



# 1Q26 Management Discussion & Analysis

Advanced Info Service Public Company Limited  
(ADVANC:TB)

รวมทุกความอุ่นใจ  
ไว้ที่เดียว



Further information is available in the investor materials on [AIS IR website](#)

## Executive Summary

### Sustained momentum through digital adoption amid closely monitored macro environment

In 1Q26, demand for digital services continued to grow steadily, supporting growth across connectivity services and related digital offerings. While domestic sentiment initially improved following the election outcome, consumer confidence softened later in the quarter due to rising energy prices and higher cost of living. The outlook remains under close monitoring.

AIS reported core service revenue of Bt44,849mn, up 7% YoY, exceeded guidance, driven by demand across mobile and broadband services, while revenue relatively flat QoQ, following continued broadband growth, offset with softer enterprise spending amid weaker economic sentiment.

### Mobile growth maintained, supported by data consumption and digital service expansion

Mobile service revenue reached Bt34,005mn, growing 7.6% YoY, driven by continued growth in data usage and a value-driven strategy through higher-tier packages, including 5G and higher data quota plans, further supported by cross-selling of digital value-added services and content offerings. The revenue was flat QoQ, reflecting lower tourism seasonality, which offset continued growth in the domestic segment. Going forward, sentiment will be closely monitored, particularly in the low-income segment.

The core strategy remains prioritizing 5G infrastructure and network quality to enhance user experience and drive higher usage through value-added services, including sports and content. The 5G network covers over 95% of the population nationwide, serving more than 18.5 million 5G subscribers, with further penetration upside supporting continued monetization and growth.

### FBB growth supported by household connectivity demand and beyond-broadband strategy

Fixed-Broadband revenue continued its growth trajectory, reaching Bt8,511mn, up 8.7% YoY and 2.6% QoQ, driven by sustained expansion of quality subscribers, alongside a value-accretive strategy through superior connectivity packages. Growth was further supported by value-added offerings, including entertainment and flagship sports content, which continued to support ARPU growth.

Progress on the integration of TTTBB remained on track, aimed at enhancing customer experience, while unlocking network cost synergies. The integration is expected to be completed within 2026 as planned.

### Enterprise momentum softened amid cautious IT spending, while core connectivity remained resilient

Enterprise service revenue (non-mobile revenue) amounted to Bt1,853mn, up 1.7% YoY, primarily driven by growth in enterprise data services (EDS), which remain a key foundation for digital adoption. The revenue declined -8.2% QoQ due to prudent enterprise spending under macro uncertainty. As economic visibility improves, demand is expected to recover. AIS remains focusing on high-quality growth, leveraging its digital connectivity, cloud, and data center services to capture long-term opportunities.

### Retail business expansion with elevated customer experience and flagship device sales

Device sales reached Bt12,282mn, up 9.6% YoY, driven by strong demand for the iPhone 17 series and new handset launches. Sales declined -10% QoQ, reflecting the seasonality of iPhone launch and higher consumer spending in 4Q25.

### Sustainable profit growth with discipline amid a cautious outlook

In 1Q26, AIS reported EBITDA of Bt32,194mn, up 7.1% YoY, higher than guidance, driven by sustained revenue momentum with disciplined cost management. EBITDA continued momentum of 2.1% QoQ, mainly from cost discipline. EBITDA margin reported at 55.3%.

Net profit was Bt13,496mn, increasing 28% YoY, reflecting solid operational performance, lower network costs, and reduced financial expenses. Net profit declined -5.5% QoQ, primarily due to the utilization of tax loss carry forward in 4Q25. Excluding this impact, net profit would increase 6.9% QoQ.

## 1Q26 Performance Highlight

	Performance	% Change	Guidance
<b>Core Service Revenue</b>	<b>44,849</b> Bt mn	<b>+7%</b> YoY	<b>Around</b> <b>3-5%</b>
<b>EBITDA</b>	<b>32,194</b> Bt mn	<b>+7.1%</b> YoY	<b>Around</b> <b>2-4%</b>
<b>CAPEX</b>	<b>6,786</b> Bt mn	-	<b>Approx.</b> <b>Bt 30-35 bn</b>
<b>Net Profit</b>	<b>13,496</b> Bt mn	<b>+28%</b> YoY	<b>N/A</b>

## Market and Competitive Environment

In early 1Q26, the Thai economy maintained positive sentiment, supported by demand-driven growth in January and February, alongside improved confidence following greater political clarity after the election. Nevertheless, sentiment softened in March as the Middle East conflict weighed on consumer confidence, alongside concerns over fuel prices and the cost of living.

The mobile industry remained resilient, supported by continued data usage growth and rising adoption of higher-value packages, including 5G plans and digital add-ons. Weaker consumer sentiment and stricter SIM registration requirements led to lower net adds, with SIM measures benefits to long-term subscriber quality and improved safeguards against fraud and scams.

The fixed broadband industry continued to expand, driven by household connectivity demand. Competition remained focused on value-added offerings such as home entertainment, sports content, and smart home solutions, supporting ARPU growth. Going forward, household income sensitivity will be a key factor for the industry to monitor.

Enterprise services faced softer momentum as local corporate spending remained cautious amid geopolitical uncertainties. However, continued investment by global technology players in Thailand helped support underlying demand for cloud, data center, and connectivity infrastructure. Broader enterprise spending is likely to recover more meaningfully when business visibility and economic certainty improve.

The IT retail industry continued to grow, driven by demand for flagship devices and new launches, with some purchases brought forward amid concerns over potential memory chip shortages. Competition remained focused on customer experience and omnichannel development. However, growth momentum may soften going forward, in line with consumer sentiment and purchasing power.

## Significant Events in 1Q26 & event after the reporting period

### Progress update for GSA Data Center 02 (GSA02)

GSA02, a data center project under the GSA Data Center joint venture, is progressing as planned and is expected to commence operations in 2027 with 38MW capacity. The data center will support hyperscale-ready digital infrastructure in Thailand, enhancing enterprise competitiveness and strengthening AIS's digital ecosystem. In February 2026, AIS has provided Bt 910 mn in financial support for the project's pre-construction phase as part of a Bt 3,641 mn proportionate financial assistance facility among shareholders.

