

Advanced Info Service

ADVANC



Advanced Info Service
Public Company Limited

Bloomberg ADVANC.TB
Reuters ADVANC.BK

Preview 1Q24F: Expect slow earnings recovery

ADVANC share price has fallen 6.9% YTD, underperforming the SET by 5.6%. That being said, we do not believe now is a good time to reenter the stock, as earnings growth this year looks unexciting at 3.6% YoY to Bt29.5bn. We estimate 1Q24F net profit at Bt7bn, relatively flat QoQ, but growing 4.3% YoY. Although core service revenue should grow strongly at 14.6% YoY, costs related to TTTBB will hit recovery of the bottom line YoY. We keep our tactical recommendation as NEUTRAL with a DCF-based TP of Bt246 (6% WACC and 2% LTG). We prefer TRUE (TP Bt8.5) in the sector from its earnings turnaround story and cheaper valuation in term of EV/EBITDA.

1Q24F earnings up minimally YoY, flat QoQ. We expect ADVANC to report 1Q24F net profit of Bt7bn, relatively flat QoQ, but growing 4.3% YoY, with mobile revenue inching up 1% QoQ and 3.8% YoY to Bt30.4bn. This goes against the usual pattern of lower mobile revenue in 1Q than in 4Q, but this year strong tourism-related revenue will drive QoQ up; the YoY growth reflects better pricing. We expect continued YoY growth in blended mobile ARPU. FBB revenue is estimated at Bt6.1bn, up 21.2% QoQ and 125.1% YoY, fueled by a by full quarter of contribution from TTTBB. FBB ARPU should also see YoY improvement as TTTBB subscribers have a higher ARPU than ADVANC's. In total, we expect core service revenue at Bt38.4bn, up 3.7% QoQ and 14.6% YoY, lining up with management guidance of 13-15% growth and our assumption of 14.2%. Meeting our 1Q24F net profit estimate would be equivalent to 24% of our full-year forecast. ADVANC will release results on April 30.

TTTBB costs slowing bottom-line growth. Cost of service is expected to grow 3.2% QoQ and 9.1% YoY to Bt10bn, with depreciation rising 5.6% QoQ and 10.3% YoY to Bt14.1bn. The QoQ and YoY growth for both arises out of a full quarter contribution from TTTBB. Normally, we see a QoQ drop in SG&A in 1Q, but the inclusion of TTTBB is expected to push SG&A up 1.5% QoQ and 19.3% YoY to Bt7.1bn; interest expense is expected to go up 8.6% QoQ and 90.8% YoY to Bt2.4bn.

Keep our 2024 forecast unchanged. We maintain our 2024F core profit of Bt29.5bn, up 3.6% YoY. Our assumptions are based on 2% growth in mobile revenue with 125% growth in FBB revenue, largely contributed by TTTBB. We expect EBITDA to grow 10.7% YoY. Our key assumptions are in line with management guidance except for EBITDA, where we are more conservative than guidance of 14-16% growth.

Risks and concerns. Weak economic recovery would hamper ARPU uplift in the mobile and FBB businesses. Key ESG risk for the company is in the arena of cybersecurity and data privacy for subscribers.

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	185,485	188,873	209,040	213,781	218,668
EBITDA	(Btmn)	90,261	94,076	104,118	106,661	109,293
Core profit	(Btmn)	26,048	28,467	29,501	31,724	35,129
Reported profit	(Btmn)	26,011	29,086	29,501	31,724	35,129
Core EPS	(Bt)	8.76	9.57	9.92	10.67	11.81
DPS	(Bt)	7.69	8.61	8.73	9.39	10.39
P/E, core	(x)	23.1	21.1	20.4	18.9	17.1
EPS growth, core	(%)	(5.5)	9.3	3.6	7.5	10.7
P/BV, core	(x)	7.0	6.6	6.4	6.1	5.7
ROE	(%)	31.1	32.3	31.9	32.8	34.4
Dividend yield	(%)	3.8	4.3	4.3	4.6	5.1
FCF yield	(%)	3.7	(2.2)	3.4	7.9	10.7
EV/EBIT	(x)	8.6	8.8	8.1	7.7	7.1
EBIT growth, core	(%)	(2.5)	2.7	9.6	2.5	2.3
EV/CE	(x)	2.4	1.8	1.9	2.0	2.0
ROCE	(%)	10.5	8.4	9.5	10.5	12.2
EV/EBITDA	(x)	7.5	7.6	6.9	6.5	6.1
EBITDA growth	(%)	(2.4)	4.2	10.7	2.4	2.5

