



ANNUAL REPORT 2022 (56-1 One Report)

BRIGHTEN THE FUTURE



AJ ADVANCE TECHNOLOGY PUBLIC COMPANY LIMITED

Vision and Mission

Vision

“AJA will be a Holding Company who distributes the new business investment and build up only the sustainable growth business”

Mission

“AJA operates as Holding Company in with the best technology in Southeast Asia, focusing on building high technology brands and best services.”

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Financial Highlights

Unit: Million Baht

	2020	2021	2022
Statement of Financial Position			
Total assets	931.45	1,035.60	982.13
Total liabilities	236.00	258.58	198.36
Total equity	695.45	777.02	783.77
Statement of Comprehensive Income			
Revenues from sales and service	267.12	292.75	321.00
Cost of sales and services	209.65	266.61	243.97
Profit before finance costs and income tax expense	(107.39)	(144.04)	(145.10)
Net profit (loss)	(132.08)	(152.01)	(145.46)
Financial Ratios			
Net profit margin (%)	(46.95)	(49.10)	(42.02)
Return on equity (%)	(17.61)	(20.86)	(18.99)
Return on assets (%)	(12.91)	(15.41)	(14.56)
Debt to equity ratio (time)	0.34	0.33	0.25
Net profit per share (Baht)	(0.031)	(0.035)	(0.028)



Investors can study additional information of the issuing company from the annual registration statement (Form 56-1 One Report) of the company shown in www.set.or.th or company website www.ajthai.com



Message from Chairman and Chief Executive Officer




M.R. Chirakom Kitiyakara
Chairman of the Board of Directors

In the year of 2022, the situation of the pandemic of COVID-19 began to return to normal. Relaxing lockdown and reopening borders resulted in positive aspects which means that we are preparing for “Learning to live with COVID-19” Therefore, a New Normal life after the outbreak of COVID-19 is self-reliance, good health, which must begin as routines and do it continuously. In the economy, Although the government has various measures to stimulate the economics, society and environment, however Thai economy is still recovering slowly. Economic impacts and many important factors such as increasing in electricity costs, a stronger value of dollar currency, declining value of cryptocurrencies, consumer behavior. These are the factors that affects the performance of the group companies that have unachieved the target.

For the operating results in 2022, the group had a total income of THB 349.49 million, an increase of THB 40.73 million from the previous year or 13.19 percent, but still operating loss of THB 145.46 million, a loss of decreased THB 6.55 million, or decreased by 4.31 percent compared to the previous year. Although the group has downsized its unprofitable business such as electrical appliances and increase the sales of electric motorcycles, nevertheless still unable to turn the operating performance into a positive circumstance. This is due to the fact that the revenue has unattained the target, the cost of goods, cost of services and related expenses has increased. At present, although the Group’s cash flow decreased compared to the previous year, anyhow, with cash flow management measures Effective cost control in line with current economic conditions and sales making this part of the impact partially offset.

For the year of 2023, is another year that all executives and employees have to work hard. to be ready to take on the challenge volatility and uncertainty both in economic, social, environmental and other important factors must cooperate actively to overcome obstacles with morality, ethics, good attitude, overcome obstacles, strive to enhance the adaptability of the group of companies towards the goal, provide a business that has potential to grow, with a good income and profit, create sustainable value for all groups of stakeholders.

On behalf of the Board of Directors and the Executive Committee would like to thank all parties involved, from the management team and all employees, who not only bring knowledge and competence to develop our company, furthermore, devoted their physical and mental energy to drive the organization to achieve its goals as well as to customers, shareholders, business partners, government and private business sectors for trusting and supporting AJ Advance Technology Public Company Limited continuously. The Board of Directors and the Executive Committee pledge to perform their duties with full competence and transparency for maximum benefit and sustainable growth of the organization.




Mr. Pichai Panjasanka
Chief Executive Officer





Section 1

Structure and Business Operation



1. Structure and Business Operation

1.1 Policy and business overview

AJ Advance Technology Public Company Limited (the “Company” or “AJA”) (formerly name “Crown Tech Advance Public Company Limited”) engages in procuring and distributing of electrical appliance products under brand “AJ”. The Company started business since 2001 until present for more than 21 years. The Company’s executives intended to develop the Company’s brand to be aware and accepted by customers as the Thai appliance distributor which have quality and appropriate price, and can compete with foreign appliance distributor. In the beginning of the business, the Company imported audio and visual appliance, e.g., VCD player, DVD player, and home theater etc. Then, expanding business scope by adding electric home appliance, e.g., mobile air conditioner, multipurpose pot, induction cooker, washing machine, thermal pot, and air fryer etc. In this regard, the Company has imported new appliances continuously by depending on change of consumer behavior, and has expanded to other business to reduce dependency on core business.

Present the company has reduced the size of the electrical appliance business due to high competition and the emergence of other technologies. The company has expanded its business and added other products. To promote life in line with changing situations according to economic conditions, consumer behavior society and the environment, etc.

At present, the Company has 6 subsidiaries, and 2 associated company and joint venture.

1.1.1 Vision Objective and goal and Business strategy

1.1.1.1 Vision

“AJA will be a Holding Company who distributes the new business investment and build up only the sustainable growth business.”

1.1.1.2 Mission

“AJA operates as Holding Company in with the best technology in Southeast Asia, focusing on building high technology brands and best services.”

1.1.1.3 Objective and goal

The Company still adheres such vision and mission to define business objective as Leading Thai operator in this business. In 2023, apart from electrical appliance business, the Company has core business objective as follows:

1. Distributing of electric motorcycle, electric bike, as well as leasing, distributing, and servicing of battery.
2. Bitcoin mining business and investment in digital asset to generate return from capital gain.
3. Operate as agent to develop modern technology and smart solution, including but not limited to smart city and mobile virtual network operator (MVNO), as well as promoting trade of technology and smart solution in various aspects, e.g., Smart Economy, Smart Environment, and Smart Mobility etc.



4. representing and servicing Alibaba members (Alibaba) in Thailand
5. Outlet Pro stores sell sports shoes, sportswear and equipment bags and other etc.

1.1.1.4 Business strategy

In term of business strategy, the Company will define to be in appropriate with market positioning of products by focusing on middle level user and lower. The main strategy are as follows:

1. Strategy for electric motorcycle, electric bike, as well as leasing, distributing, and servicing of battery.
 - 1.1 Increasing distribution channel to penetrate to target customer with most efficiency.
 - 1.2 Increasing new product to be up to date, align with current era, and meet the customer's need.
 - 1.3 Developing online channel for purchasing, payment, distribution to create speed, economy, and reduce risk.
 - 1.4 Advertising products via electronic channel, online media, and marketing campaign.
 - 1.5 Assessing worthiness of each distribution channel to be appropriate and create the highest benefit.
 - 1.6 Reorganize sale team by selling via agent and online channel.
2. Strategy of investing in digital asset.
 - 2.1 Studying market and trend of cryptocurrency price continuously.
 - 2.2 Managing investment in digital asset to yield the highest benefit.
 - 2.3 Implementing various technologies to reduce electricity cost, and maintaining to extend useful life of mining machine, having efficiency, and longest useful life.
3. Strategy for investing in development of modern technology and smart solution.
 - 3.1 Coordinating with government in co-operation in accordance with government's policy and operation guidelines with respect to technology and relevant operation guidelines.
 - 3.2 Cooperating with partner in development of modern technology and smart solution, including but not limited to smart city.
4. Strategy for expanding to business relating to digital.
 - 4.1 Maintaining existing customer base and create new related business to increase new customers.
 - 4.2 Being partnership with supplier in providing service "Bundle Alibaba Package" with respect to financial service and arranging seminar with government agency to create customer's understanding on export of Thai product to the world market.
5. Strategies for expanding sports shoe outlet stores
 - 5.1 Adding outlet branches beyond Bangkok and its vicinity to other provinces in each region of Thailand
 - 5.2 Add new products a variety of quality brands to promote exercise; and good health of customers
 - 5.3 Search for popular models, new models, good brands and reasonable, tangible prices.

The Company believes that concept defined by the Company and driving of implementation in accordance with above strategy shall allow the Company to create revenues and have good operating result in future.