#### More detail is in SET announcement:

<https://weblink.set.or.th/dat/news/202602/0268NWS030220261910437600E.pdf>

### Issuance of Inaugural USD 1bn debenture

On 4 March 2026, AIS successfully issued USD 1bn (approximately Bt31,000mn) offshore notes, comprising USD600mn 5-year notes due 2031 at 4.260% and USD400mn 10-year notes due 2036 at 4.894%, listed on SGX-ST.

The proceeds are allocated for general corporate purposes. The Company has entered into cross-currency swaps to convert obligations into Thai Baht, maintaining funding costs in line within current cost of fund (1Q26 average cost of fund was 2.6%).

The issuance supports funding diversification, while net debt to EBITDA after the issuance remained below 2.5x, preserving financial flexibility for future growth.

#### More detail is in SET announcement:

<https://weblink.set.or.th/dat/news/202603/0268NWS050320260830446460E.pdf>

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## 1Q26 Operational Summary

**Mobile Service:** In 1Q26, AIS recorded 46.9 million mobile subscribers, with net additions of 170k, primarily driven by 173k postpaid additions supported by strong demand for connectivity and effective churn management. Prepaid subscribers declined by 3k, reflecting a continued focus on subscriber quality, alongside stricter personal identification requirements for new SIM registrations under government initiatives to mitigate fraud and scam risks, as well as softer consumer sentiment toward the end of the quarter. Blended ARPU increased 4.2% YoY, driven by prepaid ARPU from higher data usage, successful upselling to higher-tier packages, and cross-selling of content services. Blended ARPU declined -0.9% QoQ due to seasonality and softer economic sentiment in Mar-26. Data usage (VOU) grew 17% YoY, supported by rising 5G adoption and increased consumption of applications and streaming content. 5G subscribers reached 18.5 million, up 46% YoY, representing 39% of the total subscriber base.

**Fixed-broadband Service:** In 1Q26, Broadband subscribers reached 5.3 million, with net additions of 63k. AIS delivered solid subscriber growth, supported by quality customer acquisition, product innovation, and disciplined churn management. Premium content, particularly the flagship sport content, further strengthened entertainment ecosystem and customer stickiness. FBB ARPU increased to Bt538, up 3.9% YoY and 1.6% QoQ, reflecting focus on upselling higher-value packages and cross-selling value-added services, including premium content and beyond-connectivity solutions.

Mobile Business Subscribers	1Q25*	4Q25*	1Q26	%YoY	%QoQ
Postpaid	13,166,300	13,629,800	13,803,100	4.8 %	1.3 %
Prepaid	32,549,500	33,140,100	33,137,000	1.8 %	— %
<b>Total subscribers</b>	<b>45,715,800</b>	<b>46,769,900</b>	<b>46,940,100</b>	<b>2.7 %</b>	<b>0.4 %</b>
Net additions (Churns)					
Postpaid	152,500	194,200	173,300	14 %	-11 %
Prepaid	-197,700	301,000	-3,100	-98 %	NM %
<b>Total net additions</b>	<b>-45,200</b>	<b>495,200</b>	<b>170,200</b>	<b>NM%</b>	<b>-66 %</b>
ARPU (Baht/sub/month)					
Postpaid*	439	441	436	-0.6 %	-1 %
Prepaid	143	158	155	8.5 %	-1.3 %
<b>Blended*</b>	<b>228</b>	<b>240</b>	<b>238</b>	<b>4.2 %</b>	<b>-0.9 %</b>
VOU (GB/data sub/month)					
Postpaid	35.3	40.0	40.0	13 %	— %
Prepaid	27.9	32.1	33.2	19 %	3.4 %
<b>Blended</b>	<b>30.3</b>	<b>34.6</b>	<b>35.4</b>	<b>17 %</b>	<b>2.3 %</b>
5G subscribers					
5G subscribers	12,157,000	17,860,300	18,503,400	46 %	3.6 %
Fixed Broadband Business					
FBB subscribers	5,068,600	5,242,500	5,305,900	4.7 %	1.2 %
FBB net addition	59,700	38,000	63,400	6.2 %	67 %
FBB ARPU (Baht/user/month)	518	530	538	3.9 %	1.6 %

\*Blended and postpaid ARPU is restated from 1Q25 to align with current period mobile and enterprise (non-mobile) revenue reclassification.

## 1Q26 Financial Summary

### Revenue

In 1Q26, AIS achieved a total revenue of Bt58,197mn, increasing 3.4% YoY, from growth across all services and sales partial offset by absent of NT partnership revenue related to 2100MHz roaming agreement, while decreasing -2.3% QoQ due to seasonality of handset sales.

**Core service revenue** (excluding IC and NT partnership) was at Bt44,849mn, increasing 7% YoY driven by sustained momentum of connectivity demand across mobile and broadband, while flat QoQ from broadband revenue growth offset by lower enterprise revenue.

- **Mobile revenue** was at Bt34,005mn, increasing 7.6% YoY driven by ARPU growth following an improved quality-subscriber mix, 5G upselling, and value-added service cross-sell, while flat QoQ due to seasonality of roaming revenue, offset by growth in domestic segment.
- **Fixed broadband revenue** was at Bt8,511mn, increasing 8.7% YoY and 2.6% QoQ driven by subscriber expansion and ARPU growth from higher-value plan upselling, alongside value-added services cross-selling.
- **Enterprise non-mobile revenue** was at Bt1,853mn, increasing 1.7% YoY, mainly from connectivity services, while decreasing -8.2% QoQ following cautious spending from corporate customers.
- **Others service revenue** was at Bt479mn, decreasing -28% YoY and -2.3% QoQ from lower NT roaming revenue in-line with lower usage.

**Revenue from interconnection charge (IC) and NT partnership** was Bt1,067mn, decreasing -66% YoY following the expiration of the 2100MHz NT roaming agreement, while revenue increased 1.6% QoQ, supported by increasing network maintenance revenue from NT.

**SIM & Device sales** reported Bt12,282mn, increasing 9.6% YoY, driven by strong demand for the iPhone 17 series, Samsung flagship phone launches, and ongoing retail strategy to improve both sales capability and customer experiences. Sales declined -10% QoQ, reflecting the seasonal impact of the iPhone launch cycle.

