b>

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 8. INVENTORIES

Inventories as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Finished goods	2,126	2,423	-	-
Spare parts for mobile phone network maintenance	163	125	-	-
	2,289	2,548	-	-
<u>Less</u> allowance for obsolescence and decline in value of inventory	(185)	(176)	-	-
<b>Inventories - net</b>	<b>2,104</b>	<b>2,372</b>	<b>-</b>	<b>-</b>

The Group recognized expenses in respect of (reversal of) allowance for obsolescence and decline in value of inventory for the year ended December 31, 2021 and 2020 in consolidated financial statements of Baht 9 million and Baht (46) million, respectively (separate financial statements : nil).

### 9. INVESTMENTS IN AN ASSOCIATE AND JOINT VENTURES

Movements in investment in an associate in the consolidated financial statements for the years ended December 31, are as follows: (separate financial statement : nil)

	Unit: Million Baht Consolidated financial statements	
	2021	2020
As at January 1,	32	25
Share of profit from investment in an associate	3	7
<b>As at December 31,</b>	<b>35</b>	<b>32</b>

For the years ended December 31, 2021 and 2020, the Group has no purchase and sale transactions of investment in an associate.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movements in investment in joint ventures for the years ended December 31, are as follows:

	<b>Consolidated financial statements</b>		<b>Unit: Million Baht Separate Financial statements</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
As at January 1,	799	636	-	-
Additional investments	300	247	300	-
Dividends received during the years	(15)	(9)	-	-
Currency conversion	8	3	-	-
Share of loss from investment in joint ventures	(144)	(78)	-	-
<b>As at December 31,</b>	<b>948</b>	<b>799</b>	<b>300</b>	<b>-</b>

### Investments in joint ventures

#### Digital Games International Pte Ltd. (“DGI”)

On February 13, 2020, the Company’s Board of Directors’ meeting approved a resolution to invest in Digital Games International Pte Ltd. (“DGI”), Singapore. Subsequently, on March 24, 2020, AIS Digital Life Co., Ltd. (“ADL”), formerly named Wireless Device Supply Co., Ltd (“WDS”), a subsidiary, has entered into the joint venture agreement with SK Telecom Co., Ltd. (“SKT”), South Korea and Digital Gaming Investment Pte Ltd., Singapore for investing 33.33% holding or 10,000,000 shares of DGI at Singapore Dollar 1, totaling Singapore Dollar 10 million or Baht 226 million to expand into online gaming market.

#### Saha Advance Network Co., Ltd.

On May 7, 2020, the Company’s Board of Directors’ meeting approved Advanced Broadband Network Co., Ltd. (“ABN”), a subsidiary, has entered into the shareholders agreement with Saha Pathana Inter Holding Plc. to invest in Saha Advance Network Co., Ltd. (“SAN”). The business purpose is to provide fiber optic network in the industrial park of Sahapat Group. SAN have authorized share capital of Baht 30 million, consisting of 300,000 ordinary shares at par value of Baht 100 each. SAN called for full share subscription and established with the Department of Business Development, Ministry of Commerce on July 13, 2020. ABN invested in SAN 209,998 shares at Baht 100 each, totaling Baht 21 million, representing 70% of authorized share capital of SAN.

#### AISCB Co., Ltd. (“AISCB”)

On September 21, 2021, the Company’s Board of Directors’ meeting approved a resolution the Company has entered into the joint venture agreement with Siam Commercial Bank Public Company Limited (“SCB”) to investment in AISCB Co., Ltd. (“AISCB”). The business purpose is to provide the digital lending via online platform. AISCB have authorized share capital of Baht 600 million, consisting of 6,000,000 ordinary shares at par value of Baht 100 each and has established with the Department of Business Development, Ministry of Commerce on October 25, 2021. The Company invested in AISCB by 3,000,000 shares at Baht 100 each, totaling Baht 300 million, representing 50% of authorized share capital of AISCB.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Investments in an associate and joint ventures as at December 31, and dividend income from those investments for the years then ended are as follows:

									Unit: Million Baht	
	% of Ownership interest		Paid-up capital		Consolidated financial statements				Dividend received for the years	
					Cost		Equity			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Associate										
Information Highway Co., Ltd.	29	29	50	50	<u>15</u>	<u>15</u>	<u>35</u>	<u>32</u>	<u>-</u>	<u>-</u>
Joint ventures										
Amata Network Co., Ltd.	60	60	100	100	<u>60</u>	<u>60</u>	<u>141</u>	<u>114</u>	<u>15</u>	<u>9</u>
Rabbit Line Pay Co., Ltd.	33.33	33.33	600	600	<u>787</u>	<u>787</u>	<u>428</u>	<u>490</u>	<u>-</u>	<u>-</u>
Digital Games International Pte Ltd.	33.33	33.33	678	678	<u>226</u>	<u>226</u>	<u>58</u>	<u>175</u>	<u>-</u>	<u>-</u>
Saha Advance Network Co., Ltd.	70	70	30	30	<u>21</u>	<u>21</u>	<u>20</u>	<u>20</u>	<u>-</u>	<u>-</u>
AISCB Co., Ltd.	50	-	600	-	<u>300</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>-</u>	<u>-</u>

									Unit: Million Baht	
	% of Ownership interest		Paid-up capital		Separate financial statements		Equity		Dividend received	
					Cost				for the years	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Joint venture										
AISCB Co., Ltd.	50	-	600	-	300	-	300	-	-	-

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Summarized financial position in respect of an associate and joint ventures and performance for the years then ended are as follows:

											Unit: Million Baht
	Reporting date	% of Ownership interest	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Profit/(loss)
<b>2021</b>											
<b>Associate</b>											
Information Highway Co., Ltd.	December 31	29	69	406	475	110	249	359	184	172	12
<b>Joint ventures</b>											
Amata Network Co., Ltd.	December 31	60	152	110	262	25	1	26	109	38	71
Rabbit Line Pay Co., Ltd.	December 31	33.33	1,123	195	1,318	692	307	999	256	441	(185)
Digital Games International Pte Ltd.	December 31	33.33	223	3	226	53	-	53	90	465	(375)
Saha Advance Network Co., Ltd.	December 31	70	28	5	33	5	-	5	3	3	-
AISCB Co., Ltd.	December 31	50	600	-	600	-	-	-	-	-	-
<b>2020</b>											
<b>Associate</b>											
Information Highway Co., Ltd.	December 31	29	63	448	511	113	296	409	164	139	25
<b>Joint ventures</b>											
Amata Network Co., Ltd.	December 31	60	113	101	214	23	1	24	96	36	60
Rabbit Line Pay Co., Ltd.	December 31	33.33	586	228	814	304	6	310	166	352	(186)
Digital Games International Pte Ltd.	December 31	33.33	454	107	561	36	-	36	3	165	(162)
Saha Advance Network Co., Ltd.	December 31	70	29	-	29	-	-	-	-	1	(1)

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Reconciliation of the above summarized financial information to the carrying amount of the interest in joint ventures recognized in the consolidated financial statements is as follows:

	<b>Unit: Million Baht</b>	
	<b>Consolidated</b>	
	<b>financial statements</b>	
	<b>2021</b>	<b>2020</b>
<b>Rabbit - Line Pay Co., Ltd.</b>		
Net assets of the joint ventures	319	504
Proportion of the Group's ownership interest in the joint ventures (%)	33.33	33.33
	106	168
Goodwill	322	322
Carrying amount of the Group's interest in the joint venture	428	490

### 10. INVESTMENTS IN SUBSIDIARIES

Movements in investments in subsidiaries for the years ended December 31, are as follows:

	<b>Unit: Million Baht</b>	
	<b>Separate</b>	
	<b>financial statements</b>	
	<b>2021</b>	<b>2020</b>
<b>Subsidiaries</b>		
Balance as at January 1,	33,819	27,265
Dividend received during the years	(23,064)	(19,964)
Share of profit of subsidiaries accounted for using equity method	26,189	26,757
Share of gain/(loss) of other comprehensive income in subsidiaries accounted for using equity method	410	(265)
Invested in share capital of a subsidiary	-	26
<b>As at December 31,</b>	<b>37,354</b>	<b>33,819</b>

#### Invested in share capital of subsidiaries

##### Advanced Broadband Network Co., Ltd.

On May 7, 2020, the Company's Board of Directors' meeting approved Advanced Broadband Network Co., Ltd. ("ABN"), a subsidiary, increased in the share capital totaling Baht 25 million. Subsequently, on June 23, 2020, ABN registered to increase in the share capital from Baht 75 million which is 750,000 ordinary shares at Baht 100 each to Baht 100 million which is 1,000,000 ordinary shares at Baht 100 each with the Ministry of Commerce.

##### LearnDi Co., Ltd.

On May 7, 2020, the Company's Board of Directors' meeting approved a resolution to approve the establishment of a company named LearnDi Company Limited ("LearnDi") as a subsidiary to provide training and seminar through online and e-learning platform. LearnDi have authorized share capital of Baht 1 million, consisting of 100,000 ordinary shares at par value of Baht 10 each. LearnDi called for full share subscription and established with the Department of Business Development, Ministry of Commerce on July 3, 2020. The Company invested in LearnDi 99,997 shares at Baht 10 each, totaling Baht 1 million, representing 99.99% of authorized share capital of LearnDi.



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Investments in subsidiaries as at December 31 and dividend received for the years then ended, are as follows:

	Unit: Million Baht									
	Ownership interest		Paid-up capital		Separate financial statements Cost		Investment as equity method		Dividend received for the years	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	%	%								
<b>Subsidiaries</b>										
Advanced Contact Center Co., Ltd.	99.99	99.99	272	272	811	811	509	447	242	200
Digital Phone Co., Ltd.	98.55	98.55	914	914	10,226	10,226	4,179	4,173	-	-
Advanced Magic Card Co., Ltd.	99.99	99.99	250	250	250	250	277	277	-	-
Advanced Mpay Co., Ltd.	99.99	99.99	300	300	336	336	1,051	931	946	621
AIN GlobalComm Co., Ltd.	99.99	99.99	100	100	100	100	122	130	147	35
Advanced Wireless Network Co., Ltd.	99.99	99.99	1,350	1,350	1,485	1,485	24,184	20,990	9,913	10,955
Super Broadband Network Co., Ltd.	99.99	99.99	300	300	300	300	2,271	2,095	3,863	2,550
AIS Digital Life Co., Ltd. (Formerly named Wireless Device Supply Co., Ltd.)	99.99	99.99	50	50	50	50	(114)	68	141	221
Fax Lite Co., Ltd.	99.98	99.98	1	1	1	1	2,523	2,640	5,175	4,595
MIMO Tech Co., Ltd.	99.99	99.99	50	50	50	50	2,120	1,883	2,623	766
Advanced Broadband Network Co., Ltd.	99.99	99.99	100	100	100	100	211	176	14	21
Advanced Digital Distribution Co., Ltd.	99.99	99.99	5	5	5	5	16	8	-	-
LearnDi Co., Ltd.	99.99	99.99	1	1	1	1	5	1	-	-
<b>Total</b>					<u>13,715</u>	<u>13,715</u>	<u>37,354</u>	<u>33,819</u>	<u>23,064</u>	<u>19,964</u>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 11. OTHER NON-CURRENT FINANCIAL ASSETS AND OTHER LONG-TERM INVESTMENTS

Other non-current financial and other-long term investments assets as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Investment in equity securities measured at fair value through other comprehensive income		101	110	63	68
Interest rate swap	36	9	-	-	-
<b>Total</b>		<b>110</b>	<b>110</b>	<b>63</b>	<b>68</b>

### 12. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment for the years ended December 31, are as follows:

As at December 31, 2021

		Consolidated financial statements			Unit: Million Baht
	Balance as at January 1, 2021	Increase	Decrease	Transfer/ Other	Balance as at December 31, 2021
<b>Cost</b>					
Land	704	-	-	-	704
Building and building improvements	740	3	-	12	755
Leasehold building improvements	2,199	143	(136)	5	2,211
Computer, tools and equipment	259,614	16,142	(1,470)	2,804	277,090
Furniture, fixtures and office equipment	2,084	101	(66)	20	2,139
Vehicles	46	3	(10)	-	39
<b>Total</b>	<b>265,387</b>	<b>16,392</b>	<b>(1,682)</b>	<b>2,841</b>	<b>282,938</b>
<b>Accumulated depreciation</b>					
Building and building improvements	(454)	(18)	-	-	(472)
Leasehold building improvements	(1,644)	(236)	129	-	(1,751)
Computer, tools and equipment	(140,228)	(26,662)	1,009	262	(165,619)
Furniture, fixtures and office equipment	(1,641)	(137)	64	-	(1,714)
Vehicles	(22)	(2)	1	-	(23)
<b>Total</b>	<b>(143,989)</b>	<b>(27,055)</b>	<b>1,203</b>	<b>262</b>	<b>(169,579)</b>
Assets under construction and installation	4,266	7,090	(84)	(3,109)	8,163
<u>Less</u> Allowance for unused equipment	(3,146)	(636)	104	-	(3,678)
<b>Property, plant and equipment</b>	<b>122,518</b>	<b>(4,209)</b>	<b>(459)</b>	<b>(6)</b>	<b>117,844</b>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Consolidated financial statements				Balance as at December 31, 2020
	Balance as at January 1, 2020	Increase	Decrease	Transfer/ Other	
<b>Cost</b>					
Land	703	1	-	-	704
Building and building improvements	737	2	(1)	2	740
Leasehold building improvements	2,051	240	(90)	(2)	2,199
Computer, tools and equipment	233,769	22,379	(339)	3,805	259,614
Furniture, fixtures and office equipment	2,023	93	(58)	26	2,084
Vehicles	35	24	(13)	-	46
Total	239,318	22,739	(501)	3,831	265,387
<b>Accumulated depreciation</b>					
Building and building improvements	(438)	(17)	1	-	(454)
Leasehold building improvements	(1,447)	(275)	78	-	(1,644)
Computer, tools and equipment	(112,818)	(27,720)	310	-	(140,228)
Furniture, fixtures and office equipment	(1,553)	(141)	53	-	(1,641)
Vehicles	(21)	(3)	2	-	(22)
Total	(116,277)	(28,156)	444	-	(143,989)
Assets under construction and installation	4,814	3,283	-	(3,831)	4,266
Less Allowance for unused equipment	(2,446)	(700)	-	-	(3,146)
<b>Property, plant and equipment</b>	<b>125,409</b>	<b>(2,834)</b>	<b>(57)</b>	<b>-</b>	<b>122,518</b>

Depreciation for the years ended December 31,

2021

Million Baht 27,055

2020

Million Baht 28,156

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2021

Unit: Million Baht

	Separate financial statements				Balance as at December 31, 2021
	Balance as at January 1, 2021	Increase	Decrease	Transfer/ Other	
<b>Cost</b>					
Building and building improvements	128	-	-	-	128
Leasehold building improvements	303	19	(18)	4	308
Computer, tools and equipment	65	4	(1)	-	68
Furniture, fixtures and office equipment	526	5	(31)	-	500
Vehicles	20	2	(5)	-	17
Total	1,042	30	(55)	4	1,021
<b>Accumulated depreciation</b>					
Building and building improvements	(127)	-	-	-	(127)
Leasehold building improvements	(279)	(12)	18	-	(273)
Computer, tools and equipment	(63)	(1)	1	-	(63)
Furniture, fixtures and office equipment	(512)	(6)	31	-	(487)
Vehicles	(5)	(1)	1	-	(5)
Total	(986)	(20)	51	-	(955)
Assets under construction and installation	-	7	-	(4)	3
<b>Property, plant and equipment</b>	56	17	(4)	-	69

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Separate financial statements		
	Balance as at January 1, 2020	Increase	Decrease
			Balance as at December 31, 2020
<b>Cost</b>			
Building and building improvements	128	-	-
Leasehold building improvements	306	13	(16)
Computer, tools and equipment	67	1	(3)
Furniture, fixtures and office equipment	536	6	(16)
Vehicles	13	13	(6)
Total	1,050	33	(41)
<b>Accumulated depreciation</b>			
Building and building improvements	(127)	-	-
Leasehold building improvements	(280)	(15)	16
Computer, tools and equipment	(65)	(1)	3
Furniture, fixtures and office equipment	(520)	(7)	15
Vehicles	(5)	(2)	2
Total	(997)	(25)	36
<b>Property, plant and equipment</b>	53	8	(5)

