

Executive Summary

Maintained leadership in mobile business

The COVID-19 has induced an economic slowdown and limited business activities, affecting weak consumer purchasing power. However, from Sep-21 onward, restrictions were gradually lifted, resulting in some improvement in consumer spending. Meanwhile, competition in mobile industry remained elevated as operators continued offering low-end unlimited data plans in both prepaid and postpaid segments in order to maintain customer base and expand market share. Hence, mobile revenue slightly declined by 0.7% YoY to Bt117,244mn following the economic environment and competition, offset by the significant increase in subscriber base with a net addition of 2.68mn. The strong net additions were driven by our strong acquisition strategy and ongoing efforts to maintain market share and raise awareness of 5G.

Expanded leadership in 5G

2021 was the year that AIS focused on expanding its 5G network. By the end of 2021, our 5G network has reached 76% of population across 77 cities, focusing on the high-usage areas and utilizing the 2600MHz and 700MHz to provide a superior customer experience compared to our peers. Additionally, 5G subscriber base grew at an accelerated rate, reaching 2.2mn, above the target of 2mn. With 5G price plan geared toward larger data volume and additional benefits i.e., AR/VR services, 5G cloud games, and multiple SIMs, we continued to see an ARPU uplift of 5G of about 10-15%.

Grew strongly in home broadband

In 2021, AIS Fibre continued to grow healthily, despite intense competition, with revenue reaching Bt8,436mn, a 21% increase YoY. The growth was underpinned by 435,100 net additions, or an estimated 25% of industry's net add share, which totaled year-end subscribers at 1.77mn. With a service guarantee package for fast installation, 24-hour problem fix, and staff punctuality, as well as value-added services, AIS Fibre continued to lead the industry as a provider of superior service quality. In 4Q21, AIS Fibre also created a new standard for the home internet market with the launch of lightning-fast services at the 2Gbps level, which meet the needs of customers seeking the highest quality.

Significant Event in FY21

1. In Sep-21, AIS entered into a settlement on some of the legal disputes with National Telecom Public Company Limited (NT). As a result, AIS agreed to pay for dispute settlement to NT in an amount of Bt447.87mn which has previously been provisioned for. The financial impact is on reduction of 'other receivable' and 'provision for revenue sharing' on balance sheet while there is no impact on the income statement.
2. In 3Q21, AIS has announced a 50:50 Joint Venture (JV) Agreement with the Siam Commercial Bank Public Company Limited (SCB) to form a JV under the name AISCBCo., Ltd. (AISCBC) through an investment of Bt300mn. AISCBC is expected to commence service in the first half of this year with an objective to provide the digital lending via online platform to enhance the access to financial service.

Strengthened enterprise business and digital services via partnership strategy

AIS has seen an upsurge in demand for Cloud, Data center, and enterprise solutions as well as new services i.e., eFBB, 5G FWA+, 5G network slicing, and 5G private network. Throughout 2H21, our enterprise business was reinforced by a strategic partnership with Microsoft, which helped widen our product suites and enhance AIS' s capability to serve the enterprise segment, especially in cloud area. As a result, enterprise non-mobile revenue in FY21 climbed 18% YoY and accounted for 3.2% of core service revenue. In addition, AIS continued to scale up several platforms to serve all customer segments. Our VDO, named AIS PLAY, received higher awareness, with current active subscribers growing to 4mn as we provided additional value for customers through our partnership strategy. This includes content collaborations with Disney+ Hotstar, BBC, and Thai League.

Expected mid-single digit growth in FY22

In summary, AIS generated Bt130,972mn of core service revenue for 2021, a growth of 1.1% YoY. EBITDA increased by 2.2% to Bt91,408mn. With ongoing network investment and unrealized foreign exchange loss, reported net profit was Bt26,922mn, decreasing -1.9% YoY.

For FY22, AIS expects to grow mid-single digit of core service revenue underpinned by all business segments. We target to strengthen our 5G service to capture high-value segment. FBB aims to achieve 2.2mn subscribers by tapping mobile subscriber base. Non-mobile enterprise focuses on support needs to enable digital transformation with telecom infrastructure and services in cloud, data center, cyber security, ICT solutions, and 5G services. EBITDA is expected to grow by low-single digit, driven by better revenue momentum and controlled costs while ensuring proper capital allocation to capture growth opportunity. CAPEX is planned around Bt30-35bn as we aim to extend our network leadership to address more opportunities and deliver a superior customer experience by leveraging our 5G best-in-class technology; as well as to expand AIS Fibre coverage to capture untapped demand and enhance our enterprise business.

