

Company Update

Wednesday, October 01, 2025



I V Global Securities Public Company Limited

Advanced Info Service Plc (ADVANC)

Rating: BUY

Fair price: Bt335.0

Close price: Bt291.0

Company Information

Ticker:	ADVANC TB
Sector:	ICT
Shares outstanding (m):	2,974.21
Market capitalization (Btm):	865,495.03
Trading vol/day (Btm):	1,825.73
Free float (%):	36.23
Beta:	0.68

Major Shareholders

Gulf Development Pcl	40.44%
Singtel Strategic Investment	19.10%
Thai NVDR	7.88%

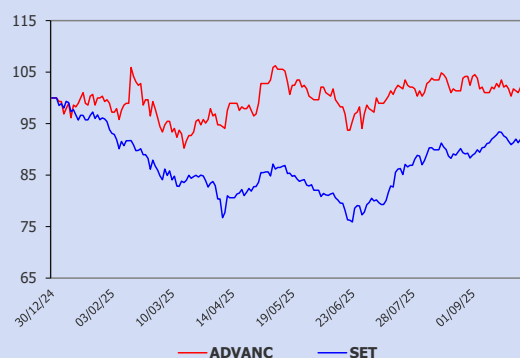
Consensus Bloomberg

2025F EPS (Bt):	14.37
Target price (Bt):	334.85

Price Performance

52 Wk high/low:	309.0 / 259.0
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	1M	3M	1Y	YTD
Absolute (%)	-1.0	4.7	11.9	1.4
Relative (%)	-4.1	-12.3	24.0	10.4



Rating	CGR	Thai CAC	SET ESG
ADVANC		Certified	AA

Analyst

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

3Q25F may come in strong again

- We estimate ADVANC to post 3Q25F bottom-line profits of Bt11.06bn (+26% YoY and +1% QoQ). The YoY improvement in bottom-line net profit will stem from an improving core service revenue, declining service costs, and lower SG&A expenses. The marginal improvement QoQ will be due to declining handset sales in the low season. We expect the mobile phone service and broadband business to pose positive YoY growth and marginal growth QoQ, while we estimate EBITDA to rise by 5.8% YoY and decline by 0.7% QoQ to Bt30.1bn. For 9M25F, we estimate net profit to rise 26.4% YoY to Bt32.6bn. ADVANC has reiterated that the launch of English Premier League (EPL) content on its mobile and fixed broadband business has been profitable.
- We estimate core service revenue will rise by 5.9% YoY to Bt43.2bn in 3Q25F, thanks partly to upselling pricing packages for prepaid customers with improved value, and higher ARPU from the EPL package. Net additional subs also turned positive for both prepaid and postpaid, following a new registration system, which requires all mobile operators to implement Liveness Detection Technology (facial recognition system) for all new SIM card registrations. Overall ARPU is expected to remain stable QoQ with support from EPL. ADVANC had total mobile subscribers of 46m at the end of June 2025 with a blended ARPU of Bt233 (2Q25). Mobile service revenue contributed 75.4% of 1H25's total core service revenue.
- Fixed broadband (FBB) service revenues continued to show positive momentum due to rising subscribers and ARPU. Net additional FBB subs are estimated at 60k per quarter. The company targets FBB service revenue to grow at a double-digit rate this year, compared with +9.5% YoY in 1H25. The total number of FBB subscribers was 5.14m at the end of June 2025. FBB service revenue accounted for 18.6% of the total.
- Enterprise non-mobile revenues will rise YoY on rising connectivity services in electronic data systems (EDS) and cloud. Meanwhile, handset sales will likely be flat YoY but fall QoQ, while new iPhone 17 handset sales were launched in late 3Q25.
- Cost of service and operating expenses will likely fall YoY and QoQ on declining depreciation, network opex (with the 2100MHz NT contract expiring and being replaced with the new 2100MHz NBTC's license effective from 4 Aug), and declining administrative expenses. ADVANC won the bid for 30MHz of bandwidth in the 2100MHz frequency spectrum auction for Bt14.85bn. Therefore, EBITDA is estimated to rise 5.8% YoY to Bt30.1bn.
- Net D/E should remain stable at about 0.9x.
- Maintain BUY.** We have decided to revise our earnings estimates by 6%/5%/4% for 2025-7F, respectively, as we assume higher service revenue growth. We reiterate our BUY rating on ADVANC with a new DCF-based price target of Bt335 (from Bt313). Downside risks to our view include a continued intensification in market competition, which could stall future revenue growth, and a prolonged weak economy due to government instability, which might dampen consumer spending.

