

Advanced Info Service (ADVANC TB) - BUY, Price Bt361, TP Bt395**Results Comment**

Nuttapop Prasitsuksant | Email: nuttapop.pra@thanachartsec.co.th

4Q25 in-line, but a dividend surprise

- ADVANC reported Bt12.5bn normalized profit in 4Q25, grew strongly by 24% y-y and 4% q-q, in-line with our expectation. However, there is a positive surprise from an announcement of Bt56.5bn extra dividends, which could serve as its near-term share price catalyst.
- Mobile service revenue grew 7% y-y and 4% q-q to Bt34.0bn in 4Q25, beating our expectation. The growth was driven by 4.9% y-y and 0.4% q-q ARPU expansion to Bt240/month, mainly from the prepaid segment, and 495k net subscriber additions to 46.8m subs.
- Fixed broadband revenue rose 9% y-y and 1% q-q to Bt8.3bn, supported by a higher ARPU to Bt530/month (+5% y-y and +2% q-q) and 38k net subscriber additions (to 5.24m subs).
- Costs of service declined 9% y-y and 3% q-q to Bt22.5bn, reflecting a full-quarter benefit from lower spectrum costs.
- SG&A expense remained well controlled at Bt6.9bn, down 1% y-y but up 11% q-q on seasonality. EBITDA thus grew nicely by 6% y-y and 2% q-q to Bt31.3bn in 4Q25.
- ADVANC announces a final dividend of Bt8.4/share, bringing a full-year dividend for 2025 to Bt15.3/share, a 95% payout from its net profit. In addition, it will also pay a special dividend of Bt19.0/share as a part of its capital management framework. An indicated XD date for the two dividends is 27 February with a payment date of 30 April 2026.
- We maintain BUY on ADVANC, expecting its strong earnings growth momentum to continue, while the generous dividend payments provide an additional share price catalyst.

Income Statement (consolidated)						Income Statement 12M as					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(Bt m)	q-q%	y-y%	% 2025F	2025A	2026F
Revenue	56,736	56,311	56,044	54,362	59,547	Revenue	10	5	101	226,264	231,031
Gross profit	21,138	21,343	21,591	22,713	24,151	Gross profit	6	14	100	89,797	98,470
SG&A	6,962	6,555	6,460	6,177	6,868	SG&A	11	(1)	100	26,061	27,046
Operating profit	14,176	14,787	15,130	16,536	17,283	Operating profit	5	22	100	63,736	71,424
EBITDA	29,527	29,593	29,973	30,649	31,275	EBITDA	2	6	100	121,490	128,830
Other income	87	103	93	159	30	Other income	(81)	(66)	115	384	347
Other expense	0	0	0	0	0	Other expense				0	0
Interest expense	2,201	2,081	2,005	1,972	1,915	Interest expense	(3)	(13)	97	7,973	8,146
Profit before tax	12,062	12,810	13,218	14,722	15,397	Profit before tax	5	28	100	56,148	63,624
Income tax	2,347	2,581	2,633	3,086	3,122	Income tax	1	33	102	11,422	12,725
Equity & invest. income	344	368	362	357	187	Equity & invest. income	(48)	(46)	100	1,274	1,453
Minority interests	(0)	(0)	1	0	(5)	Minority interests	na	na	na	(5)	(5)
Extraordinary items	(800)	(13)	34	46	1,824	Extraordinary items	3,841	na		1,891	0
Net profit	9,259	10,584	10,982	12,039	14,282	Net profit	19	54	104	47,886	52,347
Normalized profit	10,059	10,597	10,948	11,993	12,457	Normalized profit	4	24	100	45,995	52,347
EPS (Bt)	3.11	3.56	3.69	4.05	4.80	EPS (Bt)	19	54	104	16.10	17.60
Normalized EPS (Bt)	3.38	3.56	3.68	4.03	4.19	Normalized EPS (Bt)	4	24	100	15.46	17.60

Balance Sheet (consolidated)						Financial Ratios					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(%)	4Q24	1Q25	2Q25	3Q25	4Q25
Cash & ST investment	23,187	35,512	21,760	16,208	26,440	Sales grow th	10.6	5.7	9.2	4.1	5.0
A/C receivable	18,916	17,857	18,900	18,391	17,916	Operating profit grow th	33.0	18.0	21.4	35.3	21.9
Inventory	5,067	3,441	3,824	4,096	4,107	EBITDA grow th	21.0	6.6	8.5	10.7	5.9
Other current assets	2,857	2,905	3,532	2,928	4,240	Norm profit grow th	42.9	22.5	28.7	42.4	23.8
Investment	12,413	12,410	12,419	12,951	12,962	Norm EPS grow th	42.9	22.5	28.7	42.4	23.8
Fixed assets	126,999	123,559	120,408	118,936	118,626	Gross margin	37.3	37.9	38.5	41.8	40.6
Other assets	241,994	236,408	231,036	240,845	235,981	Operating margin	25.0	26.3	27.0	30.4	29.0
Total assets	431,432	432,091	411,879	414,355	420,273	EBITDA margin	52.0	52.6	53.5	56.4	52.5
S-T debt	36,621	35,269	48,092	54,902	28,641	Norm net margin	17.7	18.8	19.5	22.1	20.9
A/C payable	39,663	38,981	35,325	41,221	43,563	D/E (x)	1.3	1.3	1.1	1.3	1.0
Other current liabilities	27,266	46,030	27,403	26,528	29,973	Net D/E (x)	1.0	0.9	0.9	1.1	0.7
L-T debt	87,722	85,040	68,884	63,652	77,989	Interest coverage (x)	13.4	14.2	14.9	15.5	16.3
Other liabilities	142,837	135,959	130,392	134,727	132,826	Interest rate	6.9	6.8	6.8	6.7	6.8
Minority interest	101	102	101	100	105	Effective tax rate	19.5	20.1	19.9	21.0	20.3
Shareholders' equity	97,222	90,709	101,683	93,226	107,176	ROA	9.3	9.8	10.4	11.6	11.9
Working capital	(15,680)	(17,683)	(12,600)	(18,734)	(21,539)	ROE	43.4	45.1	45.5	49.2	49.7
Total debt	124,343	120,310	116,976	118,554	106,631						
Net debt	101,156	84,798	95,216	102,346	80,190						

