Annual Report 2021

(Form 56-1 One Report)

Advanced Info Service Public Company Limited

AIS

DEFINE THE FUTURE

AIS 5G

Emphasize on delivering the best 5G experience for consumer and enterprise

5G Augmented Reality /Virtual Reality

5G Vertical

End-to-End Solutions & Use Cases

5G FWA
Fixed wireless access

5G Infrastructure

Enterprise 5G Private Network, Enterprise 5G Fixed Wireless Access, 5G Network Slicing, Multi-Access Edge Computing

5G Cloud gaming

5G Horizontal

AR/VR, AI - Artificial Intelligent, Video Analytics, Robotics

5G Metaverse

5G Mobile

5G Devices, 5G Mobile Packages

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Attachment 1 **Information of Directors of ADVANC's Subsidiaries**

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In case this Annual Report (Form 56-1 One Report) references information disclosed on the Company's website, the disclosed information shall be deemed to be part of form 56-1 One Report. The Board of Directors certifies the correctness and completeness of disclosed information and annual information disclosure in form 56-1 One Report.

Operating Highlight

5G AIS AS A DIGITAL LIFE SERVICE PROVIDER

Through Mobile, Fixed Broadband, Enterprise Business and Digital Services

Mobile Business

AIS THE REAL NO.1

Maintain leadership in the mobile business

with excellent network quality

Fastest mobile network for 5 consecutive years and fastest 5G network in Thailand guaranteed by OOKLA

Subscriber market share of 46%

with over 44 million subscribers

Continuing development of 5G technology

Service coverage of **76%** the population nationwide

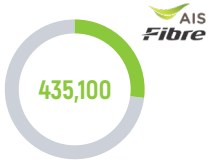
5G

Over **2.2** million 5G subscribers

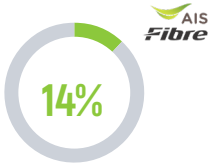
19,000 5G base stations

Fixed broadband business

Expanding subscribers market share measured as one-third of industry's net additional share



Net additional subscribers



Subscriber market share of 14%

with 1.8 million households

Seven years of continuing growth and development

Leadership in FTTH fiber optic technology covering **77** provinces

Enterprise Business

AIS Business Cloud 5G | Microsoft

The Cloud service provided with 9 data centers,

the most in Thailand, has formed a strategic partnership with Microsoft to offer a wide array of services.

Expanding partnership

to consolidate service provision

AIS IoT

IoT network connecting **> 1 Million devices nationwide**

AIS Cyber Secure

Cyber Security Solutions introduced in 2020

AIS Business 5G ICT Services

A full range of ICT solutions

Digital Services

AISPLAY

Video platform with **over 4 million active users that provides a variety of top quality** contents including movies, music, and games on AIS Play & AIS Playbox, and website

A partner provider of Disney+ Hotstar streaming service with added BBC Lifestyle and BBC World News channels.

AIS | SCB ไทยพาณิชย์

Digital lending business

AIS and Siam Commercial Bank established a joint venture to offer digital financial services, providing loans through an online platform.

Financial Highlight

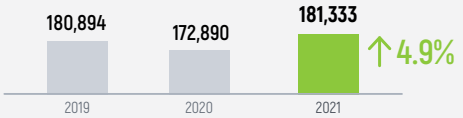
Total Revenue 181,333 (Bt mn)

EBITDA 91,408 (Bt mn)

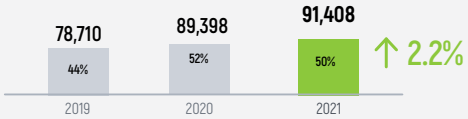
Net Profit 26,922 (Bt mn)

Net Profit Margin 15%

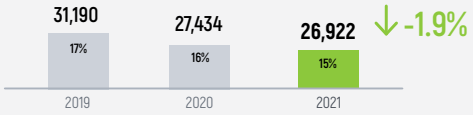
Total revenue (Bt mn)
Saw a recovery from impact of COVID-19 despite market competition



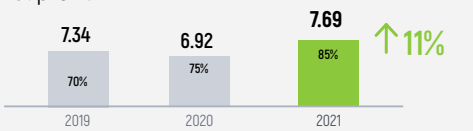
EBITDA and Margin* (Bt mn, %)
Increased following revenue and well cost control



Net Profit and Margin* (Bt mn, %)
Slightly decreased from higher D&A due to spectrum acquisition and network investment

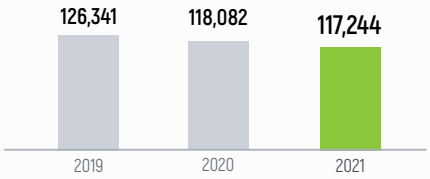


Dividend Payment (Bt/share)
Remained payout ratio at least 70% of consolidate net profit

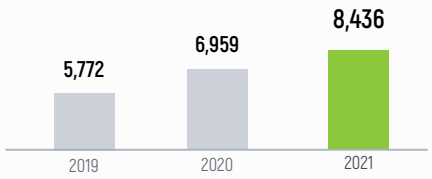


*Note: The financials in 2020 and 2021 based on Post-TFRS 16

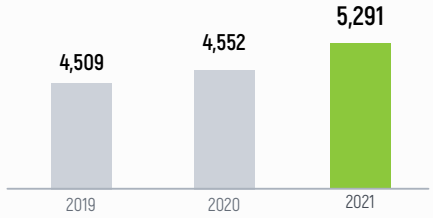
Mobile Business ↓ -0.7%
(Bt mn)



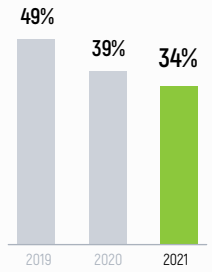
Fixed broadband Business ↑ 21%
(Bt mn)



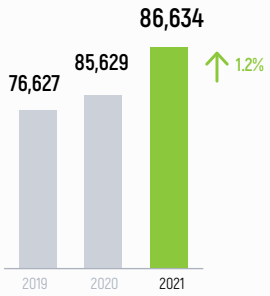
Enterprise & Other ↑ 16%
(Bt mn)



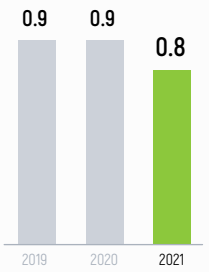
Return on Equity* (%)
Slightly decreased from COVID-19 but remained higher than industry's average



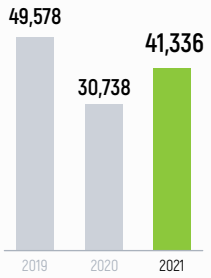
Operating Cash Flow (Bt mn)
Strong operating cash flow to support network investment



Net Debt to EBITDA* (times)
Maintain strong financial flexibility for future growth



Free Cash Flow (Bt mn)
Slightly decreased from network expansion and spectrum payment



Sustainability Highlight

" Thriving in a Greener and inclusive Digital World "

Economy

Revenue from innovation

102 Million Baht

180 Projects

Jump Thailand: Business and innovation projects joined the program

Enhance capabilities for proactive threat hunting

by applying AI and Machine Learning

Society

Best Company to work for in Asia 2021

by business media international

Expand functionality of Aor Sor Mor app, benefiting

4.58 Mn households

"AIS Academy for Thais" enabling **39K people** to access online learning plafform

Support medical work with **5G** and medical solutions during the COVID-19 pandemic,

helping more than 431K people

Develop online **Aunjai Cyber** syllabus

Environment

Install additional solar panels at

2,744 base stations

Waste generated from operations **dropped by 67%**

Collected E-waste

160,000 pieces

Reduced paper form

8.4 Million e-bill accounts

Message from Chairman & CEO

Dear Shareholders,

Maintaining leadership in the core business along with driving growth in home internet and corporate client businesses

Thailand has faced multiple challenges brought about by the COVID-19 pandemic since the end of 2019. The situation has been aggravated this year by viral mutations at rapidly escalating rates, severely affecting the nation's economy across all sectors, and the impact has carried over to customers, suppliers, partners, and employees alike. Notwithstanding the daunting challenges, AIS achieved satisfactory operating results with total revenue for the year increasing 4.9% compared to the previous year. While revenue of the mobile business underwent downward pressure from weakened purchasing power and intense price competition, the successful strategy designed to differentiate and build awareness about 5G service enabled AIS to maintain its leadership position in the mobile business. Similar to the strong growth of the fixed broadband business driven by the work and learn from home policy, the enterprise client business continued to grow robustly, propelled by the increasing demand for cloud services, data centers, and ICT solutions following the trend toward digital transformation of businesses of all sizes. On top of the solid operating performance, AIS was also committed to well-managed cost control through the integration of digital technology into the work processes, efficiency enhancement, and project prioritization to maintain profitability amid economic uncertainty. Overall in 2021, AIS achieved net profit of Bt 26,922 million and paid out a total Bt 22,869 million in dividends.

Striving to maintain leader in 5G network development and service quality

Despite having faced the challenges arising from the pandemic, AIS has committed itself to efficient business operation, continually expanding its network infrastructure to ensure the new

technology-enabled networks can support and accommodate the rapidly-increasing demand, in particular, the work and learn from home. In addition to incorporating digital technology into its operational processes, AIS expanded sales and service channels through remote agents, temporary service centers outside shopping malls, and various online channels to deliver uninterrupted services to customers during the lockdown. This ran concurrent with continued investment of Bt 26,000 million in expanding network infrastructure for 4G, 5G, and home internet, resulting in AIS 5G network currently reaching 76% of the total population in Thailand. Backed by exceptional digital capabilities and unrivalled network infrastructure, AIS stands in a better position to deliver a class-above customer experience across the platforms.

Moving forward toward becoming a digital life service leader

In the past year, AIS was relentless in its commitment to becoming a digital life service leader to satisfy the fast-evolving needs of today's consumers. To accomplish the goal, AIS has entered into partnerships with a host of companies. For instance, AIS partnered with Microsoft to develop and provide cloud services in Thailand. The efforts also extended to upgrading AIS employees' digital skills with in-depth knowledge and expertise in cloud services along with streamlining the services for corporate clients. On the customer side, AIS teamed up with Disney + Hotstar as a sole distributor in Thailand, offering a special low-price package to add value to AIS customers. Moreover, AIS joined forces in a joint venture deal with Siam Commercial Bank to establish AISCB to offer innovative digital financial services via digital platforms to create maximum benefits for customers and provide Thai people with easier access to financial services. The demonstrated commitment to development is part of the AIS strategy to enhance capabilities and competitiveness in providing excellent digital services and platforms for customers and enterprise clients.

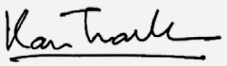
Supporting growth in every sector alongside laying a strong digital foundation

Putting in place a systematic risk management and maintaining a stable financial position to cope with potential crises and challenges are key to ensuring uninterrupted business operations and adjustments to achieve sustainable growth. With a firm belief that digital technology is instrumental in accelerating Thailand's economic recovery and despite limitations and challenges, AIS has been relentless in investing in the development of the digital network infrastructure to cover all sectors, allowing them to adjust and connect to the digital world. The efforts focus on developing 5G technology to uplift the quality of life for people and support the industrial sector in the manufacturing processes to enhance efficiency and reduce costs, readying them for the nation's digital economy while, at the same time, driving Thailand's digital ecosystem.

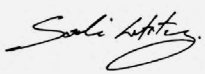
Through its vast potential in digital technology and services, AIS is determined to lead customers, partners, suppliers, employees, society, and Thailand to overcome challenges and drive economic recovery together.

Regardless of the circumstances, AIS pledges to carry out business consistent with sustainable development concept by integrating it into operations encompassing economic, social, and environmental dimensions with concern for all stakeholders. This unwavering commitment has resulted in AIS having been listed in DJSI World and Emerging Market Indices for three consecutive years. The accolade has brought great pride and is a true testament to the dedication and hard work of all AIS employees who work collaboratively to promote growth and stability of digital infrastructure for Thai people along with creating value for all stakeholders in a sustainable manner.

Warm regards,



(Mr. Kan Trakulhoon)
Chairman of the Board of Directors



(Mr. Somchai Lertsutiwong)
Chief Executive Officer

The Audit and Risk Committee Report 2021

To the Shareholders of Advanced Info Service Public Company Limited

The Audit and Risk Committee of Advanced Info Service Public Company Limited comprises 3 independent directors with combined skills and expertise in finance, laws, and business administration. All members possess adequate qualifications as required by the Charter of the Audit and Risk Committee and the regulations of the Securities and Exchange Commission, Thailand, and the Stock Exchange of Thailand. Its members include:

1. Mr. Krairit Euchukanonchai
   Chairman of the Audit and Risk Committee
2. Mr. Surasak Vajasit
   Member of the Audit and Risk Committee
3. Mr. Gerardo C. Ablaza Junior [1]
   Member of the Audit and Risk Committee

The Audit and Risk Committee held 13 meetings in 2021 to review financial report, connected transactions, internal control system, fraud investigation and other matters. All members of the Audit and Risk Committee attended every meeting. Mr. Montri Khongkruephan, the Company's Head of Internal Audit, acts as Secretary to the Audit and Risk Committee. The summary of member attendance at meetings in 2021 is presented in "Management Structure".

The Audit and Risk Committee has carried out its duties independently and objectively within the scope specified in the Charter of the Audit and Risk Committee, which is in accordance with the Stock Exchange of Thailand's regulations and has been approved by the Board of Directors. Its scope of duties and responsibilities is reviewed on an annual basis to ensure that it is still relevant in today's environment. The Audit and Risk Committee has carried out its auditing and reviewing responsibilities in order to ensure good corporate governance, accurate and reliable financial reports, and adequate internal control; and to ensure that Management carries out its responsibilities with integrity, accountability, and in accordance with the Company's policies. The Audit and Risk Committee's duties and responsibilities for the year 2021 are summarized below:

1. **Financial Report:** The Audit and Risk Committee has reviewed the accuracy, completeness and reliability of the quarterly and annual separate and consolidated financial statements of the Company and its subsidiaries for 2021, which were prepared in accordance with Thai Financial Reporting Standards and International Financial Reporting Standards. The Audit and Risk Committee discussed significant matters, important accounting policies, estimates, and judgments used in the preparation of these financial statements with the external auditor. The Audit and Risk Committee also discussed the disclosure in the notes to the financial statements with prudence to ensure that the preparation of these financial statements and the disclosure in the notes to the financial statements are reliable, transparent, and in accordance with Thai Accounting Standards and the Financial Reporting Standards.

In addition, The Audit and Risk Committee held a private meeting with the external auditor without the participation of Management to discuss independently on how the external auditor obtained information, independence in performing duties, auditing information important to the preparation of financial statements, and recommendations for the internal controls over financial reports and financial statements. For the year 2021, the external auditor did not have any significant remark.

The Audit and Risk Committee concluded that the Company's accounting and financial reports were prepared in accordance with the appropriate internal control system. The external auditor carried out auditing tasks independently, with no restrictions on the scope of the audit. This adequately ensures that the financial reports accurately reflect the Company's financial position and operating results, with adequate disclosure in accordance with Thai Accounting Standards and Financial Reporting Standards.

[1] Mr. Gerardo C. Ablaza, Jr. was appointed to the Audit and Risk Committee by the Board of Directors to replace Mr. Prasan Chuaphanich, who resigned from the Board of Directors and the Audit and Risk Committee prematurely on 21 October 2021.

2. Connected Transactions or Transactions that May Conflict with the Company's Interests: The Audit and Risk Committee has reviewed, overseen, and provided opinions on connected transactions or any transactions that may conflict with the Company's interests on the basis of reasonableness, transparency, adequate disclosure, normal business practice, and the Company's best interests on a quarterly basis. The Audit and Risk Committee concluded that Management acted in the Company's best interests and at arm's length, under normal business trade conditions and at reasonable prices when compared to the general market pricing in a similar industry.

3. Legality: The Audit and Risk Committee has reviewed the Company's compliance with the Securities and Exchange Act, the regulations and requirements of the Securities and Exchange Commission, the Stock Exchange of Thailand, the National Broadcasting and Telecommunications Commission, Bank of Thailand, and other laws applicable to the Company's business operations, as well as business obligations with third-party agreements.

The Audit and Risk Committee concluded that the Company could demonstrate compliance with the aforementioned regulatory requirements in material respects. The Audit and Risk Committee and the external auditor collaborated to ensure that all relevant material matters in dispute, which the Management believes will be resolved in the Company's favor, were adequately reported in the notes to the financial statements.

4. Internal Control System and Internal Audit: The Audit and Risk Committee has reviewed the effectiveness and adequacy of the internal control system from the internal audit reports presented in 2021. The Audit and Risk Committee has consistently considered and monitored results pertaining to the recommendations addressed in the internal audit and external audit reports to acknowledge root causes and provide suggestions to Management to prevent potential loss. The Audit and Risk Committee has monitored and reviewed the results to ensure that Management follows the internal control system recommendations to prevent recurrence of deficiencies, and has assessed the Company's internal control systems using the Securities and Exchange Commission's recommended evaluation form. The management has produced relevant evidence for the said assessment to be considered. The Audit and Risk Committee concluded that the Company's internal controls are effective, and the Company does not have any material weakness in internal control system.

The Audit and Risk Committee has encouraged the Office of Internal Audit to strengthen its advisory role to become Trusted Advisor, providing consulting services on adequate internal controls and developing strategies with management for strong governance and risk prevention before unfavorable risks arise and adversely affect the Company's business operations. In addition, the Second Line Roles Project has been ongoing to promote a better understanding of internal controls based on the Three Lines Model, which highlights strong governance and risk management, as well as to underpin operations in achieving objectives, improve the effectiveness of internal controls, and mitigate risks to an acceptable level in a timely manner. In addition, the Audit and Risk Committee has encouraged the Office of Internal Audit to use digitalization in auditing, such as Robotic Process Automation (RPA), data analytics tools, and the Automated Audit Platform (AAP), which supports agile and reliable auditing, helps identify emerging risks, and improves internal control systems to prevent risks in a timely manner.

The Audit and Risk Committee has also overseen internal audit activities, revisited the Internal Audit Charter on a yearly basis, and held a private meeting with the Head of Internal Audit to ensure that all assurance and consulting services concerning internal control systems, risk management systems, corporate governance systems, regulatory and legal compliance, and fraud risk prevention were performed independently, effectively, and efficiently, and achieved objectives when compared to key performance indicators.

The Audit and Risk Committee has approved the annual audit plan for 2022, which will be carried out in accordance with the Company's strategies and risk-based approaches, with an emphasis on the preventative key control function. The Management's control self-assessment as well as the fraud prevention were carried out and reviewed. The scope of the operation, duties, appropriate number of personnel, personnel competence, and growth mindset development were all considered to stay relevant in a changing business landscape in the digital era.

The Audit and Risk Committee concluded that the Company's internal audit is appropriate, effective, independent, and in conformity with the Company's goals and key risk areas, suggesting that the Office of Internal Audit fulfilled its performance goals.

5. Review and Oversight of Risk Management In 2021, the Audit and Risk Committee held another 4 meetings with executives from the Risk Management Committee to review the appropriateness of risk assessment, risk control, risk monitoring, and risk reporting.

The Audit and Risk Committee concluded that the Company has the appropriate risk management system facilitating the efficient and effective business operations. The Audit and Risk Committee also suggested that new potential risks including significant changes affecting the Company and the telecommunications industry should be identified, and data analytics should be applied for both internal and external factors so as to respond to risks and new challenges affecting the Company in an agile, efficient, and effective manner.

6. Review of Fraud Investigation: The Audit and Risk Committee has reviewed and overseen the Company's adherence to the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy. The meetings with the Company's Investigation Committee were conducted in 2021 to review complaints and investigation results according to the Company's processes, including the efficiency of the whistle-blowing channels. After careful consideration, the Audit and Risk Committee concluded that complaints were managed with appropriate actions and fair treatments, and in compliance with the Company's Corporate Governance Policy and Fraud Risk Management Policy. Most complaints were due to non-compliance with the Company's Code of Business Ethics and work rules, but with no material loss. Complaints submitted were taken into consideration for establishing preventive measures.

7. Oversight of the Anti-Bribery and Corruption Policy and Measures: The Audit and Risk Committee has reviewed the Company's practices in terms of the anti-bribery and corruption.

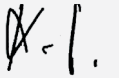
The Audit and Risk Committee concluded that the Company complies with the Anti-Bribery and Corruption Policy and Measures.

8. Nomination and Appointment of the External Auditor and the Annual Audit Fee: The Audit and Risk Committee took into consideration the nomination and appointment of the external auditor and the annual audit fee for 2022 based on the assessment of qualification, competency, experience in auditing, independence in auditing according to the Code of Ethics for Professional Accountants and requirements of the Securities and Exchange Commission, Thailand, and the audit fee. After careful consideration, the Audit and Risk Committee therefore proposed to the Board of Directors to seek approval to appoint the external auditor from KPMG Phoomchai Audit Ltd. as the external auditor for the year 2022 at the Shareholder Meeting. In addition, the Audit and Risk Committee has reviewed non-audit services in terms of the audit firm's independence.

9. Self-Assessment: The Audit and Risk Committee has undertaken an annual self-assessment, both individually and in group, in accordance with the Stock Exchange of Thailand's criteria. The result demonstrated that the Audit and Risk Committee carried out its duties and responsibilities in accordance with the Charter of the Audit and Risk Committee, with a commitment to accuracy, prudence, transparency, and independence. The Audit and Risk Committee has full access to all pertinent information from management, employees and associated parties. The Audit and Risk Committee has given beneficial and practical comments and recommendations benefiting all stakeholders.

10. Revision of the Charter of the Audit and Risk Committee: The Audit and Risk Committee has reviewed the revision of the Charter of the Audit and Risk Committee on an annual basis, taking into account best practices and international standards as well as compliance with regulations prescribed by the Securities and Exchange Commission, Thailand.

In conclusion, the Audit and Risk Committee found that the Board of Directors, Management, and Executive Directors carried out their responsibilities with integrity and diligence in pursuit of the Company's goals and in anticipation of new challenges, and that the Company demonstrated a commitment to effective, transparent corporate governance, including prudent risk management and internal control systems.



(Mr. Krairit Euchukanonchai)
Chairman of the Audit and Risk Committee

(Mr. Surasak Vajasit)
Audit and Risk Committee Member

(Mr. Gerardo C. Ablaza, Jr.)
Audit and Risk Committee Member

Nomination and Compensation Committee Report

The Nomination and Compensation Committee (NCC) consists of four (4) members namely: Khun Kan Trakulhoon as Chairman, Khun Sarath Ratanavadi, Khun Surasak Vajasit and Khun Jeann Low Ngiap Jong as members.

In 2021, the board of directors resolved to approve the adjustment of the board committee. The Leadership Development and Compensation Committee was merged into the Nomination and Governance Committee under the new title "Nomination and Compensation Committee." The roles and responsibilities of Nomination and Compensation Committee shall be cover those two dissolved committees. The NCC and the dissolved committees had fourteen (14) meetings in 2021 of which all members attended. The performance summaries for the year 2021 are described as follows:

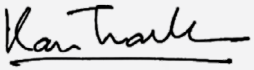
1. **Compliance and Corporate Governance Policy Review**
   The committee contributed by building awareness among employees of the Code of Business Ethics, a section of the Corporate Governance Policy, through video clips and other media. In 2021, the committee considered and proposed to the Board of Directors to approve the amendment of the securities trading policy with a view to preventing the use of inside information by requesting the directors, executives and employees, to notify the board of directors or its delegate at least one day prior to executing any trading transaction in order to promote transparently and good corporate governance practices. In addition, the committee also considered the nomination and compensation committee's charter so that it covers the roles and responsibilities in accordance with the principles of good corporate governance.

2. **Policy and Criteria Formulation on Directors' Nomination**
   The committee invited shareholders to propose candidate(s) to be nominated as a director during 1st October – 31st December 2021 so as to take them into consideration in connection the nomination of directors together with the recommendations from other source. In 2021, The committee considered and approved the amendment of Board skill matrix, to cover the new directors replacing the resigned directors before proposing the qualified candidates to the Board and shareholders for consideration.

3. **Compensation**
   Director and Top Executives' Compensation
   The committee considered and concurred with the directors and top executives' compensation schemes based on study and analysis of benchmarking with similar-sized listed companies and other companies in the same industry which could attract and retain highly qualified directors and top executives to the Company.
   Employees' Compensation
   The committee considered and concurred with the principle of employees' compensation by benchmarking with the practice of top leading companies within the same size of market and/or industry capitalization.

4. **Leadership Development**
   The committee promotes the development of executives' capabilities of the Company so as to lead its telecom business which has been facing the rising competition, the disruptive technological evolvement and the rapid change in consumer behavior. The committee has encouraged our executives and employees to learn and study from various sources both inside and outside the organization with a view to enhancing managerial capability and prepare our human capital to handle new challenges on regular basis.

5. **Executives' Succession Plan**
   The committee determined executive succession plan and strategies in all aspect comprehensively and transparently in order to manage risk mitigation from loss of key position in the company by considering the succession plan before proposing to the Board of Directors for consideration



(Mr. Kan Trakulhoon)

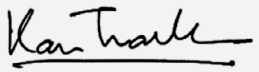
Chairman of Nomination and Compensation Committee

Sustainable Development Committee Report

The Sustainable Development Committee is comprised of four members, namely; Chairman Kan Trakulhoon and members Yupapin Wangviwat, Arthur Lang Tao Yih, and Somchai Lertsutiwong.

In the year 2021, the Sustainable Development Committee met four times. Material actions carried out by the committee in 2021 were as follows:

- The Sustainable Development Committee proposed the Board of Directors approve a revision of the company's Human Rights Policy, expanding its application to encompass agents, intermediaries, and any relevant individuals acting on behalf of the company throughout its business value chain, and clarifying human rights violations to improve protections.
- The Sustainable Development Committee approved medium to long term sustainable development projects aimed at enhancing the efficacy of company operations with a focus on environmental issues such as Greenhouse Gas emissions and energy usage, as well as urgent operations for the achievement of company goals in keeping with international standard practices.
- The Sustainable Development Committee acknowledged progress in operations based on all seven dimensions of the company's sustainability strategy, of which there were two key projects; 1) the Aunjai Cyber cyber-security promotion project supporting safety for Thai people from cyber threats using digital tools, initiated to bolster AIS consumer confidence in the area of digital safety, and 2) the E-Waste Disposal with AIS project, initiated as part of a strategy to reduce and properly dispose of electronic waste by disseminating understanding among the Thai people on the dangers of electronic waste.
- The Sustainable Development Committee acknowledged the 2021 Dow Jones Sustainability Indices evaluation results, which ranked AIS on its World Index and Emerging Market Index and awarded it Silver Class. The Sustainable Development Committee also approved the next phase of the company's sustainability operations, which comprises seven strategies to be applied to all operations of the organization so that it may achieve internationally recognized sustainable growth



(Mr. Kan Trakulhoon)

Chairman of the Sustainable Development Committee

Executive Committee Report

The Executive Committee comprises of three(3) highly experienced members namely Mr. Allen Lew Yoong Keong as Chairman, Mr. Somchai Lertsutiwong and Mr. Smith Banomyong as members.

In 2021, the Executive Committee held a total of thirteen (13) meetings and performed its duties in accordance with the authorities and responsibilities in its Charter. The summary of the Executive Committee's performance for the year 2021 are substantially as follows:

1. Reviewed and concurred with the Company's strategic direction, management structure, and annual business plan and budget and proposed to the Board of Directors for approval.
2. Monitored the financial and operational performance of the Company and reported to the Board of Directors for acknowledgement.
3. Considered, provided opinions and concurred with dividend payment and the execution of investment transactions and proposed to the Board of Directors for approval.
4. Prepared this Executive Committee Report for the year 2021 and disclosed in this report.

(Mr. Allen Lew Yoong Keong)

Chairman of Executive Committee

Business and Performance

Business Overview

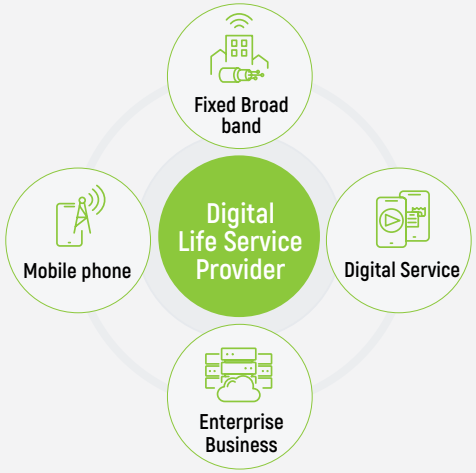
Over the course of 31 years of providing telecommunication infrastructure to Thai society, starting in 1990 under collaborative contract or concessionaires, AIS was granted the right to utilize state frequencies under the 25-year Built-Transfer-Operate (BTO) agreement. In 2010, the National Broadcasting and Telecommunications Commission (NBTC), the government agency regulating broadcasting and telecommunication, was established and tasked with granting spectrum licenses. The licensing scheme, which is a major turning point for the telecommunications industry in Thailand, supports fair competition as well as the development of new technologies.

Vision

AIS remains committed to its vision of **"To become the most-admired Digital Life Service Provider in Thailand"** through the following missions

Missions

- Deliver superior products and services that enrich people's daily lives and improve enterprise capabilities and efficiency.
- Enhance customer intimacy through the best customer experience.
- Drive intrapreneurship and employees' professionalism, and promote a positive, lively and agile work culture.
- Build win-win growth for all stakeholders.



AIS, the digital life service provider

We are a "Digital Life Service Provider" Operating the Following 4 Core Businesses:

Mobile Phone Service

with 5G, 4G, 3G and 2G technology under the brand "AIS" provides a monthly subscription service, top-up service as well as international calls and roaming with network partners in over 229 nations worldwide.

Fixed Broadband Service

provides high-speed home internet utilizing FTTx fiber optics under the brand "AIS Fibre".

Enterprise Business Service

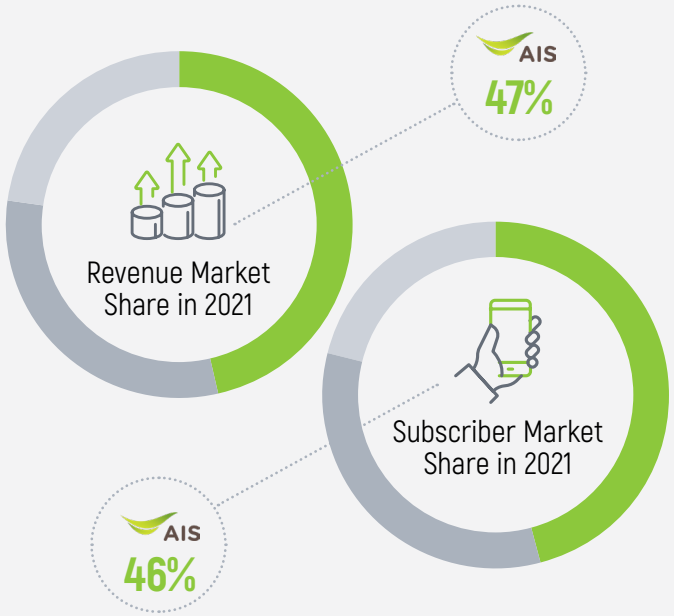
offers cloud service, data center, cyber security, Internet of Things (IoT), and ICT solutions to corporate clients in collaboration with multiple partners.

Digital Service

includes mobile phone and high-speed internet services, focusing on creating value-added digital services and serving as a new revenue source in the medium and long term in anticipation of a change in consumer behaviors and technology.

In 2021, AIS's total assets were valued at Baht 356,222 million with a market capitalization of Baht 684,003 million, ranked 3 on the Stock Exchange of Thailand.

Leading the mobile market

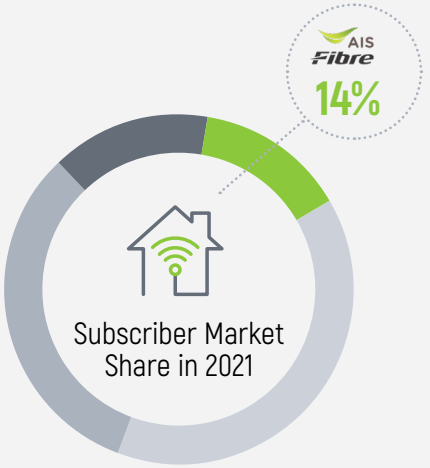


"Other operators are DTAC and True Move"

As of the end of 2021, AIS maintained its position as the leading mobile operator in Thailand, with a revenue market share of 47%, and a total of 44 .1 million subscribers nationwide. The mobile phone service revenue accounted for more than 90% of total service revenue. AIS provides quality services on 5G, 4G, 3G and 2G networks, using frequency bands of 26 GHz and 2600, 2100, 1800, 900 MHz for a total of 1450 MHz (2x75 MHz on FDD technology and 1300 MHz on TDD technology). The 1250 MHz is under the license granted by NBTC and another 2x15 MHz is under a TOT partnership agreement. Currently, AIS's mobile network covers over 98% of the country's population.

AIS won the most additional spectrums in the industry, enhancing its potential as the leader in service quality and enabling AIS to offer new 5G-based services which were officially launched in 2020. The Company has since continued to expand its 5G network to cover key areas in 77 provinces. As at year end 2021, the network reached 76% of the total population in Thailand. In the initial phase, the service covered areas with intense demand for data usage with the focus on the industrial estate areas to cater to the diverse application needs of corporate clients.

Growing in the fixed broadband market



"The other fixed broadband operators are TRUE, TOT and 3BB"

AIS started its fixed broadband business under the brand "AIS Fibre" in 2015 with the intent to increase a new revenue source, building on the existing fiber network for its mobile business and the mobile customer base. Currently, AIS Fibre is available in 77 cities, covering 8 million households. AIS Fibre has penetrated the market using its strength in providing FTTH technology to connect households to the internet and is ready to support existing ADSL users wishing to upgrade to higher quality technology and the superior speed of up to 1 Gbps. Fixed broadband revenue in 2021 accounted for 6% of total service revenue. At present, the total number of subscribers is 1,772,000 accounting for more than 14% of the fixed broadband subscriber market share.

Enhancing potential in the corporate client business

Building on the enterprise data service, offering mobile phone service and internet links to corporate clients, AIS has expanded the service to small-, medium-, and large-sized businesses. Its end-to-end service encompasses cloud service, data center, cyber security, Internet of Things (IoT), and ICT solutions. In 2018, AIS acquired CS Lox Info Public Company Limited to strengthen its capabilities to provide integrated service to enterprise clients. For 2021, revenue from the Corporate Client Business (excluding mobile phone revenue) accounted for 3% of total service revenue. The distinctive features of the 5G technology has enabled AIS to use this advanced technology to support the services for the industrial sector efficiently through collaboration with partners in various industries. Currently, AIS offers a variety of 5G-enabled services such as 5G Fixed Wireless Access, 5G network slicing, 5G private network, and smart factory development among others.

Building on core businesses with digital services

The digital service business involves the development of a diverse range of services incorporating digital technology encompassing networks, platforms, and digital solutions to deliver digital services to customers and corporate clients through the collaboration and development of a connected business environment with partners to grow together. AIS' digital service focuses on three areas, namely, video platform, mobile money, and other platforms such as digital marketing, insurance, digital loans, and the like. The digital service business is expected to play a key role in creating a new revenue source for AIS in the future apart from revenue from data connection and mobile internet fees. This will enable AIS to become an integrated service provider by converging products and services from its four core businesses.

Operating under licenses regulated by the NBTC

The majority of AIS' businesses, particularly the mobile phone and fixed broadband businesses, operate under the regulation of the National Broadcast and Telecom Commission (NBTC), which is the regulatory authority formed in accordance with the Frequency Allocation Act 2010. AIS, through a subsidiary, was granted a telecommunications business license, including 26 GHz, 2600, 2100, 1800, 900 and 700 MHz spectrum licenses with an average license life of 15 years. At the end of the spectrum license, NBTC will redistribute a spectrum license through auction.

AIS is mandated to pay the license fee, Universal Service Obligation (USO) fees, and numbering fees to the NBTC amounting to around 4% of service revenue per year.

Key development in the past three years

2021

- Granted licenses in the 700 MHz frequency band (2X10 MHz and 2X5 MHz in width) from NBTC in January 2021, and April 2021, respectively for a term of 15 years. The 700 MHz is the standard frequency range for a low-band 5G marked with better coverage, enabling AIS to expand its 5G network to cover wide areas.

- Partnered with Microsoft (Thailand) Limited to develop and provide cloud services in three key areas: 1. Driving digital solutions by promoting the use of cloud service solution 2. Upgrading AIS employees' digital skills by equipping them with Microsoft's in-depth digital technology skills, and 3. Developing innovations for businesses, using efficient solutions appropriate for each type of business.

- Obtained a license in the 26 GHz frequency band (1200 MHz in width) in February 2021 for a 15-year term. This millimeter-wave band meets the capacity requirements of the 5G network and allows for a high speed data transfer rate of gigabits per second (Gbps), which is vital for various applications that require high-speed and stable data rates with a low latency of 1 millisecond.

- Appointed as an official distributor of Disney + Hotstar streaming service which has gained wide acceptance in Thailand, Asia, and worldwide to deliver class-above entertainment experience encompassing a diverse range of content for audiences of all ages in Thailand.

- Joined forces in a joint venture deal with Siam Commercial Bank to establish AISCB to offer digital financial services via online platforms, providing customers with easier access to financial services with AIS holding a 50% stake worth 300 million Baht in the new venture.

2020

- Won the 5G auction across the spectrum including low-band: 700 MHz (2X5 MHz), mid-band: 2600 MHz (100 MHz), and high-band: 26 GHz (1200 MHz). 5G NSA licensed service (non-standalone) was launched in February 2020 nationwide in the 2600 MHz frequency band. 5G SA (standalone) service that is not dependent on an existing 4G network was subsequently introduced in July 2020.

2020

- Invested in the Singapore-based Digital Gaming International PTE in a joint venture with Singapore Telecommunications Ltd. and SK Telecom Co.,Ltd. of South Korea, each holding a stake of 33.33% worth 10,000,000 Singapore Dollars (226,500,000 Baht) to provide a gaming content platform, using AI technology and access to e-sports contents.

- Established Saha Advanced Network Co.,Ltd (SAN), a joint venture with Saha Pathana Inter-Holding Public Company Limited, with a stake of 70% valued at 21 million Baht. The joint venture is designed to provide a fiber optic network and ICT infrastructure to enhance the operational efficiency of businesses in SPI Industrial Park, spanning 7,255 rais of land. A 5G solution will also be incorporated to maximize operational efficiency.

- Set up LearnDi Company Limited (LDI), a 99.99% subsidiary of AIS with a capital investment of 1,000,000 Baht to provide training and seminar service through online and e-learning platform.

2019

- Launched AIS Insurance Service, an online insurance service authorized by the Office of the Insurance Commission that allows customers to determine travel information and coverage duration.

AIS 5G Insurance Service

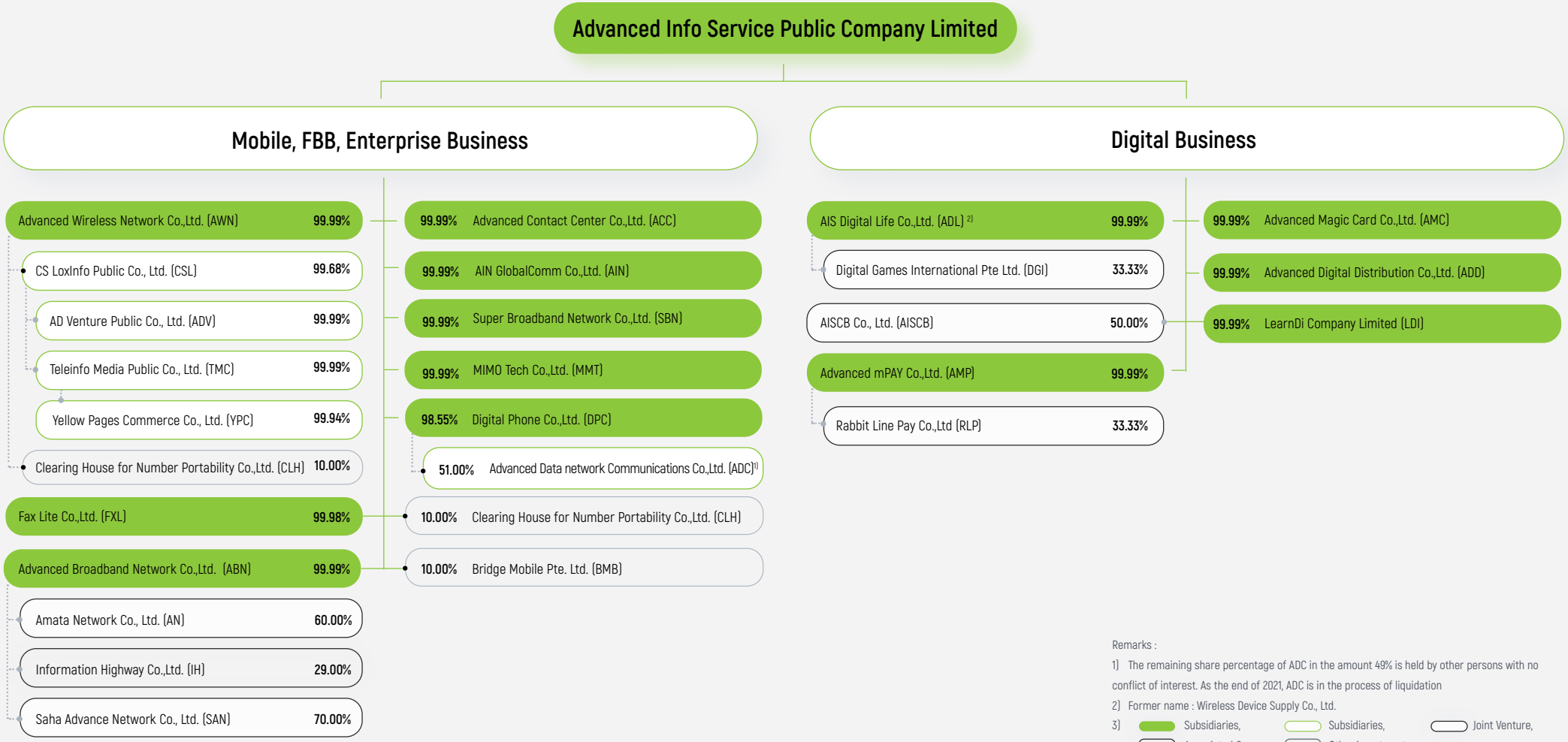
- Granted a license in the 700 MHz frequency band (2X10 MHz in width) from the National Broadcasting and Telecommunication Commission (NBTC) for a term of 15 years from the date of obtaining the license, starting in 2021.

- Revised and refined the strategic business plan of CS Loxinfo and renamed it CSL underlining the 3Ss strategy: 1. Data Center & Cloud Solutions, 2. Management Service, and 3. System Integration to provide upstream to downstream services for enterprise business operation.

AIS Business | CSL One Stop ICT Service

Investment Structure of AIS Group

Investment structure of AIS group as of 31 December 2021



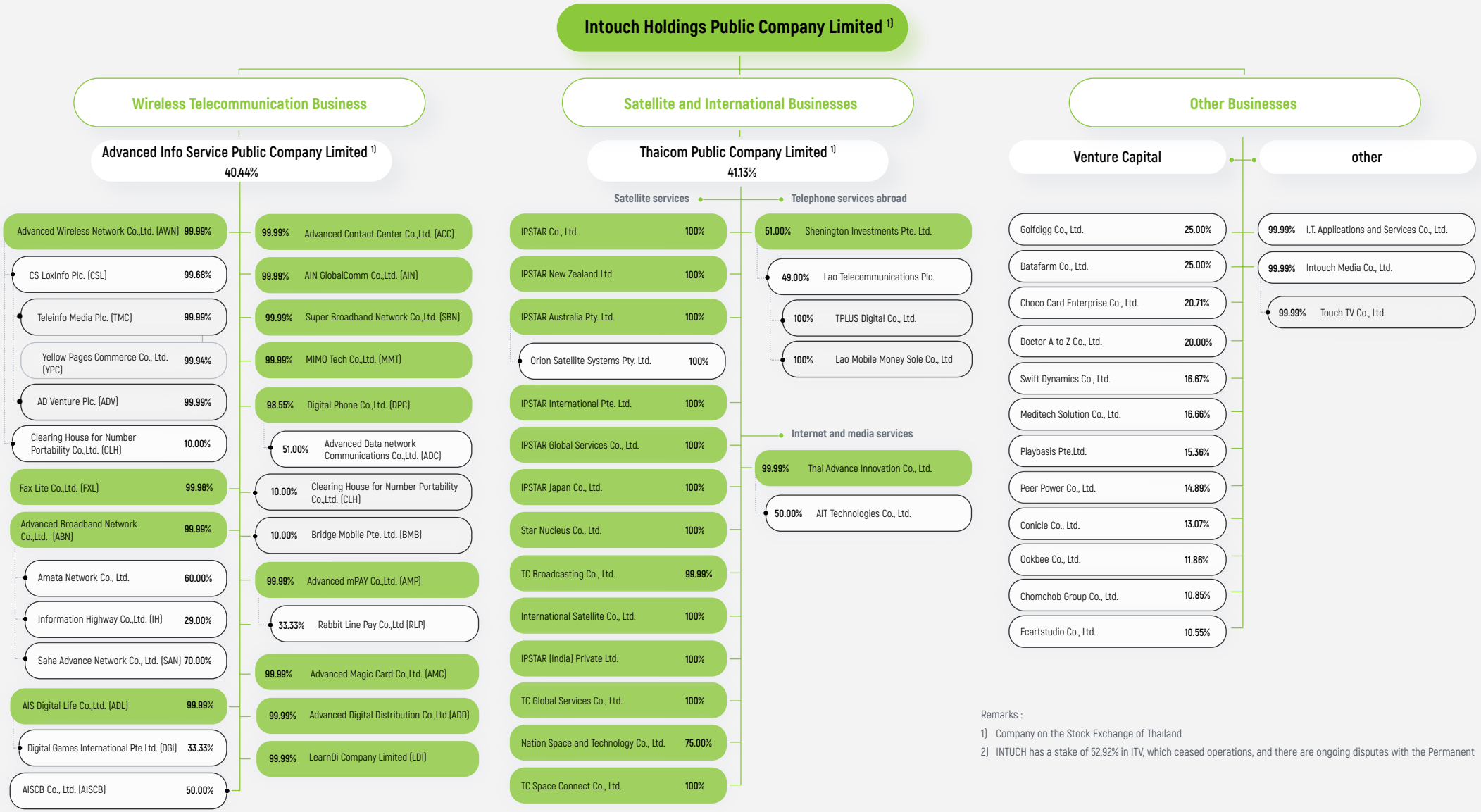
Remarks :

1) The remaining share percentage of ADC in the amount 49% is held by other persons with no conflict of interest. As the end of 2021, ADC is in the process of liquidation

2) Former name : Wireless Device Supply Co., Ltd.

3) Subsidiaries, Subsidiaries, Joint Venture, Associated Company, Other investments

Investment structure of the INTOUCH group (major shareholder) as of 31 December 2021



Remarks :

1) Company on the Stock Exchange of Thailand

2) INTUCH has a stake of 52.92% in ITV, which ceased operations, and there are ongoing disputes with the Permanent

Securities Information

Registered capital and paid up capital

Registered Capital : 4,997,459,800 Baht divided by Common shares 4,997,459,800 shares and par 1 Baht per share

Paid up Capital : 2,973, ,925,791 Baht divided by Common shares 2,973, ,925,791 shares and par 1 Baht per share, one voting right per share

Top ten shareholders

(a) Top ten shareholders as of 17 August 2021, the latest book closing date for the right to receive dividend, are as follow:

	Name	No. of shares held	% of shareholding
1.	INTOUCH HOLDINGS PLC	1,202,712,000	40.44
2.	SINGTEL STRATEGIC INVESTMENTS PTE LTD	693,359,000	23.31
3.	THAI NVDR CO.,LTD.[1]	170,937,526	5.75
4.	SOCIAL SECURITIES OFFICE	99,947,200	3.36
5.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	51,903,801	1.75
6	STATE STREET EUROPE LIMITED	36,613,756	1.23
7.	GIC PRIVATE LIMITED	35,219,932	1.18
8.	THE BANK OF NEW YORK MELLON	21,755,052	0.73
9.	STATE STREET BANK AND TRUST COMPANY	19,027,666	0.64
10.	SE ASIA (TYPE B) NOMINEES LLC	15,692,109	0.53
TOTAL		**2,347,168,042**	**78.92**

Note:

1) The information of Thai NVDR Co., Ltd. Can be found the SET website https://www.set.or.th/set/companyholder.do?symbol=ADVANC-R&language=en&country=US Shareholders of Thai NVDR Co., Ltd. holding Non-Voting Depository Receipt: NVDR, are ineligible for voting at shareholders' meeting but will not vote unless the meeting has been called specifically to consider delisting.

(b) Major shareholder whose behavior can influence when determining policy or handling operation, are

1. Intouch Holdings Plc holds 40.44% in AIS. Major shareholders of Intouch Holdings Plc. are as follows:

	Name	Number of shares	Percentage of Investment
1.	GULF ENERGY DEVELOPMENT PLC [1]	1,354,752,952	42.25
2.	SINGTEL GLOBAL INVESTMENT PTE LTD [2]	680,165,364	21.21
3.	THAI NVDR COMPANY LIMITED [3]	175,283,335	5.47
4.	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	166,753,460	5.20
5	KIATNAKIN PHATRA SECURITIES PLC.	83,096,500	2.59
6.	SOCIAL SECURITY OFFICE	42,945,100	1.34
7.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	40,004,099	1.25
8.	KIATNAKIN PHATRA BANK PLC.	38,428,800	1.20
9.	MR. PERMSAK KENGMANA	30,823,100	0.96
10.	GIC PRIVATE LIMITED	25,287,600	0.79

Remarks:

1) Gulf Energy Development Plc. (GULF) is a holding company listed on the Stock Exchange of Thailand (the SET). GULF's major shareholders can be found in Form 56-1 One Report for the year 2021 on the SET website (www.set.or.th).
2) Singtel Global Investment Pte. Ltd. is an indirect subsidiary of Singapore Telecommunications Ltd., of which Temasek Holding Pte.Ltd. holds 50.29% (Source: Singapore Telecommunication Ltd.'s Annual Report for 2021).
3) The information of Thai NVDR Co., Ltd. Can be found the SET website (www.set.or.th.)

2. Singtel Strategic Investments Pte Ltd. holds 23.31% directly in AIS. The shareholder of Singtel Strategic Investments Pte Ltd is.

Name	% of shareholding
Singtel Asian Investments Pte. Ltd. *	100.00

* Singtel Asian Investments Pte Ltd is 100% hold by Singapore Telecommunication Limited (Source: Accounting and Corporate Regulatory Authority (ARCA), Singapore as of 31 December 2021).

(c) Agreements between major shareholders and the Company concerning topics which affect the issuance of securities or management of the Company's operations.

- None -

Relationship with the major shareholders

The major shareholders of AIS are Intouch Holdings Plc. and Singtel Strategic Investments Pte. Ltd. Intouch Holdings Plc. operates its business by investing in the telecommunications, media and technology (TMT) sector including digital business through which it acts as a holding company. Singtel Strategic Investments Pte Ltd. is a global telecommunications investor. Both major shareholders maintain their respective roles in setting policy and directions for AIS through the Board of Directors.

Singtel has a long standing experience in the telecommunications industry and has been active in many markets, especially in the Asia region, which has helped broaden AIS' perspective and stay abreast of the key industry movement globally. Several businesses within Singtel also present opportunities for mutual support with AIS, particularly in the digital services for consumers and corporate clients from cross-border electronic wallet platform VIA as well as cyber security solutions. These services require cooperation at the regional level and thus allow for mutual strengthening and the expansion of customer bases.

Intouch Holdings' corporate venture capital is invested through the InVent program, which focuses on startups involving telecommunications, media, technology and digital services that also help support AIS businesses. In addition, GULF Energy Development Pcl., the major shareholder of Intouch Holdings' which has the experiences and expertise in energy and infrastructure businesses will enhance the business collaboration opportunities in digital age to take the advantage of energy infrastructures in the future.

Dividend policy

The Company aims to pay dividend at least 70% of consolidated net profit twice a year. The first of which shall be paid as interim as a result of operation during the first half of the year as approved by the Board of Directors and will be reported to the next general meeting of shareholders whereas the remaining thereof as annual payment which shall be approved by shareholders' meeting as a result of operation in the second half year.

As regards each subsidiary, dividend payment shall be based upon its operating results, financial conditions and other material factors. In all cases, dividend payment shall be depending on cash flow, investment plan including any other future obligations of the Company and/or subsidiaries. Such dividend shall not exceed the retained earnings of the Company financial statements nor adversely affect the Company and subsidiaries ongoing operations.

Historical Dividend in 5 consecutive years is as follows:

Historical Dividend	2017	2018	2019	2020	2021
Total Dividend Payment (Baht per share)	7.08	7.08	7.34	6.92	7.69
1. Dividend from the first-half-year operation	3.51	3.78	3.78	3.24	3.45
2. Dividend from the second-half-year operation	3.57	3.30	3.56	3.68	4.24
Earnings per share	10.12	9.98	10.49	9.23	9.05
Dividend Payout Ratio	70%	71%	70%	75%	85%

Debenture

As of 31 December 2021, the Company and subsidiaries have a total of eight outstanding debentures under the Advanced Info Service Public Company Limited and Advanced Wireless Network Limited Company. The debentures are traded on Thai Bond Market Association with terms between 5 to 10 years, which will due between 2023 to 2031. The debenture's fix annual interest rate ranges between 1.58% to 4.94% and the outstanding amount is 37,138 million Baht. The debentures received a rating of AA+(tha) from credit rating review by Fitch Ratings indicating high quality investment with very high credit quality and very low credit risk.

Refer to note to financial statement no.18

Bill of exchange

There is no outstanding bill of exchange as of 31 December 2021

Nature of Business

Revenue structure by service type

	2019		2020		2021	
	Million Bt	Percent	Million Bt	Percent	Million Bt	Percent
1. Service Revenue	**150,129**	**83.0**	**143,316**	**82.9**	**144,791**	**79.8**
1.1 Mobile phone business revenue	126,341	69.8	118,082	68.3	117,244	64.7
1.2 Fixed broadband business revenue	5,722	3.2	6,959	4.0	8,436	4.7
1.3 Other services revenue	4,509	2.5	4,552	2.6	5,291	2.9
1.4 Interconnection (IC) and equipment rental revenue	13,557	7.5	13,722	7.9	**13,820**	**7.6**
2. SIM and device sales revenue	**30,765**	**17.0**	**29,574**	**17.1**	**36,542**	**20.2**
Total Revenue	**180,894**	**100.0**	**172,890**	**100.0**	**181,333**	**100.0**

Types of products and services

AIS's core business can be divided into four areas as follows.

Mobile Telecommunication Service

- Prepaid and postpaid mobile phone services on 5G, 4G, 3G, and 2G networks
- Mobile phone and accessory sales
- International roaming and international calls

Home Broadband Internet Service

- Home broadband internet through fiber optic technology for household and SME customers

Enterprise Business

- Data network services for corporate customers
- Cloud computing and data centers for corporate customers
- Cybersecurity services
- Internet of Things or IoT
- ICT solutions
- AIS 5G for businesses
- Services for SMEs

Digital Service Business

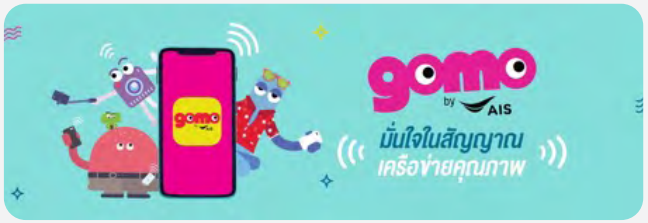
- VDO platforms
- Mobile financial services
- Other platforms

Mobile telecommunication service

AIS provides mobile telecommunication services on 5G, 4G, 3G, and 2G networks under the telecommunications spectrum licenses granted by the NBTC. AIS currently holds a total of 1450 MHz spectrum bandwidth, comprising 26 GHz and 2600, 2100, 1800, 900, and 700 MHz.

At present, AIS's networks reach over 98% of the Thai population. In 2021, AIS continually extended its 5G network of more than 18,700 base stations covering over 76% of the population and more than 99% of those in Bangkok. AIS also launched its 5G service in key areas across the 77 provinces of Thailand, including over 90% of the Eastern Economic Corridor (EEC), in accordance with the 2600 MHz license conditions stipulated by the NBTC.

AIS offers both mobile voice and data services under prepaid and postpaid plans. At present, AIS has a total customer base of more than 44 million subscribers, divided into 11 million postpaid subscribers and 33 prepaid subscribers. In addition, AIS has launched a comprehensive online postpaid service under the 'GOMO' brand to penetrate the younger generation segment looking for services provided through online channels. More information on GOMO is available at https://gomo.th/



Home broadband internet business

AIS has been providing its home broadband internet services through fiber optic technology under the 'AIS Fibre' brand since 2015. Leveraging upon the core fibre optic infrastructure of the mobile network AIS Fibre rapidly grows its network coverage reaching over eight million households across all 77 provinces nationwide with over 1.77 million subscribers in 2021. AIS Fibre strives to lead in service quality focusing on setting a new 'timely service within 24 hours' standard that seeks to satisfy fixed broadband customers by 1) identifying a solution within 24 hours, 2) installing devices within 24 hours, and 3) ensuring service punctuality and delivering the best possible service. AIS also offers the 'Speed Toggle' service, a feature allowing users to alter their download and upload speeds online, and a MESH wi-fi service permitting the connection of up to eight devices with better coverage in a large home. Apart from fiber-optic internet services, AIS Fibre also provides its customers with variety of global contents from movies, sports, and entertainment content through its AIS Playbox as well as all-in-one service covering fixed broadband internet, mobile data, world-class content, and unlimited super wi-fi.

More information is available at https://www.ais.th/fibre/en/

Enterprise business

- **Data network services for corporate customers**

AIS provides a comprehensive data network service to corporate customers, including the AIS Fibre broadband connection, suitable for general use by SMEs, and corporate internet for enterprises requiring high internet quality with guaranteed performance, as well as private network service based on multiprotocol label switching (MPLS), an international private leased circuit (IPLC) service and a wireless connection service through wi-fi and 4G technologies.

Beyond the fundamental data network services, AIS also offers enhanced solutions with advanced technologies, such as SD-WAN, which optimizes the use of applications, the managed network service, which involves AIS experts in network management, and the utilization of 5G in the business sector through the 5G FWA service, which improves network stability and quality to be on par with those achieved by a wired connection but allows for more convenient and faster installation.

More information is available at https://business.ais.co.th/solution/en/network.html and https://business.ais.co.th/5g/en/fwa.html

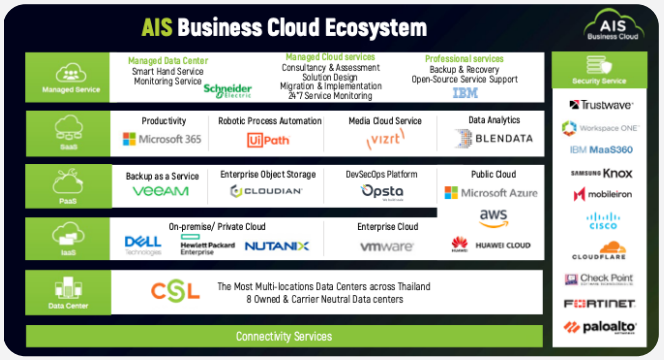
- **Cloud computing and data centers for corporate customers**

Focusing on supporting our corporate customers to improve their IT operations efficiency and continuity amid the COVID-19 pandemic and the digital transformation, AIS provides the comprehensive cloud computing solutions, with broaden partners' collaboration. In the past year, AIS Business Cloud joined with our key partner, VMware, to differentiate service from a cloud infrastructure service toward 'anything as a service' (XaaS) as well as expand and strengthen its cloud ecosystem through three brand-new solutions, namely AIS Big Data as a Service, DevSecOps Platform as a Service, and AIS Media Cloud Services.

AIS also established a strategic partnership with Microsoft (Thailand) Limited as a Microsoft Licensing Solution Provider (LSP), enhancing the capability to fulfill a wider range of enterprise business demands with a comprehensive range of solutions from Microsoft such as Modern workplace, Azure, and solutions for IT Infrastructure, as well as supporting innovation around 5G and digital skill development for enterprise.

In data center business, AIS provides multi-location data centers across Thailand in total of 11 data centers, positioning as carrier neutral to best serve our customers, with certified international standard on cyber security, operation and environment.

More information is available at https://business.ais.co.th/cloud/en/index.html

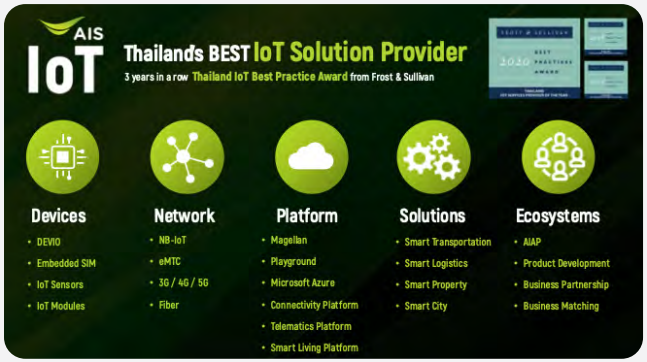


- **Internet of Things (IoT)**

AIS provides a suite of IoT services that encompasses various elements in the IoT ecosystem ranging from R&D to ready-made business solutions. AIS emphasizes on building the network foundation for all IoT solutions, such as the 3G and 4G networks for highly efficient broadband devices, the NB-IoT network for devices needing less power consumption, and the 5G network for solutions requiring high reliability and low latency. AIS also offers IoT device management platform as well as IoT network for high security solutions such as for finance and banking, distribution and logistics, and the manufacturing industry.

In addition, AIS provides a wide type of devices and development tools, ranging from the DEVIO Series, which supports connection through an NB-IoT network, to the AIS 4G Board, which supports the 4G connection widespread in Thailand. The devices and tools offered are compatible with the Microsoft Azure IoT Suite that help accelerate and safeguard application development and improve the ability to manage data on the Microsoft Cloud platform.

Additional is available at https://business.ais.co.th/iot/en/

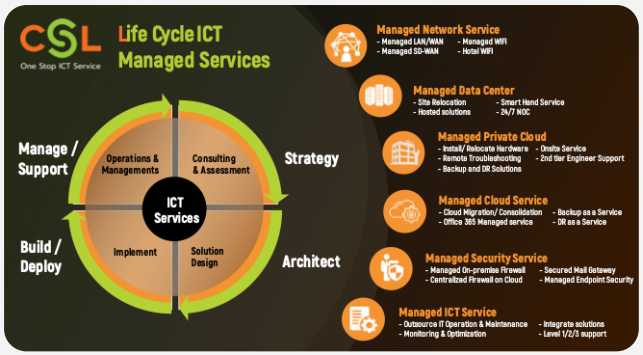


- **ICT solutions**

AIS provides ICT solutions through CSL, a subsidiary who has long-standing experience in serving various enterprises in public, private, industrial, commercial, or educational sector. CSL offers services on the digital workplace, network infrastructure, wi-fi, hybrid office security, as well as managed service that covers consultation, maintenance, problem-solving, device replacement, and planning.

Through its collaboration with leading business partners and technology providers, such as CISCO, Dell, Fortinet, and HPE, CSL is able to deliver end-to-end solutions to corporate customers, including after-sales services provided by certified engineers.

More information is available at https://csl.co.th/Web/index.aspx



- **AIS 5G for businesses**

AIS 5G serves as a digital infrastructure for businesses with new capabilities that can address the unique requirements of different industries and for the purpose of digital transformation. AIS offers various 5G services including 5G mobile broadband 5G infrastructures and platforms, such as the 5G FWA wireless broadband, network slicing, MEC, and private networks for the development of applications for businesses. Other services include 5G Horizontal Solutions, such as AR/VR, robotics, and video analytics, and 5G Vertical Solutions, which can be customized for specific industry such as manufacturing industry, distribution and logistics, property development, healthcare services, and

AIS focuses on establishing collaboration with partners to create an ecosystem for the development of 5G solutions that meet various needs of the business sector and offer practical application. AIS has formed partnerships with technology experts at both national and international levels for joint development on the 5G platform and with industry experts to gain a deeper understanding of the business needs and to trial, assess, and modify a technology or solution in order to build a business model that supports feasible application over the long run.

More information is available at https://business.ais.co.th/5g/en/

- **Services for SMEs**

AIS promotes and supports small and medium enterprises, or SMEs. Under its 'AIS SME 7S' or 'Trusted Companion for All SMEs' concept, AIS 'facilitates' business expansion with various offerings responsive to all types of SMEs, build 'confidence' with solutions delivered through first-rate networks, and provides' comprehensive' services managed by experts in tandem with special privileges to enable continuous growth.

AIS SME 7S comprises seven strands. **1) SME Mobile Service** enables smooth, uninterrupted communication with complete coverage of all 5G and 4G frequencies across all areas and caters to the needs of different businesses with various packages. **2) SME Internet Service** reaches all areas and is available in great variety of options to support business operations, including broadband fiber-optic internet equipped with a MESH wi-fi service to optimize signals and a wi-fi log to store user data in accordance with the law and for the purpose of future data analytics. **3) SME Digital Marketing Service** provides comprehensive digital assistance across all marketing communication media, such as outsourced contact centers and professional online ads. **4) SME IT & Digital Solutions** offers overarching, reliable IT services and special solutions, such as SME Smart MPBX, SME Cloud PBX, and ICT Solutions. **5) SME Digital e-Service** serves businesses in the digital era through such offerings as AIS e-Biz shops, e-Bill, e-Withholding Tax, and e-Payment, among others. **6) SME Special Privileges** includes AIS Biz Up for SME businesses, AIS Points for all AIS customers, and

AIS Serenade for loyal AIS customers. **7) SME Strategic Partnership** promotes and coordinates the establishment of partnership with AIS to boost business potential, sales volumes, and organizational growth.

Additional information on services for SMEs is available at https://business.ais.co.th/sme/en/index.html

Digital service business

AIS is committed to developing its digital services to respond to fast changing consumer demand, especially in the new normal era stemming from the COVID-19 pandemic. Through collaboration with partners specializing in different types of digital services, AIS's digital service business focuses on the following five areas.

- **VDO platforms**

  AIS' VDO platform offers various services covering free TV and on-demand streaming services with variety of entertainment content, such as movies, series, music, karaoke, games, and e-sports. The platform is broadcasted via the AIS Play application, available on mobile and tablet devices, and the AIS Playbox, available to AIS Fibre home internet subscribers.

  Through our collaboration with various partners, AIS provides an over-the-top (OTT) service renowned for its rich content variety. AIS is the sole authorized Disney+ Hotstar partner in Thailand, streaming Hollywood movies and series on a monthly or discounted yearly package basis. Also, AIS delivers both live and on video-on-demand (VOD) platform content from Netflix, CNN, BBC World News, BBC Lifestyle, VIU, BeIN Sports, and free digital and satellite TV channels.

In the past year, AIS further enhanced customer experience with integrated 5G technology through its AIS 5G AR/VR application, which utilizes the high-speed and low-latency property of 5G to enhance viewers' virtual reality (VR) experience. The application offers six types of content: 1) music, auditory experience with VR 180/360-degree, 2) star dating, allowing customers to be up close and personal with the celebrity through VR, 3) travel, for trips locally and abroad, 4) wellness, bringing virtual workout classes to home, 5) education, widening knowledge on the history and background of important landmarks in Thailand, and 6) Play News, featuring the 'Reporters on the Ground' special scoops reported through VR technology.

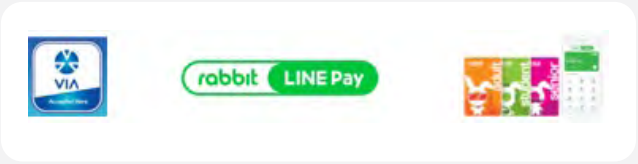
More information is available at http://www.ais.co.th/aisplay and https://www.ais.co.th/5G.

- **Mobile Financial Services**

  In support of the public policy on the development of national e-payment infrastructure to promote and build towards a cashless society, AIS has allied with both domestic and international partners to diversify into cross-border mobile payment services. Such services allow customers traveling to Asian destinations to settle bills in their own currency through e-wallets, addressing the concerns over exchange rates or cash carry.

  In addition, AIS offers mobile money platform services to both corporate customers through its Advanced mPAY Company Limited (B2B) and general consumers through investment in its joint venture, Rabbit-LINE Pay Company Limited (B2C). For corporate customers, mPAY offers a comprehensive mobile payment platform that enables corporate to have an e-wallet for customer payment, without owned investment in the system or the need to process an operating license approval.

  For more information, log on https://www.ais.co.th/mpay/en/



- **Other Platforms**

  - **Digital lending**

    AIS entered into an agreement with Siam Commercial Bank Public Company Limited or SCB, a leading listed company in the finance and banking industry, to establish a joint venture with a registered capital of THB300 million under the name 'AISCB' to offer digital financial services, initially in digital lending prior to expanding into other financial services. The joint venture combines AIS's strength in terms of digital technology, extensive network coverage, and service excellence with SCB's long-standing experience and expertise in the finance and banking industry to introduce innovative solution for digital financial services that will enhance customers' access to financial services amid the changing dynamic of the society. AISCB expects to launch its digital financial services within 2022, initially penetrating AIS's customer base, comprising 44 million subscribers, with the focus on those who has fair level of affordability but may encounter difficulties in accessing financial services.

  - **Digital Marketing**

    Leveraging its collaboration with AD Venture Public Company Limited and Teleinfo Media Public Company Limited (CS Loxinfo's subsidiary) and its large customer base of 44 million subscribers, AIS provides digital marketing solutions to corporate customers to enhance their access to consumers in the digital age, including the location-based SMS platform, which permits directing ads at customers in target areas, the Thailand Ads Network (THAN), which assembles a collection of ad spaces from Thailand's 100 most popular websites. AIS's digital marketing solutions comprise a wide array of services, ranging from digital content creation, website and mobile application development, social media management, and digital advertising media management, to turnkey marketing campaign solutions.

  - **Insurance**

    With the trend of consumer moving toward online purchase of products and services through social networks on mobile devices, AIS sees the opportunity to facilitate its customers in acquiring insurance products by diversifying into an insurance broker business under the name 'AIS Insurance Service', operated by Advanced Digital Distribution Company Limited. AIS Insurance Service guarantee greater convenience, safety, and simplicity throughout the purchase process, and also provides a wide variety of offerings, including domestic and international travel insurance, accident insurance, health insurance, car insurance, and life and health insurance. To bring further convenience, AIS Insurance Service offers the option of mobile insurance purchase and accepts premium payment through top-ups, monthly installments, credit/debit cards, and e-wallets. Also, insurance plan pricing is designed to suit the purchasing power of different consumer groups to ensure their access to insurance products.

Distribution and sales channels

AIS distribution channels are divided into 5 main categories as follows:

AIS Shop | **Distributors** | **Wholesaler** | **Direct Sales and Telesales** | **Online Channel**

1. **AIS Shop** – The service centers are operated by AIS and selected high potential distributors in a total of 206 locations. AIS Shop offers the most comprehensive range of products, services, and after sales services of all the distribution channels. It is strategically located in densely populated urban areas and focuses on maintaining the superior brand image of AIS products and services.
2. **Distributors** – AIS cooperates with a variety of distributors to meet the needs of a wide range of customers throughout the country. **"AIS Telewiz"** is a high competency distributor with over 419 locations in city areas and serves under the AIS brand. **"AIS Buddy"** accesses district and sub-district areas through more than 1,141 branches. AIS also distributes our products and services through other retail outlets and modern trade retailers such as JAYMART Group, TG Fone Group, and Central Retail. Over the past year, AIS opened temporary shops outside shopping malls to provide more convenient access for customers in the wake of the COVID-19 outbreak.
3. **Wholesaler** – AIS appointed Advance Distribution Partnership (ADP) wholesalers by area nationwide. The ADPs facilitate the efficient distribution of products such as SIM cards and mobile phones to more than 16,000 retailers across the country.
4. **Direct Sales and Telesales** – Focusing on postpaid customers acquisition, this channel makes product offering faster and more efficient while providing a direct approach to target groups. Examples of direct sales include sales booths or activities in the targeted areas. On top of this is the "AIS Easy App", which is designed to support sales, allowing sales teams to promptly sell products and services and complete customer registration with better efficiency. In 2021, telesales was introduced to provide a direct sales channel via the Call Center, a particularly convenient channel for customers during the COVID-19 pandemic.
5. **Online Channel** – The channel is dedicated to promoting customers self-service via the AIS website, AIS Online Store, myAIS application, Kiosks, Chat and Shop, Social Commerce and E-Marketplace. MyAIS has been upgraded to provide greater convenience as a one-stop application, its Express Service function provides the same range of services as an AIS Shop while the AI assistant Aunjai feature provides personalized End-to-End support 24 hours a day. The myAIS application also retails SIM cards and facilitates applications for AIS Fibre home internet, providing a convenient channel for existing customers to take on further AIS services.

