

Company Update

Friday, June 27, 2025



I V Global Securities Public Company Limited

Advanced Info Service Plc (ADVANC)

Rating: BUY

Fair price: Bt305.0

Close price: Bt282.0

Company Information

Ticker:	ADVANC TB
Sector:	ICT
Shares outstanding (m):	2,974.21
Market capitalization (Btm):	838,727.15
Trading vol/day (Btm):	1,875.18
Free float (%):	36.23
Beta:	0.72

Major Shareholders

Gulf Development Pcl	40.44%
Singtel Strategic Investment	19.10%
Thai NVDR	7.96%

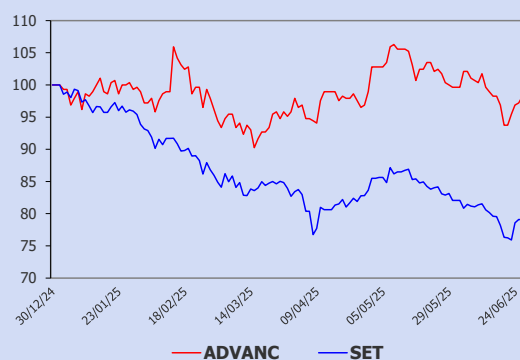
Consensus Bloomberg

2025F EPS (Bt):	12.95
Target price (Bt):	309.70

Price Performance

52 Wk high/low:	309.0 / 208.0
-----------------	---------------

	1M	3M	1Y	YTD
Absolute (%)	-4.1	3.7	33.6	-1.7
Relative (%)	2.0	10.7	49.8	19.2



Rating	CGR	Thai CAC	SET ESG
ADVANC		Certified	AA

Analyst

Rattana Leenutaphong
rattana.l@ivgglobal.co.th
Tel: 662-658-5787

Expanding enterprise revenues

- We attended an event organized by AIS Business, the enterprise arm of ADVANC, which has launched the AIS Cloud service, which it claims is Thailand's first locally owned and operated hyperscale cloud service for Thai corporates. AIS Business is poised to become a platform for AI infrastructure development, leveraging the Oracle Cloud infrastructure service. AIS Cloud Service is designed for public and private sector organizations that require cloud solutions for secure local data storage and processing. ADVANC has more than 95% population network coverage nationwide. Some 12.7m (28% of total) subscribers are 5G customers. Average data usage is 30.3Gb VOU (volume of usage) per data sub per month.
- Ideally, there will be more room to enhance income growth from the enterprise non-mobile service (connectivity and digital service solutions) segment. During 1Q25, enterprise non-mobile service revenue grew by 12% YoY (despite the low-season budget for corporate customers in IT spending), largely contributed by the cloud service, to Bt1.8bn (accounting for 4.3% of core service revenues), compared with total core service revenue growth of 6.3%. We expect this segment to generate double-digit revenue growth, compared with the full-year revenue growth target of 3-5%.
- In addition, ADVANC has recently offered a new promotional package for new registered postpaid subscribers (migrating from rivals) at Bt699/sub/month to watch the English Premier League (EPL) and FA (Football Association) Cup matches under a partnership with Jasmine International Pcl (JAS). JAS pays US\$560m for the exclusive rights to live broadcasts of the EPL and FA Cup, granted by The Football Association Premier League Limited (FAPL), in Thailand, Laos, and Cambodia from 2025/26 onwards for six seasons, from 2025/26 to 2030/31. JAS has signed an MOU with ADVANC, forming a strategic partnership to bring EPL content to ADVANC's customers.
- In terms of financial estimates, we estimate ADVANC will provide annual sponsorship fees to JAS of some Bt1bn/year. Meanwhile, ADVANC has offered its new customers (migrating from rivals) a monthly package of Bt699, with EPL content. On a rough calculation, ADVANC would need >120k new customers to cover additional costs. Meanwhile, the NBTC has removed the FIFA World Cup from the "Must Have" list, allowing pay-TV platforms to gain exclusive broadcast rights.
- Maintain BUY.** We prefer to maintain our earnings estimates for ADVANC and BUY rating with a DCF-based price target of Bt305. Downside risks to our view include a continued rise in market competition, which could stall future revenue growth, and a prolonged weak economy due to rising inflation, which might dampen consumer spending.