AIS reported net sales (sales revenue less cost of sales) of Bt725mn, with a margin of 5.9%, compared to Bt478mn with a 4.3% margin in 1Q25, benefited from higher contribution from high-margin product mix.

### Cost & Expense

In 1Q26, the **cost of service** was Bt21,216mn, decreasing -13% YoY, mainly driven by lower network OPEX and reduced depreciation, while decreasing -5.7% QoQ supported by lower depreciation, regulatory fee, and integration benefit.

- **Regulatory fee** was Bt1,635mn, decreasing -0.1% YoY and decreasing -12% QoQ due to one-time deduction of USO fees. Excluding the one-time item, the regulatory fee was flat QoQ, and remained around 4% of core service revenue.
- **Depreciation & amortization** was at Bt13,096mn, decreasing -9% YoY mainly due to lower amortized right-of-use assets following the expiration of the 2100MHz NT agreement in Aug25 and decreasing -3.5% QoQ benefited from fully depreciated assets.
- **Network OPEX & NT partnership cost** was at Bt3,463mn, decreasing -40% YoY, due to lower NT partnership cost and absence of prior-year integration-related expense, while decreasing -15% QoQ further benefited from broadband network synergies and lower FT rates.
- **Other costs of services** were at Bt3,022mn, increasing 26% YoY mainly from higher content cost in line with business growth, while decreasing -0.6% QoQ from higher content cost offset by lower cloud-related expenses align with cloud revenue.

**SG&A expenses** were Bt7,209mn, increasing 10% YoY, driven by higher administrative costs to support business expansion and increased marketing expenses, and rose 5% QoQ, mainly due to higher staff costs, partly offset by lower promotional spending following the peak season in 4Q25.

- **Marketing expense** was Bt1,623mn, up 8.6% YoY, due to higher advertising spend in line with entertainment business expansion. This declined -2.2% QoQ reflecting seasonality. Marketing expenses accounted for 2.8% of total revenue in 1Q26, slightly increasing from 2.7% in 1Q25.
- **Admin & other expenses** totaled Bt5,586mn, increasing 10% YoY and 7.3% QoQ, primarily driven by higher IT expenses to support IT modernization in line with strategy. Provision for bad debts, as a percentage of postpaid and FBB revenue, improved to 1.9% from 2.1% in 1Q25, supported by a continued focus on higher-quality subscribers.

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## 1Q26 Financial Summary (cont.)

### Cost & Expense (Cont.)

**Net FX gain (loss)** was Bt0.1mn in 1Q26, compared to an FX loss of Bt-13mn in 1Q25. AIS has a policy to mitigate currency risk using hedging instruments where applicable.

**Other Income (expense)** was Bt454mn, decreasing -3.7% YoY due to lower interest income, and up 109% QoQ following investment impairment recognized in 4Q25.

**Finance cost** was Bt1,872mn, decreasing -10% YoY and -2.2% QoQ, supported by debt refinancing at lower interest rates, together with loan repayments, resulting in a lower interest-bearing debt as at the end of the quarter. The average cost of borrowing declined from 3% in 1Q25 to 2.6% in 1Q26.

**Income Tax** was Bt3,303mn, increasing 28% YoY, in-line with the growth in profit before tax and increasing 144% QoQ following the utilization of tax loss carry forwards in 4Q25.

As a result, the effective tax rate for 1Q26 was at 19.7%, compared to 20% in 1Q25.

### Profit

In 1Q26, Gross Profit was Bt25,426mn, increasing 19% YoY align with revenue expansion and lower network cost, while increasing 5.3% QoQ align with lower cost of service.

**Gross profit margin** was 43.7%, improving YoY and QoQ driven by profitable revenue growth and continued cost discipline.

In 1Q26, **EBITDA** was at Bt32,194mn, increasing 7.1% YoY and 2.1% QoQ supported by core service revenue growth and disciplined cost management.

**EBITDA margin** was at 55.3%, improving from 53.4% in 1Q25, driven by a focus on profitable revenue growth and operational efficiency. Service EBITDA margin was 68.5%, increasing from 65.6% in 1Q25.

**EBIT** was Bt18,670mn, increasing 23% YoY and 6.4% QoQ in line with EBITDA growth and supported by lower depreciation and amortization, following the end of the 2100MHz spectrum-related costs and full depreciation of assets.

**EBIT margin** was at 32.1%, improved from 27.1% in 1Q25.

**The reported net profit** was at Bt13,496mn, increasing 28% YoY driven by strong operating performance, lower network costs, and reduced depreciation and amortization, while decreasing -5.5% QoQ reflecting a high base from the utilization of tax loss carry forwards in 4Q25. Excluding tax loss carry forward utilization, net profit increasing 6.9% QoQ.

**Net profit margin** was at 23.2% from 18.8% in 1Q25 supported by the company's consistent focus on profitability.

### Financial position

**Total asset** as of ending quarter increasing 9.7% from the end of 2025 to Bt461,228mn. **Current assets** was at Bt94,821mn, increasing 80% mainly driven by a higher cash balance in preparation for dividend payments. **Total non-current assets** was at Bt366,407mn, decreasing -0.3% due to the amortization of spectrum license, right-of-use assets, and PPE.

**Total liabilities** amounted to Bt340,650mn, increasing 8.8% from the end of 2025 due to debenture issuance in March 2026, partly offset by lower lease liability, and lower spectrum payable. **Interest-bearing debt** stood at Bt129,610mn, increasing by 32%. **Total equity** was at Bt120,578mn, increasing 12% from higher retained earning.

### Cash flow

In 3M26, **cash flow from operation (after tax)** reported at Bt30,744mn, decreasing -6.5% mainly due to cash outflow from working capital. **Net cash outflow from investing** was at Bt12,923mn included Bt4,693mn for spectrum license. As a result, **free cash flow** for 3M26 was at Bt14,238mn (OCF less ICF and lease liability). In summary, **net cash** increased by Bt42,740mn resulting in an outstanding cash of Bt68,094mn at the end of March 2026.