Customer relations management

Committed to being a leading digital service provider, AIS manages the customer service with the concept "Number 1 service from our hearts for digitizing your life", combining an understanding and care for customers integrating the use of both technologies and human touch. Our customer service places focus on speed, convenience, personal data privacy, self-service and personalization to differentiate our customer experience. AIS' customer relations management combines the following tools and programs:

1. **Enhanced customer service, using digital technology** via myAIS application, combining the services provided at physical AIS Shop and AIS Call Center to online platform. As at year end 2021, there were over 26 million downloads from AIS customers with more than 33 million transactions per month, up 35% from the previous year. myAIS was further developed toward being an everyday lifestyle application that offers comprehensive services with convenience, and privileges as follow.
   - Express Service – All-in-one service platform empowered by AI personal assistant providing 24-hour end-to-end service with a query accuracy rate of 84.5%
   - Extra Personalization – Targeting individual needs using machine learning technology to customize product offering
   - Exclusive Privileges – Enhanced simple access to privileges via myAIS application including privileges information, AIS Points accumulation, and award redemption The application is designed to fosters digital engagement with users through coupons and games to increase the frequency of visits which allows for improved ongoing engagement.

2. **"AIS Privileges"** is customer engagement tool incorporating benefits provided by both AIS and its our partners, addressing customer lifestyles across seven segments e.g. dining, coffee, entertainment, shopping, travelling, etc.: At present, AIS has over 30,000 partners across Thailand, enabling wide range of point redemption. AIS also offers the "Well-being" privilege in response to consumer trends shifting toward healthier lifestyles by upcooperating with the Ministry of Public Health, leading hospitals, insurance companies, Telemedicine application to provide easier access to medical services to AIS customers. Currently, users of 19 million AIS numbers have registered for AIS Points with 50 million redemptions per year, an increase of 4% from the previous year.

3. **AIS Serenade membership** is an exclusive privilege for AIS customers who have high spending or long service period as prescribed. The program is designed to deliver a service under the concept "Always Exclusive, Always on Top" and has continued for 17 years.

AIS categorize privileges based on customer lifestyle; 1. Special Experience (Serenade Club, personal assistance, parking, airport privileges); 2. Digital Life (discounts for smart phones and gadgets); 3. Inspirational Activities (entertainment such as concerts, stage plays, and inspirational activities to build on business); and 4. New Experience (traveling and dining places). This enables us to better serve the various lifestyle of our 5.9 million Serenade members. In the wake of the COVID-19 pandemic, AIS has expanded its privileges for Serenade members to better serve changing lifestyle such as food delivery, health & wellness e.g. telemedicine service, discounts at drug stores, and free COVID-19 vaccination insurance, and special price for mobile phones, tablets, or gadgets at AIS online channels.

4. **Customer analytics** We conduct analysis and insights of consumer behaviors using customer value management (CVM) tool which allows us to customize product and service offering, better retain high value customers, as well as upsell and cross-sell relevant products and services services.

5. **Customer satisfaction measurement** AIS observes customer satisfaction across numerous platforms, including rating via telephone call, surveys in our service shops, questionnaires arranged by a contracted external agency. These ratings assess the quality of services at our shops, dealers, and automated service machines,measures the likelihood of our customers suggesting AIS and our services to others, and are used to continuously improve our services.

Procurement of products and services

Spectrum

Currently, AIS operates its mobile business with a total spectrum of 1450 MHz (2x75 MHz on FDD technology and 1300 MHz on TDD technology). 1420 MHz of spectrum licenses are granted by the NBTC to Advanced Wireless Network Co.Ltd. (AWN), a subsidiary, while another 2x15 MHz comes under the partnership agreement between the TOT and AWN.

Details for the spectrum licenses are provided under the topic "Assets used in operations", Page 41.

Network Equipment Procurement

AIS adheres to a "multi-vendor policy" to avoid dependency on any single supplier. Equipment vendors and AIS work together to align plans for equipment and service development for the optimum solutions and mitigate procurement risk and ensure the on-time delivery of equipment.

To select suppliers, AIS appoints committees to evaluate and assess the most suitable options. Many factors are taken into account such as investment and operating costs, technical assessment and vendors' technological development plan to make sure that AIS will be able to operate sustainably through evolving technology in the future. AIS selected key network equipment from the leading international vendors including Huawei, Nokia, and ZTE. Other parts in the network are supplied by CISCO, Juniper among many others.

Procurement of Mobile Phones, Equipment and Digital Services

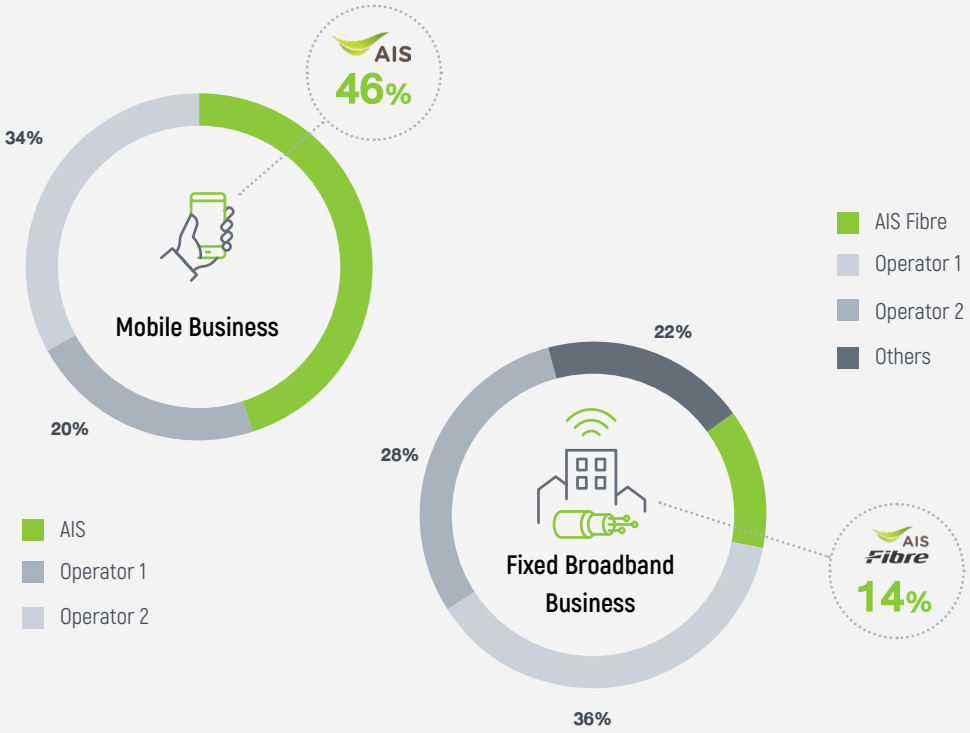
AIS markets mobile phones spanning a range of qualities and price points to satisfy the varied needs of its customers. Most brands purveyed by AIS are well-known in the market and include iPhone, Vivo, Oppo, Samsung, Realme, Huawei and Xiaomi. AIS also markets other IT products, including tablets and accessories in support of digital communication and the varying lifestyles of its customers as well as to serve the needs for communication devices to support work-from-home and learn-from-home during the COVID-19 situation. Procurement of mobile phones and IT products is done through collaboration with leading manufacturers so as to secure a variety of products. In the last year, AIS has begun sourcing and offering 5G devices at more affordable price levels for customers such as the RUIO brand, as well as providing special equipment such as AIS VR4K supported for the usage of AIS 5G Play VR, in order to reach the target customer of 4K content enthusiasts. This was aligned with our 5G services, enabling consumers to access the latest technology and to effectively utilize the AIS network.

Work under progress

-None-

Industry competition in 2021 and outlook for 2022

Industry Competition in 2021



Subscriber market share in mobile and fixed broadband businesses

Mobile Business Recovered Amid Intense Price Competition

Despite the COVID-19 impact to various industries stemming from a decline in economic activity and weaker purchasing power, the mobile telecommunication industry tended to be less affected than many other industries as it is considered a basic need for consumers. In 2021, the mobile telecommunication industry encountered multiple challenges since the beginning of the year through to the third quarter, and yet it managed to record a total revenue of Bt 320,000 million, up 2% from the previous year, thanks to the government's economic stimulus to promote consumer spending. This coupled with the easing of COVID-19 restrictions resulted in an increase in the number of mobile subscribers to 96 million, a growth of 6% year-on-year. Nevertheless, the dampened purchasing power prompted operators to focus on price competition to maintain their customer bases and expand market shares, offering unlimited data plans at lower prices for prepaid and postpaid customers, resulting in a lower average revenue per user (ARPU) for the industry.

Providing 5G Service and Expanding 5G Network to Support Economic Growth

In 2021, mobile operators were competing to build awareness around 5G technology and expanding network in key areas with a high density of demand including the major cities in 77 provinces and the Eastern Economic Corridor (EEC). This year saw 5G adoption reaching 4 million subscribers, propelled by the growing demand for advanced and high-speed technology and the rollout of new 5G handset models at more affordable prices as well as the AR (augmented reality) and VR (virtual reality) services that deliver the superior 5G experience to customers. In the meantime, B2B clients were also keen to embrace 5G technology in different applications including smart manufacturing & smart factory, smart property, and smart transportation & logistics among others.

Home Broadband Business Witnessed Solid Growth Following Demand for Work and Learn Online From Home

The home broadband market grew 13% over the past year with the penetration rate reaching 57% of the total population in Thailand following demand for work and learn online from home in response to the changing consumers' behaviors and lifestyles. Nevertheless, the subdued economy during the COVID-19 outbreak pressured service providers to continue offering low price packages, starting at B400/month. Discounts were also offered to new customers or those switching service provider, resulting in a decrease of the industry's ARPU from the previous year. Their strategy to maintain customer bases also extended to 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 customers' maximum satisfaction through multiple services such as 24-hour customer care and fast installation service within 24 hours.

Expanding to Other Digital Businesses for Customers and Enterprise Clients

The enterprise market has demonstrated a high potential of growth as businesses from small to large-sized enterprises are rushing to undergo digital transformation, opening up growing opportunities to generate more revenue from cloud services, cyber security solutions, and Internet of Things-(IoT). As a score of international players are eyeing entry into Thailand's cloud market, they are likely seeking to form a strategic partnership with a local telecom service provider already with a large customer base to push new technologies to the enterprise client market more quickly. Moreover, opportunities abound for driving new product offerings to accommodate customers' adapting to a new normal life that incorporates digital technology into their day-to-day activities such as digital financial services and online medical and healthcare services.

Outlook for 2022

The Mobile Business Expected to Recover Following Relaxation of Restrictions and Reopening to Foreign Tourists

Thailand's economic outlook for 2022 shows signs of steady recovery following the relaxation of lockdown restrictions. In December 2021, the Bank of Thailand announced a GDP growth forecast of 3.4% for 2022 due to the easing of restrictions and reopening to foreign tourists without requiring quarantine, starting on November 1, 2021. The moves are expected to help reboot the tourism sector, a key driver of the country's economy. This coupled with consumers' feeling less concerned about the spread of COVID-19 because of the lower rate of coronavirus infections and deaths toward the end of 2021 and the rising rate of COVID-19 vaccinations has culminated in a pickup in consumer confidence. Such favorable factors could help drive the overall revenue of the mobile industry.

As the COVID-19 uncertainties with any new coronavirus variant have a downward pressure on the country's economy and purchasing power, price competition could be strongly influenced by the mobile phone spending of consumers since they will look for the best value-for-money packages.

5G Technology Growing Continuously in Terms of Network Expansion and 5G Packages

In 2022, 5G adoption is expected to expand more toward mid-tier customers as 5G- enabled smartphone models with more affordable prices are entering the market in numbers, fueling the growth of the 5G market. In response, service providers are likely to roll out more 5G packages that suit the needs of mid-tier customers, leading to an increase in the industry's ARPU among 5G subscribers.

Aside from individual customers, 5G technology has played a key role in facilitating the business operations of enterprise clients in various industries such as health care, agriculture, transportation and logistics, and production, thereby maximizing their operational efficiency and productivity. This provides lucrative business opportunities for 5G services in the corporate client market. For their part, 5G operators are anticipating introducing a diverse range of 5G-related services and solutions to better address the needs of enterprise clients such as 5G private network, 5G MEC, 5G network slicing among many others.

Home Broadband Anticipating Sustained Growth

The home broadband market in Thailand is expected to sustain its growth amid the spread of COVID-19. Currently, households with fixed broadband connectivity in Thailand is at 57%, demonstrating high growth potential especially in suburban areas. Multiple favorable contributing factors include the more affordable starting price of the home internet package and the offering of a variety of value-added packages. Central to this are home internet packages

bundled with IoT devices and home solution packages that control the security of the home or control and monitor electrical appliances, all to accommodate a new normal lifestyle. The operators also attach significance to building an image of offering excellent service quality to attract and boost customer confidence. Given these positive factors, the home broadband business is expected to sustain robust growth in 2022.

Price competition in 2022 is expected to remain unchanged from the previous year. The package price still starts at Bt 399/Month, triggered by the subdued economic situation and dampened purchasing power. The market will also see service providers compete on delivering services with unique and valuable characteristics. Examples include offering a 24-month service contract at an affordable price as well as a diverse range of products, and a higher discount rate to attract new customers while protecting the customer bases as a means to maintain market share.

Expansion of Cloud and ICT Businesses

There is a growing trend of numerous industries incorporating digital technology into their businesses to enhance competitiveness and corporate management efficiency. In addition, the work from home trend that necessitates the need for employees to connect online to the organization's systems has propelled the growth of cloud business, cyber security service, Internet of Things (IoT), and IT solution service over the year. Other contributing factors include the enactment of Thailand's Personal Data Protection Act and Cyber Security Act that has raised awareness about the importance of technological data among organizations, fueling more investment in cyber security systems. At the same time, the relaxation of lockdown restrictions and reopening to international tourists have enabled businesses to regain momentum and resume their business operations which had stalled amid the pandemic. It is anticipated that in 2022, the strategy employed by service providers to consolidate their cloud and ICT business is to form a strategic partnership with other companies, both domestic and foreign, to deliver services that better answer the needs of clients, driving the cloud and ICT businesses to accomplish sustainable growth.

3-Year business direction

The advancement of digital technology has fuelled a rapid change in consumer behaviors and needs. At the same time, the pace of change has been accelerated by the prolonged COVID-19 situation having continued for two years, prompting consumers to adopt technology to support their work, study, and daily activities. Likewise, the business and industrial sectors have come to realize the importance of digital transformation to enhance efficiency and drive the development of a diverse range of products and services in response to the evolving needs of consumers.

The telecommunications industry provides critical infrastructure for the development of the 5G technology ecosystem which is instrumental to the digital economy, enabling the delivering of innovative products and services that better reach consumers together with connecting people in society and boosting the growth of the business and industrial sectors, empowering them to compete in the international arena. The swift transformation in the digital era has propelled AIS to drive the Company toward becoming a Cognitive Telco with a three-pronged goal as follows:

1) Enhancing the Strength of Business with 5G Technology

AIS strives to strengthen its core mobile business by leading the market into 5G. We aim to create a new variety of 5G-enabled services through an investment in the network infrastructure that accelerates network intelligence and IT automation enabling autonomous monitoring, maintenance, predictive data analytic & artificial intelligence capabilities. These efforts allow AIS to deliver distinctive customer experience and drive the development of excellent quality 5G-enabled services to boost revenue growth.

2) Driving Growth in Home Broadband and Enterprise Businesses

AIS intends to expand its home broadband network with fiber technology to the increasingly urbanized areas, leveraging on the mobile network infrastructure. The broadband service will also be enhanced by 5G technology to enable fixed wireless access (FWA) connection, expanding the coverage of AIS' home internet service to broader areas. This nurtures new opportunities for AIS to offer a magnitude of new services that address the family lifestyles such as home entertainment as well as home security and automation systems.

For the enterprise business, AIS aim to be an enabler and accelerator to push digital transformation and increase the competitiveness of the business and industrial sectors with the focus on the development of cloud service, cyber security, and 5G technology. This will be accomplished through partnership with world-class technology service providers and maximizing AIS capabilities in providing digital technology to enterprise clients backed by AIS' powerful, resilient, and highly secure digital infrastructure and expertise.

3) Investing in Digital Business to be a New Long-Term Revenue Stream

In the long term, AIS set its sights on delivering new digital services that correspond to consumers' lifestyles in the digital era through investment and collaboration with business partners to create a new source of revenue in the long term. Leveraging upon AIS existing large customer base, we intend to provide a wide variety of digital lifestyle services such as financial and lifestyle services among many others in cooperation with business partners to offer a broad spectrum of easy-to-use services or platforms that satisfy the needs and provide convenience for customers. This will enable AIS to generate revenue from services in the forms of subscriptions, fees as well as future revenue from advertising in the future.

Assets used in operations

The total assets used in operation of AIS business can be divided into three main groups:

1) Fixed assets such as network equipment, service shops, office building, and land.
2) License to operate telecommunication service such as spectrum license and other licenses to operate telecommunication business.
3) Commercial Agreement such as agreement with TOT and agreement with CAT.

The details of significant assets are as at 31 December 2021 as follows;

1) **Fixed Assets** of AIS and subsidiaries

Type of Assets	Type of Ownership	Estimated Useful Life (years)	Unit: Million Baht
Tools and equipment for providing telecommunication network and fixed broadband services	Ownership	3-20	264,707
Right-of-use assets	right-of-use	1-15	72,576
IT equipment	Ownership	3-10	12,383
Network under construction and installation for rendering telecommunication and fixed broadband services	Ownership	-	8,164
Other fixed assets	-	-	2,169
Total	**-**	**-**	**359,999**
Less accumulate depreciation/ amortization	-	-	(191,581)
Net Book value	**-**	**-**	**168,418**

Fixed assets of AIS and its subsidiaries had included the financial leases recognized under right-of-use assets. The significant agreements are as follows:

- Lease and related service agreements for office space, cars, computers and base station.
- Service agreement related to the national roaming service.
- Telecommunication equipment rental agreement for providing telecommunication service.
- Telecommunication tower rental agreement.

2) License to Operate Telecommunication Service

AIS and its subsidiaries operates 2G, 3G, 4G and 5G network service and other telecommunication services under the spectrum license granted from the NBTC which are Telecommunication business license type 1, Telecommunication business license type 2, Telecommunication business license type 3, Internet Service Provider Type 1, International Internet Gateway and Internet Exchange License Type 2 with its own network.

Moreover, the company including with subsidiaries companies, associated companies and joint venture companies have electronic money business license and electronic payment service license to operate mobile money services, including prepaid card sales on prepaid systems and electronic wallet.

Summary of Telecommunication Service License granted by NBTC

Spectrum license	License Fee	Grant date	Grant Period	Expiration
The right to use 2100 MHz spectrum · Bandwidth of 2x15 MHz · Provide telecommunication network covering at least 50% of population within 2 years and at least 80% of population within 4 years	Pay for the license within the time period as specified by the NBTC.	7 Dec 2012	15 years	6 Dec 2027
The right to use 900 MHz spectrum · Bandwidth of 2x10 MHz · Provide telecommunication network covering at least 50% of population within 4 years and at least 80% of population within 8 years		1 Jul 2016	15 years	30 Jun 2031
The right to use 1800 MHz spectrum · Bandwidth of 2x15 MHz · Provide telecommunication network covering at least 40% of population within 4 years and at least 50% of population within 8 years		26 Nov 2015	18 years	15 Sep 2033
The right to use 1800 MHz spectrum · Bandwidth of 2x5 MHz · Provide telecommunication network covering at least 40% of population within 4 years and at least 50% of population within 8 years		24 Sep 2018	15 years	15 Sep 2033

Summary of Telecommunication Service License granted by NBTC (Continued)

Spectrum license	License Fee	Grant date	Grant Period	Expiration
The right to use 2600 MHz spectrum · Bandwidth of 100 MHz · Provide telecommunication network coverage on major economic zone of Thailand as follows; (1) At least 50% geographical coverage of the Eastern Economic Corridor (EEC) area within 1 year, (2) At least 50% population coverage of key cities area including Bangkok Metro area, Chiang Mai, Nakorn Ratchasima, Khonkaen, Songkla and Phuket within 4 years from license granted date. · Provide network based on IMT-2020 (5G) technology of at least 50% geographical coverage of the Eastern Economic Corridor area within 1 year to receive special conditions applied for extended payment term in which 2nd – 7th installment starts in year 5 - year 10.	Pay for the license within the time period as specified by the NBTC.	21 Feb 2020	15 years	20 Feb 2035
The right to use 700 MHz spectrum · Bandwidth of 2x10 MHz		15 Jan 2021	15 years	14 Jan 2036
The right to use 26 GHz spectrum · Bandwidth of 1200 MHz		18 Feb 2021	15 years	17 Feb 2036
The right to use 700 MHz spectrum · Bandwidth of 2x5 MHz		1 APR 2021	15 years	31 Mar 2036

3) Commercial Agreement

Commercial Agreement with TOT

1. Roaming Agreement

Company	Significant terms and condition	Benefit	Agreement Period	Expiration
AWN	TOT provide roaming service on TOT's 2100 MHz spectrum to AWN with terms and conditions as specified in the agreement.	Pay the monthly roaming fee to TOT at the rate per subscriber as specified in the agreement.	7 years 5 months	3 Aug 2025

2. Telecommunication Equipment Rental Agreement

Company	Significant terms and condition	Benefit	Agreement Period	Expiration
SBN	Provide equipment rental to TOT, which allows TOT to provide mobile service on TOT's 2100 MHz spectrum.	Receive rental revenue from TOT which is subjected to the rate and usage as specified in the agreement	7 years 5 months	3 Aug 2025

3. Telecommunication Tower Rental Agreement

Company	Significant terms and condition	Benefit	Agreement Period	Expiration
AWN	AWN rents the telecommunication towers from TOT while TOT agrees to use the space and maintenance services from AWN.	Pay a usage base fee with an estimated total net value for 10-year period of approximately 28 billion Baht.	10 years	31 Dec 2028

Commercial Agreement with CAT

Telecommunication Tower Rental Agreement

Company	Significant terms and condition	Benefit	Agreement Period	Expiration
AWN	AWN rents the telecommunication equipment tower from CAT while CAT agreed to use the space and maintenance services from AWN.	Pay the monthly fees for tower rental and other related services.	5 years	15 Sep 2025

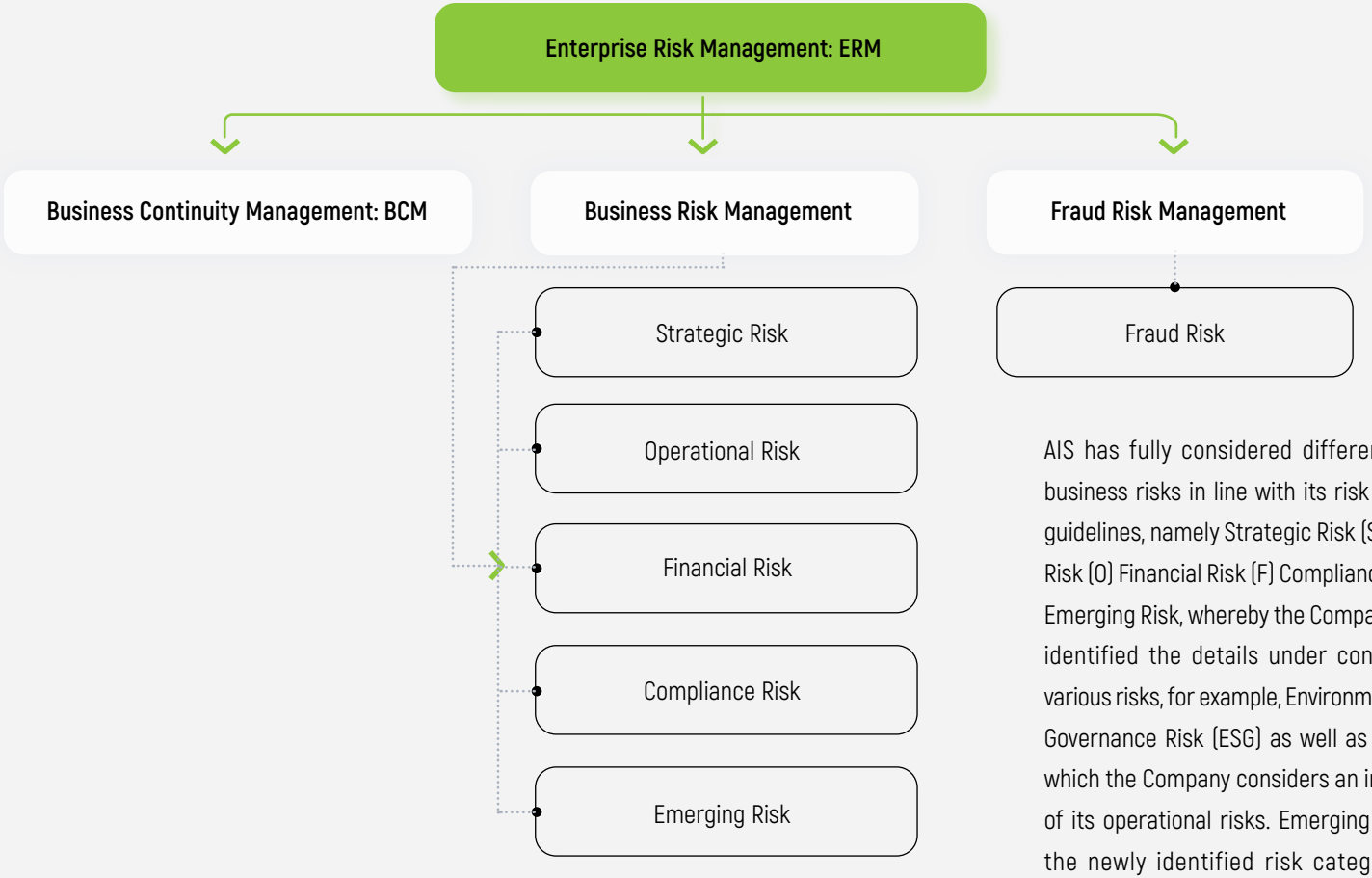
Policy to invest in subsidiaries and associate companies

AIS currently focuses on telecom service business only. We thereby invest in subsidiaries and other companies for the purpose of supporting our main business or operating other related services which is beneficial to our business. AIS has appointed directors and executives as our representative in those companies for the purpose of shareholder's benefit and value maximization. The meeting of board of directors of those companies is scheduled to convene at least on quarterly basis. The shareholders' meeting is scheduled on annual basis.

Risk Management

Enterprise risk management

Risk management is an important process that helps AIS and its group companies (AIS) achieve their objectives and goals as well as appropriately respond to the expectations of various stakeholders. AIS has established an Enterprise Risk Management Policy and Framework applicable to the corporate and operational levels in order to manage and maintain risks at an acceptable level (Risk Appetite). The Enterprise Risk Management framework of AIS consists of the following components:



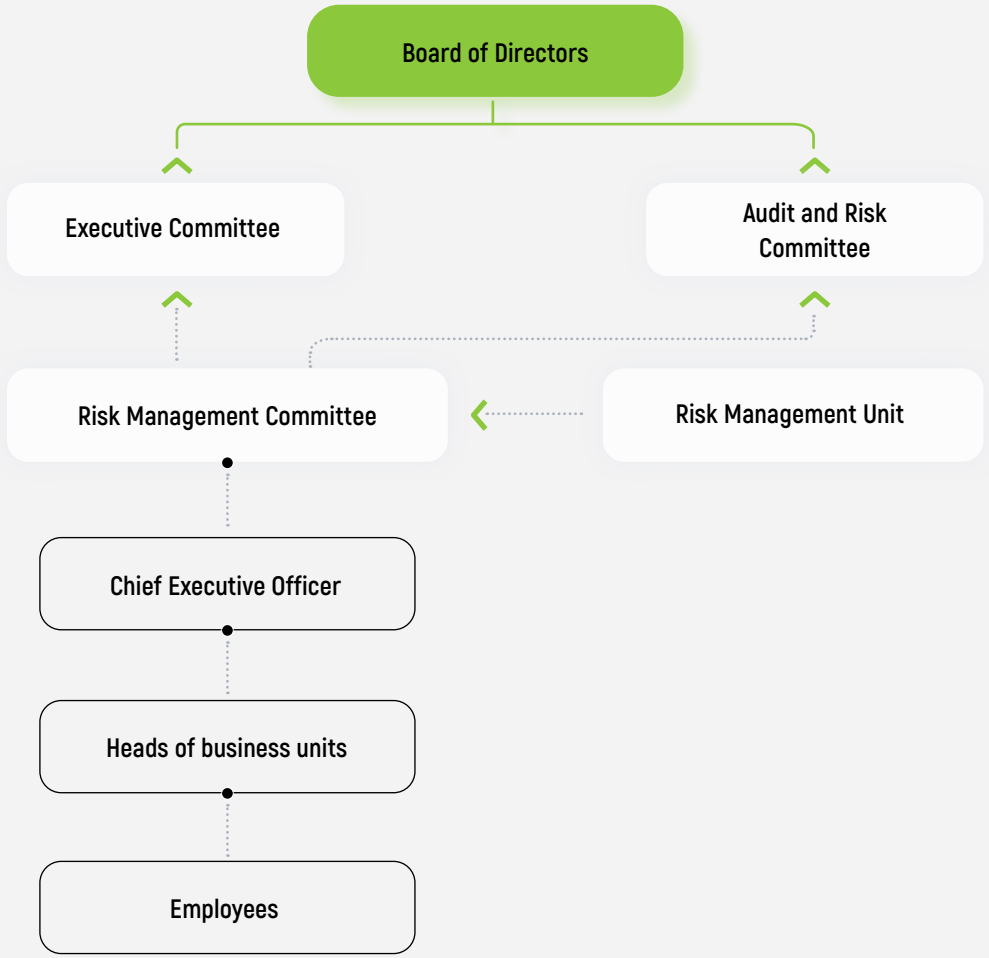
AIS has fully considered different significant business risks in line with its risk management guidelines, namely Strategic Risk (S), Operational Risk (O) Financial Risk (F) Compliance Risk (C) and Emerging Risk, whereby the Company has clearly identified the details under consideration of various risks, for example, Environment, Social and Governance Risk (ESG) as well as sustainability, which the Company considers an important part of its operational risks. Emerging Risk which is the newly identified risk category, which is expected to have a long-term impact on the company's business.

AIS Enterprise Risk Management Framework & Processes

The AIS Enterprise Risk Management framework and process are aligned with the integrated framework of the COSO ERM 2017: Enterprise Risk Management Integrating with Strategy and Performance and are applied to business risk management and fraud risk management. The 7 steps in the risk management process are:

1. **Set objectives at both corporate and functional levels,** with alignment to the AIS corporate strategy and are within its risk appetite as approved by the Board of Directors and reviewed annually.
2. **Identify the events that could have a negative impact (risks)** on AIS's ability to achieve its goals and targets, considering internal factors such as operational processes and human resources, and external factors such as customers, the economy, politics, and regulations.
3. **Assess the identified risks by considering the likelihood of the risk** occurring and the potential impact if the risk were to occur. Added to this is the correlation between the impact of any risk and how it could affect another risk.
4. **Prioritize risks** with consideration to the degree of importance of each risk and the potential damage to the Company.
5. **Plan risk** response measures with consideration to the level of risk involved and the corresponding cost and benefit.
6. **Establish control** activities to help ensure that the desired risk responses are implemented as intended and are carried out effectively.
7. **Monitor and report the status of risks and the effectiveness of the risk** management process. Reports are to be forwarded to the Audit and Risk Committee, the Executive Committee, and the Board of Directors regularly.

Roles and Responsibilities of AIS Risk Management



Board of Directors

The Board of Directors is responsible for overseeing overall risk management in accordance with business strategies and objectives by establishing the Company's risk management policy, risk appetite, and tolerance, considering key risks and mitigation plans and fostering a risk management culture within the Company.

Audit and Risk Committee

The Audit and Risk Committee, appointed by the Board of Directors, is responsible for performing risk oversight to ensure compliance with the Company's risk management framework and guidelines. The Audit and Risk Committee is also responsible for reviewing the appropriateness and effectiveness of the Company's business processes and risk management process.

Executive Committee

The Executive Committee is responsible for ensuring that the management manages risks properly at both the corporate level and operational level as well as overseeing and monitoring the status of the Company's key risks.

Risk Management Committee

The Risk Management Committee is chaired by the Chief Executive Officer and comprises heads of the business units. The Risk Management Committee holds quarterly meetings in order to identify and assess new risks and correlations with other identified risks as well as to review and follow up on the accomplishments of its risk management strategy by comparing action plans against their measured results.

The Risk Management Committee reports the risk management results to the Audit and Risk Committee, the Executive Committee, and the Board of Directors on a quarterly basis to ensure that the Company's key risks are closely monitored and managed to an acceptable level and that the Company is able to accomplish its goals and objectives.

Risk Management Unit

The Risk Management Unit is responsible for providing advice to the management and employees on implementing the risk management process in accordance with the established

framework. It is also responsible for integrating the risk management process into the strategic planning process and preparing and presenting a work plan to the Risk Management Committee at least once a year.

Chief Executive Officer

The Chief Executive Officer is responsible for determining key operational strategies, taking into account the Company's risk appetite. The CEO is the ultimate owner of all risk issues of the Company and is responsible for promoting a risk management culture at all levels of employees.

Heads of business units

Heads of business units are responsible for complying with the risk management policy and framework as well as communicating them to employees within their line of work to ensure understanding. They are responsible for identifying, assessing, and managing risks associated with their work line in accordance with the Company's established framework and delivering information to the Risk Management Unit as well as implementing internal control systems to manage risk to an acceptable level.

Employees

Employees are responsible for learning and having awareness of risk management and applying the risk management policy and framework to their daily operations.

Fraud Risk Management

AIS maintains a Fraud Risk Management policy to prevent, investigate, report, and manage fraudulent matters. The policy has established the following three practical guidelines:

1. **Prevention** – proactively identify, assess, review, and respond to all possible acts of fraud in the organization and communicate such issues to employees at all levels to build awareness and understanding of the importance of fraud, corruption and misconduct reporting.
2. **Detection** – check or investigate any misconduct or fraudulent cases where there is reasonable suspicion.
3. **Response** – perform investigation processes through to punishment.

The Company's objective is that directors, executives and employees are aware of fraud risk and notify the Company of any action possibly leading to fraud immediately while being ready to fully cooperate in any investigation relating thereto. The Company has appointed a Fraud Risk Management Committee (FRMC) to oversee the policy and fraud risk management process as well as support other functions relevant to developing fraud risk management, including self-management and systematic risk control.

Building an Organizational Culture of Enterprise Risk Management

In addition to the Risk Management framework and roles and responsibilities of all employees, AIS also promotes and cultivates a Risk Management culture to build awareness and understanding of the risks present in working to achieve Company objectives and goals. AIS works to foster an organizational culture of Risk Management by doing the following

- Providing Risk Management policy manuals and procedures and publishing them on the intranet so employees may understand their roles and the risk management framework.
- Developing Risk Management plans at both the corporate and functional levels covering efficient internal control processes and internal auditing.
- Promoting Risk Management Framework at department level via workshop sessions.
- Emphasizing the importance of the integration of risk management processes and strategic planning. When a new strategy is being developed, relevant personnel must analyze related activities against any potential risks that may occur and report results to the Head of their Business Unit, so that responsible persons can develop measures to prevent or reduce risks to an acceptable level and enhance the possibility to achieve goals. The Company plans to integrate risk management into its business plan approval process and performance appraisal.
- Integrating risk management with the company's new product and/or service development process. In the feasibility study process, the project owner shall identify the risk factors such as

financial risk, regulatory and compliance risk along with related mitigation plans to support the consideration of project approval.

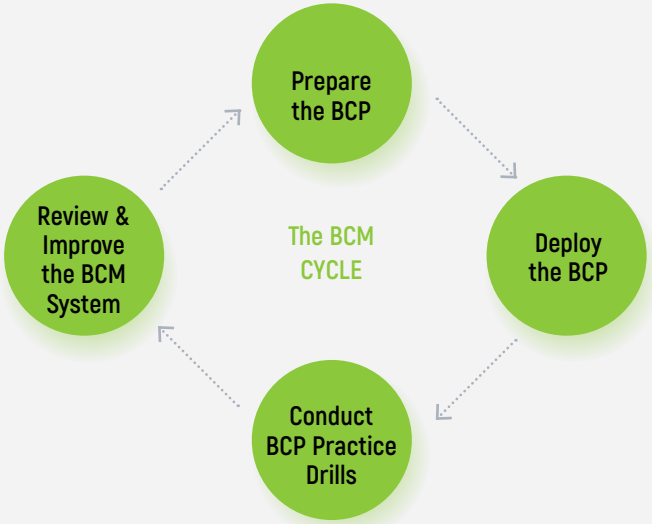
- Communicating through semi-annual performance reviews to ensure employees at all levels have the same understanding and acknowledge the direction and obstacles/challenges of the company's business operations in the short-term and long-term.
- Encouraging directors and executives to attend training and development in Risk Management related topics in various forms such as the training programs, knowledge sharing form experts and other activities.
- Providing knowledge of Risk Management principles to employees via online learning platform (AIS LearnDi).

Business Continuity Management

The Company has set in place a business continuity management system in conformance with international standards. The objective is to continue operations in the event of natural disaster or any other situation beyond the Company's control with the potential to cause interruption to its core operating system and a loss of company property and personnel at both central and regional levels, including AIS Group and subsidiary companies.

In support of this system, the Company has established the Business Continuity Management policy and manual and appointed the Crisis Management Committee, comprising top executives from each business unit and chaired by the Chief Executive Officer. The Crisis Management Committee is given the responsibility and authority to make decisions during times of crisis, including incident response and overseeing necessary internal and external communication in an efficient and timely manner to ensure the effectiveness and sustainability of the Company's business.

The business continuity management (BCM) process comprises 4 main steps as follows:



1. Prepare business continuity plan:
   A business continuity plan must be prepared in accordance with the objectives of business continuity management to enable the Company to cope with the potential impact of a disaster. The plan takes into consideration both the business impact analysis and risk assessment to determine the critical business process of each unit and define the time period that could be endured as a result of disruption before being deemed unacceptable.
2. Deploy business continuity plan:
   The approved business continuity plan is to be distributed and communicated to all related parties and understanding must be ensured. This step includes the preparation of resources, both internal and external, that are necessary for the implementation of the business continuity plan.
3. Conduct business continuity plan practice drills:
   Business continuity plan practice drills are to be arranged according to a defined schedule and targets. The plan shall be periodically updated, and the results of practice drills shall be reported to the person accountable for the business continuity plan and to the Crisis Management Committee, respectively.
4. Review & improve business continuity management system:
   The business continuity management system shall be constantly reviewed and improved to ensure its effectiveness and alignment with the risk level being faced by the organization.

Overview of Business Continuity Management Framework

- **Put in place enterprise and departmental BCP:** AIS has in place a Business Continuity Management System comprised of an Enterprise Business Continuity Plan (Enterprise BCP), and Departmental Business Continuity Plan (Departmental BCP). Risk assessment of any threat to the Company must assess both the likelihood of that threat occurring and its impact in order to prepare the Enterprise BCP for coping with the crisis or any emergencies which could adversely affect or damage working facilities or staff.
- Based on the findings of the business impact analysis, Departmental BCPs are also in place to manage the situation in the event that any department is not able to perform any process that could directly impact the Company's products or services.

- **A Disaster Recovery Plan (DRP) of IT systems:** The plan has been established to provide a strategy and working process to recover all information technology systems that support critical processes. This includes all of the resources required to ensure business continuity within an acceptable recovery time and to an acceptable operational level.
- **BCP for critical business process:** The AIS Business Continuity Management Committee has assigned senior executives and heads of related parties to prepare the business continuity plan to ensure continuation of critical business processes that have a direct impact on the Company's ability to deliver its critical services. It is the responsibility of all management and staff to support the activities related to business continuity management. Chief among them are preparation of the business continuity plan, allocation of resources according to the business continuity plan, carrying out practice drills, and reviewing the plan to ensure the effectiveness of business continuity management.

Performance Results in 2021 and Goals for 2022

For its Business Continuity Management System (BCMS), AIS received the ISO 22301:2019 Business Continuity Management System certifications for Cloud service and Co-Location service, certifying it as a company that developed a complete business continuity management system to cope with crisis or disaster, thereby further enhancing its sustainability. AIS has continued to conduct business continuity practice drills for the continuation of critical business processes. In 2021, a drill scenario was a malware attack at the Company's main data center resulting in an interruption to the AIS network and services was carried out to test the responsiveness of the business continuity plan in ensuring the continuity of service.

For its Risk Management System, AIS established a risk management process and reported results quarterly, with a focus on emerging risks. AIS incorporated risk analysis and assessment together with the development of business strategies and objectives in order to enhance awareness and understanding of risk management. The Risk Management Committee presented information relevant to business operations to the Board of Directors, the Executive Committee, and the Audit and Risk Committee on a regular basis. Other relevant departments also received the information so that they can manage risks in a timely manner.

In addition, the Company focused on providing education and raising awareness on the risk management framework for directors, the management and employees on a regular basis to ensure that risk management practices are up to date and in line with current circumstances.

In 2022, For Risk Management System, the Company has planned to apply COSO ERM 2017: Enterprise Risk Management Integrating with Strategy and Performance to all functions. The implementation of the ISO 22301: 2019 framework for Business Continuity Management System with all business processes ensures that AIS is ready and able to respond to and manage a variety of situations in times of crisis.

Risk factors

Toward identifying risks with the potential to impact the business objectives, goals and opportunities of AIS and AIS group companies, AIS considers the following factors:

1. Internal and external factors such as human resources, changes in technology and regulations, customer behaviors and the business environment.
2. Extreme events or ongoing conditions that have adverse effects on the Company's work practices or business competitiveness including floods, fires, natural disasters or pandemics.
3. Past events, current exposures, and future trends which may affect AIS and its group's business operations.
4. Significant movements in the economy, society, and the environment in both the short term and long term.
5. The causes of potentially adverse events which may affect AIS and its group's business operations.
6. New initiatives or new products and services that AIS is seeking to develop.
7. Opportunities to identify new value adding activities.

Risk Identification Process

Management and employees identify risks at both the corporate and functional level

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A Risk Management Working Group considers and selects identified risks and proposes them to the Risk Management Committee as corporate risks

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The Risk Management Committee considers the proposed risks and prioritizes them based on their likelihood and potential impact. The process includes the definition of acceptable risk levels, (Risk appetite and tolerance), as well as the identification of mitigation and risk management actions. The Risk Management Committee then proposes its plan to the Board of Directors for acknowledgement.

Significant Risk Factors

Risks from Industry Regulation and Government Policies

1. **Risk from Changes in Government Policies, Rules, Regulations and Orders of Regulators**

   AIS operates under the supervision of government agencies such as NBTC, the organization responsible for regulating operators under granted license in the telecommunications industry and with the legal authority to issue rules, regulations and orders to regulate licensees. Rules, regulations, and orders issued in the future, such as those that relate to amending tariff structures and service fees or measures for consumer protection, have the potential to affect the Company's business operations, reduce the Company's ability to generate profit and/or increase the cost of services.

   For any work directly related to government agencies, AIS has a dedicated unit responsible for regularly monitoring the issuance and change of regulations and reporting such changes to management and coordinating with relevant departments to ensure they are informed promptly and are ready to respond. The unit's role includes acting as an intermediary to coordinate with government agencies and ensuring that it is given all the necessary information on the business impact of regulations.

Through this unit, the Company also has the opportunity to make comments or suggestions and/or raise concerns or opposition to the enactment of laws, rules, regulations and/or orders in the event that they are deemed likely to have a serious impact on the Company's operations, or to have been unlawfully conducted. Furthermore, the Company, as a service provider which is a direct stakeholder, is invited to provide opinions and comments on drafts of laws, rules, regulations and/or orders which will be issued for enforcement in the future.

The Potential Impact of Risks	Risk Movement from 2020
Business operations, revenue and cost, company's reputation	No significant change

2. **Risks Arising from Disputes with Government Agencies**

In the past, AIS operated a business providing telecommunications services under concession agreement with State Enterprises. This required the transfer of assets which the Company had invested for use in its business operations to government contracting parties as well as the implementation of revenue sharing models at specified rates. Formerly, AIS encountered a number of disputes arising from disagreement in the interpretation of Agreements such as the amount of revenue to be shared. In some cases, NBTC announcements, regulations or orders resulted in impacting upon AIS business operations or concerns for compliance to the extent that it could affect business operation or operating income and/or increase service costs. In many cases, AIS exercised its right under the law to sue the NBTC in a court of law in order to contest the legitimacy of the actions undertaken by the NBTC. (Information and additional details are shown under the topic Legal Disputes)

AIS established a department that is directly responsible for coordinating with government agencies so that the Company as a contract party can conduct its business correctly and in complete compliance with relevant contracts. In the event of a conflict, the Company would enter into negotiations with the aim of seeking a prompt settlement. In the event that the issue could not be resolved through negotiation, the dispute would be entered into the dispute resolution process by the arbitral tribunal as specified in the Agreement. In addition, the matter would be taken before a court with the jurisdiction to rule a final decision.

The Potential Impact of Risks	Risk Movement from 2020
Financial status and company reputation	No significant change

Operational Risks

1. **Risk from Intensive Competition in the Market**

Faced with the intense competition of the telecommunication industry, operators have continued to expand their networks to satisfy customer needs, including the provision of mobile packages bundled with various mobile devices and more prevalently, introducing unlimited data packages to attract customers. These developments have resulted in aggressive price competition.

AIS has thus incorporated the following steps into its risk management plan:

- Develop into new technologies such as 5G, which opens up opportunities for products and services that can be differentiated and are more diverse than 4G services, both for residential and corporate customers. This will help generate additional new forms of income.
- Introduce Fixed Mobile Convergence (FMC) products by continually expanding the Company's Fixed Broadband network to enhance network quality and coverage.
- Drive new digital business to offer services related to daily life in digital form to customers such as video platform services, insurance service and financial services, etc., which will help create new sources of income.
- Enhance the quality of after sales services and privileges program to build differentiation and gain customer engagement.
- Develop strategies for maintaining the customer base and offering products and services that meet the needs of customers by using Advanced Analytics Tools.

The Potential Impact of Risks	Risk Movement from 2020
Financial revenue, market share and company reputation	Increasing in likelihood

2. **Risk from Technological Advancements and substitution of products and services**

Changes and advances in technology, especially digital technology, have enabled new types of products and services, new entrant as service providers, new digital and online channels or even new business models with lower cost structure. These includes platform providers (Over the Top: OTT) of various services such as messaging, music, video and social media, where no investment in telecommunication infrastructure is required and hence has enabled consumers to enjoy more alternative services from OTT with low fees or in some cases for free based on advertising model. Moreover, there has been an increase in new services that may substitute services currently provided by the Company, such as internet service via satellite. These trends directly affect the business operations of the Company, requiring it to continue to invest in and improve its network while developing and offering products and services that generate revenue and respond to customer needs. It is imperative for the Company to adapt and develop its business plan to tackle these challenges in order to retain customer base, generate revenue and sustain long term growth.

AIS has incorporated the following steps into its risk management plan:

- Define key strategies, both short-term and long-term, to respond to changing customer behavior and technologies.
- Invest in new business to create new sources of revenue over the long term focusing on new digital business in collaboration with partners and industry experts such as Cloud, IoT, Cyber security, Digital finance.
- Develop and improve existing products and services with advanced technologies to address digital lifestyle of consumer, for example.
  - Offer new value-added products and services for mobile phone, high-speed internet, and digital content to reduce complexity, save costs for customers, and increase privileges to attract customers.
  - Increase capabilities to satisfy customer needs, using Data Analytics to offer products and services that meet customer demand.
  - Digitalize customer service e.g. online product offering, build AI/Chatbot capabilities and implement Robotic Process Automation for customer services
  - Develop the network infrastructure, customer service systems and support systems by incorporating new technology such as cloud technology.
- Transform the organizational structure and develop the competency of employees to support the key strategies of the Company.
- Invest in research and development of innovation by capturing trends and new technologies as well as partnering with external organizations and business partners to research and develop innovation.

The Potential Impact of Risks	Risk Movement from 2020
Financial revenue, company reputation, and market share	No significant change

3. **Risk from organizational adaptability toward digital transformation**

Due to rapidly changing technology and customer behaviors, telecommunications service providers have had to improve their service capabilities in order to be able to respond quickly to customer needs. If the Company cannot develop the necessary skills or capabilities in a timely manner, its business advantage both in current businesses and new businesses in the future will be impacted.

AIS has thus incorporated the following steps into its risk management plan:

- Recruit employees with new abilities that meet the needs of the Company and develop the necessary skills or capabilities that can be applied in new businesses in the future.
- Collaborate with world-class institutions that have specific expertise to lay the foundations for developing the requisite knowledge and prepare high-potential employees for the digital business age including the implementation of a succession plan and a culture transformation to ensure readiness for emerging risks in the digital era.
- Plan a succession plan with a clear Career Model and open up various opportunities for growth in the organization.
- Create an organizational culture towards the digital era with agility, capability, continuous self-improvement and ethics (FIT FUN FAIR).

The Potential Impact of Risks	Risk Movement from 2020
Company reputation and market share	No significant change

4. Supply Chain Risk

The Company sources its network equipment and maintenance services from a limited number of vendors/suppliers available, mainly from China and European countries. In general, telecommunication service providers tend to use only 1-2 equipment vendors to ensure technology compatibility for nationwide service as well as proper maintenance service. During the past few years, an increased tension caused by public policy and trade disputes between the People's Republic of China and the United States of America as well as the global chipset shortage situation due to the COVID-19 outbreak may cause the risk to supply disruption. If those vendors/suppliers are unable to deliver the network equipment, it may affect the network expansion plan.

AIS has thus incorporated the following steps into its risk management plan:

- Apply a multi-vendor purchasing policy for major equipment and services.
- Establish an approved vendor/supplier list of vendors/suppliers that pass the Company's quality standards (Multi-vendor).
- Maintain the equipment and spare parts inventory at a suitable level in order to avoid shortages.
- Engage in a long-term contract (Frame Contract) with main vendors/service suppliers.
- Explore new technologies to reduce dependence on a particular equipment.

The Potential Impact of Risks	Risk Movement from 2020
Financial revenue, business or IT system disruption, and company reputation	No significant change

5. Economic and Political Risk

Changes in economic and political circumstances create both business risks and opportunities for AIS. Such changes could adversely affect demand and supply and the purchasing power of customers, including employment and tourism. These factors affect the income of the telecommunication industry. Consequently, the direction and growth rate of the telecommunication industry is generally consistent with the economic growth rate as measured by Gross Domestic Product (GDP).

However, as communication via voice, data service and broadband internet including data service for corporate consumers are now a common part of daily life and is at an affordable price, impacts from economic and political shifts to The Company remain at acceptable levels.

AIS has thus incorporated the following steps into its risk management plan:

- Provide products and services in a variety of price levels and formats for consumers to choose according to their purchasing power. Including products and services that are targeted to specific customer groups to meet their needs.
- Provide various distribution channels for customer to easily access both store and online channel.
- Enhance value-added services related to daily life for a variety of customer applications such as video platforms for entertainment media, insurance service, access to public health services, etc.

The Potential Impact of Risks	Risk Movement from 2020
Cost and/or revenue	No significant change

6. Risk from Major Network Failure or Interruption to Important Systems

Telecommunications services are part of the basic infrastructure for consumers and enterprises. An uncontrollable disaster, natural disaster, or crisis event could potentially lead to the interruption of the Company's network primary operating systems and business activities, directly affecting the continuity of service delivery, Company reputation and reliability, Company revenue including additional expense to compensate customers and recovery services.

Towards ensuring the Company's continuity in delivering services to customer, AIS has set up the following steps in its risk management plan

- Set up redundancy and backup for several key operating systems required to provide service.
- Set up a system and process for monitoring the quality and operation of the network and resolve problems in a timely manner.
- Schedule maintenance plan for equipment and systems in important parts.
- Adopted an infrastructure design that reduces the potential impact from disasters e.g. applying the EIA-222C standard to telecom towers to support higher wind speeds than in recorded Thai history, raising the height of base stations based on the level of heavy flooding in the year 2011.
- Establish Business Continuity Management (BCM) policy at both the corporate and departmental levels and conduct an Annual Review and carry out exercises to practice and test the Business Continuity Plan. Moreover, AIS received ISO 22301:2012 Business Continuity Management System certification in recognition of the implementation of the Company's Business Continuity Management System to cope with crisis situations.

The Potential Impact of Risks	Risk Movement from 2020
Financial revenue, company reputation and unachieved operations	No significant change

7. Risk of Data Privacy

The Company provides services to a large number of customers, both individuals and enterprises, making it essential to secure personal data and prevent risks arising from the leakage of customer personal data. In addition, risks may occur from the violation of human rights when the Company discloses such information upon request. The Company is also subject to compliance with relevant laws and regulations; for example, the Personal Data Protection Act (PDPA) and the General Data Protection Regulation (GDPR).

AIS has thus incorporated the following steps into its risk management plan:

- Set up the Data Protection Office (DPO) to monitor and coordinate with other relevant parties and ensure that the Company has proper processes with respect to the collection, use and disclosure personal data.
- Develop a Privacy Policy in accordance with relevant laws, regulations and announcements from the government.
- Develop procedures to access and manage personal data in a secure manner. Ensure proper internal controls are in place and subject to regular review.
- In case the Company has to disclose personal data to government bodies upon request, the Company will verify the legal authority of the requestor, determine the scope of the data as prescribed by law, and ensure that there is no violation of personal rights.
- In case of data leakage, undergo processes in place to handle customer complaints, including how to respond and mitigating actions.

The Potential Impact of Risks	Risk Movement from 2020
Company reputation and penalty from regulatory bodies	No significant change

Financial Risks

1. Risk from Exchange Rate Fluctuation

The Company is exposed to the risks of foreign exchange rate fluctuation due to International Roaming revenue and expenditures in foreign currencies with certain network expenditures also in foreign currencies.

AIS has thus incorporated the following steps into its risk management plan:

- Use Forward Contracts that specify the exchange rate at the time of the contract date will apply to the future delivery of contracted services.
- Use existing foreign currency deposits (Natural Hedge) to make payments for goods and services in foreign currencies.

The Potential Impact of Risks	Risk Movement from 2020
Cost and/or revenue	No significant change

2. Risks from the absence of a debt covenant ratio

Due to the terms of the company's loan agreement and the absence of a debt covenant ratio in conditions for debenture issuers and holders with which the company can adhere, the company could accrue an unmitigated amount of debt impacting its repayment ability. However, the company exercises caution on debt accruement, analyzing the necessity of any debt in terms of the benefit of the resulting investment, related opportunities and the generation of revenue and profit that would support long-term growth. Analysis is also performed to appropriately plan cash flow and ensure long-term stability, to determine financial obligation repayment capabilities, and to determine the most appropriate loan acquisition process and amount so as to avoid impact on the company's financial status. The company has long maintained a high credit rating among leading domestic and international firms and achieved an AA+(tha) rating from Fitch Ratings at the end of 2021, reflecting its high capability to settle both interest and capital obligations and its strong financial standing. The company devotes importance to maintaining its credit rating in the interest of keeping capital costs at an appropriate level and long-term financial stability, prioritizing the maintenance of financial ratios that act as key indicators for credit ratings, such as Net Debt to EBITDA, above the standard of ratings firms.

The Potential Impact of Risks	Risk Movement from 2020
Revenue / Financial Status / Cost	New risk factor in 2021

Emerging Risks

1. Risks from the COVID-19 Pandemic

The COVID-19 outbreak that has continued over the past two years has brought about dramatic economic and social changes both domestically and on a global scale. In the economic facet, the latest coronavirus strain and the unpredictable evolving variants may disrupt the supply chain, triggering inflation that puts an upward pressure on the prices of products and services for consumers. Moreover, a strong increase of government, private sector, and household debt has brought uncertainty to the economic recovery, affecting consumer confidence and purchasing power and exacerbating the problem of income inequality. The New Normal lifestyle has also instigated constantly-changing behavior and the way of thinking of consumers and the business sector, making it difficult to predict the direction of the changing momentum. The situation may have significant long-term effects on AIS business. This has been evidenced by the growing demand for the use of communication and digital technologies, consumer trends and preferences toward accessing products and services via online channels, and the needs for personalized and real-time products and services. The changing scenario has prompted AIS to look to generate income from new products and services that best address the needs of consumers and business sector. The COVID-19 pandemic has also impacted AIS business operations, forcing the Company to adjust work arrangement in response to the New Normal life with major concern for employee safety and yet maintain the same level of standard in providing products and services to maximize customer satisfaction.

AIS has thus incorporated the following steps into its risk management plan:

- Provide the full digital service to customers, e.g., online product and service offerings, build AI/Chatbot capabilities, and implement Robotic Process Automation for customer services to improve customer experience with easier access and proper cost to serve.
- Bundle product and service offerings of mobile, fixed

broadband and digital content in a new model that provides added value, reduces complexity and creates cost savings for customers, while also attracting new customers.

- Offer new formats of products and services that serve the new lifestyle of both mass and corporate customers as well as to enhance social inclusion, such as Work-From-Home, online learning/teaching.
- Improve the signal network system to accommodate the growing demand for data usage.
- Establish a COVID-19 notification center for the Company to monitor the situation, receive incident reports and coordinate with relevant parties.
- Set standard measures to prevent and respond to COVID-19 infection e.g. body temperature screening before entry to Company premises, sanitation guidelines in public areas, procedures for visitors, etc.
- Establish guidelines for employees to work from home during outbreaks to ensure employee safety while continuing to maintain service quality.

2. Risk from the Potential Consolidation of Main Competitors

The potential consolidation of main competitors may result in both opportunities and risks to AIS operating strategies since the number of major telecommunication operators especially the mobile phone service may drop from 3 to 2 with similar market shares. The consolidation may lead to changes in the competitor's financial status as well as competitiveness and investment. This may instigate changing market and competition scenarios and affect the regulating guidelines of NBTC for the industry as well as the views of consumers toward the operators. It is necessary that AIS prepares itself to cope with the situations.

AIS has thus incorporated the following steps into its risk management plan:

- Arrange the Management meeting to consider the situation and prepare to adjust the Company's strategies and operations accordingly.
- Study regulations and/or relevant laws and coordinate with the government agency with oversight authority to keep up with the moves and views of the government sector, and prepare the Company to respond to changes in rules and regulations.
- Commit to developing and expanding network infrastructure continuously with emphasis on being a leader in providing high quality service to build consumer confidence.
- Work toward organizational preparedness to deliver a diverse range of products and services that address the changing needs and expectations of consumers.

3. Risk to Information Security and Threats from Cyber-Attack

The Company has rapidly developed a variety of products and services to serve customers' needs and increase their convenience. While technology is essential in developing and improving these products and services, the application of advanced technology also comes with the risks inherent to information technology. Such risks result from the complexity of the technology itself, gaps in the skill and knowledge levels of Company employees, the potential deficiency of the Company's own systems, and external threats or cyber-attacks. If an information security system is insufficient or incomplete, it can have a serious impact on the company, especially if important data such as the personal data of customers is compromised. This includes cyber-attacks, e.g., DDoS attacks, website phishing, malware/viruses, etc, which may cause severe business disruption.

Ensuring the effectiveness of the Company's information security, AIS regularly reviews and revises the security policy of the Company's IT system in the following ways:

- Apply suitable international standards and alignment with the Cybersecurity Act and Personal Data Protection Act.
- Extend and expand security tools to cover significant systems such as Multi Factor Authentication (MFA) for accessing information technology systems from outside the Company, expanding threat detection capabilities (Threat Hunting), emphasizing proactive threat detection focusing on reducing detection time and time to handle detected threats and applying automation in the process of detecting and responding to threats, etc.
- Enhance information security measures, e.g., by reviewing the access control procedure; maintaining a closed working environment; and building IT awareness across the entire Company.
- Enhance staff competencies related to Cybersecurity in order to operate in accordance with the standards for personal data protection, cloud security, vulnerabilities of the system and detection of threats, etc.

- Enhance cybersecurity knowledge, understanding, awareness to employees and executives at all levels.
- Review and improve cyberthreat response processes to align with the global NIST Cybersecurity Framework and integrating with organization's crisis response plan.
- Conduct Cyber Drill every year covering relevant employees and executives.

4. Climate Chage Risk

Climate change is a global issue that all sectors have come to grip with. As one of the top 10 countries that were most affected by extreme weather events, Thailand has joined forces with the international community to tackle the problem, announcing a plan to pursue a net-zero carbon emissions target by 2065. The development has made climate change an emerging risk, prompting the Thai government to adjust policies. It is now in the process of drafting climate change-related bills and revising the national energy plan to prepare for operations in accordance with the target.

As Thailand's key Digital Life Service Provider, AIS must prepare for making adjustments to cope with risks that may impact the Company's long-term business operations, both directly and indirectly in terms of physical risks from natural disasters and transition risks from transitioning to low carbon economy. These risks are likely to affect AIS business and its entire supply chain. Examples include maintenance of network infrastructure and devices which may be damaged by natural disasters, resulting in higher business costs, and decreasing value of the damaged assets. The supply chain may also be disrupted with respect to transportation and production.

AIS realizes risks and opportunities for business operations brought by climate emergency and is resolved to take part in mitigating the climate change problem. To that end, the Company has adopted the concept of defining science-based target for GHG emission reduction in devising a GHG emission reduction plan. The emphasis is placed on reducing energy consumption, a main culprit of GHG emissions, prepare to cope with the impacts of climate change, and developing businesses that help reduce GHG emissions in differing sectors through the following efforts:

- **Promote energy efficiency** AIS employs a variety of energy-efficient technologies to manage base stations, uses big data analysis to manage signal channels, and allocates servers for the data centers along with proper management of energy consumption according to customers' usage.
- **Use alternative energy** More solar panels are installed at base stations, data centers, and phone exchanges.
- **Reduce paper usage** AIS employs digital technology in its internal business transactions and with business partners as well as in providing services to customers through the Full-E concept comprising four core services: 1) My AIS application that allows customers to check and pay their invoices online as well as checking and subscribing to packages by themselves 2) e-Bill 3) e-Receipt, and 4) e-Payment. In addition to reducing paper usage, the services help reduce GHG emissions.
- **Develop smart solution services** A wide variety of smart solution services are offered to facilitate work of business organization in the New Normal and manage work processes to enhance energy efficiency, thereby contributing to GHG emission reduction. Central to this are the highly energy-efficient Cloud Data Center service, the use of 5G & IoT to improve efficiency of work systems such as Smart Factory and Smart Property & Building which enhance energy efficiency while reducing GHG emissions at the some time.

Sustainable Development for Business

Sustainability management policy and targets

In 2021, the COVID-19 pandemic was a major challenge faced by the global community. This has inevitably catalyzed greater reliance on digital technology in various dimensions, such as the moves toward a cashless society, remote offices, and online learning, and the development of medical advances that respond to ever-changing COVID-19 situations. Amidst rapid changes in technology and the consumer market, we have had to face many challenges as well as opportunities, such as competition from new businesses that threaten revenue from traditional telecommunications services, increased concern over cybersecurity and data privacy, digital literacy and even accelerating climate change, which has made us more acutely aware of our energy usage and waste disposal. These matters have only grown in importance due to concerns and mandates of government, business partners, consumers and our investors. Today, sustainable business is no longer a choice, but a necessary action for a major organization such as ourselves, that impacts the economy, society and environment.

AIS has outlined a clear path towards sustainable business to ensure effective action. Considering both risks and opportunities, we synthesized the "7 Strategies for Sustainable Development", accounting for the economy, society and environment. Our 7 strategies to business sustainability include Digital Innovation, Data Privacy and Cyber Security, Human Capital Development, Social Inclusion, Cyber Wellness and Online Safety, Climate Actions and Wastee.

The relentless commitment to conducting business with sustainability in all dimensions has resulted in AIS being listed on the domestic and international sustainability indexes of the Dow Jones' World Index and Emerging Market Index for 2021 in the telecommunications industry category for the third consecutive year, the FTSE4Good Emerging Index for the seventh consecutive year, the SET Thailand Sustainability Investment (THSI) list for the seventh consecutive year, and listed on ESG 100 as a registered company showing excellence in environmental, social, and governance work by the Thai Pat Institute for the seventh year.

The Sustainable Development Committee is responsible for defining policy, strategy, operating targets related to Sustainable business development, as well as ensuring that the implementation of sustainability development policy and strategy meets the target. The committee reports to the Board of Directors quarterly. (More details on One report page 141 The Scope of Authority and Duties of the Board of Directors and Board-committees)

AIS promises to continue to work toward business, social and environmental value in equal measure and in accordance with Good Governance and to support the United Nations Sustainable Development Goals to provide a foundation from which the nation can grow and all of Thai society can benefit, towards shared sustainable growth.

The 7 strategies for sustainable development

Economy

1 Digital Innovation
Create products and services through digital innovation to improve the quality of life of Thai people and elevate the competency of the Thai business sector.

2 Cyber security and Customer Privacy Protection
Develop a reliable system for cybersecurity and customer privacy protection.

Society

3 Human Capital Development
Nurture and develop AIS human capital to support business growth particularly digital business.

4 Social Inclusion
Uplifting community well-being and decreasing social inequality through digital infrastructure and solutions.

5 Cyber Wellness
Striving to establish a brand that promotes safe and appropriate use of the internet and social media.

Environment

6 Climate Actions
Reducing GHG emissions through high efficient business operations and utilization of renewable energy.

7 Waste
Reducing and recycling waste from operations and promoting proper e-waste disposal among Thai people.

Targets for Sustainable Development

Economy

1. Digital Innovation

- Generate 150 million baht in revenue from digital innovations by the year 2024

2. Cyber security and Customer Privacy Protection

Target 2024

- Operate in adherence to applicable laws and regulations including the Cyber Security Act and Personal Data Protection Act
- Continually enhance cyber security capabilities both in terms of technology and personnel readiness to protect basic infrastructure, systems and new services.
- Enhance cyber security efficacy and capability and personal data protection using Machine Learning and Artificial Intelligence to augment monitoring, analysis and threat assessment, use Automation to speed up and streamline processes.
- Become a leading Cyber Security Operation Center (CSOC) for corporate clients. Enhance capabilities in providing the service and further develop consulting services for data protection.

Society

3. Human Capital Development

Target 2024

- Acquire enough staff with new abilities in digital technology to support business growth
- 85% of talent pool is retained
- 85% of Talent on Critical Role staff undergo new Ability training in digital technology

4. Social Inclusion

- Improve the wellbeing of 700,000 people through our digital platform and collaboration by 2023

5. Cyber Wellness

Target 2023

- Become Thailand's number one telecommunications brand, trusted for cyber wellness and online safety.
- Promote cyber wellness and online safety at 1,500 schools and protect 290,000 Thai users from cyber threats.

Environment

6. Climate Actions

Target 2023

- Reduce GHG emissions intensity as calculated from the ratio of direct and indirect emissions to data traffic by 90% compared to the baseline in 2015
- Increase renewable energy usage to 5% of total energy consumption

7. Waste

Target 2023

- Collect 360,000 units of obsolete mobile and related electronic waste for proper recycling
- Reduce non-recyclable E-waste from AIS services and operations from 5% of total waste in 2018 to 3%
- To be Thailand's No. 1 telecommunication service brand that is also trusted for its environmental responsibility in terms of electronic waste, promoting awareness among the Thai people about proper recycling of E-Waste.

Management of impact to stakeholders in the business value chain

Business Value Chain

AIS is committed to cooperating with partners throughout its value chain and maintaining long-term relationships while considering sustainability and the creation of value for its products and services that meet the expectations of all its stakeholders. Towards this, the company engages in policies and strategies for procurement aimed at maintaining its competitiveness and standards for collaboration with business partners while also prioritizing economic, environmental, social, and governance matters. These policies direct all AIS operations, including those of new and existing business partners and are the basis for the following code of ethics:

- **Fair Procurement** Ethical business practices, transparency, auditability, anti-corruption practices, and strict legal and regulatory compliance are emphasized as well as consideration towards social responsibilities, labor treatment, human rights, and sustainable partnerships.
- **Green Procurement** Environmental requirements are used as criteria for auction and preferences for all product and service categories.
- **Distribution Channel Quality Control Standards** Evaluation of the quality of distribution channels is undertaken with different standards applied in accordance to the capability of main partner channels as to control the quality and service standard of each channel. Evaluation includes:
  - o Conditions for selecting large scale distributors
  - o Code of Ethics declared for all business partners
  - o Guidelines for distributor operations
  - o Benchmarks for measuring sales and service quality
  - o Supply chain risk evaluation and risk management processes
  - o On-site inspections of crucial partners or partners presenting social and environmental risks material to AIS operations

Partner Selection and Sustainability Risk Assessment

Determined to work with partners, AIS engages in an evaluation process of partners and risk assessments as appropriate throughout the lifecycle of its partnerships. Assessment begins with an overview of the partner's sustainability and an evaluation of their material business, social, and environmental operations.

1. **Preliminary Screening**
   Newly registered partners have their fundamental environmental, social, and governance information evaluated and are also assessed in terms of conflict of interest, corruption and fraud history and compliance with the AIS Code of Ethics.

2. **Pre-Procurement Screening**
   Prior to procurement from key partners, AIS thoroughly screens their governance, corruption and fraud history, labor and human rights practices, workplace safety and health, and environmental practices. AIS includes a Code of Ethics as standard in its partnership contracts along with requirements that pertain specifically to the partner.

3. **Annual Audit and Evaluation**
   Annual sustainability evaluations are undertaken for all partners using a survey, site visits, observations of key proceedings, and an independently carried out evaluation of the partner's understanding of the AIS Code of Ethics. Tier 1 partners are also asked to communicate sustainable business practices to Tier 2 partners.

4. **Remedial Action and Follow-Up**
   Following a ranking and scoring of partners based on risk evaluations, partners with high risk in the area of sustainability are required to compile an approved risk mitigation plan and timeline ensuring identified risks will be minimized to acceptable parameters. Regular follow-up and inspections are undertaken to ensure proper management of the sustainability risk.