Investment Summary

FY 31 Dec	2022	2023	2024	2025F	2026F	2027F
Service (Btm)	133,033	138,570	162,363	167,706	172,442	175,097
Change (%)	1.6	4.2	17.2	3.3	2.8	1.5
Net profit (Btm)	26,011	29,086	35,075	37,670	39,881	41,963
Change (%)	-3.4	11.8	20.6	7.4	5.9	5.2
EPS (Bt)	8.75	9.78	11.79	12.67	13.41	14.11
Change (%)	-3.4	11.8	20.6	7.4	5.9	5.2
P/E (x)	32.2	28.8	23.9	22.3	21.0	20.0
EV/EBITDA (x)	10.3	10.2	8.3	7.9	7.5	7.1
DPS (Bt)	7.69	8.61	10.61	11.40	12.07	12.70
Yield (%)	2.7	3.1	3.8	4.0	4.3	4.5
BVPS (Bt)	28.81	30.45	32.69	34.35	36.02	37.75
P/BV (x)	9.8	9.3	8.6	8.2	7.8	7.5
ROE (%)	31.1	33.0	37.4	37.8	38.1	38.3
ROA (%)	7.5	7.3	7.9	8.9	9.7	10.2
Net D/E (%)	100.5	140.3	103.4	83.4	52.3	25.6

Source: Company and IVG estimates

The opinions and information contained herein are based upon sources believed to be reliable, but their accuracy, completeness or correctness are not guaranteed. This information is not to be construed as an offer, invitation or solicitation to buy or sell the securities covered herein by this report. I V Global Securities Plc ("IVG") accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or its content.

Company Update

Friday, June 27, 2025



I V Global Securities Public Company Limited

Results

(Btm)	1Q25	1Q24	% YoY	4Q24	% QoQ	2024	2023	% YoY
Service revenue	41,929	39,437	6.3	41,899	0.1	162,363	138,570	17.2
Sales	11,204	10,490	6.8	11,486	(2.5)	38,076	36,952	3.0
Total revenues	56,311	53,293	5.7	56,736	(0.7)	213,569	188,873	13.1
Regulatory costs	1,636	1,581	3.5	1,489	9.9	6,276	5,680	10.5
Dep & amortization	14,398	14,816	(2.8)	14,928	(3.6)	59,534	51,404	15.8
Network opex	5,802	5,890	(1.5)	5,608	3.5	22,989	21,825	5.3
Other service cost	2,406	2,594	(7.2)	2,775	(13.3)	10,636	10,201	4.3
Total cost of service	24,242	24,881	(2.6)	24,799	(2.2)	99,434	89,110	11.6
Overall gross profit	21,343	18,418	15.9	21,139	1.0	78,175	63,486	23.1
SG&A expenses	6,555	5,890	11.3	7,962	(17.7)	27,791	22,978	20.9
EBIT	14,788	12,529	18.0	13,177	12.2	50,384	40,508	24.4
EBITDA	30,051	27,984	7.4	28,959	3.8	113,482	94,589	20.0
Interest expenses	2,081	2,300	(9.5)	2,201	(5.5)	9,185	6,145	49.5
Pre-tax profit	13,165	10,444	26.1	11,406	15.4	43,069	35,998	19.6
Tax	2,581	1,993	29.5	2,147	20.2	7,992	6,909	15.7
Net profit	10,584	8,451	25.2	9,259	14.3	35,075	29,086	20.6
EPS (Bt)	3.56	2.84	25.2	3.11	14.3	11.79	9.78	20.6

Source: Company and IVG estimates

Financial ratios

(%)	1Q24	2Q24	3Q24	4Q24	1Q25
Core rev growth YoY	17.6	18.7	19.7	13.1	6.3
Core rev growth QoQ	7.0	2.0	1.4	2.7	0.1
Total revenue growth YoY	14.1	14.6	13.3	10.6	5.7
Regulatory cost as % of rev	4.0	3.9	4.0	3.6	3.9
Gross margin - cellular (%)	41.9	42.7	43.5	45.2	41.9
Gross margin - cons (%)	34.6	37.1	37.5	37.3	37.9
SG&A as % of rev	11.0	12.7	14.0	14.0	11.6
EBIT margin	23.5	24.3	23.4	23.2	23.5
EBITDA margin	52.9	54.6	53.7	51.0	53.4
Net margin	15.9	16.7	16.8	16.3	15.9
Net D/E	132.0	124.8	135.3	103.4	91.9
Net adds (m)	0.408	0.644	0.613	(0.521)	(0.045)
Total subs (m)	45.02	45.67	46.28	45.76	45.72
Mobile ARPU (Bt)	224	224	223	228	228
FBB sub (m)	4.82	4.88	4.94	5.01	5.07
FBB ARPU (Bt)	496	501	505	509	518