Market and Competitive Environment

In FY21, mobile competition remained tough as diminished purchasing power has prompted operators to compete on price plan to maintain customer base and expand market share, offering unlimited data plans at low price for prepaid and postpaid customers, resulting in a lower average revenue per user (ARPU) for the industry. For 5G service, mobile operators have committed to increasing 5G customer perception and expanding network coverage in high density of demand areas. As a result, 5G adoption reached around 4mn subscribers, underpinned by the rising demand for the new technology and the introduction of new 5G handset models at more affordable prices.

For the fixed broadband, the market has maintained a substantial growth in consumer demand for remote work and learn, while the entry plan remained stable around Bt400. Discounts were also offered to new customers or those switching service provider, resulting in a decrease of the industry's ARPU from 2020. The customer retention strategies included a providing a variety of contents, value-added services, and a long-term 24-month service contract. Emphasis was also placed on enhancing service quality to ensure customer satisfaction through multiple services such as 24-hour customer care and fast installation service within 24 hours.

FY21 Operational summary

In FY21, total mobile subscribers continued the improving trend to 44.1mn, representing a net addition of 2.68mn or +6.5% YoY. The result was driven by a combination of both prepaid (+1.33mn) and postpaid (+1.35mn) segments. Despite COVID-19 related restrictions that resulted in shop closures in certain months and aggressive price competition, we maintained our leadership position with industry's largest subscriber and revenue market shares. Postpaid ARPU fell -2.8% YoY but rebounded QoQ to Bt473/sub/month driven by 5G service exceeding 2.2mn subscribers while prepaid ARPU dropped 12%YoY and 1.4% QoQ due to weak consumer spending. Overall, blended ARPU decreased by 4.6%YoY to Bt224/sub/month.

AIS Fibre customer growth was accelerated during the pandemic, with a net increase of 435k subscribers in FY21. At the end of FY21, AIS Fibre had 1.77mn customers, strongly increasing 33% YoY, considerably outpacing the home broadband industry, which is growing at a pace of about 5-10% YoY. However, price competition remained intense throughout the year as operators continued to offer steep discount and low-price plans, resulting ARPU to fall 6.8% YoY to Bt444 from Bt476 in 4Q20.

Mobile Business	4Q20	3Q21	4Q21	%YoY	%QoQ
Subscribers					
Postpaid	10,192,400	11,276,300	11,522,200	13%	2.2%
Prepaid	31,244,400	32,381,600	32,594,500	4.3%	0.7%
Total subscribers	41,436,800	43,657,900	44,116,700	6.5%	1.1%
Net additions					
Postpaid	420,900	289,800	245,900	-42%	-15%
Prepaid	74,400	134,400	212,900	186%	58%
Total net additions	495,300	424,200	458,800	-7.4%	8.2%
ARPU (Baht/sub/month)					
Postpaid	486	470	473	-2.8%	0.5%
Prepaid	154	138	136	-12%	-1.4%
Blended	234	223	224	-4.6%	0.2%
MOU (minute/sub/month)					
Postpaid	187	177	169	-9.6%	-4.6%
Prepaid	79	67	66	-16%	-1.8%
Blended	105	95	93	-11%	-2.8%
VOU (GB/data sub/month)					
Postpaid	21.6	26.2	27.1	25%	3.4%
Prepaid	16.5	20.9	23.5	43%	12%
Blended	18.0	22.6	24.9	38%	10%
Device Penetration					
4G-handset penetration	77%	81%	80%	-	-
Fixed Broadband Business					
FBB subscribers	1,336,900	1,668,900	1,772,000	33%	6.2%
FBB net addition	81,400	133,000	103,100	27%	-22%
FBB ARPU (Baht/user/month)	476	455	444	-6.8%	-2.6%

4Q21 Snapshot

For 4Q21, **core service revenue** was Bt33,397mn, improving 4.1% YoY and 1.8% QoQ supported by growth across all three businesses. Mobile business (Bt29,591mn, 2.0% YoY and 1.3% QoQ) saw slightly improved spending in 4Q21 after pandemic restriction eased while low-price environment continued in the market. Home broadband (Bt2,290mn, 24% YoY and 4.6% QoQ) growth was driven by a strong momentum of working and studying from home. Enterprise non-mobile continued to scale up with 26%YoY growth in revenue from Cloud, Data center and ICT solution. Overall, **total revenue** increased 9.3% YoY and 19% QoQ with significant increase in handset sales due to the low baseline from lockdown last year and launching of iPhone 13 in Oct-21.