## 1Q26 Financial Summary (cont.)

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### Financial Ratio

#### **Liquidity**

For 1Q26, current ratio was 0.9x, improving from 0.5x in FY25 due to higher cash balances. AIS maintain strong operating cash flow to repay its debt obligation and ensure liquidity is managed efficiently.

#### **Leverage**

Net debt to EBITDA (including lease liabilities and license payable) declined to 1.5x in 1Q26 from 1.7x in FY25, reflecting higher cash balances in preparation for dividend payments, alongside EBITDA growth and lower lease liabilities and spectrum payables, despite higher interest-bearing debt from debenture issuance.

Debt repayment capability was increased with interest coverage ratio of 17.2x and Debt service coverage ratio of 3.8x, indicating strong EBITDA generation to cover debt obligations.

The company aims to maintain its investment grade credit profile and currently holds a BBB+ rating by S&P Global.

#### **Turnover**

Inventory days for 1Q26 was 32 days decreased from 39 days in FY25 driven by strong retail sales. The average collection period (days) for 1Q26 was 26 days decreased from 27 days in FY25. Account payable days was 38 day increased from 37 days in FY25. The cash cycle decreased from 29 days in FY25 to 20 days, positive as AIS manage payment terms to ensure cost efficiency.

#### **Credit term and Collection period**

The normal credit term granted by the Company ranges from 14 days to 120 days depending on the type of provided service and clients.

For our vendors and suppliers, the company's standard payment term is 30-60 days or as specified in the contract.

Payment delays may occur due to non-compliance with purchase order conditions or incorrect / incomplete documentation.

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## Consolidated Profit and Loss Statement

Income statement (Bt mn)	1Q25*	4Q25*	1Q26	%YoY	%QoQ
Mobile revenue*	31,611	34,016	34,005	7.6 %	Flat
Fixed broadband revenue	7,828	8,298	8,511	8.7%	2.6 %
Enterprise revenue*	1,821	2,020	1,853	1.7%	-8.2 %
Other service revenues	668	491	479	-28%	-2.3 %
<b>Core service revenue</b>	<b>41,929</b>	<b>44,825</b>	<b>44,849</b>	<b>7 %</b>	<b>0.1 %</b>
IC and NT partnership	3,178	1,051	1,067	-66%	1.5 %
<b>Service revenue</b>	<b>45,107</b>	<b>45,875</b>	<b>45,916</b>	<b>1.8%</b>	<b>0.1 %</b>
SIM and device sales	11,204	13,672	12,282	9.6 %	-10 %
<b>Total revenues</b>	<b>56,311</b>	<b>59,547</b>	<b>58,197</b>	<b>3.4%</b>	<b>-2.3 %</b>
Regulatory fee	1,636	1,849	1,635	-0.1 %	-12 %
Depreciation & Amortization	14,398	13,566	13,096	-9 %	-3.5 %
Network OPEX and NT partnership	5,802	4,049	3,463	-40 %	-14 %
Other costs of services	2,406	3,041	3,022	26 %	-0.6 %
<b>Cost of service</b>	<b>24,242</b>	<b>22,505</b>	<b>21,216</b>	<b>-12 %</b>	<b>-5.7 %</b>
Cost of SIM and device sales	10,726	12,892	11,556	7.7 %	-10 %
<b>Total costs of service and sale</b>	<b>34,968</b>	<b>35,397</b>	<b>32,772</b>	<b>-6.3%</b>	<b>-7.4 %</b>
<b>Gross profit</b>	<b>21,343</b>	<b>24,151</b>	<b>25,426</b>	<b>19%</b>	<b>5.3 %</b>
<b>SG&amp;A</b>	<b>6,555</b>	<b>6,868</b>	<b>7,209</b>	<b>10 %</b>	<b>5 %</b>
Marketing expense	1,495	1,660	1,623	8.6 %	-2.2%
Admin and others	5,060	5,208	5,586	10%	7.3 %
<b>Operating profit</b>	<b>14,787</b>	<b>17,283</b>	<b>18,217</b>	<b>23%</b>	<b>5.4 %</b>
Net foreign exchange gain (loss)	-13	54	0.1	NM %	NM %
Other income (expense)	471	217	454	-3.7%	109 %
Finance cost	2,081	1,915	1,872	-10 %	-2.2 %
Income tax	2,581	1,352	3,303	28 %	144 %
Non-controlling interest	-0.5	-4.9	-0.4	12%	91 %
<b>Net profit for the period</b>	<b>10,584</b>	<b>14,282</b>	<b>13,496</b>	<b>28 %</b>	<b>-5.5 %</b>

EBITDA (Bt mn)	1Q25	4Q25	1Q26	%YoY	%QoQ
Operating profit	14,787	17,283	18,217	23 %	5.4 %
Other income, Finance income, and Share of profit	471	217	454	-3.7%	109 %
Depreciation & Amortization	14,805	13,992	13,524	-8.7%	-3.4%
Net foreign exchange gain (loss)	-13	54	0.1	NM %	NM %
<b>EBITDA</b>	<b>30,051</b>	<b>31,546</b>	<b>32,194</b>	<b>7.1%</b>	<b>2.1 %</b>
<b>EBITDA margin (%)</b>	<b>53.4 %</b>	<b>53.0 %</b>	<b>55.3 %</b>	<b>195bps</b>	<b>234bps</b>
<b>Service EBITDA</b>	<b>29,573</b>	<b>30,766</b>	<b>31,469</b>	<b>6.4%</b>	<b>2.3 %</b>
<b>Service EBITDA margin (%)</b>	<b>65.6 %</b>	<b>67.1 %</b>	<b>68.5 %</b>	<b>297bps</b>	<b>147bps</b>
<b>EBIT</b>	<b>15,245</b>	<b>17,554</b>	<b>18,670</b>	<b>22%</b>	<b>6.4 %</b>
<b>EBIT margin (%)</b>	<b>27.1 %</b>	<b>29.5 %</b>	<b>32.1 %</b>	<b>501bps</b>	<b>260bps</b>

Retail Business (Bt mn)	1Q25	4Q25	1Q26	%YoY	%QoQ
Net Sales	478	780	725	52 %	-7.1 %
<b>Sales Margin (%)</b>	<b>4.3 %</b>	<b>5.7 %</b>	<b>5.9 %</b>	<b>164bps</b>	<b>20bps</b>

\*Mobile and enterprise (non-mobile) revenue have been reclassified from 1Q25 to align with the current period classification. There is no impact to core service revenue.