1.1.2 Major Events and Developments

Year	Detail
2017	<ul style="list-style-type: none"> The Company changed its registered name from Crown Tech Advance Public Company Limited to AJ Advance Technology Public Company Limited in order to be in line with its well-known trademark “AJ”. The Company incorporated 2 subsidiaries - AJ Vending Co., Ltd., a provider of automatic water dispensers and water vending machines, and Rizen Energy Co., Ltd., an importer and retailer of electric vehicles, charging stations as well as operator of a manufacturing plant under the brand “BYD” from China. Furthermore, The Company made an investment, via a purchase of additional shares, in Happy Visions Co., Ltd., a producer of television programs and various entertainment media. The Company sold investments in Siam Advance Electronic Co., Ltd., totaling 24,000 shares or 48% of registered and paid-up capital (the Company previously held 99%). The sale of such investments was a part of the subsidiary’s restructuring plans to shift from a trader of home electrical appliances to a retailer of mobile phones and related accessories through the company’s various existing distribution channels. The aforementioned investment was sold to a strategic investor, who is experienced in the field of mobile phones retailing, which would help strengthen the subsidiary’s operation as well as the Group
2018	<ul style="list-style-type: none"> The Company’s business operations, the Company incorporated 2 subsidiaries - BLTC Incorporation (Thailand) Co., Ltd., a logistics business operator, and Youtai Group Co., Ltd., an exporter of products to China. With these investments, the Board of Directors realized the opportunities to strengthen the Group’s operations as well as to reduce the risk of over-reliance on the Company’s main business. The Company sold its entire investment in Vending Corporation Co., Ltd. on the rationale that the proceeds could be used to fund the Company’s working capital and further investments in sustainable business expansions.
2019	<ul style="list-style-type: none"> On July, 2019 the Company’s management resumed the operation and transformed the business of Happy Visions Co., Ltd. from a producer of entertainment media to a seller of sports sneakers in response to the health-conscious trend that many Thais are adopting. The trend boosted the popularity of physical activities. In August, 2019 the Company made an investment in Bangkok Pay Co., Ltd., a company engaging in the sale of electronic transfers and top-up kiosks and is the agent of authorized service providers of electronic transfers and payments. The management foresaw the growth opportunity which could strengthen the Group’s operations as well as reduce the risk of over-reliance on the Company’s main business In October, the Company approved the sale of its entire investment in AJ Vending Co., Ltd., totaling 3,850,000 shares or 55% of all voting shares, to Snack To Go (Thailand) Co., Ltd., ceasing the company of its subsidiary status.
2020	<ul style="list-style-type: none"> On 11 February 2020, the Board of Directors has approved the establishment of 2 new subsidiaries to support the business expansion of the group of company. <ul style="list-style-type: none"> AJ Beauty Group Co., Ltd. was established on 24 February, 2020, where the company has recognized an opportunity in the beauty business. The goal is to operate a beauty business in Bangkok and other provinces serving Thais and foreigners. Since the impact of the COVID-19, Therefore postponed business operation and wait for the right moment to start the business



Year	Detail
	<ul style="list-style-type: none"> • Union Thai Platform Co., Ltd. Was established on April 15th, 2020, the company has jointly invested with partners operating an investment, management and online services platform for Thai SMEs. Nevertheless the business has not been started operating due to the COVID-19 pandemic, the venture capitalist who is aboard is inconvenient for traveling internationally. The project, therefore, has been suspended for such and wait for the right moment to start the business • On 24 July 2020, The Annual General Meeting of Shareholders for the year 2020 has passed a resolution to decrease the Company's registered capital by eliminating the remaining ordinary shares from the exercise of warrants to purchase ordinary shares of the Company, Class 1 (AJA-W1) from THB 526,925,023 to be registered capital THB 424,029,474.40
2021	<ul style="list-style-type: none"> • On 25 June 2021, the Company disposed all ordinary shares in which the Company held in Siam Advance Electronic Company Limited in the amount of 357,000 shares, or equivalent to 51.00 percent of total issued and paid-up shares, with objective to utilize proceed from disposing in other business that the Company interested to invest. • On 1 July 2021, the Company's extraordinary general meeting of shareholders no.1/2021 resolved to approve following matters: <ul style="list-style-type: none"> • Issuance and offering of warrant to purchase the Company's ordinary shares no.3 (AJA-W3) in the amount not exceeding 1,060,073,686 units, by offering to the Company's existing shareholders in proportion to their shareholding. • Issuance and offering of convertible bonds in the amount not exceeding THB 300.00 million to Advance Opportunities Fund and/or Advance Opportunities Fund 1 with objective to use as working capital and/or investing in mobile phone project and/or the Company's new project. • Increase the Company's registered capital from existing registered capital of THB 424,029,474.40 to new registered capital of THB 623,815,477.60 to reserve for exercise of warrant to purchase the Company's ordinary shares no.3 (AJA-W3) and convertible bonds. • On 17 September 2021, the Company entered to memorandum of understanding with Cho Thavee Public Company Limited with objective to study on part structural and price of electric motorcycle for analyzing feasibility of manufacturing or assembling whole or part of electric motorcycle and electric motorcycle battery, and objective to reduce cost of electric motorcycle manufacturing for sale and allow customer to use after sale service. • On 27 September 2021, the Company acquired ordinary shares in Youtai Group Company Limited in the amount of 245,000 shares, or equivalent to 49.00 percent of total issued and paid-up shares with objective to invest in all shares of Youtai Group Company Limited (Formerly, the Company holds shares of 51.00 percent of total issued and paid-up shares) and increase flexibility in management. • On 28 October 2021, the Company entered to memorandum of understanding with National Telecom Public Company Limited ("NT") with main objective to promote, drive, and coordinate in cooperation in accordance with government's policy and guidelines with respect to technology in public sector and private sector to be in line with national strategy, government's policy, and relevant guidelines, to develop digital fundamental infrastructure with high efficiency to cover nationwide and transforming into digital government. • On 7 December 2021, the Company entered into memorandum of understanding with China Mobile International (Thailand) Company Limited ("CMI") with objective to promote cooperation for creating maximum mutual benefit in development of modern technology and smart solution, including but not limited to smart city and mobile virtual network operator, as well as exchange of technology and smart solution in various aspects.

Year	Detail
2022	<ul style="list-style-type: none"> On 3 February 2022, the Company's extraordinary general meeting of shareholders no.1/2020 resolved to approve following matters: <ul style="list-style-type: none"> Reducing the Company registered capital of THB 31,815,521.20 from existing registered capital of THB 623,815,477.60 to THB 591,999,956.40 by cancelling residual ordinary shares from exercise of convertible bonds in the amount of 318,155,212 shares, with par value of THB 0.10 per share. Increasing the Company's registered capital of THB 82,319,146.20 from existing registered capital of THB 591,999,956.40 to THB 674,319,102.60 by issuing newly issued ordinary shares in the amount of 823,191,462 shares, with par value of THB 0.10 per share, to reserve for (1) offering of newly issued ordinary shares to existing shareholders in proportion to their shareholding (Rights Offering), (2) exercise of warrant to purchase ordinary share of the Company no.4 (AJA-W4), and (3) rights adjustment of warrant to purchase ordinary share of the Company no.3 (AJA-W3). Issuance and offering of newly issued ordinary shares in the amount not exceeding 246,051,076 shares, with par value of THB 0.10 per share to existing shareholders in proportion to their shareholding (Rights Offering). Issuance and offering of warrant to purchase ordinary share of AJ Advance Technology Public Company Limited no.4 (AJA-W4) in the amount not exceeding 492,102,152 units to the Company's existing shareholders whom subscribe and being allotted newly issued ordinary shares. On April 28, 2022, the Company's Annual General Meeting of Shareholders No. 1/2022 passed a resolution approving as follows <ul style="list-style-type: none"> Issuance and offering of convertible debentures with the total value not exceeding 300,000,000 baht to specific investors, namely Advance Opportunities Fund and/or Advance Opportunities Fund 1, with the purpose of working capital and/or investing in mobile phone projects and/or new projects of the Company. Increased the registered capital of the company in the amount of 93,655,430.90 baht from the original registered capital of 674,319,102.60 baht is the registered capital of 767,974,533.50 baht by issuing shares Ordinary capital increase in the amount of not more than 936,554,309 shares at a par value of 0.10 baht per share. Allocation of not more than 936,554,309 newly issued ordinary shares with a par value of 0.10 baht per share to accommodate the exercise of convertible debentures issued and offered to AO Fund and AO Fund 1. On May 12, 2022, resolved to sell all investments in Risen Energy Company Limited held by the Company in the amount of 225,000 shares or 45.00 percent of the total issued and sold shares. At the selling price of 11.67 baht per share, totaling 2.63 million baht. The objective is to use the investment received from the sale of ordinary shares to invest in businesses that the Company is interested in, including working capital for business operations. On August 15, 2022, the Company has signed a Memorandum of Understanding (MOU) with AMR Asia Public Company Limited ("AMR") with the main objective of studying and developing business in "Ma Charge Platform" (Ma Charge Cloud or MCC) for electric motorcycles (EV bikes). and installation of electric motorcycle battery stations as well as providing repair and maintenance services for battery switching stations. and software system in the management of electric motorcycle usage data Batteries and battery replacement stations for electric motorcycle users in Thailand.



