



(Translation)

AIS-CP 013/2022

1 July 2022

Subject: Purchase of Investment in Startup from Intouch

To: The President

The Stock Exchange of Thailand

Advanced Info Service Public Company Limited (the “Company” or “AIS”) would like to inform that AIS Digital Life Co.,Ltd. (“ADL”), a 99.99% subsidiary of AIS has entered into a share purchase agreement in 3 startup companies from Intouch Holding Plc. (“Intouch”) who is the major shareholder of AIS at a total value of 239 million Baht. The detail of investment is as follow.

Company	Business	% Shareholding
1) Choco Card Enterprise Co., Ltd. (Choco)	CRM & loyalty management platform serving corporates and SMEs	20.71%
2) Datafarm Co., Ltd. (Datafarm)	Professional testing services in cybersecurity such as Penetration tests & Vulnerability Assessment	25.00%
3) Swift Dynamics Co., Ltd. (Swift Dynamics)	IoT service provider in Smart Building, Smart Factory, and Smart Manufacturing, etc.	16.67%

The investment aims to support AIS in driving new value-added digital services that can leverage and strengthen AIS’s existing core business. This will secure expertise and technology capability while allowing AIS to gain competitiveness and faster market access. Through collaboration and business partnership between AIS and these startup companies, AIS will be able to rapidly expand into diverse products and services i.e., widening AIS’s point redemption ecosystem, capturing market demand for cybersecurity in the enterprise customer segment, accelerating the development of smart IoT and 5G solutions. This investment aligns with AIS’s business direction toward driving new digital services beyond the existing telecommunication connectivity.

This transaction is considered an asset acquisition transaction as well as a related party transaction to acquire assets or services as it is transacted with the company’s major shareholder. The acquisition size calculated on the total value paid is 0.067% of total assets, based on AIS’s latest consolidated financial statement as of 31 March 2022. When combined with the acquisition in the past six months, the total transaction size is less than 15%, hence the disclosure is not required. When considering the related party transaction, the transaction size is 0.42% of the net tangible asset (NTA), based on AIS’s latest consolidated financial statement as of 31 March

2022, which is more than 0.03% but less than 3% of the company's NTA. The disclosure for related party transaction is as follow.

Please be informed accordingly

-Signed –

(Mr. Tee Seeumpornroj)

Chief Finance Officer

Related Party Transaction Disclosure

Advanced Info Service Plc.

1. Date of transaction 1 July 2022

2. Related party & relationship with AIS

Buyer: AIS Digital Life Co., Ltd. (“ADL”), a subsidiary of AIS

Seller: Intouch Holding Plc. (“Intouch”), a major shareholder of AIS with 40.44% holding

3. Detail of transaction

ADL has entered into a share purchase agreement in 3 startup companies under the Invent Program of Intouch Holding Plc. (“Intouch”) to support the development of new products and services as well as create a new business potential for AIS. The total investment value is 239 million Baht, based on the fair value using a market comparable approach such as price to sale, price to book value, price to earnings. The detail of each business is as follow.