On the cost side, **cost of service** was Bt21,664mn, increasing 6.0% YoY and 1.1% QoQ from 5G investment to strengthen leading position. **Selling and admin expenses** was Bt5,821mn, decreasing -3.4% YoY from cost control while increased 11% QoQ due to more activities and campaigns to promote 5G during the quarter with ease of pandemic.

Subsequently, **EBITDA** in 4Q21 saw an increase by 3.1% YoY and flat QoQ to amount of Bt22,934mn supported by enhancement of core service revenue, combined with optimization of SG&A. D&A rose 4.0% YoY and 0.8% QoQ from spectrum license of 700MHz and 2.6GHz acquired in 2021. In conclusion, **reported net profit** was Bt6,863mn, decreasing -4.2% YoY but increasing 7.7% QoQ whereas **normalized net profit** (excluding unrealized foreign exchange loss) was Bt6,733mn, decreasing -3.2% YoY and flat QoQ.

FY21 Financial summary

Revenue

In FY21, AIS generated a **total revenue** of Bt181,333mn, increasing 4.9% YoY as a result of core service revenue improvement and an increase in handset sale despite the ongoing effect of the pandemic and weak consumer spending.

Core service revenue (excluding IC and TOT partnership) improved by 1.1% YoY to Bt130,972mn from a strong growth in both fixed broadband and enterprise revenue which was boosted by connectivity demand amid pandemic.

- **Mobile revenue** was Bt117,244mn, declining 0.7% following a downward trend in ARPU from Bt234 to Bt224 due to a prolonged pandemic and price competition. AIS continued to strengthen quality of network and services, hence saw both prepaid and postpaid subscriber grew strongly by 4% and 13% YoY, respectively.
- **Fixed broadband revenue** was Bt8,436mn, increasing 21%YoY due to strong subscriber growth from working and studying from home combined with effective churn management despite seeing lower ARPU due to low price offering in the market to address weak consumption.
- **Other service revenue** was Bt5,291mn, increasing 16% YoY, composed mainly of non-mobile enterprise business which was driven by growing demand for Cloud, Data center, and Enterprise solution following digitization trend.

Revenue from interconnection charge (IC) and TOT partnership reported at Bt13,820mn, slightly increased 0.7% YoY caused by higher network traffic offset with lower Interconnection charge cost.

SIM & Device sales reported Bt36,542mn, increasing 24%YoY from higher sale volume of iPhone13 compared to last year's sale of iPhone12 which came in late. Sale margin remained stable at +0.9% due to strong demand in high margin handset.

Cost & Expense

For FY21, **cost of service** was Bt85,238mn, increasing 4.5%YoY mainly from spectrum license acquisition and network expansion.

- **Regulatory fee** was Bt5,320mn, flat YoY aligned with core service revenue with representing a stable ratio at 4.1% as FY20.
- **Depreciation & amortization** was Bt51,773mn, increasing 3.1% YoY due to spectrum acquisition (700MHz and 26GHz) in 2021 and continued investment in 5G/4G network, offsetting with fully depreciated 3G network equipment.
- **Network OPEX & TOT partnership cost** was Bt19,128mn, increasing 5.6%YoY from higher base rental & utility as well as maintenance of 5G/4G network.
- **Other costs of service** were Bt9,017mn, increasing 14% YoY due to higher cost of content i.e. Disney+ hotstar and Olympic program and international call.

SG&A expenses were Bt21,700mn, decreasing -11% YoY mainly due to cost control and continued low marketing activities.

- **Marketing expenses** were Bt6,035mn, decreasing -8.5% YoY due to lower marketing activities in lockdown restriction period.

- **Admin & other expenses** were Bt15,665mn, decreasing -12%YoY due to lower bad debt and staff-related expenses. In 2021, % bad debt to postpaid & FBB revenue decreased to 2.6% from 4.4% in 2020.

Net FX loss was Bt-646mn in FY21, turned negative, compared to FX gain of Bt2mn in FY20 due to THB depreciation and increased capex payable.

Finance cost was Bt5,626mn, decreasing -4.9% YoY from lower interest-bearing debt. Average cost of borrowing was 2.6%.

Profit

In FY21, **EBITDA** was Bt91,408mn increasing 2.2% YoY due to core service revenue improvement and cost measures, with an EBITDA margin of 50.4%, compared to 51.7% last year. **Net profit** was Bt26,922mn, decreasing -1.9% YoY from unrealized foreign exchange loss and an increase in D&A. Excluding foreign exchange loss, **normalized net profit** was at Bt27,037mn, declining -1.4% YoY.