Source: Company and IVG estimates

Results

(Btm)	2021	2022	2023	2024
Service revenue	130,972	133,033	138,570	162,363
Sales	36,542	39,476	36,952	38,076
Total revenues	181,333	185,485	188,873	213,569
Regulatory costs	5,320	5,502	5,680	6,276
Dep & amortization	51,773	51,296	51,404	59,534
Network opex	19,128	20,075	21,825	22,989
Other service cost	9,017	10,202	10,201	10,636
Total cost of service	85,238	87,075	89,110	99,434
Overall gross profit	59,880	59,313	63,486	78,175
SG&A expenses	21,846	22,486	22,978	27,791
EBIT	38,034	36,827	40,508	50,384
EBITDA	91,677	90,188	94,589	113,482
Interest expenses	5,626	5,230	6,145	9,185
Pre-tax profit	32,894	32,182	35,998	43,069
Tax	5,970	6,168	6,909	7,992
Net profit	26,922	26,011	29,086	35,075
EPS (Bt)	9.05	8.75	9.78	11.79

Source: Company and IVG estimates

Company Update

Friday, June 27, 2025



I V Global Securities Public Company Limited

Financial ratios

(%)	2021	2022	2023	2024
Cellular rev growth YoY	1.0	0.8	4.0	15.5
Cellular rev growth QoQ	0.0	0.0	0.0	0.0
Total revenue growth YoY	4.9	2.3	1.8	13.1
Regulatory cost as % of rev	4.1	4.1	4.1	3.9
Gross margin - cellular (%)	41.1	40.4	41.3	43.3
Gross margin – cons (%)	33.0	32.0	33.6	36.6
SG&A as % of rev	12.0	12.1	12.1	12.9
EBIT margin	21.0	19.9	21.4	23.6
EBITDA margin	50.9	48.6	50.0	53.0
Net margin	14.8	14.0	15.3	16.3
Net D/E	103.1	99.8	140.3	103.4
Net adds (m)	2.68	1.90	(1.397)	1.145
Total subs (m)	44.12	46.01	44.62	45.76
Mobile ARPU (Bt)	226	214	216	225
FBF sub (m)	1.77	2.17	4.74	5.01
FBF ARPU (Bt)	455	426	435	503

Source: Company and IVG estimates

Quarterly Results

(Btm)	1Q24	2Q24	3Q24	4Q24	1Q25
Service revenue	39,437	40,229	40,798	41,899	41,929
Sales	10,490	7,868	8,232	11,486	11,204
Total revenues	53,293	51,332	52,209	56,736	56,311
Regulatory costs	1,581	1,577	1,629	1,489	1,636
Dep & amortization	14,816	14,738	15,052	14,928	14,398
Network opex	5,890	6,038	5,453	5,608	5,802
Other service cost	2,594	2,552	2,715	2,775	2,406
Total cost of service	24,881	24,905	24,849	24,799	24,242
Overall gross profit	18,418	19,032	19,586	21,139	21,343
SG&A expenses	5,890	6,574	7,365	7,962	6,555
EBIT	12,529	12,458	12,221	13,177	14,788
EBITDA	27,984	28,117	28,422	28,959	30,051
Interest expenses	2,300	2,391	2,293	2,201	2,081
Pre-tax profit	10,444	10,564	10,654	11,406	13,165
Tax	1,993	1,987	1,865	2,147	2,581
Net profit	8,451	8,577	8,788	9,259	10,584
EPS (Bt)	2.84	2.88	2.95	3.11	3.56

Source: Company and IVG estimates

ADVANC

E: Environmental

Realizing the increasingly severe repercussions of climate change, ADVANC has set forth strategies that encompass business operations and its business value chain. Last year, the company employed technology and devised plans for efficient energy and water consumption. An assessment of indirect greenhouse gas emissions scope 3 was initiated to raise awareness among business units and use the results to formulate strategies to achieve the targets. In 2023, ADVANC undertook the installation of solar panels at another 8,835 locations, resulting in a reduction of 16,376 tons of carbon dioxide equivalent. For waste management, ADVANC resolved to manage e-waste properly to achieve the target of zero e-waste to landfills and raise public awareness about proper e-waste management through the "Thais Say No to E-waste" program. The efforts spanned from setting criteria for environmentally friendly procurement to the disposal and recycling of e-waste to minimize environmental impact.