Depreciation for the years ended December 31,

2021	Million Baht	20
2020	Million Baht	25

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 13. RIGHT-OF-USE ASSETS

Movement in right-of-use assets for the year ended December 31, are as follows:

As at December 31, 2021

	Unit: Million Baht			
	Consolidated financial statements			
	Balance as at January 1, 2021	Additions	Disposals	Balance as at December 31, 2021
<b>Cost</b>				
Land and Building	6,739	3,208	(1,919)	8,028
Spectrum License	20,582	-	-	20,582
Leasehold for Tower	39,599	-	-	39,599
Equipment for Telecom	895	568	(281)	1,182
Office Building	2,329	1,161	(593)	2,897
Vehicle	359	16	(87)	288
Total	70,503	4,953	(2,880)	72,576
<b>Accumulated depreciation</b>				
Land and Building	(2,471)	(3,190)	1,781	(3,880)
Spectrum License	(3,689)	(3,679)	-	(7,368)
Leasehold for Tower	(4,408)	(4,396)	-	(8,804)
Equipment for Telecom	(228)	(417)	246	(399)
Office Building	(841)	(1,048)	526	(1,363)
Vehicle	(143)	(116)	71	(188)
Total	(11,780)	(12,846)	2,624	(22,002)
<b>Right-of use assets</b>	<b>58,723</b>	<b>(7,893)</b>	<b>(256)</b>	<b>50,574</b>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

### Consolidated financial statements

	Balance as at January 1, 2020	Additions	Disposals	Balance as at December 31, 2020
<b>Cost</b>				
Land and Building	4,362	3,051	(674)	6,739
Spectrum License	20,582	-	-	20,582
Leasehold for Tower	39,599	-	-	39,599
Equipment for Telecom	844	252	(201)	895
Office Building	1,180	1,349	(200)	2,329
Vehicle	317	98	(56)	359
Total	66,884	4,750	(1,131)	70,503
<b>Accumulated depreciation</b>				
Land and Building	-	(3,137)	666	(2,471)
Spectrum License	-	(3,689)	-	(3,689)
Leasehold for Tower	-	(4,408)	-	(4,408)
Equipment for Telecom	(48)	(340)	160	(228)
Office Building	-	(1,033)	192	(841)
Vehicle	(78)	(119)	54	(143)
Total	(126)	(12,726)	1,072	(11,780)
<b>Right-of use assets</b>	66,758	(7,976)	(59)	58,723

Depreciation for the year ended December 31,

2021	Million Baht	12,774*
2020	Million Baht	12,644*

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### As at December 31, 2021

Unit: Million Baht

	Separate financial statements		
	Balance as at January 1, 2021	Additions	Disposals
			Balance as at December 31, 2021
<b>Cost</b>			
Office Building	315	94	(20)
Vehicle	31	3	(14)
Total	346	97	(34)
<b>Accumulated depreciation</b>			
Office Building	(103)	(111)	6
Vehicle	(17)	(7)	12
Total	(120)	(118)	18
<b>Right-of use assets</b>	226	(21)	(16)

### As at December 31, 2020

Unit: Million Baht

	Separate financial statements		
	Balance as at January 1, 2020	Additions	Disposals
			Balance as at December 31, 2020
<b>Cost</b>			
Office Building	14	312	(11)
Vehicle	51	-	(20)
Total	65	312	(31)
<b>Accumulated depreciation</b>			
Office Building	-	(113)	10
Vehicle	(28)	(9)	20
Total	(28)	(122)	30
<b>Right-of use assets</b>	37	190	(1)

### Depreciation for the year ended December 31,

2021	Million Baht	117*
2020	Million Baht	122

\* During the year, the Group and the Company have received reduction in lease payments by lessors from the impacts from COVID - 19 outbreak in amount of Baht 72 million and Baht 1 million, respectively, for the year ended December 31, 2021 (For the year ended December 31, 2020: Baht 82 million and nil). The Group and the Company reversed depreciation of right-of-use assets and interest on lease liabilities recognized in each period in proportion to the reduction, with any differences then recognized in profit or loss.



## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 14. GOODWILL

Movements in goodwill for the years ended December 31, are as follows:

	Unit: Million Baht	
	Consolidated financial statements	
	2021	2020
<b>Cost</b>		
As at January 1,	17,199	17,199
Increased from business acquisition	-	-
<b>As at December 31,</b>	<b>17,199</b>	<b>17,199</b>
<b>Accumulated amortization</b>		
As at January 1,	(7,662)	(7,662)
<b>As at December 31,</b>	<b>(7,662)</b>	<b>(7,662)</b>
<b>Allowance for impairment</b>		
As at January 1,	(6,655)	(6,655)
<b>As at December 31,</b>	<b>(6,655)</b>	<b>(6,655)</b>
<b>Total</b>	<b>2,882</b>	<b>2,882</b>

### 15. SPECTRUM LICENSES

Movements in spectrum licenses in the consolidated financial statements for the years ended December 31, are as follows: (separate financial statements: nil)

As at December 31, 2021

	Unit: Million Baht		
	Consolidated financial statements		
	Balance as at January 1, 2021	Additions	Balance as at December 31, 2021
<b>Cost</b>			
Spectrum licenses	153,227	33,232	186,459
<b>Total</b>	<b>153,227</b>	<b>33,232</b>	<b>186,459</b>
<b>Accumulated Amortization</b>			
Spectrum licenses	(43,008)	(11,676)	(54,684)
<b>Total</b>	<b>(43,008)</b>	<b>(11,676)</b>	<b>(54,684)</b>
<b>Spectrum licenses</b>	<b>110,219</b>	<b>21,556</b>	<b>131,775</b>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

			Unit: Million Baht
Consolidated financial statements			
	Balance as at January 1, 2020	Additions	Balance as at December 31, 2020
<b>Cost</b>			
Spectrum licenses	136,444	16,783	153,227
Total	136,444	16,783	153,227
<b>Accumulated Amortization</b>			
Spectrum licenses	(33,370)	(9,638)	(43,008)
Total	(33,370)	(9,638)	(43,008)
<b>Spectrum licenses</b>	103,074	7,145	110,219
<b>Amortization for the years ended December 31,</b>			
2021		Million Baht	11,676
2020		Million Baht	9,638

On allocation license of spectrum for telecommunications service in 700 MHz by Advanced Wireless Network Company Limited (“AWN”), a subsidiary, is at the price of Baht 17,584 million. According to the terms and conditions, AWN paid 1<sup>st</sup> installment by 10% of the fee plus VAT, totalling Baht 1,881 million on January 13, 2021 and submitted bank guarantee to pay the remaining fee to the NBTC. For the 2<sup>nd</sup> installment to 10<sup>th</sup> installment of 10% of the fee plus VAT each will be paid annually since date of the first installment. Later on, January 15, 2021, AWN is now officially granted the license to operate 700 MHz from the National Broadcasting and Telecommunications Commission (“NBTC”). AWN recognized unrealized adjustment value of spectrum license for spectrum license 900 MHz (see Note 1) of Baht 3,284 million with the cost of spectrum license 700 MHz.

On February 18, 2021, Advanced Wireless Network Company Limited (“AWN”), a subsidiary, is the auction winner for 26 GHz license at the bidding price of Baht 5,345 million. AWN is now officially granted the license to operate 26 GHz from the National Broadcasting and Telecommunications Commission (“NBTC”). According to the auction terms and conditions, AWN paid full amount of the fee plus VAT, totalling Baht 5,719 million on February 18, 2021.

On April 1, 2021, Advanced Wireless Network Company Limited (“AWN”), a subsidiary, is the auction winner for 700 MHz license at the bidding price of Baht 17,154 million. AWN is now officially granted the license to operate 700MHz from the National Broadcasting and Telecommunications Commission (“NBTC”). According to the auction terms and conditions, AWN paid 1<sup>st</sup> installment by 10% of the license price plus VAT, totalling Baht 1,835 million on March 16, 2021 and submitted bank guarantee to pay the remaining fee to the NBTC. For the 2<sup>nd</sup> installment to 10<sup>th</sup> installment of 10% of the fee plus VAT each will be paid annually since date of the first installment.

The costs of spectrum licenses are initially recognized by measuring at the cash equivalent price based on the present value of its acquisition cost.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 16. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Movements in other intangible assets other than goodwill for the years ended December 31, are as follows:

As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements				
	Balance as at January 1, 2021	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2021
<b>Cost</b>					
Customer relationship	167	-	-	-	167
Customer contracts	139	-	-	-	139
Fibre optics licences	86	-	-	-	86
Software licenses	14,255	4,700	(2)	173	19,126
Total	14,647	4,700	(2)	173	19,518
<b>Accumulated amortization</b>					
Customer relationship	(105)	(36)	-	-	(141)
Customer contracts	(90)	(31)	-	-	(121)
Fibre optics licences	(77)	(9)	-	-	(86)
Software licenses	(7,568)	(1,793)	2	-	(9,359)
Total	(7,840)	(1,869)	2	-	(9,707)
Assets under installation	316	949	(45)	(167)	1,053
<b>Other intangible assets</b>	7,123	3,780	(45)	6	10,864

As at December 31, 2020

Unit: Million Baht

	Consolidated financial statements				
	Balance as at January 1, 2020	Additions	Disposals	Transfer/ Other	Balance as at December 31, 2020
<b>Cost</b>					
Customer relationship	167	-	-	-	167
Customer contracts	139	-	-	-	139
Fibre optics licences	86	-	-	-	86
Software licenses	11,421	2,803	(48)	79	14,255
Total	11,813	2,803	(48)	79	14,647
<b>Accumulated amortization</b>					
Customer relationship	(69)	(36)	-	-	(105)
Customer contracts	(59)	(31)	-	-	(90)
Fibre optics licences	(69)	(8)	-	-	(77)
Software licenses	(6,249)	(1,328)	9	-	(7,568)
Total	(6,446)	(1,403)	9	-	(7,840)
Assets under installation	101	294	-	(79)	316
<b>Other intangible assets</b>	5,468	1,694	(39)	-	7,123

Amortization for the years ended December 31,

2021

Million Baht

1,869

2020

Million Baht

1,403

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### As at December 31, 2021

Unit: Million Baht

	Separate financial statements			
	Balance as at January 1, 2021	Additions	Disposals	Transfer/ Other
<b>Cost</b>				
Software licenses	323	3	-	-
Total	323	3	-	-
<b>Accumulated amortization</b>				
Software licenses	(317)	(3)	-	-
Total	(317)	(3)	-	-
<b>Other intangible assets</b>	6	-	-	-

### As at December 31, 2020

Unit: Million Baht

	Separate financial statements			
	Balance as at January 1, 2020	Additions	Disposals	Transfer/ Other
<b>Cost</b>				
Software licenses	323	-	-	-
Total	323	-	-	-
<b>Accumulated amortization</b>				
Software licenses	(312)	(5)	-	-
Total	(312)	(5)	-	-
<b>Other intangible assets</b>	11	(5)	-	-

### Amortization for the years ended December 31,

2021

Million Baht 3

2020

Million Baht 5

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 17. DEFERRED TAX ASSETS

Deferred tax assets and liabilities as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets	4,698	4,480	492	489
Deferred tax liabilities	(462)	(360)	(5)	(4)
<b>Deferred tax - net</b>	<b>4,236</b>	<b>4,120</b>	<b>487</b>	<b>485</b>

Movements in deferred tax assets and liabilities for the years ended December 31, are as follows:

As at December 31, 2021

	Unit: Million Baht Consolidated financial statements			Balance as at December 31, 2021
	Balance as at January 1, 2021	(Charged)/credited to Profit or loss	Other Comprehensive Income	
<b>Deferred tax assets</b>				
Trade receivables (allowance for expected credit loss)	333	(26)	-	307
Inventories (allowance for obsolescence and decline in value)	35	2	-	37
Unearned income - mobile phone service (income recognized difference)	289	137	-	426
Accrued expense	410	-	-	410
Provisions for employee benefit	656	27	-	683
Spectrum licenses payable (deferred interest)	1,205	162	-	1,367
Allowance for unused equipment	352	(55)	-	297
Other current financial liabilities	60	(55)	-	5
Other non-current financial liabilities	230	-	(98)	132
Leased liabilities	294	144	-	438
Others	616	(20)	-	596
<b>Total</b>	<b>4,480</b>	<b>316</b>	<b>(98)</b>	<b>4,698</b>
<b>Deferred tax liabilities</b>				
Contract assets	(290)	(74)	-	(364)
Other non-current assets	(11)	(43)	(1)	(55)
Others	(59)	16	-	(43)
<b>Total</b>	<b>(360)</b>	<b>(101)</b>	<b>(1)</b>	<b>(462)</b>
<b>Deferred tax - net</b>	<b>4,120</b>	<b>215</b>	<b>(99)</b>	<b>4,236</b>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

	Unit: Million Baht		
	Consolidated financial statements		
	Balance as at January 1, 2020	(Charged)/credited to Profit or loss	Other Comprehensive Income
	Balance as at December 31, 2020		
<b>Deferred tax assets</b>			
Trade receivables (allowance for expected credit loss)	326	7	-
Inventories (allowance for obsolescence and decline in value)	44	(9)	-
Unearned income - mobile phone service (income recognized difference)	467	(178)	-
Accrued expense	410	-	-
Provisions for employee benefit	588	46	22
Loss carry forward	75	(75)	-
Spectrum licenses payable (deferred interest)	991	214	-
Allowance for unused equipment	448	(96)	-
Other current financial liabilities	26	34	-
Other non-current financial liabilities	180	-	50
Leased liabilities	-	294	-
Others	590	26	-
<b>Total</b>	<b>4,145</b>	<b>263</b>	<b>72</b>
<b>Deferred tax liabilities</b>			
Contract assets	(374)	84	-
Other non-current assets	(12)	-	1
Others	(74)	15	-
<b>Total</b>	<b>(460)</b>	<b>99</b>	<b>1</b>
<b>Deferred tax - net</b>	<b>3,685</b>	<b>362</b>	<b>73</b>

As at December 31, 2021

	Unit: Million Baht		
	Separate financial statements		
	Balance as at January 1, 2021	(Charged)/credited to Profit or loss	Other comprehensive income
	Balance as at December 31, 2021		
<b>Deferred tax assets</b>			
Accrued expense	410	-	-
Provisions for employee benefit	79	3	-
<b>Total</b>	<b>489</b>	<b>3</b>	<b>-</b>
<b>Deferred tax liabilities</b>			
Other non-current assets	(4)	-	1
Others	-	(2)	-
<b>Total</b>	<b>(4)</b>	<b>(2)</b>	<b>1</b>
<b>Deferred tax - net</b>	<b>485</b>	<b>1</b>	<b>1</b>

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Balance as at January 1, 2020	Separate financial statements (Charged)/credited to Profit or loss	Other comprehensive income	Balance as at December 31, 2020
<b>Deferred tax assets</b>				
Accrued expense	410	-	-	410
Provisions for employee benefit	66	7	6	79
Loss carry forward	74	(74)	-	-
<b>Total</b>	<b>550</b>	<b>(67)</b>	<b>6</b>	<b>489</b>
<b>Deferred tax liabilities</b>				
Other non-current assets	(4)	-	-	(4)
<b>Total</b>	<b>(4)</b>	<b>-</b>	<b>-</b>	<b>(4)</b>
<b>Deferred tax - net</b>	<b>546</b>	<b>(67)</b>	<b>6</b>	<b>485</b>

Deferred tax assets arising from significant temporary differences and loss carry forward that have not been recognized in the financial statements as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Others	19	19	19	19
<b>Total</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>

As at December 31, 2020, the Group have not recognized temporary difference as deferred tax assets in respect of loss carry forward expired in 2020 - 2024 and no maturity temporary differences under current tax legalization recognized in respect of these items, because it is not probable that future taxable profit will be available against which the Group can utilize the benefits from them.