Sourcing	Operations	Product and service development, and distribution channels	After sales service	Supporting activities
· Provision of network equipment and frequency spectrum for mobile and fixed broadband internet services · Provision of standard quality and environmentally friendly network equipment by selecting vendors with advanced technology development, adherence to regulations, and consideration towards human rights, environmental and operational health & safety · Provision of safety tested communication equipment e.g. smart phones, tablets and routers of differing prices for wide customer accessibility · Acquiring of licenses from the National Broadcasting and Telecommunications Commission (NBTC)	· Telecommunication network, IT and operations systems management · Locating base stations by evaluating community and environmental impacts, constructing base stations resilient to natural threats and climate change including flooding and storms for service continuity · Expansion of network for nationwide coverage, maintaining quality and safety standards while limiting environmental impacts by focusing on energy efficiency and increasing proportion of alternative energy through installation of solar cells · Focusing on cyber security and customer data protection under policies and frameworks that conforms to the ISO27001 standard for managing and safeguarding information security, 24x7 threat monitoring and response · Management of e-waste from business operations by selecting partners authorized to properly dispose of electronic waste	· R&D of a diverse range of digital products and services to support business growth, economic development and the enhancement of society and quality of life · Collaboration with partners in a variety of industries for the development of products and services responsive to life and business in the digital era · Maintenance of standards and safety for fixed broadband internet installation by contractors · Management of online and offline sales and distribution channels for customer accessibility extending to monitoring and quality control of distributors and maintaining a fair remuneration structure · Marketing and provision of transparent and complete information on products and services, fair pricing	· After sales service for customer satisfaction via varied channels, including AIS Shop, Call Center and social media · Customer personal data protection using policies and procedures that regulate access and use of customer data, provision of a channel for reports and complaints · Retaining of customer relations by customers segmentation according to usage and demands, providing privileges, to maintain loyalty · Responsibility for products and services, promoting cyber wellness and proper electronic waste disposal	· Fair and transparent human resource management with an emphasis on employee development in line with the company vision, appropriate remuneration and benefits, creation of a safe and hygienic work environment · Trustworthy accounting that is accurate and transparent and that is aimed at creating financial stability conducive to business growth · Good corporate governance and ethical business conduct

Analysis of Stakeholders in the Business Value Chain

Stakeholder group	Channel and frequency	Expectations	Our actions
Community and society	· Community relations agencies (Daily) · Complaint centers (Daily)	· Quality telecommunications services covering local communities, modern technology for the betterment of community life through E-Commerce, enhance agriculture, etc. · Health safety from magnetic fields generated by signal from network towers · General support and aid, natural disaster response, emergency aid etc.	· A mobile network covering 98 percent of the population, a broadband network covering over 7 million households in more than 50 provinces and an array of packages at different price points · Support for community quality of life, adding value to technological access via the Aor Sor Mor health volunteer program combating pandemics, support for digital intelligence and skills to enhance online marketing by community enterprises, promotion of online safety and appropriate usage · Provision of knowledge and understanding to communities and their leaders on safety from magnetic fields generated by signal towers, a system for fielding complaints and demands and addressing concerns · Support for communities during times of disaster i.e. floods, cold snaps and for occasions i.e. Children's Day, local holidays, etc.
Customers	· AIS Call Center is the core channel for evaluating customer satisfaction and utilizes the IVR automated chatbot to field feedback, suggestions and complaints (Daily) · Contact center at 08-0000-9263 (Daily)	· Maximum personal data security · Network and service quality, ease of contact and access to service via varied channels · Personnel and service system are capable, able to provide accurate information and guidance, act on claims and follow up until completion of service within set period, keep customers updated on progress	· Formation of a risk assessment and management committee that sets strategies and policies for cyber security and data privacy utilizing a cyber security committee and data protection division, training for personnel on data protection and regulation of access. Transparent safety protocols and punishments. · Procedure for regular monitoring and measuring of signal strength, use of IVR: Interactive Voice Response to reduce customer wait times and facilitate voice commands, automated responses and product promotion, service available via Email and social networks · Use of E-Learning for around the clock training of personnel · Enhancement to work processes reducing processing time, allowing customers to view status of processes via automated system

Stakeholder group	Channel and frequency	Expectations	Our actions
Corporate customers	· Evaluation of customer satisfaction via channels such as the corporate clients' sales department, AIS Call Center, ICT Service Desk (technical guidance) and online channels i.e. E-Business Portal (1 time per month) · Channels for fielding complaints and suggestions i.e. AIS Call Center, AIS Business website (Daily)	· Quality of products and services i.e. network coverage, stability and speed of data connections, varied business solutions, after sales service, efficient resolution of problems · Varied services meeting different client demands, responsiveness to New Normal, ability to enhance business efficacy and facilitate adaptation to changing contexts · Strict and standards meeting data privacy protection	· Constant development of the 4G network, regular evaluation of signal integrity, introduction of 5G technology in 2020, development of fiber internet for high speed service · Establishment of the 24x7 Cyber Security Operation Center (CSOC). Approval under the ISO27001 Information Security Management System (ISMS), Payment Card Industry Data Security Standard (PCI DSS) and more. · Development of new cloud, ICT, cyber security and IoT services in response to demands for greater business flexibility and security · Worthwhile promotions and applications, solutions and equipment for New Normal business operation, privileges for corporate clients including product and service discounts, free trials and cost reductions under the Biz Up program · Development of digital channels supporting faster, more efficient sales and customer service including online product and service sales, billing, electronic receipts, payment and appointing AIS to carry out withholding tax deduction online
Partners	· Trade Partner satisfaction evaluation (1 time per year) · Representatives of personnel who contact customers (Daily) · Distribution channel applications and websites (Daily) · Annual meeting with trade partners (1-2 times per year) · Interviews (1 time per year)	· Expand alongside AIS to reach greater array of customers · Fair business dealings by AIS · Increased connection to society by AIS	· Support for partners to enhance their ability to distribute products using broadband internet as to increase their revenue · Creation of standards for effective cooperation, a fair and just remuneration structure · Development of a platform for more efficient connection between AIS and its partners
Shareholders and investors	· Shareholder meeting (1 time per year) · Operational returns announcements such as analyst conferences, domestic and international road shows, SET opportunity day (5-6 times per quarter) · Investor relations website, Email investor@ais.co.th, Line@contact phone number (Daily) · Operation visits (1 time per year)	· Sustainable business growth · Consistent dividend payments · Good corporate governance, transparency and trustworthiness · Equal access to information	· Maintaining of competitiveness in the mobile phone business, expansion into new services to spur growth such as digital cloud services, insurance, etc. · Policy to payout 70 percent of dividends two times a year · Thai Institute of Directors Corporate Governance Report score in the "Excellent" range · Regular release of quarterly performance via all channels, timely and comprehensive disclosure of key data via appropriate channels to investors/shareholders

Economics aspect

Digital Innovation

Create products and services through digital innovation to improve the quality of life of Thai people and elevate the competency of the Thai business sector.

In 2021, the COVID-19 pandemic was a major challenge faced by the global community. This has inevitably catalyzed greater reliance on digital technology in various dimensions. The recent development such as the need to satisfy varied consumer needs through personalized services, and socially and environmentally responsible consumption trends will continue to be both opportunities and challenges for smart digital life service providers, including AIS. To thrive, AIS needs to pioneer and put in place various types of digital technology to enable its customers to efficiently connect to the online world and innovate products, services, and digital businesses responsive to the ever-changing needs of the consumer in their personal and professional life.

AIS seeks to become a leader in innovations for sustainability by raising its adaptability in response to dynamic challenges and opportunities and building an ecosystem conducive to innovation in line with the AIS Open Innovation Framework. Aiming to achieve a flexible management structure that supports new business development and set out guidelines for driving and promoting innovation compatible with AIS's business goals and future direction. The pursuit of innovation in line with the AIS Open Innovation Framework follows four operational strategies which include 1) Establishment of Business Units for developing innovation for Digital Life Products and Services, 2) People and Culture Transformation, 3) Innovation Ecosystem Development, and 4) Technologies and knowhow Development.

2021 Progress

1. **Establishment of business units to innovate digital life products and services** In 2021, AIS has pressed ahead with the expansion into new markets other than mobile network and fixed internet service provision. AIS, in partnership with SCB, formed AISCB Company Limited to invest in the digital financial service business setting out on digital lending in order to play a prominent role in offering more convenient financial services to Thai people in line with the current modern world evolving toward a digital economy and warranting financial inclusion for underserved consumers.
2. **People and Culture Transformation** AIS has conducted several initiatives to transform the organization. For example, AIS partnered with the Stanford Thailand Research Consortium (STRC) to organize an entrepreneurial and innovation skill development training course entitled 'Jump Bootcamp'. AIS has also made progress on innovation projects which are in the last stage before entering commercial phase. Moreover, a wide variety of technologies and innovations such as process automation (RPA) are applied for process improvement, hence help us to work more effectively.
3. **Innovation Ecosystem Development** AIS has joined hands with various partners to develop technology and ecological systems for innovation. One of the major projects includes the trials of 5G services to enhance opportunities and capacity for the Thai industrial sector through Smart Manufacturing solution. The IoT Alliance Program also successfully extended from a collaboration to the launch of novel products and services onto the market, DEVIO Beacon, a solution enabling SME entrepreneurs to connect their businesses to customers.
4. **Technologies and knowhow Development** To ensure continuity and sustainability, AIS has prepared the ground for technology and body of knowledge development by laying down R&D guidelines and allocating funds for such a purpose. In 2021, AIS injected THB 100 million into R&D projects. Additionally, AIS joined the STRC, the most recent collaboration between the South-East Asia Center and leading private enterprises, to conduct research pertinent to Thailand.

See more details of 2021 progress from the sustainability report under the topic Digital Innovation

Cyber Security and Customer Privacy Protection

Develop a reliable system for cybersecurity and customer privacy protection.

AIS, as a digital service provider, manages massive amounts of data, both from its operations and from its customers, and is compelled to work in adherence to laws to protect against the leakage of personal data as well as to reduce risks to its finances and reputation. Moreover, AIS sees an opportunity in creating and developing complete cyber security services, which would address its operational requirements and enhance its capability to service clients. Thus, beyond carrying out its own cyber security and personal data protection, AIS is seeking to build a body of knowledge on the two matters and relevant new technologies such as the National Blockchain Hybrid Cloud, IOT and financial and insurance mechanisms.

AIS manages and implements policies, procedures and administrative systems for all offices corporate-wide to secure trust from its customers in the transparency of its information and customer privacy protection operations. Moreover, AIS has established committees to devise policies, strategies, and guidelines in order to enforce cybersecurity and personal data protection policies for all its offices, extending to related external organizations. The Company carries out regular systematic internal audits to ensure its management of data privacy and cyber security and related operations adhere to its policies, standards and frameworks.

To ensure business continuity during a crisis, AIS has appointed the Crisis Management Committee, comprising the Company's executive-level managers and heads of business units, which is charged with the responsibility to make decisions during a crisis, including crisis response, mitigation, and follow-up to ensure continuous business operation during the crisis.

Privacy Protection (GRI 103-3)

AIS maintains a Data Protection Office, which acts as a central hub for the protection and monitoring of the personal data of customers. The office provides guidelines and policies to maintain compliance with relevant laws and regulations for both AIS and group companies as well as advice on data storage and usage to other offices within the Company to enhance business operations, competitiveness and pave the way for new businesses. The actions undertaken range from formulation of measures for customer data privacy protection to Limiting access to sensitive information. AIS also incorporates the Privacy by Design and Privacy by Default principles into its services and products as necessary, setting specifications for the data flow process, as well as promoting awareness, knowledge and understanding on customer data protection to all personnel and partners.

AIS also sets a framework for systematic reviewing of personal data protection based on the principles and requirements from the Personal Data Protection Act, as well as accepted standards. For the data request management, the company provides customer data to government agencies in compliance with the law and fairness with consideration towards the human rights of data subjects within legal parameters.

Cyber Security

AIS is committed to protecting its systems from cyber threats and regularly enhances its systems and infrastructure to meet data protection standards, performs security evaluations and tests ahead of launching systems and applications and has software developers perform self-evaluations during their processes. The Company uses automation to enhance the efficacy of its processes so that they are more capable and quick to respond to cyber threats and monitors against threats 24x7 using a central notification system that allows for timely response and the ability to lockdown equipment. The Security Information and Event Management (SIEM) system empowers these capabilities in real-time and works in conjunction with User Entity Behavior Analysis (UEBA), which enhances detection of irregular incidences and the evaluation of cyber threats. Cyber security policies and practices are regularly prescribed and improved to maintain alignment with international practices, relevant regulations, and new work environment which requires security for operation outside office and a hybrid cloud system.

Further information on
1) AIS personal data protection policy
2) cyber security policy
Please see "Related policies" at
http://sustainability.ais.co.th/en/sustainability-priorities/data-privacy-cyber-security

2021 Progress

AIS achieved its targets of elevating cyber security and personal data protection, with results in 2021 as follows:

1. **Compliance with laws and regulations.** AIS Reviews frameworks and policies for alignment with laws and regulations to ensure company operations and policies comply with the relevant law and regulations. We also promote public-private partnerships in cybersecurity and personal data protection.
2. **Personnel knowledge, skill and awareness development.** Relevant staff underwent different training courses and certificate programs to ensure proper and correct practices. In 2021, 98 percent of total personnel passed compulsory tests for cyber security and data classification knowledge. Moreover, **cyber drills** were undertaken to prepare personnel to handle cyber threats effectively.
3. **Technology Development and Process Improvement**
   - **Process improvement.** We Applied the Microsoft Office 365 cybersecurity tool and Elevated the security of the information system from external access. Automation and Response solution in threat detection and combat processes are also applied for responding to new forms of cyberattacks. Furthermore, we improve the security operations to payment service providers and the security standards for the hybrid cloud system in accordance with internationally recognized practices.
   - **Cybersecurity policy and framework amendment.** This is to ensure explicitness, the coverage of both partners and external parties, and compatibility with the digital evolution following the new normal era, such as mobile offices.
   - **Cybersecurity and data protection reinforcement.** AIS has applied cutting-edge technology and upgraded the systems by applying AI and machine learning algorithms to proactively and accurately detect advanced persistent threats.
   - **The 24 x 7 cyber security operation center (CSOC).** AIS in 2021 expanded the center's services to monitoring against threats to the systems and information technology of its corporate clients. Towards elevating its information protection management systems to meet international standards, the company expanded the boundaries of its ISO 27001 certification to encompass services by the CSOC.
   - **Auditing** - In 2021, internal and independent auditors reviewed the Company's information system and customer data protections and did not discover any cyber threats or violations of personal data or loss of data resulting in civil suits or legal fines in 2021.

See more details of the 2021 progress from the sustainability report under the topic Cyber security and Customer Privacy Protection

Social aspect

Human Capital Development

Nurture and develop AIS human capital to support business growth particularly digital business.

Amid changes in digital technology, AIS needs to enhance its capabilities and prepare itself to rapidly changing business frontiers. Besides, due to the New Normal life amid the COVID-19, AIS has adopted more flexible work arrangements in response to the situation and taken varying measures to take care of employees in all areas to retain highly capable employees. Additionally, AIS revises its human capital management strategies to be more agile, enabling employees to adjust and enhance their digital skills from new work arrangements.

AIS devotes great importance to human capital management. Its Chief Executive Officer (CEO) oversees operational policies enacted under the supervision of the Chief Human Resource Officer (CHRO), who interprets such policies into strategies and work plans, making sure to comply with relevant laws and with consideration to human rights. AIS has provided good workplaces for all employees, details of the approach are as follow:

1. **The Concept "FIT FUN FAIR"** Foster an organizational culture aligned to its business practices. Employees are encouraged to develop their skills in response to the digital challenges of the challenges of the business and the company's future directions and objectives. Moreover, AIS has adapted its work arrangements to create a happy workplace environment in line with the "Work Life Integration" concept.
2. **The 6Rs Strategy.** AIS has adopted the HR management strategy to enhance organizational efficiency and drive employees to apply their full potential to increase the Company's competitiveness through the 6Rs strategy comprising: Right Organization, Right Resource, Right Process, Right Knowledge and Ability, Right Reward, and Right Place.
3. **Non-discrimination Practice and Zero-tolerance Policy against Harassment.** AIS stresses the importance of respecting the human rights of every employee at all levels and of stakeholders regarding physical aspects and differences in views, perspectives, and ideas, which include but are not limited to, race, skin color complexion, religion, gender, nationality, disability, age, and others by adopting non-discrimination practice and zero-tolerance policies against harassment.
4. **Occupational Health and Safety.** AIS' human capital management policy covers caring for physical and mental health of employees to benefit the employees and support efficient work, and promotes a good workplace environment.

2021 Progress

1. **Talent Attraction, Retention, and Succession Plan**

   AIS' principles to attract and retain talents include fair employment, talent management, digital skills hiring, career development, employee retention by providing incentives both monetary and non-monetary, and succession plan for every position throughout its structure.

   AIS has put in place a clear remuneration policy defining appropriate remuneration as stipulated by law and comparable to companies in the same industry with emphasis on equality. The appraisal criteria are based on the following framework:

   1) **Performance appraisal based on corporate KPIs**
   2) **Leadership competency**
   3) **Compliance with culture and business ethics**
2. **Employee Potential Development through Work Culture and Lifelong Learning**

   AIS adopts Ed Tech (Education Technology) to allow employees to learn via online and offline by using our learning digital platforms; LearnDi, which serves as a hub featuring a wealth of new knowledge and skills, both soft and hard skill, and Technical Knowledge Management (TKM), which provides technical courses such as Cloud Competing, 5G, Artificial Intelligence (AI) for employees looking to enhance core competencies to cater to AIS' emerging digital businesses and the future trends.
3. **A Comprehensive Approach to Employee Well-being**

   3.1. **COVID-19 Prevention Measures.** Implementation of the flexible working hours and measures to assist employees were put in place. AIS supported employees to receive COVID-19 vaccines, providing COVID-19 insurance, and supporting employees to get access to immediate hospitalization if needed.

   3.2. **Promotion and Support for Employee Welfare Benefits to Take Care of Employees Comprehensively**

   AIS provides a range of benefits to its employees such as the implementation of flexible work arrangement, marriage support funding, educational funding for employees' children, assistance funds for accident victims, loyalty rewards, health check-ups and medical care, etc.

   3.3. **Employee Well-Being**

   During the COVID-19 pandemic, AIS rolled out the AIS Wellness program to promote employees' good health throughout 2021 such as a variety of online exercise activities to Promote Good Health, an E-Sports event, and Aunjai Station podcast to provide knowledge on health care.
4. **Application of Technology** by developing applications and web-based solution that accommodate employees' diverse needs and help enhance efficiency of human resources management.

See more details of the 2021 progress from the sustainability report under the topic Human Capital Development.

Social Inclusion

Uplifting community well-being and decreasing social inequality through digital infrastructure and solutions.

AIS is committed to being a part of bettering life for the Thai people, using its communication technology resources to support developments that keep the Thai people in pace with the digital era. Leveraging its business and human resources for social and community development through a range of policies and projects. In recognition of inequalities in quality of life and opportunities for people in remote areas, AIS set policies that mobilize its digital platforms and partnerships to achieve greater equality. Towards its intended achievement, AIS implemented the three following strategies:

1. Expansion of digital infrastructure for maximum coverage in support of efficient communication and alignment with national economic development
2. Supporting public access to affordable digital communication devices
3. Developing digital platforms that enhance economic and social structures along with quality of life

Performance 2021

Development and Expansion of 5G Technology to Nationwide Coverage

At present, AIS operates a network that supports highspeed data transfers using 3G and 4G technology with coverage across 98% of the population, broadband home internet using fiber-optic technology across all 77 provinces of the country and WiFi networks. AIS is currently rapidly expanding its 5G network and has reached 76% coverage across the country.

Public Health

- **Aor Sor Mor Online application** The Aor Sor Mor Online application was launched in 2015 to serve as a communication tool for Aor Sor Mor (Village Health Volunteers) coordinating with primary health care units to facilitate, speed up and proactively work by primary health care units.
  In 2021, AIS expanded cooperation with the government agencies and increased the beneficial usage of Aor Sor Mor Online application from basic health to covers the improvement of quality of life in other areas such as mosquito larvae survey, household chemical survey, mental health screening system, support of the health and health security rights knowledge of Village Health Volunteers and COVID-19 screening and monitoring system. It was a form of usage that responded to the COVID-19 outbreak in a timely manner and helped expanded the Aor Sor Mor Online application users.
- **AIS: Connecting to Help Thai People** Due to the COVID-19 pandemic situation, AIS, as a member of the Thai business sector, announced "AIS: Connecting to Help Thai People". The urgent mission of the project was to apply 5G technology and medical solutions to the crisis through three endeavors: 1) Installation of 5G Networks in Hospitals, Field Hospitals and Field Vaccination Sites, etc. for medical use at 86 locations, 2) Development of 5G Medical Innovations, a total 24 Robot for Care were delivered to 23 hospitals and 3) Communication devices, equipment, and Aunjai Volunteers, to support medical personnel and patients.

Education

- **AIS Academy** In 2021, AIS and LearnDi Co. Ltd. joined hands with partners in the EdTech space to unveil LearnDi, a digital platform for educational equality available for access at anytime from anywhere. Providing opportunities for Thai people to better themselves through the learning of new skills and disciplines, LearnDi was also designed as a platform for complete online education management. AIS developed the platform from its own its employee learning portal as part of its "Mission to drive digital society", delivering LearnDi to the Thai people as a sustainable digital learning platform. The project encompasses all groups within the education space: teachers, tutors, students and general public through various project: The Educators Thailand, The Tutors, Digital Library and Aunjai Asa Career Development..
- **AIS Good Kids Brave Hearts** AIS supported the education of youths in need with the aim of closing social inequality gaps and aiding young Thais to secure careers with which they could support their families in the future. Impoverished students from Primary 1 to Undergraduate level were selected based on their good behavior. Over 21 years of the project, AIS has supported over 960 youths from the primary levels to tertiary education levels.

Reduced Inequalities

- **Reducing Inequality and careers for the disability - AIS Call Center for People with Disabilities** AIS recognizes the need to support human rights efforts and provide equal access to employment, launching a project to create career opportunities for people with disabilities in 2007 focused on using digital

technology to augment the capabilities of disabled individuals and employing such individuals in its Call Center. Work environments and equipment were adapted to facilitate safety and convenience for disabled employees and they were provided with equal remuneration and benefits to their able-bodied counterparts.

Digital Literacy Promotion

- **SDG Lab by Thammasat University & AIS** AIS joined hands with Thammasat University to establish "SDG Lab by Thammasat & AIS" to serve as a space for learning and actualization. In 2021 utilized AIS 5G digital technology to develop an Autonomous EV Car. Utilizing the highspeed, low latency on AIS 5G network, the vehicle had stable driving and supported transportation within the area effectively.

See more details of the 2021 progress from the sustainability report under the topic Social Inclusion.

Cyber Wellness and Online Safety

Striving to establish a brand that promotes safe and appropriate use of the internet and social media.

"Cyber Wellness and Online Safety" is a significant factor toward business sustainability of AIS. The efforts range from providing knowledge and promoting digital skills to internet users to selecting solutions or technologies as tools for cyber protection that respond to the demand for providing services to customers to ensure the continued development and expansion of operations. AIS is determined to protect Thai people from cyber threats along with promoting online safety and building cyber resilience with the focus on the venerable groups of youths. The three strategies under the Aunjai CYBER program are as follows:

- **Promotion of digital literacy** through in-class teaching to children and youths as well as training via an online platform to the general public
- **Cyber protection with digital tools** for internet users via mobile phone and home internet networks
- **Promotion of awareness against the potential dangers and impacts of the internet and technology** through various activities to enhance skills in safe and constructive online use to the general public

2021 Progress

AIS expanded upon its cyber wellness and online safety initiative under the Aunjai CYBER program. This was accomplished by the promotion of digital literacy, building cyber resilience, and promotion of cyber security, details of which are as follows:

- **Promotion of Digital Literacy:** AIS in collaboration with the Department of Mental Health, Ministry of Public Health, and the Faculty of Industrial Education and Technology of King Mongkut's University of Technology Thonburi devised the Aunjai CYBER course consisting of online lessons and a test. Available on the LearnDi for Thais online platform, the course is designed to measure fundamental knowledge and promote digital literacy for people of all ages and genders free of charge at https:\\learndiaunjaicyber.ais.co.th. The course was accredited by the Office of the Basic Education Commission (OBEC), and teachers can use the course results to fulfill part of the requirements for progression to a higher academic rank according to the criteria prescribed by OTEPC.
- **Cyber Security:** AIS offers the network-based security solution AIS Secure Net, which allows AIS to reach customers at risk from cyber threats such as virus-infected websites, malware, fake URLs, and indecent websites more effectively as the service works instantly without the need for an application download. In 2021, there were over 131,195 users of the AIS Secure Net service. AIS expanded its AIS Secure Fibre Net service to cover high-speed home internet. The service was well-received, attracting over 10,800 AIS Fibre Secure Net users this year. Moreover, AIS partnered with Google to promote the use of Family Link application, aiding parents in monitoring and training their children on appropriate use of the internet.
- **Promote of Awareness against the Potential Dangers and Impacts of the Internet and Technology:** AIS pledged to disseminate information via multiple social media platforms to build digital resilience for a sustainable lifestyle in the digital era. Chief among the efforts included a campaign to raise awareness about stopping cyberbullying. On the Stop Cyberbullying Day 2021, AIS provided an online forum where social media users shared their views and experiences on cyberbullying as well as how to handle cyberbullying.

See more details of the 2021 progress from the sustainability report under the topic Cyber Wellness.

Environmental aspect

Climate Actions

Reducing GHG emissions through high efficient business operations and utilization of renewable energy

In recent years, the global community encompassing international, state, private organizations as well as consumers have supported cooperation and attached more significance to the issues of climate change. In 2021, Thailand pledged to accelerate action to achieve net-zero emissions by 2065. As a digital life service provider, AIS is well aware of the challenges and risks arising from such issues on the Company's business operations. With a strong determination to be part of the global action to tackle climate change, AIS has studied science-based targets in formulating comprehensive plans to reduce GHG emissions. Added to this are preparation for climate change impacts and developing businesses that help support GHG emission reduction in different sectors. AIS believes that our actions will have positive effects on cost structure while reducing business risks and increasing AIS' profitability in the long term.

In achieving these commitments, AIS has assigned the head of its technology executives to implement environmental management across the organization, from its core business to its auxiliary endeavors. A report on environmental efforts is presented to the Sustainability Development Committee and Board of Directors at least once a year. AIS maintains an environmental policy approved by its Board of Directors with the objective to support environmental sustainability. Read more on the Environmental Policy at http://sustainability.ais.co.th/storage/sustainability-priorities/emissions/ais-environmental-policy-en.pdf

2021 Progress

- **Promoting Energy Efficiency** by adopting multiple energy-efficient technologies in the management of base stations nationwide which helped save energy and reduced indirect GHG emissions from electricity consumption by 18,743 tCO_2e. Moreover, we also applied big data analysis to study customers' usage behavior as well as managed network channels and energy use in response to clients' phone usage, which reduced power consumption by 17,503 MWh/Year and GHG emissions by 8,749 tCO_2e.
- **Alternative Energy Use** Despite the widespread COVID-19 pandemic in Thailand in 2021, AIS continued to expand installation of solar panels under plans that complied with the public health COVID-19 guidance, allowing for solar panel installation at 2,744 base stations and at another 4 data centers and switching centers. Since commencement of the program, AIS has installed and used alternative energy at a total of 5,553 base stations as well as 8 data centers and switching centers, generating 16,282 MWh/year and cutting 8,139 tCO_2e in GHG emissions.
- **Environmental Management System (EMS) Development –** The AIS environmental management system received ISO14001:2015 approval. The system used independent evaluators at two AIS computer data centers and ISO14001 certified environmental experts at all others.
- **Paper Use Reduction –** AIS integrated digital technology into its internal operations, processes involving partners and in service of customers under the Full-E concept, which enhance operational efficiency and convenience for customers. By the end of 2021, myAIS usage reached 8.4 million users, increasing by 3.1%. And 8.38 million billing accounts switched from mailed bills to E-Bills and 109 million E-Receipts, all together cutting the need for sheets of paper, equivalent to 10,459 tCO_2e in GHG emissions a year.
- **Smart Solution Development –** AIS strived to develop a smart solution service to enable corporate clients to meet needs in working in the new normal and to manage work processes to enhance energy efficiency as a means to reduce GHG emissions. For example, AIS Cloud Data Center was designed to be highly energy efficient, and 5G & IoT Solutions to enhance work efficiency.

Despite its energy usage increasing due to network expansion and growing demand for data, AIS has still been able to limit its GHG emission intensity relative to the amount of data it supplies, underlining the efficiency of its network's design and utilization. Promoting a higher proportion of renewable energy, AIS in 2021 was able to reduce GHG emissions intensity, a ratio of GHG emissions to data traffic, by 89 percent compared to the base year 2015. At the same time, AIS increased its proportion of renewable energy usage to 1.2 percent of total energy used, compared to 0.49 percent in 2020. The information on greenhouse gas emission was reviewed by LRQA (Thailand) Limited.

See more details of the 2021 progress from the sustainability report under the topic Climate action.

Waste Management

Reducing and recycling waste from operations and promoting proper e-waste disposal among Thai people

AIS, as Thailand's largest telecommunications service and mobile phone related device retailer, is dedicated to the proper management of environmentally hazardous waste resulting from its operations. In particular, AIS is determined to develop processes that reduce waste and increase recycling and maintains an objective of promoting widespread understanding toward the danger of e-waste and proper e-waste disposal so that it may enter the recycling process. The framework for waste management at AIS comprises four areas:

Green Procurement AIS is dedicated to working with partners while considering the factors significant to sustainability and long-term relationship management. AIS policies and strategies for procurement aim to maintain the Company's competitiveness and operational standards while also devoting importance to economic, environmental, and social considerations and good governance throughout the administrative structure of new and existing partners, functioning as a moral clause that agencies that collaborate with AIS must follow as well as to create an effective mechanism for resource and energy usage that also reduces waste, pollution, and greenhouse gases. For further details, view https://sustainability.ais.co.th/en/supply-chain-management

Operations Waste Management encompassing network equipment, office electronics, and mobile phones. Obsolete equipment will be disassembled for reuse, refurbishment or recycle. In doing so, the used equipment will be auctioned off to operators with an efficient eco-friendly recycling process capable of recycling as much of the electronic waste as possible with the least non-recyclable residue directed to disposal.

Office Waste Management AIS supports maximum waste separation in AIS offices ahead of waste delivery into the recycling process and promoting awareness among personnel on the importance of waste separation and proper waste disposal, seeking environmentally-friendly changes in behavior.

Promoting Proper E-Waste Disposal to Customers and the Public
The "Thais Say No to E-Waste" project provided receptacles for five types of electronic waste: 1. Mobile Phones and Tablets 2. Charging Cables 3. Earphones 4. Mobile Phone Batteries and 5. Power Banks, so that the waste could be entered into the proper disposal process. The project also sought to promote awareness toward the danger of electronic waste and an understanding as to the need for proper disposal and recycling.

2021 Progress

Operations Waste Management In 2021, AIS delivered e-waste into the recycling process by selecting the waste disposal operators with authorized disposal licenses according to the relevant regulations as well as clear processes and disposal locations. The Company's non-recyclable residue proportion this year was 0.002%.

Office Waste Management Over the past several years, AIS has enhanced its waste separation by clearly delineating different types of waste, improving the ease of delivering waste for recycling. At the same time, AIS Contact Center Development & Training Arena in Nakhon Ratchasima launched a project to install a food waste composter. From operations in 2021, 183 tons of waste were generated, 67% reduction from 2020. Non-hazardous waste made up 36% of the total waste, mostly comprising office and operations building refuse, and e-waste made up 64% of the total, comprising e-waste from network and offices.

Promoting Proper E-Waste Disposal through "Thais Say No to E-waste"
In 2021, AIS expanded its network throughout the public and private sectors to strengthen implementation and enhance convenience for e-waste disposal. The project also focused on promoting awareness toward health risks of retaining expired e-waste in the home or improper disposal, at the same time, dispensing knowledge on recycling and proper e-waste disposal in the hope of fostering understanding toward the critical environmental issue posed by e-waste. Some examples of activities include 'Challenge' by The Green Paholyothin and other condominiums, AIS E-Waste Drop for Points campaign, and AIS E-Waste Bin and Win prize, etc.

See more details of the 2021 progress from the sustainability report under the topic Waste Management

Human rights

AIS acknowledges the importance and respects human rights as fundamental to business operation and social cohesion. The company adopted a Human Rights Policy as part of its Code of Ethics to ensure its operations follow the United Nations Universal Declaration of Human Rights and principles outlined by the International Labor Organization. The company's Business Ethics committee is responsible for overseeing its human rights compliance and implementation of relevant policies, identifying human rights risks and affected groups so that remedies and protections may be prescribed for human rights violations that may occur across the company's business value chain. Policies are communicated to all employees, agents, business intermediaries, product and service providers, contractors, business partners, and alliances as well as any other relevant parties so that they may know, understand and participate in the company's fair and human rights upholding operations. The company also maintains a whistle blower policy that protects employees in the event they witness and report a human rights violation. The policy is included in the Human Rights Policy to provide assurance that no employee will ever be demoted, punished, or in any way impacted by reporting intimidation, discrimination, or harassment, that all employees will be treated with humanity and respect, and that the company will practice non-discrimination and measures against harassment. For details of the Human Rights Policy, please refer to the QR Code below:

Human Rights Policy

Towards ensuring company operations do not result in any human rights violations across its supply chain, AIS maintains a human rights risk assessment process across its supply chain and undertakes inspections and evaluations of the human rights risks of its operations with business partners, encompassing operational plans and risk management processes:

1) Identification of human rights risks related to the company's value chain
2) Identification of affected groups
3) Evaluation of human rights risks across the company's value chain
4) Determination of risk management and relief measures
5) Regular re-evaluation of human rights risks

Human rights risks evaluations are carried out every three years and encompass all AIS operations, including the activities of relevant partners across its value chain, with an emphasis on Critical Tier 1 Suppliers. The company maintains measures and practices for mitigating all categories of human rights violation and remains ready to carry out additional evaluations in light of significant changes to its activities or legal regulations as to ensure accommodation to actual circumstances.

Based on human rights risk assessments, AIS uncovered the following five issues:

Human Rights Issue	Directly Affected Group	Vulnerable Groups	Risk	Risk Management and Relief Measures
1) Work Environment	All employees	Sales agents and field engineers	Field personnel who travel regularly to sites and different locations are exposed to long-working hours and may not have appropriately safe vehicles	- Emphasize safety standards by providing training courses on safety and only allowing only qualified personnel that have completed such courses to operate. - Provide a good work environment where employees are assured adequate health and safety. - For travel safety, the company conducts scheduled vehicle inspections and monitoring the lifespan of vehicles.
2) IT systems and private customer data protection	Customers	Corporate clients, especially public agencies and state enterprises	Risks to private data breaches exist despite security and privacy measures	- Operate a Data Protection Office (DPO), responsible for data privacy monitoring and maintenance. - Build awareness and understanding among all personnel. - Utilize a Data Protection Impact Assessment to identify and mitigate data privacy risks in new services - Limit access to sensitive information and apply a range of data protection techniques covering storage, utilization and transmission to safeguard against private data leaks. (Further details on data privacy management can be viewed in the 2021 Sustainable Development Report pages 38-39) - Set specifications for the data flow process and communicate with relevant agencies to ensure compliance therewith. Establish a complaint center accessible through various channels, including telephone, mail and E-Mail, to field and coordinate responses to complaints.
3) Product and service safety	Customers and Contractors	Children, the disabled, the elderly, high-speed internet business contractors	Devices such as CPE (customer premises equipment) and mobile phones can face quality issues that, while having a low rate of occurrence, pose a high rate of severity.	- Impose controls to create standards for all products, only selecting UL94-V0 standard plastic products for installation at customer premises and requiring surge protection testing by the government sector. - House brand mobile phones and accessories are inspected and verified by Acceptable Quality Limit (AQL)

Human Rights Issue	Directly Affected Group	Vulnerable Groups	Risk	Risk Management and Relief Measures
4) Supply chain work environments	Contractors	High-speed internet business contractors	Some contractors may not have appropriate work safety standards. For critical contractors, AIS maintains measures to ensure the meeting of work safety standards.	- Set standard safety measures requirements for contractors/partners starting at the procurement process. - Contractors and subcontractors are required to impose their own safety standards and carry out necessary training. - Trained personnel must present certification of training before commencing work. - Operations Audit office must carry out risk assessment before any operation, whether internal or external work.
5) Freedom of expression/ opinion	Customers	Children and youths	AIS receives government requests to limit access to certain websites. This may incur risks of violating the human right to freedom of expression	- Balance freedom of expression/opinion and disclose social and other policies that do not violate intellectual property. - Limit negative impacts by establishing efficient internal processes to control access to restricted information unless officially requested through legal processes. - Maintain a process for considering the disclosure of private data requested by state agencies or through legal requests.

More details on the company's human rights operations can be viewed online at https://sustainability.ais.co.th/en/respect-to-human-rights

Management Discussion and Analysis

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 Fiber 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.

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 2.2 mn 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.

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 AISCB Co., Ltd. (AISCB) through an investment of Bt300mn. AISCB 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.

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	**4Q20**	**3Q21**	**4Q21**	**%YoY**	**%QoQ**
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 Bt33,397 mn, 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 iPhone13 in Oct-21.

On the cost side, cost of service was Bt 21,664 mn, 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 duet 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.

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%**	

Financial Position (Bt mn/% to total asset)	4Q20	%YoY	4Q21	%YoY
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.

Debt Repayment Schedule			License payment schedule		
Bt mn	Debenture	Loan	900MHz	2600MHz	700MHz
2565	-	14,142	7,565	-	3,473
2566	7,820	7,689	7,565	-	3,473
2567	6,638	6,805	7,565	-	3,473
2568	-	7,848	7,565	2,934	3,473
2569	8,180	5,599	-	2,934	3,473
2570	9,000	4,856	-	2,934	3,473
2571	2,500	3,819	-	2,934	3,473
2572	-	-	-	2,934	3,473
2573	-	-	-	2,934	3,473
2574	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.

Important Financial Information

Financial statements

Auditor Report

Auditor's Reports were stated that the Consolidated and Company financial statements presented fairly, in all material respects, the Consolidated and Company financial position as at 31 December 2021, 2020, and 2019, and the Consolidated and Company results of operations, and cash flows for the years then ended of Advanced Info Service Public Company Limited and its subsidiaries, and of Advanced Info Service Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards.

Consolidated statement of financial position

Advanced Info Service Public Company Limited and its subsidiaries As at December 31, 2021

unit: Thousand Baht

	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
ASSETS						
Current assets						
Cash and cash equivalents	19,636,627	6.78	18,420,769	5.26	12,739,290	3.58
Specifically-designated bank deposits	1,989,089	0.69	1,909,701	0.55	1,380,728	0.39
Restricted deposits at a financial institutions	-	-	11,200	-	11,200	-
Trade and other current receivables	18,297,896	6.32	17,781,190	5.08	16,552,288	4.65
Contract assets	1,868,738	0.64	1,448,323	0.41	1,819,811	0.51
Inventories	4,828,456	1.66	2,372,086	0.68	2,104,298	0.59
Current tax assets	317,087	0.11	1,092	-	5,302	-
Other current financial assets	-	-	-	-	213,375	0.06
Other current assets	204,259	0.07	211,038	0.06	739,789	0.21
Total current assets	47,142,152	16.27	42,155,398	12.04	35,566,081	9.98

unit: Thousand Baht

	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
Non-current assets						
Investment in an associate	24,613	0.01	31,588	0.01	35,213	0.01
Investments in joint ventures	635,509	0.22	799,045	0.23	947,662	0.27
Other long-term investments	67,032	0.02	-	-	-	-
Long-term loans to a related party	-	-	-	-	100,000	0.03
Other non-current financial assets	-	-	110,031	0.03	110,252	0.03
Property, plant and equipment	125,510,307	43.33	122,517,638	34.99	117,843,740	33.08
Right-of-use assets	-	-	58,722,695	16.77	50,574,034	14.20
Goodwill	2,881,700	0.99	2,881,700	0.82	2,881,700	0.81
Spectrum licenses	103,074,017	35.58	110,219,201	31.48	131,774,691	36.99
Other intangible assets other than goodwill	5,468,376	1.89	7,122,853	2.03	10,864,295	3.05
Deferred tax assets	3,490,522	1.21	4,120,355	1.18	4,235,516	1.19
Other non-current assets	1,374,894	0.48	1,490,073	0.42	1,288,559	0.36
Total non-current assets	**242,526,970**	**83.73**	**308,015,179**	**87.96**	**320,655,662**	**90.02**
Total assets	**289,669,122**	**100.00**	**350,170,577**	**100.00**	**356,221,743**	**100.00**

Consolidated statement of financial position (continued)

Advanced Info Service Public Company Limited and its subsidiaries As at December 31, 2021

unit: Thousand Baht

	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
Short-term borrowings from financial institutions	-	-	4,900,000	1.40	-	-
Trade and other current payables	41,376,820	14.28	40,570,675	11.59	45,055,417	12.65
Provision for revenue sharing	5,248,417	1.81	5,248,417	1.50	3,360,879	0.94
Unearned income - mobile phone service	4,189,025	1.44	4,348,673	1.24	4,071,668	1.14
Advanced received from customers	1,989,089	0.69	1,909,701	0.54	1,380,728	0.38
Current portion of long-term liabilities	24,871,789	8.59	13,848,369	3.95	14,131,683	3.97
Current portion of spectrum licenses payable	24,490,135	8.45	10,538,021	3.01	10,903,220	3.06
Current portion of lease liabilities	-	-	10,212,817	2.92	10,537,344	2.96
Corporate income tax payable	2,892,324	1.00	1,867,303	0.53	2,276,078	0.64
Other current financial liabilities	140,659	0.05	297,202	0.09	25,051	0.01
Other current	57,042	0.02	72,246	0.02	126,204	0.04
Total current liabilities	**105,255,300**	**36.33**	**93,813,424**	**26.79**	**91,868,272**	**25.79**
Non-current liabilities						
Long-term liabilities	69,171,920	23.88	79,301,185	22.65	73,696,569	20.69
Lease liabilities	-	-	48,150,497	13.75	40,597,291	11.40
Provisions for employee benefit	2,859,529	0.99	3,179,944	0.91	3,326,561	0.93

unit: Thousand Baht

	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
Spectrum licenses payable	37,298,912	12.88	42,911,011	12.25	61,415,647	17.24
Unrealized adjustment value of spectrum license	3,283,533	1.13	3,283,533	0.94	-	-
Other non-current financial liabilities	-	-	1,225,258	0.35	722,083	0.20
Other non-current liabilities	2,405,758	0.83	2,616,358	0.75	2,770,798	0.78
Total non-current liabilities	**115,019,652**	**39.71**	**180,667,786**	**51.60**	**182,528,949**	**51.24**
Total liabilities	**220,274,952**	**76.04**	**274,481,210**	**78.39**	**274,397,221**	**77.03**
Shareholders' equity						
Issued and paid share capital	2,973,179	1.03	2,973,554	0.85	2,973,926	0.83
Share premium on ordinary shares	22,386,070	7.73	22,446,531	6.41	22,506,296	6.32
Deficits arising from change in ownership interest in a subsidiary	(669,657)	(0.23)	(669,657)	(0.19)	(669,657)	(0.19)
Retained earnings:						
Appropriated - Legal reserve	500,000	0.17	500,000	0.14	500,000	0.14
Unappropriated	43,725,576	15.10	50,882,428	14.53	56,602,515	15.89
Other components of shareholders' equity	350,931	0.12	(568,872)	(0.16)	(214,328)	(0.06)
Total shareholders' equity attributable to owners of the Company	69,266,099	23.92	75,563,984	21.58	81,698,752	22.93
Non-controlling interests	128,071	0.04	125,383	0.03	125,770	0.03
Total shareholders' equity	69,394,170	23.96	75,689,367	21.61	81,824,522	22.97
Total liabilities and shareholders' equity	**289,669,122**	**100.00**	**350,170,577**	**100.00**	**356,221,743**	**100.00**

Consolidated statement of profit or loss

Advanced Info Service Public Company Limited and its subsidiaries For the year ended December 31, 2021

unit: Thousand Baht

	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
Revenues						
Revenues from rendering of services and equipment rentals	150,128,820	82.99	143,315,889	82.89	144,791,100	79.85
Revenue from sale of goods	30,764,865	17.01	29,574,376	17.11	36,541,790	20.15
Total revenues	180,893,685	100.00	172,890,265	100.00	181,332,890	100.00
Costs						
Cost of rendering of services and equipment rentals	(81,487,210)	(45.05)	(81,534,058)	(47.16)	(85,237,941)	(47.01)
Cost of sale of goods	(30,412,235)	(16.81)	(29,314,265)	(16.96)	(36,215,253)	(19.97)
Total costs	(111,899,445)	(61.86)	(110,848,323)	(64.12)	(121,453,193)	(66.98)
Gross profit	68,994,240	38.14	62,041,942	35.89	59,879,697	33.02
Distribution costs	(7,861,312)	(4.35)	(6,598,244)	(3.82)	(6,035,057)	(3.33)
Administrative expenses	(19,879,238)	(10.99)	(17,732,641)	(10.26)	(15,665,392)	(8.64)
Total distribution costs and administrative expenses	(27,740,550)	(15.34)	(24,330,885)	(14.07)	(21,700,449)	(11.97)
Profit from services, equipment rentals and sales of goods	**41,253,690**	**22.80**	**37,711,057**	**21.81**	**38,179,247**	**21.05**
Financial income	197,603	0.11	319,969	0.18	217,444	0.12
Other income	648,897	0.36	648,697	0.38	1,055,202	0.58
Share of loss of joint ventures and an associate accounted for using equity method	(85,868)	(0.05)	(70,306)	(0.04)	(140,731)	(0.08)
Net gain/(loss) on foreign exchange rate	308,410	0.17	140,201	0.08	(1,488,550)	(0.82)
Gain/(loss) from fair value measurement of derivative assets	-	-	(138,621)	(0.08)	842,960	0.46
Management benefit expenses	(144,365)	(0.08)	(167,773)	(0.10)	(145,489)	(0.08)
Finance costs	(4,776,605)	(2.64)	(5,917,383)	(3.42)	(5,626,072)	(3.10)

unit: Thousand Baht

	2019		2020		2021	
	Amount	%	Amount	%	Amount	%
Profit before income tax expense	37,401,762	20.67	32,525,841	18.81	32,894,012	18.14
Tax expense	(6,209,242)	(3.43)	(5,088,586)	(2.94)	(5,969,549)	(3.29)
Profit for the years	**31,192,520**	**17.24**	**27,437,255**	**15.87**	**26,924,463**	**14.85**
Profit attributable to:						
Owners of the Company	31,189,571	17.24	27,434,361	15.87	26,922,145	14.85
Non-controlling interests	2,949	-	2,894	-	2,318	-
Profit for the years	**31,192,520**	**17.24**	**27,437,255**	**15.87**	**26,924,463**	**14.85**
Basic earnings per share (in Baht)	10.49		9.23		9.05	
Diluted earnings per share (in Baht)	**10.49**		**9.23**		**9.05**	

Consolidated statement of cash flows

Advanced Info Service Public Company Limited and its subsidiaries For the year ended December 31, 2021

unit: Thousand Baht

	2019	2020	2021
Cash flows from operating activities			
Profit for the years	31,192,520	27,437,255	26,924,463
Adjustments for			
Depreciation and amortization	37,228,820	51,841,589	53,374,026
Finance income	(197,603)	(319,969)	(217,444)
Finance costs	4,776,605	5,917,383	5,626,072
Expected credit losses / doubtful accounts and bad debts expense	2,520,819	2,875,761	2,066,792
Share-based payment transaction	25,793	17,627	8,130
Reversal of loss for obsolete, decline in value and write-off inventories	(15,611)	(42,416)	9,289
(Gain) loss on sales and write-off of assets	177,909	37,609	29,434
Loss for unused equipment	952,434	700,429	635,511
Loss on terminate contract assets	746,805	524,573	223,543
Loss from impairment on other long-term investment	1,000	-	-
Unrealized (gain) loss on foreign exchange rate and (gain) loss from fair value measurement of derivative assets	(416,415)	(144,400)	242,558
Share of loss of joint ventures and an associate accounted for using equity method	85,868	70,306	140,731
Employee benefit expense	844,013	196,970	202,594
Tax expense	6,209,242	5,088,586	5,969,548
Cash provided by operation before changes in operating assets and liabilities	**84,132,199**	**94,201,303**	**95,235,247**
Changes in operating assets and liabilities			
Specifically-designated bank deposits	231,453	79,388	528,973
Trade and other current receivables	(1,602,313)	(3,371,745)	(2,417,169)
Contract assets	(920,605)	(104,157)	(595,030)
Inventories	(989,859)	2,498,786	258,499
Other current assets	342,465	307,586	(527,885)
Other non-current assets	266,751	(361,375)	123,453
Trade and other current payables	1,904,590	(1,062,140)	1,012,584
Provision for revenue sharing	(113,402)	-	(303,822)
Unearned income - mobile phone service	225,494	159,648	(277,006)
Advanced received from customers	(231,453)	(79,388)	(528,973)
Other current liabilities	6,089	15,204	53,963
Other financial assets (liabilities)	146,431	(99,684)	(5,175)
Other non-current liabilities	(3,588)	(23,427)	(26,904)
Cash generated by operating activities	83,394,252	92,159,999	92,530,755
Employee benefit paid	(45,601)	(56,432)	(116,056)
Tax paid	(6,721,409)	(6,474,175)	(5,780,655)
Net cash provided by operating activities	**76,627,242**	**85,629,392**	**86,634,044**
Cash flows from investing activities			
Purchase of property, plant, equipment and other intangible assets	(23,029,007)	(28,056,506)	(25,786,082)
Proceeds from sale of equipment	76,691	108,663	111,393
Payment of spectrum license	(4,020,000)	(26,834,979)	(19,511,950)
Increase in investments in joint ventures	-	(246,900)	(300,000)
Increase in long-term loan to a related party	-	-	(100,000)
Net increase in other long-term investments	(8,056)	-	-
Dividend received	7,800	9,000	15,000
Interest received	188,219	326,271	219,702
Net cash provided by (used in) investing activities	**(26,784,353)**	**(54,694,451)**	**(45,351,937)**
Cash flows from financing activities			
Finance cost paid	(3,106,140)	(4,218,327)	(3,692,108)
Lease liabilities paid	-	(11,753,610)	(11,882,214)
Finance lease payments	(56,226)	-	-
Net increase (decrease) in short-term loans from financial institutions	(5,900,000)	4,900,000	(4,900,000)
Proceed of long-term borrowings	2,000,000	24,000,000	8,600,000
Repayments of long-term liabilities	(11,153,580)	(24,828,560)	(13,884,860)
Cash paid for purchase of a subsidiary from non-controlling interest	(22,301)	(4,631)	(880)
Dividend paid	(21,050,238)	(20,218,750)	(21,203,109)
Net cash used in financing activities	**(39,288,485)**	**(32,123,878)**	**(46,963,170)**
Effect of exchange rate changes on balances held in foreign currencies	15,335	(26,921)	(416)
Net increase (decrease) in cash and cash equivalents	10,569,739	(1,215,858)	(5,681,479)
Cash and cash equivalents as at January 1,	9,066,888	19,636,627	18,420,769
Cash and cash equivalents as at December 31,	**19,636,627**	**18,420,769**	**12,739,290**

Highlight financial ratio

Advanced Info Service Public Company Limited and its subsidiaries For the year ended December 31, 2021

	2019	2020	2021
Liquidity Ratio			
Current Ratio (time)	0.45	0.45	0.39
Quick Ratio (time)	0.34	0.37	0.30
Operating cash flow to current liability (time)	0.73	0.91	0.94
A/R turnover (time)	10.09	9.48	11.41
Collection period (day)	36	38	32
Inventory turnover (time)	7.03	8.14	16.18
Day sales period (day)	51	44	22
A/P turnover (time)	5.53	4.99	4.94
Payment period (day)	65	72	73
Cash Cycle (day)	22	10	(19)
Profitability Ratio			
Gross profit margin ratio (%)	38.%	36%	33%
Operation income ratio (%)	23%	22%	21%
Other operating income ratio (%)	0.5%	0.6%	0.7%
Free cash flow to EBIT (%)	121%	82%	108%
Net profit margin (%)	17%	16%	15%
Return to Equity (%) Average	49%	38%	34%
Return to Equity (%) as at end	45%	36%	33%
Efficiency Ratio			
Return on total assets (%)	11%	9%	8%
Return on fixed assets (%)/1	23%	17%	15%
Total assets turnover (time)	0.62	0.54	0.51

/1 excl. Spectrum license

	2019	2020	2021
Financial Policy Ratio			
Debt to equity ratio (time)	3.17	3.63	3.35
Interest coverage ratio (time)	13.00	13.50	15.49
Debt service coverage ratio (time)	2.25	3.33	4.42
Dividend payout ratio (%)	70%	75%	85%
Interest bearing debt to EBITDA ratio (time)	1.19	1.10	0.96
Interest bearing debt to equity : IBD/E ratio (time)	1.36	1.30	1.07
Interest-bearing debt due within 1 year to interest-bearing debt (%)	26.4	19.1	16.1
Loans from financial institutions to interest-bearing liabilities (%)	65.5	63.8	57.7
Data on per Share Capital			
Net book value per share (Baht)	23.34	25.46	27.52
Net Profit per share (Baht)	10.49	9.23	9.05
Dividend per share (Baht)	7.34	6.92	7.69
Percentage Growth on			
Total Assets (%)	(0.29%)	20.89%	1.73%
Total Liabilities (%)	(5.39%)	24.61%	(0.03%)
Revenue from service & sales (%)	6.50%	(4.42%)	4.88%
Selling & admin. expense (%)	5.49%	(12.29%)	(10.81%)
Net Profit (%)	5.08%	(12.04%)	(1.87%)

Financial ratio formula

Liquidity Ratio	
Current Ratio (time)	Total current assets / Total current liabilities
Quick Ratio (time)	(Cash and cash equivalents + Current investment + A/R Trade) / Total current liabilities
Operating cash flow to current liabilities (time)	Net cash provided by operating activities / Total current assets
A/R turnover (time)	Total revenues / A/R Trade - Average
Collection period (day)	360 / A/R turnover
Inventory turnover (time)	Cost of sales / Inventory - Average
Day sales period (day)	360 / Inventory turnover
A/P turnover (time)	Total costs / A/P Trade - Average
Payment period (day)	360 / A/P turnover
Cash Cycle (day)	Collection period + Day sales period - Payment period
Profitability Ratio	
Gross profit margin ratio (%)	Gross profit / Total revenues
Operation income ratio (%)	Profit from services and sales / Total revenues
Other operating income ratio (%)	(Finance income + Other income) / Total revenues
Free cash flow to EBIT (%)	(Net cash by operating activities +/- Net cash in operating activities) / Profit from services and sales
Net profit margin (%)	Profit for the years / Total revenues
Return to Equity (%) as at end	Profit for the years / Total shareholder's equity - Average
Return to Equity (%) as at end	Profit for the years / Total shareholder's equity as ended of the year

Efficiency Ratio	
Return on total assets (%)	Profit for the years / Total assets - Average
Return on fixed assets (%) /1	Profit for the years / (Property, plant and equipment + Right of use assets + Other intangible assets other than goodwill)
Total assets turnover (time)	Total revenues / Total assets - Average
Financial Policy Ratio	
Debt to equity ratio (time)	Total liabilities / Total shareholder's equity
Interest coverage ratio (time)	Profit from services and sales / Interest expense
Debt service coverage ratio (time)	EBITDA after tax / (interest expense + debt repayment within 1 year)
Dividend payout ratio (%)	Dividend paid per share / Earning per share
Data on per Share Capital	
Net book value per share (Baht)	Total shareholder's equity / No. of shares
Net Profit per share (Baht)	Profit for the years / No. of shares
Percentage Growth	
Total assets (%)	(Total assets-Current Year - Total assets-Prior Year) / Total assets-Prior Year
Total liabilities (%)	(Total liabilities-Current Year - Total liabilities-Prior Year) / Total liabilities-Prior Year
Total revenues (%)	(Total revenues-Current Year - Total revenues- Prior Year) / Total revenues-Prior Year
Selling & admin. Expense [SGA] (%)	(SGA-Current Year - SGA-Prior Year) / SGA-Prior Year
Net Profit (%)	(Net Profit-Current Year – Net Profit-Prior Year) / Net Profit-Prior Year

/1 excl. spectrum license

General Information and Other Significant Information

1. General information of the company

The Company name	:	Advanced Info Service Public Company Limited
Symbol for trading	:	ADVANC
Registered date on the SET	:	5 November 1991
Market capitalization	:	Baht 684,003 million (as of 30 December 2021)
Registered capital	:	Baht 4,997,459,800
Paid-up capital	:	Baht 2,973,925,791 comprising of 2,973,925,791 ordinary shares (as of 31 December 2021)
Par Value	:	1.00 Baht
Total shareholders	:	63,337 persons (as of 17 August 2021, the latest book closing date for the rights to receive dividend)
Free float	:	36.22%
Type of business	:	Operate telecommunication business including mobile network service, fixed broadband service, and digital services.
Head office	:	414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400
Registered No.	:	0107535000265
Corporate website	:	http://www.ais.co.th
IR website	:	http://investor.ais.co.th/
Telephone	:	(66) 2029 5000

American Depositary Receipt

ADR ticker symbol	:	AVIFY
Exchange	:	Over The Counter (OTC)
Depositary	:	The Bank of New York Mellon
ADR to ORD share ratio	:	1:1
ADR CUSIP number	:	00753G103

2. Other significant information

General Information of AIS's Affiliates

No.	Subsidiaries	Business	Registered Capital (Million Share)	Par Value (Baht per share)	Paid-up Capital (Million Baht)	% of Investment
1	**Advanced Wireless Network Co.,Ltd. (AWN)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of cellu-lar telephone network, distributor of handsets and international telephone service, network operator, telecommunication service operator and internet	13.5	100	1,350	99.99
2	**Advanced Data network Communications Co.,Ltd. (ADC)** (an indirect subsidiary of DPC) 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019 Website : www.adc.co.th	Under liquidation process	95.75	10	957.52	51.00 [1]
3	**Digital Phone Co.,Ltd. (DPC)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Ceased mobile phone operation	91.4	10	913.4	98.55
4	**Advanced mPAY Co.,Ltd. (AMP)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of electronic payment and cash card	30	10	300	99.99
5	**Super Broadband Network Co.,Ltd. (SBN)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019 Website : www.sbn.co.th	Network operator and telecom service operator, including as service provider of broadcasting network and television broadcasting service several channels	3	100	300	99.99

General Information of AIS's Affiliates (Continued)

No.	Subsidiaries	Business	Registered Capital (Million Share)	Par Value (Baht per share)	Paid-up Capital (Million Baht)	% of Investment
6	**Advanced Contact Center Co.,Ltd. (ACC)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of call center	27.2	10	272	99.99
7	**Advanced Digital Distribution Co.,Ltd. (ADD)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5157 Fax : (66) 2029 5019	Service provider of insurance broker	0.05	100	5	99.99
8	**Advanced Magic Card Co.,Ltd. (AMC)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of electronic payment network	25	10	250	99.99
9	**Teleinfo Media Public Company Limited (TMC)** [2] (an indirect subsidiary via CSL) 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2262 8888 Fax : (66) 2262 8899 Website : www.teleinfomedia.co.th	Service provider of publishing and advertising telephone directories	15.65	10	156.54	99.99
10	**CS LoxInfo Public Company Limited (CSL)** [2] (an indirect subsidiary via AWN) 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2263 8000 Fax : (66) 2263 8132 Website : www.csl.co.th	Service provider of internet data center services, internet and satellite uplink-downlink services for domestic and international communications and distribute internet equipment	594.51	0.25	148.63	99.68

General Information of AIS's Affiliates (Continued)

No.	Subsidiaries	Business	Registered Capital (Million Share)	Par Value (Baht per share)	Paid-up Capital (Million Baht)	% of Investment
11	**AIN GlobalComm Co.,Ltd. (AIN)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of international telephone service/gateway	2	100	100	99.99
12	**Advanced Broadband Network Co.,Ltd. (ABN)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of training within the Group	1	100	100	99.99
13	**AIS Digital Life Co.,Ltd. (ADL)** [3] 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of digital platform	0.5	100	50	99.99
14	**MIMO Tech Co.,Ltd. (MMT)** 1291/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Developer of IT systems service provider of content aggregator and outsourcing service for billing and collection	0.5	100	50	99.99
15	**AD Venture Public Company Limited (ADV)** [2] (an indirect subsidiary via CSL) 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2262 8888 Fax : (66) 2262 8877 Website : www.adventure.co.th	Service provider of mobile contents	1.07	10	10.75	99.99

General Information of AIS's Affiliates (Continued)

No.	Subsidiaries	Business	Registered Capital (Million Share)	Par Value (Baht per share)	Paid-up Capital (Million Baht)	% of Investment
16	**Fax Lite Co.,Ltd. (FXL)** 1291/1 Phaholyothin Road, Phayathai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of operation in space, land and building services, and related facilities	0.01	100	1	99.98
17	**Yellow Pages Commerce Company Limited (YPC)** [2] (an indirect subsidiary via TMC) 1126/2 Vanit Bldg.2, New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok Tel. : (66) 2262 8888 Fax : (66) 2262 8823	Service provider of online advertising business	0.01	10	0.1	99.94
18	**LearnDi Company Limited (LDI)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5000 Fax : (66) 2029 5019	Service provider of training	0.1	10	1	99.99

Notes:

1) The remaining share percentage of ADC in the amount of 49% is held by other persons with no conflict of interest.

2) AWN acquired ordinary shares in CSL, equivalent to 99.68% of the paid-up capital, through a voluntary tender offer. As a result, TMC, ADV and YPC are an indirect subsidiaries via CSL.

3) AIS Digital Life Co., Ltd. has changed the name formerly from Wireless Device Supply Co., Ltd.

No.	Associated Company	Business	Registered Capital (Million Share)	Par Value (Baht per share)	Paid-up Capital (Million Baht)	% of Investment
1	**Information Highway Co.,Ltd. (IH)** 52/1 Moo 5 Bang Kruai-Sai Noi Road, Bangsitong, Bang Kruai, Nonthaburi Tel. : (66) 2029 5055 Fax : (66) 2029 5019	Service provider of transmission network	0.5	100	50	29.00

No.	Joint Venture	Business	Registered Capital (Million Share)	Par Value (Baht per share)	Paid-up Capital (Million Baht)	% of Investment
1	**Amata Network Co., Ltd. (AN)** 702/2 Moo 1, Klongtamru, Muang, Chonburi Tel. : (66) 2029 5055 Fax : (66) 2029 5019	Service provider of infrastructure developer of fibre optic network	1	100	100	60.00
2	**Rabbit Line Pay Co.,Ltd (RLP)** 127 Gaysorn Tower, Unit A,B 18th Floor, Ratchadamri Road, Lumpini, Pathumwan, Bangkok Tel. : (66) 2026 3779	Service provider of electronic money and electronic payment service business	6	100	600	33.33
3	**Saha Advance Network Co., Ltd. (SAN)** 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok Tel. : (66) 2029 5055 Fax : (66) 2029 5019	Service provider of infrastructure developer of fibre optic network	0.7	100	70	70
4	**Digital Games International Pte Ltd. (DGI)** 31 Exeter Road, Comcentre, Singapore	Service provider of games online	30	SGD 1	SGD 30 Million	33.33
5	**AISCB Co., Ltd** 19 Tower 3 SCB Park Plaza, 22 floor Ratchadapisek Road, Chatuchak, Bangkok	Service provider of digital lending via online platform	6	100	600	50.00

No.	Other investments	Business	Registered Capital (Million Share)	Par Value (Baht per share)	Paid-up Capital (Million Baht	% of Investment
1	**Bridge Mobile Pte. Ltd. (BMB)** 750 Chai Chee Road, #03-02/03, Technopark @Chai Chee, Singapore 469000 Tel. : (65) 6424 6270 Fax : (65) 6745 9453	Provide international roaming service within Asia Pacific Region	9	USD 1	USD 9 Million	10.00
2	**Clearing House for Number Portability Co.,Ltd. (CLH)** [4] 98 Sathorn Square Tower, Unit 403 4th Floor, North Sathorn Road, Silom, Bangrak, Bangkok Tel. : (66) 2646 2523 Fax : (66) 2168 7744	Operate information system and centralized database for mobile number portability service (MNP)	0.02	100	2	20.00

Notes:
4) The equity in CLH is held by AIS 10% and AWN 10%.

Other Significant Information

Ordinary Share Registrar	**Thailand Securities Depository Company Limited** The Stock Exchange Thailand Building, 93, Ratchadapisek Road, Dindang, Dindang, Bangkok 10400 Tel. : (66) 2009 9383 Fax : (66) 2009 9476

Auditor	**Dr. Suphamit Techamontrikul** Certified Public Accountant Registration Number 3356 Deloitte Touche Tohmatsu Jaiyos Advisory Co.,Ltd. AIA Sathorn Tower, 23rd -27th Floor 11/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel. : (66) 2034 0000 Fax : (66) 2034 0100

Legal Disputes

In the past, AIS operated a mobile telecommunication service using the 900 MHz spectrum in accordance with the Concession Agreement for Cellular Mobile Phone Operation ("Concession Agreement 900") with TOT for a period of 25 years (1 October 1990 to 30 September 2015). Similarly, DPC, a subsidiary of AIS also operated a telecommunication service using a 1800 MHz spectrum subject to the Digital PCN (Personal Communication Network) 1800 Agreement ("PCN Agreement 1800") with CAT from 19 November 1996 to 15 September 2013. Throughout the period of the two agreements, AIS and DPC was under obligation to invest and provide equipment used for the provision of the service and such equipment shall be transferred to TOT and CAT while AIS and DPC agreed to share a specified percentage of revenue generated from the service to TOT and CAT. On 7 January 2021, TOT and CAT entered into a merger contract merging the two companies into the National Telecom Public Company Limited ("NT").

Following the establishment of the National Telecommunication Commission of Thailand ("NTC"), subject to the Act on Organization to Assign Radio Frequency and to Regulate the Broadcasting and Telecommunications Services B.E.2543 (year 2000), and subsequently transitioned into the National Broadcasting and Telecommunication Commission ("NBTC"), subject to the revision of the same law B.E.2553 (year 2010) ("the Act on Organization to Assign Radio Frequency"), the mobile telecommunication service and other telecommunication services by AIS and affiliates were regulated by NTC and NBTC respectively.

From the operations under Concession Agreement 900, PCN Agreement 1800, the Act on Organization to Assign Radio Frequency and to Regulate the Broadcasting and Telecommunications Services B.E.2543 (year 2000) to the Telecommunication Business Act B.E.2544, AIS and affiliates have had a number of significant legal disputes as detailed in the table below.

The Company also considered the potential negative impacts of the disputes on the Company's business performance. The information can be found in Note 38 to the financial statements.

Legal disputes under concession agreement 900

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Remuneration from the Telecommunication Network Interconnection Agreement subject to the notification from National Telecommunication Commission of Thailand ("NTC") **Litigant** AIS and TOT **Submitted date and Tribunal** • 9 March 2011, 23 August 2016: Thai Arbitration Institute • 7 November 2018: The Central Administrative Court • 11 November 2018: The Central Administrative Court • 3 August 2018: The Central Administrative Court	AIS • On 9 March 2011, AIS submitted a dispute to the Thai Arbitration Institute claiming that TOT had no right to demand that AIS pay any interconnection charges under the Concession Agreement of the 17th - 20th concession year. AIS claimed that TOT had no right to demand that AIS not deduct the interconnection charges which AIS had to pay to other operators before sharing the revenue to TOT. The disputed amount equaled Baht 17,803 million plus interest at the rate of 1.25 percent per month. • On 23 August, 2016, AIS submitted a dispute to arbitration claiming that TOT had no right to claim for compensation from income from interconnection charges during the 23th to 25th year, amounting in total to Baht 8,367.90 million with interest at the rate of 1.25 percent per month. TOT • On 29 July 2014, TOT raised a dispute demanding that AIS make an additional payment for the 21st-22nd concession year of Baht 9,984 million plus interest at the rate of 1.25 percent per month.	• On 17 August 2018, the arbitration tribunal decided to dismiss the dispute by TOT demanding AIS to make a payment from interconnection charges during the 17th-20th concession year. And for the 21st year and 22nd concession year, the tribunal decided to dismiss the dispute of TOT and decided for TOT to compensate the amount of Baht 110.08 million overpaid by AIS within 60 days from the date of decision. • On 30 April 2019, the arbitration tribunal decided for AIS to make a payment from interconnection charges during the 23rd-25th concession year in net amount of 224.42 million Baht with interest. AIS paid TOT by deducting the overpaid amount from the dispute during 17th-20th concession year and for 21st and 22nd concession year of 111 million Baht with interest from the amount which AIS had to pay TOT. Therefore, the remaining amount was 144 million Baht. AIS already deposited such amount to the deposit office since TOT denied direct receipt of payment.	• On 7 and 16 November 2018, and 25 July 2019, TOT submitted the case to Central Administrative Court for the revocation of arbitration tribunal's decision for the 17th-20th concession year, and 21st-22nd and 23rd-25th concession years. • On 8 September 2021, AIS settled the dispute with TOT (NT) by mutual agreement. • On 17 September 2021, the Central Administrative Court ordered the withdrawal of all the three cases and disposed of the cases from the case list.
Name Disputes Revenue share from international direct dialing service **Litigant** AIS and TOT **Submitted date and Tribunal** • 16 January 2013: Thai Arbitration Institute • 17 July 2017: The Central Administrative Court	AIS submitted a dispute to the Thai Arbitration Institute requesting that TOT pay revenue sharing of for international direct dial service including interest according to the Amendment No. 3 and 4 of the Concession Agreement between AIS and TOT. AIS claimed that TOT had been in default of payment for the period of November 2008-September 2012 and owed the total amount of Baht 1,528 million plus interest as stipulated in the Concession Agreement.	• On 1 May, 2017, the Thai Arbitration Center decided that TOT should pay the revenue sharing from international direct dial service during November 2008-September 2012 in the total amount of Baht 1,354 million including interest at the rate of 7.5 percent per annum, after 60 days from the date of the decision. TOT had to pay the revenue sharing from October 2012 onwards until the end of obligation in accordance with the Concession Agreement. On 17 July 2017 TOT submitted the petition to the Central Administrative Court for the revocation of such decision. • On 22 January 2021, the Central Administrative Court dismissed the TOT petition to revoke the award for the reason that the proceedings of the arbitral tribunal were lawful and the arbitral award in such dispute was not contrary to public order or good morals. TOT had the right to appeal the judgment to the Supreme Administrative Court within 30 days from the date of the judgment.	• On 23 May 2019, AIS submitted a request to Central Administrative Court to enforce TOT to comply to the arbitration tribunal's decision which ordered TOT to make a payment from the revenue share of International Direct Dial Service during November 2008-September 2011. • On 8 September 2021, AIS settled dispute with TOT (NT) by mutual agreement. • On 1 October 2021 and 3 October 2021, the Central Administrative Court and the Supreme Administrative Court ordered the withdrawal of the case and disposed of the case from the case list.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Porting of subscribers from 900 MHz system to 3G 2100 MHz by AWN **Litigant** TOT and AIS **Submitted date and Tribunal** · 25 September 2014: The Thai Arbitration Institute · 15 May 2019 The Central Administrative Court	TOT submitted a dispute to the arbitration tribunal to decide for the suspension of AIS' porting of subscribers to AWN by having subscribers press *988* on the basis that such action was the breach of concession agreement and claimed for the damages in the amount of Baht 9,126 million (from May 2013 to June 2014) with interest rate of 7.5 per annum. On 25 March 2016, TOT submitted the request to amend the amount of damages by calculating from May 2013 until the expiration date of 900 concession agreement (30 September 2015) in the amount of Baht 32,813 million.	On 14 February 2019, the arbitration tribunal decided to dismiss all of TOT's disputes for the reason that AIS did not breach the 900 concession agreement as claimed.	On 15 May 2019, TOT submitted a plea for revocation of decision by arbitration tribunal. This case is still under consideration of Central Administrative Court. AIS management believes that AIS has complied with all of the relating terms, and the case should not significantly affect its financial statement.
Name Disputes Request for additional remuneration regarding the 6th and 7th amendments to the Concession Agreement ("Concession Agreement") **Litigant** AIS and TOT **Submitted date and Tribunal** · 30 September 2015: The Thai Arbitration Institute	AIS submitted a dispute to the Arbitration tribunal regarding the 6th and 7th amendments to the Concession Agreement. AIS claimed that the said amendments bound AIS and TOT, and AIS had no obligation to pay for the additional remuneration of operation 11th year 11-25th year in the amount of Baht 72,036 million as per TOT's claim that such amendments were conducted illegally and had caused TOT to receive lower remuneration than the rate as specified in the Concession Agreement.	On 29 January 2020, the Arbitral Tribunal made a majority decision ordering AIS to make additional payment of operational year 20th to year 25th, amounting Baht 31,076 million plus an interest at the rate of 1.25% per month to TOT commencing from 30 November 2015.	· On 22 April 2020, AIS disagreed with such award and proceeded to submit the case to the Central Administrative Court for the revocation of the Arbitral Tribunal's award ordering AIS to pay for the additional benefit in the amount of 31,076 million Baht with interest at the rate of 1.25% per month from November 30, 2015 to TOT until the payment was made in full. · On 23 April 2020, TOT proceeded to submit the case to the Central Administrative Court for the revocation of Arbitral Tribunal's award only for the issue that the Arbitral Tribunal decided that AIS did not pay the full benefit according to the contract which was absent from the 11th year to the 19th year (for the amount of 31,698 million baht). Both cases are now under the consideration of the Central Administrative Court. Although the dispute has not been settled, the management considers that the result of the above verdict should not significantly affect AIS's financial statement.
Name Disputes Additional remuneration from the rental fees of fiber cable and the rental fees from leased line **Litigant** TOT and AIS **Submitted date and Tribunal** · 15 December 2017 and 12 January 2018: The Thai Arbitration Center	TOT submitted the dispute to the Arbitration Tribunal for the decision requesting additional payment from AIS from the rental fees of fiber cable and from leased line which AIS received from service providers during the 1st quarter of 2011 to the 3rd quarter of 2012 in the total amount of Baht 19.54 million and during the 4th quarter of 2012 to the 3rd quarter of 2015 in the total amount of Baht 1,121.91 million with VAT and interest rate of 1.25 per month.	On 13 February 2020, The Arbitral Tribunal, by a majority of votes, dismissed the dispute proposed by TOT requesting AIS to make a payment of revenue sharing from fiberglass cable rental and outstanding cycle rental during Q1 2011 to Q3 2012 totaling 7 quarters and VAT in the total amount of Baht 19.54 million and interest at the rate of 1.25 per month in the amount of Baht 13.7 million, accumulating in the total amount of Baht 33.2 million. For the case that TOT requested AIS to pay for the revenue sharing of fiberglass cable rental and outstanding circuit rental during the fourth quarter of 2012 to the third quarter of 2015 calculated from the rental rate of TOT, which was higher than the rate charged by AIS, accumulating in the total amount of Baht 1,121.91 million with VAT and 1.25% monthly interest, is still in the arbitral tribunal proceedings.	· On 14 May 2020, TOT submitted a petition to revoke the award of an arbitral tribunal that dismissed TOT's petition demanding AIS to pay for the revenue share of the fiber cable rental and accrued circuit rental during the first quarter of 2011 to the third quarter of 2012 totaling 7 quarters and VAT in the amount of Baht 19.54 million with interest at the rate of 1.25 percent per month, amounting to Baht 13.7 million, accumulating in the amount of Baht 33.2 million. · On 8 September 2021, AIS settled dispute with TOT (NT) by mutual agreement. · On 22 September 2021, the Central Administrative Court ordered the withdrawal of the case and disposed of the case from the case list.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Usage fees of TOT's space and assets during Subscriber Protection Period **Litigant** TOT and AIS **Submitted date and Tribunal** · 15 February 2018: The Thai Arbitration Center · 30 June 2020 The Central Administrative Court	TOT submitted the dispute to the Arbitration Tribunal requesting the payment from AIS for the usage of TOT's space and assets during the Subscriber Protection Period for 900 MHz system in the amount of Baht 171.48 million including VAT and interest at the rate of 1.25 per month.	On 13 Feb 2020, the Arbitration Tribunal issued the order allowing TOT to withdraw the dispute as requested, in order for TOT to bring the case to the Administrative Court	On 30 June 2020, TOT filed a lawsuit with the Central Administrative Court for AIS to pay for TOT's space and property usage during the period (30 September 2015-30 June 2016) of the user protection measures for mobile phone service with 900 MHz system amounting to 171.48 million baht, including VAT and interest at the rate of 1.25% per month, totaling Baht 233.45 million. The dispute is pending consideration of the Central Administrative Court. The management believes that AIS complied with all the related terms and Notifications of NBTC; thus, the result of the case should not significantly affect its financial statement.
Name Disputes Remuneration from joint use of network **Litigant** TOT and AIS **Submitted date and Tribunal** · 27 September 2018: The Thai Arbitration Institute · 8 May 2020 The Central Administrative Court	TOT submitted the dispute to the Arbitration Tribunal requesting the additional payment from AIS for allowing AWN to jointly use the network with the discount of joint network usage fees without prior consent from TOT during July 2013 to September 2015 in the total amount of Baht 16,252.66 million including VAT and interest.	On 4 February 2020, AIS received an award from the Arbitral Tribunal under majority votes to dismiss all TOT disputes.	On 8 May 2020, TOT filed a petition to the Central Administrative Court requesting the revocation of the arbitral award. The dispute is pending consideration by the Central Administrative Court. The management believes that AIS complied with all the relating terms; thus, the result of the case should not significantly affect its financial statement.