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Financial Position (Bt mn, %/to total asset)	As of 2025		As of 3M26	
Cash	25,354	6 %	68,094	15 %
ST investment	1,087	0.3 %	922	0.2 %
Trade receivable	15,564	3.7 %	15,400	3.3 %
Inventories	4,107	1 %	3,886	0.8 %
Others	6,592	1.6 %	6,519	1.4 %
<b>Current Assets</b>	<b>52,704</b>	<b>13 %</b>	<b>94,821</b>	<b>21 %</b>
Spectrum license	108,706	26 %	105,244	23 %
Network and PPE	118,626	28 %	118,047	26 %
Right of use	79,897	19 %	77,738	17 %
Intangible asset	27,636	6.6 %	28,003	6.1 %
Defer tax asset	6,293	1.5 %	6,242	1.4 %
Others	26,411	6.3 %	31,133	6.7 %
<b>Total Assets</b>	<b>420,273</b>	<b>100 %</b>	<b>461,228</b>	<b>100 %</b>
Trade payable	13,767	3.3 %	14,636	3.2 %
ST loan & CP of LT loans	20,562	4.9 %	20,588	4.5 %
CP of lease liabilities	13,372	3.2 %	13,580	2.9 %
Accrued R/S expense	3,361	0.8 %	3,361	0.7 %
CP of spectrum payable	8,079	1.9 %	8,019	1.7 %
Others	43,037	10 %	45,773	9.9 %
<b>Current Liabilities</b>	<b>102,178</b>	<b>24 %</b>	<b>105,957</b>	<b>23 %</b>
Debenture & LT loans	77,989	19 %	109,022	24 %
LT lease liabilities	80,291	19 %	77,687	17 %
Spectrum payable	37,122	8.8 %	32,771	7.1 %
Other	15,413	3.7 %	15,213	3.3 %
<b>Total Liabilities</b>	<b>312,993</b>	<b>74 %</b>	<b>340,650</b>	<b>74 %</b>
Retained earnings	82,183	20 %	95,678	21 %
Others	25,097	6 %	24,900	5.4 %
<b>Total Equity</b>	<b>107,280</b>	<b>26 %</b>	<b>120,578</b>	<b>26 %</b>

Key Financial Ratio	1Q25	4Q25	1Q26
Debt to equity (times)	3.8	2.9	2.8
Interest-bearing debt to equity (times)*	1.2	0.9	1.1
Net debt to EBITDA (times)*	0.6	0.6	0.5
Net debt & lease liability & spectrum license payable to EBITDA	1.8	1.7	1.5
Current Ratio (times)	0.5	0.5	0.9
Interest Coverage (times)	14.4	15.5	17.2
Debt Service Coverage Ratio (times)	3.5	3.6	3.8
Return on Equity	45 %	47 %	47 %

Figures from P&L are YTD annualized.

\*Exclude Lease liability

Debt Repayment Schedule			License Payment Schedule		
Bt mn	Debenture	Loan	2600MHz	700MHz	2100MHz
9M2026	15,180	3,509		3,431	
2027	11,000	4,950	2,934	5,189	
2028	11,810	3,910	2,934	5,189	3,713
2029	9,190	560	2,934	5,189	3,713
2030	9,000	560	2,934	5,189	
2031	26,375	560			
2032	6,000				
2033	3,000				
2034	7,000				
2035	3,000				
2036	12,475				

## Credit Rating

Fitch National rating: AAA (THA), Outlook: Stable

S&P BBB+, Outlook: Stable

## Source and Use of Fund: 3M26 (Bt.mn)

Source of fund	Use of fund
Operating cash flow	31,181 CAPEX & Fixed assets
Net borrowings received	29,510 Spectrum license payment
Interest received	41 Lease liability payment
Dividend received & Other	361 Net investments in associates and joint ventures
	Finance cost paid
	Payments for purchase of foreign investment fund
	Income tax paid
	Net increase in long-term loan to related party
	Cash increase
<b>Total</b>	<b>61,093</b>

# 1Q26 Management Discussion & Analysis

Advanced Info Service Public Company Limited (ADVANC:TB)



## Free Cash Flow

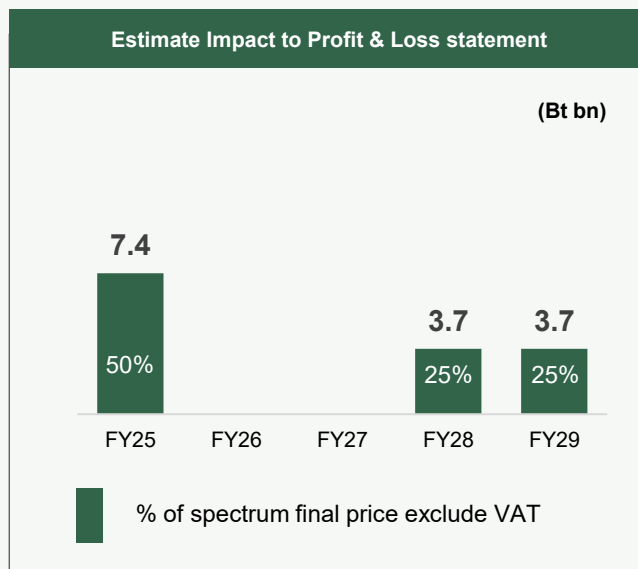
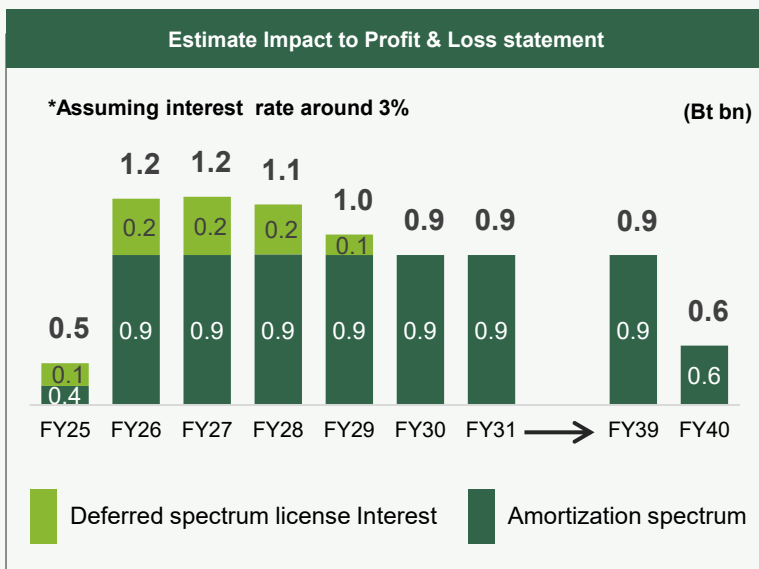
Cash flow (Bt mn)	3M26
Cash flow from operation (After tax)	30,744
Cash flow from investing	(12,923)
Lease liabilities paid	(3,582)
<b>Free cash flow</b> (Net Cash Flow From Operating Activities – Cash Flow From Investing - Lease Liability Paid)	<b>14,238</b>