3.1 Choco Card Enterprise Co., Ltd. (Choco)

Nature of business	CRM & loyalty management platform serving corporates and SMEs																										
Investment portion	20.71%																										
Registered capital	6.17 million Baht																										
Paid-up capital	6.17 million Baht (61,732 common shares at a par value of 100 Baht/share)																										
Board of directors	<ol style="list-style-type: none"> 1. Mr. Sirasit Suriyapattanapong 2. Mrs. Naowalak Suriyapattanapong 3. Mr. Pote Supromajakr 4. Mr. Sam Tansakul 5. Mr. Rudthapol Sirichoompun 																										
Shareholding	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">1. Mr. Sirasit Suriyapattanapong</td> <td style="width: 15%;">34.37%</td> <td style="width: 5%;"></td> <td style="width: 75%;"></td> </tr> <tr> <td>2. Intouch Holdings Plc.</td> <td>20.71%</td> <td></td> <td></td> </tr> <tr> <td>3. SMEs Private Equity Trust Fund by Government Savings Bank #1</td> <td>16.49%</td> <td></td> <td></td> </tr> <tr> <td>4. Krungsri Innovate Co., Ltd.</td> <td>11.50%</td> <td></td> <td></td> </tr> <tr> <td>5. Mrs. Naowalak Suriyapattanapong</td> <td>10.26%</td> <td></td> <td></td> </tr> <tr> <td>6. Other shareholders</td> <td>6.67%</td> <td></td> <td></td> </tr> </table>			1. Mr. Sirasit Suriyapattanapong	34.37%			2. Intouch Holdings Plc.	20.71%			3. SMEs Private Equity Trust Fund by Government Savings Bank #1	16.49%			4. Krungsri Innovate Co., Ltd.	11.50%			5. Mrs. Naowalak Suriyapattanapong	10.26%			6. Other shareholders	6.67%		
1. Mr. Sirasit Suriyapattanapong	34.37%																										
2. Intouch Holdings Plc.	20.71%																										
3. SMEs Private Equity Trust Fund by Government Savings Bank #1	16.49%																										
4. Krungsri Innovate Co., Ltd.	11.50%																										
5. Mrs. Naowalak Suriyapattanapong	10.26%																										
6. Other shareholders	6.67%																										
Financial summary	<p>Based on financial statements for the years ended October 31, 2019, 2020, and December 31, 2021.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: 20px;"> <thead> <tr> <th style="text-align: left;">Unit: Million Baht</th> <th style="text-align: center;">2019</th> <th style="text-align: center;">2020</th> <th style="text-align: center;">2021</th> </tr> </thead> <tbody> <tr> <td>Total assets</td> <td style="text-align: center;">59.17</td> <td style="text-align: center;">47.90</td> <td style="text-align: center;">121.07</td> </tr> <tr> <td>Total liabilities</td> <td style="text-align: center;">11.36</td> <td style="text-align: center;">42.12</td> <td style="text-align: center;">48.86</td> </tr> <tr> <td>Shareholders' equities</td> <td style="text-align: center;">47.81</td> <td style="text-align: center;">5.78</td> <td style="text-align: center;">72.21</td> </tr> <tr> <td>Total revenues</td> <td style="text-align: center;">44.42</td> <td style="text-align: center;">45.42</td> <td style="text-align: center;">141.21</td> </tr> <tr> <td>Net profit (loss)</td> <td style="text-align: center;">(22.60)</td> <td style="text-align: center;">(42.03)</td> <td style="text-align: center;">(22.06)</td> </tr> </tbody> </table>			Unit: Million Baht	2019	2020	2021	Total assets	59.17	47.90	121.07	Total liabilities	11.36	42.12	48.86	Shareholders' equities	47.81	5.78	72.21	Total revenues	44.42	45.42	141.21	Net profit (loss)	(22.60)	(42.03)	(22.06)
Unit: Million Baht	2019	2020	2021																								
Total assets	59.17	47.90	121.07																								
Total liabilities	11.36	42.12	48.86																								
Shareholders' equities	47.81	5.78	72.21																								
Total revenues	44.42	45.42	141.21																								
Net profit (loss)	(22.60)	(42.03)	(22.06)																								

3.2 Datafarm Co.,Ltd. (Datafarm)

Nature of business	Professional testing services in cybersecurity such as Penetration tests & Vulnerability Assessment			
Investment portion	25%			
Registered capital	6.67 million Baht			
Paid-up capital	6.67 million Baht (66,670 common shares at a par value of 100 baht/share)			
Board of directors	<ol style="list-style-type: none"> 1. Mr. Pisuttisak Chongboonchuer 2. Ms. Thitimar Bamroongthum 3. Mr. Chakrit Sanbuapon 4. Mr. Supachai Pungosol 			
Shareholding	<ol style="list-style-type: none"> 1. Intouch Holdings Plc. 25.00% 2. Mr. Pisuttisak Chongboonchuer 24.00% 3. Mr. Chakrit Sanbuapon 23.13% 4. Mr. Supachai Pungosol 19.18% 5. Other shareholders 8.69% 			
Financial summary	Based on financial statements for the years ended December 31, 2019, 2020, 2021			
	Unit: Million Baht	2019	2020	2021
	Total assets	24.55	25.16	27.63
	Total liabilities	13.36	2.93	2.38
	Shareholders' equities	11.19	22.22	25.25
	Total revenues	33.94	25.72	38.32
	Net profit (loss)	3.02	0.05	3.02