Legal disputes under pcn agreement 1800

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Deduction of excise tax from revenue share **Litigant** CAT and DPC **Submitted date and Tribunal** · 9 January 2008: The Thai Arbitration Institute · 3 June 2011: The Central Administrative Court · 3 September 2015: The Supreme Administrative Court	CAT submitted the dispute demanding DPC to pay additional remuneration for the deduction of excise tax from revenue share of PCN Agreement 1800 for the amount of Baht 2,449 million plus penalty at the rate of 1.25 percent per month of the unpaid amount each year calculated from the default date until full payment was made in total of 3,949 million Baht. DPC argued that the requested amount was the same as excise tax paid by DPC during 16 September 2003 to 15 September, 2007 and such amount was deducted from revenue share pursuant to Cabinet Resolution dated 11 February, 2003.	· On 1 March 2011, the Arbitral Tribunal dismissed the dispute as the original debt had completely been paid and extinguished. DPC had not committed any breach of the Digital 1800 Agreement. · On 3 June 2011, CAT submitted a request to the Central Administrative Court to revoke the award of the Arbitral Tribunal. · On 28 July 2015, the Central Administrative Court dismissed the request of CAT, reasoning that CAT was the party that sent the letter declaring its intention to change the criteria of revenue share payment of excise taxes according to cabinet resolution and had accepted the revenue share amount after deducting the excise and returned the letter of guarantee to DPC without raising any objections. The award of the Arbitral Tribunal was, therefore, in compliance with the provisions of the law and the provisions of the Agreement.	· On 25 August 2015, CAT submitted the appeal to the Supreme Administrative Court. The case is under the consideration of the Supreme Administrative Court. · On 30 June 2021, the Supreme Administrative Court upheld the judgement of the Central Administrative Court, making the case reach final judication. DPC is not obliged to make additional payment or fine as CAT claimed.
Name Disputes Reduction of roaming fee **Litigant** CAT and DPC **Submitted date and Tribunal** · 7 April 2010: The Thai Arbitration Institute · 3 July 2019: The Central Administrative Court	DPC submitted a dispute to the Arbitration Tribunal requesting that CAT be ordered to revoke its allegation that DPC breached the Digital 1800 Agreement by having entered into an agreement with AIS for the use of the DPC network without receiving the consent of CAT. DPC also demanded that CAT pay for damages in the amount of Baht 50 million. On 15 July 2010, CAT requested DPC to pay additional remuneration for the 10th -12th concession years incurred due to DPC having reduced the roaming charge rate between DPC and AIS from Baht 2.10 to Baht 1.10 during the period of 1 April 2007-31 December 2008 without the approval of CAT. The requested damages were in the amount of Baht 1,640 million plus penalty calculated up to March 2010 in the amount of Baht 365 million, totaling Baht 2,000 million. In addition, a penalty was also applied at the rate of 1.25 percent per month calculated from April 2010. On 12 September 2011, CAT submitted additional dispute for the 12th concession year (1 April 2009 to 15 June 2009) in the amount of Baht 113 million.	On 28 March 2019, the Arbitration Tribunal decided for DPC to pay additional remuneration of 10th to 12th concession years to CAT under the consideration that the agreement regarding the remuneration of roaming fees (at the rate of 2.10 Baht) was legitimate, and that the reduction of roaming fees was the privilege and right of CAT.	· On 3 July 2019, DPC requested the Central Administrative Court to revoke such decision. · On 8 September 2021, DPC settled dispute with CAT (NT) by mutual agreement. · On 13 September 2021, the Central Administrative Court ordered the withdrawal of the case and disposed of the case from the case list.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Damages from international call service **Litigant** CAT and DPC **Submitted date and Tribunal** · 8 April 2011: The Thai Arbitration Institute · 6 September 2013: The Central Administrative Court · 27 May 2020: The Supreme Administrative Court	CAT demanded that DPC pay remuneration in the amount of Baht 33 million including interest at the rate of 15 percent per annum, adding up to Baht 35 million in total. CAT claimed that DPC had committed a breach of the Digital PCN Agreement 1800 in the form of fraudulent use of documents/signatures of subscribers during the period 1997-2003 covering a total of 1,209 numbers. Such fraudulent action was claimed to have caused damage to CAT since CAT could not collect the fees for international call services when the fraudulent numbers had used the international call service of CAT.	· On 28 May 2013, the Arbitral Tribunal dismissed all disputes of CAT, reasoning that such disputes were the act of tort, and DPC had not committed any breach of the PCN Agreement 1800. Therefore, the dispute was not within the jurisdiction of the Arbitral Tribunal. · On April 9, 2020, the Central Administrative Court passed the judgment to dismiss the petition of CAT requesting the revocation of the arbitral award which dismissed the entirety of the NBTC dispute.	· On 27 May 2020, CAT appealed to the Central Administrative Court regarding the judgment to dismiss the petition by CAT requesting to revoke the arbitral award. · On 8 September 2021, DPC settled dispute with CAT (NT) by mutual agreement. · On 11 November 2021, the Supreme Administrative Court ordered the withdrawal of the case and disposed of the case from the case list.
Name Disputes Remuneration from interconnection charges **Litigant** CAT and DPC **Submitted date and Tribunal** · 24 August 2012 and 1 April 2014: The Thai Arbitration Institute · 17 December 2019: The Central Administrative Court	CAT submitted a dispute to the Arbitration Tribunal demanding DPC to pay additional remuneration for the 10th-14th concession years in addition to the interconnection charge received (gross income) before deduction of the interconnection charge paid in the amount of Baht 183 million plus penalty at the rate of 1.25 percent per month. On 1 April 2014, CAT raised the dispute demanding that DPC pay additional remuneration for the 15th concession year in the amount of Baht 114 million and for the 16th concession year in the amount of Baht 88.80 million plus penalty at the rate of 1.25 per month. The total claimed amount was Baht 324 million.	On 26 September 2019 and 10 October 2019, the Arbitration Tribunal decided to dismiss CAT's dispute.	· On 17 December 2019, and 25 December 2019, CAT requested to revoke the Arbitration Tribunal's decision. · On 8 September 2021, DPC settled dispute with CAT (NT) by mutual agreement. · On 21 and 22 September 2021, the Central Administrative Court ordered the withdrawal of the case and disposed of the case from the case list.
Name Disputes Asking for return of letter of guarantee for minimum remuneration **Litigant** DPC and CAT **Submitted date and Tribunal** · 8 October 2012: The Thai Arbitration Institute · 15 September 2015: The Central Administrative Court · 11 October 2018: The Supreme Administrative Court	Subject to the PCN Agreement 1800, CAT had to return the letter of guarantee of each year to DPC as soon as DPC made a payment of remuneration and additional remuneration to CAT. Since CAT did not return the letter of guarantee for the minimum remuneration for 10th to 14th concession years to DPC in the total amount of Baht 2,606 million, claiming that DPC paid incomplete payment by deducting excise tax of the remuneration and also referencing the case of Access Charges and the case of roaming fees reduction which were under dispute. Therefore, DPC demanded that CAT surrender the letter of guarantee for the minimum remuneration of the 10th-14th concession years and that CAT be prohibited from claiming any money from the bank against this letter of guarantee. DPC also demanded that CAT pay the bank commission for the letter of guarantee including the damage to DPC's reputation and financial credit in the amount of Baht 109 million.	· On 28 May 2015, the Arbitration Tribunal awarded an order that CAT return the letter of guarantee and pay the bank commission for the letter of guarantee to DPC. · On 15 September 2015, CAT submitted the request to revoke such decision to the Central Administrative Court, which on 13 September 2018 dismissed CAT's request.	· On 11 October 2018, CAT submitted the appeal to Supreme Administrative Court. · On 8 September 2021, DPC settled dispute with CAT (NT) by mutual agreement. · On 27 September 2021, the Supreme Administrative Court ordered for the withdrawal of the case and disposed of the case from the case-list · On 5 October 2021, NT returned the deed of guarantee for minimum remuneration of year 10th–14th to DPC.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Revision of letter of guarantee for minimum remuneration **Litigant** CAT and DPC **Submitted date and Tribunal** · 28 August 2013: The Thai Arbitration Institute · 8 December 2017: The Central Administrative Court	Subject to the PCN Agreement 1800, DPC shall provide the letter of guarantee for minimum remuneration of each concession year to CAT. In the 15th and 16th year, DPC revised existing clauses of the letter of guarantee to be in compliance with minimum remuneration payment obligation of each year in relation to the terms and conditions of PCN Agreement 1800. However, CAT submitted a dispute to the Arbitration Tribunal demanding that DPC return the letter of guarantee for the revenue sharing agreement of the 15th–16th concession years, claiming that the present letter of guarantee submitted by DPC contained faulted clauses and did not comply with the PCN Agreement 1800.	· On 30 August 2017, the arbitration committee decided to dismiss CAT's dispute. · On 8 December 2017, CAT submitted the petition to dismiss such decision to the Central Administrative Court.	· On December 2, 2020, the Central Administrative Court dismissed CAT's petition to revoke the ruling of. · On December 21 2020, CAT submitted appeal to the Supreme Administrative Court. · On 8 September 2021, DPC settled dispute with CAT (NT) by mutual agreement. · On 28 September 2021, the Supreme Administrative Court ordered the withdrawal of the case and disposed of the case from the case list.
Name Disputes Usage fees and revenue from the use of the telecommunication equipment and telecommunication network of CAT during the temporary customer protection period **Litigant** CAT and DPC **Submitted date and Tribunal** · 20 May 2015: The Central Administrative Court	· CAT submitted a lawsuit to the Central Administrative Court demanding NBTC Office, NTC, NBTC, True Move and DPC to pay usage fees and revenue from the usage of the telecommunication equipment and telecommunication network of CAT. The usage in question occurred during the temporary customer protection period, subject to the NBTC Re: the Temporary Customer Protection Plan Following the Expiration of the Concession Agreement or Telecommunication Service Agreement, calculated from 16 September 2013 to 15 September 2014. The total amount collectively demanded from NBTC Office, NTC and NBTC, True Move and DPC was Baht 6,083 million including interest at the rate of 7.5 per annum. · On 11 September 2015, CAT submitted a request to the Central Administrative Court claiming for the additional usage fees and revenue from the usage of CAT's telecommunication equipment and telecommunication network calculated from 16 September 2014 to 17 July 2015. The total amount demanded collectively from DPC, NBTC Office, NTC and NBTC was Baht 1,635 million including interest at the rate of 7.5 per annum. · On 27 May 2016, CAT submitted a request demanding the defendants including DPC, NBTC Office, NTC, and NBTC to pay additional usage fees / revenue from usage of CAT's telecommunication equipment and network from 18 July 2015 to 25 November 2015 in the amount of 673 million Baht including interest at the rate of 7.5% per annum. · On 24 September 2019, CAT submitted a request revision to reduce the former remuneration amounts during the 3 periods, from Baht 6,083 million, Baht 1,635 million, and Baht 673 million to Baht 1,457 million, Baht 1,223 million, and Baht 522 million respectively.	-	The case is pending the consideration of the Central Administrative Court. The management believes that DPC was not subject to paying fees and revenue from the usage of the telecommunication equipment and telecommunication network as CAT claimed, since DPC complied with the Notifications of NBTC. Therefore, the result of such dispute should be positive and should not significantly affect its financial statement.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Transfer of ownership of telecommunication equipment subject to PCN 1800 Agreement **Litigant** CAT and DPC **Submitted date and Tribunal** · 28 March 2018: The Thai Arbitration Institute	CAT submitted the dispute to the Arbitration Tribunal for the decision to order DPC to transfer ownership of 4,657 telecommunication towers, 3,012 containers, Call Center system, power system and mobile number portability system which DPC collectively used with AIS since CAT believed that DPC did not comply with the terms and conditions of PCN 1800 Agreement which specified that DPC shall provide and transfer the ownership of telecommunication equipment to CAT. In case the transfer was not possible, DPC had to compensate in money for the damages and loss of business opportunity in the amount of Baht 13,431.45 million with interest at the rate of 7.5 per annum.	On January 11, 2021, the Arbitral Tribunal has issued an award to dismiss all CAT disputes.	· On 26 March 2021, CAT submitted a petition to revoke an award of the Arbitration Tribunal to the Central Administrative Court. · On 8 September 2021, DPC settled dispute with CAT (NT) by mutual agreement. · On 17 September 2021, the Central Administrative Court ordered withdrawal of the case and disposed of the case from the case list.

Legal disputes under the act on organization to assign radio frequency and telecommunication business act

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Revocation of the resolution and order of NBTC to collect the information from existing subscribers using Pre-Paid Mobile Service **Litigant** AIS and NBTC and Secretary General of NBTC **Submitted date and Tribunal** · 13 September 2011: The Central Administrative Court · 18 December 2015: The Supreme Central Administrative Court	NTC (currently NBTC) and Secretary of NTC (currently the Secretary of NBTC) ordered AIS to retroactively collect pre-paid subscribers' information before effective date of Notification of NBTC Re: The Criteria for the Allocation of Numbers B.E. 2551 coming into force on 24 October 2008. AIS filed a lawsuit to the Central Administrative Court requesting revocation of the resolution and order of NBTC to collect the information from existing subscribers using Pre-Paid Mobile Service prior to the announcement date of the Notification of NBTC Re: The Criteria for the Allocation of Numbers B.E. 2551 coming into force on 24 October 2008, within 180 days from the effective date of this NBTC Notification. Under this lawsuit, AIS particularly requested revocation of the order requiring AIS to pay administrative fines of 80,000 Baht per day commencing on 6 July 2012 until the Company had completely performed all requested obligations	On 19 November 2015, the Central Administrative Court reached its judgment which was to revoke the resolution and overturn the administrative fines on the grounds that such order enforced the operators to retrospectively store subscriber data which included the personal information that the subscribers were required to disclose without any measure for enforcement by service suspension or termination. With a large number of subscribers, it would be difficult to perform the requested actions without cooperation from the subscribers. In this regard, NBTC's resolution and order were unlawful because NBTC used power and discretion beyond the scope of regulatory duties, which created a huge burden on the operators.	On 18 December 2015, NBTC submitted an appeal to the Supreme Administrative Court which is currently pending consideration of the Supreme Administrative Court.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Revocation of the order of NTC ordering the Company to amend the drafted Pre-Paid Mobile Service Agreement on validity of prepaid service **Litigant** AIS and NBTC **Submitted date and Tribunal** · 27 May 2011: The Central Administrative Court · 9 December 2016: The Supreme Administrative Court	NTC (currently NBTC) prohibited AIS from specifying the validity term of pre-paid mobile service agreement, ordering AIS to revise the draft of pre-paid mobile service agreement to not have any condition regarding the validity term. AIS filed a lawsuit to the Central Administrative Court seeking to revoke the order of NTC ordering the Company to amend the drafted Pre-Paid Mobile Service Agreement which prohibited the condition concerning the validity term.	On 10 November 2016, the Central Administrative Court dismissed the case filed by AIS for the reason that such case was filed after the available prescription. Moreover, the delayed case was not subject to reasonable cause and the case was not filed on behalf of public interest, but for the benefit of AIS as the plaintiff itself. As for the order issued by NTC following such announcement, the Central Admin Court passed the judgment that since the announcement has remained in force and has not been revoked, the order issued subject to such announcement was then legitimate.	On 9 December 2016, AIS then appealed to the Supreme Administrative Court and the case is in the consideration process.
Name Disputes Revocation of the order of NBTC Re: Maximum Rate of Service Fee **Litigant** AIS and NBTC and the Secretary General of NBTC **Submitted date and Tribunal** · 2 July 2012: The Central Administrative Court · 21 April 2017: The Supreme Administrative Court	AIS filed a lawsuit to the Central Administrative Court seeking to revoke the order of NBTC Re: Maximum Rate of Service Fee for Domestic Mobile Phone Voice Services B.E. 2555. The order issued by NBTC required the collection of domestic voice service fees at the rate not exceeding Baht 0.99 /minute, enforceable only on the significant market dominance because AIS was of the opinion that it was the wrongful order and unfair treatment.	· On March 24, 2017, the Central Administrative Court dismissed the case and AIS appealed to the Supreme Administrative Court on April 21, 2017.	On 29 June 2021, the Supreme Administrative Court upheld the judgement of the Central Administrative Court.
Name Disputes Revocation of the announcement of NBTC Re: Temporary Subscribers' Protection (2nd Issue) after the expiration of the concession period **Litigant** AIS and NBTC **Submitted date and Tribunal** · 18 December 2015: The Central Administrative Court · 11 October 2019: Supreme Administrative Court	AIS filed a lawsuit to the Central Administrative Court requesting the revocation of the announcement of NBTC Re: Temporary Subscribers' Protection (2nd Issue). After the Expiration of the Concession period, the new announcement specified additional conditions for paying revenue during the remedy period to be no less than the share incurred subject to the Concession Agreement based on the fact that such new announcement was unfair and enforced selectively compared with the previous announcement which did not specify such condition.	On 11 September 2019, the Central Administrative Court decided to revoke such NBTC's announcement regarding the minimum remuneration to be no less than revenue share subject to Concession Agreement 900.	On 11 October 2019, NBTC submitted the appeal to the Supreme Administrative Court. The case is now under consideration of the Supreme Administrative Court.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Revocation of the resolution from NTC which ordered AIS to pay the revenue during the subscriber protection period **Litigant** AIS and NBTC Office, NBTC and NTC **Submitted date and Tribunal** · 1 May 2017: The Central Administrative Court · 8 July 2020: The Supreme Administrative Court	AIS filed a lawsuit against NBTC Office, NBTC and NTC to the Central Administrative Court to revoke the order from NBTC Office and resolution from NTC which ordered AIS to pay the revenue during the subscriber protection period after the expiration of Concession Agreement from October 1, 2015–June 30, 2016 in accordance with the NBTC Re: The Temporary Customer Protection Plan in the amount of Baht 7,221 Million including default interest until the date of filing in the amount of 36.74 million baht. Because AIS had higher expenses than revenue during the protection period of subscriber on 900 MHz frequency, there was no remaining revenue to be paid to the NBTC Office.	On 12 Jun 2020, the Central Administrative Court passed the judgment to revoke the NBTC committee's resolution for the reason that during the protection period for 900 MHz users, AIS had higher expenses for service than the income received.	On July 8, 2020, NBTC filed an appeal to the Supreme Administrative Court. The case is under the consideration of the Supreme Administrative Court.
Name Disputes Revocation of the resolution and order of NTC to pay the revenue arising from the mobile service charges within the temporary customer protection period **Litigant** DPC and NBTC Office, NTC, and NBTC. **Submitted date and Tribunal** · 16 November 2015: The Central Administrative Court	DPC submitted a lawsuit to the Central Administrative Court requesting the revocation of the resolution and order of NBTC to pay the revenue arising from the mobile service charges within the temporary customer protection period. The period in question followed the announcement of the NBTC Re: The Temporary Customer Protection Plan B.E.2013 and covered 16 September 2013 to 17 July 2014 (First Period). The amount requested was Baht 628 million and all interest accrued therefrom.	-	· On 16 September 2016 NBTC and the Secretary General of NBTC filed a lawsuit to the Central Administrative Court requesting that DPC pay a share of revenue generated during the remedy period. Such period commenced from the coming into effect of the Subscribers Protection Period subject to the NBTC's announcement regarding the Temporary Customer Protection Plan B.E.2013 and lasted until the date of the order issued by the National Council for Peace and Order (NCPO). This period covered 16 September 2013 to 17 July 2014. The requested amount was Baht 628 million including the incurred interest. · On 12 July 2019, NBTC submitted a request to revise complaint by requesting DPC to pay for revenue during the whole Subscribers Protection Period (16 September 2013 to 25 November 2015) in the total amount of Baht 869.51 million. The case is now under consideration of Central Administrative Court. The case is pending the consideration of the Central Administrative Court.
Name Disputes Revocation of the order of NTC ordering DPC to pay revenue from the provision of telecommunication service during subscriber protection period **Litigant** DPC and NBTC Office and NBTC **Submitted date and Tribunal** · 7 December 2018: The Central Administrative Court	DPC filed a lawsuit to the Central Administrative Court seeking to revoke the order of NBTC ordering DPC to pay revenue from the provision of telecommunication service during subscriber protection period from the date of protection subject to the NBTC's announcement regarding the temporary subscriber protection measures B.E.2556 during 16 September 2013 to 25 November 2015 in the amount of Baht 869.51 million which NBTC ordered DPC to pay the revenue of the first period (16 September 2013 to 17 July 2014) in the amount of Baht 627.63 million before. Therefore, DPC was ordered to pay additional revenue in the amount of Baht 241.87 million including the incurred interest.	-	The case is currently under consideration by the Central Administrative Court.

Description	Dispute Topic	Result of case	Status of Case
Name Disputes Revocation of the order of NTC ordering in case of violation of the order to amend the transfer of the subscriber **Litigant** AWN and NBTC and the Secretary General of NBTC **Submitted date and Tribunal** · 21 Aug 2017: Central Administrative Court and 25 Sep 2020 Supreme Administrative Court · 10 September 2020: The Central Administrative Court	AWN filed a lawsuit to the Central Administrative Court seeking to revoke the administrative order of NBTC against AWN for violation of the order to amend the transfer of the Subscribers (1) during the period of 18 September 2015-29 October 2015 for 41 days and (2) between September 18, 2015-January 7, 2016, for 112 days in the amount of 5.4 million baht per day, totaling Baht 221.4 million and Baht 604.87 million, respectively.	(1) On 26 August 2020, the Central Administrative Court passed the judgment to revoke an administrative order in the amount exceeding Baht 20,000 per day. (2) On 24 and 25 September 2020, NBTC and AWN filed an appeal to the Supreme Administrative Court.	(1) The case is currently under consideration by the Supreme Administrative Court. (2) The case is currently under consideration by the Central Administrative Court.

Other legal disputes

Description	Dispute topic	Result of case	Status of case
Name Disputes The case of claiming for damages from the termination of the printing contract **Litigant** Papermate (Thailand) and MMT **Submitted date and Tribunal** · 26 February 2019: The Civil Court	Paper Mate (Thailand) Company Limited filed a lawsuit against Mimotech to the Civil Court claiming for damages from the event that Mimotech terminated the printing contract due to bringing third-party into the workplace without prior authorization. The requested damages and lack of income were in the amount of Baht 280 million.	On January 28, 2021, the Civil Court passed the judgment to dismiss Paper Mate (Thailand) Company Limited's case due to the breach of contract. Therefore, they had no right to claim damages.	On 28 June 2021, PaperMate filed an appeal to the Court of Appeal, in which the management believes that MMT complied with all the relating terms within the contract, thus, the result of the case should not significantly affect its financial statement.

Corporate Governance

Corporate Governance

Achievement and recognition in 2021

- Listed in Dow Jones Sustainability Indices (DJSI) for both DJSI World and DJSI emerging market.
- Received "Excellent CG Scoring" from Corporate Governance Report of Thai Listed Companies by Thai Institute of Directors Association.
- Received "Best Investor Relation Awards" from SET Awards 2021.
- Received the perfect score of 100 based on the evaluation of the quality of the Annual General Meeting of Shareholders from the Thai Investors Association.
- ADVANC was selected as one of the Thailand Sustainability Investment for 7 consecutive years and won the Rising Star Sustainability Awards from SET Awards 2564

Corporate Governance Policy

Corporate Governance Policy of AIS adheres fundamentally to laws and developed to be transparent, reliable and acceptable in line with best practice of good corporate governance and sustainability growth, both domestic and international standard, which can be divided into 5 sections:

1. Board of Directors
2. Rights and Equitable Treatment of Shareholders, and the Role of Stakeholders
3. Disclosure of Information and Transparency
4. Internal Control and Risk Management Systems
5. Code of Business Ethics

The Corporate Governance Policy was adopted in accordance with the Corporate Governance Code 2017, Corporate Governance Report of Thai Listed Companies (CGR) by Thai Institute of Directors Association, ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) and DJSI indices (Dow Jones Sustainability Indices) with the supervisory process as per the following.

- To be monitored by Nomination and Compensation Committee
- To be approved by the Board of Directors
- To be complied to by directors, executives and employees of the Company and subsidiaries.
- To be reviewed at least once every year.

Shareholders may further study all of these policies on "https://investor.ais.co.th/home.html" under Corporate Governance section.

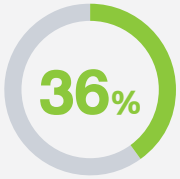
Performance report on corporate governance for the year 2021

Section 1: The Board of Directors

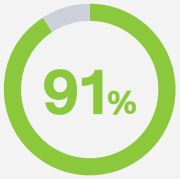
1. The Board of Directors is the experts who have a strong leadership and vision aiming to lead AIS to be the most admirable digital service provider. The Board has set up the vision and mission of the Company so as to lead the management in formulating strategies and long-term goals and reviews and monitors this matter annually. The Board of Directors monitors and supervises the implementation of the Company's strategies. The performance and the operating results of the company especially in terms of financial goals and plans are required to report to the Board of Directors' meeting in every quarter in order to ensure that they are in line with the stipulated strategy. In addition, on 16 September 2021, the Board of Directors has reviewed the vision, mission and strategy of the company (Strategic direction) to be consistent with the changing circumstances and current business operations of the Company and the uncertainty from the pandemic.

2. The composition of the Board of Directors is diverse in terms of experience, education, gender, race, country of origin and nationality. Additionally, more than half of the Board of Directors is composed of independent directors and non-executive directors. As such the board is able to make decisions independently as a representative of all shareholders and balance the power of management.

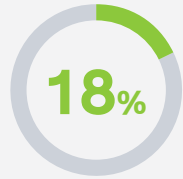
Board Composition



Non-Executive Directors



Independent Directors



Female Director 2 Persons

Name	Skill, Knowledge, Experience																		Diversity			
	Finance			Management													Industry Knowledge					
	Finance & Accounting & Economics	Auditing	Capital Market	Risk & Crisis Management	Cyber Security and Data Privacy	Logistic and Supply Chain	Environment	Human Resources	Transformation	Marketing & PR	Corporate Social Responsibility/Sustainable Development	International	Startup and innovation	Corporate Governance	Retail and Consumer	Technology	Telecommunication	Laws/Regulatory/ Public Policy	Geographic Resident	Nationality	Age	Gender
1. Mr. Kan Trakulhoon				●		●					●	●	●	●				●	TH	TH	66	M
2. Mr. Sarath Ratanavadi				●			●				●	●						●	TH	TH	56	M
3. Mr. Allen Lew Yoong Keong				●				●	●	●		●			●	●	●		SG	SG	66	M
4. Mr. Surasak Vajasit		●	●	●								●		●			●	●	TH	TH	68	M
5. Ms. Yupapin Wangviwat	●			●			●				●	●							TH	TH	53	F
6. Ms. Jeann Low Ngiap Jong	●				●							●	●	●		●	●		SG	SG	61	F
7. Mr. Krairit Euchukanonchai	●	●	●	●	●			●	●			●		●	●	●	●		TH	TH	66	M
8. Mr. Smith Banomyong	●		●	●			●	●				●							TH	TH	49	M
9. Mr. Somchai Lertsutiwong				●						●	●				●	●	●	●	TH	TH	59	M
10. Mr. Gerardo C. Ablaza, Jr.	●			●			●				●	●		●	●	●	●		PH	PH	68	M
11. Mr. Arthur Lang Tao Yih	●											●				●	●		SG	SG	49	M

3. In terms of power separation, the Chairman of the Board of Directors: Khun Kan Trakulhoon, an independent director, and Chief Executive Officer are not the same person nor have any genetic or personal business relationship. The Board of Directors has mandated the segregation of the roles and responsibilities of the Chairman of the Board and Chief Executive Officer explicitly in Corporate Governance Policy.

   Nonetheless, apart from such segregation, AIS has set the separation of roles and responsibilities between the Board of Directors and management as per the details given in Part "the segregation of duty of the Board of Directors and Management page 137. In any case, the Board of Directors encourages the directors and management to form a good relationship with a culture of respect for each other's roles and responsibilities in coordination under the good governance principle.

4. The Independent Director qualification has been defined more strictly than the criteria stipulated by laws such as holding shares not exceeding 0.5 percent, of the total number of voting rights of the Company, its parent company, subsidiary, and juristic person which may have conflicts of interest, including the shares held by the related persons of the independent director. Shareholders may further study AIS's independent director eligible qualification at https://investor.ais.co.th/misc/cg/20200420-advanc-cg-policy-en.pdf on Corporate Governance section: "Governance Policy".

5. The Board meeting was scheduled in advance. The Company Secretary will circulate notice and the supplement documentation to the Board at least seven (7) days before each meeting so that each director shall have sufficient time to analyze the information in advance. The Chairman of the Board of Directors presides over the meetings and ensures that sufficient time is allocated for directors to discuss and express their opinions freely on each agenda item. At every Board meeting, high level management is encouraged to attend the meeting to receive suggestions from the Board. In connected therewith decision-making in the board meeting, the meeting quorum requires at least 2/3 of the directors attending the meeting when passing a resolution and to prevent any conflict of interests. Directors who may have conflict in any agenda, shall not be part of consideration and abstain from voting therein.

   AIS has set up a video conference system and developed the channel to submit meeting documents via the Board Portal which is a secure electronic channel to enhance the efficiency of the meeting and to facilitate directors to attend the conference. In case of there being no Board meeting in any particular month, the Company Secretary will provide the Board with the operating report for their acknowledgement.

6. On 15 July 2021 and 16 September 2021, a non-executive board of directors' meeting was held without the presence of executive directors and management. There were discussions on issues related to medium term strategic direction as well as the development of executives' succession plan. After the meeting, the results of the meeting were reported to the executive directors and top executives for acknowledgement.

7. Directors and executives shall submit a report declaring any potential conflict of interests related to the Company and/or its subsidiaries when they take the position as directors or managements and subsequently regularly updated whenever there is any change in circumstance. Hence, the Company shall have sufficient information to identify any potential connected transaction pursuant to the rules and regulation of the competent authorities in relation thereto. The Company Secretary shall update the report of conflict of interest including any change in holding of securities issued by the Company by the Board of Director and the management on a quarterly basis.

8. The Board of Directors has developed a succession plan with respect to the Chief Executive Officer and other senior executives in order to ensure that the Company's business operations shall continue without interruption when these positions become vacant. The Board of Directors has authorized the Nomination and Compensation Committee to establish the succession plan which shall be reviewed, updated and reported to the Board of Directors on a regular basis.

   Apart from Chief Executive Officer and other senior executives, our Human Resources Department has formulated the succession plan and strategies for mid-level and junior executives in order to manage our diversified groups of talent and the critical roles suited to the current business composition. The details of the succession plan are listed in the https://sustainability.ais.co.th/en/sustainability-priorities/human-capital-development section of the Sustainability Report pages 48.

9. The Company Secretary shall act as the coordinator between directors and the management team and between directors and the shareholders. While the Internal Audit Office shall act as the coordinator between the audit and risk committee and management team. The Company shall not obstruct communication between directors and management. However, this access and communication shall not interfere with or interrupt the Company's normal business operations.

10. The Nomination and Compensation Committee (NCC) has been authorized by the Board of Directors to consider and review the policy and structure of director's remuneration. The NCC has considered the remuneration policy by taking into consideration the directors' roles and responsibilities, remuneration payment compared to industry standards, companies of a similar size, the Company's strategic direction and the individual performance of each director. The details of the directors' remunerations are listed in the "Management Structure" section on page 123.

11. A newly appointed director will be provided with all necessary business information about the Company required to perform their fiduciary duties. In this regard, in organizing the director orientation, the management has been invited to present the summarized roles and responsibilities of each business unit, practices in compliance with relevant laws and regulations such as the roles and responsibilities of the board of directors of the listed company, trading AIS securities procedures of directors, executives and other policies.

12. AIS also places great emphasis on continuing the training and development provided to all director, executives and company secretary, paid for by the Company. In 2021, the training programs, knowledge sharing from other experts and activities are listed below:

Training & Seminar Program/Activities	Objectives	Participants
AI and Data Monetization for Telco by Dr. Usama Fayyad	To provide an opportunity for the board to update on the digital service business and data monetization concept for telecom industry	Directors and Managements: Khun Kan Trakulhoon Khun Jeann Low Ngiap Jong Khun Krairit Euchukanonchai Khun Surasak Vajasit Khun Somchai Lertsutiwong Khun Allen Lew Yoong Keong Khun Gerardo C. Ablaza, Jr. Khun Somprasong Boonyachai* Khun Prasan Chuapanich* Khun Anek Pana-apichon* Khun Hui Weng Cheong*
Director Certification Program (DCP 313/2021) By Thai Institues of Directors (IOD)	To enhance the performance of the directors by helping them attain a precise understanding of their duties and responsibilities, leading to effective directorship practice and good business turnover	Khun Jeann Low Ngiap Jong Khun Gerardo C. Ablaza, Jr.
IT governance and Cyber Resilience Program (ITG 18/2021) By Thai Institues of Directors (IOD)	To provide the background and essential knowledge of information technology (IT) to help them cope with the risks and challenges facing the management. Amid rapid change in IT, directors will also be able to effectively utilize IT management and strategize long-term business competitiveness.	Khun Surasak Vajasit
Deloitte Forum 2021 2021 Beyond the crisis thriving in the post pandemic world: Clients & Industries 2 hours Audit & Assurance 3.15 hours Financial & Advisory 2 hours Consulting 2 hours Tax & Legal 3.45 hours Risk Advisory 2 hours Total CPD hour : 15 hours	To look beyond the crisis at the challenges lying ahead, anticipating and seizing opportunities that will allow the business to thrive.	Chief Finance Officer and Head of Accounting Department: Khun Tee Seeumpornroj Khun Tachahat Hemakul

* Khun Somprasong Boonyachai, Khun Prasan Chuapanich, Khun Anek Pana-apichon and Khun Hui Weng Cheong resigned from the directorship of th company effective on 21 October 2021.

13. The Nomination and Compensation Committee is responsible for setting CEO performance targets and evaluating performance against the annual target and long term goal in order to determine the CEO' s compensation. The details of the directors' remuneration are listed on page 143.

Section 2: Rights and Equitable Treatment of Shareholders

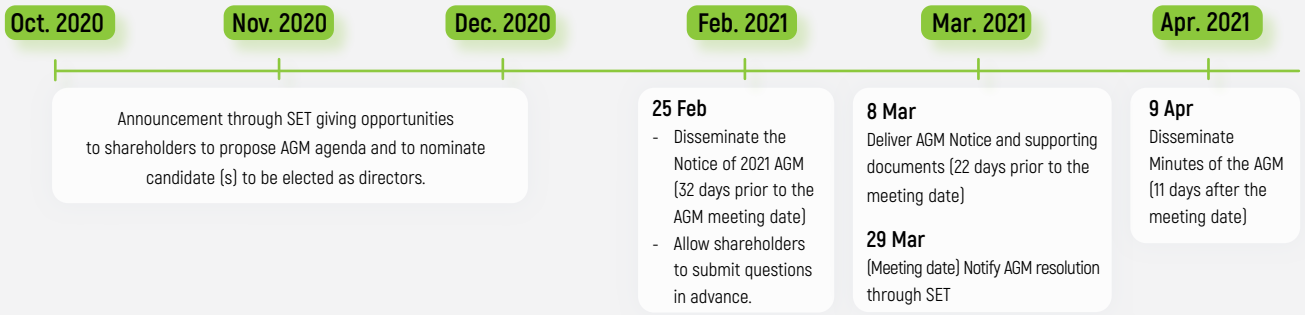
AIS respects the shareholders' rights and treats all shareholders equally, including the right to approve and receive dividend at the same rate per share, right to purchase, sell, and transfer of their own securities independently not being intervened in market transactions, right to nominate, appoint and dismiss directors, right to appoint independent auditors and fix annual audit fee, right to express opinion in the shareholder's meeting independently, right to participate in deciding and approving concerning major corporate actions which affect AIS's financial statement and operating result. In addition, apart from the aforementioned rights, AIS also arranged various activities to support its shareholders. The key actions are summarized as follows:

1. Disclosing the important information related to operations, execution of transactions, quarterly and annual financial results through the website of the Company and SET so as to facilitate shareholders to access the Company's performance data in a variety of channels and a timely manner.

2. Establishing the investor relation department to function as the center of communication between shareholders and the Company, to provide an opportunity for minor and institutional shareholders to raise questions and to recommend matters deemed as beneficial to the management as well as suggest useful information for investment decisions, participate in the Opportunity Day organized by SET on a quarterly basis in order to meet with investors and to present the Company's performance results and engage in the Road Show to meet up with domestic and foreign institutional investors.

3. Amendment to the "Securities Trading Policy for Directors, Executives and Employees", persons who designated by the company must notify the board of directors prior to the execution of ADVANC and INTUCH securities at least one (1) day in advance to prescribe rules and guidelines related to securities trading for directors, executives, and employees, and to prevent the use of inside information that has not been publicly disclosed for their own interest and/or related persons. In this regard, the policy encompasses the securities of AIS and Intouch Holdings PCL., a listed company and a major shareholder of AIS.
   Further, the Company also identifies persons, who are in the position or duty that have access to or possess inside information (Designated Person). This group of persons is prohibited to trade or accept the transfer of AIS and Intouch's securities during the thirty (30) days period prior to the disclosure of quarterly and annual financial statements including any other period occasionally announced. Directors, Executives, and Designated Person are obliged to file reports on their securities holding including those held by their spouse and minor children and any changes thereto with Capital Market Compliance Department within three (3) working days as from the date of such changes.

4. Practicing in relation to Annual General Meeting of Shareholders.



4.1 Preparing the notice of AGM and supporting documents both in Thai and English versions. In this regard, shareholders could acknowledge and understand information thereto that will be presented to shareholders accurately and equally. The Company has provided clarification relating to documents and evidence that shareholders shall bring to attend and vote at the Meeting including those for attaching to the proxy. The description was prepared in a manner there is easy to understand by classifying the participation into categories such as attending in person or by proxy, as well as individual or juristic person. In this regard, the requirement is applicable to the law for identifying shareholders and proxy but not to restrict the shareholders' right or to create unnecessary burden.

4.2 Appointing three (3) independent directors served as proxies namely Khun Krairit Euchukanonchai, Khun Surasak Vajasit and Khun Prasan Chuaphanich for shareholders finding it inconvenient to attend the meeting in person.

4.3 Establishing the procedure of the examination of the details of shareholding and submission of the proxy form in advance to facilitate institutional shareholders and custodians as they were taking care of a large number of shareholders. In the case of institutional shareholders and custodians who grant a proxy to the independent directors, the Company will send a copy of the proxy form with the signature of an independent director to the institutional shareholders and custodian after the meeting for reference.

4.4 Utilizing the barcode system to quickly and accurately facilitate the registration and vote counting. The registration counters were set up and segregated for minority shareholders and institutional shareholders. In addition, the Company assigned adequate staffs and other amenities to facilitate shareholders (i.e. copy machine, duty stamp, and signage for registration process). In this regard, the Company conducted a survey on the satisfaction of shareholders with regard to the quality of the AGM to gain feedback on how to improve in the following year.

4.5 The Board had scheduled the AGM on March 29, 2021 at 14.00 hrs. which is not a holiday or a weekend and the meeting time was appropriate. Due to the Covid-19 pandemic, the company has encouraged shareholders to vote by proxy and submit questions in accordance with the meeting's agenda in advance instead of attending the meeting in person. For those shareholders determined to attend the meeting in person, they had to pass the screening measures at the conference entrance as prescribed by Department of Disease Control. The venue of AGM was at Centara Grand Central Plaza Ladprao which is convenient in terms of transportation and access, reasonable price and was appropriate to accommodate the shareholders.

4.6 The Chairman of the Board of Directors and the Chairman of all board committees including Chief Finance Officer and Senior Executives attended the meeting so as to address and clarify any queries or concerns of the shareholders.

4.7 The Chairman presided over the meeting in sequence in accordance with the meeting agenda stated in the meeting notice without adding any additional matters and allocated sufficient time for shareholders to make any queries on each item in the agenda. Prior to the onset of the meeting, a company representative explained the meeting procedure and voting method to the shareholders.

4.8 Company Secretary, the moderator, has notified the shareholders, who participate in the meeting in person and or with proxies, the amount of participants, procedure of the meeting, casting votes and vote counting.
The Company has only one class of shares, called ordinary shares, which give their owners the right to vote at shareholder meetings, at one vote per share.

4.9 The Company issued voting cards for each item on the agenda. For the director appointment item, the voting related thereto was organized on an individual basis. Independent legal counsel was also engaged to examine vote counting process in order to ensure the accuracy and reliability of the vote counting process.

4.10 Chairman of the meeting considered the voting results for each agenda item and there was no objection in relation thereto from shareholders.

4.11 The Company Secretary prepares the minutes of the meeting and posts them on the Company's website within fourteen (14) days after the meeting date. The minutes cover all material facts in compliance with the good corporate governance of the Stock Exchange of Thailand such as list of directors and management who participated in the meeting, resolution of the meeting, issues, queries and recommendations of shareholders and clarification of director/management.

5. AIS provides channels for stakeholders to inquire, suggest, or file any complaints to the Board of Directors through:

Department	Address
Office of Company Secretary and Corporate Compliance	Advanced Info Service Public Company Limited 414, 28th Floor, AIS 1 Tower, Phaholyothin Road, Samsen Nai, Phayathai, Bangkok 10400 Tel: (66) 2029 5514 Fax: (66) 2029 5108 E-mail: companysecretary@ais.co.th

The Company Secretary will forward all suggestions, complaints or reports to the related departments and all actions taken with respect to the above mentioned shall be reported to the management and the Board of Directors including notification of the results to relevant stakeholders. In case of fraud and breaches against the Code of Business Ethics, the Company shall conduct the investigation of such misconduct or fraud in

compliance with reporting and investigation of misconduct and or fraud and whistleblower protection policy.

For other matters, stakeholders may directly contact responsible departments such as Community Relations who is the intermediate responsible for listening to suggestions and promoting the relationship between the Company and communities as well as non-profit organizations while Business Relations acts as the intermediate and spokesperson between the company and telecommunication regulatory agency.

6. AIS is aware of the rights of every group of stakeholders, irrespective of whether they are customers, partners, communities, society, or the environment. As a result, the Company has established guidelines on how to treat for all stakeholders according to the law and the sustainable co-existence principle pursuant to the Company's sustainability development strategy, Code of Business Ethics, human resource management policy and other relevant policies of the Company. Additionally, the Company also designates appropriate guidelines, internal control systems and anti-bribery and corruption policy to prevent corruption in the organization and fulfill fair benefit to every stakeholder. In this respect, the shareholders can study the guidelines from Section 5: Code of Business Ethics and the sustainability development report.

Section 3 Disclosure of Information and Transparency

1. The Company discloses the Company's financial and non-financial information, such as article of association, memorandum of association, risk management policy, financial statements, and analysis and performance report, in accordance with the relevant laws and regulations accurately, completely, punctually, and transparently to all shareholders and investors. As such, the investors can have confidence in the Company's reliability and integrity. "Disclosing information policy" of AIS applicable to changes in the social context, AIS adheres strictly to three (3) principles as follows:
   - 1.1 Compliance with all legal and regulatory requirements;
   - 1.2 Transparency and accountability in disclosing the material information necessary for making informed decisions sufficiently in a timely and regular manner;
   - 1.3 Fair and equitable access to information without discrimination.

2. The Company set up an Investor Relations Department to be responsible for communicating material information to shareholders, investors, analysts and other stakeholders. In addition, the Company set up a Compliance Unit to ensure that all material information of the Company is properly disclosed through various channels in accordance with disclosing information policy to disclose information accurately, sufficiently, in a timely manner and regularly as well as not to disclose or inform confidential or insider information to any persons prior to the public disclosure through the SET channel.

   The Company discloses and communicates material information in Thai and English, including the annual report, quarterly operating data, investor journal, and press releases through various channels to facilitate differing groups of investors. Chief among them are investor relations website https://investor.ais.co.th/, organizing meetings to announce quarterly operating data, attending Opportunity Day held by the Stock Exchange of Thailand which is well-attended by a host of press, and meetings with local and oversea investors quarterly, for the Company's top executives place importance on meeting with investors regularly. On top of this are email and Line business among many others. Moreover, the Investor Relations Function collects investor feedback annually so as to use the information to develop and enhance the efficiency of AIS investor relations. Investors and analysts can contact the investor relations staff directly via

   Call 02 029 3112/4443
   Email investor@ais.co.th
   LINE@ account @ais_ir
   or download the QR Code on the right

3. The Company has specified a period of non-communication with analysts and investors (silent periods) with respect to financial results, including not holding press conferences or disclosing financial information publicly by executive and/or investor relation officers, at least thirty (30) days prior to the specified announcement date. The Board of Directors and executives of AIS shall report their shareholding of the Company including those held by their minor children and spouse including

unmarried spouse as well as submit a report of the change in securities holding sent to Compliance within 3 working days.

4. The Board stipulated the rules and procedures for reporting the declaration of directors and executives' interests since 2008 so as to provide AIS with the necessary information in order to monitor interests and transactions that may cause conflict of interests of directors and executives. This policy encourages the Company's directors and executives to exercise their duties of care, integrity and honesty and to avoid any conflict of interests by disclosing their interests, including those of their related persons when entering into any transaction with the Company and its subsidiaries and abstain from expressing any comment and casting of vote considering such transaction.

5. The Board of Directors and executives of AIS shall report their shareholding of the Company including those held by their minor children and spouse in the annual report.

6. When executing connected transaction, AIS abides by the Notification of Capital Market Advisory Board, and discloses the information in accordance with SET's regulations and Thai Accounting Standards so as to execute such transaction accurately and transparently in the best interests of the Company as if the Company is executing a transaction with other third parties (arm's length basis) and is in compliance with the good corporate governance principles. The Board of Directors has approved "Connected Transaction Policy" and assigned Compliance Department to be responsible for communicating, supervising and disclosing the information when executing transactions to the Stock Exchange of Thailand and in the annual report. Such details are demonstrated in the Internal Control page 150 and Risk Management page 45.

Section 4 Internal Control and Risk Management Systems

As the Board considers the internal control, audit and risk management systems crucial for protecting the shareholders' investment capital and the Company's assets, it has therefore set up relevant policies, measures and supervising departments. The Board entrusts the Audit and Risk Committee with supervising and overseeing the Company's internal control and risk management. Such details appear on the part Internal Control on page 150 and Risk Management page 45.

Monitoring the Business Operations of Subsidiaries and Associated Companies

The Board of Directors has monitored each Subsidiary and Associated Company's business operations for the best interests of the shareholders as follows:

1. Support the subsidiaries and associate companies to perform their duties in compliance with good corporate governance policy;
2. The Board of Directors selects the representative of the Company to be appointed as directors of the Subsidiaries and Associated Companies in order to monitor and control business performance in proportion to its shareholding percentage;
3. Monitor through representative directors, executives, and policies which were issued at the parent company level;
4. Consider any significant matter including strategic, business plan, capital increase/decrease, dissolution, and any other important policies;
5. Follow up the performance result through the Company's executives, Executive Committee, and the Board of Directors;
6. Monitor the Subsidiaries and Associated Company to operate business under the rules and regulation of competent authorities including connected transaction, asset acquisition and deposition, information disclosure, and accounting and financial statement report;
7. All transactions in any subsidiary, which may significantly affect the business operation or financial status of the Company, must be reviewed and approved by the Board of Directors of the parent company;
8. Being audited by the Company's Internal Audit Department to ensure that there is sufficient and effective internal control system;
9. In order to disclose the financial information and operating results of the subsidiaries, the Company has engaged auditors from the same auditing firm that provides auditing services for the Company to perform audits and disclose the financial and non-financial information of the Subsidiaries in the consolidated financial statements of the Company.
10. Communicate the code of business ethics and anti-corruption policy further to AIS's subsidiaries and joint ventures.

The information of positions held by directors and executives in the subsidiaries are shown in Appendix 1

Section 5 Code of Business Ethics

Further, in order to ensure that AIS's operation and the performance of employees in the organization act honestly and ethically in accordance with the laws and regulation which is the heart of sustainable business, the Board of Directors established the "Code of Business Ethics". This comprises 12 chapters ranging from responsibility to stakeholders, prevention of conflict of interest, respect for human rights as well as compliance with laws and regulations. The Ethic Committee has been formed and comprises the Chief Executive Officer (CEO) as chairperson and other executives. This Committee acts as a driving force and integrates the ethics into corporate culture. Shareholders may further study the Code of Business Ethics on the company's website: https://investor.ais.co.th/governance_policy.html

In 2021, the operations to promote business ethics can be summarized as follows

1. Raising awareness and organizing training for employees to improve understanding of the Code of Business Ethics and encourage every employee to adhere to and comply therewith;

   - Create Self Awareness

     AIS continues to place great emphasis on the idea of creating a mindset at work which consists of 3 questions that employees should always ask themselves what they should consider prior to making any decisions: (a) If this is done, will it cause damage to the company? (b) Does this make me look bad? (C) If I do this, will it distress me or will I be worried later? If the employee is unsure in any of their answers to these questions, they shall refrain from taking such action.

In 2021, AIS has continued promoting public awareness in the workplace using different channels such as Social Intranet / E-mail / AIS LearnDi / Poster/Desktop. In connection to this, 5 areas have been emphasized and communicated throughout the year as follows:

- Engaging business with the Company
- Accepting Invitations to Seminars, Business Events and Company Visits
- Assets acceptance for executive and employees from business partners or other related business parties
- Use of inside information and trading the Company's securities
- Responsibility to Customers, Business Partners and Creditors

- An Assessment of Employee and Business Partners' Level of Understanding regarding the Code of Business Ethics

  In 2021, all employees have undergone an assessment of their understanding of the Code of Business Ethics and Anti-Bribery and Corruption Policy. The assessment was conducted via various channels, especially the electronic online "LearnDi and Doodi" mobile application, to facilitate access anywhere and anytime. Furthermore, Directors, executives and employees shall communicate to their family members (i.e. parent, spouse, unmarried life partner, siblings, offspring and his/her spouse, including adopted children) the principles of the Code of Business Ethics and Anti-Bribery and Corruption Policy.

In 2021, the assessment results of employees, business partners, subsidiaries, and affiliates on their level of understanding regarding the Code of Business Ethics are as below:

	Number of Employees/Companies Being Communicated or Engaging Seminar (%)		
	Communicating through letters or public relation media	Online and offline seminar with written acknowledgement executed by participants	Communicating through other channels such as notification through agents who are in contact with business partners
AIS employees	100	97.35	-
Business partners	100	99.09	Communicate through sales agents
Subsidiaries	100	97.35	-
Affiliates*	100	100	-

* Affiliates (including stakes between 10%-50%)

2 The Company provides opportunities for stakeholders both within and outside the Company to report wrongdoings against the Code of Business Ethics and information concerning fraud to the Board of Directors. AIS announced the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy which was shown on the Company's website https://investor.ais.co.th/misc/cg/20200701-advanc-whistle-blower-policy-en.pdf, and the Ethic Committee is tasked with communicating the policy to all parties. The policy encompasses the principles and guidelines on whistleblowing, and whistleblower protection. The Company provides multiple channels for external stakeholders and employees to file complaints or report any wrongdoing against the Code of Business Ethics and information of fraud including the Company's Hotline, an e-mail to Chief Audit Executive, Chief Human Resource Officer, or Chairman of the Audit and Risk Committee, or mail to the Board of Directors.

All complaints will be screened before the relevant units investigate and proceed with the policy and procedure prescribed by the Company. Where there is probable cause that an act wrongdoing has occurred, an authorized person will be proposed to appoint an investigation committee to investigate and find out the facts. The investigation committee shall report the final investigation results and recommend any disciplinary actions in accordance with the Company's rules to be imposed by an authorized person as well as improvement to prevent future misconducts. The Internal Audit shall report the whistleblowing cases to the Audit and Risk Committee at least once every quarter and further submit it to the Board for acknowledgement.

In 2021, the Company had investigated the reported whistleblowing cases and concluded 15 wrongdoings against the Code of Business Ethics. After investigation by the Ethics Committee, Internal Auditor, Legal and Human resource Department, disciplinary punishment was imposed in accordance with the Company's rules by verbal, written warning and termination of employment without pay as the case may be. The details are as follows:

1. 15 cases of breached incidents against code of business ethics closed in the year 2021	15	cases
2. Type of noncompliance with code of conduct found are as follows		
- Disposal of stakeholders	-	
- Conflict of interest	2	cases
- Receiving money or other remuneration	-	
- Human Rights	-	
- Participation in political activities	-	
- Safeguarding the company's assets	7	cases
- Use of insider information and the trading of the company's securities	-	
- Distribution of information and interview with the press or public	-	
- Related transaction within the company	-	
- Anti-money laundering	-	
- Intellectual property	-	
- Compliance with laws, rules and regulations	6	cases
3. Damage and punishment		
· Damage value	insignificant	
· Punishment		
- Termination of employment	10	cases
- Others	5	cases

The Company has taken the lessons learnt therefrom into consideration with a view to assessing risks involved, defining guidelines and/or issuing preventive measures so as to ensure that there would not have any reoccurrence in relation thereto.

Good Corporate Governance Guidelines in Other Aspects

Human Rights Policy

AIS recognizes the importance and respect for the rights, freedom and equality of all people which is the basic virtue of working and living together in society. During the year, the Board of directors has approved the revision of the policy on human rights so as to be relied upon as the operational guideline for all business activities either within AIS or with stakeholders throughout the business value chain covering from the duties and responsibilities of the persons in each group, employee treatment, lawful labour practices, equal pay, non-discrimination, non-infringement of personal information, and not participating in any actions violating human rights, determining the guidelines for monitoring operational activities and assessing the human rights risk from business operations.

The human rights policy of the Company conforms with internationally accepted standards and those specifically relating to the Company's business which include but are not limited to, the United Nations Universal Declaration of Human Rights (UNDHR), the International Labor Organization (ILO)- Declaration on Fundamental Principles and Rights at Work and General Data Protection Regulation - GDPR. The policy can be found at https://sustainability.ais.co.th/en/respect-to-human-rights

In 2021, the Company engaged in promoting human rights as follows:

- The Business Ethics Committee has the responsibility of implementing and integrating the Human Rights policy into significant working procedure, and together with the risk management committee, identifying issues regarding human rights as well as creating a communication plan with a view to promoting best practice in relation thereto to the Company's supply chains (i.e. representatives, suppliers, business partners).
- The Company integrated the sustainability principles of Corporate Governance Labour and Human Rights , Work Health & Safety (WHS) and encouraged its related business parties to promote best practice by conducting assessments of the level of understanding on the Code of Business Ethics and anti-bribery corruption policy included in the annual business assessment. The business partners have cooperated to take the ethics test, accounting for 99.09% of total business partners. In addition, the Company analyzed the ethics test results and recommendations in order to identify issues regarding contractors' management, plan and establish preventive mechanisms against violations of human rights which may impact the Company's business operation.

Anti-Bribery and Corruption Policy

The Company intends to operate its business with a sense of honesty, transparency and in accordance with good corporate governance principles. The Company is also against any type of giving, bribing and corruption by recognizing that giving or bribing and corruption is a serious threat that destroys free and fair competition including causing damage to economic and social development. In this regard, the Board of Directors recognizes the importance and consideration of the Anti-bribery and Corruption Policy for use as a guideline for performing the duties of directors, executives and employees and to comply with the rules and guidelines as well as to prevent the company and directors, executives, employees and other stakeholders from violating the law concerning anti-bribery and corruption. The policy can be found at https://investor.ais.co.th/anti_bribery.html

Thailand's Private Sector Collective Action Against Corruption (CAC) renewd AIS's certification thereto effective from 30 September 2021. The term of certification will be for 3 years from its issue date. This certificate confirms that AIS and AIS Group of Company have strictly complied with the Anti-Bribery and Corruption guidelines including but not limited to charitable donation/sponsorship activities and human resource management.

In addition, AIS has communicated its Anti-Bribery and Corruption Policy to AIS's subsidiaries, joint venture and other controlling companies, business partners and stakeholders including the public via various communication channels such as email, website, social intranet, exhibitions or inclusion in the Board meeting agenda or reporting part in the annual general meeting every year etc., in this regard, in order to ensure that all stakeholders acknowledged and comply with the guidelines as specified by the Company.

Furthermore, AIS has continuously communicated and offered training to its personnel in order to offer knowledge and gain understanding related to anti-corruption measures, the Company's expectations and penalties for failing to comply with such measures such as offering training related to Anti-Bribery and Corruption to new employees as part of the orientation program, organizing training related to Code of Business Ethics via Information technology (LearnDi) as well as initiate an assessment related to business

partners, executives, employees' level of understanding concerning the Code of Business Ethics and Anti-Bribery and Corruption annually.

AIS has amended and promulgated the Supplier Code of Conduct in two (2) issues in order to clarify the implication of the Supplier Code of Conduct in compliance with the Code of Business Ethics. First, the declaration of potential conflicts of interest by suppliers has to be made prior to conducting business transactions with the Company. Second, although, our employees can accept invitations to offsite seminars offered by business partners, the traveling and accommodation expenses shall be paid by the Company. This is to promote good standards at all levels and that the employee shall perform his/her duties without illicit compensation and will reinforce the Company's compliance with the good corporate governance principles.

In 2021, in order to emphasize the company's mission under the "Zero Tolerance Policy Against Corruption" concept, our executives and employees joined the online events held by the state agencies the Office of National Anti-Corruption Commission and Anti Organization of Thailand, sharing the same value on 6 September 2021 and 9 December 2021, respectively.

Market Disclosure Policy

As a listed company on the Stock Exchange of Thailand, AIS aims at disclosing material information, both financial and non-financial, to shareholders accurately, sufficiently, in a timely manner, equitably and in compliance to relevant laws to promote confidence in shareholders and investors regarding the company's reliability and honesty.

The market disclosure policy is based on 3 principles which are practiced in compliance with applicable laws and regulations, transparency and information disclosure responsibility, and equality to access to information. The essential part of this policy includes the roles and responsibilities of executives as authorized spokespersons, guidelines on disclosure material information, keeping confidential information, responding to rumors or unusual market activity, announcing temporary halts, determining the period of time to prohibit the dissemination of information before the performance announcement and prohibiting communication with investors in various aspects as well as penalties for breach of the policy.

Connected Transaction Policy

In order that the business transaction between the company or its subsidiaries and its connected persons shall comply with the laws, announcements, regulation and other relevant notifications from the authorized agency based on transparency and for the maximum benefit of the company, AIS announced the Connected Transaction Policy for the business transaction between the company or its subsidiaries and its connected persons shall be in accordance with the company's policy, procurement procedure, and Code of Business Ethics.

The roles and responsibilities of the Board of Directors, the Audit and Risk Committee, and Capital Market Compliance Section are set to consider the reasonableness of the transaction and to oversee compliance with laws and all departments involving in or acknowledging the occurrence of the connected transactions are required to notify such information to the Capital Market Compliance Department before executing the transaction.

The essential part of this policy is that the business transactions between the company or its subsidiaries and its connected persons be done for the ultimate benefit of the company similar to those transactions with external parties under an arm's length basis. There is procedure to consider before engaging in the connected transactions which the Board of Directors and the executives who are the interested parties or who have conflicts of interest concern shall not participate in the consideration and approval process nor vote in any agenda relating thereto.

The board of directors and executives are required to report their conflict of interest in accordance with rules and guidelines, both those that are current and when there is any change.

Securities Trading Policy for Directors, Executives and Employees

The Board of Directors has considered and approved the Securities Trading Policy for directors, executives and employees with the objective of maintaining the sense of confidence among shareholders and investors who invest in the Company and Intouch Holdings Plc's securities. (INTOUCH is the Company's major shareholder.) The essential part of this policy is to prohibit the Company's personnel from using inside information to gain benefit from trading AIS and INTUCH securities, whether directly or indirectly. This is in line with the Securities and Exchange Act (as amended) including

other related announcements. In this regard, the requirements and guidelines have encompassed several groups of people such as directors, executives, and employees. Furthermore, the requirements also spelled out the special duties for designated persons namely directors, executives and employees, whose roles and responsibilities entitled them to assess the insider information that they shall disclose to Capital Market Compliance Department any securities holding in AIS and INTOUCH Holdings Public Company Limited. This also includes filing a report for any changes in securities holding for the benefit of good corporate governance and transparency. In addition, the designated persons are prohibited from trading securities for a period of thirty (30) days prior to the date of disclosure of the quarterly and annual financial statements (Blackout Period).

In 2021, the Nomination and Compensation Committee and the Board of Directors approved the amendment of the securities trading policy with a view to preventing the use of inside information of designated persons by requesting those persons to notify the Company at least one day prior to executing any trading transaction in order to be in line with the Intouch group practices and good corporate governance principle.

The policy can be found at https://investor.ais.co.th/governance_policy.html

Online and Social Media Guidelines

Technological development has changed the way people communicate. As such, the Business Ethics Committee has endorsed the appropriate guidelines – which are in compliance with applicable laws – with the purpose of guiding Company's employees when using the internet and social media. The essence of the guidelines is to recognize the impacts that may arise as a result of using the internet and social media inappropriately, especially when employees use the internet and social media with a lack of due care. This also includes avoiding any violation related to computer law; for instance, employees shall use the internet and social media in compliance with intellectual property law.

Good Corporate Governance Guidelines in Other Aspects

The Company considered to apply the Corporate Governance Code 2017 (CG Code) issued by the Securities and Exchange Commission, Thailand with AIS's business operations. However, in 2021 there were certain matters that the Company opted to be considered under other suitable mechanisms and recorded in the minutes of the meeting for regular annual review as follows:

- An independent director has been with the company over 9 years continuously. Nonetheless, the Board considered that this independent director is still qualified to be able to give opinion independently in accordance with the relevant regulations; and, with his specialized expertise, he could continue contributing materially by providing valuable recommendations to the company in relation to its key corporate risks and sound internal control system.
- The composition and structure of the Board of Directors has been changed significantly in October 2021 and thereby the board of directors did not undertake its performance assessment either individual or collectively as a group on an annual basis as normal.

Management Structure

Profile of Directors and Management

Mr. Kan Trakulhoon

Age 67 years

- Chairman of Board of Directors
- Independent Director
- Chairman of Nomination and Compensation Committee
- Chairman of Sustainable Development Committee

Khun Kan had experience in leading and managing various global-scale businesses, including cement, construction materials, chemicals, and packaging, prior to his retirement from the SCG conglomerate. Following that, Khun Kan has been contributed to the society by serving on government committees or as a consultant on variety of national strategic directions and initiatives, particularly the effort to drive national innovation development

Appointed	3 Aug 2015
Appointed as Chairman	8 Nov 2016
Total number of service tenure	6 Years 4 Months
Share Ratio (%) *	None
Relationship with Management	None

Highest Education:

- Honorary Degrees of Engineering Chulalongkorn University
- Honorary Degrees of Manufacturing Engineering Mahasarakham University

Related Training Program held by IOD:

- Director Certification Program (DCP 29/2003)

Position in Company

2021 – Present	Chairman of Nomination and Compensation Committee, Chairman of Sustainable Development Committee
2016 - Present	Chairman of the Board of Directors,
2016 – 2021	Chairman of the Leadership Development and Compensation Committee
2015 - Present	Independent Director
2015 - 2017	Chairman of Sustainable Development Committee

Position in other listed Company

2021 - Present	Chairman of the Board of Directors, Intouch Holdings Plc
2017 - Present	Independent Director, Intouch Holdings Plc.
2017 - 2021	Independent Director, Chairman of the Leadership Development and Compensation Committee, Member of the Nomination and Governance Committee, Member of the Strategic and Organizational Review Committee and Member of the CSR Committee for Sustainable Development, Intouch Holdings Plc.
2017 - Present	Independent Director, Bangkok Dusit Medical Services Plc.
2016 - Present	Independent Director, Chairman of the Nomination, Compensation and Corporate Governance Committee, Member of the Executive Committee, Siam Commercial Bank Plc.
2006 - Present	Director, The Siam Cement Plc.

Position in non-listed Company:

2021- Present	Director, SCB-X Plc.
2020 - Present	Director, SCB 10X Co., Ltd
2020 - Present	Director Council of Experts of the National Higher Education, Science, Research and Innovation Policy Council
2020 - Present	Expert Member, State Enterprise Policy Committee
2018 - Present	Expert Member, Eastern Economic Corridor Policy Committee
2018 - Present	Expert Member, Investment and Coordination Committee
2011 - 2019	Consultant Kubota Corporation (Japan)

Illegal Record in Past 10 years None

Mr. Sarath Ratanavadi

Age 56 years

- Vice Chairman of the Board
- Non Executive Director
- Member of Nomination and Compensation Committee

With his vision and immerse interest in infrastructure business, Khun Sarath found one of the largest energy-sector company in the region and have been one of leading and shaping the industry since then.

Appointed	21 oct 2021
Total number of service tenure	0 Years 2 Months
Share Ratio (%)*	none
Relationship with Management	None

Highest Education:

- Master of Science (Engineering Management), University of Southern California, USA
- Bachelor of Engineering (Civil engineering) , Chulalongkorn University

Related Training Program Held by IOD:

- Director Accreditation Program (DAP) Class 138/2017 Thai Institute of Directors
- Capital Market Leadership Program (Class 7), Capital Market Academy

Position in Company:

2021- Present	Vice Chairman of the Board and Member of Nomination and Compensation Committee

Position in Other listed Company

2021- Present	Vice-Chairman of Board of Directors, Intouch Holdings Plc.
2020- Present	Vice Chairman of the Board, Gulf Energy Development Plc.
2017- Present	Director and Chief Executive Officer, Gulf Energy Development Plc.

Position in non listed Company :

2016- Present	Director, Gulf Holdings (Thailand) Co., Ltd.)
2018 - Present	Board of Councilors, University of Southern California, Annenberg School for Communication and Journalism USA
2017 – Present	Director, Gulf Investment and Trading Pte. Ltd.
2017 - Present	Chairman, NIST International School Foundation

Illegal Record in Past 10 years None

Ms. Yupapin Wangviwat

Age 53 years

- Non-Executive Director
- Member of Sustainability Development Committee
- Authorized Director

Ms. Yupapin has contributed significant part in Gulf Empire's achievement especially in terms of financial management. Her experience involves in energy, utility, industrial estate and recently telecommunications businesses.

Appointed	21 Oct 2021
Total number of service tenure	0 Years 2 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education:
- Master of Business Administration, University of Florida, USA
- Bachelor of Business Administration (Banking and Finance), Chulalongkorn University

Related Training Program Held by IOD:
- Director Certification Program (DCP), Class 164/2012, Thai Institute of Directors
- Capital Market Leadership Program (Class 16), Capital Market Academy

Position in Company

2021- present	Non-Executive Director and Member of Sustainable Development Committee

Position in Other listed Company

2021 - Present	Director, Intouch Holdings Plc.
2018 – Present	Director, member of the Sustainability Governance and Risk Management, Committee Chief Financial Officer Gulf Energy Development Pcl.
2018 – 2021	Executive Director, Gulf Energy Development Pcl.
2017 – 2019	Senior Executive Vice President and Chief Corporate Officer, Gulf Energy Development Pcl.

Position in non listed Company :

2021- Present	Director, Gulf Innova Co., Ltd.
2021- Present	Director, GULF1 Co., Ltd.
2019- Present	Director, Rachakarn Asset Management Co., Ltd.
2018- Present	Director, Gulf Renewable Energy Co., Ltd.
2008- Present	Senior Executive Vice President, Gulf JP Co., Ltd.
1997- Present	Chief Financial Officer, Gulf Electric Pcl.

Illegal Record in Past 10 years None

Mr. Surasak Vajasit

Age 68 years

- Independent Director
- Member of Audit and Risk Committee
- Member of Nomination and Compensation Committee

Khun Surasak has been recognized as one of the leading lawyers in Thailand with his over 30-year expertise in advising clients in various areas including litigation and dispute resolution, banking and finance, etc. During his presence with AIS, Khun Surasak has been contributing and providing legal advice to the company in numerous legal disputes especially those relating to the expired concession arrangement.

Appointed	10 May 2006
Total number of service tenure	15 Years 7 Months
Share Ratio (%)*	none
Relationship with Management	None

Highest Education:
- Master Degree Barrister at Law, Lincoln's Inn, UK
- Bachelor of Laws Program (Honours), University of London

Related Training Program Held by IOD:
- Director Accreditation Program (DAP 29/2004)
- IT Governance and Cyber Resilience Program (ITG) (18/2021)

Position in Company

2021- Present	Member of Nomination and Compensation Committee
2014 - 2021	Chairman of Nomination and Governance Committee
2008 - 2014	Member of Nomination and Governance Committee
2006 - Present	Independent Director and Member of Audit and Risk Committee

Position in Other listed Company
none

Position in non-listed Company:

2016 - Present	Director, Thaisri Insurance Plc.
2014 - Present	Managing Partner, R&T Asia (Thailand) Ltd.
2005 - 2014	Executive, Hunton and Williams (Thailand) Ltd.
1997 - 2008	Director, Thai Tallow and Oil Co., Ltd.

Illegal Record in Past 10 years None

Ms. Jeann Low Ngiap Jong

Age 61 years

- Non-executive director
- Member of Nomination and Compensation Committee

Ms. Jeann Low has extensive experience in telecom. She held leadership roles in finance, risk management, corporate strategy, merger and acquisitions across the Singtel Group since 1998 and board role for some of its international business, including cybersecurity business.

Appointed	27 Mar 2013
Total number of service tenure	8 years 9 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education:

- Bachelor of Accountancy (Honours), National University of Singapore

Related Training Program Held by IOD:

- Director Certification Program (DCP) Class 313/2021

Position in Company:

2021 – Present	Member of Nomination and Compensation Committee
2013 - Present	Director
2013 - 2021	Member of Nomination and Governance Committee

Position in Other listed Company

2016 - Present	Director, Intouch Holdings Plc.

Position in non-listed Company

2021 – Present	Director, CapitaLand Integrated Commercial, Trust Management Limited
2019 - Present	Directer, Singtel Fin Group Investment Pte.Ltd. and affiliated company (total 14 companies)
2015 - 2021	Group Chief Corporate Officer, Singapore Telecommunications Ltd.
2008 - 2015	Group Chief Financial Officer, Singapore Telecommunications Ltd.

Illegal Record in Past 10 years None

Mr. Allen Lew Yoong Keong

Age 66 years

- Director
- Chairman of Executive Committee
- Non-Executive Director
- Authorized Director

Mr. Allen is a veteran in telecommunications business management from his 40-year career in Singtel Group. He continues leading and shaping the industry into the new era of telecom including the digital services beyond simply connecting people.

Appointed	20 March 2006
Total number of service tenure	15 Years 9 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education:

- Master of Science (Management), Massachusetts Institute of Technology, USA

Related Training Program Held by IOD:

- None

Position in Company

2008 – Present	Chairman of Executive Committee
2008 – 2021	Member of Leadership Development and Compensation Committee
2006 – Present	Director
2006 – 2008	Member of Executive Committee

Position in Other listed Company

None

Position in non-listed Company:

2021 - Present	Director, A.C.S.T. Business Holdings, Inc.
2021 - Present	Director, Asiacom Philippines, Inc.
2021 - Present	Director, Globe Telecom Inc.
2021 - Present	Director, Grid Communications Pte Ltd
2020 - Present	Director, Raffles Medical Group
2020 - 2021	Chief Executive Officer, Group Strategy and Business Development and Country Chief Officer Thailand Singapore Telecommunications Ltd.
2014 - 2020	Chief Executive Officer Consumer Australia and Chief Executive Officer Optus, Singtel Optus Pty Limited

Illegal Record in Past 10 years None

Mr. Krairit Euchukanonchai

Age 66 years

- Chairman of Audit and Risk Committee
- Independent Director

Mr. Krairit's experience involves finance, banking, capital market, insurance, telecom, energy, oil/gas, mass transportation. Recently, he played the leading role in introducing the biggest ever government-own digital wallet with tight cyber security into Thai society in order to cope with the pandemic negative effect.