As at December 31, 2021, the Group have not recognized temporary difference as deferred tax assets in respect of loss carry forward expired in 2021 - 2025 and no maturity temporary differences under current tax legalization recognized in respect of these items, because it is not probable that future taxable profit will be available against which the Group can utilize the benefits from them.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 18. INTEREST-BEARING LIABILITIES

Interest-bearing liabilities as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
<b>Current</b>					
Short-term borrowing from financial institutions		-	4,900	-	-
Current portion of long-term liabilities					
- Current portion of long-term borrowings from financial institution		13,382	12,072	-	-
- Current portion of long-term borrowings from a related party - net	35	750	-	-	-
- Current portion of long-term debentures	35	-	1,776	-	-
Total current portion of long-term liabilities		14,132	13,848	-	-
Current portion of lease liabilities	35	10,537	10,213	146	116
Short-term borrowings from related parties	35	-	-	5,840	5,080
Total current		24,669	28,961	5,986	5,196
<b>Non-current</b>					
Long-term liabilities					
- Long-term borrowings from Financial institution - net		22,333	33,685	-	-
- Long-term borrowing from a related party - net	35	14,249	14,999	-	-
- Long-term debentures - net	35	37,114	30,617	6,493	-
Total long-term liabilities		73,696	79,301	6,493	-
Lease liabilities - net	35	40,598	48,151	50	119
Total non-current		114,294	127,452	6,543	119
<b>Total</b>		138,963	156,413	12,529	5,315

The periods to maturity of interest-bearing liabilities as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Within one year	24,669	28,961	5,986	5,196
After one year but within five years	80,389	82,245	1,049	119
After five years	33,905	45,207	5,494	-
<b>Total</b>	138,963	156,413	12,529	5,315

The currencies denomination of interest-bearing liabilities as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Thai Baht (THB)		138,869	156,364	12,529	5,315
US Dollar (USD)	36	94	49	-	-
<b>Total</b>		138,963	156,413	12,529	5,315



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Long-term borrowings

The details of long-term borrowings as at December 31, are summarized as follows: (separate financial statement: nil)

Interest rate (per annum)	Term of interest payment	Principal payment term	Unit: Million Baht	
			Consolidated financial statements	
			2021	2020
Advanced Wireless Network Co., Ltd.				
Fixed interest rate as stipulated in the agreement	Semi-annual	4 equal installments from 2019 to 2021	-	1,250
Fixed interest rate as stipulated in the agreement	Semi-annual	7 equal installments from 2019 to 2022	1,429	2,857
6MBIBOR plus margin	Semi-annual	6 equal installments from 2020 to 2023	10,500	17,000
6MBIBOR plus margin	Semi-annual	5 equal installments from 2019 to 2023	2,800	4,200
6MTHBFIX plus margin	Semi-annual	6 equal installments from 2021 to 2023	3,000	4,500
Fixed interest rate as stipulated in the agreement	Semi-annual	2 equal installments in 2022*	1,961	1,961
6MTHBFIX plus margin	Semi-annual	6 equal installments from 2023 to 2026	2,000	2,000
6MTHBFIX plus margin	Quarterly	4 equal installments from 2024 to 2025	10,000	10,000
6MTHBFIX plus margin	Semi-annual	6 installments from 2025 to 2027	2,000	2,000
Fixed interest rate as stipulated in the agreement	Semi-annual	6 equal installments from 2025 to 2027	600	-
6MBIBOR plus margin	Semi-annual	10 equal installments from 2022 to 2025	300	-
6MBIBOR plus margin	Semi-annual	10 equal installments from 2021 to 2026	270	-
6MBIBOR plus margin	Semi-annual	3 equal installments from 2024 to 2026	300	-
6MBIBOR plus margin	Semi-annual	9 equal installments from 2023 to 2025	300	-
6MBIBOR plus margin	Semi-annual	9 equal installments from 2024 to 2028	300	-
Total loans			35,760	45,768
Less transaction cost			(45)	(11)
Long-term borrowings			35,715	45,757

\* The Group has amended long-term loan agreement with the bank to change the currency from US Dollar to Thai Baht in order to hedge for foreign exchange risk and interest rate risk. Loan tenor and other conditions remain unchanged.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Long-term debentures

As at December 31, the Group and the Company's long-term debentures represent unsubordinated and unsecured debentures with a par value of Baht 1,000 each are as follows:

						Unit: Million Baht			
Issue date	No. of units (Million)	Amount	Interest rate (per annum)	Term of interest payment	Principal payment term	Consolidated		Separate	
						financial statements		financial statements	
						As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Advanced Info Service PCL.									
May 7, 2021	1.00	1,000	Fixed interest rate of 1.58%	Semi-annual	Entirely redeemed on May 7, 2026	1,000	-	1,000	-
May 7, 2021	2.50	2,500	Fixed interest rate of 2.14%	Semi-annual	Entirely redeemed on May 7, 2028	2,500	-	2,500	-
May 7, 2021	3.00	3,000	Fixed interest rate of 2.69%	Semi-annual	Entirely redeemed on May 7, 2031	3,000	-	3,000	-
Advanced Wireless Network Co., Ltd.									
April 11, 2014	1.78	1,776	Fixed interest rate of 4.56%	Semi-annual	Entirely redeemed on April 11, 2021	-	1,776	-	-
April 11, 2014	6.64	6,638	Fixed interest rate of 4.94%	Semi-annual	Entirely redeemed on April 11, 2024	6,638	6,638	-	-
May 11, 2016	7.82	7,820	Fixed interest rate of 2.51%	Semi-annual	Entirely redeemed on May 11, 2023	7,820	7,820	-	-
May 11, 2016	7.18	7,180	Fixed interest rate of 2.78%	Semi-annual	Entirely redeemed on May 11, 2026	7,180	7,180	-	-
November 30, 2017	9.00	9,000	Fixed interest rate of 3.35%	Semi-annual	Entirely redeemed on November 30, 2027	9,000	9,000	-	-
Total debentures						37,138	32,414	6,500	-
Less bond issuing cost						(24)	(21)	(7)	-
Long-term debentures						37,114	32,393	6,493	-

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Under the terms and conditions of the long-term borrowings and debentures, the Group has to comply with certain restrictions.

As at December 31, 2021, the Group and the Company have no undrawn borrowings (as at December 31, 2020: Baht 30,500 million and Nil, respectively).

The carrying amount and fair values of long-term debentures (gross of issue costs) as at December 31, are as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	Carrying amount	Fair values*		
	2021	2020	2021	2020
Long-term debentures	37,138	32,414	38,762	34,623

	Unit: Million Baht			
	Separate financial statements			
	Carrying amount	Fair values*		
	2021	2020	2021	2020
Long-term debentures	6,500	-	6,534	-

\* Fair values for traded debentures have been determined based on quoted selling prices from The Thai Bond Market Association at the close of the business at the end of the reporting period.

Movement of interest-bearing liabilities arising from financing activities for the years ended December 31, are as follows:

	Unit: Million Baht						
	Consolidated financial statements						
	Short-term borrowings from financial institutions	Short-term borrowings from related parties	Long-term borrowings from Financial institutions	Long-term borrowing from a related party	Long-term debentures	Lease Liabilities	Total
As at January 1, 2021	4,900	-	45,757	14,999	32,393	58,364	156,413
Cash flows items:							
Additions	4,000	400	2,100	-	6,500	-	13,000
Repayments	(8,900)	(400)	(12,109)	-	(1,776)	(11,882)	(35,067)
Borrowing cost	-	-	(48)	-	(8)	-	(56)
Total Cash flows items	(4,900)	-	(10,057)	-	4,716	(11,882)	(22,123)
Non-cash items:							
Addition	-	-	-	-	-	4,881	4,881
Terminate	-	-	-	-	-	(234)	(234)
Unrealized loss on foreign exchange rate	-	-	-	-	-	6	6
Amortization as expense	-	-	15	-	5	-	20
Total non-cash items	-	-	15	-	5	4,653	4,673
As at December 31, 2021	-	-	35,715	14,999	37,114	51,135	138,963

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Unit: Million Baht

	Consolidated financial statements						
	Short-term borrowings from financial institutions	Short-term borrowings from related parties	Long-term borrowings from Financial institutions	Long-term borrowing from a related party	Long-term debentures	Lease Liabilities	Total
<b>As at January 1, 2020</b>	-	-	58,576	2,999	32,388	65,430	159,393
<b>Cash flows items:</b>							
Additions	8,900	2,100	12,000	12,000	-	-	35,000
Repayments	(4,000)	(2,100)	(24,829)	-	-	(11,754)	(42,683)
<b>Total Cash flows items</b>	4,900	-	(12,829)	12,000	-	(11,754)	(7,683)
<b>Non-cash items:</b>							
Addition	-	-	-	-	-	4,684	4,684
Unrealized loss on foreign exchange rate	-	-	-	-	-	4	4
Amortization as expense	-	-	10	-	5	-	15
<b>Total non-cash items</b>	-	-	10	-	5	4,688	4,703
<b>As at December 31, 2020</b>	4,900	-	45,757	14,999	32,393	58,364	156,413

Unit: Million Baht

	Separate financial statements			
	Short-term borrowings from related parties	Long-term debentures	Lease liabilities	Total
<b>As at January 1, 2021</b>	5,080	-	235	5,315
<b>Cash flows items:</b>				
Addition	2,590	6,500	-	9,090
Repayments	(1,830)	-	(119)	(1,949)
Borrowing cost	-	(8)	-	(8)
<b>Total cash flows items</b>	760	6,492	(119)	7,133
<b>Non-cash changes items:</b>				
Addition	-	-	96	96
Terminate	-	-	(16)	(16)
Amortization as expenses	-	1	-	1
<b>Total non-cash changes items</b>	-	1	80	81
<b>As at December 31, 2021</b>	5,840	6,493	196	12,529

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

	Unit: Million Baht		
	Separate financial statements		Total
	Short-term borrowings from related parties	Lease liabilities	
As at January 1, 2020	4,920	50	4,970
<b>Cash flows items:</b>			
Additions	1,500	-	1,500
Repayments	(1,340)	(125)	(1,465)
<b>Total Cash flows items</b>	<u>160</u>	<u>(125)</u>	<u>35</u>
<b>Non-cash items:</b>			
Addition	-	310	310
<b>Total non-cash items</b>	<u>-</u>	<u>310</u>	<u>310</u>
<b>As at December 31, 2020</b>	<u>5,080</u>	<u>235</u>	<u>5,315</u>

The effective weighted interest rates as at December 31, are as follows:

	Consolidated financial statements		Unit: Percent per annum	
	2021	2020	Separate financial statements 2021	2020
Short-term borrowings	-	0.72	0.49	0.58
Long-term borrowings	2.17	2.18	-	-
Long-term debentures	3.17	3.41	2.31	-
Lease liabilities	2.52	2.24	2.16	2.19

The effective weighted interest rates of long-term borrowings for the Group and the Company are calculated with the rate after hedging.

### 19. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht	
		2021	2020	Separate financial statements 2021	2020
<b>Trade payables</b>					
Related parties	35	116	80	62	14
Other parties		<u>26,629</u>	<u>22,302</u>	<u>29</u>	<u>43</u>
<b>Total trade payables</b>		<u>26,745</u>	<u>22,382</u>	<u>91</u>	<u>57</u>
<b>Other payables</b>					
Accrued expenses	35	16,582	16,752	2,669	2,706
Valued-added tax payable		334	212	9	9
Withholding tax payable		230	248	9	8
Others		<u>1,164</u>	<u>977</u>	<u>-</u>	<u>-</u>
<b>Total other payables</b>		<u>18,310</u>	<u>18,189</u>	<u>2,687</u>	<u>2,723</u>
<b>Total trade and other current payables</b>		<u>45,055</u>	<u>40,571</u>	<u>2,778</u>	<u>2,780</u>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The currencies denomination of trade payables as at December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Thai Baht (THB)		7,423	9,056	32	49
US Dollar (USD)	36	19,241	13,314	-	-
Euro (EUR)	36	12	2	-	-
Yen (JPY)	36	7	-	-	-
Singapore Dollar (SGD)	36	59	10	59	8
Australian Dollar (AUD)	36	3	-	-	-
<b>Total</b>		<b>26,745</b>	<b>22,382</b>	<b>91</b>	<b>57</b>

### 20. SPECTRUM LICENSES PAYABLE

Spectrum licenses payable in the consolidated financial statements as at December 31, are as follows: (separate financial statements: nil)

	Note	Unit: Million Baht Consolidated financial statements	
		2021	2020
<b>Spectrum licenses payable</b>			
License certificate no. NBTC/FREQ/TEL/55/1 (Addendum no.2)	1	28,563	35,218
License certificate no. NBTC/FREQ/TEL/55/1 (Addendum no.3)	1	-	3,095
License certificate no. NBTC/FREQ/TEL/55/1 (Addendum no.4)	1	15,485	15,136
License certificate no. FREQ/TEL/001 (700 MHz) (Allocation License)	1	14,259	-
License certificate no. FREQ/TEL/001 (700 MHz) (Auction License)	1	14,012	-
		<u>72,319</u>	<u>53,449</u>
<u>Less</u> current portion of spectrum licenses payable		<u>(10,903)</u>	<u>(10,538)</u>
<b>Spectrum licenses payable</b>		<b>61,416</b>	<b>42,911</b>

Movements in spectrum licenses payable in the consolidated financial statements for the years ended December 31, are as follows: (separate financial statements: nil)

	Unit: Million Baht Consolidated financial statements	
	2021	2020
As at January 1,	53,449	61,789
Addition	36,486	16,783
Payments	(19,512)	(26,835)
Amortization of deferred interest expense	1,896	1,712
<b>As at December 31,</b>	<b>72,319</b>	<b>53,449</b>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 21. PROVISIONS FOR EMPLOYEE BENEFIT

The Group and the Company have provisions for employee benefit based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long - term service awards.

The defined benefit plans expose the Group and the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Provisions for employee benefit in the statement of financial position as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Present value of obligations	3,327	3,180	408	395

Movements in the present value of the provisions for employee benefit for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Provisions for employee benefit as at January 1,	3,180	2,860	395	329
Current service costs and interest	263	259	54	51
Benefits paid	(116)	(56)	(24)	(13)
Transfer employee to subsidiaries	-	-	(17)	(3)
Loss on remeasurements of defined benefit plans	-	112	-	31
Loss on remeasurements of long-term service awards	-	5	-	-
Provisions for employee benefit as at December 31,	3,327	3,180	408	395

Expense recognized in the statement of profit or loss for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Current service costs	203	191	30	40
Interest on obligations	60	68	7	8
Loss on remeasurements of long-term service awards	-	5	-	-
<b>Total</b>	<b>263</b>	<b>264</b>	<b>37</b>	<b>48</b>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group and the Company presented the expense in the statement of profit or loss for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Cost of rendering of services and equipment rental	49	15	26	36
Administrative expenses	152	174	2	2
Management benefit expenses	2	2	2	2
Finance costs	60	68	7	8
Loss on remeasurements of long-term service awards	-	5	-	-
<b>Total</b>	<b>263</b>	<b>264</b>	<b>37</b>	<b>48</b>

Loss on remeasurements of defined benefit plans recognized in the statement of profit or loss and other comprehensive income for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Included in retained earnings:</b>				
As at January 1,	171	59	251	220
Recognized during the year	-	112	-	31
<b>As at December 31,</b>	<b>171</b>	<b>171</b>	<b>251</b>	<b>251</b>

(Gains) loss on remeasurements of defined benefit plans recognized in the statement of profit or loss and other comprehensive income for the years ended December 31, are arising from:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Demographic assumptions	-	(145)	-	(12)
Financial assumptions	-	172	-	16
Experience adjustment	-	85	-	27
<b>Total</b>	<b>-</b>	<b>112</b>	<b>-</b>	<b>31</b>

Principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate	1.47% - 2.04%	1.47% - 2.04%	1.47% - 2.04%	1.47% - 2.04%
Future salary increases	5%	5%	5%	5%

Assumptions regarding future mortality for the years ended December 31, 2021 and 2020 are based on published statistics and Thailand Mortality Ordinary Life table 2017 ("TMO17").



## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Sensitivity analysis

Reasonably possible changes at the end of the reporting period to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the provisions for employee benefit as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
Discount rate				
- Increase 1%	(367)	(361)	(34)	(34)
- Decrease 1%	434	428	39	39
Future salary growth				
- Increase 1%	429	389	39	35
- Decrease 1%	(370)	(336)	(34)	(31)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 22. SHARE CAPITAL

Movements of share capital for the years ended December 31, are as follows:

	Par value per share (in Baht)	2021		(Million shares/million Baht) 2020	
		Number of share	Amount	Number of share	Amount
<b>Authorized</b>					
As at January 1,					
- ordinary shares	1.00	4,997	4,997	4,997	4,997
<b>As at December 31,</b>					
- ordinary shares	1.00	4,997	4,997	4,997	4,997
<b>Issued and paid</b>					
As at January 1,					
- ordinary shares	1.00	2,974	2,974	2,973	2,973
Increased during the period	1.00	-	-	1	1
<b>As at December 31,</b>					
- ordinary shares	1.00	2,974	2,974	2,974	2,974

As at December 31, 2021 and 2020, the total issued number of ordinary shares is 2,974 million and 2,974 million respectively, shares with a par value of Baht 1.00 per share. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On June 2, 2020, the Company has registered the increase in share capital with the Department of Business Development, Ministry of Commerce for 375,681 ordinary shares at a par value of Baht 1 each that results from the exercise of the warrant offered to directors and employees of the Group and the Company for 375,681 units which the exercise price on the warrant is Baht 166.588 and Baht 160.434 per share. The increasing in share capital results to increase in paid-up share capital and share premium of Baht 375,681 and Baht 60 million, respectively.

On June 2, 2021, the Company has registered the increase in share capital with the Department of Business Development, Ministry of Commerce for 371,478 ordinary shares at a par value of Baht 1 each that results from the exercise of the warrant offered to directors and employees of the Group and the Company for 371,478 units which the exercise price on the warrant is Baht 166.588 and Baht 160.434 per share. The increasing in share capital results to increase in paid-up share capital and share premium of Baht 371,478 and Baht 60 million, respectively.

### Share premium

According to the Public Companies Act B.E. 2535, Section 51 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

## 23. LEGAL RESERVE

According to the Public Companies Act B.E. 2535, section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

## 24. OTHER COMPONENTS OF SHAREHOLDERS' EQUITY

### Share-based payment

The performance share plan

### Grant IV

In March 2016, the Annual General Meeting of shareholders No.1/2016 approved to issue warrants to purchase the ordinary shares of the Company. The warrants are offered to employees of the Company and its subsidiaries, including the Board of Directors of the Company, who are qualified to the Performance share plan ("ESOP-Grant IV"). The major information is listed below:

Approved date:	March 29, 2016
Number of warrants offered:	826,900 Units
Exercise price:	166.588 Baht/share
Number of reserved shares:	826,900 Shares
Term of the Project:	5 years from the date of initial offer of the warrants
Offered price per unit:	Baht 0 (zero Baht)
Exercise ratio:	1 unit of warrant per 1 ordinary share

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Grant V

In March 2017, the Annual General Meeting of shareholders No.1/2017 approved to issue warrants to purchase the ordinary shares of the Company. The warrants are offered to employees of the Company and its subsidiaries, including the Board of Directors of the Company, who are qualified to the Performance share plan (“ESOP-Grant V”). The major information is listed below:

Approved date:	March 30, 2017
Number of warrants offered:	1,410,500 Units
Exercise price:	160.434 Baht/share
Number of reserved shares:	1,410,500 Shares
Term of the Project:	5 years from the date of initial offer of the warrants
Offered price per unit:	Baht 0 (zero Baht)
Exercise ratio:	1 unit of warrant per 1 ordinary share
Offer period:	Within one year from the date on which the issuance and offer of the warrant under the program is approved by the 2017 Annual General Meeting of shareholders

Movements in the number of outstanding warrants for the year ended December 31, 2021 are as follows:

	As at January 1, 2021	Transaction during the period			Unit: Thousand units As at December 31, 2021
		Issued	Exercised (See Note 22)	Expired	
<b>ESOP - Grant IV</b>					
- Directors	43	-	(8)	(35)	-
- Employees	493	-	(80)	(413)	-
	<u>536</u>	<u>-</u>	<u>(88)</u>	<u>(448)</u>	<u>-</u>
<b>ESOP - Grant V</b>					
- Directors	64	-	(25)	-	39
- Employees	705	-	(259)	-	446
	<u>769</u>	<u>-</u>	<u>(284)</u>	<u>-</u>	<u>485</u>
<b>Total</b>	<u>1,305</u>	<u>-</u>	<u>(372)</u>	<u>(448)</u>	<u>485</u>

\* Above ESOP including ESOP of employees or executives who cannot exercise their rights under the items and conditions specified.

### Fair value measurement

The Group and the Company measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date using the Monte Carlo Simulation technique. The major assumptions are as below:

### Grant IV

Weighted average fair value at the grant date	67.742 Baht/share
Share price at the grant date	165.000 Baht/share
Exercise price	166.588 Baht/share
Expected volatility	27.70%
Expected dividend	8.48%
Risk-free interest rate	1.72%

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Grant V

Weighted average fair value at the grant date	111.857 Baht/share
Share price at the grant date	172.500 Baht/share
Exercise price	160.434 Baht/share
Expected volatility	27.22%
Expected dividend	5.55%
Risk-free interest rate	2.01%

For the year ended December 31, 2021, the Group and the Company recognized share-based payment expense amounting to Baht 8 million and Baht 8 million, respectively, in the consolidated and separate financial statements (For the year ended December 31, 2020: Baht 18 million and Baht 18 million, respectively).

### Unrealized gain on dilution of investment

The unrealized gain on dilution of investment comprises the cumulative net change in portion of investment until the investment is sold or otherwise disposed.

## 25. SEGMENT FINANCIAL INFORMATION AND DISAGGREGATION OF REVENUE

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Chief Executive Officer (CEO) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group reportable segments.

Segment 1	Mobile phone services
Segment 2	Mobile phone and equipment sales
Segment 3	Datanet and broadband services

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Information about reportable segments

Performance for the years ended December 31, are as follows:

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Unit: Million Baht Total reportable segments	
	2021	2020	2021	2020	2021	2020	2021	2020
External revenue	133,151	133,664	35,943	28,765	12,239	10,461	181,333	172,890
Finance income	205	305	7	8	5	7	217	320
Finance costs	(5,617)	(5,907)	(1)	(1)	(8)	(9)	(5,626)	(5,917)
Depreciation and amortization	(50,190)	(49,291)	(13)	(11)	(3,171)	(2,539)	(53,374)	(51,841)
Material items of expenses	(15,647)	(17,115)	(1,539)	(2,047)	(605)	(637)	(17,791)	(19,799)
Segment profit (loss) before income tax expense	31,364	32,098	(1,341)	(2,080)	2,871	2,508	32,894	32,526

Reportable assets and liabilities as at December 31, are as follows:

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Unit: Million Baht Total reportable segments	
	2021	2020	2021	2020	2021	2020	2021	2020
Segment assets	335,289	334,214	6,648	5,459	14,285	10,498	356,222	350,171
Segment liabilities	265,097	267,566	5,300	3,968	4,000	2,947	274,397	274,481

The significant amount of additions to non-current assets for the years ended December 31, are as follows:

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Unit: Million Baht Total reportable segments	
	2021	2020	2021	2020	2021	2020	2021	2020
Capital expenditure	30,537	30,514	5	26	3,542	3,329	34,084	33,869

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Revenue

#### Disaggregation of revenue

The Group has recognized revenue from sale of goods and rendering of services to customer at a point in time and overtime by type of goods or main services according to the disclosure of segment financial information and disaggregation of revenue for the years ended December 31, are as follows:

		2021	Unit: Million Baht 2020
<b>External revenue</b>			
Segment 1	- Mobile phone services	133,151	133,664
Segment 2	- Mobile phone and equipment sales	35,943	28,765
Segment 3	- Datanet and broadband services	12,239	10,461
<b>Total</b>		<b>181,333</b>	<b>172,890</b>
<b>Timing of revenue recognition</b>			
<b>Point in time</b>			
Segment 2	- Mobile phone and equipment sales	35,943	28,765
Segment 3	- Datanet and broadband services	599	809
		<b>36,542</b>	<b>29,574</b>
<b>Overtime</b>			
Segment 1	- Mobile phone services	133,151	133,664
Segment 3	- Datanet and broadband services	11,640	9,652
		<b>144,791</b>	<b>143,316</b>
<b>Total</b>		<b>181,333</b>	<b>172,890</b>

#### Geographical segments

The Group manage and operate principally in Thailand. There are no material revenues derived from or assets located in foreign countries.

#### Major Customer

No single customer represents a major customer because the Group have large number of customers, who are end users covering business and individuals.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 26. REVENUE FROM RENDERING OF SERVICES AND EQUIPMENT RENTALS

For the year ended December 31, 2021 and 2020, the Company has no revenue from rendering of services from internet and telecommunication services under licenses granted by The National Broadcasting and Telecommunications Commission (“NBTC”).

	Note	Unit: Million Baht Separate financial statements	
		2021	2020
Other service income	35	1,992	1,960
<b>Total</b>		<u>1,992</u>	<u>1,960</u>

### 27. FINANCE INCOME

Finance income for the years ended December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Subsidiaries	35	-	-	428	382
Financial institutions		217	320	3	5
<b>Total</b>		<u>217</u>	<u>320</u>	<u>431</u>	<u>387</u>

### 28. OTHER INCOME

Other income for the years ended December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Bad debt recovery		-	190	-	9
Others	35	1,055	459	83	58
<b>Total</b>		<u>1,055</u>	<u>649</u>	<u>83</u>	<u>67</u>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 29. PROVIDENT FUND

The defined contribution plans comprise provident fund established by the Group and the Company for their employees. Membership of the fund is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Group and the Company at rates ranging from 3% to 7% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed fund manager.

For the year ended December 31, 2021, the Group and the Company recognized contribution paid to provident fund amounting to Baht 312 million and Baht 35 million, respectively, in the consolidated and separate statement of profit or loss (For the year ended December 31, 2020: Baht 311 million and Baht 35 million, respectively).

### 30. EXPENSES BY NATURE

The statements of profit or loss for the years ended December 31, include an analysis of expenses by function. Significant expenses by nature disclosed in accordance with the requirements of various Thai Financial Reporting Standards are as follows:

	Notes	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Depreciation of buildings and equipment	12	27,055	28,156	20	25
Depreciation of right-of-use assets	13	12,774	12,644	117	122
Amortization of spectrum licenses	15	11,676	9,638	-	-
Amortization of other intangible assets other than goodwill	16	1,869	1,403	3	5
Expected credit loss (bad debts recovery)	6	1,838	2,876	(11)	(2)
Loss on terminate contract assets	7	144	525	-	-
Distribution expenses		6,002	6,598	3	2
Staff costs		9,807	9,800	991	1,011

### 31. FINANCE COSTS

Finance costs for the years ended December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
Interest expense	35	2,410	2,725	125	39
Finance cost related to spectrum license		1,896	1,712	-	-
Interest on lease liabilities		1,235	1,395	4	5
Others		85	85	11	13
<b>Total</b>		<b>5,626</b>	<b>5,917</b>	<b>140</b>	<b>57</b>



## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 32. TAX EXPENSE

Tax expense (income) recognized in the statements of profit or loss for the years ended December 31, are as follows:

	Note	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
<b>Current tax expense</b>					
Current year		6,169	5,437	164	85
Adjustment for prior years		16	14	(3)	-
		<u>6,185</u>	<u>5,451</u>	<u>161</u>	<u>85</u>
<b>Deferred tax expense (income)</b>	17				
Movements in temporary differences		(215)	(362)	(1)	67
<b>Total tax expense (income)</b>		<u>5,970</u>	<u>5,089</u>	<u>160</u>	<u>152</u>

Tax expense (income) recognized in the statements of profit or loss and other comprehensive income for the year ended December 31, 2021 and 2020 are as follows:

	Unit: Million Baht Consolidated financial statements		
	Before tax	Tax (expense) benefit	Net of tax
<b>For the year ended December 31, 2021</b>			
Loss on investment in equity at fair value	(9)	2	(7)
Gain on cash flow hedges	507	(101)	406
<b>Total</b>	<u>498</u>	<u>(99)</u>	<u>399</u>

<b>For the year ended December 31, 2020</b>			
Loss on remeasurements of defined benefit plans	(112)	22	(90)
Loss on investment in equity at fair value	(3)	1	(2)
Loss on cash flow hedges	(251)	50	(201)
<b>Total</b>	<u>(366)</u>	<u>73</u>	<u>(293)</u>

	Unit: Million Baht Separate financial statements		
	Before tax	Tax (expense) benefit	Net of tax
<b>For the year ended December 31, 2021</b>			
Loss on investment in equity at fair value	(5)	1	(4)
<b>Total</b>	<u>(5)</u>	<u>1</u>	<u>(4)</u>

<b>For the year ended December 31, 2020</b>			
Loss on remeasurements of defined benefit plans	(31)	6	(25)
<b>Total</b>	<u>(31)</u>	<u>6</u>	<u>(25)</u>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Reconciliation of effective tax rate for the years ended December 31, are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Rate (%)	Rate (%)	Rate (%)	Rate (%)
Profit before income tax expense		32,894		32,526
Income tax using the applicable tax rate	20	6,579	20	6,505
Expenses not deductible for tax purposes (Addition expenditure deduction allowed)		(27)		24
Additional capital expenditure deduction allowed		(626)		(1,463)
Adjustment for prior years		16		14
Effect from elimination with subsidiaries		28		9
<b>Total</b>	18	5,970	16	5,089

	Unit: Million Baht			
	Separate financial statements		Separate financial statements	
	2021	2020	2021	2020
	Rate (%)	Rate (%)	Rate (%)	Rate (%)
Profit before income tax expense		27,082		27,586
Income tax using the applicable tax rate	20	5,416	20	5,517
Share of profit of subsidiaries		(5,238)		(5,351)
Additional expenditure deduction allowed net		(15)		(14)
Adjustment for prior years		(3)		-
<b>Total</b>	1	160	1	152

The Group and the Company have applied the tax rate of 20% for calculated income tax expense and deferred income tax for the years ended December 31, 2021 and 2020.

### 33. EARNINGS PER SHARE

#### Basic earnings per share

The calculation of basic earnings per share for the years ended December 31, are based on the profit for the years attributable to ordinary shareholders of the Group and the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	(in million Baht/million shares)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit attributable to ordinary shareholders of the Company (basic)	26,922	27,434	26,922	27,434
Weighted average number of ordinary shares outstanding (basic)	2,974	2,973	2,974	2,973
Earnings per share (basic) (in Baht)	9.05	9.23	9.05	9.23

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Diluted earnings per share

The calculation of diluted earnings per share for the years ended December 31, are based on the profit for the years attributable to equity holders of the Group and the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	(in million Baht/million shares)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Profit attributable to equity holders of the Company (basic)	26,922	27,434	26,922	27,434
<b>Profit attributable to equity holders of the Company (diluted)</b>	<b>26,922</b>	<b>27,434</b>	<b>26,922</b>	<b>27,434</b>
Weighted average number of ordinary shares outstanding (basic)	2,974	2,973	2,974	2,973
<b>Weighted average number of ordinary shares outstanding (diluted)</b>	<b>2,974</b>	<b>2,974</b>	<b>2,974</b>	<b>2,974</b>
<b>Earnings per share (diluted) (in Baht)</b>	<b>9.05</b>	<b>9.23</b>	<b>9.05</b>	<b>9.23</b>

### 34. DIVIDENDS

On February 6, 2020, the Board of Directors' Meeting passed a resolution proposing the payment of dividends for the year 2019, at the rate of Baht 7.34 per share, Baht 3.78 each of which was paid as an interim dividend on September 3, 2019.