Source: InnovestX Research

Tactical: NEUTRAL (3-month)

Stock data

Last close (Apr 11) (Bt)	202.00
Target price (Bt)	246.00
Mkt cap (Btbn)	600.79
Mkt cap (US\$m)	16,366

Beta	L
Mkt cap (% SET)	3.48
Sector % SET	8.52
Shares issued (mn)	2,974
Par value (Bt)	1.00
12-m high / low (Bt)	231 / 200
Avg. daily 6m (US\$m)	25.83
Foreign limit / actual (%)	48 / 37
Free float (%)	36.2
Dividend policy (%)	≥ 70

Share performance

(%)	1M	3M	12M
Absolute	(3.8)	(7.3)	(5.2)
Relative to SET	(5.0)	(6.2)	8.5

2023 Sustainability/ 2022 ESG Score

SET ESG Ratings	AAA
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ESG Bloomberg Rank in the sector

ESG Score Rank	1/35
Environmental Score Rank	1/35
Social Score Rank	1/35
Governance Score Rank	1/35

ESG comment

ADVANC ranked no. 1 for ESG score in the sector and also in each category, implying good ESG

Source: Bloomberg Finance L.P.

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Value proposition

ADVANC has the highest market share in Thailand's mobile telecom space. It also has the highest spectrum holdings among other operators. The company currently has 700MHz (15MHz bandwidth capacity), 900MHz (10MHz), 1800MHz (20MHz), 2100MHz (30MHz), 2600MHz (100MHz) and 26GHz (1200MHz). This ensures it can provide good service quality to customers.

Business outlook

Business is recovering as more tourists bring in more roaming revenue. However, the competitive situation is still fluid and will continue to pressure ARPU upside. The monetization of its 5G business is still a key focus in the long-term. However, we are starting to see ADVANC attempting to broaden its revenue stream from businesses such as enterprise non-mobile segment and financial services (MOU with KTB for a virtual bank). This could be a new long-term earnings growth driver, although the contribution would be small initially. The acquisition of TTTBB and 3BBIF also offers long-term benefit from cross-selling opportunities and cost synergy as well as increased network coverage.

Bullish views	Bearish views
1. Easing pricing competition in mobile and FBB businesses post market consolidation	1. Expect consensus to cut 2024F earnings to reflect TTTBB-3BBIF and 700MHz deals 2. Near-term earnings growth outlook is unexciting

Key catalysts

Factor	Event	Impact	Comment
Latest development	Successfully acquired TTTBB and JASIF in 4Q23	Slightly positive	The acquisition cost is lower than expected. In our assumptions, we assume Bt2.7/sh from this deal and it is already in our TP.
Near-term earnings outlook	2Q24F earnings momentum	Growing QoQ and YoY	We expect to see small earnings growth QoQ and YoY from ongoing recovery of mobile and FBB, but TTTBB cost will continue to drag on recovery.
Factors to watch in 2024	Business integration cost	Positive/Negative	Our assumption assumes negative impact of Bt877mn. A lower integration cost would provide upside surprise to our forecast.

Sensitivity analysis

Factor	Earnings impact	TP impact
1ppt change in mobile service revenue	3.0%	Bt5/sh.