Financial position

For the period ending Dec-21, total asset was Bt356,222mn increasing 1.7% compared to ending Dec-20 mainly driven by the 700MHz and 26GHz spectrum license acquisition in 2021. Total liabilities of Bt274,397mn, flat YoY from new acquisition of spectrum, offsetting with a decrease long-term borrowing including lower lease liabilities. Interest bearing-debt at the end of Dec-21 stood at Bt87,828mn, decreasing from Bt99,600mn at ending Dec-20. Net debt to EBITDA (excluding lease liabilities and license payable) was 0.8x. Total equity reported Bt81,825mn, increasing 8.1% from Dec-20 due to an increase in retained earnings.

Cash flow

In FY21, Cash flow from operation reported Bt86,634mn increasing 1.2% YoY following EBITDA improvement. Total investing cash flow was Bt45,298mn including Bt25,786mn for network investment and Bt19,512mn for spectrum license acquired. As a result, free cash flow was Bt41,336mn and ending cash of Bt12,739mn.

Financial ratios

Profitability: AIS continued to deliver decent profitability with an EBITDA margin of 50.4% from well-managed cost amid pandemic while net profit margin stood at 15%, significantly above industry average. ROE declined from 38% in FY20 to 34% and ROA slightly decreased from 9% in FY20 to 8%.

Liquidity & Leverage: Current ratio was 0.39x, lower than previous year of 0.45x. AIS maintained strong financial position with low net debt to EBITDA of 0.8x and decent interest coverage ratio of 16x.

Asset turnover: Inventory was well-managed with inventory days declined from 44 days to 22 days due to lower handset stock. Account payable days slightly increased from 72 days to 73 days due to higher capex payable following 5G network expansion.

Credit term and collection period

The normal credit term granted by the Company ranges from 14 days to 120 days depend on type of provided service and clients. For consumer business mainly mobile and fixed broadband service, the Company allows 30 days of credit term as majority of service are monthly mobile subscription. However, Enterprise clients has been granted longer credit term ranging from 30 days to 120 days depend on type of services. Average collection period (days) for FY21 was 32 days, decreasing from 38 days in 2020. Although, AIS provided relaxed payment for consumers and enterprise clients during pandemic situation in 2Q21 and in the lockdown period in 3Q21, the rest in 2021 had a normal collection process.

FY21 MD&A

Advanced Info Service Plc.



Income statement (Bt mn)	4Q20	3Q21	4Q21	%YoY	%QoQ	FY20	FY21	%YoY
Mobile revenue	29,015	29,204	29,591	2.0%	1.3%	118,082	117,244	-0.7%
Fixed broadband revenues	1,852	2,189	2,290	24%	4.6%	6,959	8,436	21%
Other service revenues	1,223	1,403	1,515	24%	8.0%	4,552	5,291	16%
Core service revenue	32,090	32,797	33,397	4.1%	1.8%	129,594	130,972	1.1%
IC and TOT partnership	3,499	3,407	3,374	-3.6%	-1.0%	13,722	13,820	0.7%
Service revenue	35,589	36,204	36,771	3.3%	1.6%	143,316	144,791	1.0%
SIM and device sales	10,485	6,173	13,568	29%	120%	29,574	36,542	24%
Total revenues	46,074	42,377	50,338	9.3%	19%	172,890	181,333	4.9%
Regulatory fee	1,265	1,354	1,258	-0.5%	-7.1%	5,309	5,320	0.2%
Depreciation & Amortization	12,596	13,055	13,158	4.5%	0.8%	50,210	51,773	3.1%
Network OPEX and TOT partnership	4,622	4,649	4,808	4.0%	3.4%	18,110	19,128	5.6%
Other costs of services	1,954	2,377	2,440	25%	2.6%	7,904	9,017	14%
Cost of service	20,437	21,435	21,664	6.0%	1.1%	81,534	85,238	4.5%
Cost of SIM and device sales	10,360	6,205	13,459	30%	117%	29,314	36,215	24%
Total costs of service and sale	30,796	27,640	35,123	14%	27%	110,848	121,453	9.6%
Gross profit	15,277	14,737	15,215	-0.4%	3.2%	62,042	59,880	-3.5%
SG&A	6,026	5,240	5,821	-3.4%	11%	24,331	21,700	-11%
Marketing Expense	1,684	1,430	1,725	2.4%	21%	6,598	6,035	-8.5%
Admin and others	4,342	3,810	4,096	-5.7%	7.5%	17,733	15,665	-12%
Operating profit	9,252	9,496	9,394	1.5%	-1.1%	37,711	38,179	1.2%
Net foreign exchange gain (loss)	263	-428	163	-38%	-138%	2	-646	n.m.
Other income (expense)	136	120	196	44%	63%	731	986	35%
Finance cost	1,358	1,414	1,366	0.6%	-3.4%	5,917	5,626	-4.9%
Income tax	1,128	1,399	1,522	35%	8.8%	5,089	5,970	17%
Non-controlling interest	-1	-0.6	-1	12%	25%	-3	-2	-20%
Net profit for the period	7,164	6,374	6,863	-4.2%	7.7%	27,434	26,922	-1.9%

