



Please note that all financial figures and analyses are based on the applicable accounting policy for 2020 and 2021, unless otherwise stated

Executive Summary

The challenges brought about by the emergence of the pandemic continued in 2021, with ongoing macroeconomic pressure, travel bans, shop closures and lockdowns throughout the year. With the experience and learnings from the previous year, dtac navigated through the tough environment proving resilience and strength in market execution. Network expansion and enhanced experience, paired with leadership as a digital differentiator and customer centricity in value propositions, led to improved confidence of customers on dtac.

The Company continued its commitment towards delivering on its key strategic priorities and reached its year-end targets for value-focused network via accelerated network rollout, contributing positively towards operating results. At the end of Q421, approximately 12,750 nodes of 700 MHz network were installed. The nationwide 4G connectivity and 5G experience in selected locations led to 4.8pp YoY growth in percentage 4G usage in Q421. In addition, there is ongoing improvement in ARPU between 700 MHz users when compared with non-users, while there is increased momentum in Net Promoter Score, which improved by 23 points from the end of the previous year. As of Q421, approximately 21,300 nodes of 4G-2300 MHz network were installed, further supporting network capacity expansion, and enhancing customers' experience.

As the customer-centric challenger, dtac has positioned itself as the digital differentiator, providing solutions to the pain points of customers and partners. At the end of the year, dtacOne retailer app achieved 100% penetration, while active digital users reached 6.7 million, growing 20% YoY. Digital share of sales increased to 74.5% in Q421, which is driven by higher customer engagement due to various personalized offers and value propositions. The ongoing journey in digital transformation also contributes positively towards the Company's cost efficiencies. Various efforts in B2B such as empowering SMEs with innovative connectivity solutions and partnerships in 5G IoT to help scale businesses led to 14% YoY growth

in revenues and 10% YoY growth in customers. On adjacent services, dtac continues to enhance offerings to customers, capturing the latest trends, resulting in approximately 15% YoY growth in revenues. dtac's drive on efficiency via focus on structural initiatives led to a steady decline of 8% in operating expenses YoY for the last two years. Going forward, efficiency will remain a key focus, additionally focusing on cash saving initiatives below EBITDA.

After five consecutive quarters of positive net adds, dtac ended 2021 with 19.6 million subscribers, registering a 3.7% YoY growth, an increase of 286k QoQ and 704K YoY. The increase in net adds consisted of 281k prepaid users and 5k postpaid customers (excluding one-time clean-up, postpaid net adds was +24k, leading to total net adds of 304k), driven by improving GA due to regionalized approach along with reopening of shops from September. Approximately 32% of total subscriber base were postpaid subscribers.

Service revenues excluding IC declined by 0.6% from the previous year and marginally increased by 0.1% QoQ in Q421 mainly driven by reopening of shops and slowly improving macroeconomic situation. Following the reopening of shops, handset and starter kit sales doubled from the previous quarter. Blended ARPU declined by 0.8% QoQ and 4.4% YoY due to macroeconomic pressure and ongoing aggressive competition. EBITDA (before other items) declined by 5.9% QoQ due to higher seasonal S&M expenses and one-off impact in the previous quarter. EBITDA increased 5.1% YoY due to structural efficiency initiatives and one-time negative impact in Q420. EBITDA margin for Q421 was 32.4%; normalized excluding revenues from CAT lease agreements and TOT network rental, EBITDA margin stood at 38.9%. Net profit for Q421 amounted to THB 171 million.

dtac's guidance for FY22 includes flat to low single digit growth in service revenue excluding IC and EBITDA, with THB 12 – 14 billion CAPEX.



Operational Summary

At the end of FY2021, total subscriber base stood at 19.6 million, increased 0.7 million from the end of last year. The increase mainly came from prepaid, reflecting the return of tourist and migrants, and improving gross adds because of regionalized approach in market execution. Postpaid subscriber base stood at 6.2 million, reflecting a decline of 79k from FY20 but increasing 5k QoQ. Prepaid subscriber increased by 625k YoY and by 250k QoQ to 13.4 million, reflecting gradual recovery from shop reopening and slowly improving macroeconomic situation.