Our view on ESG

ADVANC is chiefly involved with the provision of mobile and FBB services which by nature do not have high emissions. It also has excellent CG scoring. Overall, we have no issues related to ESG for the company.

ESG Disclosure Score

Bloomberg ESG Score	60.79 (2022)	CG Rating	DJSI	SETESG	SET ESG Ratings	
Rank in Sector	1/35	ADVANC	5	Yes	Yes	AAA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- The company plans to reduce GHG emissions through high efficient business operations and utilization of renewable energy.
- ADVANC has been 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 tCO₂e in 2021.
- For the alternative energy use, the company continued to expand installation of solar panels, allowing for solar panel installation at 5,553 base stations and at another eight data centers and switching centers. This generated 16,282 MWh/year and cutting 8,139 tCo₂e in GHG emissions.

Social Issue (S)

- ADVANC has policies to uplifting community well-being and decreasing social inequality through digital infrastructure and solutions.
- The company implemented three 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 and 3) developing digital platforms that enhance economic and social structures along with quality of life.

Governance Issue (G)

- Corporate governance policy of ADVANC 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. This reflects in its achievement and recognition in 2021.
- ADVANC listed in Dow Jones Sustainability Indices, received excellent CG scoring from Corporate Governance Report of Thai listed companies, received “Best Investor Relation Awards”, and many more.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	60.60	60.79
Environment	42.65	49.41
Emissions Reduction Initiatives	Yes	Yes
GHG Scope 1	8.93	7.41
Energy Efficiency Policy	Yes	Yes
Total Energy Consumption	1,318.491	394.99
Renewable Energy Use	16.28	24.19
Social	49.18	42.99
Human Rights Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Pct Women in Management	36.26	37.71
Business Ethics Policy	Yes	Yes
Anti-Bribery Ethics Policy	Yes	Yes
Governance	89.86	89.86
Size of Audit Committee	3	3
Number of Independent Directors on Audit Committee	3	3
Company Conducts Board Evaluations	Yes	Yes
Number of Executives / Company Managers	11	12
Director Share Ownership Guidelines	No	No

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company’s scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	180,894	172,890	181,333	185,485	188,873	209,040	213,781	218,668
Cost of goods sold	(Btmn)	(111,899)	(110,848)	(121,453)	(126,172)	(125,387)	(137,189)	(138,574)	(138,827)
Gross profit	(Btmn)	68,994	62,042	59,880	59,313	63,486	71,851	75,207	79,841
SG&A	(Btmn)	(27,885)	(24,499)	(21,846)	(22,486)	(22,978)	(27,865)	(28,701)	(29,562)
Other income	(Btmn)	846	969	1,273	658	847	842	849	990
Interest expense	(Btmn)	(4,777)	(5,917)	(5,626)	(5,230)	(6,145)	(7,945)	(7,750)	(7,440)
Pre-tax profit	(Btmn)	37,179	32,595	33,680	32,255	35,210	36,883	39,605	43,829
Corporate tax	(Btmn)	(6,209)	(5,089)	(5,970)	(6,168)	(6,909)	(7,377)	(7,921)	(8,766)
Equity a/c profits	(Btmn)	(86)	(70)	(141)	(36)	168	(3)	43	69
Minority interests	(Btmn)	(3)	(3)	(2)	(3)	(3)	(3)	(3)	(3)
Core profit	(Btmn)	30,881	27,433	27,568	26,048	28,467	29,501	31,724	35,129
Extra-ordinary items	(Btmn)	308	2	(646)	(37)	620	0	0	0
Net Profit	(Btmn)	31,190	27,434	26,922	26,011	29,086	29,501	31,724	35,129
EBITDA	(Btmn)	78,987	90,034	92,463	90,261	94,076	104,118	106,661	109,293
Core EPS	(Bt)	10.39	9.23	9.27	8.76	9.57	9.92	10.67	11.81
Net EPS	(Bt)	10.49	9.23	9.05	8.75	9.78	9.92	10.67	11.81
DPS	(Bt)	7.34	6.92	7.69	7.69	8.61	8.73	9.39	10.39

Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	47,142	42,155	35,566	34,338	41,838	47,514	65,262	99,404
Total fixed assets	(Btmn)	228,584	291,460	300,192	275,878	361,603	342,791	323,963	294,054
Total assets	(Btmn)	289,669	350,171	356,222	337,044	454,439	473,988	473,174	477,676
Total loans	(Btmn)	94,044	98,050	87,828	84,410	127,244	132,420	125,000	120,000
Total current liabilities	(Btmn)	105,255	95,039	92,590	96,504	133,685	130,319	125,449	124,994
Total long-term liabilities	(Btmn)	115,020	179,443	181,807	154,723	230,076	249,258	248,457	247,591
Total liabilities	(Btmn)	220,275	274,481	274,397	251,227	363,761	379,578	373,906	372,585
Paid-up capital	(Btmn)	2,973	2,974	2,974	2,974	2,974	2,974	2,974	2,974
Total equity	(Btmn)	69,394	75,689	81,825	85,816	90,678	94,410	99,268	105,091
BVPS	(Bt)	23.30	25.41	27.47	28.81	30.45	31.71	33.34	35.30

Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	30,881	27,433	27,568	26,048	28,467	29,501	31,724	35,129
Depreciation and amortization	(Btmn)	37,229	51,842	53,374	52,902	52,880	59,438	59,454	58,306
Operating cash flow	(Btmn)	94,764	83,310	88,308	77,961	84,280	98,602	92,934	96,935
Investing cash flow	(Btmn)	(48,365)	(67,450)	(62,333)	(55,777)	(97,516)	(77,941)	(45,305)	(32,675)
Financing cash flow	(Btmn)	(35,829)	(17,076)	(31,657)	(25,909)	18,966	(20,596)	(34,290)	(34,309)
Net cash flow	(Btmn)	10,570	(1,216)	(5,681)	(3,726)	5,730	65	13,340	29,950

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	38.1	35.9	33.0	32.0	33.6	34.4	35.2	36.5
Operating margin	(%)	22.7	21.7	21.0	19.9	21.4	21.0	21.8	23.0
EBITDA margin	(%)	43.7	52.1	51.0	48.7	49.8	49.8	49.9	50.0
EBIT margin	(%)	37.6	45.7	44.6	42.5	42.9	42.5	42.6	42.6
Net profit margin	(%)	17.2	15.9	14.8	14.0	15.4	14.1	14.8	16.1
ROE	(%)	48.6	37.8	35.0	31.1	32.3	31.9	32.8	34.4
ROA	(%)	10.6	8.6	7.8	7.5	7.2	6.4	6.7	7.4
Net D/E	(%)	1.1	1.1	0.9	0.9	1.2	1.2	1.0	0.6
Interest coverage	(%)	16.5	15.2	16.4	17.3	15.3	13.1	13.8	14.7
Debt service coverage	(%)	2.7	3.7	4.7	3.5	1.5	2.0	2.2	2.4
Payout Ratio	(%)	70.0	75.0	84.9	87.9	88.0	88.0	88.0	88.0

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Service revenue ex. IC growth yoy	(%)	2.4	(5.1)	1.1	1.6	4.2	14.2	2.7	2.7
Mobile revenue	(Btmn)	126,341	118,082	117,244	116,695	118,129	120,492	122,901	125,359
FBB revenue	(Btmn)	5,656	6,960	8,436	10,063	13,621	30,647	32,180	33,789
SIM and Handset margin	(%)	1.1	0.9	0.9	1.0	1.8	1.0	1.0	1.0