1.1.3 Utilization of proceed from fundraising as disclosed in registration statement for offering of securities

The Company has utilized all proceed from fundraising as disclosed in registration statement for offering of securities to public for the first time (IPO).

1.1.4 Obligations that the Company has committed in the registration statement for the offering of securities

- None -

1.1.5 Other information about the company

Company Name	: AJ ADVANCE TECHNOLOGY PUBLIC COMPANY LIMITED
Company Abbreviation	: AJA
Head office location	: 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian Bangkok
Business type	: Business import and distribution of audio-visual electrical appliances and household electrical appliances under the trademark "AJ"
	: 0107554000135
Telephone	: 0-2451-6888
Fax	: 0-2451-5490
Website	: www.ajthai.com
Registered Capital (As of February 6, 2023)	: THB 767,974,533.60, consist of 7,679,745,335 shares with par value value of THB 0.10 per share.
Paid up Capital (As of February 6, 2023)	: THB 535,538,407.40, consist of 5,355,384,074 shares with paid-up value of THB 0.10 per share.
Accounting period	: 1 January - 31 December.



1.2 Characteristic of business

1.2.1 Revenue structure by service type

The Company has a revenue structure classified by product groups for the year ended December 31, 2020, December 31, 2021 and December 31, 2022 as follows:

Statement of comprehensive income	Consolidated financial statement period 31 December					
	2020		2021		2022	
	THB mm	Percent	THB mm	Percent	THB mm	Percent
1. Revenue from sales of goods						
1.1 Electrics appliance	154.31	54.85	183.62	59.47	86.93	24.87
1.2 Sports shoes	21.14	7.51	22.86	7.40	74.67	21.37
1.3 Electric Vehicle-Bike	15.68	5.57	9.25	3.00	61.57	17.62
1.4 Bitcoin Mining	-	-	-	-	0.72	0.21
1.5 Other sales	16.61	5.90	5.04	1.63	0.76	0.22
Total Revenue from sales of goods	207.74	73.84	220.77	71.50	224.65	64.28
2. Revenue from rendering of services						
2.1 Top-up service for prepaid phone and service prepaid kiosk	39.60	14.08	52.96	17.15	48.95	14.01
2.2 Income from recruiting Alibaba members	13.09	4.65	17.07	5.53	17.39	4.98
2.3 Bitcoin Mining	-	-	-	-	28.64	8.19
2.4 Other service	6.69	2.38	1.94	0.63	1.37	0.39
Total Revenue from rendering of services	59.38	21.11	71.97	23.31	96.35	27.57
3. Other income						
3.1 Profit from exchange rate	0.81	0.29	1.34	0.43	2.20	0.63
3.2 Revenue from investment	0.61	0.22	0.80	0.27	-	-
3.3 Other income	12.80	4.55	13.87	4.49	26.29	7.52
Total Other income	14.22	5.05	16.01	5.19	28.49	8.15
Tota Income	281.34	100.00	308.75	100.00	349.49	100.00

1.2.2 Information about products and services

1.2.2.1 Electrical Appliances Business and EV BIKE

The Company engages in the sourcing and distributing of electronic appliances, under “AJ” brand, consisting of over 59 high-tech and high-quality products which can be categorized into 3 groups: Audio & Visual Products, Home Appliances, and AJ EV Bike

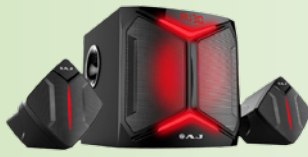
(1) Audio and Visual Products (AV)

In 2022, audio-visual appliances has accounted for 35% of the electrical appliances group’s sales value, compared to the previous year was at 34%, with a downward trend due to being replaced by a mobile phone. This product group can be further classified into the following sub-groups:



Example of Audio, Speakers, and Home Theatre

Speakers



Portable Radios



Bluetooth Speaker



Music Boxes



(2) Home Appliance: AP

The Company has been marketing home electrical appliances since the year 2009, and have constantly received satisfied responses from customers. This product category has seen increasing contributions to the Company's revenues, In 2022, the sales at 65% of the electrical appliances group. Which last year was at 66%, with an increased trend and the income ratio is higher than that of current audio and visual, because there is a wide variety of products meet the needs of today's consumers who want more convenience, speed, and healthy, to cook their own meals in their household, coupled with a modern device model, easy to use and convenient.



Home appliances can be classified into 2 sub-groups as follows:

1. Large Home Appliances e.g. portable air conditioners, refrigerators and washing machines
2. Small Home Appliances e.g. thermos bottles, electric pots, irons, steam iron, blenders, induction cookers, microwave ovens, water purifier, Oil-free fryer, floor fan, gas stove and solar LED.

Example of Large Home Appliances

Air conditioner



Air purifier



Example of Small Home Appliances

Blender



Irons



Induction cookers



Electric pots



Oil-free fryer



Smart Trash Can



Steam iron blenders



Water purifie



Gas stove



Solar LED



(3) AJ EV Bike

In 2022, the Company launched the electric motorcycle (EV Bike) distribution business. By importing products from abroad, It is known as AJ EV BIKE, including 6 models: Which are Z3, C-LIKE, C-LION, SABER TIGER , MINE PLUS , RAYMAN and Q6 . Electric bicycle including 6 models Which are S-9, S-10, T-88/T88L, FUN33, FUN53 and X5 The unique selling point of these motorbikes is their full electric specification (100% clean energy). The top model is able to travel over 120 km per single charge, which is sufficient for day-to-day usage

Example of AJ EV Bikes

● C-LIKE



C-LION ●



SABER TIGER ●



● MINE PLUS (NEW)



RAYMAN (NEW) ●



Q6 (NEW) ●



Example of (MINI EV BIKE)

S-9 Electric bicycle ●





● S-10 Electric bicycle (NEW)



T88/T88L Electric bicycle (NEW) ●



FUN33 Electric icycle (NEW) ●



● FUN 53 Electric bicycle (NEW)



X5 Electric bicycle (NEW)



Example of Electric tricycle

A88 Electric tricycle (New)



● A89 Electric tricycle (New)



● L78 Electric tricycle (New)



Which received positive feedback from customers, the electric motorcycle market is good, due to the overall market of electric motorcycles Just in the beginning and will expand over 3-5 years in line with the realization of air pollution reduction PM 2.5 dust and fuel economy saving. The Group aims to expand service centers, to provide after-sales service and expand sales territories to cover all over the country as follows:

1. Expand service centers Dealers to provide after-sales service and expand the sales area to cover all over the country. which currently has 127 dealers (Dealers), divided into the following regions:
 - 1) Bangkok and perimeter 41 branches
 - 2) The Central 10 branches
 - 3) The Eastern 17 branches
 - 4) The Southern 16 branches
 - 5) The Northern 19 branches
 - 6) The Northeast 24 branches
2. Providing a SWAP BATTERY STATION service, which serves to provide battery swapping services for AJ Ev Bike users, taking no more than 5 minutes to switch batteries. The company has Plan to install the preliminary kiosk in 10 locations in Bangkok. Customers who have applied for membership can download the AJ Energy application to find service points for battery switching cabinets, scan the QR Code on the front of the cabinet to start the transaction. Place the old battery into the cabinet. The cabinet will check and supply new batteries. Put the new battery in the car and continue driving immediately. By 2023, the company will provide a battery swap cabinet for the convenience of customers. Which service points are available will be publicized in the future.

Target Customers and Distribution Channels

• Audio-visual electrical appliances

The group of Company distributes its electrical appliances through modern trade channels distributors, and various online sales channels, website, facebook and TV shopping which are then sold to end users who are in the low to mid-level consumer groups - the Company's main target of the Group. Population in such groups are large in number and possess moderate purchasing power such as the university students and young employees. The majority of individuals in these group live alone or as a small family with frequent relocations; therefore, they are sensitive to prices - focusing on good quality products at low prices.



In addition to the main customers, the Company also seeks opportunities to expand its customer base by widening the target groups. As an example of such effort, the Company segments some products for mid to high-level customer groups such as karaoke players and Blu-ray players for example.

Due to the fact that the Company's products are electrical audio & visual products and home appliances, it is necessary to select distribution channels with high coverage and efficiency in terms of reaching target customers. Examples of such channels include:

- Modern Trade
 - Dealers and sub-stores
 - Direct sale e.g. trade shows at various locations
 - Other channels e.g. website and Facebook
- **AJ EV Bike**

With regard to the operation of AJ EV Bike, the Company targets a wide scope of customers will focus on selling to dealers, government agencies, private sectors, logistic service providers, various projects, and all groups of individuals regardless of income level. This is feasible as the prices are designated in such a way that is affordable for all people, coupled with the fact that the eco-friendly trend is being developed globally - as AJ EV Bikes utilizes 100% clean energy, they can help reduce greenhouse gases and air pollutions compared to using normal oil-consuming vehicles.

