

# Company Update

Thursday, August 07, 2025



I V Global Securities Public Company Limited

## Advanced Info Service Plc (ADVANC)

Rating: BUY

Fair price: Bt313.0

Close price: Bt296.0

### Company Information

Ticker:	ADVANC TB
Sector:	ICT
Shares outstanding (m):	2,974.21
Market capitalization (Btm):	880,366.08
Trading vol/day (Btm):	1,818.61
Free float (%):	36.23
Beta:	0.66

### Major Shareholders

Gulf Development Pcl	40.44%
Singtel Strategic Investment	19.10%
Thai NVDR	8.41%

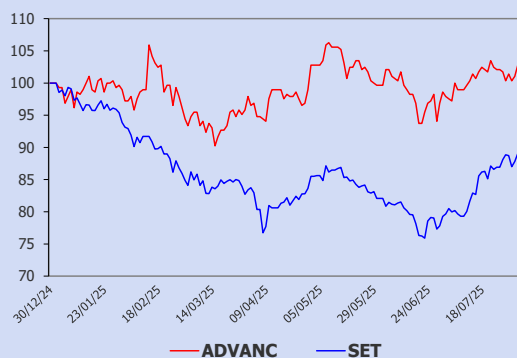
### Consensus Bloomberg

2025F EPS (Bt):	13.82
Target price (Bt):	322.20

### Price Performance

52 Wk high/low:	309.0 / 235.0
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	1M	3M	1Y	YTD
Absolute (%)	6.1	-0.3	24.4	3.1
Relative (%)	-6.8	-6.8	25.1	12.8



Rating	CGR	Thai CAC	SET ESG
ADVANC		Certified	AA

### Analyst

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## 2Q25 net profit rose 28% YoY; 1H25 DPS of Bt6.89

- ADVANC reported a strong net profit of Bt10.98bn (EPS of Bt3.69) for 2Q25, up 28% YoY and 3.8% QoQ. The 2Q25 results were slightly better than our estimate of Bt10.78bn and the Bloomberg consensus projection of Bt10.8bn. 1H25 net profit rose by 26.6% YoY to Bt21.56bn, accounting for 52.7% of our full-year estimate.
- 1H25 DPS of Bt6.89 was announced, offering 2.3% half-year yield. This represents a 95% pay-out ratio. The XD date is on 19 Aug for the payment on 3 Sept.

### 2025 Targets revised up

	Revised	Previous	1H25
Core service rev	4-6%	3-5%	6.6%
EBITDA	4-6%	3-5%	7.5%
Capex	Bt26bn-27bn	Bt26bn-27bn	Bt9.2bn
Dividend payout	90% est	90% est	95%