Average Revenue per User excluding IC (ARPU) for FY21 was THB 244 per month, declining by 3.3% YoY from the escalated COVID-19 situation and aggressive competition. At the end of FY2021, postpaid subscriber base accounted for approximately 32% of total subscriber base. Postpaid ARPU for FY2021 was THB 497 per month, a decline of 4.1% YoY, while prepaid ARPU was THB 124 per month, declining by 3.3% YoY, due to customer spending optimization and aggressive competition.

Traffic on TOT's 4G-2300MHz network continued to stay at the high levels, driven by changing customer behavior as part of the new normal adaptation. Number of 4G-2300MHz installed base stations under the partnership with TOT reached approximately 21,300 at the end of FY2021. The number of 4G users reached 13.3 million, representing approximately 68% of total subscriber base. The number of 4G compatible devices reached 82% of total subscriber base. Smartphone penetration remained steady at 89%.

Active subscribers (in thousand)	Q420	Q321	Q421	%QoQ	%YoY	FY2020	FY2021	%YoY
Postpaid	6,106	6,180	6,186	0.1%	1.3%	6,106	6,186	1.3%
Prepaid	12,750	13,094	13,375	2.1%	4.9%	12,750	13,375	4.9%
Total active subscribers	18,856	19,274	19,561	1.5%	3.7%	18,856	19,561	3.7%
Net additional subscribers (in thousand)	Q420	Q321	Q421	%QoQ	%YoY	FY2020	FY2021	%YoY
Postpaid	63	(5)	5	211.3%	-91.4%	(321)	79	-124.7%
Prepaid	110	31	281	814.9%	156.1%	(1,464)	625	-142.7%
Total net additional subscribers	173	26	286	1009.7%	65.4%	(1,785)	704	-139.5%
MoU (minutes/sub/month)	Q420	Q321	Q421	%QoQ	%YoY	FY2020	FY2021	%YoY
Postpaid	199	193	182	-6.0%	-8.7%	201	188	-6.4%
Prepaid	76	72	68	-5.9%	-11.1%	79	71	-9.8%
Blended MoU	116	111	104	-6.2%	-10.2%	118	109	-7.6%
Postpaid excluding Incoming minutes	137	132	123	-6.5%	-9.7%	138	129	-6.6%
Prepaid excluding Incoming minutes	53	50	47	-6.3%	-12.8%	55	50	-10.5%
Blended MoU excluding Incoming minutes	80	76	71	-6.7%	-11.6%	82	75	-8.0%
ARPU (THB/sub/month) - (Post-TFRS 15)	Q420	Q321	Q421	%QoQ	%YoY	FY2020	FY2021	%YoY
Postpaid	518	509	506	-0.5%	-2.4%	532	509	-4.3%
Prepaid	131	123	123	-0.2%	-6.2%	132	127	-3.5%
Blended ARPU	256	247	245	-0.8%	-4.4%	259	250	-3.5%
Postpaid excluding IC	505	496	494	-0.4%	-2.3%	518	497	-4.1%
Prepaid excluding IC	128	120	120	-0.2%	-6.1%	128	124	-3.3%
Blended ARPU excluding IC	250	241	239	-0.7%	-4.4%	252	244	-3.3%



Financial Summary

Revenues

Total revenues in FY21 amounted to THB 81,320 million, increasing by 3.2% YoY mainly from reopening of shops from September and gradual easing of COVID-19 restrictions. Service revenues excluding IC amounted to 13,994 million for Q421, declining by 0.6% YoY, marginally improving by 0.1% QoQ from the slowly improving macroeconomic situation.

Core service revenues (defined by bundle of voice and data service revenues) in FY21 amounted to THB 54,633 million, decreasing 3.7% YoY from the impact of COVID-19 and intense competition. Core service revenues QoQ remained flat at 13,615 million mainly due to slow recovery from COVID-19.

International Roaming (IR) revenues in FY21 amounted to THB 164 million, decreasing by 40.2% YoY, reflecting the prolonged restrictions of international travel due to COVID-19 and lower accrual of inbound roaming.

Other service revenues in FY21 amounted to THB 1,604 million, an increase of 12.4% YoY. Other service revenues for Q421 reached THB 316 million, declining by 3.5% QoQ due to lower IDD.

Handset and starter kit sales in FY21 amounted to THB 8,847 million, increasing 26.7% YoY and doubling QoQ due to reopening of shops during Q421.

Cost of Services

Cost of services excluding IC in FY21 amounted to THB 48,782 million, increasing at 7.1% YoY. The YoY increase is mainly due to higher TOT 2300 MHz network roaming cost and higher amortization of the 700 MHz license.