## Summary of accounting impact from 2100MHz National Telecom contract expiry and recent auction

Income statement (Bt bn)	FY25 2100MHz spectrum arrangement with NT*	FY26 Estimate impact from 2100MHz spectrum auction
<b>Core service revenue</b>	-	-
IC and NT partnership	5.0	-
<b>Total revenue</b>	<b>5.0</b>	<b>-</b>
Depreciation & Amortization	2.2	0.9
Network OPEX and NT partnership	5.0	-
<b>Cost of service</b>	<b>7.2</b>	<b>0.9</b>
Finance cost	0.02	0.2
<b>Profit before tax</b>	<b>(2.2)</b>	<b>(1.2)</b>
<b>Net Profit</b>	<b>(1.76)</b>	<b>(0.96)</b>
<b>EBITDA</b>	<b>No impact</b>	

\*The 2100MHz contract with NT expired on 3 August 2025.

## Financial impact from the recent 2100MHz auction: Spectrum amortization & deferred Interest



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## 2026 Guidance

	Guidance
Core service revenue growth	Around 3-5%
EBITDA growth	Around 2-4%
CAPEX (exclude spectrum)	Approx. Bt 30 – 35bn

### Core service revenue guidance to be around 3-5% focusing on quality growth and an exceptional user experience

In 2026, core service revenue is expected to grow by approximately 3-5%, supported by continued expansion of the digital economy. While the macroeconomic environment remains cautious amid global geopolitical risks, supply chain disruption, and softer consumer sentiment, AIS will continue to focus on disciplined execution, quality growth, and delivering an exceptional user experience. Structural tailwinds from rising mobile and fixed-broadband data usage, together with ongoing digital transformation across consumer and enterprise segments, continue to underpin growth. Revenue expansion will be driven by sustained connectivity demand, ARPU uplift, and the rollout of value-added digital services.

In the B2C segment, growth will be supported by rising connectivity demand, higher data consumption, and deeper penetration across mobile and home broadband services. AIS will continue to enhance ARPU through personalized offerings, premium digital, entertainment, and sports content via global partnerships, as well as expanded services beyond basic connectivity. These include smart-home solutions, IoT connectivity, AI-enabled cloud services for home and small-office use, and premium content delivered through the AIS Playbox platform, reinforcing customer engagement and revenue resilience.

In the B2B segment, investment decisions may soften due to economic volatility. However, growth is expected to be driven by strong demand for core connectivity services, including Enterprise Data Services (EDS), cloud, and data center. This momentum is supported by ongoing enterprise digital transformation, increasing adoption of 5G-enabled use cases, and continued innovation in connectivity, cloud, and digital infrastructure solutions, positioning AIS as a trusted partner for enterprise digitalization.

### EBITDA to growth around 2-4% broadly tracking revenue growth, as the Company prioritizes spending to build a foundation for long-term growth

EBITDA growth will be supported by revenue and device sales margin expansion, and cost discipline amid volatile environment. With a focus on sustaining long-term growth and competitiveness, AIS continues to invest in network and IT modernization, and selectively in content, aimed at enhancing digital capabilities, scalability, and elevating customer experience, which may moderate near-term margin expansion.

In addition, strategic investments in virtual banking among others are expected to establish new growth platforms and diversify future earnings beyond traditional connectivity services, although they may exert pressure on EBITDA in the early stages. AIS expects virtual bank to become profitable in year 4 onwards.

### CAPEX is at approx. 30-35bn to sustain network quality leadership in line with increasing demand in connectivity and to build foundation for sustainable medium-term growth.

The CAPEX reflects a new investment phase aligned with anticipated growth in data consumption and long-term network quality leadership, with YoY increase primarily reflecting higher mobile network investment. Spending will focus on expanding network capacity and coverage to support continued growth in 5G and broadband usage, and accommodate rising traffic demand. Sustaining network leadership is expected to support customer stickiness and ARPU resilience. Nonetheless, AIS will continue to closely monitor demand trends amid weaker consumer sentiment, while maintaining disciplined and flexible CAPEX allocation as appropriate.

In parallel, investment in core IT systems, including application rationalization, will improve operating efficiency, service agility, and long-term scalability, aiming to build solid digital foundation and improve customer experience.

The planned CAPEX allocation broadly comprising approximately 55–60% mobile, around 20% broadband, approximately 10% enterprise, and around 15% IT and others. Over the medium term, CAPEX is expected to remain around 15% of total revenue.

### Dividend policy at minimum 70% of net profit

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

The dividend payment shall 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 and investment plan including any other future obligations of the Company and/or subsidiaries. Such dividends shall not adversely affect the Company and its subsidiaries' ongoing operations.