Appointed	26 Mar 2014
Total number of service tenure	7 Years 9 Months
Share Ratio (%)	None
Relationship with Management	None

Highest Education:
- Master of Business Administration, North Texas State University, USA
- Bachelor of Science, Chulalongkorn University

Related Training Program Held by IOD:
- Director Certification Program (DCP 59/2005)
- Role of the Chairman Program (RCP 16/2007)

Position in Company

2014 - Present	Chairman of Audit and Risk Committee and Independent Director
2014 - 2021	Member of Nomination and Governance Committee

Position in Other listed Company

2021 – Present	Chairman and Chairman of the Independent Directors Committee, PTTEP Plc.
2015 – Present	Vice Chairman, Chairman of the Board of Executive Directors and Chairman of the Risk Oversight Committee, Krungthai Bank Plc.
2018 – 2020	Chairman of Board of Directors and Chairman of Independent Director, PTT Plc.

Position in non listed Company

2021 – Present	Academic Directorial Member (Financial), The Securities and Exchange Commission, Thailand
2020 – Present	Academic Directorial Member (Financial), Office of Insurance Commission
2020 – Present	Chairman, INFINITAS by Krungthai Co., Ltd
2017 - 2019	Chairman, Mass Rapid Transit Authority of Thailand
1998 – Present	Chairman, V. Group Honda Cars Co., Ltd. and affiliated companies

Illegal Record in Past 10 years None

Mr. Somchai Lertsutiwong

Age 59 years

- Executive Directors
- Member of Sustainable Development Committee
- Member of Executive Committee
- Chief Executive Officer
- Acting Chief Corporate Officer
- Authorized Director

Khun Somchai, a veteran in telecom industry, has been playing pivotal roles in defining the industry and AIS in many aspects including business development, products and especially AIS's transformation into digital service industry.

Appointed	27 June 2014
Appointed as Chief Executive Officer	1 July 2014
Total number of service tenure	7 Years 6 Months
Share Ratio (%)*	0.004
Relationship with Management	None

Highest Education:
- Master of Business Administration, Chulalongkorn University
- Computer Science, Chulalongkorn University

Related Training Program Held by IOD:
- Director Certification Program (DCP 107/2009)

Position in Company:

2020 - Present	Acting Chief Corporate Officer
2014 - Present	Executive Director, Member of Sustainable Development Committee, Member of Executive Committee, Chief Executive Officer, and Authorized Director
2012 - 2014	Director, Chief Marketing Officer
2007 - 2012	Executive Vice President - Marketing
2004 - 2007	Senior Vice President - Wireless Communication

Position in Other listed Company :
none

Position in non listed Company
none

Illegal Record in Past 10 years None

Mr. Smith Banomyong

Age 49 years

- Non Executive Director
- Member of Executive Committee
- Authorized Director

Mr. Smith has extensive experience in asset management and investment both domestically and internationally from his time with various leading financial institutions in the past and currently with Gulf Group. Besides, his previous achievements also involved several property and infrastructure funds.

Appointed	21 Oct 2021
Total number of service tenure	0 Years 2 Months
Share Ratio (%)*	none
Relationship with	Management None

Highest Education:

- Master of Science (Economics), The London School of Economics and Political Science (LSE), United Kingdom
- Bachelor of Arts (Economics), Reed College, USA
- Bachelor of Engineering (Industrial Engineering), Chulalongkorn University
- Advanced Executive Program, Kellogg School of Management, Northwestern University, USA

Related Training Program Held by IOD:

- Director Accreditation Program (DAP), Class 76/2008,
- Corporate Governance for Capital Market Intermediaries (CGI), Class 0/2014
- Capital Market Leadership Program (Class 20), Capital Market Academy

Position in Company:

2021-present	Director and member of Executive Committee

Position in Other listed Company

2021 - Present	Director, Intouch Holdings Plc.
2020 – Present	Chief Operating Officer - Asset Management and Investment, Gulf Energy Development Pcl.
2020 - 2020	Chief International Business Officer, Gulf Energy Development Pcl.
2018 – 2020	Chief Financial Officer, Gulf Energy Development Pcl.

Position in non listed Company

2021 – Present	Directors and Executives in the Conglomerate of Gulf Energy Development Pcl. (Total 49 companies)
2021 - Present	Director, Nong Khae Cogeneration Co., Ltd.
2021 - Present	Director, Samutprakarn Cogeneration Co., Ltd.
2021 - Present	Director, PTT Natural Gas Distribution Co., Ltd.
2021 - Present	Director, Global Mind Investment Management Pte. Ltd.
2021 - Present	Director, Bentre Import Export Joint-Stock Corporation
2020 - Present	Director, Borkum Riffgrund 2 Investor Holding GmbH
2020 - Present	Director, Borkum Riffgrund 2 Offshore Wind Farm GmbH & Co. oHG
2020 – Present	Director, Kolpos Pte. Ltd.
2018 – 2020	Senior Executive Vice President - Finance, Gulf JP Co., LTD.
2018 – 2018	Chairman, Association of Investment Management Companies
2018 - 2018	Director, The Federation of Thai Capital Market Organizations
2018 - 2018	Director, Thai Financial Markets Committee, Bank of Thailand
2014 – 2018	Chief Executive Officer, SCB Asset Management Co., Ltd
2018 - Present	Director, Smith Technology Co., Ltd.
2009 - Present	Present Director, SCS Property Managemenment Co., Ltd. and affiliated company (Total 2 companies)

Illegal Record in Past 10 years None

Mr. Gerardo C. Ablaza, Jr

Age 68 years

- Independent Director
- member of Audit and Risk Committee

Khun Gerry, another veteran in telecom and infrastructure industry, had been leading numerous businesses; for instance, water distribution and telecom in the Philippines prior to his retirement. Khun Gerry's career achievement materially involves the large-scale expansion of customer bases and revenue, especially in telecom whereby Globe Telecom was started from green field until it became one of the market leaders in his era as CEO.

Appointed	27 Apr 2017
Total number of service tenure	4 Year 7 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education:

- Bachelor of Arts (Mathematics), De La Salle University, Manila

Related Training Program Held by IOD:

- Director Accreditation Program (DAP 146/2018)
- Director Certification Program (DCP 313/2021)
- Advanced Corporate Governance 2019 (The Philippines IOD)

Position in Company:

2021 – Present	member of Audit and Risk Committee
2019 - 2021	Member of Leadership Development and Compensation Committee
2017 - Present	Independent Director
2017 - 2021	Member of Executive Committee
2017 - 2019	Member of Sustainable Development Committee

Position in Other listed Company

none

Position in non listed Company

2021 - Present	Independent Director, Roxas and Company, Inc.
2019 - Present	Director, iPeople Inc.
2017 - Present	Consultant, Ayala Corporation
2012 - Present	Director, AC Energy and Infrastructure Corp.
2017 - 2021	Director, BPI Family Bank
2017 - 2021	Director, BPI Capital Corporation
2017 - 2020	Director, Bank of the Philippine Islands
2010 - 2021	Director, Manila Water Company
2010 - 2017	President and CEO, Manila Water Company
1998 - 2016	Director, Globe Telecom, Inc.

Illegal Record in Past 10 years None

Mr. Arthur Lang Tao Yih

Age 49 years

- Non-Executive Director
- Member of Sustainable Development Committee

Mr. Arthur has extensive international experience in finance, investment and digital financial services. His role as Group CFO in Singtel includes responsibility for the Group's regional investment across Thailand, India, Indonesia and Philippines and he spearheads Singtel's digital bank JV with Grab. His experience is relevant to realise AIS vision to be a digital life provider especially in digital financing.

Appointed	21 Oct 2021
Total number of service tenure	0 Year 2 Months
Share Ratio (%)*	None
Relationship with Management	None

Highest Education:

- MBA, Harvard Business School

Related Training Program Held by IOD:

- none

Position in Company

2021- Present	Director, Authorized Director and member of Sustainable Development Committee

Position in Other listed Company

2020 - Present	Director and Authorized Director, Intouch Holdings Plc.

Position in non-listed Company

2021 – Present	Group Chief Financial Officer, Singapore Telecommunication Ltd. and affiliated company (Total 26 companies)
2021 – Present	Director, GXS Pte. Ltd.
2020 – Present	Director, Bharti Airtel Ltd.
2017 – Present	Director, Bharti Telecom Ltd.
2015 – Present	Chairman, The National Kidney Foundation Singapore
2018 – 2020	Director, Airtel Africa Plc.
2017 – 2021	Director, A.C.S.T Business Holdings, Inc.
2017 – 2021	Director, Globe Telecom, Inc
2017 – 2020	Director, Indus Tower Limited
2017 – 2020	Director, NetLink NBN Trust
2017 – 2020	Chief Executive Officer International, Singapore Telecommunication Ltd.
2011 – 2016	Group Chief Financial Officer, CapitaLand Limited

Illegal Record in Past 10 years None

Mr. Tee Seeumpornroj

Age 45 years

- Chief Finance Officer

Khun Tee has experienced in financial management in various business including retails, infrastructure and telecom. Earlier in his career, Khun tee joined the top consultant firms both internationally and domestically and gained the expertise in introducing smart approaches and solutions including technology innovation into the well-established incumbents

Appointed	1 Oct 2018
Share Ratio (%)*	none
Relationship with Management	None

Highest Education:

- Master of Science in Management (Science and Engineering), Stanford University, USA
- Bachelor's degree Industrial Engineering, Chulalongkorn University

Related Training Program Held by IOD:

- Director Certification Program (DCP 257/2018)
- Director Accreditation Program (DAP 113/2014)
- DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT COMPANY LIMITED : Deliotte Forum week 2021 Beyond the crisis thriving in the post pandemic world : Clients & Industries 2 hrs. Audit & Assurance 3.15 hrs. financial & Advisory 2 hrs. Consulting 2 hrs. Tax & Legal 3.45 hrs. Risk Advisory 2 hrs. (CPD: 15 hours)
- Capital Market Academy (CMA 30)

Position in Company

2018 - Present	Chief Finance Officer
2017 - 2018	Deputy Chief Finance Officer

Position in Other listed Company:

2013 - 2016	Chief Finance Officer Thai, Solar Energy Plc.

Position in non listed Company

2021 - Present	Director, Learn Corporation Co.,Ltd.
2016 - Present	Director, Food Xcite Co.,Ltd.
2010 - Present	Director, J.A.D.E. Co.,Ltd.
2005 - Present	Director, Wang Siam Agri. Co.,Ltd.
2016 - 2017	Chief Finance Officer, The mall Group Co., Ltd

Illegal Record in Past 10 years None

Ms. Kantima Lerlertyuttitham

Age 51 years

- Chief Human Resources Officer

Ms. Kantima has long-term experiences in handling Human Resources Management, Transformation Management, as well as Sales Operations Management in various industries both in domestic and international, such as, Technology, Banking, and Retail business. In AIS, Kantima leads Human Resources Management in extending staff capacity and preparing staff readiness for the transition in the Information Technology era.

Appointed	1 Oct 2015
Share Ratio (%)*	0.0001
Relationship with Management	None

Highest Education:
- Master of Psychology Counselling Service, Rider University, USA
- English, Srinakarinwiroj University

Related Training Program Held by IOD:
- Director Certification Program (DCP 244/2017)
- Board Nomination and Compensation Program (BNCP 9/2019)
- Ethical Leadership Program (ELP) 21/2021
- Directors Accreditation Program (DAP) 180/2021

Position in Company

2015 - Present	Group Chief Human Resources Officer Advanced Info Service Plc. & Intouch Holdings Plc.

Position in Other listed Company

2016 - Present	Group Chief Human Resources Officer, Intouch Holdings Plc.
2013 - 2015	Deputy Chief Operation Officer, MC Group Plc.
2011 - 2013	Chief Human Resources Officer, Prudential Life Insurance (Thailand) Plc.

Position in non listed Company

2021 – Present	Director, Conicle Co., Ltd.
2007 – 2011	Human Resources Director, Central Watson (Thailand) Co., Ltd
2004 - 2011	Human Resource Director, Microsoft (Thailand) Co., Ltd.

Illegal Record in Past 10 years None

Mr. Goh Seow Eng

Age 57 years

- Chief Operating Officer

Goh Seow Eng leads the company's operations, with responsibility for all operating units including the mobile, fiber broadband and the enterprise businesses.

Prior to AIS, he served as Managing Director, Home at Singtel where he ran the fiber broadband, pay-tv, and fixed line businesses as well as marketing communications and customer lifecycle management for the consumer business.

Appointed	4 Jan 2022
Share Ratio (%)*	None
Relationship with Management	None

Highest Education:
- Advanced Management Program, Harvard Business School
- Master of Business Administration, University of California, Berkeley
- Bachelor of Science in Economics, Major in Finance, cum laude, The Wharton School of the University of Pennsylvania, Philadelphia
- Bachelor of Applied Science (Computer Science), cum laude, University of Pennsylvania, Philadelphia

Related Training Program Held by IOD:
None

Position in company

2022 – Present	Chief Operating Officer

Position in Other listed Company
None

Position in non listed Company

2015 – 2021	Managing Director, Home, Consumer SG Singapore Telecommunications Ltd.
2012 - 2015	Managing Director, Television, Singapore Telecommunications Ltd.
2010 – 2012	Chief, Digital Home, Singapore Telecommunications Ltd.

Illegal Record in Past 10 years None

Mr. Pratthana Leelapanang

Age 48 years

- Chief Consumer Business Officer (CCBO)

Mr. Pratthana has been with AIS for over two decades during which he involved in network engineering, retailed marketing, etc. Recently, with the evolution of telco, he has also involved in the digital business ranging from gaming, AIS Play, etc.

Appointed	1 Oct 2017
Share Ratio (%)*	0.000007
Relationship with Management	None

Highest Education:
- Master of Science in Electrical Engineering and a Master of Science in System Science and Mathematics from Washington University in St. Louis, Missouri, USA
- Bachelor Degree in Electrical Engineering from Kasetsart University

Related Training Program Held by IOD:
- Director Certification Program 196/2014

Position in Company

2017-present	Chief Consumer Business Officer
2013-2017	EVP-Marketing & Acting Chief Marketing Officer

Position in Other listed Company
none

Position in non listed Company:

2021 – Present	Director AISCB Co., Ltd.
2020 – Present	Director Storm Company
2017 – Present	Director Rabbit-Line Pay Co., Ltd.

Illegal Record in Past 10 years None

remark : Mr.Pratthana Leelapanang is not executive as per SEC's announcement Re: Determination of Definitions in announcement relating to Issuance and Offer

Mr.Tanapong Ittisakulchai

Age 52 years

- Chief Enterprise Business Officer (CEBO)

Khun Tanapong has extensive experience in technology-related business from his time with IBM, Microsoft, etc. With AIS, Khun Tanapong has been driving the growth of Enterprise Business by leveraging the latest innovation and 5G technology on Cloud, Cybersecurity, Information and Communication Technology, Internet of Things, and so forth to support the rapid digital adoption to accelerate Thailand's digital economy.

Appointed	1 Oct 2020
Share Ratio (%)*	none
Relationship with Management	None

Highest Education:
- Master of Business Administration, Thammasart University
- Bachelor of Electrical Engineering with 2nd Class Honours, Chulalongkorn University

Related Training Program Held by IOD:
- Director Certification Program (DCP 137/2010)

Position in Company

2020- Present	Chief Enterprise Business Officer

Position in Other listed Company
none

Position in non listed Company

2019 - 2020	Cluster President (Thailand, Myanmar, and Laos), Schneider Electric Thailand Ltd.
2015 - 2019	OCP/SMC and Enterprise Commercial Director, Microsoft (Thailand) Ltd.

Illegal Record in Past 10 years None

remark : Mr.Tanapong Ittisakulchai is not executive as per SEC's announcement Re: Determination of Definitions in announcement relating to Issuance and Offer

Mr. Kriengsak Wanichnatee

Age 61 years

- Chief Technology Officer

Mr. Kriengsak, another veteran at AIS, has led the development of telecom network over two decades during which he involved in many network engineering innovation and optimization projects contributing to AIS's mobile network quality and market leadership until now

Appointed	1 oct 2013
Share Ratio (%)*	0.0022
Relationship with Management	None

Highest Education:
- Master of Science in Electrical Engineering, University of Southern California, USA
- B.S. in Electrical Engineering, Chulalongkorn University

Related Training Program Held by IOD:
None

Position in Company:

2013 – Present	Chief Technology Officer
2011 - 2013	Executive Vice President – Mobile Network Implementation
2006 - 2011	Executive Vice President – Nationwide Operations and Support

Position in Other listed Company
none

Position in non-listed Company:
none

Illegal Record in Past 10 years None

remark : Mr.Kriengsak Wanichnatee is not executive as per SEC's announcement Re: Determination of Definitions in announcement relating to Issuance and Offer

Mr.Sanjay Andrew Thomas

Age 54 years

- Chief Information Officer (CIO)

Mr. Sanjay has over 25 years working in Information Technology in the US and other countries around the world. His specialization is digital transformation that create meaningful and lasting changes in business, technology, operations and teams. Mr. Sanjay has been helping transform AIS into the leading digital lifestyle company of Thailand

Appointed	16 Oct 2020
Share Ratio (%)*	none
Relationship with Management	None

Highest Education:
- MBA, Universite d' Ottawa, Canada
- Bachelor of Arts (Economics), Carleton University, Canada
- Bachelor of Electrical Engineering, Carleton University, Canada

Related Training Program Held by IOD:
None

Position in Company

2020 – Present	Chief Information Officer

Position in Other listed Company
none

Position in non listed Company :

2016 - 2020	IBM Consulting, Singapore & Bangkok
2015 - 2016	Accenture, Minneapolis USA
2013 - 2015	Publicis Sapient, Minneapolis, USA
2011 - 2013	Target Department Stores, Minneapolis, USA

Illegal Record in Past 10 years None

remark : Mr.Sanjay Andrew Thomas is not executive as per SEC's announcement Re: Determination of Definitions in announcement relating to Issuance and Offer

Mr.Chavin Chaivatcharaporn

Age 49 years

- Company Secretary and Head of Corporate Compliance Section

Appointed	3 Jan 2013
Share Ratio (%)	0.0001%
Relationship with Management	None

Highest Education:
- Master of Law (LL.M), University of Pennsylvania, USA

Related Training Program Held by IOD:
- Seminar-Anti Corruption Seminar 1/2016
- Role of the Compensation Committee (RCC 19/2014)
- Director Certification Program (DCP 192/2014)
- Company and Board Reporting Program (CRP 6/2013, BRP 11/2013)
- Anti-Corruption for Executive Program (ACEP 10/2014)
- Fundamental Practice for Company Secretay (FPCS 29/2014)
- Company Secretary Program (CSP 51/2013)

Position in Company

2019 – Present	Head of Corporate Compliance Section
2013 - Present	Company Secretary
2010 - 2013	Assistant Vice President-Legal

Position in Other listed Company:

2003 - 2010	Associate, Hunton &Williams Thailand Ltd.

Illegal Record in Past 10 years None

Mr.Montri Khongkruephan

Age 48 years

- Head of Audit Business Unit

Appointed	1 Oct 2021
Share Ratio (%)	None
Relationship with Management	None

Highest Education:
- Bachelor's degree in Accountancy
- Certified Public Accountant

Related Training Program Held by IOD:
None

Position in company

2021 - Present	Head of Audit Business Unit

Position in Other listed Company:

2018 – 2021	SEA Accounting Operation Advisory Leader, Deloitte SEA
2018 – 2021	Audit Partner Deloitte Thailand
2016 - 2018	Group Finance and Shared services Director, Siam Food Services
2014 - 2016	Head of Internal Audit, Siam Makro Plc.

Illegal Record in Past 10 years None

Miss Nattiya Poapongsakorn

Age 46 years

- Head of Investor Relations and Compliance Department

Appointed	1 Apr 2013
Share Ratio (%)	0.0005
Relationship with Management	None

Highest Education:
- Master of Technology Management, Washington State University, USA
- Master in Finance, Chulalongkorn University

Related Training Program Held by IOD:
None

Position in Company

2017 - present	Senior Vice President, Investor Relations and Compliance
2015 - 2017	Vice President, Investor Relations and Compliance
2013 - 2015	Assistant Vice President, Investor Relations
2011 - 2013	Acting, Assistant Vice President, Investor Relations
2008 - 2011	Investor Relation Manager

Position in Other listed Company:
None

Illegal Record in Past 10 years None

Mr. Tachahat Hemakul

Age 47 years

- Head of Accounting

Appointed	1 Apr 2015
Share Ratio (%)	0.0002
Relationship with Management	None

Highest Education:
- Master of Business Administration, Sasin Business School Chulalongkorn University

Related Training Program Held by IOD:
- DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT COMPANY LIMITED : Deloitte Forum week 2021 Beyond the crisis thriving in the post pandemic world : Clients & Industries 2 hr. Audit & Assurance 3.15 hr. financial & Advisory 2 hr. Consulting 2 hr. Tax & Legal 3.45 hr. Risk Advisory 2 hr. (CPD: 15 hours)
- Risk management program

Position in Company

2015 - Present	Head of Accounting Department

Position in Other listed Company:
None

Illegal Record in Past 10 years None

The board of directors and board committees

Name	Board of Directors	Board Committees				
		Audit and Risk Committee	Nomination and Compensation Committee [1]	Sustainable Development Committee	Executive Committee	Other Board Committees
Mr. Kan Trakulhoon [2]	Chairman of Board of Directors and Independent Director	-	Chairman and Independent Director	Chairman and Independent Director	-	-
Mr. Sarath Ratanavadi [3]	Vice Chairman of Board of Directors and Non-executive Director	-	Non-executive Director	-	-	-
Mr. Krairit Euchukanonchai	Independent Director	Chairman and Independent Director	-	-	-	Chairman and Independent Director
Mr. Surasak Vajasit [4]	Independent Director	Independent Director	Independent Director	-	-	Independent Director
Ms. Jeann Low Ngiap Jong [5]	Non-executive Director	-	Non-executive Director	-	-	-
Mr. Allen Lew Yoong Keong	Non-executive Director	-	-	-	Chairman and Non-executive Director	-
Ms. Yupapin Wangviwat [6]	Non-executive Director	-	-	Non-executive Director	-	-
Mr. Gerardo C. Ablaza, Jr. [7]	Independent Director	Independent Director	-	-	-	-
Mr. Somchai Lertsutiwong [8]	Executive Director	-	-	Executive Director	Executive Director	Executive Director
Mr. Smith Banomyong [9]	Non-executive Director	-	-	-	Non-executive Director	-
Mr. Arthur Lang Tao Yih [10]	Non-executive Director	-	-	Non-executive Director	-	-

Remarks:

1) The Board of Directors resolved to approve the adjustment of the roles and responsibilities of the board committee on 21 October 2021. The Leadership Development and Compensation Committee was merged into the Nomination and Governance Committee under the new title "Nomination and Compensation Committee." The roles and responsibilities of Nomination and Governance Committee shall be expanded to cover those of the dissolved leadership development and compensation committee under the new title "Nomination and Compensation Committee" (NCC).
2) Mr. Kan Trakulhoon was appointed as Chairman of Sustainable Development Committee and Chairman of Nomination and Compensation Committee on 21 October 2021 and 1 November 2021, respectively.
3) Mr. Sarath Ratanavadi was appointed as a member of Nomination and Compensation Committee on 21 October 2021.
4) Mr. Surasak Vajasit was appointed as a member of Nomination and Compensation Committee on 1 November 2021 after he changed his responsibility from Chairman of Nomination and Compensation during 21 October 2021 – 1 November 2021
5) Ms. Jeann Low Ngiap Jong was appointed as a member of Nomination and Compensation Committee on 21 October 2021.
6) Ms. Yupapin Wangviwat was appointed as a member of Sustainable Development Committee on 21 October 2021.
7) Mr. Gerardo C. Ablaza, Jr. was appointed as a member of Audit and Risk Committee on 21 October 2021.
8) Mr. Somchai Lertsutiwong was appointed as a member of Other Board Committees on 21 October 2021.
9) Mr. Smith Banomyong was appointed as a member of Executive Committee on 21 October 2021.
10) Mr. Arthur Lang Tao Yih was appointed as a member of Sustainable Development Committee on 21 October 2021.
11) Mr. Allen Lew Yoong Keong, Mr. Surasak Vajasit, Ms. Jeann Low Ngiap Jong, Mr. Krairit Euchukanonchai, Mr. Gerardo C. Ablaza, Jr., Mr. Arthur Lang Tao Yih and Mr. Somchai Lertsutiwong are directors who have expertise in the telecommunications business. Summary profiles of these directors and executives are shown in the section profile of directors and management.
12) Mr. Krairit Euchukanoncha, Mr. Gerardo C. Ablaza, Jr., Ms. Jeann Low Ngiap Jong and Ms. Yupapin Wangviwat are directors who have expertise in account and finance. Summary profiles of these directors and executives are shown in the section profile of directors and management
13) Investors can look at the Company's definition of independent director criteria at http://advanc-th.listedcompany.com/misc/cg/20171122-advanc-qualification-independent-en.pdf The criteria defined by AIS are stricter than the criteria established by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Meeting attendance summary

Name	Meeting Attendance /Total Numbers of Meetings [1]								
	Board of Directors	Audit and Risk Committee	Nomination and Governance Committee [2]	Leadership Development and Compensation Committee [2]	Sustainable Development Committee	Executive Committee	Nomination and Compensation Committee [2]	Other Board Committee	Annual General Meeting
Mr. Kan Trakulhoon	13/13	-	-	6/6	1/1	-	1/1	-	1/1
Mr. Sarath Ratanavadi [3]	2/2	-	-	-	-	-	2/2	-	-
Mr. Krairit Euchukanonchai	13/13	17/17	6/6	-	-	-	-	12/12	1/1
Mr. Surasak Vajasit	13/13	17/17	6/6	-	-	-	2/2	10/10	1/1
Ms. Jeann Low Ngiap Jong	13/13	-	6/6	-	-	-	2/2	-	1/1
Mr. Allen Lew Yoong Keong	12/13	-	-	6/6	-	13/13	-	-	1/1
Ms. Yupapin Wangviwat [4]	2/2	-	-	-	1/1	-	-	-	-
Mr. Gerardo C. Ablaza, Jr.	13/13	3/3	-	6/6	-	9/9	-	2/2	1/1
Mr. Somchai Lertsutiwong	13/13	-	-	-	4/4	13/13	-	2/2	1/1
Mr. Smith Banomyong [5]	2/2	-	-	-	-	4/4	-	-	-
Mr. Arthur Lang Tao Yih [6]	2/2	-	-	-	1/1	-	-	-	-
Mr. Prasan Chuaphanich [7]	10/10	13/13	-	-	3/3	-	-	-	1/1
Mr. Somprasong Boonyachai [7]	10/10	-	-	-	3/3	-	-	8/8	1/1
Mr. Anek Pana-apichon [7]	10/10	-	-	-	-	9/9	-	-	1/1
Mr. Hui Weng Cheong [7]	10/10	-	-	-	-	-	-	-	1/1

Remarks:

1) The meeting attendance includes physical and telephone or video conference participation.

2) The board of directors resolved to approve the adjustment of roles and responsibilities of the board committee on 21 October 2021. The Leadership Development and Compensation Committee to be merged into the Nomination and Governance Committee under the new title "Nomination and Compensation Committee." The roles and responsibilities of Nomination and Governance Committee shall be expanded to cover those of the dissolved leadership development and compensation committee under the new title "Nomination and Compensation Committee" (NCC).

3) Mr. Sarath Ratanavadi was appointed as the Vice-Chairman of Board of Directors and Non-executive Director replacing Mr. Somprasong Boonyachai who resigned on 21 October 2021.

4) Ms. Yupapin Wangviwat was appointed as a Non-executive Director and a member of Sustainable Development Committee replacing Mr. Prasan Chuaphanich who resigned on 21 October 2021.

5) Mr. Smith Banomyong was appointed as a Non-executive director and member of Excecutive Committee replacing Mr. Anek Pana-apichon who resigned on 21 October 2021.

6) Mr. Arthur Lang Tao Yih was appointed as a Non-executive Director and a member of Sustainable Development Committee replacing Mr. Hui Weng Cheong who resigned on 21 October 2021.

7) Mr. Prasan Chuaphanich, Mr. Somprasong Boonyachai, Mr. Anek Pana-apichon and Mr. Hui Weng Cheong had resigned from the company on 21 October 2021.

Directors and management's shareholding in ais and subsidiaries

As of 31 December 2021, the number of ordinary share includes holding by spouse and minor child

Name	ADVANC				AWN		DPC		ADC		ACC		AMP		AMC		SBN		AIN		ADL		MMT		FXL		ABN		ADD		CSL		TMC		YPC		ADV		LDI	
	Ordinary Share		ESOP (warrant)		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share		Ordinary Share	
	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021
1. Mr. Kan Trakulhoon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children					-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Mr. Sarath Ratanavadi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Mr. Krairit Euchukanonchai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Ms.Yupapin Wangviwat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Mr. Surasak Vajasit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Mr. Allen Lew Yoong Keong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Ms. Jeann Low Ngiap Jong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Mr. Gerardo C. Ablaza, Jr.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9. Mr. Smith Banomyong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Mr. Somchai Lertsutiwong	119,588	151,786	187,454	38,832	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Mr. Arthure Lang Tao Yih	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12. Mr. Hui Weng Cheong[1]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13. Mr. Tee Seeumpoenroj	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14. Ms. Kantima Lerlertyuttitham	20,945	37,644	56,555	19,394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15. Mr. Tachahat Hemakul[2]	-	5,996	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spouse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Minor Children	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: 1) Completed his term and retired on 4 January 2022

2) Head of Accounting Department

Board of Directors and Board-Committees

The board of directors

The Authorized Directors

Mr. Smith Banomyong or Ms. Yupapin Wangviwat co-signing with Mr. Allen Lew Yoong Keong with the Company's seal affixed or Mr. Somchai Lertsutiwong co-signing with Mr. Smith Banomyong or Ms. Yupapin Wangviwat or Mr. Allen Lew Yoong Keong with the Company's seal affixed.

Reserved Key Matters for the Board's Approval

The Board of Directors has reserved its authorization over certain matters so as to protect the highest interests of the Company and its shareholders, including:

- Capital expenditure and expense which exceeds the approval authority of the relevant sub-committee or executives
- Strategic investments in new business and divestments
- Significant policies
- Material contracts
- Material litigation
- Dividend policy

The Segregation of the Duties of the Board of Directors and Management

It is the duty of the Board of Directors to govern the operations in accordance with the provisions of the law, the Company's objectives, articles of association, the resolutions of the shareholders' meetings, and the Corporate Governance Policy. In governing the Company, the directors must exercise their business judgment and act in what they reasonably believe to be the best interests of the Company and its shareholders. The Management is responsible for implementing the Company's strategy, achieving the planned objectives, and handling the day-to-day administration and affairs of the Company. The Chairman of the Board is an independent director who is not authorized to sign and bind the Company.

The Segregation of the Duties of Chairman of the Board of Directors and Chief Executive Officer

The Chairman of the Board of Directors and the Chief Executive Officer shall not be held by the same person and both are competent with the appropriate experience and qualifications for their positions.

Roles of Chairman of the Board of Directors	Roles of Chief Executive Officer
• To perform the leadership roles of the Board of Directors; • To perform the chairperson's roles of the Board of Directors' meeting, the Shareholders' meeting and the Non-Executive Directors' meeting; • To collaborate with the Chief Executive Officer in setting the Board meeting agenda; • To promote the directors' contribution to the company's ethical culture and good corporate governance; • To promote the directors to debate important matters thoroughly; • To coordinate with the directors and executives for constructive relations.	• To formulate and identify the vision statement, mission, strategies, business plan and annual balance scorecard (BSC) index proposed to the Board of Directors for approval. Monitor the progress against budget and plan as well as report the results to the Board of Directors regularly; • To manage and control the business of the company in accordance with the company's vision statement, mission, strategies, and business plan; • To seek new business opportunities which are consistent with the company's vision, direction and strategies; • To reserve and strengthen the capability of a competent management team to achieve the company's goals and strategies. Identify and recruit qualified candidates to succeed senior management; • To coordinate with directors and executives.

Term of Directorship

1. According to the Public Companies Act B.E. 2535 and the Articles of Association, at the annual general meeting of shareholders, one-third of the directors shall vacate office. If one-third is not a round number, the number closet thereto shall be the applicable number. The directors who have held office the longest shall vacate. The vacating directors may be re-elected.
2. In the case of a vacancy in the position of director, for reasons other than completion of the term, the Board of Directors shall appoint a new director, with the required qualifications and without any characteristics that would prohibit him/her from acting as director, according to article 68 of the Public Companies Act B.E. 2535, to serve as a new director in the board meeting, excluding such case where the remaining term is less than two months. Such appointed directors shall assume the position for the remaining term of the vacating director.

The Scope of Authority and Duties of the Board of Directors

The Board of Directors represent all shareholders, not one particular group of shareholders. Nonetheless, the number of directors nominated by the controlling shareholders corresponds fairly to the shareholding percentage in the Company. The scope of authority and duties of the Board of Directors is as follows:

1. Perform its duties with honesty, integrity and prudence in accordance with the law and the Company's objectives and Articles of Association including the resolutions of shareholders' meeting, and carefully protect the Company's interests;
2. Set out the vision, policy and direction of the Company's operations and supervise the management team to act in accordance with the plans which are set out efficiently and effectively, and thereby maximize the economic value and wealth of the Company and its shareholders;
3. Consider and approve major issues such as large investments, purchase of assets etc. and any actions/transactions as prescribed by law;
4. Approve and/or agree to major related transactions between the Company and its subsidiaries in compliance with the relevant notifications, regulations and guidelines of the Stock Exchange of Thailand;
5. Assess the performance of the Chief Executive Officer and high-level executives, and assign appropriate remuneration on a regular basis;
6. Be responsible for overseeing operational results and the management team's performance to ensure due attentiveness and care;
7. Arrange appropriate accounting systems, including the production of financial reports and a reliable auditing system; oversee and monitor the effectiveness and efficiency of the internal control, internal audit and risk management systems;
8. Ensure avoidance of the conflict of interests amongst the Company's stakeholders;
9. Supervise business operations to enforce ethical work standards;
10. Annually review the Company's Corporate Governance Policy and assess due compliance;
11. Report on the execution of the Board of Directors' responsibility to prepare financial reports, along with the external auditor's report in the annual report covering key issues according to the Company's policy statement and the Stock Exchange of Thailand's Code of Best Practices for Directors of a Listed Company.

The audit and risk committee

Terms of Membership of Audit and Risk Committee

1. A Committee Member shall serve for a term as long as they are serving on the Board of Directors. A retiring member may be re-elected. For a committee member who has completed a total of nine years, or three consecutive terms, the Board of Directors shall review their respective independent qualifications each year.
2. A Committee Member who wishes to resign during his or her term of office must give notice to the Chairman of the Board of Directors. The resignation date is effective upon the Company receiving the notice. A new qualified member shall be considered to fill the vacancy for the remaining unexpired term. The Board of Directors must fill the vacancy within 90 days from the date on which such Committee Member resigned.

In the case that all members vacate office except otherwise by reason of disqualification or as prohibited by law, the Audit and Risk Committee shall remain in office as necessary until a new Audit and Risk Committee is appointed.

The Scope of Authority and Duties of the Audit and Risk Committee

1. Review the accuracy of the Company's financial reports in accordance with legally defined Accounting Standards and Financial Reporting Standards, and to ensure there is adequate disclosure;
2. Review the qualifications, independence, and overall performance of the external auditors including rotation of the external auditors and recommend to the Board the proposal to shareholders on the appointment, reappointment or removal of the external

auditors, and the auditor's remuneration, as well as to make a decision in the case where the management and the external auditors cannot agree on financial reports or limitations of audit engagement;

3. Hold a meeting with the external auditor without management in attendance, at least once a year;
4. Review the policy on the engagement of the external audit firm to provide a non-audit service to the Company;
5. Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine the Internal Audit's independence, as well as to approve the appointment, transfer, dismissal, performance appraisal and remuneration of the Chief Audit Executive, and to hold a meeting with the Head of Internal Audit without management in attendance in order to review limitations of internal audit engagement that might impair independence;
6. Review and approve the Internal Audit Charter, annual audit plan including budget and audit resources, and internal audit activities, as well as the Office of Internal Audit's collaboration and coordinate with the external auditor;
7. Oversee the quality of the Internal Audit being reviewed independently by external assessor once every 5 years;
8. Review that the Company has established an appropriate and effective risk management system, and to support the Board of Directors in overseeing enterprise risks, whereby the Committee shall have the following duties and responsibilities:
   (a) to consider the Company's enterprise risk management framework which comprises risk appetite, risk capacity, and tolerance, including enterprise risk management, and to review adequacy of the enterprise risk management policy prescribed by Risk Management Committee prior to the proposal to the Board of Directors;
   (b) to independently consider and recommend to the Board of Directors the enterprise risk oversight to ensure appropriate risk assessment, monitoring, reporting and control activities;
   (c) to assess the adequacy and appropriateness of strategic risk management for the business sustainability by overseeing and balancing performance and risk taking, as well as to consider risks impacting all concerned stakeholders and persons;
9. Review that the Company complies with the requirements of The Securities and Exchange Commission, SET and all laws relating to its business;
10. Review all connected transactions and possible conflicts of interest to ensure they are in compliance with the laws and regulations of Regulators to ensure that all transactions are reasonable and beneficial to the Company and all its stakeholders;
11. Review the Company's compliance with Fraud and/or Misconduct Reporting and Whistleblower Protection Policy, consider all concerns of misconduct or fraud and the investigation report quarterly, act as the one channel to receive the notification of complaints according to such policy, and concur on the preparation and revision of Fraud and/or Misconduct Reporting and Whistleblower Protection Guidelines;
12. Oversee the Anti-Bribery and Corruption Policy and its programme to ensure compliance with legal and ethical obligations, as well as to review the self-evaluation form for anti-corruption system development for the voluntary Thai Private Sector Collective Action Against Corruption (CAC) certification;
13. Prepare, and to disclose in the Company's annual report, an Audit and Risk Committee's report which must be signed by the Committee's Chairman and consist of at least the following information:
   (a) an opinion on the accuracy, completeness and credibility of the Company's financial report;
   (b) an opinion on the adequacy of the Company's internal control system and the effectiveness of risk management;
   (c) an opinion on the compliance with the law on securities and exchange, SET's regulations, or the laws relating to the Company's business;
   (d) an opinion on the suitability of an auditor;
   (e) an opinion on the transactions that may lead to conflicts of interests;
   (f) the number of the Committee meetings, and the attendance of such meetings by each committee member;
   (g) an opinion or overview comment received by the Committee from its performance of duties in accordance with the charter; and
   (h) other transactions which, according to the Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors;
14. Continue the inspection when the external auditor informs the Committee of any suspicious circumstances that the director, manager or any person responsible for the operation of such juristic person commits an offence under the law on the Securities and Exchange and the Audit and Risk Committee shall report the result of preliminary inspection to the Office of the Securities and Exchange Commission and the external auditor within thirty days;

15. Report the discussion and/or decision of the Audit and Risk Committee at its meetings and make recommendations as necessary to the Board of Directors at least four times a year. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts, which may materially affect the Company's financial condition and operating results, the Audit and Risk Committee shall report it to the Board of Directors for rectification within the period of time that the Audit and Risk Committee thinks fit:
    (1) any transaction which causes any conflict of interest; or
    (2) any fraud, irregularity, or material defect in an internal control system; or
    (3) any infringement of the law on securities and exchange, SET's regulations, or any law relating to the Company's business,

    If the Company's Board of Directors or management fails to make a rectification within the period of time under the first paragraph, any Audit and Risk Committee Member may report on the transaction or act under the first paragraph to the Office of the Securities and Exchange Commission or SET;
16. Have the authority to invite concerned executives, management and officers of the Company to express opinions, attend meetings or deliver documents as deemed necessary;
17. In performing their duties and responsibilities assigned, the Audit and Risk Committee may engage consultants or experts to provide opinions, advice or work, if necessary;
18. Conduct the Audit and Risk Committee's individual and group self-performance assessment annually;
19. Review this charter annually and propose to the Board of Directors for approval if changes are needed;
20. Perform other duties as assigned by the Board of Directors of the Company with the consent of the Audit and Risk Committee.

Other board committees

Terms of Membership of Other Board Committees

1. Members of the Board Committees may hold their posts for as long as they are serving on the Board of Directors. Any Member who vacates office at the end of their term may be re-elected.
2. In addition to section (1), membership of the Board-Committees will be automatically cancelled in the following situations: Death, Resignation, being disqualified as a sub-committee member, Removal from office by resolution of the Board of Directors.

The Nomination and Compensation Committee

The Board of Directors' resolution on 21 October 2021 approved the adjustment of the roles and responsibilities of the Leadership Development and Compensation Committee by merging with the Nomination and Governance Committee under the new title "Nomination and Compensation Committee." The roles and responsibilities of the Nomination and Compensation Committee shall cover those of the dissolved leadership development and compensation committee and nomination and governance committee.

The Scope of Authority and Duties of the Nomination and Compensation Committee

1. Fix appropriate annual remuneration in monetary and/or non-monetary form of the Board members and unclassified level executives ("UC-Level Executives") for the benefit of shareholders;
2. Consider and approve the annual bonus allocation of the Board members;
3. Determine policy and guidelines to designate appropriate remuneration of the Board members and UC-Level Executives and propose to the shareholders for consideration and approval as applicable;
4. Review and approve the Company's performance in order to determine the annual KPI bonus and merit-based salary increase across the Company;
5. Consider and approve the long term incentive plan and all related processes;
6. Consider and approve the performance evaluation of the Company's Chief Executive Officer ("CEO") and those UC-Level Executives in order to determine their annual bonus, merit-based salary increase and long term incentive;
7. Disclose policies governing the directors' remuneration in the annual report;
8. In consultation with CEO, identify and evaluate potential successors of CEO and those UC-Level Executives, and report regularly to the Board on executive succession planning;
9. In consultation with CEO, prepare succession plans and policies for CEO and those UC-Level Executives;
10. Oversee the processes by which CEO and UC-Level Executive are evaluated;

11. Draw up criteria and policy with respect to the nomination of Board members and Board committee members of the Company;
12. Consider and nominate appropriate persons to become Board members and/or Board committee members to the Board and/or the shareholders for their approval, as the case may be;
13. Supervise implementation of the policies on good corporate governance of the Company, annually review such policy including recommendation of any revision thereof for further consideration by the Board;
14. Engage consultants or independent persons to provide opinions or advice if necessary, especially on leadership development;
15. The Committee is accountable to the Board and under obligation to explain its decisions at the shareholders' meetings and answer any questions that may arise;
16. Annually review and reassess the adequacy of this charter and propose any changes to the Board for approval;
17. Report regularly to the Board on matters within the scope of the Committee, as well as any special issues that merit the Board's attention;
18. Request members of the management or staff to attend the Committee meeting or provide pertinent information on the matters under discussion;
19. Perform other tasks requested by the Board.

The Sustainable Development Committee

The Scope of Authority and Duties of the Sustainable Development Committee

1. Define policy, strategy, operating target and sufficient budget including any other relevant action in connection with sustainability development and propose to the Board of Directors for approval;
2. Propose any material issues of the Company in connection with sustainability development to the Board of Directors for consideration;
3. Ensure that the implementation of sustainability development policy and strategy meets the target;
4. Advise and assist the Chief Executive Officer concerning the sustainability development operations;
5. Report the sustainability development performance to the Board of Directors;
6. Review the sustainability development report and propose to the Board of Directors for approval;
7. Oversee the compliance of the Human Rights Policy;
8. Perform other tasks as designated by the Board of Directors.

The Executive Committee

The Scope of Authority and Duties of the Executive Committee

1. Formulate the Company's strategic direction, management structure, and annual business plan and budget for the Board of Directors' approval;
2. Manage the Company's business operations in order to achieve the planned objectives and targets;
3. Monitor the Company's financial and operating results, and keep the Board members informed by monthly report;
4. Identify and evaluate new business opportunities;
5. Review and make recommendations to the Board of Directors regarding the Company's dividend policy;
6. Review and approve all transactions concerning investments and disposal of assets, human resource management, finance and treasury, general administration and any other transaction related to the Company's business within the limits of delegated approval authority granted by the Board of Directors;
7. Review matters that require the Board of Directors' approval and make appropriate recommendations with the exception of activities that have been delegated to other Board sub-committees;
8. The Committee may delegate its authority to any member of the management or staff as it deems appropriate. However, such authority does not permit the Committee or appointed persons to approve any transaction between them or related persons having mutual benefits or conflicts of interest (as prescribed in the Company's Articles of Association and Notifications of the Securities and Exchange Commission). The approval for transactions shall be in accordance with the policies and principles already determined by the Board of Directors and regulatory bodies;
9. Engage consultants or independent persons to provide opinions or advice if necessary;
10. The Committee may ask members of the management or other persons to attend its meetings or provide pertinent information as necessary;
11. Report to the Board of Directors on a quarterly basis regarding the material actions taken by the Committee under the Chief Executive Officer Report agenda;
12. Annually review its own performance and assess the adequacy of the Charter, which may be done in conjunction with the annual evaluation of the Board of Directors and its other committees, conducted under the oversight of the Nomination and Compensation Committee; and
13. Take any other action or assume any other powers and responsibilities that may from time to time be assigned or delegated to the Committee by the Board of Directors.

Nomination of Directors and Management

Criteria and procedure for director nomination

1. The Nomination and Compensation Committee (NCC) is responsible for identifying and selecting qualified candidates to be appointed by the Board of Directors or proposed through the Board of Directors for election at the shareholders' meetings in accordance with the Company's Articles of Association.
2. In connection therewith a board skill matrix to identify gaps in the Board of Directors' current composition, the NCC considers the overall compositions of skills and qualifications of present directors and the current profile of new nominated directors, the characteristics required of directors in terms of diversity (i.e. gender, age, and experience), illegal records, and the Company's current and future business directions. In conducting the annual review of nomination criteria and procedures, the NCC in identifying nominating candidates also considers the sources of recommendations from current board members and shareholders, professional search firms, or Thai Institute of Directors' director pool, etc.
3. In determining whether to recommend a director for re-election, the director's performance, history of attendance at and participation in meetings, and other contributions to the activities undertaken by the Board of Directors are taken in to consideration. In case of independent directors, their respective independence qualifications shall also be considered.
4. The appointment procedure of the Board members at the shareholders' meeting shall be as follows:
   (1) Each shareholder shall be entitled to one vote for each shareholding;
   (2) Each shareholder shall be entitled to cast all the votes as defined under (1) to elect one or several persons to be the Company's director(s) but cannot split their votes for any particular person or persons;
   (3) Persons who receive the highest number of votes, arranged in order from highest to lowest in a number equal to that of the number of directors to be appointed, are elected to be the Company's directors. In the event of a tie at a lower place, which would make the number of directors more than required, the Chairman of the meeting shall have the casting vote.

In the case of a vacancy for the position of director, for reasons other than the completion of the term, the Board of Directors shall appoint a new director, with the required qualifications, and without any characteristics that would prohibit him/her from acting as director, to serve as a new director in the board meeting, excluding such case where the remaining term is less than two months. Such appointed director shall assume the position for the remaining term of the vacating director. To approve such new director appointment, a resolution must be passed by not less than three-fourths of the total remaining directors.

The Company provides an opportunity for minority shareholders to nominate qualified candidates for election as the Company's directors in advance, at least three months prior to the fiscal year end date and through SET's disclosure channel. In 2021, no minority shareholder nominated a candidate for director appointment.

Nomination of chief executive officer and management

The Nomination and Compensation Committee shall nominate the suitable person(s) either internally or externally including the preparation of a succession plan relating to the principle of considering the qualified person(s) either internally or externally. The Nomination and Compensation Committee may consider hiring professional consultants if required.

In addition, the Company shall prepare the succession plan of the high level head of the unit up by identifying the suitable persons to hold such positions, and shall utilize the human resource development and management system to prepare the subordinates for succession.

On 16 September 2021, the Nomination and Compensation Committee proposed the top executive succession plan to the Board of Directors' Meeting including recommendations for further improvement of the succession plan.

Remuneration for Directors and Management

Director and management remuneration policy

The Company has specified the remuneration for directors which reflects their duties and responsibilities and at a rate similar to the industry standards and companies of similar size. The remuneration is considered to be appropriate to retain quality directors within the Company. The remuneration for the directors and management is in accordance with the Company's operational performance and the performance of the individuals.

The Nomination and Compensation Committee will determine the necessary and appropriate remuneration in both monetary and non-monetary terms for the Company's directors, members of the sub-committees, and the Chief Executive Officer, including senior executives reporting directly to the Chief Executive Officer. Additionally, the Directors' Compensation Survey published by the Stock Exchange of Thailand and the Thai Institute of Directors Association shall be considered annually.

The remuneration policy and budget for directors and members of the board-committees shall be proposed, respectively, to the Board of Directors meeting and the Company's general shareholders' meeting, which is held on an annual basis.

Directors' remuneration

Directors' Remuneration Policy for the Year 2021

Total monetary remuneration for the Chairman of the Board of Directors, independent directors, and non-executive directors totaling 6 persons was Baht 26.82 million. The remuneration was paid from the director's individual performance results and approved by the general meeting of shareholders, held on 29 March 2021, in an amount not exceeding than Baht 36 million which comprised monthly allowances, meeting allowances and bonus payments.

Director	Monetary Remuneration (Baht)		
	Monthly Retainer	Meeting Allowance	Bonus
The Board of Directors			
· Chairman	300,000	x	✓
· Member	75,000	25,000	✓
Audit and Risk Committee/Executive Committee			
· Chairman	25,000	25,000	✓
· Member	x	25,000	✓
Other Board-Committees			
· Chairman	10,000	25,000	✓
· Member	x	25,000	✓

Notes: :

1) Directors who are executives or employees of the Company or its controlling shareholders are not entitled to receive such remuneration.
2) Chairman of the Board of Directors is not entitled to receive an additional monthly retainer or meeting allowance when he or she holds any chair or membership of the board-committees.

The Remuneration for 6 Directors in the Year 2021 is as Follows:

Name	Position	Monthly Retainer (Baht)	Meeting Allowance (Baht)	Bonus (Baht)	Others (Baht)
Mr. Kan Trakulhoon	- Independent Director - Chairman of the Board of Directors - Chairman of Nomination and Compensation Committee - Chairman of Sustainable Development Committee	3,600,000	-	3,160,000	-
Mr. Krairit Euchukanonchai	- Independent Director - Chairman of Audit and Risk Committee - Former Member of Nomination and Governance Committee [2] - Member of Other Board Committees	1,200,000	1,200,000	3,085,000	-
Mr. Surasak Vajasit	- Independent Director - Former Chairman of Nomination and Governance Committee [2] - Member of Nomination and Compensation Committee [3] - Member of Audit and Risk Committee - Member of Other Board Committees	1,000,000	1,200,000	2,194,000	-
Mr. Gerardo C. Ablaza, Jr.	- Independent Director - Former Member of Leadership Development and Compensation Committee [2] - Former Member of Executive Committee - Member of Audit and Risk Committee [4]	900,000	825,000	2,163,600	-
Mr. Somprasong Boonyachai (Former Board Member)	- Vice Chairman of the Board of Directors - Non-Executive Director - Member of Sustainable Development Committee	750,000	525,000	1,729,930	-
Mr. Prasan Chuaphanich (Former Board Member)	- Independent Director - Chairman of Sustainable Development Committee - Member of Audit and Risk Committee	850,000	675,000	1,772,450	-
Total [1]		**8,300,000**	**4,425,000**	**14,104,980**	

Remark:

1) The above payments are the transactions during 2021 period including bonus 2021 paid in February 2022.
2) The Board of Directors resolved to approve the adjusting of roles and responsibilities of the Board Committee on 21 October 2021. The Leadership Development and Compensation Committee was merged into the Nomination and Governance Committee under the new title "Nomination and Compensation Committee." The roles and responsibilities of Nomination and Compensation Committee cover those of the dissolved leadership development and compensation committee and nomination and governance committee.
3) Mr. Surasak Vajasit had been appointed as Chairman of Nomination and Compensation Committee during 21 October 2021 - 1 November 2021. Thereafter, Mr. Surasak Vajasit has been assigned to be another member of Nomination and Compensation Committee.
4) Mr. Gerardo C. Ablaza, Jr. was appointed as a member of Audit and Risk Committee on 21 October 2021
5) Other is per diem which paid to directors in performing their duties for the Company when traveling either domestically or overseas.

Management's remuneration

Management Team

In addition to the Board of Directors and the Board Committees, the Company supports the performance of the Board of Directors with the following management team:

1. Mr. Somchai Lertsutiwong	Chief Executive Officer Acting Chief Corporate Officer
2. Mr. Goh Seow Eng*	Chief Operating Officer
3. Mr. Tee Seeumpornroj	Chief Finance Officer
4. Ms. Kantima Lerlertyuttitham	Chief Human Resources Officer

Remark
*Mr. Goh Seow Eng was appointed as Chief Operating Officer replacing Mr. Hui Weng Cheong who completed his term and retired on 4 January 2022.

CEO and Management's Compensation Principles

"The Company's compensation principles seek to drive the top executives in delivering strategic objectives that enhance value to shareholders over both short and long term. The Board of Directors delegates to the Nomination and Compensation Committee to annually reviews and approves the Executives' Compensation Policy with respect to the following principles.

Pay for Performance

- The compensation is performance-based and tied directly to the achievement of Company's strategic objectives and individual accomplishment.
- Performance metrics comprises of financial, strategic, and key operational objectives over short, medium, and long term. The appropriate success metrics, targets and threshold are set to drive outperformance.

Align with Shareholder Interest

- The compensation elements are set to align the interest of the top executives with the shareholders in order to enhance long term value for shareholders.
- Allow for claw-back to recover or cancel certain incentives in circumstances such as misconduct, resignation or termination of employment.

Be Competitive

- Compensation is regularly benchmarked against the market and the relevant sectors to ensure attraction and retention of talents and critical roles.

Balance Short- and Long-Term Focus

- The compensation structure is designed to balance the achievement of both short- and long-term priorities to ensure the sustainability of the business and proper risk management.

CEO & Management Compensation Structure

Our management compensation structure aims to provide a fair balance between fixed and performance-driven components, with higher weight applied to the performance-related components for the more senior levels to reflect their impact on driving business strategy and performance.

Component	Reward Element	Form of reward	Purpose	Pay to			Link to performance metrics
				CEO	Top Executives	Other Executives	
Fixed Compensation and benefit	Base Salary	Cash	· Attract and retain talented individual · Provide for ongoing performance and delivery in position"	●	●	●	· Reflect the job value and responsibilities · Recognize individual performance, experience and leadership competencies · Regularly reviewed to align with the market movement"
	Benefit	Provident Fund, Health insurance, and others	Establish a proper level of individual welfare with respect to age, health, and lifestyle	●	●	●	· Comply with legislative requirement · Provide extra benefits beyond legal compliance with respect to local market practice · Not link to individual performance"
Performance Related Variable Compensation	Short-Term Incentives: Annual Performance Bonus	Cash	Incentivise and recognise execution of the business strategy on annual basis	●	●	●	· Link to the achievement of the corporate and individual performance against pre-determined annual targets · Higher weightage of performance measurement comes from the achievement of corporate KPIs for more senior executives · Annual corporate performance is measured through both financial and non-financial metrics as well as key strategic priorities
	Long-Term Incentives: Value-Sharing Compensation	Cash	· Reward and drive delivery of long-term & sustainable growth that enhance shareholder value · Retain key talented individual"	●	●	●	· Link to the achievement of the corporate long term value creation combining of both net profit target and absolute total shareholder return. · Based on three-year performance period and time-vested over three years, subject to continued employment at the point of vesting

In 2021, the remuneration for four (4) executives was in total of Baht 114.46 million* which comprised of salary, bonus, provident fund and other benefits.

Remark :* The total remuneration for management in the amount of Baht 114.46 million includes Mr. Hui Weng Cheong's remuneration who completed his term of retirement on 31 December 2021

Performance Measurement Framework

The company's performance metrics are defined to guide the executives and employees in executing and delivering strategic priorities over the short-, medium- and long-term horizon. The metrics comprises key indicators (KPIs) to meet financial, strategic and key operational objectives and are set annually in accordance with the business direction and priorities. The corporate KPIs are incorporated as part of the individual performance measurement with an aim to foster collaborative culture across the organization. An increasing percentage of achieving corporate KPIs applies to the more senior levels across the organization

In 2021, the financial metrics contributed the largest weight with the focus on growing our business while managing cost effectively and retaining strong financial health amid the pandemic. The strategic and operational metrics prioritized for maintaining market leading position, building growth in home broadband, enterprise business and new digital business while coping with the rapid change of digitalization within both customer-facing and back-end operation as well as ensuring customer experience and building digital readiness of our employees.

Long-Term Cash Plan Incentive

The company Long-term incentive plan is determined to drive individual performance that aligns to the long-term growth and shareholder value creation. The total final award is calculated based on the vesting criteria for 3-year performance period which defines performance achievement levels. The vesting schedule is time-base over 3-year, subjected to continued employment. Both vesting criteria and award outcomes are shown below.

Long Term Incentive : Vesting Criteria

3-year Cumulative Net ProfitAfter Tax Target (weight = 50%)		3-year Absolute Total Shareholder Return (weight = 50%)	
Performance	Vesting level (times)	Performance	Vesting level (times)
Outstanding	1.25	Outstanding	1.25
Meet Target	1.0	Meet Target	1.0
Threshold	0.5	Threshold	0.5
Below Threshold	0.0	Below Threshold	0.0

Warrants

The Company has issued warrants as part of the long term performance-base incentive from 2013 to 2017. The top 4 executives, defined by the notification of the Office of Securities and Exchange Commission, were granted warrants as follows.

		2017	%	2016	%	2015	%	2014	%	2013	%	Total
1. Mr. Somchai Lertsutiwong	Units	88,700	6.3	56,800	6.87	51,600	5.92	29,816	4.38	19,824	4.89	246,740
2. Ms. Kantima Lerlertyuttitham	Units	44,300	3.1	33,200	4.01	0	n/a	0	n/a	0	n/a	77,500

Notes: % of total warrants issued.

Company Secretary Mr. Chavin Chaivatcharaporn has been assigned to perform duties in accordance with Section 89/15 of the Securities and Exchange Act B.E. 2535 (1992) and to give advice to the Board of Directors in order to comply with relevant rules and regulations pertaining to the responsibilities of directors. In this regard, the Company Secretary also ensures that the Company acts in accordance with the Board of Directors' resolution as well as ensures that the Board of Directors acts in compliance with related laws and notifications.

Head of Compliance Ms. Nattiya Poapongsakorn is responsible for overseeing the Company's operations and transactions to ensure that the company is in compliance with SET/SEC regulations for listed companies and other enforcements related to Public Company Limited Acts.

In this regard, the credentials of the company secretary and head of compliance are provided in the section profile of the director and management on page 133.

Personnel

In 2021, the total amount of compensation for all employees of the Company and its subsidiaries was Baht 8,498 million, comprising salary, bonus and provident fund payments and as of 31 December 2021, the Company and its subsidiaries consist of 12,909 employees (including temporary staff). The proportion of employees participating in the provident fund is 83% of the total number of employees as follows:

Key Operations	Number of Employees
Regional operations	2,887
Customer service	2,786
Technology and information	2,169
Consumer business (including new business development)	1,802
Enterprise business	1,816
Fixed broadband business	424
Digital business	174
Supporting Unit	851
Total	12,909

The Company and its subsidiaries have put in place the recruitment guidelines, along with retention guidelines for quality employees as well as collaborating with leading universities in Thailand and abroad to organize activities, while publicly introducing the organization. The Company also offers career opportunities to talented students to join AIS in order to foster new ideas for AIS's new businesses, while retaining quality employees. AIS also places great emphasis on assisting employees to develop an individual career growth plan, especially a group of highly qualified employees. In this regard, employees are guided by their supervisors and they are provided with a set tool to assist them in developing their skills and knowledge in order to align with the "AIS career model".

Corporate culture and human capital development

AIS encourages employees at all levels to have good relationships with one another through a "Fit Fun Fair" corporate culture. AIS also provides full support to employees, especially in the area of knowledge and skill development, including appropriately allocating man power, offering financial support in order to develop and strengthen employee capacities to meet their fullest potential. AIS has also established AIS Academy and Technical Knowledge Management ("TKM") to study and develop new learning courses for both in the online learning platform (LearnDi) and conventional classroom as well as promoting employee reading through (ReadDi). Both departments have gradually revised learning strategies to meet the employees' needs such as applying the knowledge gained to perform duties, innovating new products and services, including access to a wide range of knowledge, while being able to manage employee's self-learning by emphasizing reskill and up-skill strategies that align with the concept of "Learning from Anywhere at Anytime" as follows:

1. Arranging to have various modern digital training courses, including develop new employees' capabilities (i.e. RPA, 5G for everyone, 5G for business, Cloud for non-technical) to meet the Company's new business needs.
2. Requiring every employee to have an Individual Development Plan (IDP), including employees' learning outcome follow-up process.
3. Promoting a collaborative working style between employees and supervisors through one-on-one coaching strategy & coaching culture (on-going communication) and through MS Team technology.
4. Establishing a Leadership Development Plan for key positions.
5. Creating an educational network to develop training courses through external party cooperation, while gradually disseminating new knowledge and skills to every employee to use it for business development purposes (i.e. 5G courses, Technical & Non-technical, Cyber Security), including training courses related to international standards that are very important to the organization (i.e. ISO 27001: 2013 – Information Security Management System).
6. Implementing standardized learning and performance assessment. In this regard, the information concerning "Human Capital Development" can be found in the Sustainability Development Report 2021.

Compensation and benefits

The Company has established a fair and transparent compensation policy which is in compliance with the legislative requirement and market practice as well as ensuring competitiveness to the market offering. The remuneration is consistent with the individual and corporate performance as well as reflects leadership competency, alignment to the corporate culture and compliance to the business code of ethical conduct. In addition, the Company provides relevant

welfare benefits such as provident fund, life & health insurance, scholarships for employees' children, other welfare allowances and the Wellness Center offering health consultations to employees by medical specialists.

In addition, the Company places great emphasis on the occupational health and safety of employees by establishing the Occupational Health and Safety Committee, along with developing and implementing Occupational, Health and Safety Policy and Occupational, Health and Safety employee's handbook. More details can be found in the Sustainability Report in the Company's website.

Communicating and fostering good relationships among employees

AIS provides a formal communication channel in the form of an online platform ("AIS DooDi") ("AIS DiGi") that allows every employee to have access to the Company's communications at any time (24/7). In addition, the Company and its subsidiaries also provide a work system that helps facilitate employees' Working from Anywhere ("WFA") lifestyle such as MS Team and One Drive applications in order to work effectively in the office, outside the premises (Offsite) or (Work from Home: WFH). In addition, the Company uses other communication channels to communicate with every employee such as the representatives (People Champion) of each respective business unit, the podcast "From the Desk of CEO", SMSs, e-mails, etc.

Audit fee and non-audit fee

In 2021, audit fee and non-audit fee of the Company and its subsidiaries are as follows:

The company's audit fee

The Company's Audit fee (Baht)	1,714,000
Annual audit fee for the consolidated financial statements, and quarterly review fee for the financial statements (Baht)	712,000
Total	2,426,000

The aforementioned audit fee for the year 2021 excluded the non-audit fee paid for consultancy fee for management report solution, consultancy fee for Private Sector Collective Action against Corruption (CAC project) and the valuation assurance of the Company's the fifth warrants to purchase ordinary shares granted to executives in the amount of Baht 2,460,000 and the pocket expense in the amount of Baht 107,189.

The company's subsidiaries audit fee

Subsidiaries*: Audit fee and quarterly review fee (Baht)	8,861,900
Number of Subsidiaries (companies)	17

The above audit fees for the year 2021 excluded non-audit fees paid by subsidiaries for the auditing fee relating ledger account in the telecommunications industry and others in the amount of Baht 892,000 and out of pocket expense in the amount of Baht 415,758 to audit firm and persons or business related to the auditors and the audit firm.

Internal Control and Internal Audit

Internal control

AIS constructed an internal control system using the COSO Internal Control – Integrated Framework 2013 (COSO 2013) of the Committee of Sponsoring Organizations of the Treadway Commission, which comprises 5 components and 17 principles. The purpose of the system is achieving key objectives in business operation, financial reporting, and compliance with relevant regulations. It also supports the enhancement of business performance and safeguards shareholder investments and company assets.

Board Meeting No. 2/2022 on 7th February 2022, attended by four independent members, three of which are Audit and Risk Committee members, assessed the AIS internal control system in accordance with assessment guidelines from the Securities and Exchange Commission (SEC) based on documentation prepared by management and the Audit and Risk Committee Report. The assessment covered the COSO 2013's five components – that is, control environment, risk assessment, control activities, information and communication, and monitoring activities. The Board of Directors concluded that AIS has appropriate and adequate internal controls, whereby an adequate number of competent employees have been assigned to perform duties to ensure efficient operations. AIS also established and deployed internal control systems to oversee its subsidiaries so as to safeguard assets from misuses and to prevent engagement in business that could cause a conflict of interest. The Board assessed that AIS and its subsidiaries have adequate internal controls.

In addition, consolidated and separate financial statements of AIS and its subsidiaries ended 31 December 2021 were audited by independent certified public accountants in conformance with Thai Standards on Auditing ("TSAs"). The external auditors exercise professional judgment, maintain professional skepticism, and address any concerns throughout the audit. The external auditors also identify and assess the risk of material misstatement of consolidated and separate financial statements, whether due to fraud or error, then design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or an override of internal control. Furthermore, the external auditors obtain an understanding of internal controls relevant to the audit in order to design procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AIS and its subsidiaries' internal control. After auditing, the external auditors express unmodified opinions on the consolidated and separate financial statements of AIS and its subsidiaries.

Internal control activities in 2021 can be summarized as follows:

1. Control Environment

- **AIS is committed to integrity and ethical values. The Board of Directors and management established a Corporate Governance Policy, Code of Business Ethics, and the Anti-Bribery and Corruption Policy** to have directors, executives and employees at all levels embrace integrity, ethical values, honesty, accountability, transparency, and legal compliance with the interests of business partners, communities and environment taken into consideration. These policies were communicated to all directors, executives and employees for acknowledgement and adherence. AIS also promoted its Code of Business Ethics and Anti-Bribery and Corruption Policy to its joint venture employees and other related parties including outsourced staff and business partners. Annual assessments of understanding of the Code of Business Ethics and the Anti-Bribery and Corruption Policy have been conducted for ten and six consecutive years, respectively.

Furthermore, in 2010, the Board of Directors approved the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy (previously known as "Reporting and Investigation of Misconduct and/or Fraud and Whistleblower Protection Policy") and a guideline for fraud and/or misconduct reporting and whistleblower protection in support of the Policy in order to provide whistle-blowing channels and parameters for receiving complaints, confidentiality, whistle-blower protection, investigation, and penalties on perpetrators.

- **The Board of Directors oversees Management and is independent from Management.** The Board of Directors comprises a diverse range of capable individuals. The Chairman of the Board of Directors is independent. The Board has more than one-third being independent or 36% of board members. For details, please see the Corporate Governance, page 110. Sub-committees of the board oversee and supervise internal audit, risk management, sustainability, good governance, leadership development and compensation for the committees. Results of each committee are reported to the Board of Directors on a quarterly basis. For details, please see the Management Structure, page 123.

- **Management designates the appropriate structure and reporting composition of the company to achieve its various goals under the oversight of the Board of Directors.** Emphasis is placed on balance, prudence, agility, and receptiveness to disruption. Authority and responsibilities are delegated to employees based on the demonstrated competence of each person. Segregation of Duties (SoD) is applied to ensure checks and balances. All personnel are responsible and accountable for internal controls, while the Office of Internal Audit performs its duties independently, reporting functionally to the Audit and Risk Committee, which oversees internal auditing to ensure checks and balances.

- **AIS places a high value on its human resource management,** with strategies in place to enhance organizational efficiency. Employees are encouraged to use their full potential to strengthen the organization's competitiveness while adhering to labor laws and taking into account human rights. AIS also strives to provide a pleasant working environment for all employees while pursuing sustainable business objectives and fostering the "FIT, FUN, FAIR" corporate culture. The focus is on developing personnel to be competent with 5G technology and digital literacy, and perform their duties professionally with a sense of ownership to the business as well as creating an innovative and modern workplace. In addition, the corporate culture aims to create work-life balance, encourage loyalty to the company and retain high potential personnel with strong commitment. AIS has also created a culture of innovation for employees in achieving its goal to be an innovative organization through communications, activities and management support. For details, please see the Digital Innovation section of the AIS Sustainability Report, page 21. AIS Academy works to enhance the competencies of employees, which include innovative thinking, strategic thinking and growth mindset, to keep pace with the changing business environment. Employees are encouraged to improve their knowledge, including theories and applying cases as well as practical skills through approaches such as e-learning, classrooms, workshops, and learning activities. Furthermore, the Company maintains a policy for employees and their superiors to design and carry out Individual Development Plan (IDP) annually to build and maintain knowledge, skills, and capabilities underpinning each employee's current and future career, as well as to lay the foundation towards career development. Corporate culture and core values are considered in order to create a positive work environment, facilitate lifelong learning, spur employee achievement, and create a sense of pride to support sustainable business operations.

- **The Board of Directors maintains a succession plan to ensure business continuity** covering the succession of Senior Management, such as Chief Executive Officer (CEO) and Business Unit Heads. The succession plan which entails identifying and developing company leaders serves to ensure proper preparation of potential leaders for their future roles. Successor criteria and selection are carried out transparently and with fair practice, with leadership development in place to prepare successors for their future roles. In addition, the

Company identified key functions to set the plan to facilitate business continuity. For example, the system development process relating to engineering and IT systems operated by service providers requires periodic knowledge transfers as well as systematic documentation to ensure continuity of workflow.

- **Each year, the Board of Directors and Senior Management establish the corporate key performance indicators** as a basis of strong linkage between business direction, its performance and the remuneration at all levels including the Board of Directors, executives, permanent and temporary employees and outsourced staff. Performance measurement is set by taking into consideration both qualitative and quantitative factors, comprising of business objectives, leadership competencies, as well as behavioral evaluation in accordance with the corporate culture and in compliance with the Code of Conduct. Senior Management has mandated all managers jointly set objectives and goals with their subordinates as well as provide positive and constructive feedback to their subordinates in order to encourage performance improvement.

2. Risk Assessment

- **AIS devotes importance to the management of risks relevant to the achievement of its objectives and manages risks at the organization-wide and operation levels.** The Risk Management Committee collaborates with the Enterprise Risk Management Department to carry out risk assessment and management. For details, please see Risk Management, page 45. From 1st January 2019, the Board of Directors placed the Enterprise Risk Management (ERM) Framework under the oversight of the Audit and Risk Committee. The framework comprises relevant policies, risk appetite, risk capacity, and tolerance. The Audit and Risk Committee reviews enterprise risk management and the adequacy of Risk Management Policy stipulated by the Risk Management Committee prior to proposal to the Board of Directors. The Audit and Risk Committee is also responsible for considering and providing advice on risk oversight to the Board of Directors and assessing the adequacy and appropriateness of strategic risk management.

3. Control Activities

- **AIS maintains written control measures appropriate to its risks and specific characteristics** with consideration to its environment, complexity, features, and operational scope. The measures extend to processes such as policies and regulations to do with finances, purchasing, connected transactions, securities trading by Board members, executives and employees and cover approval authority for different items across the different levels of management. These activities mix manual controls and automatic controls for preventive control and detective control. Segregation of Duties (SoD) is in place to ensure checks and balances with respect to record keeping, approval and relevant resource management. All policies and regulations are reviewed periodically for appropriateness.

- **AIS has selected and developed appropriate technological control systems** to ensure the integrity, continuity, security, development and maintenance of its information technology system and assigned a dedicated department to maintain its technology infrastructures and software. In addition, the Personal Data and Cyber Security Committee was formed to establish the directions, guidelines, principles and frameworks for cybersecurity management and personal data protection for the Company and its stakeholders. The Committee is also tasked with educating personnel to ensure compliance with the policies, standards, frameworks and work instructions; and to provide recommendations and legal advice to ensure accurate and appropriate practices. From this foundation, AIS has secured the computer and information systems of AIS and its subsidiaries from any intrusion, theft, destruction, interruption, or infiltration that would damage its business operations. AIS also established its Data Privacy Policy, revised on 8 February 2021, which applies to itself and its subsidiaries to protect customer data as required by applicable laws. Data Protection Officer (DPO) was appointed to oversee the Company's collection, use, and disclosure of personal data to ensure compliance with Thailand's Personal Data Protection Act, B.E. 2562 (2019), and other applicable laws, as well as to

oversee data classification to ensure that it is carried out in accordance with the Company's Data Classification and Handling Framework, which determines data sensitivity and how to collect, use, and destroy each classified data. For details, please see Data Privacy & Cyber Security section of AIS Sustainability Report, page 31. Moreover, AIS manages internal and external threats by limiting access to critical information systems such as mobile networks, computer networks and databases while maintaining a dedicated team for responding to violations. Automated monitoring takes place around the clock and relevant teams are notified to take action if a breach occurs.