- Overall 2Q25 performance.** Service revenue grew by 6.8% YoY and 2.5% QoQ during 2Q25. The capex budget during 1H25 came in at Bt9.2bn.
- Mobile service revenue rose 5.3% YoY and 2.4% QoQ to Bt32.4bn, driven by ARPU improvement aligned with quality focus strategy, upselling package and increasing data consumption. Mobile ARPU continued to rise 3.9% YoY and 2.1% QoQ to Bt233 (with a mix of -1.4% YoY for postpaid to Bt442 and +8.6% YoY for prepaid to Bt148). Total mobile subscription reached 46m, with positive net add of 287.6k during 2Q25 (on +165.1k prepaid and +122.5k postpaid).
- Fixed-broadband revenue rose by 9% YoY or 1.4% QoQ to Bt7.9bn. FBB subscribers rose QoQ to 5.14m (with positive net add of 67.9k) with effective churn management and new acquisitions. ARPU was at Bt519, +3.6% YoY and +0.2% QoQ.
- Enterprise business revenue and others (data center service, cloud, cybersecurity, IOT, and ICT solutions) rose 21% YoY and 6.9% QoQ to Bt2.63bn.
- Cost of service was flat YoY and up 3.2% QoQ to Bt25bn on a decline in D&A. Network opex and NT partnership cost rose YoY and QoQ.
- SG&A expenses fell 1.7% YoY and 1.4% QoQ to Bt6.46bn, accounting for 11.5% of revenues. Marketing expenses rose 15% YoY to Bt1.42bn. Admin and other expenses rose 5.6% YoY to Bt5.04bn.
- EBITDA rose 7.6% YoY and 0.7% QoQ to Bt30.27bn, implying EBITDA margin of 54.0%.
- Net Debt/EBITDA rose a bit from 1.8x to 1.9x QoQ.
- Maintain BUY.** We prefer to maintain our earnings estimate and BUY rating with a DCF-based price target of Bt313. Downside risks to our view include a continued increase 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	169,105	173,904	176,609
Change (%)	1.6	4.2	17.2	4.2	2.8	1.6
Net profit (Btm)	26,011	29,086	35,075	40,886	43,534	45,623
Change (%)	-3.4	11.8	20.6	16.6	6.5	4.8
EPS (Bt)	8.75	9.78	11.79	13.75	14.64	15.34
Change (%)	-3.4	11.8	20.6	16.6	6.5	4.8
P/E (x)	33.8	30.3	25.1	21.5	20.2	19.3
EV/EBITDA (x)	10.7	10.7	8.6	8.2	8.1	7.7
DPS (Bt)	7.69	8.61	10.61	12.37	13.17	13.81
Yield (%)	2.6	2.9	3.6	4.2	4.5	4.7
BVPS (Bt)	28.81	30.45	32.69	34.94	36.81	38.66
P/BV (x)	10.3	9.7	9.1	8.5	8.0	7.7
ROE (%)	31.1	33.0	37.4	40.7	40.8	40.7
ROA (%)	7.5	7.3	7.9	9.7	11.2	12.8
Net D/E (%)	100.5	140.3	103.4	86.0	76.5	54.3

Source: Company and IVG estimates

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## Results

(Btm)	2Q25	2Q24	% YoY	1Q25	% QoQ	1H25	1H24	% YoY
Service revenue	42,971	40,229	6.8	41,929	2.5	84,900	79,666	6.6
Sales	9,880	7,868	25.6	11,204	(11.8)	21,084	18,358	14.8
Total revenues	56,043	51,332	9.2	56,311	(0.5)	112,354	104,625	7.4
Regulatory costs	1,715	1,577	8.8	1,636	4.8	3,351	3,158	6.1
Dep & amortization	14,249	14,738	(3.3)	14,398	(1.0)	28,647	29,554	(3.1)
Network opex	6,364	6,038	5.4	5,802	9.7	12,166	11,928	2.0
Other service cost	2,691	2,552	5.4	2,406	11.8	5,097	5,146	(1.0)
Total cost of service	25,019	24,905	0.5	24,242	3.2	49,261	49,786	(1.1)
Overall gross profit	21,590	19,032	13.4	21,343	1.2	42,933	37,450	14.6
SG&A expenses	6,460	6,574	(1.7)	6,555	(1.4)	13,015	12,464	4.4
EBIT	15,130	12,458	21.4	14,788	2.3	29,918	24,987	19.7
EBITDA	30,267	28,118	7.6	30,051	0.7	60,318	56,103	7.5
Interest expenses	2,005	2,391	(16.1)	2,081	(3.6)	4,086	4,691	(12.9)
Pre-tax profit	13,614	10,564	28.9	13,165	3.4	26,779	21,009	27.5
Tax	2,633	1,987	32.5	2,581	2.0	5,214	3,980	31.0
<b>Net profit</b>	<b>10,981</b>	<b>8,577</b>	<b>28.0</b>	<b>10,584</b>	<b>3.8</b>	<b>21,565</b>	<b>17,028</b>	<b>26.6</b>
EPS (Bt)	3.69	2.88	28.0	3.56	3.8	7.25	5.73	26.6