# 1Q26 Management Discussion & Analysis

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## Glossary

Subscriber	Number of registered SIM at ending period whose status is not defined as churn
Postpaid churn	Subscribers whose payment status is overdue more than 60 days from due date
Prepaid churn	Subscribers who do not refill to extend their validity within 45 days or subscribers who are inactive more than 90 days. For tourist sim who are inactive more than 30 days
Net additions	Change of number of subscribers from beginning period to ending period
Churn rate	Number of subscriber disconnections in the period divided by the sum of gross new subscribers in the period and the subscribers at the beginning period
ARPU	Consolidated service revenue excluding inbound international roaming and interconnect revenues divided by average of subscriber at the beginning and ending period
VOU	Number of billed gigabyte generated from subscriber divided by average subscriber
EBIT	Operating Profit + Other income (expense) + Finance income + Share of profit (Loss) + Net foreign exchange gain (loss)
EBITDA	Operating Profit + Other income (expense) + Finance income + Share of profit (Loss) + Depreciation & Amortization + Net foreign exchange gain (loss)
EBITDA margin	EBITDA / Total Revenues
Service EBITDA	Operating Profit + Other income (expense) + Finance income + Share of profit (Loss) + Depreciation & Amortization + Net foreign exchange gain (loss) – Sales revenue + Cost of SIM and device sales
Service EBITDA margin	Service EBITDA / (Total Revenue – Sales revenue)
Interest-Bearing Debt to Equity	Interest Bearing Debt / Ending Equity
Debt to Equity	Ending Liability / Ending Equity
Net Debt to EBITDA	(Interest Bearing Debt - Cash) / EBITDA
Net Debt to EBITDA (Incl. lease liability and spectrum license payable)	(Interest Bearing Debt + Lease Liability + Spectrum License Payable - Cash) / EBITDA
Interest Coverage	EBITDA / Finance Cost
Debt Service Coverage Ratio	EBITDA / (Debt Repayment Within 1 Year Including Lease Liability)
ROA	Net Profit / Average Asset Between Beginning and Ending Period
ROE	Net Profit / Average Equity Between Beginning and Ending Period
Free Cash Flow (FCF)	Net Cash Flow From Operating Activities – Cash Flow From Investing - Lease Liability Paid

## Recent development in Sustainability

### AI Literacy Learning Platform

In April 2026, AIS in collaboration with the Ministry of Higher Education, Science, Research and Innovation and Chulalongkorn University, AIS launched the “AI Literacy” course under its “Aunjai Cyber” program, offering free access via Thai MOOC and Aunjai CYBER platforms. Developed by AI experts, the curriculum covers AI fundamentals, real-life applications, and safe, ethical usage, with content certified by MHESI and potential future credit recognition. The initiative aims to enhance nationwide AI capabilities, while strengthening cyber awareness, supporting the development of a digitally resilient society.



### 5G-Enabled Mobile Stroke Unit (MSU) for Healthcare Support

In March 2026, AIS, in collaboration with the NBTC, supported the healthcare system by providing 5G connectivity and SIM solutions for Mobile Stroke Units (MSU) at Siriraj Hospital and Somdet Phra Yuparaj Hospitals. The initiative enables real-time data connectivity for faster diagnosis and treatment at the point of incident, improving timely access to care and reducing potential disability. This reflects AIS’s commitment to leveraging its digital infrastructure to improve healthcare efficiency, accuracy, and public access to critical medical services.



### Cyber Safety Initiative

In February 2026, AIS, in collaboration with the Child and Youth Media Institute (CYMI), signed a memorandum of understanding on Safer Internet Day 2026 to promote digital well-being and cyber safety. The initiative focuses on strengthening collaboration across sectors to enhance safe, responsible, and quality use of digital technology, addressing growing digital risks. This reinforces AIS’s commitment to advancing digital well-being and ESG practices in a structured and sustainable manner.



### AIS ID: Mobile Identity Authentication Service

In November 2025, AIS launched “AIS ID” in collaboration with ETDA and the NBTC, introducing Thailand’s first Mobile ID service in the telecom sector. The service allows customers to verify their identity for online transactions using their mobile number, with liveness detection technology to enhance security and prevent fraud, in line with national regulatory standards.



### 1185 Scam SMS Reporting Service

In October 2025, AIS launched the “1185 Snap & Share” service to enhance customer cyber safety. The service allows users to report scam SMS messages by simply sending a screenshot to SMS number 1185. AIS will verify and block fraudulent senders within 24 hours to prevent further scams. The service is free and unlimited for all AIS customers.

# 1Q26 Management Discussion & Analysis

Advanced Info Service Public Company Limited (ADVANC:TB)



## Sustainability Updates

as of 2025

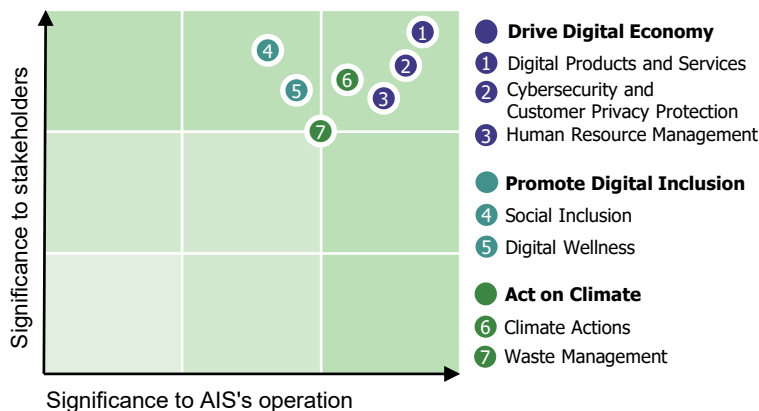
### Sustainability Development Strategy

In driving sustainable business operation, Sustainable Development Committee (SDC) was assigned to govern policy, strategies, goals, and material aspects with providing consultancy and support management to operate business as sustainability framework.

AIS' sustainable development framework comprises three dimensions:



### Materiality Assessment



### Disclosure standard and ESG Rating

#### Disclosure Standards

- **GRI:** Global Reporting Initiative
- **SASB:** Sustainability Accounting Standard Board
- **CDP:** Carbon Disclosure Project
- **TCFD:** Task Force on Climate-Related Financial Disclosure

#### 2025 Rating

- AA rating on MSCI ESG ratings
- FTSE 4 Good Index Series
- Medium ESG Risk Rating from Sustainalytics
- AAA rating on SET ESG rating
- "Excellence" based on Corporate Governance Report (CGR) of Thai Listed Companies by IOD

#### Remark

- In 2024, data integration between AIS and TTTBB was carried out following AIS's acquisition of TTTBB. This has resulted in changes to the performance data compared to the previous year.
- More information of sustainability development strategy and performance can be found in AIS Sustainability Report 2025.