Financial statement

Profit and Loss Statement

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total revenue	(Btmn)	45,279	45,273	46,234	48,699	46,712	44,774	46,069	51,318
Cost of goods sold	(Btmn)	(30,678)	(30,399)	(31,696)	(33,399)	(31,702)	(29,704)	(30,306)	(33,674)
Gross profit	(Btmn)	14,601	14,874	14,538	15,300	15,010	15,070	15,762	17,644
SG&A	(Btmn)	(5,578)	(5,718)	(5,669)	(5,521)	(5,601)	(4,947)	(4,993)	(7,438)
Other income	(Btmn)	209	281	107	61	134	90	500	124
Interest expense	(Btmn)	(1,320)	(1,323)	(1,294)	(1,294)	(1,250)	(1,333)	(1,366)	(2,196)
Pre-tax profit	(Btmn)	7,913	8,114	7,683	8,545	8,294	8,880	9,903	8,133
Corporate tax	(Btmn)	(1,543)	(1,467)	(1,410)	(1,747)	(1,597)	(1,723)	(1,887)	(1,702)
Equity a/c profits	(Btmn)	(16)	(6)	(9)	(5)	(2)	2	9	159
Minority interests	(Btmn)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0
Core profit	(Btmn)	6,353	6,640	6,263	6,792	6,694	7,158	8,024	6,590
Extra-ordinary items	(Btmn)	(42)	(335)	(231)	572	62	22	123	412
Net Profit	(Btmn)	6,311	6,305	6,032	7,363	6,757	7,180	8,146	7,003
EBITDA	(Btmn)	22,602	22,629	22,199	29,509	22,699	23,349	24,113	(28,806)
Core EPS	(Bt)	2.14	2.23	2.11	2.28	2.25	2.41	2.70	2.22
Net EPS	(Bt)	2.12	2.12	2.03	2.48	2.27	2.41	2.74	2.35

Balance Sheet

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total current assets	(Btmn)	41,017	36,381	37,885	34,338	37,462	38,196	40,664	41,838
Total fixed assets	(Btmn)	293,440	288,951	281,541	275,878	265,985	260,731	254,418	361,603
Total assets	(Btmn)	355,783	349,517	345,370	337,044	330,434	326,646	322,770	454,439
Total loans	(Btmn)	85,729	87,191	95,192	84,410	80,790	90,882	99,802	127,244
Total current liabilities	(Btmn)	102,545	98,518	110,172	96,504	99,459	78,830	91,047	133,685
Total long-term liabilities	(Btmn)	177,501	168,598	156,984	154,723	151,008	160,633	148,237	230,076
Total liabilities	(Btmn)	280,046	267,116	267,157	251,227	250,467	239,463	239,284	363,761
Paid-up capital	(Btmn)	2,974	2,974	2,974	2,974	2,974	2,974	2,974	2,974
Total equity	(Btmn)	75,737	82,402	78,214	85,816	79,967	87,183	83,486	90,678
BVPS	(Bt)	25.42	27.66	26.25	28.81	26.84	29.29	28.04	30.45

Cash Flow Statement

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Core Profit	(Btmn)	6,353	6,640	6,263	6,792	6,694	7,158	8,024	6,590
Depreciation and amortization	(Btmn)	13,369	13,192	13,222	13,118	13,155	13,136	12,844	13,745
Operating cash flow	(Btmn)	29,814	7,999	19,199	35,922	27,235	3,731	21,298	(52,265)
Investing cash flow	(Btmn)	(24,360)	(15,042)	(26,700)	3,731	(20,273)	(12,323)	(28,021)	66,348
Financing cash flow	(Btmn)	(1,805)	803	6,710	(39,997)	(3,488)	9,688	8,951	(15,151)
Net cash flow	(Btmn)	3,649	(6,240)	(790)	(344)	3,474	1,096	2,227	(1,068)