- **The Board of Directors, management and supervisors are responsible for clarifying purposes and internal control activities to all relevant personnel to ensure proper practice.** Furthermore, the Three Lines Model, which facilitates strong governance and risk management, has been adopted for every department tasked with the First Line Roles and Second Line Roles, as well as the Office of Internal Audit entrusted with the Third Line Roles, to underpin operations in achieving the objectives, improving the effectiveness of internal controls, and mitigating risks to an acceptable level in a timely manner

4. Information & Communication

- **AIS emphasizes quality information to underpin internal control activities.** AIS information systems are efficient, up-to-date, and continually improved to allow for the processing of large amounts of data into managerial information (Big Data analysis) in a timely manner, empowering competitiveness with consideration to costs and benefits.

- **AIS regularly produces material reports for its Board of Directors to inform decision** or ahead of board meetings as required by law, as well as produces the minutes of such meetings in adequate detail for storage by the Company Secretary Office for review or reference.

- **AIS maintains efficient internal communication** An internal communication team communicates strategies and transmits messages internally through several efficient channels such as the AIS DooDi web portal, Microsoft Teams application, SMS, e-mail, and People Champions. Special channels include the weekly "Aunjai Station" podcast, which allows for closer ties between staff and executives via the AIS LearnDi platform, and Virtual Town Hall, which communicates important information to all employees to ensure the inclusive sharing of pertinent information. In addition, the Company also provides communication channels via Board Portal and the Company Secretary Office for the Board of Directors, Executive Committee and Sub-Committee.

- **Directors, management, employees, stakeholders and outsiders can safely report cases of misconduct or fraud** via channels prescribed in the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy, or directly to the Audit and Risk Committee at e-mail: AuditandRisk Committee@ais.co.th, to Chief Executive Officer at the Company's address, to the Chief Human Resources Officer at e-mail: HR-Nokweed@ais.co.th, to the Head of Audit Business Unit at e-mail: nokweed@ais.co.th, or to the Company Secretary at e-mail: Companysecretary@ais.co.th as well as to the Nokweed hotline 020293333. Under the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy, informants shall be protected. Towards raising awareness on misconduct and fraud, AIS communicates story of infractions and penalties from actual cases with names omitted.

- **Communication with outside stakeholders is done** through the Company Secretary Office and Investor Relations Department. Channels are also available for inquiry and recommendation to the Board of Directors.

5. Monitoring Activities

- **AIS Management and Supervisors established processes to monitor the effectiveness of the internal control system** such as follow-up meetings, irregularity investigation and control self-assessment, whereby the Office of Internal Audit is tasked with assessing the effectiveness of internal control systems independently, and reports results to the Audit and Risk Committee on a monthly basis. The Audit and Risk Committee presents findings to the Board of Directors and holds meetings with External Auditors to assess the adequacy and effectiveness of internal control systems on a quarterly basis.

- **When a significant internal control deficiency is detected, Management analyzes the root cause** and assigns employees to remedy the issue in a timely manner. The Board of Directors has prescribed levels of deficiencies that require Management or the Office of Internal Audit to report to the Audit and Risk Committee immediately; for example, matters with high financial impact, damage to Company reputation, non-compliance with laws and regulations, violation of key control systems or possible fraud. The Office of Internal Audit and other assigned departments are responsible for following up on Management's corrective actions and reporting to the Audit and Risk Committee until the matter is completely remediated.

Internal audit

Mr. Montri Khongkruephan was appointed Head of Audit Business Unit on 1st October 2021. His expertise in the field and understanding of the Company's functions and operations support his role and responsibilities. Approval, appointment, dismissal, or transfer of the Head of Audit Business must be concurred by the Audit and Risk Committee.

For the Head of Audit Business Unit's portfolio, please see page 133.

Roles and Responsibilities of the Head of Audit Business and Office of Internal Audit

1. The Head of Audit Business Unit reports directly to the Audit and Risk Committee, which ensures that the Office of Internal Audit performs internal auditing with independence, objectivity, integrity and expertise in adherence to the internal audit standards. The Head of Audit Business Unit reports administratively to the Chief Executive Officer.
2. The Office of Internal Audit operates independently under the Internal Audit Charter, which clearly specifies the internal audit mission, scope, authority, responsibilities, and procedures. The Charter is revised periodically for appropriacy.
3. The Office of Internal Audit's duties include provision of assurance and consulting services through the evaluation of effectiveness and efficiency of internal control systems, risk management systems, and good governance in order to support the Company's business objectives and targets.
4. The Office of Internal Audit prepares its annual audit plan in accordance with the strategic direction of AIS and its subsidiaries, changes in risk levels and the Audit and Risk Committee's diretives. The plan is drafted based on severity of risks with a focus on critical risks to AIS operations, objectives, and strategies. In 2021, the internal audit plan focused on the effectiveness of key operational controls, as well as fraud prevention and control self-assessment. The plan was approved by the Audit and Risk Committee. Audit reports and follow-up on corrective actions taken by Management were reported for the Audit and Risk Committee's consideration on a monthly basis.
5. Additionally, the Office of Internal Audit acts as Secretary to the Audit and Risk Committee, supporting its oversight as assigned by the Board of Directors. The Office of Internal Audit also acts as a channel for internal or external parties to file complaints on suspected misconduct and fraudulent actions. After receiving such complaints, the Office of Internal Audit will initiate fact-finding and investigate in accordance with the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy, and report findings to the Audit and Risk Committee on a monthly basis.
6. The Head of Audit Business Unit may be asked to take on additional roles and responsibilities outside of internal auditing, such as providing advice on internal controls, risk management, business ethics, and information security, all under the supervision of the Audit and Risk Committee to ensure that the Head of Audit Business Unit's independence is not impaired by Management.

7. The Office of Internal Audit regularly coordinates with external auditors to ensure that audit scopes appropriately cover all critical risks.
8. The Office of Internal Audit adheres to the International Professional Practices Framework and revises the Internal Audit Charter and the Internal Audit Manual on a regular basis. In addition, it conducts internal auditing quality self-assessment on an annual basis. The Office of Internal Audit also receives a Quality Assessment Review (QAR) by external, independent assessors every five years to ensure it adds value to stakeholders and promotes the sustainable development of the Company's internal control system, risk management and good governance. The previous two QAR results from external, independent assessors suggested that the Office of Internal Audit generally conforms to international standards, ranking it "Standard" when benchmarking against other internal audit functions globally. The third QAR by external, independent assessors was scheduled in 2021, with the results due in the second quarter of 2022.

Internal Audit Activities in 2021 and Future Plans

1. **Encouraging Management to Implement Internal Control Systems and Self-Business Assurance Effectively**

   The Office of Internal Audit supports AIS and its subsidiaries in enhancing the understanding and implementation of good internal control systems in accordance with the COSO's 2013 framework and the Three Lines Model. Several workshops with Management were held to remedy internal control deficiencies. In addition, the Office of Internal Audit promoted self-business audit concepts and developed tools, such as the Second Line Roles website, to facilitate Control Self-Assessment (CSA) by Management.

2. **Promoting Awareness of the Code of Business Ethics and Fraud Risks Among Company Employees**

   In 2021, the Office of Internal Audit raised awareness and understanding in the Code of Business Ethics and Fraud Risks among company employees in order to ensure compliance with the code and the Fraud and/or Misconduct Reporting and Whistleblower Protection Policy. Several workshops were held for promoted executives and published meterials were communicated internally to raise fraud prevention awareness. Furthermore, the fraud risk universe, which covers internal and external frauds, was prepared and has been revisited regularly.

3. **Aligning Internal Audit Activities with The Digital Era**

   The Office of Internal Audit developed and deployed Robotic Process Automation (RPA) in 2018 as a tool to automatically analyze the data from multiple databases. Data analytics tools were adopted and applied to internal audit activities to boost agility and accuracy, as well as to serve as an early warning tool of potential risks to the Company or internal control deficiencies, with machine learning in progress. Moreover, a digital-first mindset was promoted among all internal auditors. The Automated Audit Program (AAP) was further enhanced to facilitate all internal audit activities. Risk identification, risk assessment, audit program planning and data analysis are now all done through RPA tools. Other electronic tools were also enhanced, such as an e-report system used for preparing and submitting audit reports, electronic customer satisfaction surveys, corrective action follow-up, etc. In 2020, during the COVID-19 situation, internal audit teams adapted internal auditing and used technological tools such as Microsoft Teams, eMemo and secure remote access, to work from anywhere at any time to ensure business continuity. All employees were obligated to strictly follow Cyber Security Framework and Data Classification Framework when performing their duties.

4. **Evolving Into a Trusted Advisor**

   Since 2018, the Office of Internal Audit has enhanced its advisory role, reviewing all functions, from revenue assurance and expenditure to compliance with regulatory requirements and applicable laws, such as sales and marketing processes, cybersecurity, payments, engineering, and legal matters. RPA tools have been employed for analysis of supporting data and strengthening the Second Line Roles as a basis for operation, driving each internal auditor forward on its path to being a Trusted Advisor in line with the Internal Audit Roadmap. Tools to support predictive risk insight and emerging risk alert are being developed for early warning.

Internal Audit Training and Competency Development

1. **Pursuit of Knowledge and up-to-date International Professional Practice Standards**

   To enhance the effectiveness of AIS's internal audit and stay relevant, the Office of Internal Audit regularly reviews and adopts updated local and international professional practices and standards relating to internal controls, risk management, good governance and other fields.

2. **Integrated and Innovative Auditing**

   The Office of Internal Audit encourages all internal auditors to acquire more skills and to enhance their competencies in order to perform the integrated audit. They are also encouraged to be innovative and develop more effective and efficient audit techniques.

3. **Competency Development Roadmap Based on the Global Internal Audit Competency Framework**

   Internal auditors are encouraged to continuously improve their competencies by acquiring a diverse range of knowledge and skills applicable to existing and emerging business models at AIS. The Office of Internal Audit developed a "Development Roadmap" according to the roles and responsibilities of the Office of Internal Audit with consideration to the global internal audit competency framework of The Institute of Internal Auditors (The IIA) as follows:

   3.1 Core Competency

   3.2 Essential Competency

   Each internal auditor is to attend at least 12 days of training per year according to the established strategy.

4. **Acquiring Related Professional Certificates to Promote the Internal Auditor Profession**

   All internal auditors are encouraged to self-develop and build expertise by acquiring professional auditor certifications and other relevant qualifications. At present, 17 out of 49 internal auditors, or 35%, obtained the following 36 certificates.

Certificates	Details	Number of IA Staff with Certificates (persons)
Certified Internal Auditor (CIA), USA	An Internal auditing diploma certifying knowledge on internal auditing practices and understanding of internal auditing, risks and other currently relevant topics.	7
Certified Information System Auditor (CISA), USA	A control auditing and information system security validation diploma for professional enhancement towards international acknowledgement.	4
Certified Information Systems Security Professional (CISSP), USA	A diploma of knowledge in all 10 areas of the "Common Body of Knowledge" of information security, namely; Access Control, Telecom & Network Security, Application & System Development Security, Security Management, Cryptography, Security Management, Operation Security, Business Continuity Planning & Disaster Recovery Planning, Law Investigation & Ethic and Physical Security.	1
Certified Data Privacy Solutions Engineer (CDPSE)	Certification for IT professionals, focusing on validating the technical skills and knowledge it takes to assess, build and implement a comprehensive privacy solution, mitigating risks, and improving efficiency on a global scale.	1
Certification in Risk Management Assurance (CRMA), USA	A diploma designed for internal auditors and risk management staff responsible for or with experience in enhancing risk management assurance, good governance, quality assurance or control self-assurance with respect to business environment assessment and enterprise risk management, as well as the provision of advice and assurance on such matters.	8
Certified Professional Internal Audit of Thailand (CPIAT), Thailand	A certificate for internal auditors in Thailand enhancing internal auditing knowledge and skills	1
Certified Public Accountant (CPA), Thailand	Certified Public Accountants have competency in accounting practices and standards, auditing, related laws, information systems, computer literacy and accounting reporting	6
Tax Auditor (TA), Thailand	Tax Auditors have competency in accounting practices and standards, auditing, the Revenue Code and the Civil and Commercial Code	1
Information Security Management Systems Auditor/Lead Auditor: ISO/IEC 27001:2013	A diploma of competency in information security management systems and the principles of assessment according to ISO/IEC 27001:2013 and principles of information security and fundamentals of assessment in accordance with ISO27001:2013.	3
Business Continuity Management System Auditor/Lead Auditor : ISO 22301:2012	A certification of competency in internal and external threat management for business continuity for performing auditing according to the ISO 22301:2012 international standard.	2
CQI and IRCA Certified ISO 14001:2015 Lead Auditor	Certification of competency and specialization in providing advice on environmental protection, pollution prevention and compliance with relevant matters to ensure sustainable development according to ISO 14001:2015.	1
Microsoft Certified Professional (MCP)	Certification for Microsoft product specialist with expertise in server, desktop, and database management and is a developer.	1

A number of internal auditors are studying to acquire CIA, CISA, CDPSE and CFE (Certified Fraud Examiners) in order to support internal audit tasks as professionals and to meet international audit control standards.

Opinion of Audit and Risk Committee regarding Connected Transactions for 2021

Reference: AIS-ARC 006/2022 7 February 2022

Subject: Opinion of Audit and Risk Committee regarding Connected Transactions for 2021
To: Secretary-General
The Securities and Exchange Commission
Enclosures: Details of Connected Transactions

We, the Audit and Risk Committee of Advanced Info Service Public Company Limited, "the Company", whose names appear hereinafter, hereby provide an opinion with respect to **the connected transactions executed by the Company with those parties thereof** who were considered as having a conflict of interest in 2021, as set out in the Enclosures.

After having considered such matters, we are of the opinion that Management conducted such transactions for the benefit of the Company at an arm's length basis with general business trading condition and reasonable price when compared with the general market price in such industry.

Kindly be informed accordingly

Yours sincerely

(Mr. Krairit Euchukanonchai)
Chairman of the Audit and Risk Committee

(Mr. Surasak Vajasit)
Audit and Risk Committee member

(Mr. Gerardo C. Ablaza, Jr.)
Audit and Risk Committee member

Related transaction

The Company and its subsidiaries have entered into related transactions with connected persons. All of these related transactions are made in the ordinary course of business and on general trading conditions.

To be aligned with the Security and Exchange Act (No. 4) B.E. 2551, Article 89/12 (1), the Company's Board of Directors has approved in principle, on 13 August 2008, that the management shall have the authority to undertake the related transactions, whereas those transactions are transactions with general trading conditions. The approval of the above transactions shall not constitute such authority to allow the director, an executive, or a related person to approve with a conflict of interest.

For approval process, the related transactions shall be processed in the same practice as other general trading transactions with outside parties with the authorized executives designated and empowered to endorse up to a certain limit of budget according to their respective rank and position. The Audit and Risk Committee of the Company and its subsidiaries is responsible for reviewing the related transactions every quarter to ensure that no conflict of interest will be occurred in order to maximize the overall company's benefits.

All of these related transactions in the future shall be made in the ordinary course of business and on general trading conditions with market rate. And no transfer pricing of all related transactions between the company and related parties and related person.

For the period year ended 31 December 2021, the Company and its subsidiaries had the related transactions in which the auditors had disclosed in the notes to audited financial statements and these transactions have been reviewed by the Audit and Risk Committee. The Audit and Risk Committee had an opinion that all related transactions are reasonable and based on the normal course of business. The Company charges / purchases products and services with related parties at reasonable prices and those prices are comparable to the market rate with general trading conditions. Details of related transactions are as follows;

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
1. Intouch Holding Public Company Limited. (INTOUCH)/ INTOUCH is a major shareholder, holds 40.44% - Co-directors: 1. Mr. Sarath Ratanavadi 2. Mr. Kan Trakulhoon 3. Ms. Yupapin Wangviwat 4. Mr. Smith Banomyong 5. Ms. Jean Low Ngiap Jong 6. Mr. Arthur Lang Tao Yih	The subsidiaries pay service fee and interest expense from long-term debentures to Intouch. While the subsidiaries provide mobile services and handset sales to INTOUCH.							
	Sales and services							
	1. Service income	1.20	7.01	1.20	3.24	1.20	3.64	The subsidiaries charge mobile services and handset sales at the same rate as external customers.
	2. Other income	0.38	0.43	-	-	-	-	
	3. Trade and other accounts receivable	0.44	3.86	0.11	1.12	0.11	1.26	
	Purchase of goods and services							
	1. Rental and Other service expenses	4.41	4.53	7.04	6.35	4.25	4.25	The subsidiaries pay service fee and interest expense to INTOUCH at the same rate as others parties
	2. Trade and other accounts payable	1.20	1.56	0.93	1.09	0.89	0.89	
	3. Interest expenses	-	1.76	-	1.52	0.14	0.27	
	4. Debenture	-	51.50	-	15.00	-	-	
2. Group of Gulf Energy Development Public Company Limited. (GULF)/ GULF is a major shareholder of INTOUCH, holds 42.25% - Co-directors: 1. Mr. Sarath Ratanavadi 2. MS.Yupapin Wangviwat 3. MR.Smith Banomyong	The subsidiaries provide domestic and international phone services and handset sales to GULF.							
	Sales and services							
	1. Service income	-	-	-	-	-	27.28	The subsidiaries charge mobile services and handset sales at the same rate as external customers.
	2. Trade and other accounts receivable	-	-	-	-	-	21.13	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
3. Thaicom Public Company Limited. (THAICOM)/ INTOUCH is a major shareholder, holds 41.13%	The subsidiaries pay US$ 92,800 per month for leases satellite transponder from THAICOM. The contract has effective to 19 November 2021 and pay US$ 7,200 per month for internet satellite. The contract has effective to 19 November 2022 While the subsidiaries provide domestic and international phone services and handset sales to THAICOM.							Thaicom is the only satellite operator in Thailand.
	Sales and services							
	1. Service income	-	6.63	-	8.01	-	5.03	The subsidiaries charge mobile services and handset sales at the same rate as external customers.
	2. Other income	0.19	0.96	-	-	-	-	
	3. Trade and other accounts receivable	0.17	2.56	-	2.21	-	1.96	
	Purchase of goods and services							
	1. Rental and Other service expenses	-	55.81	-	53.11	-	44.61	The subsidiaries pay service fee (transponder) to THAICOM at the same rate as external customer.
	2. Trade and other accounts payable	-	4.92	-	5.83	-	3.51	
	3. Interest expenses	-	0.08	-	0.41	0.21	0.81	
	4. Debenture	-	0.90	-	-	-	-	The Company pays interest expense to THAICOM at the same rate as others partie
	5. Purchases of property and other assets	-	2.14	-	0.30	-	-	
	6. Lease liability	-	-	-	-	-	21.31	
4. Group of SingTel Strategic Investments Private Limited (SingTel)/ SingTel is a major shareholder of the Company, holds 23.31%.	The subsidiaries enter into an agreement with companies of SingTel group: - The joint International Roaming operation services (IR) - Network telecom service operator i.e. International Private Leased Circuit (IPLC) and content services.							The agreement is under the ordinary course of business and both parties charge each other at the accepted price by deduct profit margin from their customers at the same rate as other operators.
	Sales and services							
	1. Service income	-	125.17	-	52.20	-	22.31	The subsidiaries charge IR at the same rate as other operators and content services at the same rate as other content providers.
	2. Other income	-	3.83	-	4.86	-	-	
	3. Trade and other accounts receivable	0.42	40.62	0.42	15.55	0.43	21.96	
	Purchase of goods and services							
	1. Rental and other service expenses	-	280.92	-	257.92	4.66	188.36	The subsidiaries pay IPLC, IR fee at the same rate with other operators and pay service fee (content) at the same rate as other content providers.
	2. Trade and other accounts payable	8.82	33.11	8.28	46.04	59.18	98.01	
	3. Interest expense	-	-	-	0.34	-	0.26	
	4. Lease liabilities	-	-	-	13.30	-	14.58	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
5. I.T. Applications and Services Company Limited (ITAS)/ INTOUCH is a major shareholders, holds 100%.	The subsidiaries hire ITAS to provide SAP solution and application development. While the subsidiaries provide mobile services to ITAS.							ITAS provides SAP application development and improvement, including maintenance services. The services are timely and rapidly while the service fee is reasonable.
	Sales and services							
	1. Service income	-	1.61	-	0.56	-	0.04	The subsidiaries charge mobile services at the same rate as external customers.
	2. Other income	0.04	0.15	-	0.02	-	12.10	
	3. Trade and other accounts receivable	0.04	0.55	-	-	-	-	
	Purchase of goods and services							
	1. Rental and other service expenses	-	142.84	-	56.70	-	-	The subsidiaries pay consultant fee depend on the type of work and the level of consultant and develops application to ITAS with the same rate as other SAP consultant.
	2. Purchases of property and other assets	-	66.43	-	35.83	-	-	
	3. Trade and other accounts payable	-	55.32	-	35.03	-	-	
6. Thai Advance Innovation Company Limited (THAIAI)/ INTOUCH is an indirect major shareholder.	The subsidiaries hire THAIAI to advertising on satellite television. While the subsidiaries provide mobile services and handset sales to THAIAI.							THAIAI has a specialization in media service, content services on satellite television and satellite dish distributor.
	Sales and services							
	1. Service income	-	0.04	-	0.95	-	0.26	The subsidiaries charge mobile services and handset sales to THAIAI at the same rate as external customers.
	2. Other income	-	0.03	-	-	-	-	
	3. Trade and other accounts receivable	-	0.03	-	0.82	-	0.02	
	Purchase of goods and services							
	1. Rental and other service expenses	-	2.31	-	3.00	-	1.07	The subsidiaries pay advertising fee at the same rate as other parties.
	2. Trade and other accounts payable	-	2.60	-	0.08	-	0.18	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
7. Lao Telecommunications Company Limited (LTC)/ INTOUCH is an indirect major shareholder.	The subsidiaries have cooperated with LTC to provide international roaming (IR).							LTC, the telecommunications service provider in Laos, provides fixed line, mobile phone, internet, and international roaming services. Roaming price is based on market rate.
	Sales and services							
	1. Service income	-	26.71	-	17.91	-	14.69	The subsidiaries charge IR services at the same rate as external customers.
	2. Other income	-	-	-	5.25	-	-	
	3. Trade and other accounts receivable	-	2.91	-	4.90	-	8.08	
	Purchase of goods and services							
	1. Rental and other service expenses	-	5.04	-	3.74	-	3.53	The subsidiaries pay roaming fee to LTC at the same rate as other parties.
	2. Trade and other accounts payable	-	0.52	-	0.27	-	0.27	
8. Ookbee Company Limited (OOKB)/ INTOUCH is a direct shareholder, holds 11.86%.	The subsidiaries hire Ookbee to provide E-booking application on smartphones and tablets by charging per monthly. While the subsidiaries provide mobile services to Ookbee.							Ookbee is a provider digital publication and E-Booking company such as books, magazines or newspaper on smartphones, tablets and computers.
	Sales and services							
	1. Service income	-	0.93	-	0.66	-	0.60	The subsidiaries charge mobile services at the same rate as external customers.
	2. Trade and other accounts receivable	-	0.12	-	0.04	-	0.09	
	Purchase of goods and services							
	1. Rental and service expenses	-	0.43	0.02	4.33	-	7.63	The subsidiaries pay service fee (Content on mobile) by the percentage of revenue at the same rate as other content providers.
	2. Trade and other accounts payable	-	1.72	-	0.74	-	0.24	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
9. Information Highway Company Limited (IH)/ AIS is an indirect major shareholder.	IH provides facilities services under financial lease and transmission network to the subsidiaries. While the subsidiaries provide mobile services to IH.							IH provides facilities services under financial lease and transmission network.
	Sales and services							
	1. Service income	-	0.05	-	0.05	-	0.05	The subsidiaries charge mobile services at the same rate as external customers.
	Purchase of goods and services							
	1. Rental and service expenses	-	82.31	-	80.51	-	72.00	The subsidiaries pay transmission network fee to IH at the comparison rate as other providers.
	2. Trade and other accounts payable	-	10.22	-	6.56	-	6.28	
	3. Interest expense	-	2.77	-	12.84	-	10.48	
	4. Financial lease liabilities	-	29.41	-	-	-	-	
	5. Lease liabilities	-	-	-	459.31	-	424.58	
10. Krung Thai Bank Public Company Limited (KTB)/ - Co-directors: Mr. Krairit Euchukanonchai.	KTB provides financial services to the subsidiaries. While the subsidiaries provide mobile services to KTB.							KTB is a provider of full financial services such as bank deposit, arranging loan, merchant services and other services.
	Sales and services							
	1. Service income	-	24.26	-	35.31	-	243.73	The subsidiaries charge mobile services and handset sales at the same rate as external customers.
	2. Trade and other accounts receivable	-	1.13	-	12.48	-	74.21	
	3. Interest income	-	-	-	-	-	0.05	
	Purchase of goods and services							
	1. Bank deposits and Interest income	0.88	177.87	0.93	136.64	1.30	203.17	The subsidiaries receive interest income from bank deposit and pays interest expense from borrowing at the same rate as other commercial bank.
	2. Rental and service expenses	-	0.11	-	0.26	-	0.23	
	3. Trade and other accounts payable	-	40.39	-	84.34	0.02	76.13	
	4. Debenture	-	20.00		20.00	5.00	25.00	
	5. Long-term loan and Interest expense	-	3,188.81		15,212.61	0.18	15,303.98	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
11. High Shopping Company Limited (HIGH)/ INTOUCH is an indirect major shareholder. (Sold on 16 Sep 2021)	The subsidiaries provide mobile services to High Shopping.							High Shopping is a provider of digital content services to customer through TV, mobile devices, the internet and other advertising channels.
	Sales and services							
	1. Service income	-	6.20	-	4.18	-	3.41	The subsidiaries charge mobile services and handset sales at the same rate as external customers.
	2. Trade and other accounts receivable	-	0.31	-	0.35	-	-	
12. TC Broadcasting Company Limited (TCB)/ INTOUCH is an indirect major shareholder.	TCB provides equipment system and television signal service to the subsidiaries.							TCB is a provider Radio broadcasting and Satellite telecommunications activities.
	Sales and services							
	1. Trade and other accounts receivable	-	-	-	-	-	1.15	The subsidiaries pay services fee (transmission) to TCB at the same rate as other providers.
	Purchase of goods and services							
	1. Rental and service expenses	-	5.58	-	6.62	-	4.88	
	2. Trade and other accounts payable	-	0.50	-	1.55	-	0.78	
13. Golfdigg Company Limited. (GOLFD)/ INTOUCH is a direct shareholder, holds 25.00%.	The subsidiaries provide mobile services to Golfdigg.							Golfdigg is a provider of the golf-course booking application on smartphone.
	Sales and services							
	1. Service income	-	0.12	-	0.78	-	0.60	The subsidiaries charge mobile services at the same rate as external customers.
	2. Trade and other accounts receivable	-	-	-	0.03	-	0.04	
	Purchase of goods and services							
	1. Rental and service expenses	-	0.17	-	-	-	-	
	2. Trade and other accounts payable	-	0.26	-	0.10	-	0.10	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
14. Choco Card Enterprise Co., Ltd. (CHOCO)/ INTOUCH is a direct shareholders, holds 20.71%.	The subsidiaries provide mobile services to CHOCO.							CHOCO is a provider of digital marketing services and technology in CRM.
	Sales and services							
	1. Service income	-	0.18	-	0.18	-	0.05	The subsidiaries charge a mobile fee at the same rate as other parties.
	2. Trade and other accounts receivable	-	0.02	-	0.04	-	0.01	
15. Amata Network Company Limited. (AN)/ AIS is an indirect major shareholder	AN provides transportation rental to the subsidiaries. While the subsidiaries provide of management service and mobile services to AN.							AN is a provider of transmission network in Amata industrial estate.
	Sales and services							
	1. Service income	-	1.81	-	0.16	-	0.20	The subsidiaries charge mobile services at the same rate as external customers and management fee on mutual agreement.
	2. Other income	-	5.95	-	6.49	-	6.50	
	3. Trade and other accounts receivable	-	1.14	-	0.59	-	0.59	
	4. Sale of property and other assets							
	Purchase of goods and services							
	1. Rental and service expenses	-	26.38	-	37.66	-	43.55	The subsidiaries pay services fee (transportation rental) to AN at the same rate as other providers.
	2. Trade and other accounts payable	-	8.11	-	5.72	-	4.29	
	3. Interest expense	-	-	-	0.18	-	0.10	
	4. Lease liabilities	-	-	-	6.62	-	2.89	
16. BEC World Public Company Limited and its subsidiaries (BEC)/ - Co-directors: (Effective until 21 Oct 2021) Mr. Somprasong Boonyachai	The subsidiaries hire BEC to provide content on smartphone. While the subsidiaries provide mobile services to BEC.							The subsidiaries of BEC World provide content services such as television program and entertainment content on mobile application.
	Sales and services							
	1. Service income	-	6.26	-	4.92	-	1.86	The subsidiaries charge mobile services at the same rate as external customers.
	2. Other income	-	0.07	-	-	-	-	
	3. Trade and other accounts receivable	-	0.49		0.51		-	
	Purchase of goods and services							
	1. Rental and service expenses	-	6.52	-	5.58	-	13.63	The subsidiaries pay service fee (Content) by the percentage of revenue to BEC at the same rate as other content providers.
	2. Trade and other accounts payable	-	1.02	-	1.08	-	-	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
17. The Siam Cement Public Company Limited and its subsidiaries (SCG)/ - Co-directors: Mr. Kan Trakulhoon	SCG provides rental services to the subsidiaries. While the subsidiaries provide mobile services and handset sales to SCG.							SCG group is the largest cement and building material company in Thailand and Southeast Asia.
	<u>Sales and services</u>							
	1. Service income	-	51.43	-	44.73	-	45.36	The subsidiaries charge mobile services and handset sales at the same rate as external customers.
	2. Other income	-	0.03	-	-	-	-	
	3. Trade and other accounts receivable	-	6.17	-	7.92	-	10.52	
	<u>Purchase of goods and services</u>							
	1. Rental and service expenses	-	0.03	-	0.03	-	3.57	The subsidiaries pay rental fee (base station and electricity) to SCG at the same rate as other lessor.
	2. Interest expenses	-	2.91	-	0.92	-	0.55	
	3. Trade and other accounts payable	-	-	-	0.20	-	-	
	4. Debenture	-	-	-	20.00	-	-	
	5. Lease liabilities	-	-	-	0.10	-	0.02	
18. Rabbit - Line Pay Company Limited. (RLP)/ AIS is an indirect major shareholder.	RLP provides e-money and e-payment service to the subsidiaries. While the subsidiaries provide mobile services to RLP.							RLP provides e-money and e-payment service to serve customers in the digital economy.
	<u>Sales and services</u>							
	1. Service income	-	3.75	-	0.97	-	1.10	The subsidiaries charge mobile services at the same rate as external customers.
	2. Other income	-	-	-	0.10	-	-	
	3. Trade and other accounts receivable	-	0.86	-	0.33	-	1.74	
	4. Interest income	-	-	-	-	-	1.50	
	<u>Purchase of goods and services</u>							
	1. Rental and service expense	-	24.69	-	25.83	-	22.65	The subsidiaries pay service fee (e-money and e-payment) to RLP at the same rate as other providers.
	2. Trade and other accounts payable	-	4.54	-	6.15	-	6.87	
	3. Long-term loan	-	-	-	-	-	100	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
19. Osotspa Public Company Limited (OSP)/ - Co-directors: (Effective until 21 Oct 2021) Mr. Somprasong Boonyachai	The subsidiaries provide mobile services to OSP. While OSP provides rental services to the subsidiaries.							OSP is a Thailand-based consumer products company, with a focus on non-alcoholic beverages and selected personal care products.
	Sales and services							
	1. Service income	-	9.35	-	11.41	-	6.09	The subsidiaries charge mobile services at the same rate as external customers.
	2. Trade and other accounts receivable	-	2.44	-	3.90	-	-	
	Purchase of goods and services							
	1. Rental and service expenses	-	0.16	-	0.31	-	0.31	The subsidiaries pay rental fee (base station and electricity) to OSP at the same rate as other lessor.
	2. Interest expenses	-	0.03	-	0.02	-	-	
	3. Lease liabilities	-	-	-	0.06	-	-	
20. Intouch Media Co., Ltd. (ITMD)/ INTOUCH is a major shareholders, holds 100%.	ITMD provides a training services to the company and the subsidiaries.							ITMD provides a training service to companies within Intouch group
	Purchase of goods and services							
	1. Rental and service expenses	-	-	7.03	33.63	3.73	38.52	The subsidiaries pay training fee to ITMD at the same rate as other customer.
	2. Trade and other accounts payable	-	-	-	0.18	1.86	21.19	
21. YDM Thailand Co., Ltd. (YDM)/ INTOUCH is a direct shareholders, holds 8.11%.	The subsidiaries provide mobile services to YDM.							YDM is a provider of digital marketing services in a type of eco system.
	Sales and services							
	1. Service income	-	0.02	-	0.02	-	0.03	The subsidiaries charge a mobile fee at the same rate as other parties.
	Purchase of goods and services							
	1. Rental and service expenses	-	-	-	-	1.75	1.75	
	2. Trade and other accounts payable	-	-	-	-	0.07	0.07	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
22. SAHA Advanced Network Co., Ltd. (SAN)/ AIS is an indirect major shareholder.	The subsidiaries provide management and consultancy services to SAN. While SAN provides an equipment rental service to the subsidiaries							SAN is a provider of telecom infrastructure rental with in SAHAPATTANA industrial areas.
	<u>Sales and services</u>							
	1. Service income	-	-	-	-	-	0.17	The subsidiaries charge a management and consultancy fee at the reasonable.
	2. Other income	-	-	-	1.10	-	1.78	
	3. Trade and other accounts receivable	-	-	-	0.18	-	0.23	
	4. Sale of property and other assets	-	-	-	-	-	0.33	
	<u>Purchase of goods and services</u>							
	1. Rental and service expenses	-	-	-	0.01	-	1.31	The subsidiaries pay an equipment rental fee to SAN at the same rate as other parties.
	2. Trade and other accounts payable	-	-	-	0.01	-	0.03	
	3. Interest expenses	-	-	-	-	-	0.03	
23. Conicle Company Limited. (CNC)/ INTOUCH is a direct shareholders, holds 13.07%. - Executive is CNC's director: MS.Kantima Lerlertyuttitham.	The subsidiaries provide mobile services to CNC While CNC developed a LearnDi platform for the Company and its subsidiaries.							CNC is a provider of consulting software design and production of software
	<u>Sales and services</u>							
	1. Service income	-	-	-	-	-	0.02	The subsidiaries charge a mobile fee at the same rate as other parties.
	2. Trade and other accounts receivable	-	-	-	-	-	0.16	
	<u>Purchase of goods and services</u>							
	1. Rental and service expenses	-	-	-	-	0.20	6.55	The company and its subsidiary pays services fee for software creation, development of software systems and online training at the same rate as other providers.
	2. Trade and other accounts payable	-	-	-	-	-	7.80	
	3. Purchases of property and other assets	-	-	-	-	2.98	7.12	
24. Chomchob Group Company Limited. (CHMCHB)/ INTOUCH is a direct shareholders, holds 10.85%.	The subsidiaries provide mobile services to CHMCHB.							CHMCHB is a provider of point redemption, point pooling and reward redemption platforms.
	<u>Sales and services</u>							
	1. Service income	-	-	-	-	-	0.03	The subsidiaries charge a mobile fee at the same rate as other parties.
	2. Trade and other accounts receivable	-	-	-	-	-	0.01	

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
25. Ecartstudio Company Limited. (ECART)/ INTOUCH is a direct shareholders, holds 10.55%.	The subsidiaries provide mobile services to ECART.							ECART is a provider of developing smart city platforms.
	Sales and services							
	1. Service income	-	-	-	-	-	0.02	The subsidiaries charge a mobile fee at the same rate as other parties.
26. Datafarm Company Limited. (DTFARM)/ INTOUCH is a direct shareholders, holds 25.00%.	The subsidiaries provide mobile services to DTFARM.							DTFARM is a provider of design and installation of information network and computer system.
	Sales and services							
	1. Service income	-	-	-	-	-	0.01	The subsidiaries charge a mobile fee at the same rate as other parties.
	Purchase of goods and services							
	1. Rental and service expenses	-	-	-	-	-	0.25	
	2. Trade and other accounts payable	-	-	-	-	-	0.25	
27. ITV PLC. (ITV)/ INTOUCH is a major shareholder, holds 52.92%.	The Company pays interest expense from long-term debentures to ITV.							ITV invests AIS long-term debentures.
	Purchase of goods and services							
	1. Interest expenses	-	-	-	-	0.11	0.11	The Company pays interest expense to ITV at the same rate as others parties.

Related parties/Relation to the Company	Detail of transactions	Related transactions for the period 31 December 2019 (Million Baht)		Related transactions for the period 31 December 2020 (Million Baht)		Related transactions for the period 31 December 2021 (Million Baht)		Rational and necessity
		Company	Consolidated	Company	Consolidated	Company	Consolidated	
28. Thai Sri Insurance PLC. (THSI)/ - Co-directors: Mr. Surasak Vajasit	The Company pays interest expense from long-term debentures to THSI. The subsidiaries provide mobile services to THSI							THSI is a provider of insurance business
	<u>Sales and services</u>							
	1. Service income	-	-	-	-	-	0.26	The subsidiaries charge a mobile fee at the same rate as other parties.
	2. Trade and other accounts receivable	-	-	-	-	-	0.05	
	<u>Purchase of goods and services</u>							
	1. Trade and other accounts payable	-	-	-	-	0.04	0.04	The Company pays interest expense to THSI at the same rate as others parties.
	2. Interest expenses	-	-	-	-	0.38	0.38	
	3. Debenture	-	-	-	-	15.00	15.00	
29. Swift Dynamics Company Limited. (SWD)/ INTOUCH is a direct shareholders, holds 16.67%.	The subsidiaries provide mobile services to SWD.							SWD is a provider of services as a software consultant
	<u>Sales and services</u>							
	1. Service income	-	-	-	-	-	0.02	The subsidiaries charge a mobile fee at the same rate as other parties.
	<u>Purchase of goods and services</u>							
	1. Rental and service expenses	-	-	-	-	-	0.76	
	2. Trade and other accounts payable	-	-	-	-	-	0.76	

Financial Statements

Board of Directors' Responsibility for Financial Reporting

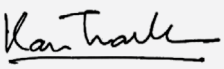
The Board of Directors is responsible for Advanced Info Service Public Company Limited's financial statements and Advanced Info Service Public Company Limited and its subsidiaries' consolidated financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board of Directors provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to retain its assets as well as to prevent fraud or materially irregular operations.

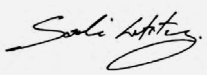
In this regard, the Board of Directors has appointed an Audit and Risk Committee comprising independent directors to be responsible for reviewing quality of the financial reports, internal controls, internal audit and risk management system. The Audit and Risk Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit and Risk Committee Report included in this annual report.

The separate financial statements and the consolidated financial statements of the Company have been examined by an external auditor, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, all records and related data, as requested, are provided to the auditor. The auditor's opinion is presented in the auditor's report as a part of this annual report.

The Board of Directors considers the Company's overall internal control system satisfactory and provides credibility and reliability to Advanced Info Service Public Company Limited's financial statements and Advanced Info Service Public Company Limited and its subsidiaries' consolidated financial statements for the year ended 31 December 2021. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.



(Mr. Kan Trakulhoon)
Chairman of the Board of Directors



(Mr. Somchai Lertsutiwong)
Chief Executive Officer

Report of the independent certified public accountants

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Advanced Info Service Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of Advanced Info Service Public Company Limited (the "Company") which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Advanced Info Service Public Company Limited and its subsidiaries and of Advanced Info Service Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
Revenue recognition There is a risk around the accuracy of the Group's revenue recorded given the complexity of IT systems and the impact of changing pricing models to revenue recognition. Furthermore, the application of revenue recognition accounting standards is complex. We focused our audit on the following areas of revenue recognition specifically relating to • accounting and tariffs during the year; • the accuracy of revenue recognition Accounting policies for revenue recognition were disclosed in Note 3.17 to the financial statements.	Key audit procedures included: • Evaluated the relevant IT systems and the design and implementation and operating effectiveness of controls over the capture and recording of revenue transactions. In doing so, we involved our IT specialists to assist in the audit of automated controls, including interface controls between different IT applications. • Evaluated the business process controls in place over the authorization of rate changes, the introduction of new plans and the input of this information to billing systems. We audited the access controls and change management controls for such systems. • Performed audit on the accuracy of customer bill generation on a sample basis and testing of a sample of the credits and discounts applied to customer bills; and testing cash receipts for a sample of customers back to the customer invoice. • Audited key reconciliations used by management from business support systems to billing systems to the general ledger to assess the completeness and accuracy of revenue. • Audited supporting evidence for manual journal entries posted to revenue accounts to identify any unusual items. • Validated with the assumptions and key management estimates adopted where revenue is recognized but they have not issued invoice yet and items that have been paid but still has an obligation to provide future services to customers • Audited of accuracy of TFRS 15 "Revenue from contracts with customers"

Key Audit Matters	Audit Responses
Significant commercial disputes and litigations The Group has several legal, regulatory and commercial disputes. There is a high level of judgment of managements required in estimating the level of provisioning required. The Group operates under the supervision of the National Broadcasting and Telecommunications Commission (NBTC). If NBTC has acted lawfully upon any interpretation amendments and/or enactment of new rules and regulations, the Group may not lawfully file a lawsuit and/or make any claim for any indemnification. In addition, the Group cooperates with state-owned enterprises such as National Telecom Public Company Limited. There is a risk of conflict between the entities from different interpretation in terms and conditions of contracts. We focused our audit on significant commercial disputes and litigations due to managements are required to use of judgment to estimate the provision for these significant commercial disputes and litigations. Accounting policy and significant commercial disputes and litigations were included in Note 3.22 and 38 to the financial statements.	Key audit procedures included: • Designed and performed audit procedures in order to identify litigations and disputes involving the Group which may give rise to a risk of material misstatement, including: - Inquired of management and in-house legal counsel about significant events, commercial disputes and litigation. - Reviewed minutes of meetings of those charged with governance about significant events, commercial disputes and litigation. - Sent legal confirmation to external legal counsel regarding to status of significant commercial disputes and legal cases. - Reviewed legal expense accounts. • Considered compliance with laws and regulations of the Group including: - As part of obtaining an understanding of the Group and its environment, we obtained a general understanding of: - The legal and regulatory framework applicable to the Group and the industry or sector in which the Group operates; and - How the Group is complying with that framework. - Inquired of management and those charged with governance, as to whether the Group is in compliance with such laws and regulations and inspecting correspondence, if any, with the relevant regulatory authorities such as NBTC. • Requested management to provide written representations that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to us and accounted for and disclosed in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
February 7, 2022

Statements of financial position

Advanced Info Service Public Company Limited and its subsidiaries as at December 31, 2021

UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
ASSETS					
Current assets					
Cash and cash equivalents	4, 35	12,739,290,035	18,420,768,856	469,911,679	614,805,617
Specifically-designated bank deposits	5	1,380,727,500	1,909,700,898	-	-
Restricted deposits at a financial institution		11,200,000	11,200,000	-	-
Trade and other current receivables	6, 35	16,552,288,496	17,781,189,871	422,384,607	1,753,889,823
Contract assets	7	1,819,810,542	1,448,322,973	-	-
Short-term loans to related parties	35	-	-	61,903,000,000	52,543,000,000
Inventories	8	2,104,297,782	2,372,085,732	-	-
Current tax assets		5,302,230	1,091,889	-	-
Other current financial assets	36	213,374,674	-	-	-
Other current assets		739,789,349	211,038,270	417,100	5,291,427
Total current assets		35,566,080,608	42,155,398,489	62,795,713,386	54,916,986,867
Non-current assets					
Other non-current financial assets	11	110,251,820	110,030,932	63,140,255	67,694,448
Investments in subsidiaries	10	-	-	37,354,147,807	33,819,366,390
Investments in joint ventures	9	947,662,308	799,044,580	299,999,900	-
Investment in an associate	9	35,212,965	31,588,188	-	-
Long-term loans to a related party	35	100,000,000	-	-	-
Property, plant and equipment	12	117,843,740,261	122,517,637,998	69,325,405	56,165,771
Right-of-use assets	13	50,574,034,229	58,722,695,215	189,294,472	225,706,272
Goodwill	14	2,881,699,659	2,881,699,659	-	-
Other intangible assets other than goodwill	16	10,864,294,734	7,122,852,880	6,391,349	6,404,436
Spectrum licenses	15	131,774,691,227	110,219,201,347	-	-
Deferred tax assets	17	4,235,516,325	4,120,355,274	487,521,346	485,422,372
Other non-current assets		1,288,558,803	1,490,072,824	104,665,131	318,804,496
Total non-current assets		320,655,662,331	308,015,178,897	38,574,485,665	34,979,564,185
Total assets		356,221,742,939	350,170,577,386	101,370,199,051	89,896,551,052

Notes to the financial statements form an integral part of these statements

Statements of financial position (continued)

Advanced Info Service Public Company Limited and its subsidiaries as at December 31, 2021

UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Short-term borrowings from financial institutions	18	-	4,900,000,000	-	-
Trade and other current payables	19, 35, 39	45,055,417,432	40,570,674,698	2,777,862,906	2,779,757,850
Provision for revenue sharing		3,360,878,693	5,248,416,692	3,220,304,522	5,107,842,520
Unearned income - mobile phone service		4,071,667,690	4,348,673,572	9,176,967	9,176,967
Advanced received from customers	5	1,380,727,500	1,909,700,898	-	-
Current portion of long-term liabilities	18	14,131,682,785	13,848,369,520	-	-
Current portion of spectrum licenses payable	20	10,903,220,115	10,538,020,814	-	-
Current portion of lease liabilities	18	10,537,344,008	10,212,816,743	146,050,362	116,637,778
Short-term borrowings from related parties	18, 35	-	-	5,840,000,000	5,080,000,000
Corporate income tax payable		2,276,078,054	1,867,303,487	17,868,559	35,691,522
Other current financial liabilities	36	25,050,678	297,201,697	-	-
Other current liabilities		126,204,884	72,246,113	11,071,107	93,459
Total current liabilities		91,868,271,839	93,813,424,234	12,022,334,423	13,129,200,096
Non-current liabilities					
Long-term liabilities	18, 35	73,696,568,812	79,301,185,042	6,492,840,726	-
Lease liabilities	18, 35	40,597,290,717	48,150,496,963	50,802,732	118,716,176
Provisions for employee benefit	21	3,326,560,928	3,179,944,080	407,968,981	394,889,613
Spectrum licenses payable	20	61,415,647,263	42,911,010,664	-	-
Unrealized adjustment value of spectrum license	1, 20	-	3,283,532,804	-	-
Other non-current financial liabilities	36	722,083,093	1,225,258,428	-	-
Other non-current liabilities		2,770,797,910	2,616,357,834	27,842,575	20,103,923
Total non-current liabilities		182,528,948,723	180,667,785,815	6,979,455,014	533,709,712
Total liabilities		274,397,220,562	274,481,210,049	19,001,789,437	13,662,909,808
Shareholders' equity					
Share capital	22				
Authorized share capital					
4,997 million ordinary shares of Baht 1.00 each		4,997,459,800	4,997,459,800	4,997,459,800	4,997,459,800
Issued and paid share capital					
2,974 million ordinary shares of Baht 1.00 each, fully paid	22, 24	2,973,925,791	2,973,554,313	2,973,925,791	2,973,554,313
Share premium					
Share premium on ordinary shares	22	22,506,296,380	22,446,531,121	22,506,296,380	22,446,531,121
Other deficits					
Deficits arising from change in ownership interest in a subsidiary		(669,657,282)	(669,657,282)	-	-
Retained earnings					
Appropriated					
Legal reserve	23	500,000,000	500,000,000	500,000,000	500,000,000
Unappropriated		56,602,515,530	50,882,427,533	56,602,515,530	50,882,427,533
Other components of shareholders' equity	24	(214,328,087)	(568,871,723)	(214,328,087)	(568,871,723)
Total shareholders' equity attributable to owners of the Company		81,698,752,332	75,563,983,962	82,368,409,614	76,233,641,244
Non-controlling interests		125,770,045	125,383,375	-	-
Total shareholders' equity		81,824,522,377	75,689,367,337	82,368,409,614	76,233,641,244
Total liabilities and shareholders' equity		356,221,742,939	350,170,577,386	101,370,199,051	89,896,551,052

Notes to the financial statements form an integral part of these statements

Statements of profit or loss

Advanced Info Service Public Company Limited and its subsidiaries statements of profit or loss for the year ended December 31, 2021

UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
Revenues					
Revenues from rendering of services and equipment rentals	26, 35	144,791,099,393	143,315,889,147	1,992,289,560	1,959,785,000
Revenue from sale of goods	35	36,541,790,371	29,574,376,140	-	-
Total revenues		181,332,889,764	172,890,265,287	1,992,289,560	1,959,785,000
Costs					
Cost of rendering of services and equipment rentals	30, 35	(85,237,940,713)	(81,534,057,465)	(1,225,597,593)	(1,265,622,961)
Cost of sale of goods		(36,215,252,521)	(29,314,265,327)	-	-
Total costs		(121,453,193,234)	(110,848,322,792)	(1,225,597,593)	(1,265,622,961)
Gross profit		59,879,696,530	62,041,942,495	766,691,967	694,162,039
Distribution costs and administrative expenses					
Distribution costs	30	(6,035,057,467)	(6,598,243,894)	(2,647,000)	(1,893,176)
Administrative expenses	30	(15,665,391,668)	(17,732,641,307)	(94,934,288)	(92,678,460)
Total distribution costs and administrative expenses		(21,700,449,135)	(24,330,885,201)	(97,581,288)	(94,571,636)
Profit from services, equipment rentals and sales of goods		38,179,247,395	37,711,057,294	669,110,679	599,590,403
Finance income	27, 35	217,443,626	319,969,373	431,017,966	387,390,405
Other income	28, 35	1,055,201,967	648,697,303	82,598,120	66,567,628
Share of profit (loss) of subsidiaries, joint ventures and an associate accounted for using equity method	9, 10	(140,730,862)	(70,306,065)	26,189,272,844	26,757,273,522
Net gain (loss) on foreign exchange rate		(1,488,550,388)	140,200,640	(4,398,396)	207,672
Gain (loss) from fair value measurement of derivative assets		842,960,470	(138,620,912)	-	-
Management benefit expenses	35	(145,488,578)	(167,773,760)	(145,488,578)	(167,723,760)
Finance costs	31, 35	(5,626,071,941)	(5,917,382,740)	(139,879,810)	(56,935,975)
Profit before income tax expense		32,894,011,689	32,525,841,133	27,082,232,825	27,586,369,895
Tax expense	32	(5,969,548,235)	(5,088,586,512)	(160,087,170)	(152,009,552)
Profit for the years		26,924,463,454	27,437,254,621	26,922,145,655	27,434,360,343
Profit attributable to:					
Owners of the Company		26,922,145,655	27,434,360,343	26,922,145,655	27,434,360,343
Non-controlling interests		2,317,799	2,894,278	-	-
Profit for the years		26,924,463,454	27,437,254,621	26,922,145,655	27,434,360,343
Earnings per share (in Baht)	33				
Basic earnings per share		9.05	9.23	9.05	9.23
Diluted earnings per share		9.05	9.23	9.05	9.23

Notes to the financial statements form an integral part of these statements

Statements of profit or loss and other comprehensive income

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
Profit for the years		26,924,463,454	27,437,254,621	26,922,145,655	27,434,360,343
Other comprehensive income					
Components of other comprehensive income that will be subsequently reclassified to profit or loss					
Exchange differences on translating financial statement		7,973,466	2,921,382	-	-
Gain (Loss) on cash flow hedges	36	506,890,258	(251,241,472)	-	-
Share of other comprehensive income (loss) of subsidiaries accounted for using equity method	10	-	-	413,485,673	(198,071,795)
Income tax relating to components of other comprehensive income that will be subsequently reclassified to profit or loss	32	(101,378,051)	50,248,294	-	-
Total components of other comprehensive income (loss) that will be subsequently reclassified to profit or loss		413,485,673	(198,071,796)	413,485,673	(198,071,795)
Components of other comprehensive income that will not be subsequently reclassified to profit or loss					
Losses on investment in equity designated at fair value through other comprehensive income		(8,668,762)	(2,622,066)	(4,554,193)	(157,370)
Loss on remeasurements of defined benefit plans	21	-	(112,095,664)	-	(30,800,812)
Share of other comprehensive loss of subsidiaries accounted for using equity method	10	-	-	(3,291,655)	(67,175,569)
Income tax relating to components of other comprehensive income that will not be subsequently reclassified to profit or loss	32	1,733,753	22,752,663	910,839	6,191,636
Total components of other comprehensive income that will not be subsequently reclassified to profit or loss		(6,935,009)	(91,965,067)	(6,935,009)	(91,942,115)
Other comprehensive income (loss) for the years, net of income tax		406,550,664	(290,036,863)	406,550,664	(290,013,910)
Total comprehensive income for the years		27,331,014,118	27,147,217,758	27,328,696,319	27,144,346,433
Total comprehensive income attributable to:					
Owners of the Company		27,328,696,319	27,144,346,433	27,328,696,319	27,144,346,433
Non-controlling interests		2,317,799	2,871,325	-	-
Total comprehensive income for the years		27,331,014,118	27,147,217,758	27,328,696,319	27,144,346,433

Notes to the financial statements form an integral part of these statements

Statements of change in shareholders' equity consolidated financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	Notes	Issued and paid share capital	Share premium on ordinary share	Other deficits: Deficits arising from change in ownership interest in subsidiaries	Retained earnings: Appropriated Legal reserve	Retained earnings: Unappro-priated	Other components of shareholders' equity: Reserve for share-based payment	Gain on dilution of investment	Currency Conversion	Hedging reserves	Fair value reserves	Total other components of shareholders' equity	Total shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
Balance as at January 1, 2020		2,973,178,632	22,386,069,897	(669,657,282)	500,000,000	43,755,735,171	189,745,130	161,186,663	-	(721,880,941)	45,456,631	(325,492,517)	68,619,833,901	128,070,516	68,747,904,417
Transactions with owners, recorded directly in shareholders' equity															
Contributions by and distributions to owners of the Company															
Increase in share capital	22	375,681	60,461,224	-	-	-	(60,836,905)	-	-	-	-	(60,836,905)	-	-	-
Share-based payment transaction	24	-	-	-	-	-	17,627,148	-	-	-	-	17,627,148	17,627,148	-	17,627,148
Dividends paid	34, 35	-	-	-	-	(20,217,823,520)	-	-	-	-	-	-	(20,217,823,520)	(927,026)	(20,218,750,546)
Total contributions by and distributions to owners of the Company		375,681	60,461,224	-	-	(20,217,823,520)	(43,209,757)	-	-	-	-	(43,209,757)	(20,200,196,372)	(927,026)	(20,201,123,398)
Change in ownership interests in a subsidiary															
Change in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	(4,631,440)	(4,631,440)
		-	-	-	-	-	-	-	-	-	-	-	-	(4,631,440)	(4,631,440)
Total transactions with owners, recorded directly in shareholders' equity		375,681	60,461,224	-	-	(20,217,823,520)	(43,209,757)	-	-	-	-	(43,209,757)	(20,200,196,372)	(5,558,466)	(20,205,754,838)
Comprehensive income for the year															
Profit for the year		-	-	-	-	27,434,360,343	-	-	-	-	-	-	27,434,360,343	2,894,278	27,437,254,621
Other comprehensive income		-	-	-	-	(89,844,461)	-	-	2,921,382	(200,993,177)	(2,097,654)	(200,169,449)	(290,013,910)	(22,953)	(290,036,863)
Total comprehensive income for the year		-	-	-	-	27,344,515,882	-	-	2,921,382	(200,993,177)	(2,097,654)	(200,169,449)	27,144,346,433	2,871,325	27,147,217,758
Balance as at December 31, 2020		2,973,554,313	22,446,531,121	(669,657,282)	500,000,000	50,882,427,533	146,535,373	161,186,663	2,921,382	(922,874,118)	43,358,977	(568,871,723)	75,563,983,962	125,383,375	75,689,367,337

Statements of change in shareholders' equity consolidated financial statements (continued)

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	Notes	Issued and paid share capital	Share premium on ordinary share	Other deficits: Deficits arising from change in ownership interest in subsidiaries	Retained earnings: Appropriated Legal reserve	Retained earnings: Unappro-priated	Other components of shareholders' equity: Reserve for share-based payment	Gain on dilution of investment	Currency Conversion	Hedging reserves	Fair value reserves	Total other components of shareholders' equity	Total shareholders' equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
Balance as at January 1, 2021		2,973,554,313	22,446,531,121	(669,657,282)	500,000,000	50,882,427,533	146,535,373	161,186,663	2,921,382	(922,874,118)	43,358,977	(568,871,723)	75,563,983,962	125,383,375	75,689,367,337
Transactions with owners, recorded directly in shareholders' equity															
Contributions by and distributions to owners of the Company															
Increase in share capital	22	371,478	59,765,259	-	-	-	(60,136,737)	-	-	-	-	(60,136,737)	-	-	-
Share-based payment transaction	24	-	-	-	-	-	8,129,709	-	-	-	-	8,129,709	8,129,709	-	8,129,709
Dividends paid	34, 35	-	-	-	-	(21,202,057,658)	-	-	-	-	-	-	(21,202,057,658)	(1,051,129)	(21,203,108,787)
Total contributions by and distributions to owners of the Company		371,478	59,765,259	-	-	(21,202,057,658)	(52,007,028)	-	-	-	-	(52,007,028)	(21,193,927,949)	(1,051,129)	(21,194,979,078)
Change in ownership interests in a subsidiary															
Change in ownership interest in a subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	(880,000)	(880,000)
		-	-	-	-	-	-	-	-	-	-	-	-	(880,000)	(880,000)
Total transactions with owners, recorded directly in shareholders' equity		371,478	59,765,259	-	-	(21,202,057,658)	(52,007,028)	-	-	-	-	(52,007,028)	(21,193,927,949)	(1,931,129)	(21,195,859,078)
Comprehensive income for the year															
Profit for the year		-	-	-	-	26,922,145,655	-	-	-	-	-	-	26,922,145,655	2,317,799	26,924,463,454
Other comprehensive income		-	-	-	-	-	-	-	7,973,466	405,512,207	(6,935,009)	406,550,664	406,550,664	-	406,550,664
Total comprehensive income for the year		-	-	-	-	26,922,145,655	-	-	7,973,466	405,512,207	(6,935,009)	406,550,664	27,328,696,319	2,317,799	27,331,014,118
Balance as at December 31, 2021		2,973,925,791	22,506,296,380	(669,657,282)	500,000,000	56,602,515,530	94,528,345	161,186,663	10,894,848	(517,361,911)	36,423,968	(214,328,087)	81,698,752,332	125,770,045	81,824,522,377

Notes to the financial statements form an integral part of these statements

Statements of change in shareholders' equity separate financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	Notes			Retained earnings		Other components of shareholders' equity					
		Issued and paid share capital	Share premium on ordinary share	Appropriated Legal reserve	Unappropriated	Reserve for share-based payment	Gain on dilution of investment	Fair value reserves	Share of other comprehensive loss of subsidiaries accounted for using equity method	Total other components of shareholders' equity	Total shareholders' equity
Balance as at January 1, 2020		2,973,178,632	22,386,069,897	500,000,000	43,755,735,171	189,745,130	161,186,663	16,682,006	(693,106,316)	(325,492,517)	69,289,491,183
Transactions with owners, recorded directly in shareholders' equity											
Increase in share capital	22	375,681	60,461,224	-	-	(60,836,905)	-	-	-	(60,836,905)	-
Share-based payment transaction	24	-	-	-	-	17,627,148	-	-	-	17,627,148	17,627,148
Dividends paid	34, 35	-	-	-	(20,217,823,520)	-	-	-	-	-	(20,217,823,520)
Total transactions with owners, recorded directly in shareholders' equity		375,681	60,461,224	-	(20,217,823,520)	(43,209,757)	-	-	-	(43,209,757)	(20,200,196,372)
Comprehensive income for the year											
Profit for the year		-	-	-	27,434,360,343	-	-	-	-	-	27,434,360,343
Other comprehensive income		-	-	-	(89,844,461)	-	-	(125,896)	(200,043,553)	(200,169,449)	(290,013,910)
Total comprehensive income for the year		-	-	-	27,344,515,882	-	-	(125,896)	(200,043,553)	(200,169,449)	27,144,346,433
Balance as at December 31, 2020		2,973,554,313	22,446,531,121	500,000,000	50,882,427,533	146,535,373	161,186,663	16,556,110	(893,149,869)	(568,871,723)	76,233,641,244

Statements of change in shareholders' equity separate financial statements (continued)

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	Notes			Retained earnings		Other components of shareholders' equity					
		Issued and paid share capital	Share premium on ordinary share	Appropriated Legal reserve	Unappropriated	Reserve for share-based payment	Gain on dilution of investment	Fair value reserves	Share of other comprehensive gain (loss) of subsidiaries accounted for using equity method	Total other components of shareholders' equity	Total shareholders' equity
Balance as at January 1, 2021		2,973,554,313	22,446,531,121	500,000,000	50,882,427,533	146,535,373	161,186,663	16,556,110	(893,149,869)	(568,871,723)	76,233,641,244
Transactions with owners, recorded directly in shareholders' equity											
Increase in share capital	22	371,478	59,765,259	-	-	(60,136,737)	-	-	-	(60,136,737)	-
Share-based payment transaction	24	-	-	-	-	8,129,709	-	-	-	8,129,709	8,129,709
Dividends paid	34, 35	-	-	-	(21,202,057,658)	-	-	-	-	-	(21,202,057,658)
Total transactions with owners, recorded directly in shareholders' equity		371,478	59,765,259	-	(21,202,057,658)	(52,007,028)	-	-	-	(52,007,028)	(21,193,927,949)
Comprehensive income for the year											
Profit for the year		-	-	-	26,922,145,655	-	-	-	-	-	26,922,145,655
Other comprehensive income		-	-	-	-	-	-	(3,643,354)	410,194,018	406,550,664	406,550,664
Total comprehensive income for the year		-	-	-	26,922,145,655	-	-	(3,643,354)	410,194,018	406,550,664	27,328,696,319
Balance as at December 31, 2021		2,973,925,791	22,506,296,380	500,000,000	56,602,515,530	94,528,345	161,186,663	12,912,756	(482,955,851)	(214,328,087)	82,368,409,614

Notes to the financial statements form an integral part of these statements

Statements of cash flows

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
Cash flows from operating activities					
Profit for the years		26,924,463,454	27,437,254,621	26,922,145,655	27,434,360,343
Adjustments for					
Depreciation and amortization	12, 13, 15, 16, 30	53,374,025,722	51,841,589,128	139,962,092	152,237,335
Finance income	27, 35	(217,443,626)	(319,969,373)	(431,017,966)	(387,390,405)
Finance costs	31, 35	5,626,071,941	5,917,382,740	139,879,810	56,935,975
(Reversal of) Expected credit losses		2,066,791,618	2,875,760,943	(1,799,946)	(1,600,000)
Share-based payment transaction	24	8,129,709	17,627,148	8,129,709	17,627,148
(Reversal of) Loss for obsolete, decline in value and write-off inventories	8	9,289,106	(42,416,084)	-	-
Loss for unused equipment	12	635,510,991	700,428,653	-	-
Loss on terminate contract assets		223,542,819	524,572,869	-	-
(Gain) Loss on sales and write-off of assets		29,433,916	37,609,387	(4,970,608)	(6,855,734)
Unrealized (gain) loss on foreign exchange rate and (gain) loss from fair value measurement of derivative assets		242,558,226	(144,399,835)	2,236,976	128,415
Share of (profit) loss of subsidiaries, joint ventures and an associate accounted for using equity method	9, 10	140,730,862	70,306,065	(26,189,272,844)	(26,757,273,522)
Employee benefit expense		202,593,812	196,970,421	30,156,197	39,769,635
Tax expense	32	5,969,548,235	5,088,586,512	160,087,170	152,009,552
Cash provided by operation before changes in operating assets and liabilities		95,235,246,785	94,201,303,195	775,536,245	699,948,742
Changes in operating assets and liabilities					
Specifically-designated bank deposits		528,973,398	79,388,152	-	-
Trade and other current receivables		(2,417,168,521)	(3,371,745,566)	(142,565,162)	(14,436,684)
Contract assets		(595,030,389)	(104,157,529)	-	-
Inventories		258,498,845	2,498,786,035	-	-
Other current assets		(527,885,173)	307,586,354	4,874,327	59,967,648
Other non-current assets		123,453,100	(361,374,979)	214,139,369	(35,767,906)
Trade and other current payables		1,012,583,961	(1,062,139,696)	(49,487,237)	(159,990,297)
Provision for revenue sharing		(303,821,738)	-	(313,293,998)	-
Unearned income - mobile phone service		(277,005,882)	159,648,093	-	-
Advanced received from customers		(528,973,398)	(79,388,152)	-	-
Other current liabilities		53,962,697	15,204,180	10,916,900	160,281
Other financial liabilities		(5,174,726)	(99,683,652)	-	-
Other non-current liabilities		(26,903,604)	(23,427,027)	-	-
Cash generated by operating activities		92,530,755,355	92,159,999,408	500,120,444	549,881,784
Employee benefit paid		(116,055,634)	(56,432,164)	(24,044,541)	(12,991,839)
Tax paid		(5,780,655,265)	(6,474,175,466)	(179,098,268)	(49,730,533)
Net cash provided by operating activities		86,634,044,456	85,629,391,778	296,977,635	487,159,412

Statements of cash flows (continued)

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
Cash flows from investing activities					
Interest received		219,702,005	326,271,472	332,644,290	473,476,282
Purchase of property, plant, equipment and other intangible assets		(25,786,081,883)	(28,056,506,397)	(27,716,676)	(21,444,506)
Proceeds from sale of equipment		111,392,524	108,662,577	6,796,701	3,493,657
Payment of spectrum licenses	20	(19,511,950,000)	(26,834,978,550)	-	-
Net increase in short-term loans to related parties	35	-	-	(9,360,000,000)	(2,044,000,000)
Increase in investments in joint ventures	9	(299,999,900)	(246,899,800)	(299,999,900)	-
Increase in investments in subsidiaries	10	-	-	-	(25,999,970)
Increase in long-term loan to a related party	35	(100,000,000)	-	-	-
Dividend received		15,000,000	8,999,970	23,064,685,442	19,963,915,443
Net cash provided by (used in) investing activities		(45,351,937,254)	(54,694,450,728)	13,716,409,857	18,349,440,906
Cash flows from financing activities					
Finance cost paid		(3,692,107,561)	(4,218,326,797)	(132,175,607)	(47,017,478)
Lease liabilities paid	18	(11,882,214,110)	(11,753,609,774)	(119,136,035)	(125,361,385)
Net increase (decrease) in short-term borrowings from financial institutions	18	(4,900,000,000)	4,900,000,000	-	-
Net increase in short-term borrowings from related parties	18, 35	-	-	760,000,000	160,000,000
Proceed of long-term borrowings	18	8,600,000,000	24,000,000,000	6,500,000,000	-
Repayments of long-term borrowings	18	(13,884,860,000)	(24,828,560,000)	-	-
Proceeds from issue of ordinary shares		-	-	35,086,745	33,188,038
Cash paid for purchase of a subsidiary from non-controlling interest		(880,000)	(4,631,440)	-	-
Dividend paid	34	(21,203,108,787)	(20,218,750,546)	(21,202,057,658)	(20,217,823,520)
Net cash used in financing activities		(46,963,170,458)	(32,123,878,557)	(14,158,282,555)	(20,197,014,345)
Effect of exchange rate changes on balances held in foreign currencies		(415,565)	(26,921,103)	1,125	(36)
Net decrease in cash and cash equivalents		(5,681,478,821)	(1,215,858,610)	(144,893,938)	(1,360,414,063)
Cash and cash equivalents as at January 1,		18,420,768,856	19,636,627,466	614,805,617	1,975,219,680
Cash and cash equivalents as at December 31,	4	12,739,290,035	18,420,768,856	469,911,679	614,805,617
Supplemental disclosures of cash flow information					
Non-cash transactions					
Outstanding debts arising from investments in capital expenditures, spectrum license and lease liabilities		142,014,482,524	127,598,345,017	200,396,373	236,525,552
Provision for revenue sharing presented net of accrued income		1,583,716,260	-	1,574,244,000	-

Notes to the financial statements form an integral part of these statements

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

1. COMPANY OPERATIONS AND OTHER GENERAL INFORMATION

Advanced Info Service Public Company Limited (the "Company") is incorporated in Thailand and has its registered office at 414 Phaholyothin Road, Samsen Nai, Phayathai, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in November 1991.

As at December 31, 2021, Intouch Holdings Public Company Limited is a major shareholder, holding 40.44% (as at December 31, 2020 : 40.45%) of the authorized share capital of the Company and is incorporated in Thailand and Singtel Strategic Investments Pte Ltd. is a shareholder, holding 23.31% (as at December 31, 2020 : 23.32%) of the authorized share capital of the Company and is incorporated in Singapore.

The major principal business operations of the Company is to provide consulting and management services to its subsidiaries and the Company and its subsidiaries (the "Group") is summarized as follows:

1) The operation of a 2.1 GHz cellular telephone system as the operator. Advanced Wireless Network Co., Ltd. ("AWN"), a subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"), to operate and service Cellular Mobile Telephone, frequency between 1950 MHz to 1965 MHz and 2140 MHz to 2155 MHz, nationwide in accordance with the license certificate (the "License") No. NBTC/FREQ/TEL/55/1, dated December 7, 2012. AWN started the operation commencing from December 7, 2012, ending December 6, 2027 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

   <u>License of Spectrum for Telecommunications Service in the Frequency Band of 1800 MHz</u>

   On November 17, 2015, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"), to operate and service Cellular Mobile Telephone, frequency between 1725 MHz to 1740 MHz and 1820 MHz to 1835 MHz, nationwide in accordance with the license certificate (the "License") No. NBTC/FREQ/TEL/55/1 (Addendum No.1), dated November 25, 2015. AWN started the operation commencing from November 26, 2015, ending September 15, 2033 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

   <u>License of Spectrum for Telecommunications Service in the Frequency Band of 900 MHz</u>

   On May 27, 2016, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"), to operate and service Cellular Mobile Telephone, frequency between 895 MHz to 905 MHz and 940 MHz to 950 MHz, nationwide in accordance with the license certificate (the "License") No. NBTC/FREQ/TEL/55/1 (Addendum No.2), dated June 30, 2016 at the bidding price of Baht 75,654 million. AWN started the operation commencing from July 1, 2016 to June 30, 2031 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

According to the auction terms and conditions, AWN paid the 1st installment by 11% of the fee plus VAT, totaling Baht 8,603 million on June 28, 2016 and submitted bank guarantee to pay the remaining fee to the NBTC. For the 2nd installment and the 3rd installment of 5% of the fee plus VAT each will be paid in the second year and the third year since date of the first installment, and the remaining will be paid in the fourth year.

On April 11, 2019, the National Council for Peace and Order ("NCPO") issued NCPO Order No. 4/2562 specified that The National Broadcasting and Telecommunications Commission ("NBTC") shall consider dividing the total amount of auction payment which the licensee of 890-915 MHz/935-960 MHz are required to pay into ten installments, one payment per year, in equal amount. The licensee who cannot pay the spectrum auction fee according to their original payment term shall notify in writing to NBTC within 30 days from the date of the NCPO order becomes effective. However, the condition specified in NCPO order mention that the licensee is required to participate in the 700 MHz spectrum allocation which shall be allocated by NBTC.

On May 10, 2019, AWN submitted a letter to the Office of National Broadcasting and Telecommunications Commission ("Office of NBTC") regarding the extension of the 900 MHz spectrum license payment period.

On June 19, 2019, AWN participated in the 700 MHz spectrum allocation to the Office of NBTC and has been allocated one block of 700 MHz spectrum. Subsequently, AWN received the letter from the Office of NBTC confirming that AWN has complied with the conditions determined by NCPO Order No.4/2562. As a result, AWN is entitled to divide the payment for 900 MHz spectrum into ten installments, in equal amount, as specified by NCPO Order No. 4/2562. AWN has remeasured 900 MHz spectrum license payable by determine change in payment term and participation in the 700 MHz spectrum allocation. The difference from measurement 900 MHz spectrum license payable between previous terms and conditions and new terms and conditions is recognized as unrealized adjustment value of spectrum license in the consolidated statement of financial position which recorded as part of the cost of spectrum license 700 MHz when AWN received a license on January 15, 2021.

License of Spectrum for Telecommunications Service in the Frequency Band of 1800 MHz

On August 19, 2018, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"), to operate and service Cellular Mobile Telephone, frequency between 1740 MHz to 1745 MHz and 1835 MHz to 1840 MHz, nationwide in accordance with the license certificate (the "License") No. NBTC/FREQ/TEL/55/1 (Addendum No.3), dated September 21, 2018. AWN started the operation commencing from September 24, 2018 to September 15, 2033 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

License of Spectrum for Telecommunications Service in the Frequency Band of 700 MHz

On June 19, 2019, AWN has been allocated the frequency band 700 MHz from the Office of the National Broadcasting and Telecommunications Commission ("NBTC") frequency between 723 MHz to 733 MHz and 778 MHz to 788 MHz for 15 years from January 15, 2021 to January 14, 2036 according to the terms and conditions in the notification of NBTC dated June 5, 2019. AWN is obliged to comply with various conditions and pay fees within the time period as specified in the license.