In terms of distribution channels, the Company mainly distributes AJ EV Bikes through dealers and is currently accepting applications and granting rights to establish trade and service dealerships in multiple provinces in Thailand such as Ubon Ratchathani, Rayong and Nakhon Ratchasima. In addition, customers can make purchases via the Company's website.

For commercial customers such as Food Delivery or Bike Logistic, they have a higher purpose than retail customers. Which the Company can import new models to meet and propose to projects in the name of "AJ EV BIKE" and to build confidence for customers, the Company will focus on quality and after-sales service including adding new products in the same group, such as electric bicycles, electric scooters according to the direction of the new market.

1.2.2.2 Bitcoin mining business

The Company's board of directors meeting no.14/2021, held on 10 December 2021, resolved to approve the Company to invest in bitcoin mining business which is considered as the Company's new business. The Company's board of directors opine that investing in bitcoin mining business will general stable revenue to the Company in long term and support the Company to have better operating result. In this regard, the Company will purchase bitcoin mining machine of 200 machines, prepare electrical system, as well as equipment and other relating systems. The investment value shall not exceed THB 90.00 million. In operating of bitcoin mining business, the Company will receive bitcoin as compensation. The mining is the solving of algorithm equation created by blockchain system. The blockchain principle will require all participant to validate correctness of information and if the information is match. The validator will receive compensation in form of bitcoin. To solve such equation, it require to use computer in which such computer is designed for the purpose of solving such equation, as known as bitcoin mining machine. The Company started to recognized revenue from new business since quarter 1 of 2022 onwards. The Company has guideline to manage risk from business by setting up working team to monitor



bitcoin price and trend of price movement as well as trading bitcoin on digital asset exchange approved by the Office of the Securities and Exchange Commission.

The Company's board of directors meeting no.3/2022, held on 11 March 2022, resolved to approve will increase investment in bitcoin mining business as the Company sees potential of bitcoin mining business to generate return in which the Company has invested in bitcoin mining machine of 200 units in first phase. The Company will procure 300 bitcoin mining machines, prepare electrical system, as well as equipment and other relating systems. The investment value shall not exceed THB 140.00 million in which the source of fund will be from internal working capital. As of 31 December 2021, the Company had cash and cash equivalent as per the Company's consolidated financial statement of THB 250.72 million and the Company received proceed from offering of newly issued ordinary shares to existing shareholders in proportion to their shareholding between 28 February 2022 to 4 March 2022 in amount of THB 47.01 million. In this regard, the Company will gradually procure bitcoin mining machine and expect to fully procure of 300 machines within quarter 2 of 2022. The Company will pay for the machine in accordance with deliver amount after the Company has accepted such machines. Such investment will result in the Company investing in bitcoin mining machine of 500 units (from existing investment of 200 units as per details in information memorandum disclosed on 13 December 2021).

In this regard, the bitcoin mining occurred as the bitcoin network or Blockchain, which keep information in decentralized format and all computers in network (or Node) throughout the world will keep all transaction information from the beginning until present, and audit such information so that all information kept by each computer are matched. Therefore, the disguise of information in some computers will not be able to do anything with the network. The bitcoin mining will have role when there is new transaction in the network. This new transaction will be announced in network in encryption. In this regard, the computer, that will have rights to update information in blockchain and earn bitcoin as reward, will compete to guess the figure to solve equation before other computers. We called those computers that compete to guess figure as "Miner", and the guessing is "Mining" which utilize performance of computer to guess millions of figure in split second. The amount of figure in which the Computer will guess is depended on performance or Hash Rate of each computer. Therefore, the computer with high performance will have higher chance to guess before other computers. That system is called Proof-of-work or proven by work, so that network will have conclusion that miner have performed its work and has rights to add new information to blockchain. Furthermore, this system has been compared to mining as it created new bitcoin to the network which is resemble to gold mining which will supply new gold to the market (source: thestandard.co).

The preliminary operation procedure for bitcoin mining business is as follows:

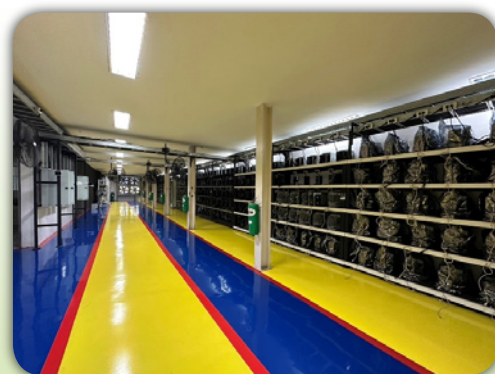
1. Conduct feasibility on operating of bitcoin mining business. The Company has contacted with bitcoin mining machine supplier to procure testing machine for testing. In the test, the Company will analyze financial feasibility by calculating amount of mined bitcoin compared to expenses, e.g., depreciation of bitcoin mining machine and electricity expenses etc. In this regard, in considering of purchasing mining machine, the Company will consider Hash Rate, electricity consumption rate, and usage life of mining machine (e.g. approximate 5 years), and mining machine which can mine mainstream cryptocurrency, e.g., bitcoin and Ethereum etc. In preliminary, the Company opt to mine only bitcoin as it is main cryptocurrency that have largest market capitalization and well as having appropriate trading liquidity.



2. After conducting feasibility study, the Company will order bitcoin mining machine to start mining. In mining process, the Company considers to participate trusted Bitcoin Mining Pool which have strong authentication system and charge not so high fee when comparing to other pools, as well as provide report with all required information. The Company will perform to audit and validate transaction in blockchain system. In this regard, the mining pool will reduce risk on return as the Company will be part of the many miners in which some miner will be able to mine bitcoin or not which is depended on allocation of blockchain. The Bitcoin Mining Pool operator will allocate return in proportion to Hash Rate of participator. For the solo mining, the Company may have risk from not be able to mine any coin while having burden to invest to create connection to blockchain. However, by participating in Mining Pool, the Company will have to pay fee for mining and transferring of coin, but the Company opines that the fee charged by Mining Pool operator is worthwhile when compared to benefit in which the Company expect to receive.
3. During the mining, the Company has information technology team which will monitor the performance of bitcoin mining machine to response to any change in timely manner.
4. After earning bitcoin from mining, the decision to sell bitcoin will be under consideration of chief executive officer and/or person assigned by chief executive officer, e.g., chief financial officer, accounting manager, and information technology manager etc. Those persons will discuss on decision to hold or sell bitcoin by considering market circumstance by concerning best benefit of the Company. In this regard, those personnel have experienced relating to digital asset as the Company has started to study on digital asset since quarter 2 of 2021 and has tested on coin mining as well as started to operate in bitcoin mining business since November 2021, and investing in digital asset since January 2022.

In this regard, the Company has policy to participate in Bitcoin Mining Pool by considering factors in choosing of Bitcoin Mining Pool operator, e.g., creditability, have strong authentication system, and charge not so high fee etc. At present, the Company uses service of Pool Nicehash which is giant operator which have creditability and charge appropriate fee. Pool Nicehash has network in all region throughout the world and have strong authentication system, including various monitoring systems, e.g., via computer and mobile phone etc.

Example of Bitcoin mining business





1.2.2.3 Investment in digital asset

The Company's board of directors meeting no.3/2022, held on 11 March 2022, will invest in digital asset by increase investment limit of THB 60.00 million to THB 100.00 million in which the source of fund will be from internal working capital. In this regard, the decision to buy and/or sell digital asset will be under management of chief executive officer and/or person authorized by chief executive officer. The chief executive officer and/or person authorized by chief executive officer will manage investment by considering overall market circumstance and trend in future by concerning the best benefit of the Company. In this regards, chief executive officer and/or person authorized by chief executive officer, e.g., chief financial officer, accounting manager, and IT manager, have duty to report investment in digital assets result to the Company's board of directors meeting every time. The Company will hold board of directors meeting at least 1 time per quarter. Furthermore, the Company has policy to recruit personnel which have knowledge, expertise, and experience in investment in digital assets to support the investment in digital assets, as well as monitor news and information with regard to digital assets regularly to allow the Company to invest in digital assets appropriately. At present, the Company is in the recruitment process of personnel which have knowledge, expertise, and experience in investment in digital assets.