EBITDA (Bt mn)	4Q20	3Q21	4Q21	%YoY	%QoQ	FY20	FY21	%YoY
Operating Profit	9,252	9,496	9,394	1.5%	-1.1%	37,711	38,179	1.2%
Depreciation & amortization	13,025	13,442	13,546	4.0%	0.8%	51,842	53,374	3.0%
(Gain) loss on disposals of PPE	6	-7	26	349%	n/m	30	26	-15%
Management benefit expense	-45	-37	-26	-42%	-31%	-168	-145	-13%
Other financial cost	-4	-6	-6	63%	12%	-17	-25	48%
EBITDA	22,234	22,888	22,934	3.1%	0.2%	89,398	91,408	2.2%
EBITDA margin (%)	48.3%	54.0%	45.6%			51.7%	50.4%	

FY21 MD&A

Advanced Info Service Plc.



Financial Position				
(Bt mn. % to total asset)	4Q20		4Q21	
Cash	18,421	5.3%	12,739	3.6%
ST investment	1,921	0.5%	1,392	0.4%
Trade receivable	16,579	4.7%	15,219	4.3%
Inventories	2,372	0.7%	2,104	0.6%
Others	3,132	0.8%	4,111	1.2%
Current Assets	42,155	12%	35,566	10%
Spectrum license	110,219	31%	131,775	37%
Network and PPE	122,518	35%	117,844	33%
Right of use	58,723	17%	50,574	14%
Intangible asset	7,123	2.0%	10,864	3.0%
Defer tax asset	4,120	1.2%	4,236	1.2%
Others	5,312	1.5%	5,363	1.5%
Total Assets	350,171	100%	356,222	100%
Trade payable	22,382	6.4%	26,745	7.5%
ST loan & CP of LT loans	18,748	5.4%	14,132	4.0%
CP of lease liabilities	10,213	2.9%	10,537	3.0%
Accrued R/S expense	5,248	1.5%	3,361	0.9%
CP of spectrum payable	10,538	3.0%	10,903	3.1%
Others	26,684	7.6%	26,190	7.4%
Current Liabilities	93,813	27%	91,868	26%
Debenture & LT loans	79,301	23%	73,697	21%
LT lease liabilities	48,150	14%	40,597	11%
Spectrum payable	42,911	12%	61,416	17%
Other	10,306	2.9%	6,819	1.9%
Total Liabilities	274,481	78%	274,397	77%
Retained earnings	51,382	15%	57,103	16%
Others	24,307	6.9%	24,722	6.9%
Total Equity	75,689	22%	81,825	23%

Key Financial Ratio			
	4Q20	3Q21	4Q21
Interest-bearing debt to equity (times)	1.3	1.1	1.1
Net debt to equity (times)	1.0	1.0	0.9
Net debt to EBITDA (times)	0.9	0.9	0.8
Net debt & lease liability & Spectrum license payable to EBITDA	2.1	2.3	2.2
Current Ratio (times)	0.4	0.4	0.4
Interest Coverage (times)	14	16	16
Debt Service Coverage Ratio (times)	3.3	4.2	4.5
Return on Equity	40%	35%	34%

Figures from P&L are annualized YTD.

Bt mn	Debt Repayment Schedule		License payment schedule		
	Debenture	Loan	900MHz	2600MHz	700MHz
2022	-	14,142	7,565	-	3,473
2023	7,820	7,689	7,565	-	3,473
2024	6,638	6,805	7,565	-	3,473
2025	-	7,848	7,565	2,934	3,473
2026	8,180	5,599	-	2,934	3,473
2027	9,000	4,856	-	2,934	3,473
2028	2,500	3,819	-	2,934	3,473
2029	-	-	-	2,934	3,473
2030	-	-	-	2,934	3,473
2031	3,000	-	-	-	-

*The full payments for 26GHz spectrum licenses were made in 1Q21.