Notes to the Financial Statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

License of Spectrum for Telecommunications Service in the Frequency Band of 2600 MHz

On February 19, 2020, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"), to operate and service Cellular Mobile Telephone, frequency between 2500 MHz to 2600 MHz, nationwide in accordance with the license certificate (the "License") No. NBTC/FREQ/TEL/55/1 (Addendum No.4), dated February 21, 2020. AWN started the operation commencing from February 21, 2020 to February 20, 2035 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

Auction License of Spectrum for Telecommunications Service in the Frequency Band of 26 GHz

On February 18, 2021, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"), to operate and service Cellular Mobile Telephone, frequency between 25.2 GHz to 26.4 GHz, nationwide in accordance with the license certificate (the "License") No. FREQ/TEL/001, dated February 18, 2021. AWN started the operation commencing from February 18, 2021, ending February 17, 2036 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

License of Spectrum for Telecommunications Service in the Frequency Band of 700 MHz

On April 1, 2021, AWN has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"), to operate and service Cellular Mobile Telephone, frequency 700 MHz between 733 MHz to 738 MHz and 788 MHz to 793 MHz, nationwide in accordance with the license certificate (the "License") No. FREQ/TEL/001, dated April 1, 2021. AWN started the operation commencing from April 1, 2021, ending March 31, 2036 and AWN is obliged to comply with various conditions and pay fees within the time period as specified in the License.

2) Super Broadband Network Co., Ltd. ("SBN"), a subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC") under the broadcasting network license for non - frequency business at national. The license certificate (the "License") No. B1-N21331-0001-60 dated on March 20, 2017 and will be expired on March 19, 2032. In addition, SBN has been granted licenses from NBTC for the operation of television broadcasting service several channels the period of 1 - 8 years each. SBN is obliged to comply with various conditions and pay fee within the time period as specified in the License.

3) CS Loxinfo Public Company Limited ("CSL"), an indirect subsidiary, has been granted permission from the Office of the National Broadcasting and Telecommunications Commission ("NBTC") under the Internet Operation License type II, Telecom Operation License type I, and type III to operate and service internet data centre, internet and satellite uplink-downlink services for domestic and international communications and distribute internet equipment.

According to the conditions specified by NBTC, provided that the authorized licenses is not in significant violation of the conditions specified in the license, NBTC will consider renewing the license as normal procedure.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Details of the Company's subsidiaries, an associate and joint ventures as at December 31, are as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%) 2021	2020
Subsidiaries				
Advanced Contact Center Company Limited	Service provider of call center	Thailand	99.99	99.99
Digital Phone Company Limited	Ceased mobile phone operation	Thailand	98.55	98.55
Advanced Magic Card Company Limited	Service provider of electronic payment network	Thailand	99.99	99.99
Advanced Mpay Company Limited	Service provider of electronic payment and cash card	Thailand	99.99	99.99
AIN GlobalComm Company Limited	Service provider of international telephone service/gateway	Thailand	99.99	99.99
Advanced Wireless Network Company Limited	Service provider of cellular telephone network, distributor of handsets and international telephone service, network operator, telecommunication service operator and internet	Thailand	99.99	99.99
Super Broadband Network Company Limited	Network operator and telecom service operator, including as service provider of broadcasting network and television broadcasting service several channels	Thailand	99.99	99.99
Advanced Digital Life Company Limited [4]	Service provider of digital platform	Thailand	99.99	99.99
Fax Lite Company Limited	Service provider of operation in space, land and building services, and related facilities	Thailand	99.98	99.98
MIMO Tech Company Limited	Developer of IT systems service provider of content aggregator and outsourcing service for billing and collection	Thailand	99.99	99.99
Advanced Broadband Network Company Limited	Service provider of training within the Group	Thailand	99.99	99.99
Advanced Digital Distribution Company Limited	Service provider of insurance broker	Thailand	99.99	99.99
LearnDi Company Limited	Service provider of training	Thailand	99.99	99.99

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Name of the entities	Type of business	Country of incorporation	Ownership interest (%) 2021	2020
Indirect Subsidiaries				
Advanced Datanetwork Communications Company Limited	Under liquidation process.	Thailand	51.00 [1, 2]	51.00 [1, 2]
CS LoxInfo Public Company Limited	Service provider of internet data center services, internet and satellite uplink-downlink services for domestic and international communications and distribute internet equipment.	Thailand	99.68 [1, 3]	99.67 [1, 3]
Teleinfo Media Public Company Limited	Service provider of publishing and advertising telephone directories	Thailand	99.99 [1]	99.99 [1]
AD Venture Public Company Limited	Service provider of mobile contents	Thailand	99.99 [1]	99.99 [1]
Yellow Pages Commerce Company Limited	Service provider of online advertising business	Thailand	99.94 [1]	99.94 [1]
Associate				
Information Highway Company Limited	Service provider of transmission network	Thailand	29.00 [1]	29.00 [1]
Joint Ventures				
Amata Network Company Limited	Service provider of infrastructure developer of fibre optic network	Thailand	60.00 [1]	60.00 [1]
Rabbit - Line Pay Company Limited	Service provider of electronic money and electronic payment service business	Thailand	33.33 [1]	33.33 [1]
Digital Games International Private Limited	Service provider of games online	Singapore	33.33 [1]	33.33 [1]
Saha Advance Network Company Limited	Service provider of infrastructure developer of fibre optic network	Thailand	70.00 [1]	70.00 [1]
AISCB Company Limited	Service provider of digital lending via online platform	Thailand	50.00	-

[1] % ownership interest in indirect subsidiaries, an associate and joint ventures are presented by ownership interest hold by subsidiaries.

[2] On September 1, 2020, Advanced Datanetwork Communications Company Limited ("ADC") registered for liquidation on Ministry of Commerce. On December 31, 2021, ADC has cash and cash equivalent of Baht 89 million presented in cash and cash equivalent of consolidated financial statement and the other items are not significant to consolidated financial statement .

[3] For the year ended December 31, 2021, AWN purchased additional ordinary share of 100,000 ordinary shares of CSL at the price of Baht 8.80 per shares, totaling Baht 1 million representing 0.01% of total issued and paid ordinary share of CSL. Then AWN hold 592,624,524 ordinary shares of CSL or equivalent owned 99.68% of total issued and paid-up shares of CSL.

[4] On September 27, 2021, Wireless Device Supply Company Limited has registered to change its name to AIS Digital Life Company Limited with Department of Business Development, Ministry of Commerce.

The Group and the Company have extensive transactions and relationships with the related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Group and the Company had operated without such affiliation.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 ("COVID-19") pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group and the Company operate. Nevertheless, the Group's and the Company's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 The Group and the Company maintain its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and practice generally accepted in Thailand.

2.2 The Group's and the Company's financial statements have been prepared in accordance with the Thai Accounting Standard ("TAS") No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2021 onward, and the Regulation of The Stock Exchange of Thailand ("SET") dated October 2, 2017, regarding "the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560" and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No.3) B.E. 2562" dated December 26, 2019.

2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).

2.4 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Group and the Company have adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group's and the Company's financial statements.

<u>The Rent Concessions related to COVID-19</u>

The Group and the Company elected to adopt the practical expedient relating to COVID-19 related Rent Concessions according to the amendments to TFRS 16 "Leases". The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. Any reduction in lease payments affects only payments originally due on or before June 30, 2022 and there is no substantive change to other terms and conditions of the lease.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group's and the Company's managements have adopted such aforementioned practical expedient in the preparation of the financial statements for the year ended December 31, 2021 (see Note 13).

2.5 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Amendment to Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 "Insurance Contracts", Thai Financial Reporting Standards No. 7 "Financial Instruments: Disclosures", and Thai Financial Reporting Standards No. 9 "Financial Instruments", which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

In addition, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards which have been announced in the Royal Gazette on December 22, 2021, as follow:

- Thai Financial Reporting Standards No. 1 "First-time Adoption of Thai Financial Reporting Standards", to be effective for the financial statements for the period beginning on or after January 1, 2022 onwards.

- Thai Financial Reporting Standards No. 6 "Exploration for and Evaluation of Mineral Resources", to be effective for the financial statements for the period beginning on or after January 1, 2022 onwards.

- Accounting Treatment Guidance on "Guidelines regarding the provision of financial assistance to the debtors affected by the COVID-19", which the objective of this accounting treatment guidance is to be used as the temporary relaxation measures for entities who providing assistance their debtors affected by the COVID-19 with the supporting period during January 1, 2022 to December 31, 2023 or until there are any changes from the Bank of Thailand, which require the compliance for such changes. The entities elect to apply the temporary relaxation measures according to this accounting treatment guidance should be disclosed information as required.

The Group's management will adopt such relevant TFRSs in the preparation of the Group's financial statements when they become effective. The Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies as follows:

3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in an associate and joint ventures.

Business combinations

The Group and the Company apply the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group and the Company take into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group and the Company to the previous owners of the acquiree, and equity interests issued by the Group and the Company. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the Company and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognized in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group and the Company measure any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group and the Company incur in connection with a business combination such as legal fees, other professional and consulting fees are expensed as incurred.

Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the Federation of Accounting Professions.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in the statement of profit or loss and the statement of profit or loss and other comprehensive income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity - accounted investees

The Group's interests in equity-accounted investees comprise interests in an associate and joint ventures.

The Company's interests in equity-accounted investees comprise interests in subsidiaries.

Associate is entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Joint venture is a joint arrangement whereby the parties that have a joint control arrangement have rights to the net assets of the arrangement. The investment in a joint venture is accounted for in the consolidated financial statements using the equity method and is recognized initially at cost.

Interests in an associate, subsidiaries and joint ventures are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated and separate financial statements include the Group's and the Company's share of profit or loss of equity-accounted investees in the profit or loss and other comprehensive income, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency (Thai Baht) of the Group at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency using the foreign exchange rates ruling at the dates of the transactions.

3.3 Financial instruments

Financial assets and financial liabilities are recognized in the Group and the Company consolidated statement of financial position and separate statement of financial position when the Group and the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All recognized financial assets are measured subsequently in their entirely at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset;

- The Group and the Company may irrevocable elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (2) below); and
- The Group and the Company may irrevocable designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (3) below).

(1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognized in profit or loss and is included in the "finance income" line item.

(2) Debt instruments classified as at FVTOCI

On initial recognition, the Group and the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

The Group and the Company have designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

(3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (1) to (2) above) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss and is included in the "gain (loss) from fair value measurement of derivative assets" line item. Fair value is determined in the manner described in Note 3.23

Impairment of financial assets

The Group and the Company recognize a loss allowance for expected credit losses on, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group and the Company always recognize lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Write-off policy

The Group and the Company write off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

A financial liability may be designated as at FVTPL upon initial recognition if;

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's and the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

Financial liabilities measured subsequently at amortized cost

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derivative financial instruments

The Group and the Company enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of interest rate risk in cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements;

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationships; and
- The hedged ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group use financial instruments to manage exposure of fluctuations in foreign currency exchange and interest rates. These instruments, which mainly comprise forward contracts and interest rate swap are recorded in the financial statements on the contract date. The purpose of these instruments is to mitigate risk.

Swap and forward contracts prevent effect from fluctuations in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled. Swap and forward contracts are recorded as other financial assets or liabilities on inception, and are translated at the end of the reporting period exchange rate. Unrealized gains or losses on transactions are recognized in the statement of profit or loss. Premiums or discounts are amortized in the statement of profit or loss on a straight-line basis over the contract period.

Interest rate swap contracts prevent effects from fluctuations in floating interest rates. Any differential to be received or paid on an interest rate swap contracts are recognized as a component of interest income or expense over the period of such instrument. Gains or losses of early termination of interest rate swap contracts or on earlier repayment of the borrowing are recognized in the statement of profit or loss.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash, cash at banks type current accounts, saving accounts and fixed accounts not exceeding 3 months excluding cash at banks used as collateral and highly liquid short-term investments with original maturities of three months or less.

3.5 Trade and other current receivables

Trade receivables, other receivables are stated at cost less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.3.

3.6 Inventories

Inventories comprise mobile phones, sim cards and spare parts used for repairs and services.

Inventories are stated at the lower of cost and net realizable value. The Group's and the Company's cost of inventories are calculated by using moving weighted average method.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance for obsolete are decline in value are made for all deteriorated, changed, obsolete and slow-moving inventories.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

3.7 Investments

Investments in an associate, subsidiaries and joint ventures

Investments in subsidiaries in the separate financial statements of the Company and investment in an associate and joint ventures in the consolidated financial statements are accounted for using the equity method.

Investments in fixed deposit at banks, other debt and equity securities

Fixed deposit at bank is classified as part of current investment with maturities over three months, not exceeding one year.

3.8 Property, plant and equipment

Recognition and measurement

Owned assets

Property is stated at cost less allowance for impairment (if any).

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items for each major components of property, plant and equipment.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net in the statement of profit or loss.

Leased assets

Leases in terms of which the Group and the Company substantially assume all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and allowance for impairment losses. Lease payments are apportioned between the finance cost and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance cost are recognized in the statement of profit or loss.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of plant and equipment, or other amount substituted for cost, less its residual value.

Depreciation is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building improvements	5 - 30	years
Leasehold building improvements	5 - 10	years
Computer, tools and equipment	3 - 20	years
Furniture, fixtures and office equipment	2 - 18	years
Vehicles	5	years

The Group and the Company have no depreciation provided on freehold land and assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.9 Right-of-use assets and Lease liabilities

The Group and the Company as lessee

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, The Group and the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company uses its incremental borrowing rate.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value grantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position and the separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group and the Company incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and Company expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term as follows:

Land and Building	1 - 11	years
Spectrum License	6	years
Leasehold for Tower	9	years
Equipment for Telecom	1 - 15	years
Office Building	1 - 5	years
Vehicle	1 - 5	years

The right-of-use assets are presented as a separate line in the consolidated statement of financial position and the separate statement of financial position.

The Group and the Company applie TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group and the Company has used this practical expedient.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of space and equipment.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance lease or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies TFRS 15 to allocate the consideration under the contract to each component.

3.10 Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in Note 3.1. Subsequent to initial recognition, goodwill is measured at cost less impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount.

Spectrum licenses

Spectrum licenses represent with its value measured at the cash equivalent price based on the present value of the installments. The difference between the total payment to be made and the cash equivalent price is recognized as finance cost over the license fee payment period, with the cost being amortized starting on date of the license effective.

Other intangible assets

Other intangible assets are consist of customer relationship, customer contracts, fibre optics licenses and software licenses which are acquired by the Group and the Company, which have finite useful lives, are measured at cost less accumulated amortization and impairment losses (if any).

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in the statement of profit or loss.

Amortization

Amortization is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The estimated useful lives are as follows:

Spectrum licenses	Over the license period
Customer relationship	5 years
Customer contracts	5 years
Fibre optics licenses	Over the remaining agreement period
Software licenses	3 - 10 years

The Group and the Company have no amortization provided on asset under installation.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.11 Other assets

Deferred charges

Deferred charges represent International circuit and cost of motion picture production are stated at cost less accumulated amortization and impairment losses (if any).

Amortization

Amortization is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in the statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

International circuit	Over the agreement period
Cost of motion picture production	Over the agreement period

3.12 Impairment

The carrying amounts of the Group's and the Company's assets are reviewed at the end of the reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of profit or loss.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the assets' value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized in the statement of profit or loss.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at the end of the reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.13 Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the borrowings on an effective interest basis.

3.14 Trade and other current payables

Trade and other current payables are stated at cost.

3.15 Employee benefits

Provident fund

The Group and the Company had provident funds which is a defined contribution plan. The fund's asset of the provident fund is separated from the Group's and the Company's asset and has been managed by a licensed fund manager. The provident fund receives a cash contribution from employee and the related Group and the Company. The contribution expenditure of the provident fund is recognized as expense in the statement of profit or loss of the reporting period that transaction occurred.

Post-employment benefit and long-term service award

The provision in respect of post-employment benefits that provide compensation according to labour law and long-term service award are recognized in the Group's and the Company's financial statements based on calculations by a qualified actuary using the projected unit credit method.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group and the Company recognized all gains (losses) on remeasurements of defined benefit plans arising from provisions for employee benefit in statement of profit or loss and other comprehensive income and all expenses related to provisions for employee benefit in the statement of profit or loss.

Termination benefits

Termination benefits are recognized as an expense in the statement of profit or loss when the Group and the Company are committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy or the Group and the Company have made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the end of the reporting period, then they are discounted to their present value.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognized as an expense in the statement of profit or loss as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Group and the Company have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payments

The Group measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date.

The expense of the Project is recognized in the statement of profit or loss from operation corresponding to the increase in “reserve for share-based payment transaction” in shareholders’ equity over the periods in which the service conditions are fulfilled.

3.16 Provisions

A provision is recognized if, as a result of a past event, the Group and the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.17 Recognition of revenue and expense

Revenue recognition

Revenue is measured at the fair value of the standalone selling price of each performance obligation in contracts.

Revenue from sale of goods recognized in statement of profit or loss when control is passed to the buyer.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Revenue from rendering of services from providing internet and other services recognized when the services are transferred to customers.

Revenue from design contract and installation of internet network, computer and communication ("ICT") recognize based on percentage of completion at the end of reporting period and in the period which the services were provided.

Revenue from contracts with multiple elements are allocated by fair value of standalone selling price in each performance obligation. In case of contracts have both obligations to perform at point of time and overtime, difference from revenue recognition and performance obligations at the beginning of contracts is recognized as contract assets or contract liabilities and recognized over the contracts periods.

Contract assets stated at net book value after allowance for terminate contracts

Allowance for terminate contracts is mostly assessed primarily on analysis of payment histories, future expectations of customer payments and cancellation contracts history. Contract assets will be written off when contracts are cancelled.

Costs of obtaining a contract

Cost of obtaining the contract is the commission paid to acquire the contract with the customers is recorded as an asset stated at net book value after allowance for impairment (if any) and recognized as an expense systematically over the contract periods in accordance with the revenue recognition from contracts. In case of costs of obtaining a contract's amortization period is less than 1 year, the Group and the Company will recognized costs of obtaining a contract as expenses when incurred.

Rental income

Rental income from rental equipment is recognized in the statement of profit or loss and on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income.

Interest income

Interest income is recognized in the statement of profit or loss on the accrual basis.

Expense

Expense is recognized in the statement of profit or loss on the accrual basis.

3.18 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, fair value losses on financial assets at fair value through the statement of profit or loss, impairment losses recognized on financial assets (other than trade receivables), and losses on hedging instruments that are recognized in the statement of profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit or loss using the effective interest method.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

3.19 Tax expense

Tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in the statement of profit or loss except to the extent that they relate to a business combination, or items recognized directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted and any tax adjustment items in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group and the Company expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the end of the reporting period.

In determining the amount of current and deferred tax, the Group and the Company take into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group and the Company believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group and the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the reporting period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

3.20 Earnings per share

The Group and the Company present basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group and the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted with own shares held and the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.21 Segment financial information

Segment results that are reported to the Group's Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.22 Use of management's judgement

The preparation of financial statements in conformity with Thai Financial Reporting Standards ("TFRSs") also requires the Group's and the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Significant judgements in applying accounting policies are as follows:

The recognition cost of assets and depreciation method

Recognition of cost of assets incurred as part of the carrying amount of property, plant and equipment and intangible assets ended when the management has determined that the assets is in a working condition for their intended use of the management. Moreover, the accounting policies regarding to depreciation methods and estimated useful life of the asset requires management's judgments to review each financial year.

Impairment

The Group shall assess the assets balance at the statement of financial position whether there is any indication that an asset may be impaired. If any such indication exists, the Group shall estimate the recoverable amount of the asset.

Recognition of deferred tax assets associated with tax losses carryforward

Deferred tax assets are recognized to the extent that it is probable that it will be utilized in the future and the Company has assessed it to be probable that the Company will generate taxable income sufficient to fully utilize the tax losses that exist.

Significant commercial disputes and litigations

Item required to use management judgement in provision estimation from significant disputes and litigations because the outcome of litigations has not been finalized.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

3.23 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements are determined on such basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirely, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, are as follows:

Unit: Million Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Cash on hand		15	11	1	1
Cash at bank - current accounts	35	977	605	(4)	(1)
Cash at bank - savings accounts	35	13,127	19,529	473	615
Cash at bank - fixed accounts not exceeding 3 months		1	1	-	-
Highly liquid short-term investment		-	185	-	-
		14,120	20,331	470	615
Less Specifically-designated bank deposits	5	(1,381)	(1,910)	-	-
Total		12,739	18,421	470	615

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The currencies denomination of cash and cash equivalents as at December 31, are as follows:

Unit: Million Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Thai Baht (THB)		12,610	17,075	470	615
US Dollar (USD)	36	52	788	-	-
Euro (EUR)	36	77	558	-	-
Total		12,739	18,421	470	615

As at December 31, 2021, the effective interest rate of the Group and the Company on cash and cash equivalents are 0.01% - 1.95% and 0.01% - 0.35% per annum, respectively (as at December 31, 2020: 0.01% - 1. 75% and 0.01% - 0.45% per annum, respectively).

5. SPECIFICALLY-DESIGNATED BANK DEPOSITS

In order to comply with the Notification of the Bank of Thailand applicable to the electronic cash card business, the subsidiaries held deposits at call with banks not less than to the subsidiaries' outstanding balance of advance received from customers which cannot be used for other purposes apart from payments to service providers in the consolidated financial statements as at December 31, 2021 amounting to Baht 1,381 million (as at December 31, 2020 : amounting to Baht 1,910 million).

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

6. TRADE AND OTHER CURRENT RECEIVABLE

Trade and other current receivables as at December 31, are as follows:

Unit: Million Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Trade receivables					
Related parties	35				
Trade receivables		83	37	211	15
Accrued income		60	16	5	-
		143	53	216	15
Other parties					
Trade receivables		10,064	10,668	103	179
Accrued income		6,689	7,727	-	1,574
		16,753	18,395	103	1,753
Total trade receivables		16,896	18,448	319	1,768
Less Allowance for expected credit losses		(1,677)	(1,869)	(95)	(97)
Trade receivables - net		15,219	16,579	224	1,671
Other receivables					
Prepaid expense		1,093	1,028	37	21
Account receivables - cash card/ refill on mobile		53	74	-	-
Value-added tax receivable		170	49	-	-
Others	35	17	51	161	62
Total other receivables		1,333	1,202	198	83
Total trade and other current receivables		16,552	17,781	422	1,754
(Reversal of) Expected credit loss for the years ended December 31,		1,838	2,876	(11)	(2)

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Aging analysis for trade receivables are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Related parties				
Current - overdue 3 months	127	43	216	15
Overdue 3 - 6 months	6	3	-	-
Overdue 6 - 12 months	5	3	-	-
Overdue over 12 months	5	4	-	-
	143	53	216	15
Other parties				
Current - overdue 3 months	15,439	14,450	-	1
Overdue 3 - 6 months	745	729	-	-
Overdue 6 - 12 months	288	1,325	-	-
Overdue over 12 months	281	1,891	103	1,752
	16,753	18,395	103	1,753
Less Allowance for expected credit losses	(1,677)	(1,869)	(95)	(97)
	15,076	16,526	8	1,656
Trade receivables - net	15,219	16,579	224	1,671

The normal credit term granted by the Group and the Company ranges from 14 days to 120 days.

The following table shows the movement in lifetime expected credit losses that has been recognized for trade receivables by collectively assessed in accordance with the simplified approach set out in TFRS 9.

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balance as at January 1,	(1,869)	(1,765)	(97)	(98)
Provision for expected credit losses	(2,286)	(3,054)	-	-
Amounts written off	2,258	2,770	-	-
Amounts recovered	220	180	2	1
Balance as at December 31,	(1,677)	(1,869)	(95)	(97)

The currencies denomination of trade receivables as at December 31, are as follows:

Unit: Million Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Thai Baht (THB)		14,851	16,096	224	1,671
US Dollar (USD)	36	358	453	-	-
Euro (EUR)	36	2	7	-	-
Japanese Yen (JPY)	36	8	21	-	-
Singapore Dollar (SGD)	36	-	2	-	-
Total		15,219	16,579	224	1,671

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020, the Group and the Company have the outstanding balance of accrued income of revenue sharing in international direct dial service ("IDD") which is presented in overdue 12 months of Baht 1,584 million and Baht 1,574 million, respectively (as at December 31, 2021: Nil).

On January 16, 2013, the Company has submitted a dispute to the Arbitration Institute demanding National Telecom Public Company Limited ("NT") (see Note 38) to pay this receivable plus interest, the total amount of Baht 1,526 million.

On May 1, 2017, the Arbitral Tribunal gave the arbitration award to order NT to pay the revenue sharing of international call service from November 2008 to September 2012 to the Company in the amount of Baht 1,355 million and plus interest since date of the arbitration award until fully repayment date at 7.5% per annum of the principal amount. Moreover, NT has to pay the revenue sharing of international phone service from October 2012 to the ending of the Agreement for operation on September 30, 2015, or until the agreement is amended or renewed.

On September 7, 2017, the Company received a Black case No.1148/2560 dated July 17, 2017, which NT has filed to revoke the Arbitral Tribunal's award ordering NT to pay the revenue share of international call service as mention above.

On January 22, 2021, the Central Administrative Court has resolved to dismiss NT's petition, resulting in NT shall pay the revenue share of international direct dialing service to the Company in accordance with the Arbitration ruling.

Subsequently, on February 18, 2021, NT filed an appeal a Black case No. Or 107/ 2564 to the Supreme Administrative Court.

On November 26, 2013, Digital Phone Company Limited ("DPC"), a subsidiary, has submitted a dispute to the Central Administrative Court demanding NT to pay the revenue sharing of IDD of Baht 9 million plus interest rate at 7.5% per annum until the date of dispute submission, the total amount of Baht 11 million.

On May 31, 2018, the Central Administrative Court gave the decision and order NT to pay for the revenue sharing of IDD to DPC of Baht 2.56 million plus interest rate at 7.5% per annum of principal amount from the date of dispute submission until full payment which shall be paid within 60 days from the date that the case was decided.

On June 29, 2018, DPC has appealed to the Supreme Administrative Court under the disagreement with the Central Administrative Court's decision ordering NT to pay for the revenue sharing of IDD from the remuneration rate of usage and connection in accordance with the National Telecommunication Commission Order No. 11/2553 regarding "the Notification of Inter Connection charge on Telecommunication" which such rate was not the mutually agreed rate between DPC and NT from revenue share agreement.

On September 8, 2021, the Company and DPC have agreed to settle the disputes against NT as specified under Note 38 Significant Events, Commercial Disputes and Litigations. As a result of this settlement, accrued income of Baht 1,584 million and Baht 1,574 million were reduced in the consolidated and separate statements of financial position, respectively.

The Company, DPC and NT hence submitted dispute withdrawal to the Supreme Administrative Court on September 8, 2021, which the court decided to dispose of the cases as requested on October 1, 2021 and October 18, 2021.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

7. CONTRACT ASSETS

Contract assets as at December 31 are as follows: (Separate financial statements : nil)

Unit: Million Baht

	Consolidated financial statements	
	2021	2020
Current assets		
Sales of device and monthly service contract	2,100	1,715
Less Allowance for expected credit losses	(280)	(267)
Contract assets - net	1,820	1,448
Loss on terminate contract for the year ended December 31,	144	525

Contract assets are from sales of device and monthly service contract with customers. The contract assets are from price allocation to device sales which are recognized revenues at point in time, when the Group transferred control of device to customers. Contract asset will decrease relative to monthly service in each month. Monthly network service are recognized revenues at over time and percentage of completion.

Contract assets which is terminated or expected to be terminated before end of contract period are reduced and recognized as loss from terminate contract.

The following table shows the movement in lifetime expected credit losses that has been recognized for contract assets in accordance with the simplified approach set out in TFRS 9. (Separate financial statements : nil)

Unit: Million Baht

	Consolidated financial statements	
	2021	2020
Balance as at January 1,	(267)	(350)
(Reversal of) Provision for expected credit losses	(13)	83
Balance as at December 31,	(280)	(267)

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

8. INVENTORIES

Inventories as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Finished goods	2,126	2,423	-	-
Spare parts for mobile phone network maintenance	163	125	-	-
	2,289	2,548	-	-
Less allowance for obsolescence and decline in value of inventory	(185)	(176)	-	-
Inventories - net	2,104	2,372	-	-

The Group recognized expenses in respect of (reversal of) allowance for obsolescence and decline in value of inventory for the year ended December 31, 2021 and 2020 in consolidated financial statements of Baht 9 million and Baht (46) million, respectively (separate financial statements : nil).

9. INVESTMENTS IN AN ASSOCIATE AND JOINT VENTURES

Movements in investment in an associate in the consolidated financial statements for the years ended December 31, are as follows: (separate financial statement : nil)

Unit: Million Baht

	Consolidated financial statements	
	2021	2020
As at January 1,	32	25
Share of profit from investment in an associate	3	7
As at December 31,	35	32

For the years ended December 31, 2021 and 2020, the Group has no purchase and sale transactions of investment in an associate.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movements in investment in joint ventures for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate Financial statements	
	2021	2020	2021	2020
As at January 1,	799	636	-	-
Additional investments	300	247	300	-
Dividends received during the years	(15)	(9)	-	-
Currency conversion	8	3	-	-
Share of loss from investment in joint ventures	(144)	(78)	-	-
As at December 31,	948	799	300	-

Investments in joint ventures

Digital Games International Pte Ltd. ("DGI")

On February 13, 2020, the Company's Board of Directors' meeting approved a resolution to invest in Digital Games International Pte Ltd. ("DGI"), Singapore. Subsequently, on March 24, 2020, AIS Digital Life Co., Ltd. ("ADL"), formerly named Wireless Device Supply Co., Ltd ("WDS"), a subsidiary, has entered into the joint venture agreement with SK Telecom Co., Ltd. ("SKT"), South Korea and Digital Gaming Investment Pte Ltd., Singapore for investing 33.33% holding or 10,000,000 shares of DGI at Singapore Dollar 1, totaling Singapore Dollar 10 million or Baht 226 million to expand into online gaming market.

Saha Advance Network Co., Ltd.

On May 7, 2020, the Company' s Board of Directors' meeting approved Advanced Broadband Network Co., Ltd. ("ABN"), a subsidiary, has entered into the shareholders agreement with Saha Pathana Inter Holding Plc. to invest in Saha Advance Network Co., Ltd. ("SAN"). The business purpose is to provide fiber optic network in the industrial park of Sahapat Group. SAN have authorized share capital of Baht 30 million, consisting of 300,000 ordinary shares at par value of Baht 100 each. SAN called for full share subscription and established with the Department of Business Development, Ministry of Commerce on July 13, 2020. ABN invested in SAN 209,998 shares at Baht 100 each, totaling Baht 21 million, representing 70% of authorized share capital of SAN.

AISCB Co., Ltd. ("AISCB")

On September 21, 2021, the Company' s Board of Directors' meeting approved a resolution the Company has entered into the joint venture agreement with Siam Commercial Bank Public Company Limited ("SCB") to investment in AISCB Co., Ltd. ("AISCB"). The business purpose is to provide the digital lending via online platform. AISCB have authorized share capital of Baht 600 million, consisting of 6,000,000 ordinary shares at par value of Baht 100 each and has established with the Department of Business Development, Ministry of Commerce on October 25, 2021. The Company invested in AISCB by 3,000,000 shares at Baht 100 each, totaling Baht 300 million, representing 50% of authorized share capital of AISCB.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Investments in an associate and joint ventures as at December 31, and dividend income from those investments for the years then ended are as follows:

Unit: Million Baht

	Consolidated financial statements									
	% of Ownership interest		Paid-up capital		Cost		Equity		Dividend received for the years	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Associate										
Information Highway Co., Ltd.	29	29	50	50	15	15	35	32	-	-
Joint ventures										
Amata Network Co., Ltd.	60	60	100	100	60	60	141	114	15	9
Rabbit Line Pay Co., Ltd.	33.33	33.33	600	600	787	787	428	490	-	-
Digital Games International Pte Ltd.	33.33	33.33	678	678	226	226	58	175	-	-
Saha Advance Network Co., Ltd.	70	70	30	30	21	21	20	20	-	-
AISCB Co., Ltd.	50	-	600	-	300	-	300	-	-	-

Unit: Million Baht

	Separate financial statements									
	% of Ownership interest		Paid-up capital		Cost		Equity		Dividend received for the years	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Joint venture										
AISCB Co., Ltd.	50	-	600	-	300	-	300	-	-	-

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Summarized financial position in respect of an associate and joint ventures and performance for the years then ended are as follows:

Unit: Million Baht

	Reporting date	% of Ownership interest	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Profit/ (loss)
2021											
Associate											
Information Highway Co., Ltd.	December 31	29	69	406	475	110	249	359	184	172	12
Joint ventures											
Amata Network Co., Ltd.	December 31	60	152	110	262	25	1	26	109	38	71
Rabbit Line Pay Co., Ltd.	December 31	33.33	1,123	195	1,318	692	307	999	256	441	(185)
Digital Games International Pte Ltd.	December 31	33.33	223	3	226	53	-	53	90	465	(375)
Saha Advance Network Co., Ltd.	December 31	70	28	5	33	5	-	5	3	3	-
AISCB Co., Ltd.	December 31	50	600	-	600	-	-	-	-	-	-
2020											
Associate											
Information Highway Co., Ltd.	December 31	29	63	448	511	113	296	409	164	139	25
Joint ventures											
Amata Network Co., Ltd.	December 31	60	113	101	214	23	1	24	96	36	60
Rabbit Line Pay Co., Ltd.	December 31	33.33	586	228	814	304	6	310	166	352	(186)
Digital Games International Pte Ltd.	December 31	33.33	454	107	561	36	-	36	3	165	(162)
Saha Advance Network Co., Ltd.	December 31	70	29	-	29	-	-	-	-	1	(1)

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Reconciliation of the above summarized financial information to the carrying amount of the interest in joint ventures recognized in the consolidated financial statements is as follows:

Unit: Million Baht

	Consolidated financial statements	
Rabbit - Line Pay Co., Ltd.	**2021**	**2020**
Net assets of the joint ventures	319	504
Proportion of the Group's ownership interest in the joint ventures (%)	33.33	33.33
	106	168
Goodwill	322	322
Carrying amount of the Group's interest in the joint venture	428	490

10. INVESTMENTS IN SUBSIDIARIES

Movements in investments in subsidiaries for the years ended December 31, are as follows:

Unit: Million Baht

	Separate financial statements	
	2021	**2020**
Subsidiaries		
Balance as at January 1,	33,819	27,265
Dividend received during the years	(23,064)	(19,964)
Share of profit of subsidiaries accounted for using equity method	26,189	26,757
Share of gain /(loss) of other comprehensive income in subsidiaries accounted for using equity method	410	(265)
Invested in share capital of a subsidiary	-	26
As at December 31,	37,354	33,819

Invested in share capital of subsidiaries

Advanced Broadband Network Co., Ltd.

On May 7, 2020, the Company's Board of Directors' meeting approved Advanced Broadband Network Co., Ltd. ("ABN"), a subsidiary, increased in the share capital totaling Baht 25 million. Subsequently, on June 23, 2020, ABN registered to increase in the share capital from Baht 75 million which is 750,000 ordinary shares at Baht 100 each to Baht 100 million which is 1,000,000 ordinary shares at Baht 100 each with the Ministry of Commerce.

LearnDi Co., Ltd.

On May 7, 2020, the Company's Board of Directors' meeting approved a resolution to approve the establishment of a company named LearnDi Company Limited ("LearnDi") as a subsidiary to provide training and seminar through online and e-learning platform. LearnDi have authorized share capital of Baht 1 million, consisting of 100,000 ordinary shares at par value of Baht 10 each. LearnDi called for full share subscription and established with the Department of Business Development, Ministry of Commerce on July 3, 2020. The Company invested in LearnDi 99,997 shares at Baht 10 each, totaling Baht 1 million, representing 99.99% of authorized share capital of LearnDi.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Investments in subsidiaries as at December 31 and dividend received for the years then ended, are as follows:

Unit: Million Baht

	Separate financial statements									
	Ownership interest		Paid-up capital		Cost		Investment as equity method		Dividend received for the years	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	%	%								
Subsidiaries										
Advanced Contact Center Co., Ltd.	99.99	99.99	272	272	811	811	509	447	242	200
Digital Phone Co., Ltd.	98.55	98.55	914	914	10,226	10,226	4,179	4,173	-	-
Advanced Magic Card Co., Ltd.	99.99	99.99	250	250	250	250	277	277	-	-
Advanced Mpay Co., Ltd.	99.99	99.99	300	300	336	336	1,051	931	946	621
AIN GlobalComm Co., Ltd.	99.99	99.99	100	100	100	100	122	130	147	35
Advanced Wireless Network Co., Ltd.	99.99	99.99	1,350	1,350	1,485	1,485	24,184	20,990	9,913	10,955
Super Broadband Network Co., Ltd.	99.99	99.99	300	300	300	300	2,271	2,095	3,863	2,550
AIS Digital Life Co., Ltd.										
(Formerly named Wireless Device Supply Co., Ltd.)	99.99	99.99	50	50	50	50	(114)	68	141	221
Fax Lite Co., Ltd.	99.98	99.98	1	1	1	1	2,523	2,640	5,175	4,595
MIMO Tech Co., Ltd.	99.99	99.99	50	50	50	50	2,120	1,883	2,623	766
Advanced Broadband Network Co., Ltd.	99.99	99.99	100	100	100	100	211	176	14	21
Advanced Digital Distribution Co., Ltd.	99.99	99.99	5	5	5	5	16	8	-	-
LearnDi Co., Ltd	99.99	99.99	1	1	1	1	5	1	-	-
Total					13,715	13,715	37,354	33,819	23,064	19,964

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

11. OTHER NON-CURRENT FINANCIAL ASSETS AND OTHER LONG-TERM INVESTMENTS

Other non-current financial and other-long term investments assets as at December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Investment in equity securities measured at fair value through other comprehensive income		101	110	63	68
Interest rate swap	36	9	-	-	-
Total		110	110	63	68

12. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment for the years ended December 31, are as follows:

As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements				
	Balance as at January 1, 2021	Increase	Decrease	Transfer/ Other	Balance as at December 31, 2021
Cost					
Land	704	-	-	-	704
Building and building improvements	740	3	-	12	755
Leasehold building improvements	2,199	143	(136)	5	2,211
Computer, tools and equipment	259,614	16,142	(1,470)	2,804	277,090
Furniture, fixtures and office equipment	2,084	101	(66)	20	2,139
Vehicles	46	3	(10)	-	39
Total	265,387	16,392	(1,682)	2,841	282,938
Accumulated depreciation					
Building and building improvements	(454)	(18)	-	-	(472)
Leasehold building improvements	(1,644)	(236)	129	-	(1,751)
Computer, tools and equipment	(140,228)	(26,662)	1,009	262	(165,619)
Furniture, fixtures and office equipment	(1,641)	(137)	64	-	(1,714)
Vehicles	(22)	(2)	1	-	(23)
Total	(143,989)	(27,055)	1,203	262	(169,579)
Assets under construction and installation	4,266	7,090	(84)	(3,109)	8,163
Less Allowance for unused equipment	(3,146)	(636)	104	-	(3,678)
Property, plant and equipment	122,518	(4,209)	(459)	(6)	117,844

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Consolidated financial statements				
	Balance as at January 1, 2020	**Increase**	**Decrease**	**Transfer/ Other**	**Balance as at December 31, 2020**
Cost					
Land	703	1	-	-	704
Building and building improvements	737	2	(1)	2	740
Leasehold building improvements	2,051	240	(90)	(2)	2,199
Computer, tools and equipment	233,769	22,379	(339)	3,805	259,614
Furniture, fixtures and office equipment	2,023	93	(58)	26	2,084
Vehicles	35	24	(13)	-	46
Total	239,318	22,739	(501)	3,831	265,387
Accumulated depreciation					
Building and building improvements	(438)	(17)	1	-	(454)
Leasehold building improvements	(1,447)	(275)	78	-	(1,644)
Computer, tools and equipment	(112,818)	(27,720)	310	-	(140,228)
Furniture, fixtures and office equipment	(1,553)	(141)	53	-	(1,641)
Vehicles	(21)	(3)	2	-	(22)
Total	(116,277)	(28,156)	444	-	(143,989)
Assets under construction and installation	4,814	3,283	-	(3,831)	4,266
Less Allowance for unused equipment	(2,446)	(700)	-	-	(3,146)
Property, plant and equipment	125,409	(2,834)	(57)	-	122,518

Depreciation for the years ended December 31,		
2021	**Million Baht**	27,055
2020	**Million Baht**	28,156

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2021

Unit: Million Baht

	Separate financial statements				
	Balance as at January 1, 2021	**Increase**	**Decrease**	**Transfer/ Other**	**Balance as at December 31, 2021**
Cost					
Building and building improvements	128	-	-	-	128
Leasehold building improvements	303	19	(18)	4	308
Computer, tools and equipment	65	4	(1)	-	68
Furniture, fixtures and office equipment	526	5	(31)	-	500
Vehicles	20	2	(5)	-	17
Total	1,042	30	(55)	4	1,021
Accumulated depreciation					
Building and building improvements	(127)	-	-	-	(127)
Leasehold building improvements	(279)	(12)	18	-	(273)
Computer, tools and equipment	(63)	(1)	1	-	(63)
Furniture, fixtures and office equipment	(512)	(6)	31	-	(487)
Vehicles	(5)	(1)	1	-	(5)
Total	(986)	(20)	51	-	(955)
Assets under construction and installation	-	7	-	(4)	3
Property, plant and equipment	56	17	(4)	-	69

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Separate financial statements			
	Balance as at January 1, 2020	**Increase**	**Decrease**	**Balance as at December 31, 2020**
Cost				
Building and building improvements	128	-	-	128
Leasehold building improvements	306	13	(16)	303
Computer, tools and equipment	67	1	(3)	65
Furniture, fixtures and office equipment	536	6	(16)	526
Vehicles	13	13	(6)	20
Total	1,050	33	(41)	1,042
Accumulated depreciation				
Building and building improvements	(127)	-	-	(127)
Leasehold building improvements	(280)	(15)	16	(279)
Computer, tools and equipment	(65)	(1)	3	(63)
Furniture, fixtures and office equipment	(520)	(7)	15	(512)
Vehicles	(5)	(2)	2	(5)
Total	(997)	(25)	36	(986)
Property, plant and equipment	53	8	(5)	56

Depreciation for the years ended December 31,

2021	**Million Baht**	20
2020	**Million Baht**	25

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

13. RIGHT-OF-USE ASSETS

Movement in right-of-use assets for the year ended December 31, are as follows:

As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements			
	Balance as at January 1, 2021	**Additions**	**Disposals**	**Balance as at December 31, 2021**
Cost				
Land and Building	6,739	3,208	(1,919)	8,028
Spectrum License	20,582	-	-	20,582
Leasehold for Tower	39,599	-	-	39,599
Equipment for Telecom	895	568	(281)	1,182
Office Building	2,329	1,161	(593)	2,897
Vehicle	359	16	(87)	288
Total	70,503	4,953	(2,880)	72,576
Accumulated depreciation				
Land and Building	(2,471)	(3,190)	1,781	(3,880)
Spectrum License	(3,689)	(3,679)	-	(7,368)
Leasehold for Tower	(4,408)	(4,396)	-	(8,804)
Equipment for Telecom	(228)	(417)	246	(399)
Office Building	(841)	(1,048)	526	(1,363)
Vehicle	(143)	(116)	71	(188)
Total	(11,780)	(12,846)	2,624	(22,002)
Right-of use assets	58,723	(7,893)	(256)	50,574

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Consolidated financial statements			
	Balance as at January 1, 2020	**Additions**	**Disposals**	**Balance as at December 31, 2020**
Cost				
Land and Building	4,362	3,051	(674)	6,739
Spectrum License	20,582	-	-	20,582
Leasehold for Tower	39,599	-	-	39,599
Equipment for Telecom	844	252	(201)	895
Office Building	1,180	1,349	(200)	2,329
Vehicle	317	98	(56)	359
Total	66,884	4,750	(1,131)	70,503
Accumulated depreciation				
Land and Building	-	(3,137)	666	(2,471)
Spectrum License	-	(3,689)	-	(3,689)
Leasehold for Tower	-	(4,408)	-	(4,408)
Equipment for Telecom	(48)	(340)	160	(228)
Office Building	-	(1,033)	192	(841)
Vehicle	(78)	(119)	54	(143)
Total	(126)	(12,726)	1,072	(11,780)
Right-of use assets	66,758	(7,976)	(59)	58,723

Depreciation for the year ended December 31,		
2021	**Million Baht**	12,774*
2020	**Million Baht**	12,644*

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2021

Unit: Million Baht

	Separate financial statements			
	Balance as at January 1, 2021	**Additions**	**Disposals**	**Balance as at December 31, 2021**
Cost				
Office Building	315	94	(20)	389
Vehicle	31	3	(14)	20
Total	346	97	(34)	409
Accumulated depreciation				
Office Building	(103)	(111)	6	(208)
Vehicle	(17)	(7)	12	(12)
Total	(120)	(118)	18	(220)
Right-of use assets	226	(21)	(16)	189

As at December 31, 2020

Unit: Million Baht

	Separate financial statements			
	Balance as at January 1, 2020	**Additions**	**Disposals**	**Balance as at December 31, 2020**
Cost				
Office Building	14	312	(11)	315
Vehicle	51	-	(20)	31
Total	65	312	(31)	346
Accumulated depreciation				
Office Building	-	(113)	10	(103)
Vehicle	(28)	(9)	20	(17)
Total	(28)	(122)	30	(120)
Right-of use assets	37	190	(1)	226

Depreciation for the year ended December 31,		
2021	**Million Baht**	117*
2020	**Million Baht**	122

* During the year, the Group and the Company have received reduction in lease payments by lessors from the impacts from COVID - 19 outbreak in amount of Baht 72 million and Baht 1 million, respectively, for the year ended December 31, 2021 (For the year ended December 31, 2020: Baht 82 million and nil). The Group and the Company reversed depreciation of right-of-use assets and interest on lease liabilities recognized in each period in proportion to the reduction, with any differences then recognized in profit or loss.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

14. GOODWILL

Movements in goodwill for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements	
	2021	2020
Cost		
As at January 1,	17,199	17,199
Increased from business acquisition	-	-
As at December 31,	17,199	17,199
Accumulated amortization		
As at January 1,	(7,662)	(7,662)
As at December 31,	(7,662)	(7,662)
Allowance for impairment	(6,655)	(6,655)
Total	2,882	2,882

15. SPECTRUM LICENSES

Movements in spectrum licenses in the consolidated financial statements for the years ended December 31, are as follows: (separate financial statements: nil)

As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements		
	Balance as at January 1, 2021	Additions	Balance as at December 31, 2021
Cost			
Spectrum licenses	153,227	33,232	186,459
Total	153,227	33,232	186,459
Accumulated Amortization			
Spectrum licenses	(43,008)	(11,676)	(54,684)
Total	(43,008)	(11,676)	(54,684)
Spectrum licenses	110,219	21,556	131,775

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Consolidated financial statements		
	Balance as at January 1, 2020	**Additions**	**Balance as at December 31, 2020**
Cost			
Spectrum licenses	136,444	16,783	153,227
Total	136,444	16,783	153,227
Accumulated Amortization			
Spectrum licenses	(33,370)	(9,638)	(43,008)
Total	(33,370)	(9,638)	(43,008)
Spectrum licenses	103,074	7,145	110,219

Amortization for the years ended December 31,		
2021	**Million Baht**	11,676
2020	**Million Baht**	9,638

On allocation license of spectrum for telecommunications service in 700 MHz by Advanced Wireless Network Company Limited ("AWN"), a subsidiary, is at the price of Baht 17,584 million. According to the terms and conditions, AWN paid 1st installment by 10% of the fee plus VAT, totalling Baht 1,881 million on January 13, 2021 and submitted bank guarantee to pay the remaining fee to the NBTC. For the 2nd installment to 10th installment of 10% of the fee plus VAT each will be paid annually since date of the first installment. Later on, January 15, 2021, AWN is now officially granted the license to operate 700 MHz from the National Broadcasting and Telecommunications Commission ("NBTC"). AWN recognized unrealized adjustment value of spectrum license for spectrum license 900 MHz (see Note 1) of Baht 3,284 million with the cost of spectrum license 700 MHz.

On February 18, 2021, Advanced Wireless Network Company Limited ("AWN"), a subsidiary, is the auction winner for 26 GHz license at the bidding price of Baht 5,345 million. AWN is now officially granted the license to operate 26 GHz from the National Broadcasting and Telecommunications Commission ("NBTC"). According to the auction terms and conditions, AWN paid full amount of the fee plus VAT, totalling Baht 5,719 million on February 18, 2021.

On April 1, 2021, Advanced Wireless Network Company Limited ("AWN"), a subsidiary, is the auction winner for 700 MHz license at the bidding price of Baht 17,154 million. AWN is now officially granted the license to operate 700MHz from the National Broadcasting and Telecommunications Commission ("NBTC"). According to the auction terms and conditions, AWN paid 1st installment by 10% of the license price plus VAT, totalling Baht 1,835 million on March 16, 2021 and submitted bank guarantee to pay the remaining fee to the NBTC. For the 2nd installment to 10th installment of 10% of the fee plus VAT each will be paid annually since date of the first installment.

The costs of spectrum licenses are initially recognized by measuring at the cash equivalent price based on the present value of its acquisition cost.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

16. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Movements in other intangible assets other than goodwill for the years ended December 31, are as follows:

As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements				
	Balance as at January 1, 2021	**Additions**	**Disposals**	**Transfer/ Other**	**Balance as at December 31, 2021**
Cost					
Customer relationship	167	-	-	-	167
Customer contracts	139	-	-	-	139
Fibre optics licences	86	-	-	-	86
Software licenses	14,255	4,700	(2)	173	19,126
Total	14,647	4,700	(2)	173	19,518
Accumulated amortization					
Customer relationship	(105)	(36)	-	-	(141)
Customer contracts	(90)	(31)	-	-	(121)
Fibre optics licences	(77)	(9)	-	-	(86)
Software licenses	(7,568)	(1,793)	2	-	(9,359)
Total	(7,840)	(1,869)	2	-	(9,707)
Assets under installation	316	949	(45)	(167)	1,053
Other intangible assets	7,123	3,780	(45)	6	10,864

As at December 31, 2020

Unit: Million Baht

	Consolidated financial statements				
	Balance as at January 1, 2020	**Additions**	**Disposals**	**Transfer/ Other**	**Balance as at December 31, 2020**
Cost					
Customer relationship	167	-	-	-	167
Customer contracts	139	-	-	-	139
Fibre optics licences	86	-	-	-	86
Software licenses	11,421	2,803	(48)	79	14,255
Total	11,813	2,803	(48)	79	14,647
Accumulated amortization					
Customer relationship	(69)	(36)	-	-	(105)
Customer contracts	(59)	(31)	-	-	(90)
Fibre optics licences	(69)	(8)	-	-	(77)
Software licenses	(6,249)	(1,328)	9	-	(7,568)
Total	(6,446)	(1,403)	9	-	(7,840)
Assets under installation	101	294	-	(79)	316
Other intangible assets	5,468	1,694	(39)	-	7,123

Amortization for the years ended December 31,

2021	**Million Baht**	1,869
2020	**Million Baht**	1,403

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2021

Unit: Million Baht

	Separate financial statements				
	Balance as at January 1, 2021	**Additions**	**Disposals**	**Transfer/ Other**	**Balance as at December 31, 2021**
Cost					
Software licenses	323	3	-	-	326
Total	323	3	-	-	326
Accumulated amortization					
Software licenses	(317)	(3)	-	-	(320)
Total	(317)	(3)	-	-	(320)
Other intangible assets	6	-	-	-	6

As at December 31, 2020

Unit: Million Baht

	Separate financial statements				
	Balance as at January 1, 2020	**Additions**	**Disposals**	**Transfer/ Other**	**Balance as at December 31, 2020**
Cost					
Software licenses	323	-	-	-	323
Total	323	-	-	-	323
Accumulated amortization					
Software licenses	(312)	(5)	-	-	(317)
Total	(312)	(5)	-	-	(317)
Other intangible assets	11	(5)	-	-	6

Amortization for the years ended December 31,		
2021	**Million Baht**	3
2020	**Million Baht**	5

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

17. DEFERRED TAX ASSETS

Deferred tax assets and liabilities as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets	4,698	4,480	492	489
Deferred tax liabilities	(462)	(360)	(5)	(4)
Deferred tax - net	4,236	4,120	487	485

Movements in deferred tax assets and liabilities for the years ended December 31, are as follows:

As at December 31, 2021

Unit: Million Baht

	Consolidated financial statements			
	Balance as at January 1, 2021	(Charged)/credited to Profit or loss	Other Comprehensive Income	Balance as at December 31, 2021
Deferred tax assets				
Trade receivables (allowance for expected credit loss)	333	(26)	-	307
Inventories (allowance for obsolescence and decline in value)	35	2	-	37
Unearned income - mobile phone service (income recognized difference)	289	137	-	426
Accrued expense	410	-	-	410
Provisions for employee benefit	656	27	-	683
Spectrum licenses payable (deferred interest)	1,205	162	-	1,367
Allowance for unused equipment	352	(55)	-	297
Other current financial liabilities	60	(55)	-	5
Other non-current financial liabilities	230	-	(98)	132
Leased liabilities	294	144	-	438
Others	616	(20)	-	596
Total	4,480	316	(98)	4,698
Deferred tax liabilities				
Contract assets	(290)	(74)	-	(364)
Other non-current assets	(11)	(43)	(1)	(55)
Others	(59)	16	-	(43)
Total	(360)	(101)	(1)	(462)
Deferred tax - net	4,120	215	(99)	4,236

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Consolidated financial statements			
	Balance as at January 1, 2020	**(Charged)/credited to Profit or loss**	**Other Comprehensive Income**	**Balance as at December 31, 2020**
Deferred tax assets				
Trade receivables (allowance for expected credit loss)	326	7	-	333
Inventories (allowance for obsolescence and decline in value)	44	(9)	-	35
Unearned income - mobile phone service (income recognized difference)	467	(178)	-	289
Accrued expense	410	-	-	410
Provisions for employee benefit	588	46	22	656
Loss carry forward	75	(75)	-	-
Spectrum licenses payable (deferred interest)	991	214	-	1,205
Allowance for unused equipment	448	(96)	-	352
Other current financial liabilities	26	34	-	60
Other non-current financial liabilities	180	-	50	230
Leased liabilities	-	294	-	294
Others	590	26	-	616
Total	4,145	263	72	4,480
Deferred tax liabilities				
Contract assets	(374)	84	-	(290)
Other non-current assets	(12)	-	1	(11)
Others	(74)	15	-	(59)
Total	(460)	99	1	(360)
Deferred tax - net	3,685	362	73	4,120

As at December 31, 2021

Unit: Million Baht

	Separate financial statements			
	Balance as at January 1, 2021	**(Charged)/credited to Profit or loss**	**Other comprehensive income**	**Balance as at December 31, 2021**
Deferred tax assets				
Accrued expense	410	-	-	410
Provisions for employee benefit	79	3	-	82
Total	489	3	-	492
Deferred tax liabilities				
Other non-current assets	(4)	-	1	(3)
Others	-	(2)	-	(2)
Total	(4)	(2)	1	(5)
Deferred tax - net	485	1	1	487

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As at December 31, 2020

Unit: Million Baht

	Balance as at January 1, 2020	Separate financial statements (Charged)/credited to Profit or loss	Other comprehensive income	Balance as at December 31, 2020
Deferred tax assets				
Accrued expense	410	-	-	410
Provisions for employee benefit	66	7	6	79
Loss carry forward	74	(74)	-	-
Total	550	(67)	6	489
Deferred tax liabilities				
Other non-current assets	(4)	-	-	(4)
Total	(4)	-	-	(4)
Deferred tax - net	546	(67)	6	485

Deferred tax assets arising from significant temporary differences and loss carry forward that have not been recognized in the financial statements as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Others	19	19	19	19
Total	19	19	19	19

As at December 31, 2020, the Group have not recognized temporary difference as deferred tax assets in respect of loss carry forward expired in 2020 - 2024 and no maturity temporary differences under current tax legalization recognized in respect of these items, because it is not probable that future taxable profit will be available against which the Group can utilize the benefits from them.

As at December 31, 2021, the Group have not recognized temporary difference as deferred tax assets in respect of loss carry forward expired in 2021 - 2025 and no maturity temporary differences under current tax legalization recognized in respect of these items, because it is not probable that future taxable profit will be available against which the Group can utilize the benefits from them.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

18. INTEREST-BEARING LIABILITIES

Interest-bearing liabilities as at December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements 2021	Consolidated financial statements 2020	Separate financial statements 2021	Separate financial statements 2020
Current					
Short-term borrowing from financial institutions		-	4,900	-	-
Current portion of long-term liabilities					
- Current portion of long-term borrowings from financial institution		13,382	12,072	-	-
- Current portion of long-term borrowings from a related party - net	35	750	-	-	-
- Current portion of long-term debentures	35	-	1,776	-	-
Total current portion of long-term liabilities		14,132	13,848	-	-
Current portion of lease liabilities	35	10,537	10,213	146	116
Short-term borrowings from related parties	35	-	-	5,840	5,080
Total current		24,669	28,961	5,986	5,196
Non-current					
Long-term liabilities					
- Long-term borrowings from Financial institution - net		22,333	33,685	-	-
- Long-term borrowing from a related party - net	35	14,249	14,999	-	-
- Long-term debentures - net	35	37,114	30,617	6,493	-
Total long-term liabilities		73,696	79,301	6,493	-
Lease liabilities - net	35	40,598	48,151	50	119
Total non-current		114,294	127,452	6,543	119
Total		138,963	156,413	12,529	5,315

The periods to maturity of interest-bearing liabilities as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements 2021	Consolidated financial statements 2020	Separate financial statements 2021	Separate financial statements 2020
Within one year	24,669	28,961	5,986	5,196
After one year but within five years	80,389	82,245	1,049	119
After five years	33,905	45,207	5,494	-
Total	138,963	156,413	12,529	5,315

The currencies denomination of interest-bearing liabilities as at December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements 2021	Consolidated financial statements 2020	Separate financial statements 2021	Separate financial statements 2020
Thai Baht (THB)		138,869	156,364	12,529	5,315
US Dollar (USD)	36	94	49	-	-
Total		138,963	156,413	12,529	5,315

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Long-term borrowings

The details of long-term borrowings as at December 31, are summarized as follows: (separate financial statement: nil)

Unit: Million Baht

Interest rate (per annum)	Term of interest payment	Principal payment term	Consolidated financial statements 2021	2020
Advanced Wireless Network Co., Ltd.				
Fixed interest rate as stipulated in the agreement	Semi-annual	4 equal installments from 2019 to 2021	-	1,250
Fixed interest rate as stipulated in the agreement	Semi-annual	7 equal installments from 2019 to 2022	1,429	2,857
6MBIBOR plus margin	Semi-annual	6 equal installments from 2020 to 2023	10,500	17,000
6MBIBOR plus margin	Semi-annual	5 equal installments from 2019 to 2023	2,800	4,200
6MTHBFIX plus margin	Semi-annual	6 equal installments from 2021 to 2023	3,000	4,500
Fixed interest rate as stipulated in the agreement	Semi-annual	2 equal installments in 2022*	1,961	1,961
6MTHBFIX plus margin	Semi-annual	6 equal installments from 2023 to 2026	2,000	2,000
6MTHBFIX plus margin	Quarterly	4 equal installments from 2024 to 2025	10,000	10,000
6MTHBFIX plus margin	Semi-annual	6 installments from 2025 to 2027	2,000	2,000
Fixed interest rate as stipulated in the agreement	Semi-annual	6 equal installments from 2025 to 2027	600	-
6MBIBOR plus margin	Semi-annual	10 equal installments from 2022 to 2025	300	-
6MBIBOR plus margin	Semi-annual	10 equal installments from 2021 to 2026	270	-
6MBIBOR plus margin	Semi-annual	3 equal installments from 2024 to 2026	300	-
6MBIBOR plus margin	Semi-annual	9 equal installments from 2023 to 2025	300	-
6MBIBOR plus margin	Semi-annual	9 equal installments from 2024 to 2028	300	-
Total loans			35,760	45,768
Less transaction cost			(45)	(11)
Long-term borrowings			35,715	45,757

* The Group has amended long-term loan agreement with the bank to change the currency from US Dollar to Thai Baht in order to hedge for foreign exchange risk and interest rate risk. Loan tenor and other conditions remain unchanged.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Long-term debentures

As at December 31, the Group and the Company's long-term debentures represent unsubordinated and unsecured debentures with a par value of Baht 1,000 each are as follows:

Unit: Million Baht

Issue date	No. of units (Million)	Amount	Interest rate (per annum)	Term of interest payment	Principal payment term	Consolidated financial statements		Separate financial statements	
						As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Advanced Info Service PCL.									
May 7, 2021	1.00	1,000	Fixed interest rate of 1.58%	Semi-annual	Entirely redeemed on May 7, 2026	1,000	-	1,000	-
May 7, 2021	2.50	2,500	Fixed interest rate of 2.14%	Semi-annual	Entirely redeemed on May 7, 2028	2,500	-	2,500	-
May 7, 2021	3.00	3,000	Fixed interest rate of 2.69%	Semi-annual	Entirely redeemed on May 7, 2031	3,000	-	3,000	-
Advanced Wireless Network Co., Ltd.									
April 11, 2014	1.78	1,776	Fixed interest rate of 4.56%	Semi-annual	Entirely redeemed on April 11, 2021	-	1,776	-	-
April 11, 2014	6.64	6,638	Fixed interest rate of 4.94%	Semi-annual	Entirely redeemed on April 11, 2024	6,638	6,638	-	-
May 11, 2016	7.82	7,820	Fixed interest rate of 2.51%	Semi-annual	Entirely redeemed on May 11, 2023	7,820	7,820	-	-
May 11, 2016	7.18	7,180	Fixed interest rate of 2.78%	Semi-annual	Entirely redeemed on May 11, 2026	7,180	7,180	-	-
November 30, 2017	9.00	9,000	Fixed interest rate of 3.35%	Semi-annual	Entirely redeemed on November 30, 2027	9,000	9,000	-	-
Total debentures						37,138	32,414	6,500	-
Less bond issuing cost						(24)	(21)	(7)	-
Long-term debentures						37,114	32,393	6,493	-

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Under the terms and conditions of the long-term borrowings and debentures, the Group has to comply with certain restrictions.

As at December 31, 2021, the Group and the Company have no undrawn borrowings (as at December 31, 2020: Baht 30,500 million and Nil, respectively).

The carrying amount and fair values of long-term debentures (gross of issue costs) as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements			
	Carrying amount		Fair values*	
	2021	2020	2021	2020
Long-term debentures	37,138	32,414	38,762	34,623

Unit: Million Baht

	Separate financial statements			
	Carrying amount		Fair values*	
	2021	2020	2021	2020
Long-term debentures	6,500	-	6,534	-

* Fair values for traded debentures have been determined based on quoted selling prices from The Thai Bond Market Association at the close of the business at the end of the reporting period.

Movement of interest-bearing liabilities arising from financing activities for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements						
	Short-term borrowings from financial institutions	Short-term borrowings from related parties	Long-term borrowings from Financial institutions	Long-term borrowing from a related party	Long-term debentures	Lease Liabilities	Total
As at January 1, 2021	4,900	-	45,757	14,999	32,393	58,364	156,413
Cash flows items:							
Additions	4,000	400	2,100	-	6,500	-	13,000
Repayments	(8,900)	(400)	(12,109)	-	(1,776)	(11,882)	(35,067)
Borrowing cost	-	-	(48)	-	(8)	-	(56)
Total Cash flows items	(4,900)	-	(10,057)	-	4,716	(11,882)	(22,123)
Non-cash items:							
Addition	-	-	-	-	-	4,881	4,881
Terminate	-	-	-	-	-	(234)	(234)
Unrealized loss on foreign exchange rate	-	-	-	-	-	6	6
Amortization as expense	-	-	15	-	5	-	20
Total non-cash items	-	-	15	-	5	4,653	4,673
As at December 31, 2021	-	-	35,715	14,999	37,114	51,135	138,963

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Unit: Million Baht

	Consolidated financial statements						
	Short-term borrowings from financial institutions	Short-term borrowings from related parties	Long-term borrowings from Financial institutions	Long-term borrowing from a related party	Long-term debentures	Lease Liabilities	Total
As at January 1, 2020	-	-	58,576	2,999	32,388	65,430	159,393
Cash flows items:							
Additions	8,900	2,100	12,000	12,000	-	-	35,000
Repayments	(4,000)	(2,100)	(24,829)	-	-	(11,754)	(42,683)
Total Cash flows items	4,900	-	(12,829)	12,000	-	(11,754)	(7,683)
Non-cash items:							
Addition	-	-	-	-	-	4,684	4,684
Unrealized loss on foreign exchange rate	-	-	-	-	-	4	4
Amortization as expense	-	-	10	-	5	-	15
Total non-cash items	-	-	10	-	5	4,688	4,703
As at December 31, 2020	4,900	-	45,757	14,999	32,393	58,364	156,413

Unit: Million Baht

	Separate financial statements			
	Short-term borrowings from related parties	Long-term debentures	Lease liabilities	Total
As at January 1, 2021	5,080	-	235	5,315
Cash flows items:				
Addition	2,590	6,500	-	9,090
Repayments	(1,830)	-	(119)	(1,949)
Borrowing cost	-	(8)	-	(8)
Total cash flows items	760	6,492	(119)	7,133
Non-cash changes items:				
Addition	-	-	96	96
Terminate	-	-	(16)	(16)
Amortization as expenses	-	1	-	1
Total non-cash changes items	-	1	80	81
As at December 31, 2021	5,840	6,493	196	12,529

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Unit: Million Baht

	Separate financial statements		
	Short-term borrowings from related parties	Lease liabilities	Total
As at January 1, 2020	4,920	50	4,970
Cash flows items:			
Additions	1,500	-	1,500
Repayments	(1,340)	(125)	(1,465)
Total Cash flows items	160	(125)	35
Non-cash items:			
Addition	-	310	310
Total non-cash items	-	310	310
As at December 31, 2020	5,080	235	5,315

The effective weighted interest rates as at December 31, are as follows:

Unit: Percent per annum

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term borrowings	-	0.72	0.49	0.58
Long-term borrowings	2.17	2.18	-	-
Long-term debentures	3.17	3.41	2.31	-
Lease liabilities	2.52	2.24	2.16	2.19

The effective weighted interest rates of long-term borrowings for the Group and the Company are calculated with the rate after hedging.

19. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Trade payables					
Related parties	35	116	80	62	14
Other parties		26,629	22,302	29	43
Total trade payables		26,745	22,382	91	57
Other payables					
Accrued expenses	35	16,582	16,752	2,669	2,706
Valued-added tax payable		334	212	9	9
Withholding tax payable		230	248	9	8
Others		1,164	977	-	-
Total other payables		18,310	18,189	2,687	2,723
Total trade and other current payables		45,055	40,571	2,778	2,780

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The currencies denomination of trade payables as at December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Thai Baht (THB)		7,423	9,056	32	49
US Dollar (USD)	36	19,241	13,314	-	-
Euro (EUR)	36	12	2	-	-
Yen (JPY)	36	7	-	-	-
Singapore Dollar (SGD)	36	59	10	59	8
Australian Dollar (AUD)	36	3	-	-	-
Total		26,745	22,382	91	57

20. SPECTRUM LICENSES PAYABLE

Spectrum licenses payable in the consolidated financial statements as at December 31, are as follows: (separate financial statements: nil)

Unit: Million Baht

	Note	Consolidated financial statements	
		2021	2020
Spectrum licenses payable			
License certificate no. NBTC/FREQ/TEL/55/1 (Addendum no.2)	1	28,563	35,218
License certificate no. NBTC/FREQ/TEL/55/1 (Addendum no.3)	1	-	3,095
License certificate no. NBTC/FREQ/TEL/55/1 (Addendum no.4)	1	15,485	15,136
License certificate no. FREQ/TEL/001 (700 MHz) (Allocation License)	1	14,259	-
License certificate no. FREQ/TEL/001 (700 MHz) (Auction License)	1	14,012	-
		72,319	53,449
Less current portion of spectrum licenses payable		(10,903)	(10,538)
Spectrum licenses payable		61,416	42,911

Movements in spectrum licenses payable in the consolidated financial statements for the years ended December 31, are as follows: (separate financial statements: nil)

Unit: Million Baht

	Consolidated financial statements	
	2021	2020
As at January 1,	53,449	61,789
Addition	36,486	16,783
Payments	(19,512)	(26,835)
Amortization of deferred interest expense	1,896	1,712
As at December 31,	72,319	53,449

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

21. PROVISIONS FOR EMPLOYEE BENEFIT

The Group and the Company have provisions for employee benefit based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service and long - term service awards.

The defined benefit plans expose the Group and the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Provisions for employee benefit in the statement of financial position as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Present value of obligations	3,327	3,180	408	395

Movements in the present value of the provisions for employee benefit for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Provisions for employee benefit as at January 1,	3,180	2,860	395	329
Current service costs and interest	263	259	54	51
Benefits paid	(116)	(56)	(24)	(13)
Transfer employee to subsidiaries	-	-	(17)	(3)
Loss on remeasurements of defined benefit plans	-	112	-	31
Loss on remeasurements of long-term service awards	-	5	-	-
Provisions for employee benefit as at December 31,	3,327	3,180	408	395

Expense recognized in the statement of profit or loss for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current service costs	203	191	30	40
Interest on obligations	60	68	7	8
Loss on remeasurements of long-term service awards	-	5	-	-
Total	263	264	37	48

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group and the Company presented the expense in the statement of profit or loss for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cost of rendering of services and equipment rental	49	15	26	36
Administrative expenses	152	174	2	2
Management benefit expenses	2	2	2	2
Finance costs	60	68	7	8
Loss on remeasurements of long-term service awards	-	5	-	-
Total	263	264	37	48

Loss on remeasurements of defined benefit plans recognized in the statement of profit or loss and other comprehensive income for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Included in retained earnings:				
As at January 1,	171	59	251	220
Recognized during the year	-	112	-	31
As at December 31,	171	171	251	251

(Gains) loss on remeasurements of defined benefit plans recognized in the statement of profit or loss and other comprehensive income for the years ended December 31, are arising from:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Demographic assumptions	-	(145)	-	(12)
Financial assumptions	-	172	-	16
Experience adjustment	-	85	-	27
Total	-	112	-	31

Principal actuarial assumptions at the end of the reporting period (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate	1.47% - 2.04%	1.47% - 2.04%	1.47% - 2.04%	1.47% - 2.04%
Future salary increases	5%	5%	5%	5%

Assumptions regarding future mortality for the years ended December 31, 2021 and 2020 are based on published statistics and Thailand Mortality Ordinary Life table 2017 (“TMO17”).

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Sensitivity analysis

Reasonably possible changes at the end of the reporting period to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the provisions for employee benefit as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate				
- Increase 1%	(367)	(361)	(34)	(34)
- Decrease 1%	434	428	39	39
Future salary growth				
- Increase 1%	429	389	39	35
- Decrease 1%	(370)	(336)	(34)	(31)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

22. SHARE CAPITAL

Movements of share capital for the years ended December 31, are as follows:

(Million shares/million Baht)

	Par value per share (in Baht)	2021		2020	
		Number of share	Amount	Number of share	Amount
Authorized					
As at January 1,					
- ordinary shares	1.00	4,997	4,997	4,997	4,997
As at December 31,					
- ordinary shares	1.00	4,997	4,997	4,997	4,997
Issued and paid					
As at January 1,					
- ordinary shares	1.00	2,974	2,974	2,973	2,973
Increased during the period	1.00	-	-	1	1
As at December 31,					
- ordinary shares	1.00	2,974	2,974	2,974	2,974

As at December 31, 2021 and 2020, the total issued number of ordinary shares is 2,974 million and 2,974 million respectively, shares with a par value of Baht 1.00 per share. All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On June 2, 2020, the Company has registered the increase in share capital with the Department of Business Development, Ministry of Commerce for 375,681 ordinary shares at a par value of Baht 1 each that results from the exercise of the warrant offered to directors and employees of the Group and the Company for 375,681 units which the exercise price on the warrant is Baht 166.588 and Baht 160.434 per share. The increasing in share capital results to increase in paid-up share capital and share premium of Baht 375,681 and Baht 60 million, respectively.

On June 2, 2021, the Company has registered the increase in share capital with the Department of Business Development, Ministry of Commerce for 371,478 ordinary shares at a par value of Baht 1 each that results from the exercise of the warrant offered to directors and employees of the Group and the Company for 371,478 units which the exercise price on the warrant is Baht 166.588 and Baht 160.434 per share. The increasing in share capital results to increase in paid-up share capital and share premium of Baht 371,478 and Baht 60 million, respectively.