Regulatory costs in FY21 amounted to THB 2,125 million, decreasing 9.6% YoY. Regulatory cost remained flat throughout the year, impacted QoQ by one-time favorable adjustment of 170 million in Q321. Regulatory costs in Q421 accounted for 4.0% of service revenue (excluding IC), increasing from 3.0% in the previous quarter.

Network OPEX in FY21 amounted to THB 5,325 million, declining 19.0% YoY primarily from network cost optimization initiatives and reduction in CAT lease expense and ongoing efficiency programs that cover network structural transformations to IT/network operational efficiency.

Other operating costs of services in FY21 amounted to THB 20,469 million, increasing 18.7% YoY, and remained steady QoQ at THB 5,175 million driven by roaming cost on 2300 MHz paid to TOT. TOT's 2300 MHz roaming cost, net of corresponding revenues, was approximately THB 1,274 million in Q421, reflecting a 1.1% YoY increase.

Depreciation and Amortization (D&A) of costs of services in FY21 amounted to THB 20,862 million, increasing at 8.2% YoY from amortization of 700 MHz licenses, depreciation of assets from IFRS 16 capitalization, and continuing network expansion.

Selling, General and Administrative Expenses (SG&A)

SG&A expenses in FY21 amounted to 13,745 million, decreasing 4.6% YoY due to limited activities from COVID-19 restrictions.

Selling and Marketing (S&M) expenses in FY21 amounted to THB 4,184 million, increasing 1.9% YoY. S&M expenses amounted to THB 1,203 million in Q421, increasing by 20.1% QoQ due to seasonality and increased activities after the easing of COVID-19 related restrictions.

General administrative expenses in FY21 amounted to THB 6,716 million, decreasing by 4.9% YoY as a result of structural optimization initiatives and well-controlled spending. General administrative expenses amounted to THB 1,945 million in Q421, increasing by 26.7% QoQ due to one-time asset write-off of approximately 430 million pursuant to surrender of rental space on leased towers.

Provision for bad debt in FY21 amounted to THB 1,241 million, decreasing 21.3% YoY. Postpaid bad debt improved QoQ to 2.9% of postpaid revenue in Q421 driven by reopening of shops from September.



Depreciation and Amortization (D&A) of SG&A in FY21 amounted to THB 1,616 million, decreasing 2.8% YoY.

EBITDA and Net Profit

EBITDA (before other items) in FY21 amounted to THB 29,989 million. EBITDA for Q421 increased by 5.1% YoY led by structural efficiency initiatives and one-time negative impact in Q420. EBITDA for Q421 amounted to THB 7,004 million, declining by 5.9% QoQ due to higher seasonal S&M expenses and one-off impact in Q321. In FY21, EBITDA remained almost flat due to structural efficiencies offsetting revenue decline. EBITDA margin (excluding revenues from CAT lease agreements and TOT network rental) was 38.9% in Q421, decreasing from 47.5% in Q321.

Net profit for FY21 amounted to THB 3,356 million, decreasing 34.3% YoY, impacted by higher amortization of 700 MHz spectrum and loss in fair value hedges in Q121. Net profit for Q421 amounted to THB 171 million, negatively impacted by one-time asset write-off of approximately 430 million pursuant to surrender of rental space on leased towers.

Balance Sheet and Key Financial Information

At the end of FY21, total assets amounted to THB 164,315 million, decreasing from THB 174,280 million at the end of FY20. Cash and cash equivalent amounted to THB 3,575 million, decreasing from THB 6,647 million at the end of FY20. Interest-bearing debt including lease liabilities increased from THB 69,962 million at the end of FY20 to THB 74,611 million. Net debt to EBITDA (including lease liabilities) was 2.5x, increasing marginally from 2.4x at the end of Q420.

CAPEX in FY21 amounted to THB 14,318 million with focus on the accelerated low-band rollout and

capacity expansion. Operating cash flow (defined by EBITDA minus CAPEX) amounted to THB 15,671 million.

Outlook 2022

In FY2022, we strive to maintain our customer-centric approach in serving products and services that matter most to our customers alongside investing for network expansion for improved customer experience while maintaining efficient operations with enhanced digital capabilities and innovation.