However, the Company has measure to monitor and supervise investment in digital assets by requiring personnel relating to investment in digital assets business, e.g., accounting department



and information technology department etc., to monitor news and information on daily basis with respect to digital assets, cryptocurrency, operating performance of bitcoin mining machine, daily power usage, as well as prepare monthly performance report, and report to chief executive officer to use as supporting information to invest in digital assets.

The Company will buy and/or sell digital asset through digital asset exchange, e.g., Bitkub which is cryptocurrency exchange approved by the Office of the Securities and Exchange Commission.

The preliminary operation procedure for investing in digital asset is as follows:

1. Selecting digital asset which will be invested, in which chief executive officer and/or person assigned by chief executive officer, e.g., chief financial officer, accounting manager, and information technology manager etc., will establish committee to discuss on investing in digital asset by considering market circumstance by concerning best benefit of the Company, including qualification of each type of digital asset, e.g., market capitalization of digital asset, supply of digital asset, attractiveness of project backed by issuance of digital asset, and popularity of digital asset etc. In this regard, those personnel have knowledge, expertise, and experienced relating to digital asset and investing in other securities, e.g., equity and debt etc., and as the Company has started to study on digital asset since quarter 2 of 2021 and has tested on coin mining as well as started to operate in bitcoin mining business since November 2021, and investing in digital asset since January 2022.
2. After investing, the Company has specify policy in which chief executive officer and/or person assigned by chief executive officer, e.g., chief financial officer, accounting manager, and information technology manager etc., will have to closely monitor change of market circumstance and price of digital asset at least once per business day, so that they can make appropriate decision to hold or sell digital asset. In this regard, the Company has policy to assign personnel to monitor information to use in decision making, but does not specify quantitative condition as the digital asset have high volatility, and the Company opine that change in information is more important factor which will affect digital asset than statistic information. Furthermore, chief executive officer and/or person assigned by chief executive officer, e.g., chief financial officer, accounting manager, and information technology manager etc., will have duty to report investment in digital assets result to the Company's board of directors meeting every time, in which the Company will hold board of directors meeting at least 1 time per quarter, so that the Company's board of directors could adjust the way of doing business appropriately.

The Company invested in digital asset in the amount of THB 40 million, on 12 January 2022. For the investment in digital asset, including additional limit of THB 60 million, the Company does not have policy to invest in specific digital asset in which chief executive officer and/or person assigned by chief executive officer, e.g., chief financial officer, accounting manager, and information technology manager etc., will establish committee to discuss on investing in digital asset by considering market circumstance by concerning best benefit of the Company, including qualification of each type of digital asset, e.g., market capitalization of digital asset, supply of digital asset, attractiveness of project backed by issuance of digital asset, and popularity of digital asset etc.

In this regard, the investment in digital asset has purpose of long term investment which will not affect working capital. However, the Company may increase or decrease investment position in digital asset by considering business necessity and market condition, or considered as investment to recognize gain from trading. The Company will consider to hold in short term, long term, or sell by concerning on factors, e.g., price of digital asset, popularity of digital asset, market condition of digital asset, market trend of digital asset, and profit/loss position at such time for the best benefit of the Company.

1.2.2.4 Agent in developing modern technology and smart solution, including but not limited to smart city and mobile virtual network operator (MVNO), as well as promoting trade of technology and smart solution in various aspects, e.g., Smart Economy, Smart Environment, and Smart Mobility etc.

The Company has cooperated with National Telecom Public Company Limited (“NT”) with main objective to promote, drive, and coordinate in cooperation in accordance with government’s policy and guidelines with respect to technology in public sector and private sector to be in line with national strategy, government’s policy, and relevant guidelines, to develop digital fundamental infrastructure with high efficiency to cover nationwide and transforming into digital government, as well as has cooperated with China Mobile International (Thailand) Company Limited (“CMI”) with objective to promote cooperation for creating maximum mutual benefit in development of modern technology and smart solution, including but not limited to smart city and mobile virtual network operator, as well as exchange of technology and smart solution in various aspects.

1.2.2.5 Full telecommunication business

Bangkok Pay Company Limited, a subsidiary has been fully engaged in telecommunication business, with the foundation of creating an Eco-System to support the expanding business in the long term, we focus on the passive income generation business by building a strong customer base, and focus on good service, having service mind for all customers of all genders and ages, including the following businesses.

(1) Top-up service for prepaid phone and service prepaid kiosk

For business sales top-up machines, top-up service for prepaid phone, service prepaid kiosk, e-money service and accept via payment via electronic method, It is a product that provides electronic transactional services that can be top-up with mobile phones, conveniently pay bills. The Company and the customers who invest in the top-up machines will receive a fee from the transaction amount every time the consumer uses the service. Business start in Q3/2020, In 2021 focusing on providing more automated services, add convenience, easy to use, which will be available to more than 10,000 locations throughout Thailand, and continues to develop continuously to add services on the top-up machines.



Automatic top-up machine Model AJ - 5G



(2) Selling and providing services for payment machines for goods and services

AJ POS is a convenience tool to the shop for use in receiving payments for products and services easily complete all in one device. Whether accepting payments by Bank or Non-Bank, AJ POS can support a complete range of payments, convenient for merchants. This product can accept a variety of payment methods such as Prompt Payline, Alipay, etc.

Example of Product



(3) Sell and provide SIM phone service

AJ SIM, a provider of prepaid mobile phone systems, has been granted a Category 1 telecommunication business license from NBTC and has been granted a virtual network. On the national telecommunication network. The target will start service on April 2021 onwards and develop the software system to support full use via Mobile app, Website, Counter Service, Call Center, Social of all types to meet the modern society.

Example of Product



(4) **AJ Charge Point Rental business Power Bank**

For this business, it has a unique feature that users can borrow and return in different areas, anywhere and anytime. Power Bank of the Company is durable, can be removed without being damaged easily, and also supports all types of mobile phones, including USB type C and Micro USB connections. Business style will have a power bank to provide services at various locations such as restaurants, entertainment venues, government offices, etc. To facilitate with cell phone users to communicate continuously even if the battery is dead Which can be seen that cell phone It is necessary for daily life, more and more every day and have to do transactions many things through mobile phone.

Example of Product



Target Customers and Distribution Channels

- **Top-up service for prepaid phone and service prepaid kiosk**

Since the automatic top-up machine and AJ POS can be used by consumers of all gender and age groups, the Company aims to distribute its products via small stores, entrepreneurs, or those interested in the investment, who have access to regular stream of customers in order to increase the utilization rate of each kiosk. To facilitate the country-wide distribution process, the Company seeks entrepreneurs who wish to open “AJ Express Shop”, a dealer that resells the kiosks to customers in its area.

- **Sell and provide SIM phone service**

In this business, the company does not focus with competition with Telephone major, it will focus on the retail store customers, mobile stores and general customers by setting the service package according to the needs of the customer group, including the package that to have service charge economical, according to the needs of use

- **AJ Charge Point Rental business Power Bank**

The company has placed power banks at various places such as restaurants, entertainment venues, booths and concerts, etc., including various tourist attractions. with both domestic and foreign tourists Customers are those who use mobile phones. This will facilitate and in some situations it is very necessary when the mobile phone battery runs out. The Group therefore sees this business as an opportunity to increase revenue for the Group. However, during the prolonged COVID-19 situation, the Company had to postpone the operation of this business. because the main target group is affected by the situation COVID-19.



1.2.2.6 The Outlet Pro (Shop) business

Happy Visions Company Limited, a subsidiary started the business of selling sports shoes, Fashion, sportswear, sports equipment, bags and others, etc., since the third quarter of 2019, using the store name The Outlet Pro and currently has 7 branches in leading department stores in Bangkok such as Seacon Square, MBK Center, Big C Ratchadamri, The Street Ratchada, etc., with the company setting a goal Expand more branches in Bangkok 2023, the company aims to open 12 more branches. In addition to distribution channels by opening branches of The Outlet Pro, the company also set up booths in leading department stores. 3-5 booths per month rotating for this business The company focuses on selecting good quality products. from popular quality brands such as Adidas, Nike, Reebok, Onitsuka, etc., and select brand products that are modern in trend at a reasonable price tangible for consumers to meet consumer behavior of all genders and ages Every group, whether it's a street type, a fashion type, or a healthy lover.