Later, at the Board of Director's Meeting held on March 25, 2020, the Board approved to declare an interim dividend of Baht 3.56 per share, amounting to Baht 10,584 million. The interim dividend was paid to shareholders on April 22, 2020. At the Annual General Meeting of the Shareholders of the Company held on July 23, 2020, the shareholders acknowledged the interim dividend payments in 2019 at the rate of Baht 7.34 per share, amounting to Baht 21,823 million. The dividend was equivalent to 70% of net profit for the year based on consolidated financial statements in accordance with the Company's dividend policy and no further dividend payment shall be made from the fiscal year 2019 operation.

On August 6, 2020, the Board of Director's meeting approved to declare an interim dividend for Baht 3.24 per share, amounting to Baht 9,634 million. The interim dividend was paid to the shareholders on September 3, 2020.

At the Annual General Meeting of the Shareholders of the Company held on March 29, 2021, the shareholders approved the appropriation of dividend of Baht 6.92 per share. The Company paid an interim dividend at the rate of Baht 3.24 per share on September 3, 2020, therefore the remaining dividend to be paid is Baht 3.68 per share, amounting to Baht 10,942 million. The dividend was paid to shareholders on April 20, 2021.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On August 3, 2021, the Board of Director's meeting approved to declare an interim dividend for Baht 3.45 per share, amounting to Baht 10,260 million. The interim dividend was paid to the shareholders on September 1, 2021.

### 35. RELATED PARTIES

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

During the year, the Group and the Company have entered into a number of transactions with related parties, the terms of which are negotiated in the ordinary course of business and according to normal trade conditions. Purchases of products and services are charged at reasonable prices and those prices are comparable to the market rate with general trading conditions. Consulting and management service fees are charged on a mutually agreed basis which calculated based on activities portion which the Company performs to counter parties in each year.

Relationships between the Group and the Company with related parties are as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Subsidiaries	Thailand	Subsidiaries are entities controlled by the Group
Intouch Holdings Public Company Limited ("INTOUCH") and its related parties ("INTOUCH Group")	Thailand and Laos	INTOUCH is a shareholder who has significant influence over the Company and has some joint directors.
Singtel Strategic Investments Pte Ltd. ("Singtel") and its related parties ("Singtel Group")	Singapore	Singtel is a shareholder who has significant influence over the Company and has some joint directors.
Information Highway Co., Ltd.	Thailand	Information Highway Co., Ltd is an associate.
Amata Network Co., Ltd.	Thailand	Amata Network Co., Ltd. is a joint venture
Rabbit - Line Pay Company Limited	Thailand	Rabbit-Line Pay Company Limited is a joint venture
SAHA Advanced Network Co.,Ltd.	Thailand	SAHA Advanced Network Co., Ltd. is a joint venture
Digital Games International Pte Ltd.	Singapore	Digital Games International Pte Ltd. is a joint venture
Other related parties	Thailand	Other parties have some joint directors and directors of related parties

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Significant transactions with related parties for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Revenue from rendering of service and equipment rentals</b>				
Subsidiaries	-	-	1,991	1,959
INTOUCH Group	56	46	1	1
Singtel Group	22	52	-	-
Joint Venture	2	1	-	-
Other related parties	299	98	-	-
<b>Total</b>	<b>379</b>	<b>197</b>	<b>1,992</b>	<b>1,960</b>
<b>Dividend received from</b>				
Subsidiaries	-	-	23,065	19,964
Joint Venture	15	9	-	-
<b>Total</b>	<b>15</b>	<b>9</b>	<b>23,065</b>	<b>19,964</b>
<b>Finance income</b>				
Subsidiaries	-	-	428	382
Joint Venture	2	-	-	-
<b>Total</b>	<b>2</b>	<b>-</b>	<b>428</b>	<b>382</b>
<b>Other income</b>				
Subsidiaries	-	-	66	33
INTOUCH Group	12	5	-	-
Singtel Group	-	5	-	-
Joint venture	8	8	-	-
<b>Total</b>	<b>20</b>	<b>18</b>	<b>66</b>	<b>33</b>
<b>Rental and other service expenses</b>				
Subsidiaries	-	-	46	46
INTOUCH Group	111	160	8	14
Singtel Group	188	258	5	-
Joint venture	63	63	-	-
Associate	72	81	-	-
Other related parties	18	6	-	-
<b>Total</b>	<b>452</b>	<b>568</b>	<b>59</b>	<b>60</b>
<b>Advertising expense</b>				
INTOUCH Group	3	11	2	-
Singtel Group	1	-	-	-
Joint venture	4	-	-	-
<b>Total</b>	<b>8</b>	<b>11</b>	<b>2</b>	<b>-</b>
<b>Management benefit expenses</b>				
Short-term employee benefit	142	163	142	163
Long-term employee benefit	2	2	2	2
Share-based payments	1	3	1	3
<b>Total</b>	<b>145</b>	<b>168</b>	<b>145</b>	<b>168</b>
<b>Purchase of property and other assets</b>				
INTOUCH Group	7	36	3	-
<b>Total</b>	<b>7</b>	<b>36</b>	<b>3</b>	<b>-</b>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Finance costs</b>				
Subsidiaries	-	-	26	38
INTOUCH Group	1	2	-	-
Singtel Group	-	1	-	-
Associate	11	13	-	-
Other related parties	306	214	1	-
<b>Total</b>	<b>318</b>	<b>230</b>	<b>27</b>	<b>38</b>
<b>Dividend paid to</b>				
INTOUCH	8,575	8,178	8,575	8,178
Singtel Group	4,944	4,715	4,944	4,715
<b>Total</b>	<b>13,519</b>	<b>12,893</b>	<b>13,519</b>	<b>12,893</b>

Balances with related parties as at December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<b>Cash and cash equivalents</b>				
- Bank deposit				
Other related parties	203	137	1	1
<b>Trade and other current receivables</b>				
<b>Trade receivables</b>				
Subsidiaries	-	-	210	14
INTOUCH Group	32	9	-	-
Singtel Group	14	11	1	1
Joint Venture	2	1	-	-
Other related parties	35	16	-	-
	83	37	211	15
<b>Accrued income</b>				
Subsidiaries	-	-	5	-
INTOUCH Group	2	2	-	-
Singtel Group	8	5	-	-
Other related parties	50	9	-	-
	60	16	5	-
<b>Total trade receivables</b>	<b>143</b>	<b>53</b>	<b>216</b>	<b>15</b>
<b>Other receivables</b>				
- Accrued interest income				
Subsidiaries	-	-	161	62
<b>Total other receivables</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>62</b>
<b>Total trade and other current receivables</b> (see Note 6)	<b>143</b>	<b>53</b>	<b>377</b>	<b>77</b>

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<b>Right-of-use assets</b>				
INTOUCH Group	21	-	-	-
Singtel Group	13	12	-	-
Joint Venture	3	7	-	-
Associate	415	447	-	-
Other related parties	1	-	-	-
<b>Total right-of-use assets</b>	<b>453</b>	<b>466</b>	<b>-</b>	<b>-</b>
<b>Short-term loans to related parties</b>				
Subsidiaries	-	-	61,903	52,543

As at December 31, 2021, the Company has short-term loans to related parties represent promissory notes at call, bearing interest at the average rate of 0.77% per annum (as at December 31, 2020 : average rate of 0.47 % per annum).

Movements of short-term loans to related parties for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Short-term loans to related parties</b>				
As at January 1,	-	-	52,543	50,499
Increase	-	-	19,310	16,041
Decrease	-	-	(9,950)	(13,997)
<b>As at December 31,</b>	<b>-</b>	<b>-</b>	<b>61,903</b>	<b>52,543</b>

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<b>Long-term loans to related parties</b>				
Joint Venture	100	-	-	-

As at December 31, 2021, the Group has long-term loans to related parties represent credit facility agreement, bearing interest at the average rate of 4.32% per annum (Separate financial statements : Nil).

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movements of long-term loans to related parties for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Long-term loans to related parties</b>				
As at January 1,	-	-	-	-
Increase	100	-	-	-
<b>As at December 31,</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<b>Trade and other current payables</b>				
<b>Trade payables</b>				
Subsidiaries	-	-	2	5
INTOUCH Group	11	28	1	1
Singtel Group	96	43	59	8
Joint Venture	4	2	-	-
Associate	5	6	-	-
Other related parties	-	1	-	-
<b>Total trade payables</b>	<b>116</b>	<b>80</b>	<b>62</b>	<b>14</b>
<b>Other payables</b>				
- Accrued expenses				
Subsidiaries	-	-	7	20
INTOUCH Group	23	17	2	1
Singtel Group	3	3	-	-
Joint Venture	7	10	-	-
Associate	1	1	-	-
Other related parties	76	85	-	-
<b>Total other payables</b>	<b>110</b>	<b>116</b>	<b>9</b>	<b>21</b>
<b>Total trade and other current payables (see Note 19)</b>	<b>226</b>	<b>196</b>	<b>71</b>	<b>35</b>
<b>Lease liabilities</b>				
INTOUCH Group	21	-	-	-
Singtel Group	15	13	-	-
Joint Venture	3	7	-	-
Associate	424	459	-	-
Other related parties	-	1	-	-
<b>Total lease liabilities</b>	<b>463</b>	<b>480</b>	<b>-</b>	<b>-</b>
<b>Short-term borrowings from Related parties</b>				
Subsidiaries	-	-	5,840	5,080

As at December 31, 2021, short-term borrowings from related parties of the Company represent promissory notes at call, bearing interest at the average rate of 0.49% per annum and unsecured. (As at December 31, 2020 : average rate of 0.58% per annum).



## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movements of short-term borrowings from related parties for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Short-term borrowings from related parties</b>				
As at January 1,	-	-	5,080	4,920
Increase	-	-	2,590	1,500
Decrease	-	-	(1,830)	(1,340)
<b>As at December 31, (see Note 18)</b>	<b>-</b>	<b>-</b>	<b>5,840</b>	<b>5,080</b>

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<b>Current portion of long-term borrowings from a related party</b>				
Other related party	750	-	-	-
<b>Long-term borrowing from a related party - net</b>				
Other related party	14,249	14,999	-	-
<b>Total (see Note 18)</b>	<b>14,999</b>	<b>14,999</b>	<b>-</b>	<b>-</b>

As at December 31, 2021 and 2020, the Group has long-term borrowing from a related party, bearing interest at the rate of 6MTHBFX plus margin and semi-annual interest payments with 14 principal installments starting from 2022 to 2028 and unsecured.

Movements of long-term borrowings from related parties for the years ended December 31, are as follows:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Long-term borrowings from related parties</b>				
As at January 1,	14,999	2,999	-	-
Addition	-	12,000	-	-
<b>As at December 31, (see Note 18)</b>	<b>14,999</b>	<b>14,999</b>	<b>-</b>	<b>-</b>

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
<b>Long-term debentures</b>				
INTOUCH Group	-	15	-	-
Other related parties	40	44	20	-
<b>Total (see Note 18)</b>	<b>40</b>	<b>59</b>	<b>20</b>	<b>-</b>

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Significant agreements with related parties

The Group and the Company have entered into agreements with related parties. There are commitment for receipts and payments according to rates under the terms and conditions stipulated in the agreements. The significant agreements with related parties are as follows:

- 1) The Group has entered into interconnection agreements among its related parties. The termination and suspension of the agreement are referred to the regulations and conditions of the National Telecommunications Commission.
- 2) The Group has entered into site share agreements among its related parties to provide site area including related facilities for installation of telecommunication equipment. The counterparty has a right to terminate the agreement by giving advance written notice not less than 60 days.
- 3) The subsidiaries have received a service of a call center from Advanced Contact Center Co., Ltd. (“ACC”), a subsidiary. ACC will provide service and required information including resolving problem for the customers of the Group.
- 4) Advanced Contact Center Co., Ltd., a subsidiary, has entered into a call center service agreement with Teleinfo Media Plc. (“TMC”), an indirect subsidiary. TMC will arrange the personnel and provide call center operation to execute each of incoming call service. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 5) The Group has entered into an agreement with Advanced Mpay Co., Ltd., a subsidiary, to provide payment service for goods/service purchased through electronic payments and cash card. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 6) Advanced Magic Card Co., Ltd. and Advanced Mpay Co., Ltd., subsidiaries, have entered into an agreement with AIS Digital Life Co., Ltd., a subsidiary, to distribute electronic money and cash card. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 7) The Group has entered into an agreement with AIS Digital Life Co., Ltd., a subsidiary, to provide card packaging. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.
- 8) The Group has entered into an international roaming service agreement with the Singtel Group, related parties. The counterparty has a right to terminate the agreement by giving advance written notice not less than of 60 days.
- 9) The Group has entered into an agreement with MIMO Tech Co., Ltd., a subsidiary, and AD Venture Public Co., Ltd., an indirect subsidiary, of providing aggregating value added services on mobile network or wireless device (Content Aggregator). The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

- 10) Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has entered into a satellite transponder lease agreement with Thaicom Public Company Limited, a related party, AWN agreed to pay service fee on monthly basis according to the rate and condition specified in the agreement. The agreement is valid until November 19, 2022.
- 11) Advanced Wireless Network Co., Ltd., a subsidiary, has entered into fibre optic system and its site facilities agreement with Information Highway Co., Ltd. (“IH”), an associate. IH will provide installation fibre optic transmission and maintenance services in specific areas. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 12) Advanced Wireless Network Co., Ltd., a subsidiary, has entered into agreement with TC Broadcasting Company Limited, a related party, to receive a satellite equipment system and television signal service. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 13) Super Broadband Network Co., Ltd., a subsidiary, has entered into agreement with Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, to rent the telecommunication equipment. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 14) Advanced Wireless Network Co., Ltd., a subsidiary, and CS Loxinfo Public Company Limited, an indirect subsidiary, have entered into an agreement to develop the infrastructure of fibre optic network with Amata Network Co., Ltd., a joint venture. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 15) Advanced Mpay Co., Ltd., a subsidiary, has entered into agreement with Rabbit-Line Pay Co., Ltd., a joint venture, to receive electronic money and electronic payment service. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.
- 16) Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, hired MIMO Tech Co., Ltd. (“MMT”), a subsidiary, to operate point management and arranging activities to exchange products or services for the AWN's customers. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 36. FINANCIAL INSTRUMENTS

#### Financial risk management policies

Risk management is integral to the whole business of the Group and the Company. The Group and the Company have a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's and the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

#### Capital management

The Group and the Company aim to manage its capital structure to be stronger than industry peer and commit to be investment grade rating. This will allow the Group and the Company to retain superior financial flexibility in order to capture future growth prospect. The Group's and the Company's financial flexibility means diversified source of capital, ease of funding, and appropriate cost of capital.

In 3 - 5 years, telecommunications industry in Thailand will face another phase of technology change and hence new investment will be required. The Group and the Company believe that they can leverage on their capital structure in the future and have ability to find the source of funds through the debt instrument in order to expand their businesses.

#### Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's and the Company's operations and their cash flows because some of debt securities and loan interest rates are floating interest rate. The Group and the Company have interest rate risk from their borrowings (see Note 18). The Group and the Company mitigate this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivative financial instruments, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

#### Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

The following tables detail various information regarding interest rate swap contracts outstanding at the end of the reporting period in the consolidated financial statements and their related hedged items. (Separate financial statements : nil)

### Cash flow hedges

Hedging instruments Outstanding receive floating, pay fixed contracts	Consolidated financial statements		
	Average contracted fixed interest rate	Notional principal value	Carrying amount of the hedging instrument assets/(liabilities)
	2021	2021	2021
Interest rate swap	2.25%	2,000	9
Interest rate swap	2.83% - 3.90%	16,000	(722)
		18,000	(713)

Hedging instruments Outstanding receive floating, pay fixed contracts	Consolidated financial statements		
	Average contracted fixed interest rate	Notional principal value	Carrying amount of the hedging instrument assets/(liabilities)
	2020	2020	2020
Interest rate swap	2.25% - 3.90%	19,500	(1,225)
		19,500	(1,225)

Hedged items	Consolidated financial statements	
	Nominal amount of the hedged item liabilities	
	2021	2020
Variable rate borrowings	18,000	19,500

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The following table details the effectiveness of the hedging relationship and the amounts reclassified from hedging reserve to profit or loss: (Separate financial statements: nil)

Hedged items	Unit: Million Baht	
	Consolidated financial statements	
	Current period hedging gains (losses) recognized in OCI	
	2021	2020
Variable rate borrowings	507	(251)

The interest rate swaps settle on a quarterly and semi-annual basis. The floating rate on the interest rate swaps is 6MTHBFI plus margin. The Group will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

### Foreign currency risk

The Group and the Company have foreign currency risk relating to expense, purchasing goods and equipment, and borrowings denominated in foreign currencies. The Group and the Company primarily utilize forward contracts, which are not more than 1 year, to hedge such financial liabilities denominated in foreign currencies.