Share premium

According to the Public Companies Act B.E. 2535, Section 51 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

23. LEGAL RESERVE

According to the Public Companies Act B.E. 2535, section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

24. OTHER COMPONENTS OF SHAREHOLDERS' EQUITY

Share-based payment

The performance share plan

Grant IV

In March 2016, the Annual General Meeting of shareholders No.1/2016 approved to issue warrants to purchase the ordinary shares of the Company. The warrants are offered to employees of the Company and its subsidiaries, including the Board of Directors of the Company, who are qualified to the Performance share plan ("ESOP-Grant IV"). The major information is listed below:

Approved date:	March 29, 2016
Number of warrants offered:	826,900 Units
Exercise price:	166.588 Baht/share
Number of reserved shares:	826,900 Shares
Term of the Project:	5 years from the date of initial offer of the warrants
Offered price per unit:	Baht 0 (zero Baht)
Exercise ratio:	1 unit of warrant per 1 ordinary share

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Grant V

In March 2017, the Annual General Meeting of shareholders No.1/2017 approved to issue warrants to purchase the ordinary shares of the Company. The warrants are offered to employees of the Company and its subsidiaries, including the Board of Directors of the Company, who are qualified to the Performance share plan ("ESOP-Grant V"). The major information is listed below:

Approved date:	March 30, 2017
Number of warrants offered:	1,410,500 Units
Exercise price:	160.434 Baht/share
Number of reserved shares:	1,410,500 Shares
Term of the Project:	5 years from the date of initial offer of the warrants
Offered price per unit:	Baht 0 (zero Baht)
Exercise ratio:	1 unit of warrant per 1 ordinary share
Offer period:	Within one year from the date on which the issuance and offer of the warrant under the program is approved by the 2017 Annual General Meeting of shareholders

Movements in the number of outstanding warrants for the year ended December 31, 2021 are as follows:

Unit: Thousand units

	As at January 1, 2021	Transaction during the period			As at December 31, 2021
		Issued	Exercised (See Note 22)	Expired	
ESOP - Grant IV					
- Directors	43	-	(8)	(35)	-
- Employees	493	-	(80)	(413)	-
	536	-	(88)	(448)	-
ESOP - Grant V					
- Directors	64	-	(25)	-	39
- Employees	705	-	(259)	-	446
	769	-	(284)	-	485
Total	1,305	-	(372)	(448)	485

* Above ESOP including ESOP of employees or executives who cannot exercise their rights under the items and conditions specified.

Fair value measurement

The Group and the Company measured the expense of the Project by reference to the fair value of the equity instrument granted at the grant date using the Monte Carlo Simulation technique. The major assumptions are as below:

Grant IV

Weighted average fair value at the grant date	67.742 Baht/share
Share price at the grant date	165.000 Baht/share
Exercise price	166.588 Baht/share
Expected volatility	27.70%
Expected dividend	8.48%
Risk-free interest rate	1.72%

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Grant V

Weighted average fair value at the grant date	111.857 Baht/share
Share price at the grant date	172.500 Baht/share
Exercise price	160.434 Baht/share
Expected volatility	27.22%
Expected dividend	5.55%
Risk-free interest rate	2.01%

For the year ended December 31, 2021, the Group and the Company recognized share-based payment expense amounting to Baht 8 million and Baht 8 million, respectively, in the consolidated and separate financial statements (For the year ended December 31, 2020: Baht 18 million and Baht 18 million, respectively).

Unrealized gain on dilution of investment

The unrealized gain on dilution of investment comprises the cumulative net change in portion of investment until the investment is sold or otherwise disposed.

25. SEGMENT FINANCIAL INFORMATION AND DISAGGREGATION OF REVENUE

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Chief Executive Officer (CEO) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group reportable segments.

Segment 1	Mobile phone services
Segment 2	Mobile phone and equipment sales
Segment 3	Datanet and broadband services

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Information about reportable segments

Performance for the years ended December 31, are as follows:

Unit: Million Baht

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Total reportable segments	
	2021	2020	2021	2020	2021	2020	2021	2020
External revenue	133,151	133,664	35,943	28,765	12,239	10,461	181,333	172,890
Finance income	205	305	7	8	5	7	217	320
Finance costs	(5,617)	(5,907)	(1)	(1)	(8)	(9)	(5,626)	(5,917)
Depreciation and amortization	(50,190)	(49,291)	(13)	(11)	(3,171)	(2,539)	(53,374)	(51,841)
Material items of expenses	(15,647)	(17,115)	(1,539)	(2,047)	(605)	(637)	(17,791)	(19,799)
Segment profit (loss) before income tax expense	31,364	32,098	(1,341)	(2,080)	2,871	2,508	32,894	32,526

Reportable assets and liabilities as at December 31, are as follows:

Unit: Million Baht

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Total reportable segments	
	2021	2020	2021	2020	2021	2020	2021	2020
Segment assets	335,289	334,214	6,648	5,459	14,285	10,498	356,222	350,171
Segment liabilities	265,097	267,566	5,300	3,968	4,000	2,947	274,397	274,481

The significant amount of additions to non-current assets for the years ended December 31, are as follows:

Unit: Million Baht

	Mobile phone services		Mobile phone and equipment sales		Datanet and broadband services		Total reportable segments	
	2021	2020	2021	2020	2021	2020	2021	2020
Capital expenditure	30,537	30,514	5	26	3,542	3,329	34,084	33,869

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Revenue

Disaggregation of revenue

The Group has recognized revenue from sale of goods and rendering of services to customer at a point in time and overtime by type of goods or main services according to the disclosure of segment financial information and disaggregation of revenue for the years ended December 31, are as follows:

Unit: Million Baht

			2021	2020
External revenue				
Segment 1	-	Mobile phone services	133,151	133,664
Segment 2	-	Mobile phone and equipment sales	35,943	28,765
Segment 3	-	Datanet and broadband services	12,239	10,461
Total			181,333	172,890
Timing of revenue recognition				
Point in time				
Segment 2	-	Mobile phone and equipment sales	35,943	28,765
Segment 3	-	Datanet and broadband services	599	809
			36,542	29,574
Overtime				
Segment 1	-	Mobile phone services	133,151	133,664
Segment 3	-	Datanet and broadband services	11,640	9,652
			144,791	143,316
Total			181,333	172,890

Geographical segments

The Group manage and operate principally in Thailand. There are no material revenues derived from or assets located in foreign countries.

Major Customer

No single customer represents a major customer because the Group have large number of customers, who are end users covering business and individuals.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

26. REVENUE FROM RENDERING OF SERVICES AND EQUIPMENT RENTALS

For the year ended December 31, 2021 and 2020, the Company has no revenue from rendering of services from internet and telecommunication services under licenses granted by The National Broadcasting and Telecommunications Commission ("NBTC").

Unit: Million Baht

	Note	Separate financial statements 2021	Separate financial statements 2020
Other service income	35	1,992	1,960
Total		1,992	1,960

27. FINANCE INCOME

Finance income for the years ended December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements 2021	Consolidated financial statements 2020	Separate financial statements 2021	Separate financial statements 2020
Subsidiaries	35	-	-	428	382
Financial institutions		217	320	3	5
Total		217	320	431	387

28. OTHER INCOME

Other income for the years ended December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements 2021	Consolidated financial statements 2020	Separate financial statements 2021	Separate financial statements 2020
Bad debt recovery		-	190	-	9
Others	35	1,055	459	83	58
Total		1,055	649	83	67

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

29. PROVIDENT FUND

The defined contribution plans comprise provident fund established by the Group and the Company for their employees. Membership of the fund is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Group and the Company at rates ranging from 3% to 7% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed fund manager.

For the year ended December 31, 2021, the Group and the Company recognized contribution paid to provident fund amounting to Baht 312 million and Baht 35 million, respectively, in the consolidated and separate statement of profit or loss (For the year ended December 31, 2020: Baht 311 million and Baht 35 million, respectively).

30. EXPENSES BY NATURE

The statements of profit or loss for the years ended December 31, include an analysis of expenses by function. Significant expenses by nature disclosed in accordance with the requirements of various Thai Financial Reporting Standards are as follows:

Unit: Million Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Depreciation of buildings and equipment	12	27,055	28,156	20	25
Depreciation of right-of-use assets	13	12,774	12,644	117	122
Amortization of spectrum licenses	15	11,676	9,638	-	-
Amortization of other intangible assets other than goodwill	16	1,869	1,403	3	5
Expected credit loss (bad debts recovery)	6	1,838	2,876	(11)	(2)
Loss on terminate contract assets	7	144	525	-	-
Distribution expenses		6,002	6,598	3	2
Staff costs		9,807	9,800	991	1,011

31. FINANCE COSTS

Finance costs for the years ended December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Interest expense	35	2,410	2,725	125	39
Finance cost related to spectrum license		1,896	1,712	-	-
Interest on lease liabilities		1,235	1,395	4	5
Others		85	85	11	13
Total		5,626	5,917	140	57

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

32. TAX EXPENSE

Tax expense (income) recognized in the statements of profit or loss for the years ended December 31, are as follows:

Unit: Million Baht

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Current tax expense					
Current year		6,169	5,437	164	85
Adjustment for prior years		16	14	(3)	-
		6,185	5,451	161	85
Deferred tax expense (income)	17				
Movements in temporary differences		(215)	(362)	(1)	67
Total tax expense (income)		5,970	5,089	160	152

Tax expense (income) recognized in the statements of profit or loss and other comprehensive income for the year ended December 31, 2021 and 2020 are as follows:

Unit: Million Baht

	Consolidated financial statements		
	Before tax	Tax (expense) benefit	Net of tax
For the year ended December 31, 2021			
Loss on investment in equity at fair value	(9)	2	(7)
Gain on cash flow hedges	507	(101)	406
Total	498	(99)	399
For the year ended December 31, 2020			
Loss on remeasurements of defined benefit plans	(112)	22	(90)
Loss on investment in equity at fair value	(3)	1	(2)
Loss on cash flow hedges	(251)	50	(201)
Total	(366)	73	(293)

Unit: Million Baht

	Separate financial statements		
	Before tax	Tax (expense) benefit	Net of tax
For the year ended December 31, 2021			
Loss on investment in equity at fair value	(5)	1	(4)
Total	(5)	1	(4)
For the year ended December 31, 2020			
Loss on remeasurements of defined benefit plans	(31)	6	(25)
Total	(31)	6	(25)

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Reconciliation of effective tax rate for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements			
	2021		2020	
	Rate (%)		Rate (%)	
Profit before income tax expense		32,894		32,526
Income tax using the applicable tax rate	20	6,579	20	6,505
Expenses not deductible for tax purposes (Addition expenditure deduction allowed)		(27)		24
Additional capital expenditure deduction allowed		(626)		(1,463)
Adjustment for prior years		16		14
Effect from elimination with subsidiaries		28		9
Total	18	5,970	16	5,089

Unit: Million Baht

	Separate financial statements			
	2021		2020	
	Rate (%)		Rate (%)	
Profit before income tax expense		27,082		27,586
Income tax using the applicable tax rate	20	5,416	20	5,517
Share of profit of subsidiaries		(5,238)		(5,351)
Additional expenditure deduction allowed net		(15)		(14)
Adjustment for prior years		(3)		-
Total	1	160	1	152

The Group and the Company have applied the tax rate of 20% for calculated income tax expense and deferred income tax for the years ended December 31, 2021 and 2020.

33. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share for the years ended December 31, are based on the profit for the years attributable to ordinary shareholders of the Group and the Company and the weighted average number of ordinary shares outstanding during the years as follows:

(in million Baht/million shares)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit attributable to ordinary shareholders of the Company (basic)	26,922	27,434	26,922	27,434
Weighted average number of ordinary shares outstanding (basic)	2,974	2,973	2,974	2,973
Earnings per share (basic) (in Baht)	9.05	9.23	9.05	9.23

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Diluted earnings per share

The calculation of diluted earnings per share for the years ended December 31, are based on the profit for the years attributable to equity holders of the Group and the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

(in million Baht/million shares)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit attributable to equity holders of the Company (basic)	26,922	27,434	26,922	27,434
Profit attributable to equity holders of the Company (diluted)	26,922	27,434	26,922	27,434
Weighted average number of ordinary shares outstanding (basic)	2,974	2,973	2,974	2,973
Weighted average number of ordinary shares outstanding (diluted)	2,974	2,974	2,974	2,974
Earnings per share (diluted) (in Baht)	9.05	9.23	9.05	9.23

34. DIVIDENDS

On February 6, 2020, the Board of Directors' Meeting passed a resolution proposing the payment of dividends for the year 2019, at the rate of Baht 7.34 per share, Baht 3.78 each of which was paid as an interim dividend on September 3, 2019.

Later, at the Board of Director's Meeting held on March 25, 2020, the Board approved to declare an interim dividend of Baht 3.56 per share, amounting to Baht 10,584 million. The interim dividend was paid to shareholders on April 22, 2020. At the Annual General Meeting of the Shareholders of the Company held on July 23, 2020, the shareholders acknowledged the interim dividend payments in 2019 at the rate of Baht 7.34 per share, amounting to Baht 21,823 million. The dividend was equivalent to 70% of net profit for the year based on consolidated financial statements in accordance with the Company's dividend policy and no further dividend payment shall be made from the fiscal year 2019 operation.

On August 6, 2020, the Board of Director's meeting approved to declare an interim dividend for Baht 3.24 per share, amounting to Baht 9,634 million. The interim dividend was paid to the shareholders on September 3, 2020.

At the Annual General Meeting of the Shareholders of the Company held on March 29, 2021, the shareholders approved the appropriation of dividend of Baht 6.92 per share. The Company paid an interim dividend at the rate of Baht 3.24 per share on September 3, 2020, therefore the remaining dividend to be paid is Baht 3.68 per share, amounting to Baht 10,942 million. The dividend was paid to shareholders on April 20, 2021.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On August 3, 2021, the Board of Director's meeting approved to declare an interim dividend for Baht 3.45 per share, amounting to Baht 10,260 million. The interim dividend was paid to the shareholders on September 1, 2021.

35. RELATED PARTIES

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

During the year, the Group and the Company have entered into a number of transactions with related parties, the terms of which are negotiated in the ordinary course of business and according to normal trade conditions. Purchases of products and services are charged at reasonable prices and those prices are comparable to the market rate with general trading conditions. Consulting and management service fees are charged on a mutually agreed basis which calculated based on activities portion which the Company performs to counter parties in each year.

Relationships between the Group and the Company with related parties are as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Subsidiaries	Thailand	Subsidiaries are entities controlled by the Group
Intouch Holdings Public Company Limited ("INTOUCH") and its related parties ("INTOUCH Group")	Thailand and Laos	INTOUCH is a shareholder who has significant influence over the Company and has some joint directors.
Singtel Strategic Investments Pte Ltd. ("Singtel") and its related parties ("Singtel Group")	Singapore	Singtel is a shareholder who has significant influence over the Company and has some joint directors.
Information Highway Co., Ltd.	Thailand	Information Highway Co., Ltd is an associate.
Amata Network Co., Ltd.	Thailand	Amata Network Co., Ltd. is a joint venture
Rabbit - Line Pay Company Limited	Thailand	Rabbit-Line Pay Company Limited is a joint venture
SAHA Advanced Network Co.,Ltd.	Thailand	SAHA Advanced Network Co., Ltd. is a joint venture
Digital Games International Pte Ltd.	Singapore	Digital Games International Pte Ltd. is a joint venture
Other related parties	Thailand	Other parties have some joint directors and directors of related parties

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Significant transactions with related parties for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Revenue from rendering of service and equipment rentals				
Subsidiaries	-	-	1,991	1,959
INTOUCH Group	56	46	1	1
Singtel Group	22	52	-	-
Joint Venture	2	1	-	-
Other related parties	299	98	-	-
Total	379	197	1,992	1,960
Dividend received from				
Subsidiaries	-	-	23,065	19,964
Joint Venture	15	9	-	-
Total	15	9	23,065	19,964
Finance income				
Subsidiaries	-	-	428	382
Joint Venture	2	-	-	-
Total	2	-	428	382
Other income				
Subsidiaries	-	-	66	33
INTOUCH Group	12	5	-	-
Singtel Group	-	5	-	-
Joint venture	8	8	-	-
Total	20	18	66	33
Rental and other service expenses				
Subsidiaries	-	-	46	46
INTOUCH Group	111	160	8	14
Singtel Group	188	258	5	-
Joint venture	63	63	-	-
Associate	72	81	-	-
Other related parties	18	6	-	-
Total	452	568	59	60
Advertising expense				
INTOUCH Group	3	11	2	-
Singtel Group	1	-	-	-
Joint venture	4	-	-	-
Total	8	11	2	-
Management benefit expenses				
Short-term employee benefit	142	163	142	163
Long-term employee benefit	2	2	2	2
Share-based payments	1	3	1	3
Total	145	168	145	168
Purchase of property and other assets				
INTOUCH Group	7	36	3	-
Total	7	36	3	-

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Finance costs				
Subsidiaries	-	-	26	38
INTOUCH Group	1	2	-	-
Singtel Group	-	1	-	-
Associate	11	13	-	-
Other related parties	306	214	1	-
Total	318	230	27	38
Dividend paid to				
INTOUCH	8,575	8,178	8,575	8,178
Singtel Group	4,944	4,715	4,944	4,715
Total	13,519	12,893	13,519	12,893

Balances with related parties as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Cash and cash equivalents				
- Bank deposit				
Other related parties	203	137	1	1
Trade and other current receivables				
Trade receivables				
Subsidiaries	-	-	210	14
INTOUCH Group	32	9	-	-
Singtel Group	14	11	1	1
Joint Venture	2	1	-	-
Other related parties	35	16	-	-
	83	37	211	15
Accrued income				
Subsidiaries	-	-	5	-
INTOUCH Group	2	2	-	-
Singtel Group	8	5	-	-
Other related parties	50	9	-	-
	60	16	5	-
Total trade receivables	143	53	216	15
Other receivables				
- Accrued interest income				
Subsidiaries	-	-	161	62
Total other receivables	-	-	161	62
Total trade and other current receivables				
(see Note 6)	143	53	377	77

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Right-of-use assets				
INTOUCH Group	21	-	-	-
Singtel Group	13	12	-	-
Joint Venture	3	7	-	-
Associate	415	447	-	-
Other related parties	1	-	-	-
Total right-of-use assets	453	466	-	-
Short-term loans to related parties				
Subsidiaries	-	-	61,903	52,543

As at December 31, 2021, the Company has short-term loans to related parties represent promissory notes at call, bearing interest at the average rate of 0.77% per annum (as at December 31, 2020 : average rate of 0.47 % per annum).

Movements of short-term loans to related parties for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term loans to related parties				
As at January 1,	-	-	52,543	50,499
Increase	-	-	19,310	16,041
Decrease	-	-	(9,950)	(13,997)
As at December 31,	-	-	61,903	52,543

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Long-term loans to related parties				
Joint Venture	100	-	-	-

As at December 31, 2021, the Group has long-term loans to related parties represent credit facility agreement, bearing interest at the average rate of 4.32% per annum (Separate financial statements : Nil).

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movements of long-term loans to related parties for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Long-term loans to related parties				
As at January 1,	-	-	-	-
Increase	100	-	-	-
As at December 31,	100	-	-	-

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Trade and other current payables				
Trade payables				
Subsidiaries	-	-	2	5
INTOUCH Group	11	28	1	1
Singtel Group	96	43	59	8
Joint Venture	4	2	-	-
Associate	5	6	-	-
Other related parties	-	1	-	-
Total trade payables	116	80	62	14
Other payables				
- Accrued expenses				
Subsidiaries	-	-	7	20
INTOUCH Group	23	17	2	1
Singtel Group	3	3	-	-
Joint Venture	7	10	-	-
Associate	1	1	-	-
Other related parties	76	85	-	-
Total other payables	110	116	9	21
Total trade and other current payables (see Note 19)	226	196	71	35
Lease liabilities				
INTOUCH Group	21	-	-	-
Singtel Group	15	13	-	-
Joint Venture	3	7	-	-
Associate	424	459	-	-
Other related parties	-	1	-	-
Total lease liabilities	463	480	-	-
Short-term borrowings from Related parties				
Subsidiaries	-	-	5,840	5,080

As at December 31, 2021, short-term borrowings from related parties of the Company represent promissory notes at call, bearing interest at the average rate of 0.49% per annum and unsecured. (As at December 31, 2020 : average rate of 0.58% per annum).

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movements of short-term borrowings from related parties for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term borrowings from related parties				
As at January 1,	-	-	5,080	4,920
Increase	-	-	2,590	1,500
Decrease	-	-	(1,830)	(1,340)
As at December 31, (see Note 18)	-	-	5,840	5,080

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Current portion of long-term borrowings from a related party				
Other related party	750	-	-	-
Long-term borrowing from a related party - net				
Other related party	14,249	14,999	-	-
Total (see Note 18)	14,999	14,999	-	-

As at December 31, 2021 and 2020, the Group has long-term borrowing from a related party, bearing interest at the rate of 6MTHBFIX plus margin and semi-annual interest payments with 14 principal installments starting from 2022 to 2028 and unsecured.

Movements of long-term borrowings from related parties for the years ended December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Long-term borrowings from related parties				
As at January 1,	14,999	2,999	-	-
Addition	-	12,000	-	-
As at December 31, (see Note 18)	14,999	14,999	-	-

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Long-term debentures				
INTOUCH Group	-	15	-	-
Other related parties	40	44	20	-
Total (see Note 18)	40	59	20	-

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Significant agreements with related parties

The Group and the Company have entered into agreements with related parties. There are commitment for receipts and payments according to rates under the terms and conditions stipulated in the agreements. The significant agreements with related parties are as follows:

1) The Group has entered into interconnection agreements among its related parties. The termination and suspension of the agreement are referred to the regulations and conditions of the National Telecommunications Commission.

2) The Group has entered into site share agreements among its related parties to provide site area including related facilities for installation of telecommunication equipment. The counterparty has a right to terminate the agreement by giving advance written notice not less than 60 days.

3) The subsidiaries have received a service of a call center from Advanced Contact Center Co., Ltd. ("ACC"), a subsidiary. ACC will provide service and required information including resolving problem for the customers of the Group.

4) Advanced Contact Center Co., Ltd., a subsidiary, has entered into a call center service agreement with Teleinfo Media Plc. ("TMC"), an indirect subsidiary. TMC will arrange the personnel and provide call center operation to execute each of incoming call service. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.

5) The Group has entered into an agreement with Advanced Mpay Co., Ltd., a subsidiary, to provide payment service for goods/service purchased through electronic payments and cash card. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.

6) Advanced Magic Card Co., Ltd. and Advanced Mpay Co., Ltd., subsidiaries, have entered into an agreement with AIS Digital Life Co., Ltd., a subsidiary, to distribute electronic money and cash card. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.

7) The Group has entered into an agreement with AIS Digital Life Co., Ltd., a subsidiary, to provide card packaging. The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.

8) The Group has entered into an international roaming service agreement with the Singtel Group, related parties. The counterparty has a right to terminate the agreement by giving advance written notice not less than of 60 days.

9) The Group has entered into an agreement with MIMO Tech Co., Ltd., a subsidiary, and AD Venture Public Co., Ltd., an indirect subsidiary, of providing aggregating value added services on mobile network or wireless device (Content Aggregator). The counterparty has a right to terminate the agreement by giving advance written notice not less than 30 days.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

10) Advanced Wireless Network Co., Ltd. ("AWN"), a subsidiary, has entered into a satellite transponder lease agreement with Thaicom Public Company Limited, a related party, AWN agreed to pay service fee on monthly basis according to the rate and condition specified in the agreement. The agreement is valid until November 19, 2022.

11) Advanced Wireless Network Co., Ltd., a subsidiary, has entered into fibre optic system and its site facilities agreement with Information Highway Co., Ltd. ("IH"), an associate. IH will provide installation fibre optic transmission and maintenance services in specific areas. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.

12) Advanced Wireless Network Co., Ltd., a subsidiary, has entered into agreement with TC Broadcasting Company Limited, a related party, to receive a satellite equipment system and television signal service. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.

13) Super Broadband Network Co., Ltd., a subsidiary, has entered into agreement with Advanced Wireless Network Co., Ltd. ("AWN"), a subsidiary, to rent the telecommunication equipment. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.

14) Advanced Wireless Network Co., Ltd., a subsidiary, and CS Loxinfo Public Company Limited, an indirect subsidiary, have entered into an agreement to develop the infrastructure of fibre optic network with Amata Network Co., Ltd., a joint venture. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.

15) Advanced Mpay Co., Ltd., a subsidiary, has entered into agreement with Rabbit-Line Pay Co., Ltd., a joint venture, to receive electronic money and electronic payment service. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.

16) Advanced Wireless Network Co., Ltd. ("AWN"), a subsidiary, hired MIMO Tech Co., Ltd. ("MMT"), a subsidiary, to operate point management and arranging activities to exchange products or services for the AWN's customers. The counterparty has a right to terminate the agreement by giving the counterparty advance written notice not less than 30 days.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

36. FINANCIAL INSTRUMENTS

Financial risk management policies

Risk management is integral to the whole business of the Group and the Company. The Group and the Company have a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's and the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Group and the Company aim to manage its capital structure to be stronger than industry peer and commit to be investment grade rating. This will allow the Group and the Company to retain superior financial flexibility in order to capture future growth prospect. The Group's and the Company's financial flexibility means diversified source of capital, ease of funding, and appropriate cost of capital.

In 3 - 5 years, telecommunications industry in Thailand will face another phase of technology change and hence new investment will be required. The Group and the Company believe that they can leverage on their capital structure in the future and have ability to find the source of funds through the debt instrument in order to expand their businesses.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's and the Company's operations and their cash flows because some of debt securities and loan interest rates are floating interest rate. The Group and the Company have interest rate risk from their borrowings (see Note 18). The Group and the Company mitigate this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivative financial instruments, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

The following tables detail various information regarding interest rate swap contracts outstanding at the end of the reporting period in the consolidated financial statements and their related hedged items. (Separate financial statements : nil)

Cash flow hedges

Unit: Million Baht

	Consolidated financial statements		
Hedging instruments Outstanding receive floating, pay fixed contracts	**Average contracted fixed interest rate**	**Notional principal value**	**Carrying amount of the hedging instrument assets/(liabilities)**
	2021	**2021**	**2021**
Interest rate swap	2.25%	2,000	9
Interest rate swap	2.83% - 3.90%	16,000	(722)
		18,000	(713)

Unit: Million Baht

	Consolidated financial statements		
Hedging instruments Outstanding receive floating, pay fixed contracts	**Average contracted fixed interest rate**	**Notional principal value**	**Carrying amount of the hedging instrument assets/(liabilities)**
	2020	**2020**	**2020**
Interest rate swap	2.25% - 3.90%	19,500	(1,225)
		19,500	(1,225)

Unit: Million Baht

	Consolidated financial statements	
Hedged items	**Nominal amount of the hedged item liabilities**	
	2021	**2020**
Variable rate borrowings	18,000	19,500

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The following table details the effectiveness of the hedging relationship and the amounts reclassified from hedging reserve to profit or loss: (Separate financial statements: nil)

Unit: Million Baht

Hedged items	Consolidated financial statements Current period hedging gains (losses) recognized in OCI 2021	2020
Variable rate borrowings	507	(251)

The interest rate swaps settle on a quarterly and semi-annual basis. The floating rate on the interest rate swaps is 6MTHBFIX plus margin. The Group will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

Foreign currency risk

The Group and the Company have foreign currency risk relating to expense, purchasing goods and equipment, and borrowings denominated in foreign currencies. The Group and the Company primarily utilize forward contracts, which are not more than 1 year, to hedge such financial liabilities denominated in foreign currencies.

The Group and the Company have foreign currency risk in respect of financial assets and liabilities denominated as at December 31, are as follows:

Unit: Million Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Cash and cash equivalents	4				
US Dollar (USD)		52	788	-	-
Euro (EUR)		77	558	-	-
Total		129	1,346	-	-
Trade current receivables	6				
US Dollar (USD)		358	453	-	-
Euro (EUR)		2	7	-	-
Yen (JPY)		8	21	-	-
Singapore Dollar (SGD)		-	2	-	-
Total		368	483	-	-
Trade current payables	19				
US Dollar (USD)		(19,241)	(13,314)	-	-
Euro (EUR)		(12)	(2)	-	-
Yen (JPY)		(7)	-	-	-
Singapore Dollar (SGD)		(59)	(10)	(58)	(8)
Australian Dollar (AUD)		(3)	-	-	-
Total		(19,322)	(13,326)	(58)	(8)

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Unit: Million Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Lease liabilities					
US Dollar (USD)	18	(94)	(49)	-	-
Total		(94)	(49)	-	-
Gross statement of financial position exposure		(18,919)	(11,546)	(58)	(8)
Forward contracts		13,163	7,653	-	-
Net exposure		(5,756)	(3,893)	(58)	(8)

Forward contracts are held to hedge currency risk for gross statement of financial position exposure as at December 31, 2021 and 2020 and to retain future purchases.

Classification of forward contracts and interest rate swap as at December 31, are as follows: (Separate financial statements : nil)

Unit: Million Baht

	Note	Consolidated financial statements	
		2021	2020
Current assets			
Other current financial assets			
Forward contracts		213	-
Total current assets		213	-
Non-current assets			
Other non-current financial assets			
Interest rate swap	11	9	-
Total non-current assets		9	-
Current liabilities			
Other current financial liabilities			
Forward contracts		(25)	(297)
Total current liabilities		(25)	(297)
Non-current liabilities			
Other non-current financial liabilities			
Interest rate swap		(722)	(1,225)
Total non-current liabilities		(722)	(1,225)
Total		(525)	(1,522)

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Movement of forward contracts and interest rate swap for the year ended December 31, in the consolidated financial statements are as follows: (Separate financial statements : nil)

Unit: Million Baht

	Balance as at January 1, 2021	Change in fair value during the period	Balance as at December 31, 2021
Current assets			
Other current financial assets			
Forward contracts	-	213	213
Non-current assets			
Other non-current financial assets			
Interest rate swap	-	9	9
Current liabilities			
Other current financial liabilities			
Forward contracts	(297)	272	(25)
Non-current liabilities			
Other non-current financial liabilities			
Interest rate swap	(1,225)	503	(722)
Total	(1,522)	997	(525)

Unit: Million Baht

	Balance as at January 1, 2020	Change in fair value during the period	Balance as at December 31, 2020
Current assets			
Other current financial assets			
Forward contracts	1	(1)	-
Current liabilities			
Other current financial liabilities			
Forward contracts	(129)	(168)	(297)
Interest rate swap	(132)	132	-
Non-current liabilities			
Other non-current financial liabilities			
Interest rate swap	(814)	(411)	(1,225)
Total	(1,074)	(448)	(1,522)

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The nominal amounts and fair values of forward contracts and interest rate swap as at December 31, are as follows:

Unit: Million Baht

	Consolidated financial statements			
	Nominal amounts**		Fair values*	
	2021	2020	2021	2020
Forward contracts	12,975	7,950	13,163	7,653
Interest rate swap	18,000	19,500	713	1,225
Total	30,975	27,450	13,876	8,878

* The fair value of forward contracts is the value of the original contracts which the Company entered with commercial banks at the end of the reporting period in order to reflect the current value of the contracts.

The fair value of interest rate swap is the value of difference between exchange rate of original contracts which the Company entered with commercial bank at the end of the reporting period in order to reflect the current value of the contracts.

** The nominal amount is the value of the original contracts which the Company entered with the commercial banks.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group and the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

The Group and the Company monitor its liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

Fair values of financial assets and liabilities

Financial assets and liabilities measured at fair value in the consolidated statement of financial position as at December 31, are as follows: (Separate financial statements as at December 31, 2020 : nil)

Unit: Million Baht

	Carrying amount	Consolidated financial statements Fair value			
		Level 1	Level 2	Level 3	Total
As at December 31, 2021					
Forward contracts	(188)	-	-	(188)	(188)
Interest rate swap	713	-	-	713	713
Debentures	37,138	-	38,762	-	38,762
As at December 31, 2020					
Forward contracts	297	-	-	297	297
Interest rate swap	1,225	-	-	1,225	1,225
Debentures	32,414	-	34,623	-	34,623

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Unit: Million Baht

	Carrying amount	Separate financial statements Fair value			
		Level 1	Level 2	Level 3	Total
As at December 31, 2021					
Debentures	6,500	-	6,534	-	6,534

Fair value hierarchy

The table above analyzes recurring fair value measurements for financial assets. These fair value measurements are categorized into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2: other inputs than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

For disclosure purposes, the Group determines Level 2 fair values for traded debentures have been determined based on quoted selling prices from the Thai Bond Market Association at the close of the business at the end of the reporting period.

For disclosure purposes, the Group determines Level 3 fair values for forward contracts were calculated using the rates quoted by the Group's and bankers which were based on market conditions existing at the statement of financial position date.

The fair value of trade and other current receivables and trade and other current payables are taken to approximate the carrying value.

The fair value of loans to and borrowings from related parties and lease liabilities are taken to approximate the carrying value because most of these financial instruments bear interest at market rate.

The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rate.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

37. COMMITMENTS WITH NON-RELATED PARTIES

Commitments with non-related parties as at December 31, are as follows:

Unit: Million

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Capital commitments					
Unrecognized contractual commitments					
Buildings and equipment					
Thai Baht (THB)		6,061	5,059	24	8
US Dollar (USD)		257	145	-	-
Spectrum license					
Thai Baht (THB)	1	-	40,083*	-	-
Service maintenance					
Thai Baht (THB)		2,439	1,763	38	39
US Dollars (USD)		24	20	-	-
Purchase orders for goods and supplies					
Thai Baht (THB)		14,397	13,396	-	-
US Dollars (USD)		19	7	-	-

* The difference from measurement 900 MHz spectrum license payable between previous terms and conditions and new terms and conditions by Baht 3,284 million was adjusted the cost of spectrum license 700 MHz when Advanced Wireless Network Co., Ltd., a subsidiary, received a license on January 15, 2021.

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Non-cancellable operating lease commitments				
Within one year	48	85	-	-
After one year but within five years	19	29	-	-
Total	67	114	-	-

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

The Group recorded the rental expenses under operating lease agreements which are the short-term lease and lease of low value assets in the consolidated statements of profit or loss for the year ended December 31, 2021 of Baht 135 million and Baht 81 million, respectively (Separate financial statements : nil).

Unit: Million

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Other commitments				
Thai Baht				
Forward contracts	12,975	7,950	-	-
Bank guarantees:				
- Spectrum license payable	84,670	66,684	-	-
- Others	2,549	2,741	38	169
Total	100,194	77,375	38	169
US Dollar				
Others	-	1	-	-
Total	-	1	-	-

Significant agreements

- The Group has entered into lease and related service agreements for office space and base stations for periods ranging from 1 year to 3 years with options to renew.

- The Group has entered into a service agreement with a company, for the Group to receive the services relating to network station and other general services as stated in the agreement. The Group shall pay a service fee for the services at the rate as stated in the agreement. Such agreement will be terminated when a party submits advance written notice not less than 90 days.

- On January 5, 2018, Advanced Wireless Network Co., Ltd. (“AWN”), a subsidiary, has entered into service agreement with National Telecom Public Company Limited (“NT”) to receive the service relating to the national roaming service for the period from March 1, 2018 to August 3, 2025. AWN has letter of irrecoverable guarantee from domestic commercial banks of Baht 720 million used as collateral for the throughout the period of agreement.

- On January 5, 2018, Super Broadband Network Co., Ltd. (“SBN”), a subsidiary, has entered into rental agreement with National Telecom Public Company Limited (“NT”) to provide the telecommunication equipment rental for the period from March 1, 2018 to August 3, 2025. SBN has letter of irrecoverable guarantee from domestic commercial banks of Baht 525 million used as collateral for the throughout the period of agreement.

- On September 4, 2019, the Group has mutually agreed with National Telecom Public Company Limited (“NT”) entering into a Dispute Resolution Agreement and Providing the Telecommunication Equipment Tower Service (see Note 38). The Group receive rental service of the telecommunication equipment tower from NT for the period from January 1, 2019 to December 31, 2028. The Group has letter of irrecoverable guarantee from domestic commercial banks of Baht 434 million used as collateral for the throughout the period of agreement.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

38. SIGNIFICANT EVENTS, COMMERCIAL DISPUTES AND LITIGATIONS

On January 7, 2021, TOT Public Company Limited ("TOT") and CAT Telecom Public Company Limited ("CAT") were merged into one company named National Telecom Public Company Limited ("NT")

On September 8, 2021, the Company and DPC have reached agreement with NT to settle the dispute as mentioned under Note 6 regarding the revenue sharing in international direct dial service which the Company's disputes were specified as 1), 2) and 6) while DPC's disputes were specified as 2), 3), 4), 5) and 8).

The Company paid the compensation to settle such disputes to NT in the net amount of Baht 448 million which included various transactions between NT, the Company and DPC. As a result of this settlement, accrued income of Baht 1,584 million and Baht 1,574 million were reduced in the consolidated and separate statements of financial position, respectively. In addition, provision for revenue sharing of Baht 1,888 million was reduced in the consolidated and separate statements of financial position without impact to the statement of profit or loss for the year ended December 31, 2021.

Therefore, the Company, DPC and NT have each withdrawn the cases and disputes subject to this settlement to Central Administrative Court and the Supreme Administrative Court as the case may be and agreed not to reintroduce such disputes to the court again.

The Company

1) Interconnection agreement in accordance with the announcement of National Telecommunication Commission ("NTC")

According to Telecommunication Business Operation Act B.E. 2544 and the announcement of National Telecommunication Commission ("NTC") regarding the Use and Interconnect of Telecommunication Network B.E. 2549, the Company has entered into an interconnection ("IC") agreement with other operators approved by NTC and the effective period of the agreement is listed below:

Operators	Effective period
1) Total Access Communication Public Company Limited	November 30, 2006 onwards
2) True Move Company Limited	January 16, 2007 onwards
3) Digital Phone Company Limited	June 1, 2009 onwards
4) National Telecom Public Company Limited ("NT")	April 7, 2010 onwards
5) Advanced Wireless Network Company Limited	April 1, 2013 onwards
6) Dtac TriNet Company Limited	July 1, 2013 onwards
7) True Move H Universal Communication Company Limited (Formerly Real Future Company Limited)	July 1, 2013 onwards

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On August 31, 2007, National Telecom Public Company Limited ("NT") filed a lawsuit against NTC to the Central Administrative Court to revoke the announcement. On September 15, 2010, the Central Administrative Court dismissed the case which NT filed to revoke the announcement of NTC regarding the Use and Interconnect of Telecommunication Network B.E. 2549. NT has appealed such dismissal to the Supreme Administrative Court. On February 4, 2008, NT sent a letter to the Company informing that the Company should wait for the final judgment of the Court. If the Company undertake the IC agreements per the NTC announcement before the final judgment of the Court, NT shall not recognize the Company's related actions and the Company must be responsible for such actions.

According to the Agreement for operations ("the Agreement"), the Company has to pay the higher of stipulated annual minimum payment or the percentage of service revenues and other benefits that the Company should be received in each year prior to deducting expenses and taxes to NT. However, the Company has to comply with the regulation while NT would like to wait for the final judgment of the court. As a result, the Company anticipated entering into a negotiation with NT in relation to a calculation method of the revenue sharing. The Company calculated the revenue sharing from the net IC revenue which is similar to other operators in the telecommunication industry on a conservative basis. The revenue sharing amount to be paid to NT is subject to the final judgment of the court in relation to revoke the announcement of NTC and a negotiation between NT and the Company. The Company will make adjustment in the financial statement in the period when the issue has been agreed. The Company's management believes that it will not incur significant expense more than the revenue sharing amount which the Company has recorded.

However, after having considered the letter from NT, the relevant laws and the legal counsel's opinion, the management of the Company has the opinion that non-compliance with the above Interconnection Agreement would be in conflict with the announcement of NTC regarding the Use and Interconnect of Telecommunication Network. Therefore, the Company decided to comply with the said Agreements which are in line with the current legal provision in force by issuing invoices to collect the interconnection charge from the contractual parties.

On December 30, 2008, the Company remitted the revenue sharing incurred from the interconnection of the telecommunication network since February 2007 to June 2008 in the amount of Baht 761 million based on the rate and calculation method of the Company to NT. Later, the Company and NT had set up the negotiation committee to seek for the conclusion but it could not be done. NT required the Company to pay revenue sharing calculated on gross interconnection charges received by the Company at the rate specified in the Agreement without deduction of interconnection charges which the Company had to pay to other operators. Thus, on January 26, 2011, NT sent a letter demanding the Company had to pay the revenue sharing on the interconnection charges of the Agreement for operations year 17^{th} - 20^{th} in the amount of Baht 17,803 million plus interest at the rate of 1.25% per month. But the Company disagreed and sent a letter opposing the claim to NT and the Company submitted the dispute to the Alternative Dispute Resolution Office, the Arbitration Institute, under the Black case No. 19/2554 on March 9, 2011 requesting the Arbitral Tribunal to give an award that NT has no right to claim for such revenue sharing.

On July 29, 2014, NT submitted a dispute No. 55/2557 demanding the Company to pay additional payment for the revenue sharing on the interconnection charges of the operation years 21^{st} - 22^{nd} in the amount of Baht 9,984 million plus interest at 1.25% per month on its outstanding and computing from the default date until the full amount is paid. In addition, NT requested this case to be under the same consideration with the Black case No. 19/2554 to the Arbitral Tribunal.

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On August 23, 2016, the Company submitted the dispute to the Alternative Dispute Resolution Office, the Arbitration Institute, under the Black case No. 83/2559 requesting the Arbitral Tribunal to give an award on the ground that NT had no right to claim for such revenue sharing on the interconnection charges of the operation years 23rd - 25th in the amount of Baht 8,368 million plus interest at 1.25% per month on its outstanding amount for each year subject to the request by NT.

On August 17, 2018, the Arbitral Tribunal had an award for the Black case No. 19/2554 to dismiss NT demanding to claim the Company for revenue sharing on the interconnection charges of the Agreement for operations year 17th - 20th in the amount of Baht 17,803 million plus interest at the rate of 1.25% per month, ascribe that NT had no right to claim for such amount, and prohibit NT from claiming for operational bank guarantee in accordance with the agreement and minimum payment guarantee for operational year 17th - 20th. Moreover, the Arbitral Tribunal had dismissed a dispute No. 55/2557 and had ordered NT to pay the Company for overpayment in revenue sharing on the interconnection charges by Baht 110 million within 60 days from receiving such award together with additional interest payment at 7.5% per annum if NT made payment after due date. NT has filed a petition to revoke the Arbitral Tribunal's award to the Central Administrative Court and under the process of consideration.

On April 30, 2019, the majority of arbitrators decided the Company for the Black case No. 83/2559 to pay the net revenue sharing amount of Baht 224 million with interest, which the Company agreed to pay to NT by using the revenue sharing of interconnection charges in dispute 55/2557 amount of Baht 111 million and the remaining interest must be paid Baht 144 million. However, NT did not accept, the Company therefore put the money on the Property Office on May 22, 2019.

On August 6, 2019, The Company received NT's revocation the Arbitration's resolution by the Black case No.1713/2562 dated July 25, 2019 which NT has submitted to the Central Administrative Court to revoke the above Arbitration's resolution. Currently, the case is in the process of the Central Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of the cases as requested on September 17, 2021.

2) Obligations of the bank guarantees in connection with the Agreement for operations ("the Agreement")

According to the Agreement, the Company has the duties to deliver the bank guarantees to National Telecom Public Company Limited ("NT") to secure the payment of the minimum revenue sharing for each operation year and shall recover the bank guarantee of the past operation.

NT did not return the bank guarantees which have secured the payment of the minimum revenue sharing for the operation year 17th - 21st for a total value of Baht 7,007 million by claiming that the Company had not completely paid the revenue sharing due to the deduction of the revenue sharing for the excise tax and the deduction of the Interconnection Charges. Currently, the dispute has been considered by the Arbitration process.

On May 11, 2011 and October 5, 2012, the Company submitted the disputes to the Alternative Dispute Resolution Office, the Arbitration Institute, under the Black case No. 40/2554 and 119/2555 requesting the Arbitral Tribunal to award an order to NT to return the bank guarantees to the Company because the Company had completely paid the revenue sharing for each operation year and had correctly complied with the law and the relating Agreements in all respects.

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On February 10, 2014, the Arbitral Tribunal gave the arbitration award to order NT to return the bank guarantees for the operation year 17th - 21st to the Company. On May 16, 2014, NT submitted the Black case No. 660/2557 to the Central Administrative Court to revoke the Arbitral Tribunal's award.

On May 19, 2014, the Company submitted the Black case No. 666/2557 to the Central Administrative Court requesting NT to return the bank guarantees for the 17th - 21st operation year to the Company according to the arbitration award and pay the bank guarantees fee of Baht 6.65 million which had been paid by the Company to the banks and plus interest at 7.5% per annum computing from the date that Company paid to the banks.

On September 21, 2020, the Central Administrative Court reached its decision to dismiss such dispute made by NT and ordered NT to return the bank guarantees for the operation year 17th - 21st to the Company according to the arbitration award and to return total court fees to the Company.

On October 19, 2020, NT has appealed to dismiss such decision of the Central Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Supreme Administrative Court, thereafter on October 5, 2021, NT returned all bank guarantees for the secure of minimum revenue share for the year 17th - 21st to the Company, which the court decided to dispose of the cases as requested on October 14, 2021.

3) 900 MHz subscribers migration to 3G 2100 MHz

On September 25, 2014, National Telecom Public Company Limited ("NT") submitted a dispute under the Black case No. 80/2557 to the Arbitration Institute demanding the Company to pay compensation from the breach of the Concession Agreement between the Company and NT in relation to the 900 MHz subscribers porting to 3G 2100 MHz provided by its subsidiary in the amount of Baht 9,126 million plus interest at 7.5% per annum from September 25, 2014 until the full amount is paid.

On March 29, 2016, NT submitted the revision to amend the compensation amount from May 2013 to September 2015, the ending of the Agreement for operations for the amount of Baht 32,813 million plus VAT and interest at 1.25% per month from June 2013 until the full amount is paid.

On February 14, 2019, the Arbitral Tribunal dismissed the said dispute by giving the reason which the Company was not in breach of the Agreement.

On May 15, 2019, NT has submitted the Black case No. 951/2562 to the Central Administrative Court to revoke the Arbitration's resolution. Currently, the said case is in the process of the Central Administrative Court.

The Company's management believes that the outcome of the dispute should be settled favourably and has no considerable impact on the financial statements of the Company.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

4) The claim for additional revenue from the 6th and 7th Amendments to the Agreement for operations ("the Agreement")

On September 30, 2015, the Company submitted the dispute Black case No. 78/2558 to the Arbitration Institute, the Alternative Dispute Resolution Office, Court of Justice to decide regarding the 6th Amendment dated May 15, 2001 and the 7th Amendment dated September 20, 2002 to the Agreement for operations to conduct business of Cellular Mobile Telephone that the amendments bind the Company and National Telecom Public Company Limited ("NT") to comply with the amendments until the expiration of the Agreement for operations and the Company has no obligation to pay for the additional revenue according to the letter claimed by NT to the Company on September 29, 2015 regarding to request the payment of additional revenue in the amount of Baht 72,036 million which NT has claimed that the 6th and 7th Amendments were material which caused NT to receive lower revenue than the rate as specified in the Agreement for operations.

Later, on November 30, 2015, NT submitted the dispute Black case No. 122/2558 to the Arbitration Institute, the Alternative Dispute Resolution Office, Court of Justice to decrease the amount of the revenue claimed by NT to Baht 62,774 million according to the percentage adjustment of revenue sharing upon the Agreement for operations. This case is the same as the dispute Black case No. 78/2558. The Arbitral Tribunal has merged the two cases together.

The Company received the award from the Arbitral Tribunal dated January 23, 2020 with a majority vote. The Tribunal ordered the Company to pay additional remuneration in the amount of Baht 31,076 million with interest of 1.25 percent per month after November 30, 2015 to NT until the payment is complete.

The Company disagreed with the decision and on April 22, 2020, the Company has already filed a request for revocation of the award to the Central Administrative Court. (Black case No. 1165/2563)

Later, on April 23, 2020, NT has submitted to request for the revocation of the decision from Arbitration Tribunal to the Central Administrative Court only regarding the issue that Arbitration Tribunal decided that the NT's claim for the remuneration Baht 31,698 million was submitted beyond the expiration of the claimed period. (Black case No. 1171/2563)

According to the dispute has not yet been finalized and the Company's management considers that the result of the above ruling should not be considerable impact on the financial statements of the Company.

5) The Company submitted the claim to the Central Administrative Court for revocation of the National Telecommunication Commission order regarding revenue incurred from the temporary service for 900 MHz customer protection period after the Concession end

On May 1, 2017, the Company filed a lawsuit against office of the National Broadcasting and Telecommunication Committee ("NBTC office"), the National Telecommunication Committee ("NTC"), the National Broadcasting and Telecommunication Committee ("NBTC") and other 5 persons to the Central Administrative Court under the Black case No. 736/2560 to revoke NBTC office's letter and NTC resolution of the NBTC office to demanded the Company to pay revenue at remedy period from October 1, 2015 to June 30, 2016 in the amount of Baht 7,221 million plus interest.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On June 15, 2017, the Company received the indictment dated April 21, 2017 by the NBTC and the NBTC office which filed a lawsuit against the Company for the same amount to the Central Administration Court as Black case No. 661/2560 demanded the Company to pay revenue at remedy period.

The Company's management has considered that the Company has complied with NBTC announcement regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations or Telecommunication Service Agreement and the Company has obliged to submit the revenue after deducting any expenses to NBTC office but the Company has the expenses which incurred from the service greater than the revenue. Therefore, the Company has no remaining revenue to submit to NBTC Office as stipulated in the announcement.

On June 12, 2020, the Central Administrative Court has revoked the NBTC's order on ground that during the remedy period of 900 MHz, the Company has expenses which incurred from the service greater than the revenues generated.

On July 8, 2020 and July 17, 2020, the NBTC and the Office of NBTC appealed to the Supreme Administrative Court.

6) Claim for the additional revenue sharing from the rental charge for providing transmission services

National Telecom Public Company Limited ("NT") has submitted the dispute No. A1/2017 dated December 15, 2017 to the Arbitration Institute, Ministry of Justice by Thailand Arbitration Center ("THAC") to claim for the payment regarding the additional revenue sharing from the rental charges for providing transmission services from January 2011 to September 2012 for the total amount of Baht 19.54 million and No. A1/2018 dated January 12, 2018 to claim for the payment regarding the additional revenue sharing from the rental charges for providing transmission services from October 2012 to September 2015 in the total amount of Baht 1,121.92 million (included VAT) including default interest rate at the rate 1.25% per month according to NT views that the Company shall collect the rental charges for providing transmission services as the rate specified by NT which is higher than the rental rate charged to the tenant.

On March 5, 2018, the Company has submitted the Black case No. Kor.2/2561 to the Central Administrative Court to revoke the THAC's order for consideration the dispute No. A1/2018.

On February 13, 2020, THAC has decided with a majority vote to revoke NT's dispute No. A1/2017.

On February 19, 2020, the Company issued notification letter to NT to comply with the decision from Arbitration Tribunal.

On May 14, 2020, NT submitted a petition to the Central Administrative Court under Black case No. 1362/2563 to request dismissal of such award.

On September 8, 2021, NT submitted dispute withdrawal for the Black case No. 1362/2563 to the Central Administrative Court, which the court decided to dispose of such disputes as requested on September 22, 2021.

Dispute No. A1/2018 is still under the consideration by Arbitration Committee.

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

7) Claim for the usage of co-location, site facilities and its related equipment rental for asset under Cellular Mobile Telephone providing during the temporary customer protection period after the Concession ended of Cellular Mobile Telephone

On February 15, 2018, National Telecom Public Company Limited ("NT") has submitted the dispute No. A3/2018 to the Arbitration Institute, Ministry of Justice by Thailand Arbitration Center ("THAC") to claim for the payment regarding the usage of co-location, site facilities and its related equipment rental for asset under Cellular Mobile Telephone providing during the temporary customer protection period after the Concession ended in the total amount of Baht 183.44 million (included VAT) plus default interest rate at 1.25% per month.

On April 5, 2018, the Company has submitted the Black case No. Kor.3/2561 to the Central Administrative Court to revoke the THAC's order for consideration the dispute No. A3/2018.

On April 25, 2018, the Central Administrative Court has dismissed the Black case No. Kor.3/2561.

Subsequently, on May 21, 2018, the Company had appealed the dismissal the Black case No. Kor.3/2561.

On October 29, 2019, NT has filed a petition to withdraw the dispute from THAC and further submitted to the Central Administrative Court.

On February 13, 2020, the Arbitrators had ordered allowing NT submitted a petition to the arbitrators to request the removal of the above dispute.

On August 13, 2020, the Company received a copy of the Black case No. 1746/2563 dated June 30, 2020

Currently, the case is in the process of the Central Administrative Court.

The Company's management believes that the Company has correctly complied with the relating conditions of the Agreement and the announcement of the National Broadcasting and Telecommunication Committee in all respects then the outcome of the dispute should be settled favourably and has not considered to materially impact on the financial statements of the Company.

8) Claim for the revenue sharing from provision of roaming services

On September 27, 2018, National Telecom Public Company Limited ("NT") has submitted the dispute as Black case No. 67/2561 to the Arbitration Institute, the Alternative Dispute Resolution Office Court of Justice to claim from the Company for the additional revenue sharing from provision of roaming services from the discount of service fees without prior consent from NT since July 2013 - September 2015 in the total amount of Baht 16,252.66 million, value-added tax plus default interest rate at 1.25% per month.

The Company received the decision from the Arbitration Tribunal dated February 4, 2020 with a majority vote dismissed the case of NT.

On May 8, 2020, NT submitted a petition to the Central Administrative Court under the Black case No. 1309/2563 to request dismissal of such award.

The Company's management believes that the Company has correctly complied with the relating conditions of the Agreement in all respects, therefore the outcome of the dispute should not materially impact the financial statements of the Company.

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

Digital Phone Company Limited ("DPC")

1) The deduction of excise tax from the revenue sharing between DPC and National Telecom Public Company Limited ("NT")

On January 9, 2008, CAT submitted a dispute under the black case No. 3/2551 to the Arbitration Institute, the Alternative Dispute Resolution Office, Court of Justice demanding DPC, a subsidiary, to pay additional payment of revenue sharing under the Digital Personal Communication Network Contract in the amount of Baht 2,449 million plus penalty at the rate of 1.25% per month of the unpaid amount of each year computing from the default date until the full payment is made which total penalty calculated up to December 2007 is Baht 1,500 million, totaling Baht 3,949 million.

Later, on October 1, 2008, NT submitted the petition to adjust the amount claimed to Baht 3,410 million which calculated from the outstanding revenue sharing up to January 2008 including penalty in amount of Baht 790 million and value added tax in amount of Baht 171 million.

This amount is the same as an excise tax that DPC had delivered to the Excise Department during September 16, 2003 to September 15, 2007 and deducted it from revenue sharing according to the resolution of the Cabinet dated February 11, 2003. DPC has correctly complied with such Cabinet's resolution and this practice is the same as other operators in mobile phone or cellular radio telecommunication industries. Moreover, NT had sent a letter No. CAT 603 (Kor Tor.) 739 notifying DPC to comply with such Cabinet's resolution.

On March 1, 2011, the Arbitral Tribunal dismissed the case by giving the reason which can be summarized that DPC was not in breach of the Agreement since DPC has completely made the payment of the revenue sharing and all debt was paid in full. Therefore, NT has no right to re-claim for the alleged deficit amount, including the penalty and the value added tax.

On June 3, 2011, NT submitted the Black case No. 1259/2554 to the Central Administrative Court to revoke the Arbitral Tribunal's award.

On July 28, 2015, the Central Administrative Court reached its decision to dismiss such dispute made by NT to revoke the Arbitral Tribunal's award.

On August 25, 2015, NT appealed such dismissal to the Supreme Administrative Court under Black case No. Or 1070/2558.

On June 30, 2021, the Supreme Administrative Court resolved to dismiss the NT's claim, which aligns to the resolution of the Central Administrative Court. As a result, the legal dispute is considered final and DPC has no duty to make any additional payment nor penalty as claimed by NT.

Notes to the financial statements

2) The reduction of roaming fee between DPC and National Telecom Public Company Limited ("NT")

NT allowed DPC, a subsidiary, to reduce roaming fee per minute from Baht 2.10 to Baht 1.10 to be in line with the decrease of mobile phone service fee for 3 months started from July 1, 2006, onwards. DPC obtained the approval from NT to renewed for three-month period several times until March 31, 2007. After that, NT did not notify DPC of any changes until on March 24, 2008, NT had sent a letter to notify DPC to charge roaming fee at Baht 2.10 per minute starting from April 1, 2007. On May 8, 2008, DPC sent a request letter to NT to reconsider the roaming fee adjustment. The reason for such request was based on the market environment where the prevailing mobile phone service charge to consumers in the market was significantly lower than the specified roaming fee. Such high roaming fee is therefore unreasonable for DPC to provide the roaming service to any operators. In the letter, DPC informed NT that during the period when NT is reconsidering the request, DPC will charge roaming fee at Baht 1.10 per minute according to the previous agreed terms and conditions. On March 31, 2009, NT approved DPC to charge roaming fee at Baht 1.10 per minute during January 1, 2009 - March 31, 2009. Moreover, DPC entered into the national roaming agreement with the Company to charge roaming fee at Baht 1.10 per minute approved by National Telecommunication Commission ("NTC") on June 16, 2009.

On July 15, 2010, NT submitted a dispute under Black case No. 62/2553 to the Alternative Dispute Resolution Office, the Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of 10^{th} - 12^{th} operation year that DPC reduced roaming fee per minute from Baht 2.10 to Baht 1.10 during April 1, 2007 - December 31, 2008 in amount of Baht 1,636 million plus penalty computing up to March 2010 of Baht 364 million, totaling Baht 2,000 million and penalty at the rate of 1.25% per month from April 2010 until the full amount is paid by alleging that NT approved the said roaming fee reduction up to March 31, 2007 only.

On September 12, 2011, NT submitted a dispute to the Alternative Dispute Resolution Office, the Arbitration Institute under Black case No. 89/2554 demanding DPC to make additional payment of revenue sharing of 12^{th} operation year which DPC reduced roaming fee from Baht 2.10 per minute to Baht 1.10 per minute during April 1, 2009 - June 15, 2009 in the amount of Baht 113 million plus penalty at the rate of 1.25% per month from April 1, 2009 until the full amount is paid.

On April 5, 2019, DPC received the Arbitration Institute's decision dated March 28, 2019 of all the aforementioned disputes which the majority had made decision that the agreement regarding the revenue sharing of Roaming fees (at the rate of Baht 2.10) is legitimate and the reduction of Roaming fees is NT's rights and authority who may or may not give approval. Therefore, DPC has to pay additional payment of revenue sharing of 10^{th} - 12^{th} operation year totalling amount of Baht 1,749 million plus penalty in the amount of Baht 364 million at the rate of 1.25% per month of the principle amount from April 2010 until the full amount is paid.

On July 3, 2019, DPC submitted a petition to the Central Administrative Court under Black Case No. 1582/2562 to request dismissal of such award.

On September 8, 2021, DPC submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of the disputes as requested on September 13, 2021.

Notes to the financial statements

3) The damage arisen from uncollectible international call service charges between DPC and National Telecom Public Company Limited ("NT")

On April 8, 2011, NT submitted a dispute under Black case No. 32/2554 to the Arbitration Institute, the Alternative Dispute Resolution Office, Office of the Judiciary demanding DPC to pay Baht 33 million including interest at the rate of 15% per annum of the claimed amount, total amount of claim Baht 35 million by alleging that DPC has committed a breach of the Digital PCN (Personal Communication Network) Service Agreement due to subscriber fraud on the Digital PCN Service Agreement between DPC and subscribers for 1,209 numbers during 1997 - 2003 causing damages to NT where NT was unable to collect the international call service charges occurred from the use of such numbers.

On May 28, 2013, the Arbitral Tribunal reached its decision to dismiss such dispute by stating that it is not about breach of the agreement but whether there has been a wrongful act. Therefore, the dispute is not within the Jurisdiction of the Arbitral Tribunal.

On September 6, 2013, NT submitted the Black case No. 1767/2556 to the Central Administrative Court to revoke the Arbitral Tribunal's award.

On April 9, 2020, the Central Administrative Court issued an order to dismiss the request for revocation of the decision by Arbitration Tribunal.

On May 27, 2020, NT has submitted an appeal to the Supreme Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Supreme Administrative Court.

4) Revenue sharing on interconnection charge between DPC and National Telecom Public Company Limited ("NT")

On August 24, 2012, NT submitted a dispute under Black case No. 110/2555 to the Alternative Dispute Resolution Office, The Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of the 10^{th} - 14^{th} operation year totaling Baht 183 million and penalty at the rate of 1.25% per month of the above principal amount starting from the default date of each year until the full amount is paid.

On April 1, 2014, NT submitted a dispute under Black case No. 26/2557 to the Alternative Dispute Resolution Office, The Arbitration Institute, demanding DPC to pay additional payment of revenue sharing of 15^{th} - 16^{th} operation year totaling Baht 203 million plus default interest at the rate of 7.5% per annum and penalty at the rate of 1.25% per month of the above principal amount starting from the default date of each year until the full payment is made. Such amount represents the revenue sharing which NT calculated on gross interconnection charge received by DPC from other operators at the percentage rate specified in the Agreement without deduction of interconnection charge which DPC has to pay to other operators.

On September 30, 2019, DPC received the decision for Black case No. 26/2557 by the arbitration committee dated September 26, 2019, and on October 11, 2019, DPC received the decision for Black case No. 110/2555 by the Arbitration committee dated October 10, 2019, with major votes to dismiss NT's two disputes.

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

On December 17, 2019, NT has filed by Black case No. 2754/2562 to revoke the Arbitral Tribunal's award in Black case No. 110/2555 to the Central Administrative Court.

On December 25, 2019, NT has filed by Black case No. 2908/2562 to revoke the Arbitral Tribunal's award in Black case No. 26/2557 to the Central Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of such disputes as requested on September 22, 2021.

5) Obligations of the bank guarantees in connection with the Agreements for Operations

According to the Agreement for Operations, DPC has the duties to deliver the bank guarantees to National Telecom Public Company Limited ("NT") to secure the payment of the minimum revenue sharing for each operation year and shall recover the bank guarantee of the previous operating year.

NT did not return the bank guarantees which have secured the payment of the minimum revenue sharing for the operation year 10^{th} - 14^{th} for a total value of Baht 2,606 million by claiming that DPC had not completely paid the revenue sharing due to the deduction of the revenue sharing for the Excise Tax and the deduction of the Interconnection Charges, the discount of Access Charges and the reduction of the rate of roaming charge where the disputes of which have been pending the consideration of the Arbitral Tribunal.

On October 8, 2012, DPC submitted a dispute to the Alternative Dispute Resolution Office, the Arbitration Institute, Black case No. 120/2555 requesting the Arbitral Tribunal to award an order to NT to return the bank guarantees to DPC because DPC has completely paid the revenue sharing for each operation year and has correctly complied with the law and the relating Agreements in all respects.

On May 28, 2015, the Arbitral Tribunal reached its decision to award an order to NT to return the bank guarantees and its bank fees to DPC. Later, on September 15, 2015, NT has submitted the Black case No. 1671/2558 to the Central Administrative Court to revoke the Arbitral Tribunal's award.

Later on September 13, 2018, the Central Administrative Court has dismissed the NT's Black case No. 1671/2558 that revoke the Arbitral Tribunal's award, on the reason that the award is correct and in compliance with law. The award by Arbitral Tribunal did not affect public interests and good morals, therefore such award by Tribunal Arbitral is perfectly effective. However, NT has appealed to the Supreme Administrative Court. Currently, it is under the consideration of the Supreme Administrative Court.

On September 8, 2021, NT submitted dispute withdrawal to the Supreme Administrative Court which the Court decided to dispose of such disputes on September 28, 2021.

Later, on October 5, 2021, NT returned all bank guarantee for the secured of minimum revenue share for the year 10^{th} - 14^{th} to DPC.

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Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

6) The claim for the usage/revenue arising from the use of telecommunication equipment and telecommunication network during the temporary customer protection period after the Concession ended

On May 20, 2015, National Telecom Public Company Limited ("NT") filed a lawsuit against office of the National Broadcasting and Telecommunication Committee ("NBTC Office"), National Telecommunication Committee ("NTC"), National Broadcasting and Telecommunication Committee ("NBTC"), True Move Company Limited ("True Move"), and DPC to the Central Administrative Court Black case No.918/2558 to pay for the fees and revenue from the usage of telecommunication equipment and telecommunication network of NT during the temporary customer protection period, subject to the announcement of NBTC regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations or Telecommunication Service Agreement, calculated from September 16, 2013 to September 15, 2014, total amounts are as follows:

1) NBTC Office, NTC and NBTC in the amount of Baht 24,117 million plus interest at the rate of 7.5% per annum.

2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 18,025 million plus interest at the rate of 7.5% per annum.

3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 6,083 million plus interest at the rate of 7.5% per annum.

On September 11, 2015, NT filed a lawsuit to the Central Administrative Court Black case No. 1651/2558 claimed for the usage fees and revenue from the usage of telecommunication equipment and telecommunication network of NT from September 16, 2014 to July 17, 2015, total amounts are as follows:

1) NBTC Office, NTC and NBTC in the amount of Baht 6,521 million plus interest at the rate of 7.5% per annum.

2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 4,991 million plus interest at the rate of 7.5% per annum.

3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 1,635 million plus interest at the rate of 7.5% per annum.

On May 27, 2016, NT filed a lawsuit to the Central Administrative Court Black case No. 741/2559 claimed for the usage fees and revenue from the usage of telecommunication equipment and telecommunication network of NT from July 18, 2015 to November 25, 2015, total amounts are as follows:

1) NBTC Office, NTC and NBTC in the amount of Baht 2,857 million plus interest at the rate of 7.5% per annum.

2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 2,184 million plus interest at the rate of 7.5% per annum.

3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 673 million plus interest at the rate of 7.5% per annum.

Notes to the financial statements

During December, 2019, DPC received a request to amend the petition filed by NT dated September 24, 2019 from the Central Administrative Court to revise the claim amount to be as follows:

Black case No. 918/2558

1) NBTC Office, NTC and NBTC in the amount of Baht 5,109 million plus interest at the rate of 7.5% per annum.

2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 3,651 million plus interest at the rate of 7.5% per annum.

3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 1,457 million plus interest at the rate of 7.5% per annum.

Black case No. 1651/2558

1) NBTC Office, NTC and NBTC in the amount of Baht 4,169 million plus interest at the rate of 7.5% per annum.

2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 2,946 million plus interest at the rate of 7.5% per annum.

3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 1,223 million plus interest at the rate of 7.5% per annum.

Black case No. 741/2559

1) NBTC Office, NTC and NBTC in the amount of Baht 1,858 million plus interest at the rate of 7.5% per annum.

2) True Move, NBTC Office, NTC and NBTC in the amount of Baht 1,336 million plus interest at the rate of 7.5% per annum.

3) DPC, NBTC Office, NTC and NBTC in the amount of Baht 522 million plus interest at the rate of 7.5% per annum.

On February 19, 2020, DPC submitted an objection of the request to amend the claim amount for the Black case No. 741/2559.

On March 11, 2020, DPC submitted an objection of the request to amend the claim amount for the Black case No. 918/2558 and 1651/2558.

Currently, the dispute has been considered by the Central Administrative Court which the management of the Company believes that DPC has no obligation to pay for the usage fees and revenue from the usage of telecommunication equipment and telecommunication network as claimed by NT due to DPC has complied in accordance with the announcement of NBTC. Therefore, the outcome of the said dispute should be settled favourably and has no considerable impact on the consolidated financial statements of the Group.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

7) The claim for revocation of the National Telecommunication Committee ("NTC") order regarding to revenue incurred from the temporary service for customer protection period after the Concession end

On November 16, 2015, DPC, filed a lawsuit against the National Broadcasting and Telecommunication Committee ("NBTC") to the Central Administrative Court under case No. 1997/2558 to revoke NTC resolution which office of the NBTC has demanded DPC to deliver revenue at consumer protection period starting from September 16, 2013 to July 17, 2014 in the amount of Baht 628 million.

In the same case, on September 16, 2016, NBTC and office of the National Broadcasting and Telecommunication Committee ("NBTC office") filed a complaint to the Central Administrative Court as the Black Case No. 1441/2559 requesting DPC to submit the revenue sharing during consumer protection period, from September 16, 2013 to July 17, 2014 in the amount of Baht 680 million (including interest up to submitted date by Baht 52 million) plus interest at the rate of 7.5% per annum of the claim amount from the next day of the submit date until DPC deliver all revenue sharing in full.

On September 7, 2018, the NBTC office issued a letter informing the resolution of the NBTC to allow DPC to send money from the service income during the protection of all subscribers, totaling Baht 869 million and when the NBTC had ever the order for DPC to send money for the first period until the amount of Baht 628 million, the remaining amount to be paid is Baht 241 million. On December 7, 2018, DPC filed a lawsuit with the Central Administrative Court to revoke such resolution of NTC.

On August 19, 2019, the Central Administrative Court ordered to merge the two case together.

On June 2, 2021, the Central Administrative Court ordered to merge the three cases together.

The Company's management has considered that DPC has complied with NBTC announcement regarding the Temporary Customer Protection Plan Following the Expiration of the Agreement for operations or Telecommunication Service Agreement 2013, and the Company has obliged to submit the revenue after deducting any expenses to NBTC but DPC has expenses which incurred from the service greater than revenue. Therefore, DPC has no revenue remaining in order to submit to NBTC as stipulated in the announcement.

Currently, the said case is in the process of the Central Administrative Court.

8) The claim for transferring telecom equipment under the Agreement for operations regarding cellular telecommunication services ("the Agreement") between National Telecom Public Company Limited ("NT") and DPC

On March 28, 2018, DPC received a Black Dispute No. 6/2561 dated January 31, 2018, which NT submitted it to the Alternative Dispute Resolution Office, the Arbitration Institute, Court of Justice, to claim for transferring telecom equipment under the Agreement such as Tower, Container, Power Supply, Mobile Number Portability Enable and Call Center System including opportunity cost totaling Baht 13,431 million plus default interest rate at 7.5% per annum on principle amount or payment by the same amount instead of transfers such disputed equipment.

On January 11, 2021, DPC has received the Arbitration Committee resolution which resolved to dismiss the NT's dispute. As a result, DPC is not obliged to transfer telecom equipment nor make payment for any claim by NT.

Notes to the financial statements

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On July 14, 2021, DPC received NT's revocation the Arbitration's resolution by the Black case No. 514/2564 dated March 26, 2021 which NT has submitted to the Central Administrative Court to revoke the above Arbitration's resolution.

On September 8, 2021, NT submitted dispute withdrawal to the Central Administrative Court, which the court decided to dispose of such disputes as requested on September 17, 2021.

Advanced Wireless Network Company Limited ("AWN")

1) The claim for revocation of the NBTC's order regarding to Mobile Number Portability (MNP)

During 2015 - 2020, AWN received the administrative order ("Order") from the Office of NBTC to pay administrative fines regarding the mobile number portability issue. AWN submitted for the revocation of Order to the Central Administrative Court under the Black case no. 1357/2560 for Baht 221 million and the Black case No. 2212/2563 for Baht 605 million. On August 26, 2020, the Central Administrative Court provided decision under the Black case No. 1357/2560 to revoke the Order determining administrative fines exceeding Baht 20,000 per day, as a result the administrative fines were decreased to Baht 0.82 million instead.

As for the Black case No. 2212/2563, it is under the consideration of the Central Administrative Court.

The Company's management believes that AWN conducted everything correctly, therefore the outcome of this case should not be significant impact on the consolidated financial statement of the Group.

MIMO Tech Company Limited ("MMT")

1) The claim for the compensation amount from MMT for the termination of printing contract with Paper Mate (Thailand) Co., Ltd.

On February 26, 2019, Paper Mate (Thailand) Co., Ltd. filed a lawsuit to the Civil Court under the Black case No. 1016/ 2562 for the compensation amount from MMT for the termination of printing contract, the claiming amount of damages and lack of revenue is Baht 280 million in total.

On January 28, 2021, the Civil Court has decided to dismiss the cases by Paper Mate (Thailand) Co., Ltd. because Paper Mate (Thailand) Co., Ltd. breached the contract. Therefore, there is no right to claim for the compensation in this cases.

On June 28, 2021, Paper Mate (Thailand) Co., Ltd. appealed to the Appeal Court.

The Group's management believes that MMT has correctly and fully complied with the related conditions of the contract in all respects then the outcome of the said case should not be considerable impact on the consolidated financial statements of the Group.

Notes to the financial statements

Advanced Info Service Public Company Limited and its subsidiaries for the year ended December 31, 2021

39. EVENT AFTER THE REPORTING PERIOD

Dividends

On February 7, 2022, the Board of Directors' meeting passed a resolution proposing the payment of dividends for the year 2021, at the rate of Baht 7.69 per share, Baht 3.45 each of which was paid as an interim dividend on September 1, 2021. The proposed dividends shall be approved by the shareholders' meeting of the Company.

40. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issue by the Board of Directors on February 7, 2022.

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