Key Financial Ratios

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Gross margin	(%)	32.2	32.9	31.4	31.4	32.1	33.7	34.2	34.4
Operating margin	(%)	19.9	20.2	19.2	20.1	20.1	22.6	23.4	19.9
EBITDA margin	(%)	49.9	50.0	48.0	60.6	48.6	52.1	52.3	(56.1)
EBIT margin	(%)	43.6	43.8	42.2	54.3	42.5	45.3	45.3	(63.7)
Net profit margin	(%)	13.9	13.9	13.0	15.1	14.5	16.0	17.7	13.6
ROE	(%)	34.5	33.0	32.7	32.4	34.4	33.8	39.7	29.9
ROA	(%)	7.1	7.4	7.1	7.8	7.8	8.5	9.6	6.7
Net D/E	(%)	0.9	0.9	1.1	0.9	0.9	0.9	1.0	1.2
Interest coverage	(%)	17.1	17.1	17.2	22.8	18.2	17.5	17.7	(13.1)
Debt service coverage	(%)	4.9	3.5	2.5	4.6	4.1	4.7	3.0	(1.7)

Main Assumptions

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Service revenue ex. IC growth yoy	(%)	1.1	2.9	1.0	1.3	2.3	1.8	2.9	9.5
Mobile revenue	(Btmn)	28,847	29,217	29,107	29,524	29,258	29,495	29,311	30,065
FBB revenue	(Btmn)	2,437	2,487	2,541	2,598	2,710	2,857	3,021	5,033
SIM and Handset margin	(%)	1.4	0.2	1.0	1.1	1.8	1.2	1.8	2.3

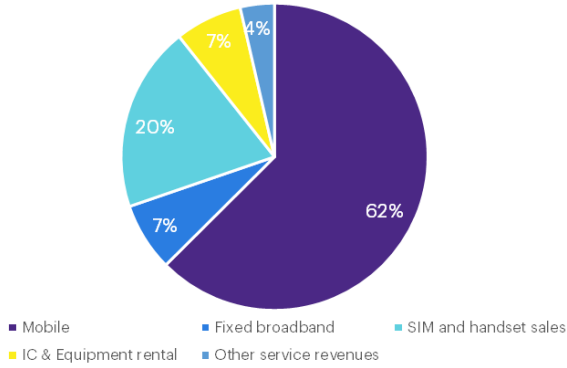
Figure 1: 1Q24F results preview

Unit: (Btmn)	1Q23	4Q23	1Q24F	Y-o-Y	q-o-q
Service revenue ex. IC	33,532	37,055	38,421	14.6%	3.7%
- Mobile revenue	29,258	30,065	30,366	3.8%	1.0%
- FBB revenue	2,710	5,033	6,100	125.1%	21.2%
- Other service revenue	1,564	1,957	1,955	25.0%	-0.1%
IC & Equipment rental revenue	3,255	3,371	3,333	2.4%	-1.1%
Handset & SIM revenue	9,926	10,892	10,890	9.7%	0.0%
Total revenue	46,713	51,318	52,644	12.7%	2.6%
Cost of services	(9,162)	(9,688)	(10,000)	9.1%	3.2%
Depreciation & Amortisation	(12,789)	(13,349)	(14,100)	10.3%	5.6%
Handset & SIM cost	(9,752)	(10,638)	(10,636)	9.1%	0.0%
Total costs	(31,703)	(33,675)	(34,736)	9.6%	3.2%
Gross profit	15,010	17,643	17,908	19.3%	1.5%
SG&A	(5,570)	(6,952)	(7,054)	26.6%	1.5%
Operating profit	9,440	10,691	10,854	15.0%	1.5%
Other income	102	89	50	-51.0%	-43.8%
Equity income	0	159	290	na.	82.4%
EBIT	9,542	10,939	11,194	17.3%	2.3%
Interest expense	(1,250)	(2,196)	(2,385)	90.8%	8.6%
EBT	8,292	8,743	8,809	6.2%	0.8%
Income tax	(1,597)	(1,702)	(1,762)	10.3%	3.5%
Minority interests	(1)	0	0	na.	na.
Core profit	6,694	7,041	7,047	5.3%	0.1%
Extra items	62	(38)	0	na.	na.
Net income	6,757	7,003	7,047	4.3%	0.6%
EPS (Bt)	2.27	2.35	2.37	4.3%	0.6%
Ratio analysis and Operating stats					
EBITDA margin (%)	47.8	47.3	48.0		
SGA/Total revenue (%)	11.9	13.5	13.4		
Reg. fee/service revenue (%)	4.2	4.2	4.2		
Net profit margin (%)	14.5	13.6	13.4		