2022 guidance:

- Service revenue excluding IC: flat to low single-digit growth
- EBITDA: flat to low single-digit growth
- Capital expenditure: THB 12-14 billion

We maintain our dividend policy which is to pay out dividend not less than 50% of the Company's net profits based on the separate financial statements, depending on financial position and future business plans, and aim to pay dividend semi-annually. Based on net profits of the Company for 2021, the Board has approved an annual dividend of THB 1.05 per share, subject to shareholders' approval at the Annual General Meeting 2022. The Record Date will be 14 February 2022, and the payment is scheduled to be made on 20 April 2022.

Statement of financial position (THB million) (Post-TFRS 15 & 16)	End of 2020	End of 2021
Cash and cash equivalent	6,647	3,575
Other current assets	15,075	16,152
Non-current assets	152,558	144,587
Total assets	174,280	164,315
Current liabilities	48,426	47,096
Non-current liabilities	101,539	97,051
Total liabilities	149,965	144,147
Total shareholders' equity	24,315	20,167
Total liabilities and equity	174,280	164,315

Cash flows statement (THB million) (Post-TFRS 15 & 16)	FY2020	FY2021
Cash flows from operating activities	30,550	30,349
Cash paid for interest expenses and tax	(4,608)	(3,855)
Net cash flows from operating activities	25,942	26,494
Net cash flows from investing activities	(20,786)	(21,914)
Net cash receipt/(Repayment)	(1,165)	(146)
Dividend paid	(5,872)	(7,506)
Net cash flows from financing activities	(7,037)	(7,651)
Net change in cash	(1,881)	(3,072)



Income statement (THB million) - (Post-TFRS 15&16)	Q420	Q321	Q421	%QoQ	%YoY	FY2020	FY2021	%YoY
Core service revenues (Voice & Data)	13,826	13,612	13,615	0.0%	-1.5%	56,711	54,633	-3.7%
IR revenues	(39)	38	62	63.2%	-259.1%	274	164	-40.2%
Other service revenues	295	328	316	-3.5%	7.4%	1,427	1,604	12.4%
Service revenues ex. IC	14,082	13,978	13,994	0.1%	-0.6%	58,412	56,400	-3.4%
IC revenue	367	367	352	-4.3%	-4.2%	1,581	1,424	-9.9%
Service revenues	14,449	14,345	14,345	0.0%	-0.7%	59,993	57,824	-3.6%
Handsets and starter kits sales	2,655	1,177	3,517	198.9%	32.5%	6,980	8,847	26.7%
Other operating income	3,427	3,710	3,725	0.4%	8.7%	11,845	14,649	23.7%
Total revenues from sales and services	20,531	19,232	21,587	12.2%	5.1%	78,818	81,320	3.2%
Cost of services	(12,088)	(12,671)	(12,729)	0.5%	5.3%	(47,102)	(50,177)	6.5%
Regulatory	(573)	(416)	(554)	33.2%	-3.3%	(2,350)	(2,125)	-9.6%
Network	(1,763)	(1,459)	(1,299)	-11.0%	-26.3%	(6,628)	(5,325)	-19.7%
IC	(360)	(362)	(347)	-4.1%	-3.7%	(1,592)	(1,395)	-12.4%
Others	(4,697)	(5,171)	(5,175)	0.1%	10.2%	(17,243)	(20,469)	18.7%
Depreciation and Amortization	(4,694)	(5,263)	(5,353)	1.7%	14.0%	(19,289)	(20,862)	8.2%
Cost of handsets and starter kits	(3,370)	(1,560)	(4,211)	170.0%	24.9%	(8,871)	(10,610)	19.6%
Total costs	(15,458)	(14,231)	(16,939)	19.0%	9.6%	(55,973)	(60,787)	8.6%
Gross profit	5,072	5,002	4,648	-7.1%	-8.4%	22,845	20,533	-10.1%
SG&A	(4,166)	(3,274)	(3,817)	16.6%	-8.4%	(14,409)	(13,745)	-4.6%
Selling & Marketing expenses	(1,103)	(1,002)	(1,203)	20.1%	9.0%	(4,108)	(4,184)	1.9%
General administrative expenses	(2,339)	(1,535)	(1,945)	26.7%	-16.8%	(7,063)	(6,716)	-4.9%
Provision for bad debt	(327)	(364)	(282)	-22.5%	-13.7%	(1,576)	(1,241)	-21.3%
Depreciation and Amortization	(396)	(386)	(387)	0.3%	-2.4%	(1,662)	(1,616)	-2.8%
Loss from Asset Impairment	-	12	0	-99.9%	N/A	-	12	n.m.
Gain (loss) on fair value hedge	(1)	0	1	77.4%	n.m.	134	(148)	-210.5%
Gain (loss) from fair value measurement of derivative assets	-	-	-	N/A	N/A	164	-	n.m.
Gain/Loss on foreign exchange	(4)	(5)	20	-491.2%	-557.9%	31	5	-84.6%
Interest income	7	3	1	-62.7%	-85.5%	26	12	-53.0%
Other income & share of profit from investment in associated company	0	(0)	13	n.m.	n.m.	27	121	347.3%
EBIT	908	1,726	866	-49.8%	-4.6%	8,818	6,778	-23.1%
Financial cost	(664)	(729)	(714)	-2.1%	7.6%	(2,859)	(2,830)	-1.0%
Corporate income tax	36	(163)	21	-112.6%	-42.9%	(853)	(592)	-30.5%
Non-controlling interest	-	-	-	N/A	N/A	-	-	n.m.
Net profit attributable to equity holders	281	832	171	-79.4%	-39.1%	5,107	3,356	-34.3%
EBITDA (THB million)* - (Post-TFRS 15&16)	Q420	Q321	Q421	%QoQ	%YoY	FY2020	FY2021	%YoY
Net profit for the period	281	832	171	-79.4%	-39.1%	5,107	3,356	-34.3%
Finance costs	664	729	714	-2.1%	7.6%	2,859	2,830	-1.0%
Income tax expenses	(36)	163	(21)	-112.6%	-42.9%	853	592	-30.5%
Depreciation & Amortization	5,090	5,649	5,740	1.6%	12.8%	20,951	22,478	7.3%
Other items	663	70	400	472.8%	-39.7%	423	733	73.1%
EBITDA	6,662	7,443	7,004	-5.9%	5.1%	30,193	29,989	-0.7%
EBITDA margin	32.4%	38.7%	32.4%			38.3%	36.9%	
EBITDA margin (based on total revenues excluding revenues from CAT lease agreement and TOT network rental in the denominator)	38.5%	47.5%	38.9%			44.7%	44.6%	