Example of SHOP Outlet Pro

MBK Center Branch first floor



The Street Ratchada



Examples of SHOP Outlet Pro



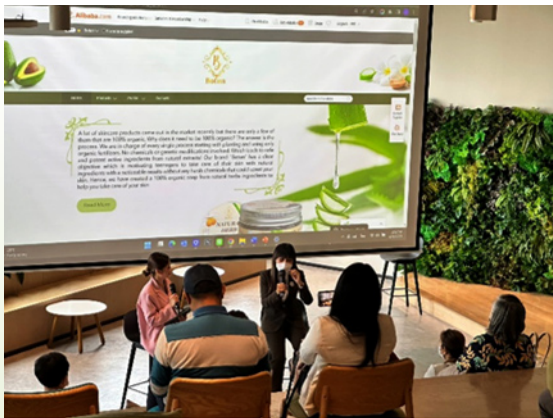
Example of products



1.2.2.7 E-commerce business by becoming a member recruiting agent and serving members of Alibaba in Thailand.

The company group under AJ Ecommerce Co., Ltd., a subsidiary. It operates e-commerce by representing and serving Alibaba members in Thailand. With the commitment to provide service to members to succeed in selling products. on Alibaba.com So we have been appointed more by Alibaba. To be an additional service provider such as product photography service and website design with members (VAS Authorized Partner), the first and only in Thailand to increase sales opportunities and is also a dream trip provider to take entrepreneurs to study at Alibaba's headquarters. some Hangzhou, China (AJE Dreamtrip Authorized Partner), etc. AJ Ecommerce Co., Ltd. started an e-commerce business by representing and serving Alibaba members in Thailand since 2016. The company has an office at True Building, Digital Park and have a new generation team with knowledge and ability to recommend and give advice to entrepreneurs. from experience Taking care of customers makes AJ Ecommerce Company Limited gain the trust of more than 2,000 entrepreneurs.

Examples of customer training and seminars



Examples of customer product



Our success story

Alibaba.com
FUTURE MAKER
Digital Trade Rebuilds The World
FY20 Global Channel Partner Summit

全球渠道商风采
Global Channel Partner Show

AJECOMMERCE CO., LTD


Thailand (泰国)

为有兴趣通过阿里巴巴平台进行国际贸易的公司提供建议和服务。
Consult and service to people who are interested in import and export through Alibaba.com platform.

AJ于2016年成为阿里巴巴全球合作伙伴，主要任务是为有兴趣通过阿里巴巴平台进行国际贸易的公司提供建议和服务。合作至今，公司决定进一步发展组织，将更多想拓展海外市场的出口企业成为GGS会员！

AJ E-Commerce was established and appointed as Alibaba.com Global Partner since 2016.

AJ serve their clients mainly on E-Commerce operation with the mission of "Consulting and serving those who are interested in importing & exporting through Alibaba.com". The company aims to further developing and expanding through facilitating customers growth by better transforming their business online on Alibaba.com.




1.2.2.8 Other Businesses

The Company has invested in the following businesses through subsidiaries, associates, and joint ventures:

- 1) Logistics services under "Best Express" trademark in Thailand, which is an affiliate of "Best Group", a global logistic business operator that expands through franchising. This creates an opportunity for new investors to invest in a high-returns parcel delivery business.
- 2) Dermatology clinics under the trademark "AJ Beauty" which will be located in Bangkok as well as other provinces. The business will be operated via renting and purchasing of assets from existing clinics, which will be selected with a specific guideline as an assurance of quality. Such guideline includes, reviewing the existing medical center's standard of operation and location. Initially, the Company planned to commence operation in the 2nd quarter of 2020; however, it may have to be postponed due to the impact of COVID-19, which will consider re-operating this business when there is a good chance suitable, ready for investment.



1.2.3 Business Strategies of the Group of Companies

The Group establishes its market position by targeting low to mid-level customer groups through the offering of products have high-quality electrical appliances at reasonable prices. The Group formulated the following product and marketing strategies in order to be consistent with the selected target customer groups:

(1) Brand Equity and Brand Awareness)

In addition to the price and quality factors of the products, the Group recognizes that brand is an important factor in marketing success. Customers' familiarity of and trust towards the brand are an important factor in the process of making a purchase decision. The Group, therefore, places an emphasis on creating value and brand awareness of "AJ". As the first phase of marketing, the Group has focused on creating a brand image that "AJ is a Thai brand that provides high-quality and durable products", consumers' confidence in the brand. In an attempt of such strategy, the Group has appointed a senior actor, Mr. Sombat Metanee, who has been signed in the Guinness Book as an actor who has made the highest number of performances, as a main character, in entertainment media, to be a presenter for products of the Group with the slogan "AJ The Real Hero" to reinforce the image of durability and long service life, comparable to that of Mr. Sombat Metanee's, who has been the beloved hero of Thai people for years.

The Group has continuously attempted to create awareness amongst consumers through various channels whether it is in the media, television and radio, billboards, publication, movies or football team sponsor together with interviews on product feedback with celebrities in various fields to create confidence in product quality and make the Group's brand be recognizable amongst consumers in general. Brand awareness and trust in the Company are considered as one of the most important factors in making a purchase decision at the point of purchase of the consumers.

In 2012, AJ received an award of "Trusted Brand" in the DVD player category based on consumer surveys in 8 countries organized by Reader's Digest magazine about brands that consumers trust in quality, value, understanding of consumer needs, social responsibility, and innovative through constant introduction of new products to the market. From the survey results, the management is confident that the brand, AJ, will be one of the first Thai brands that most consumers speak of.

(2) Product Selection, After-sales Services, and Quality Assurance

The Group understands that brand awareness can influence a consumer's decision to purchase. However, such decision also depends on whether the product quality and features meet the needs of consumers; therefore, the Company's Sale and Marketing Department has been assigned to constantly survey the market and consumer needs as well as compare product characteristics of the Group's with other operators' in order to develop and improve the Group's products to match consumers' demand and compete with other operators. for example, products in the group of electrical appliances, products in the group of EV Bike have a 1 - 2 Year warranty for product quality, along with distribution centers and after-sales service throughout the country. including sports shoes that chooses to sell leading brand products and has branches in many leading department stores to facilitate the purchasers of the Company's group of products who will come to use the service.

(3) Reasonable Pricing

As the target customers of the Company are mostly are low to mid-level consumers, pricing is an important strategy because, in terms of consumer spending, customers in these target groups consider the product's value, price and quality rather before durability. Therefore, the price of a



product is one of the most important factors in making a purchase decision. The quality of the Company's products is comparable to that of foreign brands' while the price is close to domestic brands. Accordingly, the Group believes that the appropriate quality and pricing are one of the most important factors that has enabled AJ brand to be accepted by consumers.

Although at present, the company group has added product groups. Businesses with more variety of products such as electric motorcycles sports shoes group sports equipment and others which chooses famous brands Leading is popular with consumers. But still realize the reasonable pricing, accessible and worthwhile for the needs of consumers is important.

(4) Sales Channel Management and Sales Staff

At present, consumer behaviors, especially those of the target customers', favor the purchase of electrical appliances through modern trade retail stores. Therefore, the Group places an emphasis on the management of distribution channels in a manner consistent with the target customers by primarily focusing on distribution channels in modern trade. With the nature of modern trade business, vendors must form a contract with the modern trade by establishing various trade terms and conditions such as the sales target, trade discounts, expense support for various activities, expenses for product distribution, sales staff at point of sale, and so on. This is considered a barrier of entry for new entrepreneurs. Each of the existing companies must closely follow their sales amounts in every branch in order to make timely adjustments to the promotion plan for each product and to compete with competitors as well as reach the initially agreed sales target with the modern trade.

Management of the company's website It is one of the key mechanisms for managing distribution channels. that will help support the income of the Company Group It is in accordance with the target and is a channel for collecting information at the point of sale of products for the Company Group. which will help the Group of Companies Able to determine and adjust marketing plans quickly and appropriately in each period.

Sales Personnel Management at present, the Group has adjusted the number of salespersons in line with sales, such as reducing employees in the electrical appliances group. Increase sales staff in the group of electric motorcycles, group of outlet stores, sports shoes and others. according to the appropriateness of sales.

At present, the Group has implemented various forms of sales management such as

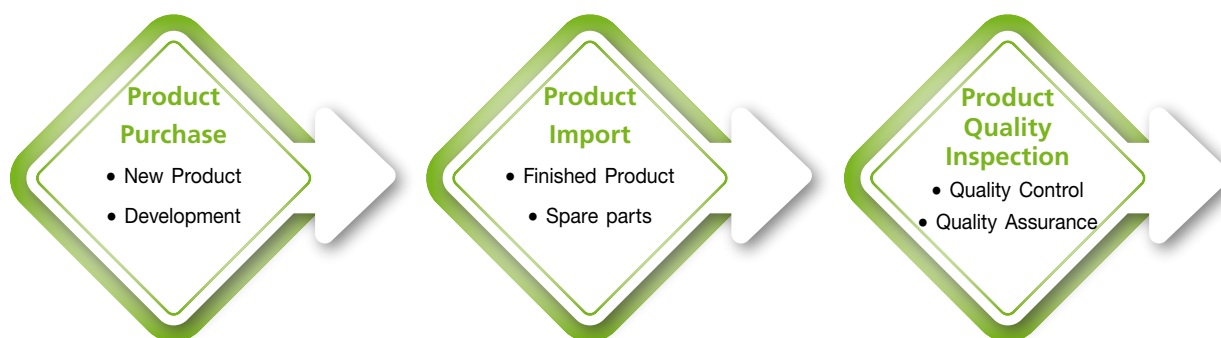
- Sales staff training prior to performing duties in order to understand the Group's products and to able to present and recommend the right product to customers as appropriate which will affect customers' purchase decision at the point of sale.
- Close supervision of sales staff to motivate and solve problems at the point of sale. Organizing sales meetings on monthly basis in order to exchange operation information as well as build a good relationship amongst sales staff and create a feeling of being a part of the organization.
- Determining appropriate sales targets and compensation for sales staff in order to increase motivation for work.
- Daily data delivery system for product sales and inventory stock of each model in order to increase efficiency in inventory management and marketing planning of the Group.