S: Social

ADVANC is dedicated to enhancing its telecommunications infrastructure, forming the foundation for digital innovations. Over the past year, AIS has expanded its 5G network to nearly 90% of the Thai population. The company has collaborated with partners on initiatives such as the AIS 5G Paragon platform, facilitating businesses in the adoption of digital processes. Continuous investments have been made to fortify cyber security and safeguard customers' personal data. Comprehensive risk assessments of ADVANC's cyber security procedures and those of third-party entities connected to the company's data have been conducted to ensure compliance with international standards for the proper protection of customers' data and the company's sensitive information. Emphasizing the significance of human capital as a key driver for stability and innovation, ADVANC has prioritized equipping its workforce with the necessary skills and knowledge in digital technology. This strategic focus aims to support business expansion, enhance competitive advantages for sustainable growth, and cultivate a workforce that exemplifies quality digital citizenship in the digital economy.

G: Governance

ADVANC firmly believes that building a comprehensive telecommunication infrastructure covering all populated areas will unlock opportunities for leveraging digital technology, a crucial tool for reducing inequalities in accessing essential services. In the previous year, AIS actively pursued its "Mission to drive digital society", leveraging the LearnDi and ReadDi online learning platforms to provide educational opportunities for lifelong learning and the development of the Thai population. Despite the manifold benefits that coming with the increased adoption of digital technology, there are also associated risks. In response, ADVANC has committed itself to fostering knowledge and digital skills through the Aunjai Cyber curriculum, which comprises lessons and online tests that reach over 322,000 users. In 2023, AIS introduced the Thailand Cyber Wellness Index (TCWI) as a metric for assessing cyberspace skills, advocating for responsible and improved digital usage.

Comment

ADVANC has been awarded a SET ESG rating of AAA, indicating a strong commitment to environmental, social, and governance (ESG) practices and clear long-term objectives in this regard. Furthermore, the company demonstrates the ability to execute short-term goals effectively.

Source: Company and IVG estimates

I V Global Investment Research – Recommendation Definitions

Sector Recommendations

OVERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index by at least 10% over the next 12 months.

NEUTRAL: The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

UNDERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index by 10% over the next 12 months.

Stock Recommendations

BUY: Expecting positive total returns of 15% or more over the next 12 months.



HOLD: Expecting total returns of not more than -10% to +10% over the next 3 months.

SELL: Expecting negative total returns of 15% or more over the next 12 months

Anti-corruption Progress Indicator Definitions

Level 5 Extended	Extension of the anti-corruption policy to business partners in the supply chain, and disclosure of any current investigations, prosecutions or closed cases
Level 4 Certified	Audit engagement by audit committee or auditors approved by the office of SEC, and receiving certification or assurance by independent external assurance providers (CAC etc.)
Level 3 Established	Carrying out preventive measures, risk assessment, communication and training for all employees, including consistent monitoring and review processes. (3A: Established by Declaration of Intent, 3B: Established by Internal Commitment and Policy)
Level 2 Declared	Public declaration statement to participate in Thailand's private sector Collective Action Coalition Against Corruption (CAC) or equivalent initiatives
Level 1 Committed	Organization's statement or board's resolution to work against corruption and to be in compliance with all relevant laws
Partially progress	Insufficient or not clearly defined policy
No progress	Data not available / no policy

Corporate Governance Report (CGR)

	Excellent
	Very good
	Good

Disclaimers

The disclosure of the survey result of corporate governance, which is surveyed by the Thai Institute of Directors Association ("IOD"), and the Anti-Corruption Progress Indicators, which is assessed by Thaipat Institute, are the disclosure of the survey or assessment result based on the information received from the listed company that was stipulated in the form for Annual Corporate Governance Report of Thai Listed Companies (CGR) and the form for the assessment of Anti-corruption that refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2) or other relevant documents or reports of such listed company (as the case may be). The survey or assessment result is based on the information of the listed company, which is disclosed to the public and can be accessed by all investors and is made in order to comply with the policy of the Office of the Stock Exchange of Thailand.

Nevertheless, the survey or assessment result is made from the perspective of the IOD or Thaipat Institute that are the third party only. It is not an assessment of operation of the listed company and is not based on any inside information."

Since this survey or assessment result is only the survey or assessment result as of the date appearing in the survey or assessment result only, it may be changed after that date or when there is any change to the relevant information. Nevertheless, I V Global Securities Plc. (IVG) does not confirm, verify, or certify the accuracy and completeness of the survey or assessment result.



IVGlobal Securities Public Company Limited

18th Floor, Mercury Tower, 540 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Telephone: +66 (0) 2658-5800 Fax: +66 (0) 2658-5799