Source: Company and IVG estimates

## Financial ratios

(%)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Core rev growth YoY	17.6	18.7	19.7	13.1	6.3	6.8
Core rev growth QoQ	7.0	2.0	1.4	2.7	0.1	2.5
Total revenue growth YoY	14.1	14.6	13.3	10.6	5.7	9.2
Regulatory cost as % of rev	4.0	3.9	4.0	3.6	3.9	4.0
Gross margin - cellular (%)	41.9	42.7	43.5	45.2	41.9	42.7
Gross margin - cons (%)	34.6	37.1	37.5	37.3	37.9	38.5
SG&A as % of rev	11.0	12.7	14.0	14.0	11.6	11.5
EBIT margin	23.5	24.3	23.4	23.2	23.5	24.3
EBITDA margin	52.9	54.6	53.7	51.0	53.4	54.0
Net margin	15.9	16.7	16.8	16.3	15.9	16.7
Net D/E	132.0	124.8	135.3	103.4	91.9	91.6
Net adds (m)	0.408	0.644	0.613	(0.521)	(0.045)	0.288
Total subs (m)	45.02	45.67	46.28	45.76	45.72	46.00
Mobile ARPU (Bt)	224	224	223	228	228	233
FBB sub (m)	4.82	4.88	4.94	5.01	5.07	5.14
FBB ARPU (Bt)	496	501	505	509	518	519

Source: Company and IVG estimates

## Quarterly Results

(Btm)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Service revenue	39,437	40,229	40,798	41,899	41,929	42,971
Sales	10,490	7,868	8,232	11,486	11,204	9,880
Total revenues	53,293	51,332	52,209	56,736	56,311	56,043
Regulatory costs	1,581	1,577	1,629	1,489	1,636	1,715
Dep & amortization	14,816	14,738	15,052	14,928	14,398	14,249
Network opex	5,890	6,038	5,453	5,608	5,802	6,364
Other service cost	2,594	2,552	2,715	2,775	2,406	2,691
Total cost of service	24,881	24,905	24,849	24,799	24,242	25,019
Overall gross profit	18,418	19,032	19,586	21,139	21,343	21,590
SG&A expenses	5,890	6,574	7,365	7,962	6,555	6,460
EBIT	12,529	12,458	12,221	13,177	14,788	15,130
EBITDA	27,984	28,117	28,422	28,959	30,051	30,267
Interest expenses	2,300	2,391	2,293	2,201	2,081	2,005
Pre-tax profit	10,444	10,564	10,654	11,406	13,165	13,614
Tax	1,993	1,987	1,865	2,147	2,581	2,633
<b>Net profit</b>	<b>8,451</b>	<b>8,577</b>	<b>8,788</b>	<b>9,259</b>	<b>10,584</b>	<b>10,981</b>
EPS (Bt)	2.84	2.88	2.95	3.11	3.56	3.69

Source: Company and IVG estimates

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## 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
<b>Net profit</b>	<b>26,922</b>	<b>26,011</b>	<b>29,086</b>	<b>35,075</b>
EPS (Bt)	9.05	8.75	9.78	11.79

Source: Company and IVG estimates

## 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
FBB sub (m)	1.77	2.17	4.74	5.01
FBB ARPU (Bt)	455	426	435	503

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

<b>Level 5 Extended</b>	Extension of the anti-corruption policy to business partners in the supply chain, and disclosure of any current investigations, prosecutions or closed cases
<b>Level 4 Certified</b>	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.)
<b>Level 3 Established</b>	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)
<b>Level 2 Declared</b>	Public declaration statement to participate in Thailand's private sector Collective Action Coalition Against Corruption (CAC) or equivalent initiatives
<b>Level 1 Committed</b>	Organization's statement or board's resolution to work against corruption and to be in compliance with all relevant laws
<b>Partially progress</b>	Insufficient or not clearly defined policy
<b>No progress</b>	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.



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