* EBITDA herein is EBITDA before other incomes and other expenses. Please see more details in the note of the financial statement.

Debt repayment schedule (THB million), end of FY21	Loan	Debenture	Key Financial Ratio (Post-TFRS 15&16)	Q420	Q321	Q421	FY2020	FY2021
In 2022	5,001	-	Return on Equity (%)***	20.7%	15.7%	15.1%	20.7%	15.1%
In 2023	5,001	3,000	Return on Asset (%)****	5.2%	4.1%	4.0%	5.2%	4.0%
In 2024	4,998	6,000	Net debt to EBITDA (times)	2.3 x	2.4 x	2.5 x	2.3 x	2.5 x
From 2025	-	34,500	CAPEX to Total Revenue (%)	26.2%	18.1%	17.8%	23.5%	17.6%
Total	15,000	43,500	*** Net profit attributable to equity holder (LTM) divided by average equity					
			**** EBIT (LTM) divided by average assets					



Spectrum payment schedule (as of the end of 2021)

Frequency band	Winning price (THB mm)	Payment term (THB mm)								Total (THB mm)
		2022	2023	2024	2025	2026	2027	2028	2029	
900MHz	38,064	3,806	3,806	3,806	3,806	3,806	3,806	-	-	38,064
1800MHz	12,511	-	-	-	-	-	-	-	-	12,511
700MHz	17,584	1,758	1,758	1,758	1,758	1,758	1,758	1,758	1,758	17,584
Total spectrum payment	68,159	5,565	5,565	5,565	5,565	5,565	5,565	1,758	1,758	68,159

Disclaimer: Some statements made in this material are forward-looking statements with the relevant assumptions, which are subject to various risks and uncertainties. These include statements with respect to our corporate plans, strategies and beliefs and other statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "anticipate", "intend", "estimate", "continue" "plan" or other similar words.

The statements are based on our management's assumptions and beliefs in light of the information currently available to us. These assumptions involve risks and uncertainties which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Please note that the Company and executives/staff do not control and cannot guarantee the relevance, timeliness, or accuracy of these statements.