

No. AIS-CP 015/2023

September 21, 2023

Subject: Connected Transaction and Assets Acquisition on Solar Projects

To: President
The Stock Exchange of Thailand

Advanced Info Service Public Company Limited (“the Company” or “AIS”) would like to inform that the Board of Directors Meeting has resolved to approve Advanced Wireless Network Company Limited (“AWN”) and Fax Lite Company Limited (“FXL”), subsidiaries of AIS, to enter into a Power Purchase Agreement (PPA) and Engineering, Procurement and Construction Agreement (EPC) with Gulf1 Company Limited (“GULF1”), a 99.99% subsidiary of Gulf Energy Development Public Company Limited (“GULF”), for solar projects, combined an approximate installed capacity of 16.5 mW with total contract amount of THB 531.80 million for 10 - 25 years.

The Company is a network and communication service provider covering mobile communication network, fixed broadband network and enterprise business network, which operates a telecommunications network service nationwide that relies on electricity consumption which continues to increase as a result of network and service expansion to meet growing demand. Hence, entering into the agreements to produce electricity from solar projects will reduce the Company’s operating costs in the long run.

This project also aligns with AIS’ sustainable business direction in reducing greenhouse gas emissions to support Thailand’s goal towards net-zero emissions as electricity in Thailand is mainly produced from fossil fuels which generates greenhouse gases. The alternative energy using solar in this project can help reduce greenhouse gas emissions by 11,268 tCO₂e/Year and is in line with the Company’s target to increase renewable energy usage to 5% of total energy consumption to promote and drive sustainable and environmental-friendly business operation.

This transaction is considered a connected transaction on acquiring assets or services and an asset acquisition transaction; therefore, the Company is required to disclose information as follows:

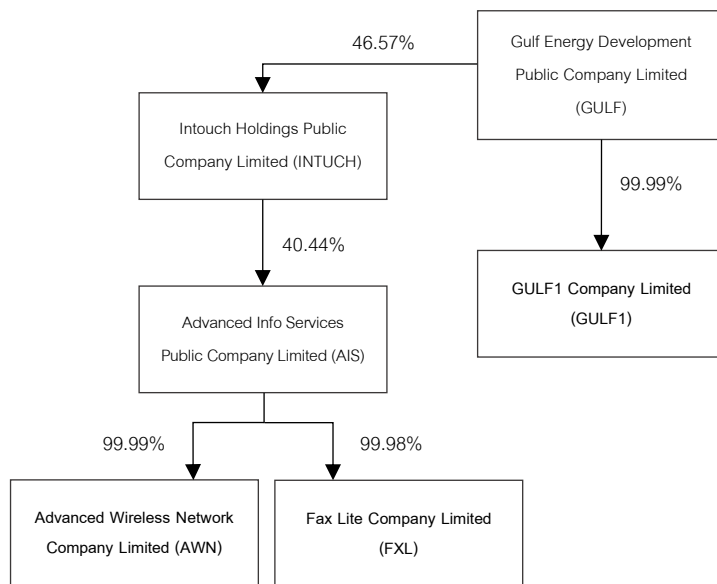
1. **Transaction Date** : September 21, 2023

2. **Related Parties and Relationship with the Company**

Buyer : Advanced Wireless Network Company Limited (“AWN”) and Fax Lite Company Limited (“FXL”), subsidiaries of AIS

Seller : GULF1 Company Limited (“GULF1”), a connected person of AWN and FXL, is a subsidiary of Gulf Energy Development Public Company Limited (“GULF”) who is the major shareholder of Intouch Holdings Public Company Limited (“INTUCH”) whereby GULF holds 46.57% shares of INTUCH. INTUCH is AIS’ major shareholder holding 40.44% stake. (Based on the records of shareholders’ registration as of August 21, 2023).

Shareholding Structure



3. General Characteristics of Transaction

3.1 The Power Purchase Agreement (PPA), in a total of 5 projects, comprises of (1) two solar farm projects at data centers, and (2) three solar rooftop projects at AIS Contact Center and switching centers, for 10 - 15 years, of which the asset ownership will be transferred to the Company upon contract end.

3.2 The Engineering, Procurement and Construction Agreement (EPC) comprises of (1) solar rooftop projects at 38 sites of main transmission node building, and (2) solar projects at 4,500 sites of base station for 25 years.

4. Basis Used to Determine the Value of Consideration and Total Value Transaction

4.1 **Total Value Transaction** The total value is THB 531.80 million.

4.2 Connected Transaction

The transaction is considered as a connected transaction, type 4: Transactions relating to assets, in accordance with Notification of Capital Market Supervisory Board No. TorChor 21/2551 (2008), Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended). According to the Notification of Connected Transactions, when calculating the transaction size using a total transaction value of THB 531.80 million, the transaction size is 0.86% of the Company's net tangible asset (NTA), according to the financial statement as of June 30, 2023. The transaction size calculation is as follows:

$$\text{Connected Transaction Size} = \frac{\text{Total Transaction Value}}{\text{NTA of the Company}} = \frac{531.80}{61,888} = 0.86\%$$

Since the connected transaction value exceeds 0.03%, but does not exceed 3% of NTA of the Company, therefore, the Company is required to obtain approval from Board of Directors and disclose to the Stock Exchange of Thailand.

4.3 Acquisition of assets

This transaction is considered an acquisition of assets, when calculating the transaction size using total transaction value, the transaction value of such acquisition is 0.16% of total assets. (Total assets of the Company as of June 30, 2023, is THB 326,646 million) which is less than 15% of total assets. In addition, when combined with other acquisition transactions that occurred within the past 6 months before this transaction, the total transaction value of all acquisitions is less than 15% of total assets. Therefore, this transaction is not considered an acquisition of assets that requires disclosure of information and compliance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E. 2547 (2004) (as amended). The transaction size is calculated based on the total transaction value as follows:

$$\frac{\text{(Transaction value)} \times 100}{\text{Total assets as of 30 June 2023}} = \frac{531.80 \text{ mn} \times 100}{326,646 \text{ mn}} = 0.16\%$$

5. Benefits to the Company

The Board of Directors are of the opinion that the transaction is deemed as being for the benefit of the Company as the transaction will help reduce the Company's operating costs in the long run as well as in accordance with AIS' sustainable business direction in reducing greenhouse gas emissions and the Company's target to increase renewable energy usage to 5% of total energy consumption to promote and drive sustainable and environmental-friendly business operation.

6. Connected persons and Description of the Connected Persons' Stake

The Company's directors i.e., Mr. Sarath Ratanavadi, Mr. Predee Daochai, Ms. Yupapin Wangviwat, and Mr. Smith Banomyong, who are the directors with the interests, have no rights to vote for the transaction's approval.

7. Source of Fund

Internal cash flow of the Company

8. Opinion of the Board of Directors on Entering into the Transaction

The Board of Directors are of the opinion that this transaction is reasonable, having gone through a fair price comparison process with other providers in the market and comprehensive financial evaluation, considering the business benefit which will help reduce operating costs of the Company as well as in accordance with sustainable business strategies and targets as indicated in this disclosure no. 5. In considering this transaction, directors having interests and/or directors who are connected persons did not attend the meeting and have no right to vote in the Board of Directors' Meeting.

9. Opinions of the Company's Audit Committee and/or Directors which are different from the Opinions of the Board of Directors

- None -

Please be informed accordingly,

Sincerely Yours,

- *Signed* -

(Mr. Tee Seeumpomroj)

Chief Finance Officer

Advanced Info Service Public Company Limited