The Group and the Company have foreign currency risk in respect of financial assets and liabilities denominated as at December 31, are as follows:

	Notes	Unit: Million Baht	
		Consolidated financial statements	
		2021	2020
<b>Cash and cash equivalents</b>	4		
US Dollar (USD)		52	788
Euro (EUR)		77	558
<b>Total</b>		129	1,346
<b>Trade current receivables</b>	6		
US Dollar (USD)		358	453
Euro (EUR)		2	7
Yen (JPY)		8	21
Singapore Dollar (SGD)		-	2
<b>Total</b>		368	483
<b>Trade current payables</b>	19		
US Dollar (USD)		(19,241)	(13,314)
Euro (EUR)		(12)	(2)
Yen (JPY)		(7)	-
Singapore Dollar (SGD)		(59)	(10)
Australian Dollar (AUD)		(3)	-
<b>Total</b>		(19,322)	(13,326)

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

	Notes	Consolidated financial statements		Unit: Million Baht Separate financial statements	
		2021	2020	2021	2020
<b>Lease liabilities</b>					
US Dollar (USD)	18	(94)	(49)	-	-
<b>Total</b>		<u>(94)</u>	<u>(49)</u>	<u>-</u>	<u>-</u>
<b>Gross statement of financial position exposure</b>		(18,919)	(11,546)	(58)	(8)
Forward contracts		<u>13,163</u>	<u>7,653</u>	<u>-</u>	<u>-</u>
<b>Net exposure</b>		<u>(5,756)</u>	<u>(3,893)</u>	<u>(58)</u>	<u>(8)</u>

Forward contracts are held to hedge currency risk for gross statement of financial position exposure as at December 31, 2021 and 2020 and to retain future purchases.

Classification of forward contracts and interest rate swap as at December 31, are as follows:  
(Separate financial statements : nil)

	Note	Unit: Million Baht Consolidated financial statements	
		2021	2020
<b>Current assets</b>			
Other current financial assets			
Forward contracts		<u>213</u>	<u>-</u>
<b>Total current assets</b>		<u>213</u>	<u>-</u>
<b>Non-current assets</b>			
Other non-current financial assets			
Interest rate swap	11	<u>9</u>	<u>-</u>
<b>Total non-current assets</b>		<u>9</u>	<u>-</u>
<b>Current liabilities</b>			
Other current financial liabilities			
Forward contracts		<u>(25)</u>	<u>(297)</u>
<b>Total current liabilities</b>		<u>(25)</u>	<u>(297)</u>
<b>Non-current liabilities</b>			
Other non-current financial liabilities			
Interest rate swap		<u>(722)</u>	<u>(1,225)</u>
<b>Total non-current liabilities</b>		<u>(722)</u>	<u>(1,225)</u>
<b>Total</b>		<u>(525)</u>	<u>(1,522)</u>

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movement of forward contracts and interest rate swap for the year ended December 31, in the consolidated financial statements are as follows: (Separate financial statements : nil)

	Unit: Million Baht		
	Balance as at January 1, 2021	Change in fair value during the period	Balance as at December 31, 2021
<b>Current assets</b>			
Other current financial assets			
Forward contracts	-	213	213
<b>Non-current assets</b>			
Other non-current financial assets			
Interest rate swap	-	9	9
<b>Current liabilities</b>			
Other current financial liabilities			
Forward contracts	(297)	272	(25)
<b>Non-current liabilities</b>			
Other non-current financial liabilities			
Interest rate swap	(1,225)	503	(722)
<b>Total</b>	<u>(1,522)</u>	<u>997</u>	<u>(525)</u>

	Unit: Million Baht		
	Balance as at January 1, 2020	Change in fair value during the period	Balance as at December 31, 2020
<b>Current assets</b>			
Other current financial assets			
Forward contracts	1	(1)	-
<b>Current liabilities</b>			
Other current financial liabilities			
Forward contracts	(129)	(168)	(297)
Interest rate swap	(132)	132	-
<b>Non-current liabilities</b>			
Other non-current financial liabilities			
Interest rate swap	(814)	(411)	(1,225)
<b>Total</b>	<u>(1,074)</u>	<u>(448)</u>	<u>(1,522)</u>



## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The nominal amounts and fair values of forward contracts and interest rate swap as at December 31, are as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	Nominal amounts**		Fair values*	
	2021	2020	2021	2020
Forward contracts	12,975	7,950	13,163	7,653
Interest rate swap	18,000	19,500	713	1,225
<b>Total</b>	<b>30,975</b>	<b>27,450</b>	<b>13,876</b>	<b>8,878</b>

\* The fair value of forward contracts is the value of the original contracts which the Company entered with commercial banks at the end of the reporting period in order to reflect the current value of the contracts.

The fair value of interest rate swap is the value of difference between exchange rate of original contracts which the Company entered with commercial bank at the end of the reporting period in order to reflect the current value of the contracts.

\*\* The nominal amount is the value of the original contracts which the Company entered with the commercial banks.

### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group and the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the end of the reporting period there were no significant concentrations of credit risk.

### Liquidity risk

The Group and the Company monitor its liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

### Fair values of financial assets and liabilities

Financial assets and liabilities measured at fair value in the consolidated statement of financial position as at December 31, are as follows: (Separate financial statements as at December 31, 2020 : nil)

	Carrying amount	Unit: Million Baht			
		Consolidated financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
<b>As at December 31, 2021</b>					
Forward contracts	(188)	-	-	(188)	(188)
Interest rate swap	713	-	-	713	713
Debentures	37,138	-	38,762	-	38,762
<b>As at December 31, 2020</b>					
Forward contracts	297	-	-	297	297
Interest rate swap	1,225	-	-	1,225	1,225
Debentures	32,414	-	34,623	-	34,623

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

	Carrying amount	Unit: Million Baht			
		Separate financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
<b>As at December 31, 2021</b>					
Debentures	6,500	-	6,534	-	6,534

### Fair value hierarchy

The table above analyzes recurring fair value measurements for financial assets. These fair value measurements are categorized into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2: other inputs than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

For disclosure purposes, the Group determines Level 2 fair values for traded debentures have been determined based on quoted selling prices from the Thai Bond Market Association at the close of the business at the end of the reporting period.

For disclosure purposes, the Group determines Level 3 fair values for forward contracts were calculated using the rates quoted by the Group's and bankers which were based on market conditions existing at the statement of financial position date.

The fair value of trade and other current receivables and trade and other current payables are taken to approximate the carrying value.

The fair value of loans to and borrowings from related parties and lease liabilities are taken to approximate the carrying value because most of these financial instruments bear interest at market rate.

The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rate.

## Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 37. COMMITMENTS WITH NON-RELATED PARTIES

Commitments with non-related parties as at December 31, are as follows:

		Unit: Million			
	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Capital commitments</b>					
Unrecognized contractual commitments					
<b>Buildings and equipment</b>					
Thai Baht (THB)		6,061	5,059	24	8
US Dollar (USD)		257	145	-	-
<b>Spectrum license</b>					
Thai Baht (THB)	1	-	40,083*	-	-
<b>Service maintenance</b>					
Thai Baht (THB)		2,439	1,763	38	39
US Dollars (USD)		24	20	-	-
<b>Purchase orders for goods and supplies</b>					
Thai Baht (THB)		14,397	13,396	-	-
US Dollars (USD)		19	7	-	-

\* The difference from measurement 900 MHz spectrum license payable between previous terms and conditions and new terms and conditions by Baht 3,284 million was adjusted the cost of spectrum license 700 MHz when Advanced Wireless Network Co., Ltd., a subsidiary, received a license on January 15, 2021.

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2021	2020	2021	2020
<b>Non-cancellable operating lease commitments</b>				
Within one year	48	85	-	-
After one year but within five years	19	29	-	-
<b>Total</b>	<b>67</b>	<b>114</b>	<b>-</b>	<b>-</b>

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group recorded the rental expenses under operating lease agreements which are the short-term lease and lease of low value assets in the consolidated statements of profit or loss for the year ended December 31, 2021 of Baht 135 million and Baht 81 million, respectively (Separate financial statements : nil).

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Other commitments</b>				
Thai Baht				
Forward contracts	12,975	7,950	-	-
Bank guarantees:				
- Spectrum license payable	84,670	66,684	-	-
- Others	2,549	2,741	38	169
<b>Total</b>	<b>100,194</b>	<b>77,375</b>	<b>38</b>	<b>169</b>
US Dollar				
Others	-	1	-	-
<b>Total</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>

### Significant agreements

- The Group has entered into lease and related service agreements for office space and base stations for periods ranging from 1 year to 3 years with options to renew.
- The Group has entered into a service agreement with a company, for the Group to receive the services relating to network station and other general services as stated in the agreement. The Group shall pay a service fee for the services at the rate as stated in the agreement. Such agreement will be terminated when a party submits advance written notice not less than 90 days.
- On January 5, 2018, Advanced Wireless Network Co., Ltd. ("AWN"), a subsidiary, has entered into service agreement with National Telecom Public Company Limited ("NT") to receive the service relating to the national roaming service for the period from March 1, 2018 to August 3, 2025. AWN has letter of irrecoverable guarantee from domestic commercial banks of Baht 720 million used as collateral for the throughout the period of agreement.
- On January 5, 2018, Super Broadband Network Co., Ltd. ("SBN"), a subsidiary, has entered into rental agreement with National Telecom Public Company Limited ("NT") to provide the telecommunication equipment rental for the period from March 1, 2018 to August 3, 2025. SBN has letter of irrecoverable guarantee from domestic commercial banks of Baht 525 million used as collateral for the throughout the period of agreement.
- On September 4, 2019, the Group has mutually agreed with National Telecom Public Company Limited ("NT") entering into a Dispute Resolution Agreement and Providing the Telecommunication Equipment Tower Service (see Note 38). The Group receive rental service of the telecommunication equipment tower from NT for the period from January 1, 2019 to December 31, 2028. The Group has letter of irrecoverable guarantee from domestic commercial banks of Baht 434 million used as collateral for the throughout the period of agreement.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 38. SIGNIFICANT EVENTS, COMMERCIAL DISPUTES AND LITIGATIONS

On January 7, 2021, TOT Public Company Limited (“TOT”) and CAT Telecom Public Company Limited (“CAT”) were merged into one company named National Telecom Public Company Limited (“NT”)

On September 8, 2021, the Company and DPC have reached agreement with NT to settle the dispute as mentioned under Note 6 regarding the revenue sharing in international direct dial service which the Company’s disputes were specified as 1), 2) and 6) while DPC’s disputes were specified as 2), 3), 4), 5) and 8).

The Company paid the compensation to settle such disputes to NT in the net amount of Baht 448 million which included various transactions between NT, the Company and DPC. As a result of this settlement, accrued income of Baht 1,584 million and Baht 1,574 million were reduced in the consolidated and separate statements of financial position, respectively. In addition, provision for revenue sharing of Baht 1,888 million was reduced in the consolidated and separate statements of financial position without impact to the statement of profit or loss for the year ended December 31, 2021.

Therefore, the Company, DPC and NT have each withdrawn the cases and disputes subject to this settlement to Central Administrative Court and the Supreme Administrative Court as the case may be and agreed not to reintroduce such disputes to the court again.

#### The Company

- 1) Interconnection agreement in accordance with the announcement of National Telecommunication Commission (“NTC”)

According to Telecommunication Business Operation Act B.E. 2544 and the announcement of National Telecommunication Commission (“NTC”) regarding the Use and Interconnect of Telecommunication Network B.E. 2549, the Company has entered into an interconnection (“IC”) agreement with other operators approved by NTC and the effective period of the agreement is listed below:

Operators	Effective period
1) Total Access Communication Public Company Limited	November 30, 2006 onwards
2) True Move Company Limited	January 16, 2007 onwards
3) Digital Phone Company Limited	June 1, 2009 onwards
4) National Telecom Public Company Limited (“NT”)	April 7, 2010 onwards
5) Advanced Wireless Network Company Limited	April 1, 2013 onwards
6) Dtac TriNet Company Limited	July 1, 2013 onwards
7) True Move H Universal Communication Company Limited (Formerly Real Future Company Limited)	July 1, 2013 onwards

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On August 31, 2007, National Telecom Public Company Limited (“NT”) filed a lawsuit against NTC to the Central Administrative Court to revoke the announcement. On September 15, 2010, the Central Administrative Court dismissed the case which NT filed to revoke the announcement of NTC regarding the Use and Interconnect of Telecommunication Network B.E. 2549. NT has appealed such dismissal to the Supreme Administrative Court. On February 4, 2008, NT sent a letter to the Company informing that the Company should wait for the final judgment of the Court. If the Company undertake the IC agreements per the NTC announcement before the final judgment of the Court, NT shall not recognize the Company’s related actions and the Company must be responsible for such actions.

According to the Agreement for operations (“the Agreement”), the Company has to pay the higher of stipulated annual minimum payment or the percentage of service revenues and other benefits that the Company should be received in each year prior to deducting expenses and taxes to NT. However, the Company has to comply with the regulation while NT would like to wait for the final judgment of the court. As a result, the Company anticipated entering into a negotiation with NT in relation to a calculation method of the revenue sharing. The Company calculated the revenue sharing from the net IC revenue which is similar to other operators in the telecommunication industry on a conservative basis. The revenue sharing amount to be paid to NT is subject to the final judgment of the court in relation to revoke the announcement of NTC and a negotiation between NT and the Company. The Company will make adjustment in the financial statement in the period when the issue has been agreed. The Company’s management believes that it will not incur significant expense more than the revenue sharing amount which the Company has recorded.

However, after having considered the letter from NT, the relevant laws and the legal counsel’s opinion, the management of the Company has the opinion that non-compliance with the above Interconnection Agreement would be in conflict with the announcement of NTC regarding the Use and Interconnect of Telecommunication Network. Therefore, the Company decided to comply with the said Agreements which are in line with the current legal provision in force by issuing invoices to collect the interconnection charge from the contractual parties.

On December 30, 2008, the Company remitted the revenue sharing incurred from the interconnection of the telecommunication network since February 2007 to June 2008 in the amount of Baht 761 million based on the rate and calculation method of the Company to NT. Later, the Company and NT had set up the negotiation committee to seek for the conclusion but it could not be done. NT required the Company to pay revenue sharing calculated on gross interconnection charges received by the Company at the rate specified in the Agreement without deduction of interconnection charges which the Company had to pay to other operators. Thus, on January 26, 2011, NT sent a letter demanding the Company had to pay the revenue sharing on the interconnection charges of the Agreement for operations year 17<sup>th</sup> - 20<sup>th</sup> in the amount of Baht 17,803 million plus interest at the rate of 1.25% per month. But the Company disagreed and sent a letter opposing the claim to NT and the Company submitted the dispute to the Alternative Dispute Resolution Office, the Arbitration Institute, under the Black case No. 19/2554 on March 9, 2011 requesting the Arbitral Tribunal to give an award that NT has no right to claim for such revenue sharing.