Credit Rating	
Fitch	National rating: AA+ (THA), Outlook: Stable
S&P	BBB+, Outlook: Stable

Source and use of fund: FY21 (Bt mn)

Source of fund		Use of fund	
Operating cash flow	92,415	CAPEX & Fixed assets	25,786
Proceed from LT borrowings	8,600	Spectrum license	19,512
Interest received	220	Dividend paid	21,203
Sale of equipment	111	Lease liability payments	11,882
Dividend received	15	Repayment of ST & LT borrowings	18,785
		Income tax paid	5,781
		Finance cost paid	3,692
		Investment in JV	300
Cash decrease	5,681	Others	101
Total	107,042		107,042

2022 Guidance

Core service revenue	Mid-single digit growth
EBITDA	Low-single digit growth
CAPEX (exclude spectrum)	Bt30-35bn

Core service revenue is expected to grow mid-single digit

In 2022, Thai economy is expected to be on a recovery path despite the uncertainty around the outbreak of new COVID-19 strain, Omicron, in early Jan-21. With a substantially higher vaccination rate than in 2021, economic activity and domestic consumption are expected to gradually improve. AIS will focus on building the foundations to be a 'Cognitive Telco' that accelerates network intelligence and IT automation, enabling autonomous monitoring, maintenance, predictive data analytics, and artificial intelligence capabilities. With these, we emphasize on driving growth in core service revenue across all business segments.

- **Mobile revenue is expected to rebound** - AIS strives to leverage 5G to gain revenue market share particularly in high-value segments through superior network and offerings. Despite heightened price competition, we place our focus on enhancing network quality, and customer engagement via customer value management using data analytics and effective retention programs.
- **Fixed broadband growth to outpace the industry's growth** - In 2022, FMC (Fixed-Mobile-Content Convergence) strategy will be more pronounced as we seek to increase ARPU per household (ARPH) by leveraging the mobile customer base and deeper household personalization. We are committed to being a significant player in 2022 with a target milestone of 2.2mn fibre customers this year. AIS Fiber will continue to lead the industry as a provider of superior service quality via a service guarantee amidst price competition.
- **Enterprise business continues to grow at double digit:** Underpinned by the growing demand following digital transformation trends, we aim to grow our CCIID (Cloud, Cyber security, IoT, ICT solutions and Data center) by double digit growth through cooperation with strategic partnerships to boost our competitiveness and capability. We also focus on leveraging 5G enterprise service as a differentiation in key areas i.e., manufacturing, property, and logistics.

EBITDA expands in low-single digit growth

AIS will continue to digitally transform by bringing new technologies to deliver distinctive customer experience and to optimize the cost to serve. We have embarked on a multi-year journey of IT transformation to enhance our time-to-market and simplify internal operational processes, as well as implemented autonomous network to improve both capex and opex efficiency. As we aim to lead the 5G market, we will ensure an effective capital allocation to capture growth opportunity. As a result, we expect EBITDA expansion at a low-single digit rate.

Continued investing in growth opportunities

CAPEX is planned to be around Bt30-35bn as we aim to extend our network leadership to address more opportunities and provide a superior customer experience by leveraging our 5G best-in-class technology. The 5G network expansion is targeted to reach 85% population coverage and will be deployed on comprehensive spectrum portfolio, including low and mid-band as well as millimeter-wave band spectrum, in order to deliver the best quality in selective areas with a high penetration of 5G devices. AIS emphasizes on delivering best 5G user experience in response to the accelerating demand for 5G services. In addition, we aim to expand AIS Fibre coverage to capture untapped demand as well as enhance our enterprise business and digital services. This year, we expect around Bt7bn investment in fixed broadband.

Dividend policy at minimum 70% of net profit

AIS is committed to driving long-term growth while delivering return to shareholders. We place importance in maintaining strong financial health and flexibility to pursue future growth. Our dividend policy is to pay a minimum 70% of net profit. By preserving cash flow, we ensure that we have the financial flexibility to lead, compete, and pursue growth prospect in any changing circumstances.

The dividend payment shall still be made twice a year and is based on consolidated earnings and subjected to the availability of retained earnings on the separate financial statements. In all cases, dividend payment shall depend on cash flow, investment plan including any other future obligations of the Company and/or subsidiaries. Such dividend shall not adversely affect the Company and subsidiaries ongoing operations.