Source: InnovestX Research, ADVANC

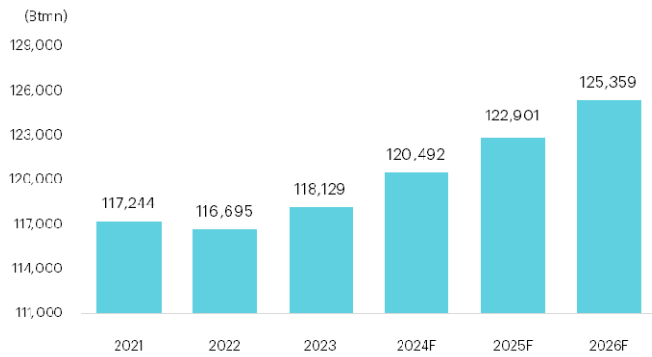
Appendix

Figure 2: Revenue breakdown



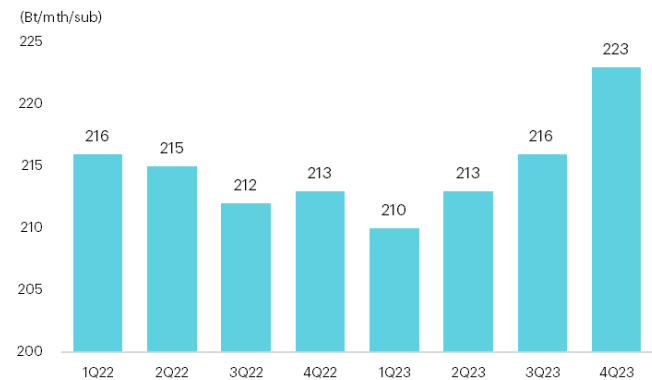
Source: ADVANC and InnovestX Research

Figure 4: Mobile revenue



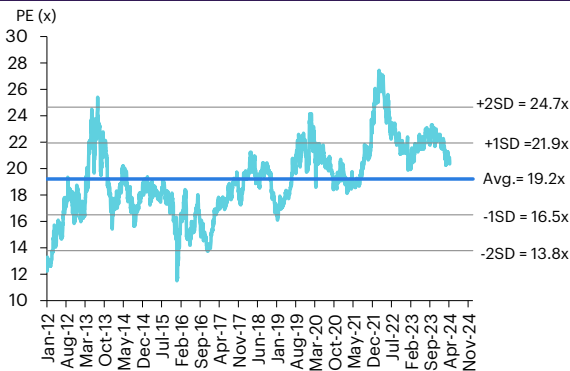
Source: ADVANC and InnovestX Research

Figure 6: Mobile blended ARPU



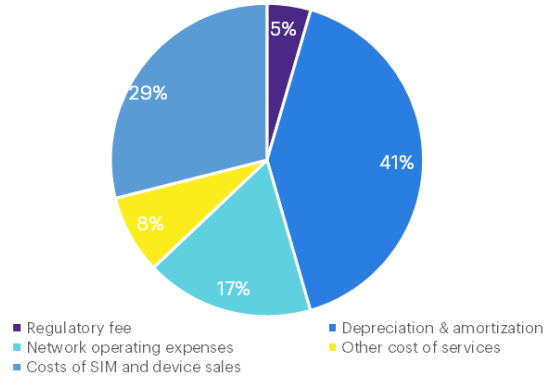
Source: ADVANC and InnovestX Research

Figure 8: PE Band



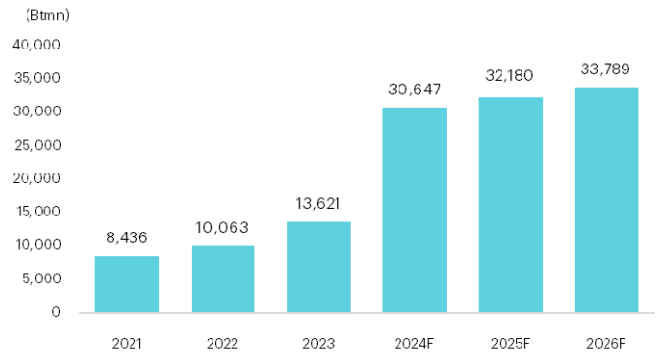
Source: InnovestX Research

Figure 3: Cost breakdown



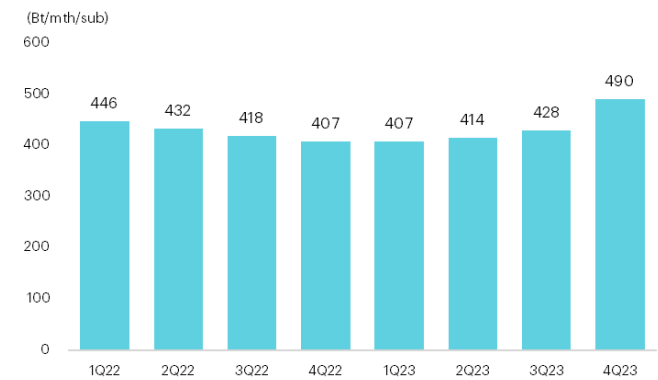
Source: ADVANC and InnovestX Research

Figure 5: FBB revenue



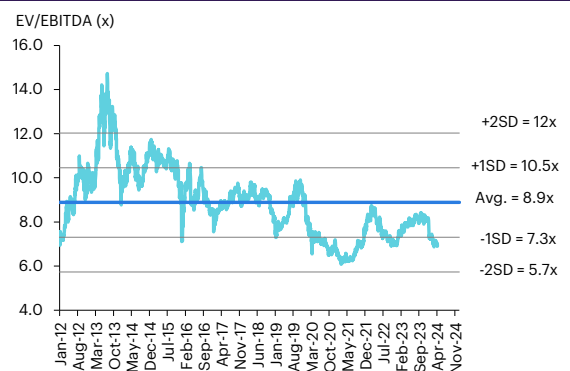
Source: ADVANC and InnovestX Research

Figure 7: FBB ARPU



Source: ADVANC and InnovestX Research

Figure 9: EV/EBITDA Band



Source: InnovestX Research

Figure 10: Valuation summary (price as of Apr 11, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
ADVANC	Neutral	202.00	246.0	26.1	21.1	20.4	18.9	9	4	8	6.6	6.4	6.1	32	32	33	4.3	4.3	4.6	7.6	6.9	6.5
TRUE	Outperform	8.00	8.5	6.4	n.m.	246.4	67.5	0	n.m.	n.m.	3.2	3.2	3.1	(11)	1	5	0.0	0.2	0.7	7.1	6.7	6.2
Average					21.1	133.4	43.2	5	4	8	4.9	4.8	4.6	11	17	19	2.1	2.3	2.7	7.3	6.8	6.4

Source: InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBTI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHF, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMP, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

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2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCHK, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BEB, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, T, TCCC³, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

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To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้มาตรฐาน)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBTI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GEL, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCCAMC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHF, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, PEER, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BLC, BLESS, BLISS, BP, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRPC, IT, ITD, ITNS, ITTHI, JAK, JCK, JCHK, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCC, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.