An efficient and effective sales channels and sales staff management will result in the Group's ability to maintain its competitiveness and continuous growth in line with the current situations and economic conditions.



1.2.4 Product Sourcing

The procurement process of the Group can be outlined as follows



At present, The Group imports less products from foreign countries. as appropriate and there is a purchase of products in the country as well More than 60% of the imported products are still imported from China, whether it is importing or purchasing in the country. in regard to the reliability of manufacturers and distributors both in terms of product quality, expertise, production capability and deliver goods on time Including a reliable operating history of manufacturers and distributors as an important principle by adhering to the 6R system which are:

- Right Quality - Purchase of products that meet the needs of the market
- Right Quantity - Consideration of purchasing quantity that is consistent with sales volume
- Right Time - Determination of suitable purchase and delivery periods to prevent supply shortages
- Right Price - Determination of prices that corresponds to the product quality and competitive landscape
- Right Source - Selection of a reliable manufacturer that produces products with quality in accordance with the Ministry of Industry
- Right Place - Confirmation of correct delivery destinations

In selecting a manufacturer for a newly developed product, the Group has a policy to consider the expertise of each manufacturer as well as consider the existing vendors in the vendor list before seeking external parties.

1.2.5 Market and competition circumstance

Electrical appliance business

Referring to “business/industry trend in 2020-2022” prepared by Krungsri Research Department, Bank of Ayudhya, the production of electrical appliance in 2019 has growth rate of 2.1 percent compared to same period of previous year. The domestic sale volume increased by 1.7 percent YoY, leading by air conditioner, refrigerator, and fan, as the summer season in 2019 was longer than normal. In this regard, other type of appliances, e.g., rice cooker and washing machine was declined in accordance with stagnation of real estate market. However, the Company distribute various type of appliances so the risk from volatility of one products was lesser. In this regard, Krungsri Research Department expected growth of domestic sale volume of electrical appliance for the year 2019 at (0.5) percent to 1.5 percent.



In term of competition, manufacturing of audio and visual appliance in domestic, especially television, was reduced as there was competition from Chinese product and result in well-known manufacturer, e.g. Samsung and Toshiba, relocated their production base to other ASEAN countries. In this regard, electrical appliances have diversity in term of product type and brand in market. Therefore, the competition in this market is intense. Each operator must select products and conduct marketing activity that is appropriate with need of target customers.

In term of electrical appliance business trend in next 3 years, demand of electrical appliance in domestic will expend by average of 1 percent to 2 percent with supporting factors as follows:

1. Significant number of electrical appliances that customers purchased during flood crisis in 2011 are nearly approach their average lifespan. Therefore, customers may have to repurchase, especially, air conditioner, refrigerator, and washing machine.
2. Residential market will expand in next 1 to 2 year supported by investment of private sector and recovering of fundamental infrastructure.
3. Temperature which is continuously increasing due to global warming which support demand on air conditioner to increase.
4. Technology to control electrical appliances through internet system and promotion activity will boost sale volume.
5. Online sale channel is more convenient and easier to shop.

The Company acknowledges and is aware of the economic slowdown and dramatic changes in consumer behavior after the crisis caused by the recent viral epidemic. that the whole world faces, such as increasing attention to health and the environment Using technology to facilitate everyday life which the company group not calm by the company group There is a way to formulate an operational plan that is in line with economic conditions, technology and consumer behavior at all times. to increase sales and overall performance of the Company Group.

Electrical Appliances Sector

In 2021,2022 the Company was in a state of declining sales compared to the previous year, with one factor of the change being affected by the volatility of the global economic and financial systems. Increasing price competition Including nowadays, consumer behavior has changed according to the era audio-visual appliances such as DVD players, Blu-ray, have been replaced by smart phones for household appliances. Products with a high percentage of income are electrical appliances in the household such as air conditioners and cooling fan, which sells well in summer, as for other household appliances, although there is a growing new products, competition is fierce, as a result, the sales volume declined from the previous year. As a result of the impact in 2020, the Company has made adjustments such as selecting more modern products to suit each sales channel. Adjustment of sales channels according to the situation and consumer behavior such as increasing online sales, Facebook. However, from various situations from the past to the present Still affecting the cost of electrical appliances and higher selling expenses but in terms of the selling price, there are conditions and restrictions that cannot be increased according to the cost and higher expenses. The company therefore considers reducing the size of the electrical appliance business. and adjust distribution channels to reduce costs reduce the loss of the company, however, the company group tries to find opportunities Adjusting sales strategies and sourcing products that meet today's consumer needs in order to maintain the AJ brand to remain sustainable.

EV Bike

For Thailand in the past The electric motorcycle market is in its infancy. Important factors regarding product cost, such as the tariff structure of imported cars, are still considered high. Including the car manufacturing industry in the country is not widespread, but in this year 2022, the government has foreseen the future of electric vehicles. and is in the long term planning for the electric motorcycle market in Thailand. At present, there are approximately 15 brands in the market with different technologies. Both in terms of features and power capacity, which will soon be standardized by the government.

AJ EV Bike is well known in the electric motorcycle market. and is in the process of expanding the dealer base including publicizing new products which has started since 2022 and will expand more in 2023.

Industry circumstance of the Company's electric motorcycle business

Due to COVID-19, it affect the electric motorcycle business to slowdown and decrease in demand. However, there was new demand in cheap electric motorcycle segment which does not require registration and payment of annual tax. Therefore, electric motorcycle so see such secondary market segment and started to introduce electric motorcycle product including electric tricycle to serve new normal lifestyle in which people stay more at home, transport in short distance, and need not so expensive vehicle.

In term of electric motorcycle, AJ EV Bike has developed new model as well as battery swap station to increase user confidence.

1.2.6 Operating assets

1.2.6.1 Fixed Assets

As of December 31, 2022, transactions and net book value after deducting accumulated depreciation of main fixed assets used in the Group's business are as follows:

List	Ownership	Book value (THB million)	Obligation
1. Head office located at 427/2, Rama 2 Road, Samaedum Sub-district, Bangkhuntian District, Bangkok 10150			
- Land with area in number of 13 rais, 2 ngans, 87.2 square wahs. Title deed number 4123 and 4124	Ownership	337.95	-
2. Branch (factory) located at 30/10-14, Moo 5, Riebklongseewahpasawad Road, Kokkrabue Sub-district, Mueang Samuthsakorn District, Samuthsakorn 74000.			
- Land with area in number of 6 rais, 80.6 square wahs. Title deed number 56823, 60967, 64921, and 66720.	Ownership	17.32	-
- Land improvement	Ownership	0.26	-
- Building and improvement	Ownership	49.60	-
- Office equipment	Ownership	1.90	-
- Equipment and machine (Forklift)	Ownership	0.51	-
- Bitcoin	Ownership	149.24	-
- Assets during construction and installation	Ownership	2.03	-
3. Vehicle	Ownership	10.96	-
Total		569.77	



As of 31 December 2022, the Group has vehicle use in transportation of goods, e.g., 5 units of four-wheel vehicle (pick-up), 1 unit of six-wheel vehicle, 2 unit of passenger car, 1 unit of electric car, 1 unit of small electric car, 54 units of electric motorcycle, 6 units of tricycle, and 19 units of electric bike. All vehicles have accident insurance.

1.2.6.2 Intangible asset


As of 31 December 2022, the Group's intangible asset had value of THB 11.83 million. Most of intangible asset consisted of operating system and software license.

As of 31 December 2022, the Company had contract cost asset, i.e., Mobile top-up machine and electronic payments kiosk, with book value of THB 40.85 million.

As of 31 December 2022, the Company had right-of-use assets, namely building space rental agreements. With book value of THB 30.82 million.

