

Telecom Sector – Overweight

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News update

Expecting positive auction results

- **Spectrum auction approaching this Sunday**
- **We expect both operators get what they want ...**
- **... and also at lower costs**
- **Slight stronger spectrum portfolio for TRUE post auction**

As the auction for four available sets of spectrum licenses, for the 850MHz, 1500MHz, 2100MHz, and 2300MHz bands, approaches this Sunday (29 June 2025), we recap our views and key assumptions as follows:

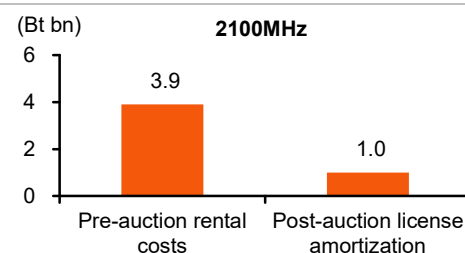
- We expect ADVANC and TRUE could secure licenses for the spectrum bands they are currently utilizing, 2100MHz for ADVANC and 2300MHz for TRUE, to replace their expiring rental contracts. While TRUE is also using the 850MHz band, the company has clearly indicated it will forgo bidding for this spectrum, as its low-band spectrum holdings are already sufficient following the merger in 2023.
- We assume ADVANC to secure three licenses for the 2100MHz spectrum band, equivalent to 15MHz of total bandwidth which matches its expiring rental contract, at a total price of Bt15bn, or 11% above the starting price. This assumes no bidding competition from TRUE, as it already holds licenses for 30MHz bandwidth of this spectrum band.
- We believe TRUE will eventually win six licenses on the 2300MHz band at a relatively high price of Bt30bn, which is nearly double the reserve price, as the attractive starting price likely draws in competition from ADVANC. That said, we expect TRUE's existing network infrastructure for this band to give it a competitive edge to reclaim its strategic 4G/5G spectrum.
- We maintain our view that the 1500MHz band will attract no bidders, given its limited compatibility with current handsets and network equipment.
- Based on our auction assumptions, we expect spectrum cost savings for both operators. ADVANC's spectrum cost for the 2100MHz band will fall from Bt3.9bn rental price to Bt1.0bn amortization cost. TRUE would benefit more significantly with its current Bt7.8bn rental costs (Bt2.7bn for the 850MHz and Bt5.1bn for the 2300MHz bands) reducing to Bt2.0bn amortization cost for the 2300MHz licenses.
- TRUE's spectrum portfolio will be slightly stronger than ADVANC's after the coming auction, based on our assumed auction results above, mainly from its rights over the 2300MHz band and comparable bandwidth across other key spectrum bands. Having said that, we believe ADVANC could close up the gap when the 3500MHz spectrum band becomes available in future auction, likely within the next few years.
- We still prefer ADVANC over TRUE for its lower risks from the upcoming spectrum auction and stronger revenue outlook.

Ex 1: Available Licenses In Upcoming Auction

Spectrum	# Available licenses	Bandwidth per license (MHz)	Reserve price (Bt m)
850MHz	2	2 x 5MHz	7,738.2
1500MHz	11	5MHz	1,057.5
2100MHz	3	2 x 5MHz	4,500.0
2300MHz	7	10MHz	2,596.2

Source: National Broadcasting and Telecommunication Commission (NBTC)

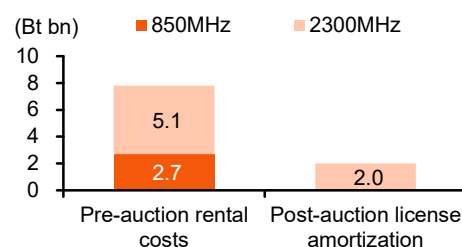
Ex 2: Spectrum Cost Saving For ADVANC



Sources: Company data, Thanachart estimates

Note: We assume ADVANC winning three licenses of the 2100MHz at Bt15.0bn cost

Ex 3: Higher Cost Reduction For TRUE



Sources: Company data, Thanachart estimates

Note: We assume TRUE winning six licenses of the 2300MHz band at Bt30.0bn cost, while forego the 850MHz band.

Ex 4: ADVANC's Spectrum Licenses Portfolio

Spectrum	Holding bandwidth (MHz)	License price (Bt m)	Average price per bandwidth (Bt m/MHz)
700MHz	20	34,738	1,737
900MHz	2 x 15	75,654	5,044
1800MHz	2 x 20	53,497	2,675
2100MHz	2 x 15	14,625	975
2100MHz	2 x 15	15,000	1,000
2600MHz	100	19,561	196
26GHz	1200	5,345	4

Sources: Company data, Thanachart estimates

Ex 5: TRUE's Spectrum Licenses Portfolio

Spectrum	Holding bandwidth (MHz)	License price (Bt m)	Average price per bandwidth (Bt m/MHz)
700MHz	20	35,168	1,758
900MHz	2 x 15	76,928	5,129
1800MHz	2 x 20	51,883	2,594
2100MHz	2 x 30	27,000	900
2300MHz	60	30,000	500
2600MHz	90	17,873	199
26GHz	1000	4,478	4

Sources: Company data, Thanachart estimates

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