On July 29, 2014, NT submitted a dispute No. 55/2557 demanding the Company to pay additional payment for the revenue sharing on the interconnection charges of the operation years 21<sup>st</sup> - 22<sup>nd</sup> in the amount of Baht 9,984 million plus interest at 1.25% per month on its outstanding and computing from the default date until the full amount is paid. In addition, NT requested this case to be under the same consideration with the Black case No. 19/2554 to the Arbitral Tribunal.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On August 23, 2016, the Company submitted the dispute to the Alternative Dispute Resolution Office, the Arbitration Institute, under the Black case No. 83/2559 requesting the Arbitral Tribunal to give an award on the ground that NT had no right to claim for such revenue sharing on the interconnection charges of the operation years 23<sup>rd</sup> - 25<sup>th</sup> in the amount of Baht 8,368 million plus interest at 1.25% per month on its outstanding amount for each year subject to the request by NT.

On August 17, 2018, the Arbitral Tribunal had an award for the Black case No. 19/2554 to dismiss NT demanding to claim the Company for revenue sharing on the interconnection charges of the Agreement for operations year 17<sup>th</sup> - 20<sup>th</sup> in the amount of Baht 17,803 million plus interest at the rate of 1.25% per month, ascribe that NT had no right to claim for such amount, and prohibit NT from claiming for operational bank guarantee in accordance with the agreement and minimum payment guarantee for operational year 17<sup>th</sup> - 20<sup>th</sup>. Moreover, the Arbitral Tribunal had dismissed a dispute No. 55/2557 and had ordered NT to pay the Company for overpayment in revenue sharing on the interconnection charges by Baht 110 million within 60 days from receiving such award together with additional interest payment at 7.5% per annum if NT made payment after due date. NT has filed a petition to revoke the Arbitral Tribunal's award to the Central Administrative Court and under the process of consideration.

On April 30, 2019, the majority of arbitrators decided the Company for the Black case No. 83/2559 to pay the net revenue sharing amount of Baht 224 million with interest, which the Company agreed to pay to NT by using the revenue sharing of interconnection charges in dispute 55/2557 amount of Baht 111 million and the remaining interest must be paid Baht 144 million. However, NT did not accept, the Company therefore put the money on the Property Office on May 22, 2019.

On August 6, 2019, The Company received NT's revocation the Arbitration's resolution by the Black case No.1713/2562 dated July 25, 2019 which NT has submitted to the Central Administrative Court to revoke the above Arbitration's resolution. Currently, the case is in the process of the Central Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of the cases as requested on September 17, 2021.

### 2) Obligations of the bank guarantees in connection with the Agreement for operations ("the Agreement")

According to the Agreement, the Company has the duties to deliver the bank guarantees to National Telecom Public Company Limited ("NT") to secure the payment of the minimum revenue sharing for each operation year and shall recover the bank guarantee of the past operation.

NT did not return the bank guarantees which have secured the payment of the minimum revenue sharing for the operation year 17<sup>th</sup> - 21<sup>st</sup> for a total value of Baht 7,007 million by claiming that the Company had not completely paid the revenue sharing due to the deduction of the revenue sharing for the excise tax and the deduction of the Interconnection Charges. Currently, the dispute has been considered by the Arbitration process.

On May 11, 2011 and October 5, 2012, the Company submitted the disputes to the Alternative Dispute Resolution Office, the Arbitration Institute, under the Black case No. 40/2554 and 119/2555 requesting the Arbitral Tribunal to award an order to NT to return the bank guarantees to the Company because the Company had completely paid the revenue sharing for each operation year and had correctly complied with the law and the relating Agreements in all respects.



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On February 10, 2014, the Arbitral Tribunal gave the arbitration award to order NT to return the bank guarantees for the operation year 17<sup>th</sup> - 21<sup>st</sup> to the Company. On May 16, 2014, NT submitted the Black case No. 660/2557 to the Central Administrative Court to revoke the Arbitral Tribunal's award.

On May 19, 2014, the Company submitted the Black case No. 666/2557 to the Central Administrative Court requesting NT to return the bank guarantees for the 17<sup>th</sup> - 21<sup>st</sup> operation year to the Company according to the arbitration award and pay the bank guarantees fee of Baht 6.65 million which had been paid by the Company to the banks and plus interest at 7.5% per annum computing from the date that Company paid to the banks.

On September 21, 2020, the Central Administrative Court reached its decision to dismiss such dispute made by NT and ordered NT to return the bank guarantees for the operation year 17<sup>th</sup> - 21<sup>st</sup> to the Company according to the arbitration award and to return total court fees to the Company.

On October 19, 2020, NT has appealed to dismiss such decision of the Central Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Supreme Administrative Court, thereafter on October 5, 2021, NT returned all bank guarantees for the secure of minimum revenue share for the year 17<sup>th</sup> - 21<sup>st</sup> to the Company, which the court decided to dispose of the cases as requested on October 14, 2021.

### 3) 900 MHz subscribers migration to 3G 2100 MHz

On September 25, 2014, National Telecom Public Company Limited ("NT") submitted a dispute under the Black case No. 80/2557 to the Arbitration Institute demanding the Company to pay compensation from the breach of the Concession Agreement between the Company and NT in relation to the 900 MHz subscribers porting to 3G 2100 MHz provided by its subsidiary in the amount of Baht 9,126 million plus interest at 7.5% per annum from September 25, 2014 until the full amount is paid.

On March 29, 2016, NT submitted the revision to amend the compensation amount from May 2013 to September 2015, the ending of the Agreement for operations for the amount of Baht 32,813 million plus VAT and interest at 1.25% per month from June 2013 until the full amount is paid.

On February 14, 2019, the Arbitral Tribunal dismissed the said dispute by giving the reason which the Company was not in breach of the Agreement.

On May 15, 2019, NT has submitted the Black case No. 951/2562 to the Central Administrative Court to revoke the Arbitration's resolution. Currently, the said case is in the process of the Central Administrative Court.

The Company's management believes that the outcome of the dispute should be settled favourably and has no considerable impact on the financial statements of the Company.



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

- 4) The claim for additional revenue from the 6<sup>th</sup> and 7<sup>th</sup> Amendments to the Agreement for operations (“the Agreement”)

On September 30, 2015, the Company submitted the dispute Black case No. 78/2558 to the Arbitration Institute, the Alternative Dispute Resolution Office, Court of Justice to decide regarding the 6<sup>th</sup> Amendment dated May 15, 2001 and the 7<sup>th</sup> Amendment dated September 20, 2002 to the Agreement for operations to conduct business of Cellular Mobile Telephone that the amendments bind the Company and National Telecom Public Company Limited (“NT”) to comply with the amendments until the expiration of the Agreement for operations and the Company has no obligation to pay for the additional revenue according to the letter claimed by NT to the Company on September 29, 2015 regarding to request the payment of additional revenue in the amount of Baht 72,036 million which NT has claimed that the 6<sup>th</sup> and 7<sup>th</sup> Amendments were material which caused NT to receive lower revenue than the rate as specified in the Agreement for operations.

Later, on November 30, 2015, NT submitted the dispute Black case No. 122/2558 to the Arbitration Institute, the Alternative Dispute Resolution Office, Court of Justice to decrease the amount of the revenue claimed by NT to Baht 62,774 million according to the percentage adjustment of revenue sharing upon the Agreement for operations. This case is the same as the dispute Black case No. 78/2558. The Arbitral Tribunal has merged the two cases together.

The Company received the award from the Arbitral Tribunal dated January 23, 2020 with a majority vote. The Tribunal ordered the Company to pay additional remuneration in the amount of Baht 31,076 million with interest of 1.25 percent per month after November 30, 2015 to NT until the payment is complete.

The Company disagreed with the decision and on April 22, 2020, the Company has already filed a request for revocation of the award to the Central Administrative Court. (Black case No. 1165/2563)

Later, on April 23, 2020, NT has submitted to request for the revocation of the decision from Arbitration Tribunal to the Central Administrative Court only regarding the issue that Arbitration Tribunal decided that the NT’s claim for the remuneration Baht 31,698 million was submitted beyond the expiration of the claimed period. (Black case No. 1171/2563)

According to the dispute has not yet been finalized and the Company’s management considers that the result of the above ruling should not be considerable impact on the financial statements of the Company.

- 5) The Company submitted the claim to the Central Administrative Court for revocation of the National Telecommunication Commission order regarding revenue incurred from the temporary service for 900 MHz customer protection period after the Concession end

On May 1, 2017, the Company filed a lawsuit against office of the National Broadcasting and Telecommunication Committee (“NBTC office”), the National Telecommunication Committee (“NTC”), the National Broadcasting and Telecommunication Committee (“NBTC”) and other 5 persons to the Central Administrative Court under the Black case No. 736/2560 to revoke NBTC office’s letter and NTC resolution of the NBTC office to demanded the Company to pay revenue at remedy period from October 1, 2015 to June 30, 2016 in the amount of Baht 7,221 million plus interest.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On June 15, 2017, the Company received the indictment dated April 21, 2017 by the NBTC and the NBTC office which filed a lawsuit against the Company for the same amount to the Central Administration Court as Black case No. 661/2560 demanded the Company to pay revenue at remedy period.

The Company's management has considered that the Company has complied with NBTC announcement regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations or Telecommunication Service Agreement and the Company has obliged to submit the revenue after deducting any expenses to NBTC office but the Company has the expenses which incurred from the service greater than the revenue. Therefore, the Company has no remaining revenue to submit to NBTC Office as stipulated in the announcement.

On June 12, 2020, the Central Administrative Court has revoked the NBTC's order on ground that during the remedy period of 900 MHz, the Company has expenses which incurred from the service greater than the revenues generated.

On July 8, 2020 and July 17, 2020, the NBTC and the Office of NBTC appealed to the Supreme Administrative Court.

### 6) Claim for the additional revenue sharing from the rental charge for providing transmission services

National Telecom Public Company Limited ("NT") has submitted the dispute No. A1/2017 dated December 15, 2017 to the Arbitration Institute, Ministry of Justice by Thailand Arbitration Center ("THAC") to claim for the payment regarding the additional revenue sharing from the rental charges for providing transmission services from January 2011 to September 2012 for the total amount of Baht 19.54 million and No. A1/2018 dated January 12, 2018 to claim for the payment regarding the additional revenue sharing from the rental charges for providing transmission services from October 2012 to September 2015 in the total amount of Baht 1,121.92 million (included VAT) including default interest rate at the rate 1.25% per month according to NT views that the Company shall collect the rental charges for providing transmission services as the rate specified by NT which is higher than the rental rate charged to the tenant.

On March 5, 2018, the Company has submitted the Black case No. Kor.2/2561 to the Central Administrative Court to revoke the THAC's order for consideration the dispute No. A1/2018.

On February 13, 2020, THAC has decided with a majority vote to revoke NT's dispute No. A1/2017.

On February 19, 2020, the Company issued notification letter to NT to comply with the decision from Arbitration Tribunal.

On May 14, 2020, NT submitted a petition to the Central Administrative Court under Black case No. 1362/2563 to request dismissal of such award.

On September 8, 2021, NT submitted dispute withdrawal for the Black case No. 1362/2563 to the Central Administrative Court, which the court decided to dispose of such disputes as requested on September 22, 2021.

Dispute No. A1/2018 is still under the consideration by Arbitration Committee.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

- 7) Claim for the usage of co-location, site facilities and its related equipment rental for asset under Cellular Mobile Telephone providing during the temporary customer protection period after the Concession ended of Cellular Mobile Telephone

On February 15, 2018, National Telecom Public Company Limited (“NT”) has submitted the dispute No. A3/2018 to the Arbitration Institute, Ministry of Justice by Thailand Arbitration Center (“THAC”) to claim for the payment regarding the usage of co-location, site facilities and its related equipment rental for asset under Cellular Mobile Telephone providing during the temporary customer protection period after the Concession ended in the total amount of Baht 183.44 million (included VAT) plus default interest rate at 1.25% per month.

On April 5, 2018, the Company has submitted the Black case No. Kor.3/2561 to the Central Administrative Court to revoke the THAC’s order for consideration the dispute No. A3/2018.

On April 25, 2018, the Central Administrative Court has dismissed the Black case No. Kor.3/2561.

Subsequently, on May 21, 2018, the Company had appealed the dismissal the Black case No. Kor.3/2561.

On October 29, 2019, NT has filed a petition to withdraw the dispute from THAC and further submitted to the Central Administrative Court.

On February 13, 2020, the Arbitrators had ordered allowing NT submitted a petition to the arbitrators to request the removal of the above dispute.

On August 13, 2020, the Company received a copy of the Black case No. 1746/2563 dated June 30, 2020

Currently, the case is in the process of the Central Administrative Court.

The Company’s management believes that the Company has correctly complied with the relating conditions of the Agreement and the announcement of the National Broadcasting and Telecommunication Committee in all respects then the outcome of the dispute should be settled favourably and has not considered to materially impact on the financial statements of the Company.

- 8) Claim for the revenue sharing from provision of roaming services

On September 27, 2018, National Telecom Public Company Limited (“NT”) has submitted the dispute as Black case No. 67/2561 to the Arbitration Institute, the Alternative Dispute Resolution Office Court of Justice to claim from the Company for the additional revenue sharing from provision of roaming services from the discount of service fees without prior consent from NT since July 2013 - September 2015 in the total amount of Baht 16,252.66 million, value-added tax plus default interest rate at 1.25% per month.

The Company received the decision from the Arbitration Tribunal dated February 4, 2020 with a majority vote dismissed the case of NT.

On May 8, 2020, NT submitted a petition to the Central Administrative Court under the Black case No. 1309/2563 to request dismissal of such award.

The Company’s management believes that the Company has correctly complied with the relating conditions of the Agreement in all respects, therefore the outcome of the dispute should not materially impact the financial statements of the Company.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### Digital Phone Company Limited (“DPC”)

- 1) The deduction of excise tax from the revenue sharing between DPC and National Telecom Public Company Limited (“NT”)

On January 9, 2008, CAT submitted a dispute under the black case No. 3/2551 to the Arbitration Institute, the Alternative Dispute Resolution Office, Court of Justice demanding DPC, a subsidiary, to pay additional payment of revenue sharing under the Digital Personal Communication Network Contract in the amount of Baht 2,449 million plus penalty at the rate of 1.25% per month of the unpaid amount of each year computing from the default date until the full payment is made which total penalty calculated up to December 2007 is Baht 1,500 million, totaling Baht 3,949 million.

Later, on October 1, 2008, NT submitted the petition to adjust the amount claimed to Baht 3,410 million which calculated from the outstanding revenue sharing up to January 2008 including penalty in amount of Baht 790 million and value added tax in amount of Baht 171 million.

This amount is the same as an excise tax that DPC had delivered to the Excise Department during September 16, 2003 to September 15, 2007 and deducted it from revenue sharing according to the resolution of the Cabinet dated February 11, 2003. DPC has correctly complied with such Cabinet’s resolution and this practice is the same as other operators in mobile phone or cellular radio telecommunication industries. Moreover, NT had sent a letter No. CAT 603 (Kor Tor.) 739 notifying DPC to comply with such Cabinet’s resolution.

On March 1, 2011, the Arbitral Tribunal dismissed the case by giving the reason which can be summarized that DPC was not in breach of the Agreement since DPC has completely made the payment of the revenue sharing and all debt was paid in full. Therefore, NT has no right to re-claim for the alleged deficit amount, including the penalty and the value added tax.

On June 3, 2011, NT submitted the Black case No. 1259/2554 to the Central Administrative Court to revoke the Arbitral Tribunal’s award.

On July 28, 2015, the Central Administrative Court reached its decision to dismiss such dispute made by NT to revoke the Arbitral Tribunal’s award.

On August 25, 2015, NT appealed such dismissal to the Supreme Administrative Court under Black case No. Or 1070/2558.