Sources: Company data, Thanachart estimates

Quarterly results (Bt bn)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Service Revenue excl. IC	39.44	40.23	40.80	41.90	41.93	42.97	43.59	44.82
- Mobile	30.34	30.78	30.96	31.73	31.64	32.40	32.84	34.05
- Fixed broadband	7.12	7.28	7.44	7.60	7.83	7.94	8.19	8.30
- Others	1.98	2.17	2.40	2.57	2.46	2.63	2.56	2.48
Cost of services excl. IC	3.52	3.70	3.21	3.16	3.52	4.07	0.00	0.00
- Regulatory costs	1.58	1.58	1.63	1.49	1.64	1.71	1.76	1.85
- Depreciation & amortization costs	14.82	14.74	15.05	14.93	14.40	14.25	13.90	13.57
- Network OPEX	5.89	6.04	5.45	5.61	5.80	6.36	4.90	4.05
- Others	1.98	2.04	2.17	2.26	1.89	2.17	2.02	2.46
Net SIM and devices revenues (expenses)	(0.15)	(2.13)	0.84	3.71	0.41	(0.85)	(0.48)	5.16
SIM and devices margin	-1.4%	-27.0%	10.2%	32.3%	3.6%	-8.6%	-5.4%	37.8%
Total SG&A expenses	5.89	6.57	7.37	6.96	6.56	6.46	6.18	6.87
- Selling and marketing expenses	1.32	1.24	1.45	1.75	1.49	1.42	1.50	1.66
- Administration expenses	4.57	5.34	5.92	5.21	5.06	5.04	4.68	5.21
% Growth Rate	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Service Revenue y-y	17.6	18.7	19.7	13.1	6.3	6.8	6.8	7.0
- Mobile	3.7	4.3	5.6	5.5	4.3	5.3	6.1	7.3
- Fixed broadband	162.7	155.0	146.2	51.0	10.0	9.0	10.1	9.2
- Others	26.6	39.9	37.3	31.4	24.3	21.2	6.9	(3.6)
% Q-Q Growth Rate	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Service Revenue q-q	6.4	2.0	1.4	2.7	0.1	2.5	1.4	2.8
- Mobile	0.9	1.4	0.6	2.5	(0.3)	2.4	1.3	3.7
- Fixed broadband	41.4	2.3	2.1	2.2	3.0	1.4	3.1	1.3
- Others	1.2	9.6	10.6	7.1	(4.3)	6.9	(2.5)	(3.4)
Profitability Ratio (%)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
- Network costs to sales	38.9	40.5	39.3	36.2	35.9	36.8	34.6	29.6
- Marketing expenses to sales	2.5	2.4	2.8	3.1	2.7	2.5	2.8	2.8
- EBITDA margin	52.1	53.8	53.0	52.0	52.6	53.5	56.4	52.5
Key Statistics	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Total mobile subscriber (m sub)	45.02	45.67	46.28	45.76	45.72	46.00	46.27	46.77
Net add (m sub)	0.41	0.64	0.61	(0.52)	(0.05)	0.29	0.27	0.50
Postpaid	0.02	0.06	0.12	0.10	0.15	0.12	0.15	0.19
Prepaid	0.39	0.58	0.50	(0.62)	(0.20)	0.17	0.12	0.30
Blended mobile ARPU (Bt/month)	224	224	223	228	228	233	234	240
Postpaid	448	448	443	443	440	442	440	441
Prepaid	135	137	137	143	143	148	150	158
VOU (GB/data sub/month)	30.2	30.5	29.9	29.8	30.3	32.1	33.2	34.6
5G package subscription (m sub)	9.87	10.58	11.49	12.01	12.72	13.93	15.79	17.86
Fixed broadband subscriber (m sub)	4.82	4.88	4.94	5.01	5.07	5.14	5.20	5.24
Net add (m sub)	0.07	0.07	0.06	0.06	0.06	0.07	0.07	0.04
Fixed broadband ARPU (Bt/month)	496	501	505	509	518	519	528	530

Source: Company data

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