### Drive Digital Economy

Strive to develop digital innovations to support Thailand's economy through secure services, strong data privacy, and workforce upskilling.

- Expanded high-growth digital offerings (IoT/ICT solutions, cloud, analytics, and digital platforms).
- Established Data and AI Governance policy to ensure accurate, secure, and responsible use.
- Invested in employee capability development and well-being.
- Enhanced the board of director effectiveness with diverse knowledge and abilities.
- Delivered sustainable returns to all stakeholders.

Key Performance Table	Unit	2023	2024	2025
New Digital Services Revenue	%	4.1	3.8	4.8
Litigation or Fine from Data Leakage, Theft, or Loss	Number of cases	0	0	0
Independent Director	%	36	42	43
Women Director on Board	%	18	17	21
Gender Employee Diversity (women)	%	59	46	46

### Promote Digital Inclusion

Advancing Thailand's digital society through infrastructure, platforms, and responsible technology use as follows:

- Expanded 5G and Broadband coverage continuously through initiatives such as the flagship project "Green Energy, Green Network" and "Broadband Internet for Schools"
- Developed digital platforms to promote digital access for enhancing the quality of life in Thai society.
- Built knowledge to promote digital intelligence skills
- Promoted appropriate and secure internet and social media usage.

Key Performance Table	Unit	2023	2024	2025
5G Network Coverage	% Population	90	95	95
Improving Socio-economic Condition and Quality of Life	Million Person	2.57	3.46	3.64
Promoting Digital Wellness	Million Person	0.51	0.79	1.49

### Act on Climate

Reducing environmental impact through efficient operations and responsible resource management as follows:

- Increased the use of electricity from renewable energy sources i.e., by installing solar energy systems nationwide.
- Improved network energy efficiency.
- Properly managed e-waste disposal and promote AIS HUB of e-waste projects among Thai people.

Key Performance Table	Unit	2023	2024	2025
GHG Emissions (scope 1 and 2)	Ton CO <sub>2</sub> e	704,264	798,881	820,916
GHG Emissions (scope 3)	Ton CO <sub>2</sub> e	414,205	729,107	638,547
GHG Emission Intensity	Ton CO <sub>2</sub> e /Terabyte	0.056	0.018	0.016
Renewable Energy	%	2.3	3.1	3.8
Water Discharge	%	34	40	41
Disposal Electronics Waste to Landfill	Ton	0	0	0





# 1Q26 Management Discussion & Analysis

Advanced Info Service Public Company Limited (ADVANC:TB)



## Sustainability Goals

as of 2025

Key Performance Indicator Target	2025 Achievements and Progression by target	Target Year
<b>Drive Digital Economy</b>		
<u>Digital Products and Services</u> 7% of revenue generated from new digital products and services that enable the digital economy	 4.8% from 7%	2027
<u>Cyber Security and Customer Privacy Protection</u> <ul style="list-style-type: none"> <li>Maintain the highest cybersecurity and personal data protection standards on par with or surpassing those of other business organizations in the industry and the region</li> <li>Enhance the efficiency of cybersecurity and data privacy measures to defend AIS's significant business value chain</li> </ul>	Aligned with Target	<b>Achieved (in 2025)</b>
<u>Human Resource Management</u> More than 90% of AIS employees will receive training in digital technology skills	 91% from 90%	<b>Achieved (in 2025)</b>
<b>Promote Digital Inclusion</b>		
<u>Social Inclusion</u> Improve the socio-economic condition of 5 million people	3.64 mn people from 5 mn  73%	2027
<u>Digital Wellness</u> Empower digital citizenship by providing digital solutions and tools for 3 million people	1.49 mn people form 3 mn  50%	2027
<b>Act on Climate</b>		
<u>Climate Actions</u> <sup>1</sup> Reduce GHG emissions intensity as calculated from the ratio of direct (GHG scope 1) and indirect emissions (GHG scope 2) to data traffic, by 25% compared to the 2024 baseline	<ul style="list-style-type: none"> <li>Greenhouse gas emissions (Scope 1 and 2) are at 820,916 tCO<sub>2</sub>e</li> <li>Greenhouse gas emissions (Scope 1 and 2) intensity are at 0.016 tCO<sub>2</sub>e per data traffic (<b>Reduce by 9% compared to 2024 baseline</b>)</li> </ul>	2030
<u>Waste Management</u> Maintain zero e-waste to landfill	Aligned with Target	<b>Achieved (in 2025)</b>

### <sup>1</sup> Rationale of current Climate Action target :

AIS considers its emissions profile alongside structural and regulatory conditions in Thailand's electricity market. Key factors include:

- Electricity as the primary emissions source:** More than 95% of the Company's GHG emissions (Scope 1+2) are associated with electricity consumption across network infrastructure and data facilities, making Scope 2 emissions the dominant source.
- National power grid dependency:** Electricity supply is largely derived from the national grid operated by state owned utilities, where renewable energy penetration remains limited and is progressing gradually under Thailand's Power Development Plan.
- Access to clean energy for high electricity-consuming industries:** Telecommunications operations rely on a large number of geographically dispersed sites with small electricity meters, which limits the ability to deploy or procure renewable energy at scale across all locations.
- Participation in certain renewable energy programs:** Certain mechanisms, such as the Utility Green Tariff (UGT), are less suited to operators with highly distributed infrastructure and numerous small consumption points.
- Limitations in renewable energy procurement mechanisms:** Direct and virtual Power Purchase Agreements (PPAs) are not currently permitted. Access to Renewable Energy Certificates (RECs) is limited and subject to price volatility, alongside double counting concerns as renewable electricity supplied to the grid remains included in the Grid Emission Factor.

Accordingly, AIS adopts a phased approach to climate target setting, while continuing to assess short- and long-term pathways aligned with Thailand's Net Zero 2050 ambition and science-based principles, supported by ongoing monitoring of regulatory and market developments.



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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.

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ไว้ที่เดียว