3.3 Swift Dynamic Co.,Ltd. (Swift Dynamics)

Nature of business	IoT service provider in Smart Building, Smart Factory, and Smart Manufacturing, etc.		
Investment portion	16.67%		
Registered capital	3.60 million Baht		
Paid-up capital	3.60 million Baht (36,000 common shares at a par value of 100 Baht/share)		
Board of directors	<ol style="list-style-type: none"> 1. Mr. Nick Jaroensawad 2. Mr. Natee Singhaputtangkul 		
Shareholding	<ol style="list-style-type: none"> 1. Mr. Natee Singhaputtangkul 41.67% 2. Mr. Nick Jaroensawad 41.67% 3. Intouch Holdings Plc. 16.67% 		

Financial summary	Based on financial statements for the years ended December 31, 2019, 2020, 2021			
	Unit: Million Baht	2019	2020	2021
	Total assets	4.84	44.75	38.66
	Total liabilities	0.21	10.71	10.64
	Shareholders' equities	4.63	34.04	28.02
	Total revenues	8.36	15.78	25.33
	Net profit (loss)	1.24	(0.60)	(6.01)

4. Type and size of the transaction

This investment is considered a related party transaction to acquire assets with a total value of 0.42% of net intangible assets of the company's latest consolidated financial statement as of 31 March 2022. The calculation of transaction size is as follows.

$$\frac{\text{Total value of investment}}{\text{NTA of AIS}} = \frac{239 \text{ mn Baht}}{56,895 \text{ mn Baht}} = 0.42\%$$

The transaction size is more than 0.03% but less than 3% of the company's NTA, hence is required approval from the Board of Directors and disclose the transaction to the Stock Exchange.

5. Source of fund & Payment: Cash flow from operation, cash payment

6. Rationale and business benefit

The Board of Directors considers the investment into these 3 startup businesses will support AIS's growth toward its business direction in digital life services by securing expertise and resources as well as widening its customer base and market access through competitive products and technology.

- Choco focuses on CRM & loyalty management platform targeting both corporates as well as small and medium-sized customers in various business sectors. The investment in Choco CRM will support AIS to expand our reward redemption ecosystem through point exchange with other corporate redemption programs using the Choco CRM platform. This will benefit AIS to enhance our customer engagement with AIS as well as provide an opportunity to offer AIS's products and services to potential new customers.
- Datafarm is a leading provider in penetration testing and vulnerability assessment addressing the growing demand of various businesses for cybersecurity services. It has a large and capable team of cybersecurity experts to support AIS's direction to grow cybersecurity service with competitive offering to corporate customers, as well as enhance AIS's internal cybersecurity testing and assessment.
- Swift Dynamics is a leading end-to-end IoT solution provider with expertise in both hardware and software development, serving corporate clients in several industries. With various IoT

applications, Swift Dynamics will enhance AIS in providing enterprise solutions in smart building and smart factory as well as 5G solutions.

7. Directors having interest in the transactions

Directors having interest in this related party transaction include Mr. Kan Trakulhoon, Mr. Allen Lew Yoong Keong, Mr. Sarath Ratanavadi, Ms. Yupapin Wangviwat, Mr. Smith Banomyong, Mr. Arthur Lang Tao Yih, and Ms. Jeann Low Ngiap Jong, have no rights to vote in approval of the transaction.

8. Opinions of Board of Directors

The Board of Directors has the opinion that the investment in these 3 startup businesses aligns with the company's growth strategy and its business direction and to drive toward providing digital life services with a reasonable price based on fair value and the benefit to AIS as mentioned in section 6.

9. Opinion of the Audit Committee and/or directors with a differing opinion

There are no differing opinions.