On June 30, 2021, the Supreme Administrative Court resolved to dismiss the NT’s claim, which aligns to the resolution of the Central Administrative Court. As a result, the legal dispute is considered final and DPC has no duty to make any additional payment nor penalty as claimed by NT.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 2) The reduction of roaming fee between DPC and National Telecom Public Company Limited (“NT”)

NT allowed DPC, a subsidiary, to reduce roaming fee per minute from Baht 2.10 to Baht 1.10 to be in line with the decrease of mobile phone service fee for 3 months started from July 1, 2006, onwards. DPC obtained the approval from NT to renewed for three-month period several times until March 31, 2007. After that, NT did not notify DPC of any changes until on March 24, 2008, NT had sent a letter to notify DPC to charge roaming fee at Baht 2.10 per minute starting from April 1, 2007. On May 8, 2008, DPC sent a request letter to NT to reconsider the roaming fee adjustment. The reason for such request was based on the market environment where the prevailing mobile phone service charge to consumers in the market was significantly lower than the specified roaming fee. Such high roaming fee is therefore unreasonable for DPC to provide the roaming service to any operators. In the letter, DPC informed NT that during the period when NT is reconsidering the request, DPC will charge roaming fee at Baht 1.10 per minute according to the previous agreed terms and conditions. On March 31, 2009, NT approved DPC to charge roaming fee at Baht 1.10 per minute during January 1, 2009 - March 31, 2009. Moreover, DPC entered into the national roaming agreement with the Company to charge roaming fee at Baht 1.10 per minute approved by National Telecommunication Commission (“NTC”) on June 16, 2009.

On July 15, 2010, NT submitted a dispute under Black case No. 62/2553 to the Alternative Dispute Resolution Office, the Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of 10<sup>th</sup> - 12<sup>th</sup> operation year that DPC reduced roaming fee per minute from Baht 2.10 to Baht 1.10 during April 1, 2007 - December 31, 2008 in amount of Baht 1,636 million plus penalty computing up to March 2010 of Baht 364 million, totaling Baht 2,000 million and penalty at the rate of 1.25% per month from April 2010 until the full amount is paid by alleging that NT approved the said roaming fee reduction up to March 31, 2007 only.

On September 12, 2011, NT submitted a dispute to the Alternative Dispute Resolution Office, the Arbitration Institute under Black case No. 89/2554 demanding DPC to make additional payment of revenue sharing of 12<sup>th</sup> operation year which DPC reduced roaming fee from Baht 2.10 per minute to Baht 1.10 per minute during April 1, 2009 - June 15, 2009 in the amount of Baht 113 million plus penalty at the rate of 1.25% per month from April 1, 2009 until the full amount is paid.

On April 5, 2019, DPC received the Arbitration Institute’s decision dated March 28, 2019 of all the aforementioned disputes which the majority had made decision that the agreement regarding the revenue sharing of Roaming fees (at the rate of Baht 2.10) is legitimate and the reduction of Roaming fees is NT’s rights and authority who may or may not give approval. Therefore, DPC has to pay additional payment of revenue sharing of 10<sup>th</sup> - 12<sup>th</sup> operation year totalling amount of Baht 1,749 million plus penalty in the amount of Baht 364 million at the rate of 1.25% per month of the principle amount from April 2010 until the full amount is paid.

On July 3, 2019, DPC submitted a petition to the Central Administrative Court under Black Case No. 1582/2562 to request dismissal of such award.

On September 8, 2021, DPC submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of the disputes as requested on September 13, 2021.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

- 3) The damage arisen from uncollectible international call service charges between DPC and National Telecom Public Company Limited (“NT”)

On April 8, 2011, NT submitted a dispute under Black case No. 32/2554 to the Arbitration Institute, the Alternative Dispute Resolution Office, Office of the Judiciary demanding DPC to pay Baht 33 million including interest at the rate of 15% per annum of the claimed amount, total amount of claim Baht 35 million by alleging that DPC has committed a breach of the Digital PCN (Personal Communication Network) Service Agreement due to subscriber fraud on the Digital PCN Service Agreement between DPC and subscribers for 1,209 numbers during 1997 - 2003 causing damages to NT where NT was unable to collect the international call service charges occurred from the use of such numbers.

On May 28, 2013, the Arbitral Tribunal reached its decision to dismiss such dispute by stating that it is not about breach of the agreement but whether there has been a wrongful act. Therefore, the dispute is not within the Jurisdiction of the Arbitral Tribunal.

On September 6, 2013, NT submitted the Black case No. 1767/2556 to the Central Administrative Court to revoke the Arbitral Tribunal’s award.

On April 9, 2020, the Central Administrative Court issued an order to dismiss the request for revocation of the decision by Arbitration Tribunal.

On May 27, 2020, NT has submitted an appeal to the Supreme Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Supreme Administrative Court.

- 4) Revenue sharing on interconnection charge between DPC and National Telecom Public Company Limited (“NT”)

On August 24, 2012, NT submitted a dispute under Black case No. 110/2555 to the Alternative Dispute Resolution Office, The Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of the 10<sup>th</sup> - 14<sup>th</sup> operation year totaling Baht 183 million and penalty at the rate of 1.25% per month of the above principal amount starting from the default date of each year until the full amount is paid.

On April 1, 2014, NT submitted a dispute under Black case No. 26/2557 to the Alternative Dispute Resolution Office, The Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of 15<sup>th</sup> - 16<sup>th</sup> operation year totaling Baht 203 million plus default interest at the rate of 7.5% per annum and penalty at the rate of 1.25% per month of the above principal amount starting from the default date of each year until the full payment is made. Such amount represents the revenue sharing which NT calculated on gross interconnection charge received by DPC from other operators at the percentage rate specified in the Agreement without deduction of interconnection charge which DPC has to pay to other operators.

On September 30, 2019, DPC received the decision for Black case No. 26/2557 by the arbitration committee dated September 26, 2019, and on October 11, 2019, DPC received the decision for Black case No. 110/2555 by the Arbitration committee dated October 10, 2019, with major votes to dismiss NT’s two disputes.



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On December 17, 2019, NT has filed by Black case No. 2754/2562 to revoke the Arbitral Tribunal's award in Black case No. 110/2555 to the Central Administrative Court.

On December 25, 2019, NT has filed by Black case No. 2908/2562 to revoke the Arbitral Tribunal's award in Black case No. 26/2557 to the Central Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of such disputes as requested on September 22, 2021.

### 5) Obligations of the bank guarantees in connection with the Agreements for Operations

According to the Agreement for Operations, DPC has the duties to deliver the bank guarantees to National Telecom Public Company Limited ("NT") to secure the payment of the minimum revenue sharing for each operation year and shall recover the bank guarantee of the previous operating year.

NT did not return the bank guarantees which have secured the payment of the minimum revenue sharing for the operation year 10<sup>th</sup> - 14<sup>th</sup> for a total value of Baht 2,606 million by claiming that DPC had not completely paid the revenue sharing due to the deduction of the revenue sharing for the Excise Tax and the deduction of the Interconnection Charges, the discount of Access Charges and the reduction of the rate of roaming charge where the disputes of which have been pending the consideration of the Arbitral Tribunal.

On October 8, 2012, DPC submitted a dispute to the Alternative Dispute Resolution Office, the Arbitration Institute, Black case No. 120/2555 requesting the Arbitral Tribunal to award an order to NT to return the bank guarantees to DPC because DPC has completely paid the revenue sharing for each operation year and has correctly complied with the law and the relating Agreements in all respects.

On May 28, 2015, the Arbitral Tribunal reached its decision to award an order to NT to return the bank guarantees and its bank fees to DPC. Later, on September 15, 2015, NT has submitted the Black case No. 1671/2558 to the Central Administrative Court to revoke the Arbitral Tribunal's award.

Later on September 13, 2018, the Central Administrative Court has dismissed the NT's Black case No. 1671/2558 that revoke the Arbitral Tribunal's award, on the reason that the award is correct and in compliance with law. The award by Arbitral Tribunal did not affect public interests and good morals, therefore such award by Tribunal Arbitral is perfectly effective. However, NT has appealed to the Supreme Administrative Court. Currently, it is under the consideration of the Supreme Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Supreme Administrative Court which the Court decided to dispose of such disputes on September 28, 2021.

Later, on October 5, 2021, NT returned all bank guarantee for the secured of minimum revenue share for the year 10<sup>th</sup> - 14<sup>th</sup> to DPC.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

- 6) The claim for the usage/revenue arising from the use of telecommunication equipment and telecommunication network during the temporary customer protection period after the Concession ended

On May 20, 2015, National Telecom Public Company Limited (“NT”) filed a lawsuit against office of the National Broadcasting and Telecommunication Committee (“NBTC Office”), National Telecommunication Committee (“NTC”), National Broadcasting and Telecommunication Committee (“NBTC”), True Move Company Limited (“True Move”), and DPC to the Central Administrative Court Black case No.918/2558 to pay for the fees and revenue from the usage of telecommunication equipment and telecommunication network of NT during the temporary customer protection period, subject to the announcement of NBTC regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations or Telecommunication Service Agreement, calculated from September 16, 2013 to September 15, 2014, total amounts are as follows:

- 1) NBTC Office, NTC and NBTC in the amount of Baht 24,117 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 18,025 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 6,083 million plus interest at the rate of 7.5% per annum.

On September 11, 2015, NT filed a lawsuit to the Central Administrative Court Black case No. 1651/2558 claimed for the usage fees and revenue from the usage of telecommunication equipment and telecommunication network of NT from September 16, 2014 to July 17, 2015, total amounts are as follows:

- 1) NBTC Office, NTC and NBTC in the amount of Baht 6,521 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 4,991 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 1,635 million plus interest at the rate of 7.5% per annum.

On May 27, 2016, NT filed a lawsuit to the Central Administrative Court Black case No. 741/2559 claimed for the usage fees and revenue from the usage of telecommunication equipment and telecommunication network of NT from July 18, 2015 to November 25, 2015, total amounts are as follows:

- 1) NBTC Office, NTC and NBTC in the amount of Baht 2,857 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 2,184 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 673 million plus interest at the rate of 7.5% per annum.



## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

During December, 2019, DPC received a request to amend the petition filed by NT dated September 24, 2019 from the Central Administrative Court to revise the claim amount to be as follows:

Black case No. 918/2558

- 1) NBTC Office, NTC and NBTC in the amount of Baht 5,109 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 3,651 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 1,457 million plus interest at the rate of 7.5% per annum.

Black case No. 1651/2558

- 1) NBTC Office, NTC and NBTC in the amount of Baht 4,169 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 2,946 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 1,223 million plus interest at the rate of 7.5% per annum.

Black case No. 741/2559

- 1) NBTC Office, NTC and NBTC in the amount of Baht 1,858 million plus interest at the rate of 7.5% per annum.
- 2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 1,336 million plus interest at the rate of 7.5% per annum.
- 3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 522 million plus interest at the rate of 7.5% per annum.

On February 19, 2020, DPC submitted an objection of the request to amend the claim amount for the Black case No. 741/2559.

On March 11, 2020, DPC submitted an objection of the request to amend the claim amount for the Black case No. 918/2558 and 1651/2558.

Currently, the dispute has been considered by the Central Administrative Court which the management of the Company believes that DPC has no obligation to pay for the usage fees and revenue from the usage of telecommunication equipment and telecommunication network as claimed by NT due to DPC has complied in accordance with the announcement of NBTC. Therefore, the outcome of the said dispute should be settled favourably and has no considerable impact on the consolidated financial statements of the Group.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

- 7) The claim for revocation of the National Telecommunication Committee (“NTC”) order regarding to revenue incurred from the temporary service for customer protection period after the Concession end

On November 16, 2015, DPC, filed a lawsuit against the National Broadcasting and Telecommunication Committee (“NBTC”) to the Central Administrative Court under case No. 1997/2558 to revoke NTC resolution which office of the NBTC has demanded DPC to deliver revenue at consumer protection period starting from September 16, 2013 to July 17, 2014 in the amount of Baht 628 million.

In the same case, on September 16, 2016, NBTC and office of the National Broadcasting and Telecommunication Committee (“NBTC office”) filed a complaint to the Central Administrative Court as the Black Case No. 1441/2559 requesting DPC to submit the revenue sharing during consumer protection period, from September 16, 2013 to July 17, 2014 in the amount of Baht 680 million (including interest up to submitted date by Baht 52 million) plus interest at the rate of 7.5% per annum of the claim amount from the next day of the submit date until DPC deliver all revenue sharing in full.

On September 7, 2018, the NBTC office issued a letter informing the resolution of the NBTC to allow DPC to send money from the service income during the protection of all subscribers, totaling Baht 869 million and when the NBTC had ever the order for DPC to send money for the first period until the amount of Baht 628 million, the remaining amount to be paid is Baht 241 million. On December 7, 2018, DPC filed a lawsuit with the Central Administrative Court to revoke such resolution of NTC.

On August 19, 2019, the Central Administrative Court ordered to merge the two case together.

On June 2, 2021, the Central Administrative Court ordered to merge the three cases together.

The Company’s management has considered that DPC has complied with NBTC announcement regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations or Telecommunication Service Agreement 2013, and the Company has obliged to submit the revenue after deducting any expenses to NBTC but DPC has expenses which incurred from the service greater than revenue. Therefore, DPC has no revenue remaining in order to submit to NBTC as stipulated in the announcement.

Currently, the said case is in the process of the Central Administrative Court.

- 8) The claim for transferring telecom equipment under the Agreement for operations regarding cellular telecommunication services (“the Agreement”) between National Telecom Public Company Limited (“NT”) and DPC

On March 28, 2018, DPC received a Black Dispute No. 6/2561 dated January 31, 2018, which NT submitted it to the Alternative Dispute Resolution Office, the Arbitration Institute, Court of Justice, to claim for transferring telecom equipment under the Agreement such as Tower, Container, Power Supply, Mobile Number Portability Enable and Call Center System including opportunity cost totaling Baht 13,431 million plus default interest rate at 7.5% per annum on principle amount or payment by the same amount instead of transfers such disputed equipment.

On January 11, 2021, DPC has received the Arbitration Committee resolution which resolved to dismiss the NT’s dispute. As a result, DPC is not obliged to transfer telecom equipment nor make payment for any claim by NT.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On July 14, 2021, DPC received NT's revocation the Arbitration's resolution by the Black case No. 514/2564 dated March 26, 2021 which NT has submitted to the Central Administrative Court to revoke the above Arbitration's resolution.

On September 8, 2021, NT submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of such disputes as requested on September 17, 2021.

### **Advanced Wireless Network Company Limited ("AWN")**

- 1) The claim for revocation of the NBTC's order regarding to Mobile Number Portability (MNP)

During 2015 - 2020, AWN received the administrative order ("Order") from the Office of NBTC to pay administrative fines regarding the mobile number portability issue. AWN submitted for the revocation of Order to the Central Administrative Court under the Black case no. 1357/2560 for Baht 221 million and the Black case No. 2212/2563 for Baht 605 million. On August 26, 2020, the Central Administrative Court provided decision under the Black case No. 1357/2560 to revoke the Order determining administrative fines exceeding Baht 20,000 per day, as a result the administrative fines were decreased to Baht 0.82 million instead.

As for the Black case No. 2212/2563, it is under the consideration of the Central Administrative Court.

The Company's management believes that AWN conducted everything correctly, therefore the outcome of this case should not be significant impact on the consolidated financial statement of the Group.

### **MIMO Tech Company Limited ("MMT")**

- 1) The claim for the compensation amount from MMT for the termination of printing contract with Paper Mate (Thailand) Co., Ltd.

On February 26, 2019, Paper Mate (Thailand) Co., Ltd. filed a lawsuit to the Civil Court under the Black case No. 1016/2562 for the compensation amount from MMT for the termination of printing contract, the claiming amount of damages and lack of revenue is Baht 280 million in total.

On January 28, 2021, the Civil Court has decided to dismiss the cases by Paper Mate (Thailand) Co., Ltd. because Paper Mate (Thailand) Co., Ltd. breached the contract. Therefore, there is no right to claim for the compensation in this cases.

On June 28, 2021, Paper Mate (Thailand) Co., Ltd. appealed to the Appeal Court.

The Group's management believes that MMT has correctly and fully complied with the related conditions of the contract in all respects then the outcome of the said case should not be considerable impact on the consolidated financial statements of the Group.

## Notes to the financial statements



Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

### 39. EVENT AFTER THE REPORTING PERIOD

#### Dividends

On February 7, 2022, the Board of Directors' meeting passed a resolution proposing the payment of dividends for the year 2021, at the rate of Baht 7.69 per share, Baht 3.45 each of which was paid as an interim dividend on September 1, 2021. The proposed dividends shall be approved by the shareholders' meeting of the Company.

### 40. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issue by the Board of Directors on February 7, 2022.