Investment Summary

FY 31 Dec	2022	2023	2024	2025F	2026F	2027F
Service (Btm)	133,033	138,570	162,363	171,545	176,611	179,514
Change (%)	1.6	4.2	17.2	5.7	3.0	1.6
Net profit (Btm)	26,011	29,086	35,075	43,325	45,535	47,387
Change (%)	-3.4	11.8	20.6	23.5	5.1	4.1
EPS (Bt)	8.75	9.78	11.79	14.57	15.31	15.93
Change (%)	-3.4	11.8	20.6	23.5	5.1	4.1
P/E (x)	33.3	29.8	24.7	20.0	19.0	18.3
EV/EBITDA (x)	10.6	10.5	8.5	7.9	7.8	7.5
DPS (Bt)	7.69	8.61	10.61	13.11	13.78	14.34
Yield (%)	2.6	3.0	3.6	4.5	4.7	4.9
BVPS (Bt)	28.81	30.45	32.69	35.39	37.26	39.13
P/BV (x)	10.1	9.6	8.9	8.2	7.8	7.4
ROE (%)	31.1	33.0	37.4	42.8	42.1	41.7
ROA (%)	7.5	7.3	7.9	10.3	11.7	13.3
Net D/E (%)	100.5	140.3	103.4	83.8	75.1	52.9

Source: Company and IVG estimates

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Results preview

(Btm)	3Q25F	3Q24	% YoY	2Q25	% QoQ	9M25F	9M24	% YoY
Service revenue	43,189	40,798	5.9	42,971	0.5	128,089	120,464	6.3
Sales	8,250	8,232	0.2	9,880	(16.5)	29,334	26,590	10.3
Total revenues	52,839	52,209	1.2	56,043	(5.7)	165,193	156,834	5.3
Regulatory costs	1,728	1,629	6.0	1,715	0.7	5,079	4,787	6.1
Dep & amortization	13,965	15,052	(7.2)	14,249	(2.0)	42,612	44,606	(4.5)
Network opex	4,964	5,453	(9.0)	6,364	(22.0)	17,130	17,381	(1.4)
Other service cost	2,600	2,715	(4.2)	2,691	(3.4)	7,697	7,861	(2.1)
Total cost of service	23,257	24,849	(6.4)	25,019	(7.0)	72,518	74,635	(2.8)
Overall gross profit	21,662	19,586	10.6	21,590	0.3	64,595	57,036	13.3
SG&A expenses	6,431	7,365	(12.7)	6,460	(0.5)	19,446	19,829	(1.9)
EBIT	15,231	12,221	24.6	15,130	0.7	45,149	37,208	21.3
EBITDA	30,063	28,422	5.8	30,267	(0.7)	90,381	84,524	6.9
Interest expenses	2,005	2,293	(12.6)	2,005	(0.0)	6,091	6,984	(12.8)
Pre-tax profit	13,686	10,654	28.5	13,614	0.5	40,466	31,663	27.8
Tax	2,628	1,865	40.9	2,633	(0.2)	7,842	5,845	34.2
Net profit	11,058	8,788	25.8	10,981	0.7	32,624	25,816	26.4
EPS (Bt)	3.72	2.95	25.8	3.69	0.7	10.97	8.68	26.4

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
Net profit	8,451	8,577	8,788	9,259	10,584	10,981
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
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

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

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