1.2.6.3 Trade Mark

As of December 31, 2022, the Group has the following important trademarks:

Trade Mark	Owner	Product/ Service Type	Registration number /registered country	Protection period
	Company	Electrical appliance	C163043/467168 Thailand	10 Years

Business license

At present, the Group provide service on telecommunication under business licenses granted by Office of the National Broadcasting and Telecommunications Commission, e.g., type 1 telecommunication business license for telecommunication operator who does not have its own network and should be able to offer service freely and not meet characteristic of type 2 and type 3 license.

1.2.6.4 Policy on investment in subsidiary and associated company

The Company has policy to invest in business that align with the Company's vision by focusing on investment in new business that have sustainable growth which will reduce the Company's risk from dependency on core business, including investment in business that support core business to increase the Group's operation flexibility. In this regard, the Company will analyze feasibility of investment and consider potential and risk of investment. There will be appropriate procedure for analyzing investment. In requesting approval of such investment, it will comply with relevant public limited company law, the notification of the Capital Market Supervisory Board, the notification of Securities and Exchange Commission, and the notification of the Stock Exchange of Thailand.

1.2.6.5 Insurance for assets used in business

As of December 31, 2022, the Group has insurance for assets used in business operations. The details are as follows.



(1) Insurance policy Number-14016-114-220008854

Insurer	AJ Advance Technology Public Company Limited
Assured	AJ Advance Technology Public Company Limited
Insured company	DHIPAYA INSURANCE PUBLIC COMPANY LIMITED.
Beneficiary	AJ Advance Technology Public Company Limited
Protection period	1 year, starting from 27 January 2023 to 27 January 2024
Insured capital	THB 354,692,140.02
Location of the insured property	1. 427/2, Rama 2 Road, Samaedum Sub-district, Bangkhuntian District, Bangkok 10150 2. at 30/10-14, Moo 5, Riebklongseewahpasawad Road, Kokkrabue Sub-district, Mueang Samuthsakorn District, Samuthsakorn 74000
Insured asset	Office building and warehouse, including improvement of building, machine, equipment, and inventories stored in head office warehouse and warehouse.
Type of protection	Loss or damage on insured asset from fire, lightning, water, and wind damage.

1.2.6.6 Important business agreement

As of 31 December 2022, the Group has important business agreements as follows:

(1) Product purchase agreement

The Company enters into product purchase agreement with 5 modern trade operators to sell product under trademark “AJ” in modern trade store with the important details as follows:

Counterparty	Modern trade operator.
Agreement period	1 year with automatically extend until either party request for termination of agreement.
Termination of agreement	<ul style="list-style-type: none"> If either party breaches the condition in agreement or request for termination of agreement at least 30 days in advance.
Important conditions	<ul style="list-style-type: none"> The Company’s product must be legal and comply with relevant laws, e.g., copyrights, patents, trademark, and industrial safety standard etc. In addition, the product must be in good condition and have barcode in accordance with standard specified by Ministry of Industry. The modern trade operator reserves rights to return product if the product is not in good condition, is special product which can be refundable, and is expired product. The Company is obliged to receive returned product at premise and period as specified by modern trade operator. The modern trade operator will pay for product in accordance with delivery order on monthly basis and in accordance with credit term. In case the payment condition is paying for product after the sale, the modern trade operator will pay in accordance with actual sale in which the modern trade operator will report sale report to the Company on monthly basis. The Company will have to pay for supporting promotion activity, marketing activity, annual discount campaign, and transportation expenses. In case there is promotion activity, the Company will have to propose list of good and price in written to the modern trade operator for consideration.



Counterparty	Modern trade operator.
	<ul style="list-style-type: none"> The Company need to provide sample product which have qualification similar to product sold to the modern trade operator without charge or compensation. In this regard, the return procedure for sample good will be agreed upon each time in which the Company will receive returned product in condition at such time. The Company has to arrange salesperson at branch of modern trade operator and will be responsible for any damaged which may be caused by the Company's salesperson. The negotiation on trade discount shall be negotiated on annually basis which will depend on purchased volume and target sale which will be agreed in each year, except for special discount, e.g., promotion product discount which will be agreed upon each time. The Company will be responsible for all transportation expenses, including receive of returned product. In case of delivery of wrong product or delay, the modern trade operator shall have rights to claim for damage at the rated as agreed.

(2) Service center appointment agreement

The Company entered into service center appointment agreement to appoint electrical appliance and electronic device repair service provider who wish to participate in the Group's service center in amount of 90 person with the important details as follows:

Counterparty	Electrical appliance and electronic device repair service provider
Agreement period	Until either party request for termination of agreement.
Termination of agreement	<p>The agreement shall be terminated when:</p> <ul style="list-style-type: none"> Either party breaches the condition in agreement. The parties are complaints with evidence by customer that it has ineffectiveness of repair service, dishonesty, or have behaviour to take advantage on customer. Request for termination of agreement in written with at least 90 days in advance.
Important conditions	<ul style="list-style-type: none"> Appointed person will be responsible for providing repair service, recommendation, and technical advice to user of the Group's products. They must have technician at service center, arrange premise for providing repair service on product and storing spare part. That must be approved by the Company, and they must stock spare part as deemed appropriate. The service center must not reject to provide service to customer whether product is in warranty condition or not, or sold by any person, and will have to use authentic product of the Group to provide repair service, except being informed or accepted by customer. In this regard, the service center can purchase authentic product from the Company at discount. The sale of authentic product to customer will have price as specified by the Company. The service center will be responsible to provide guarantee of 3 months on the product that is repaired by such service centra, whether such product is in warranty period of the Company or not, and responsible for damage which may occur to the customer's product and the Company during the servicing period of service center. The service center will be responsible for submitting evidence and document relating to product check and repair on monthly basis to receive compensation on spare part and service fee from the Company per specified rate. The Company reserves rights to audit service quality and standard of the service center without prior notice.



(3) Transportation service agreement

The Company appointed 4 transportation service providers to transport the Group's product to store and shop in upcountry with the important details as follows:

Counterparty	Transportation service provider
Service fee	According to size of package or type of product / charter rate
Important conditions	<ul style="list-style-type: none"> The transportation company charge service fee in two forms, i.e., charge service fee based on size of packaging and add on according to product type, e.g., in case of large product, e.g., television and washing machine etc, which need care in transportation. The service fee will be charged based on distance and increase if the destination is in remote area or outside district, or charge on charter basis. In addition, the service fee will be based on type of transportation vehicle, distance, and fuel price. If there is any change on service fee, the transportation service provider will inform in written. In case of receiving returned product from store, it will change service fee similar to deliver of product. In this regard, the Company will have to receive returned product from transportation service provider within specified period. The service provider will be responsible for product lost or damage during transportation as per actual damage by not exceeding maximum compensation rate per package as specified by the service provider, except for not occur from transportation, e.g., expiration of product, lack of product in packaging, or damage on packaging not caused by transportation etc. In this regard, the service provide will strictly not to unpack the package.

(4) Transportation vehicle service agreement

The Company hired 6 individual persons to act as driver of the Group's transportation vehicle with the important details as follows:

Counterparty	Transportation service provider.
Agreement period	1 year
Termination of agreement	<ul style="list-style-type: none"> Either party breaches condition in agreement.
Important conditions	<ul style="list-style-type: none"> The service provider must be approved in accordance with land transport law and have experience in transportation. The service provider will be responsible for procuring transportation vehicle, including all expenses incurred in transportation, e.g., fuel expense, expressway expense, and tollway expense etc. In this regard, the service provider will be responsible for oversee the Company's asset and provide deposit for damage in the amount of THB 10,000. The service provider will charge service fee at THB 1,000 per trip plus any additional destination of THB 100 per destination for providing service in Bangkok and vicinity.

(5) Agent appointment agreement

The Company entered to agent appointment agreement with one company. Under such agreement, the agent company will be responsible for procuring member and providing service to member with respect to shopping through website in which the Company has contract to procure member and provide service to member. In this regard, the Company is obliged to pay commission fee per rate as specified in agreement. The agent appointment agreement has period of 12 months.





(6) Collaboration agreement

The Company entered to collaboration agreement with one financial institution and one company (in which the Company has contract to procure member and provide service to member). The financial institution will be responsible for conducting marketing activity and providing online financial transaction service for shopping through website. In this regard, the Company is obliged to pay service fee per rate as specified in agreement. The collaboration agreement has period of 12 months.

(7) Agent agreement

The Company entered into agent agreement with one company. Under such agreement, the Company is responsible for procuring member and providing service to member with respect to shopping through website of counterparty company. The Company will receive revenue sharing from member fee per rate as specified in agreement. The agent agreement has period of 12 months.

(8) Service agreement

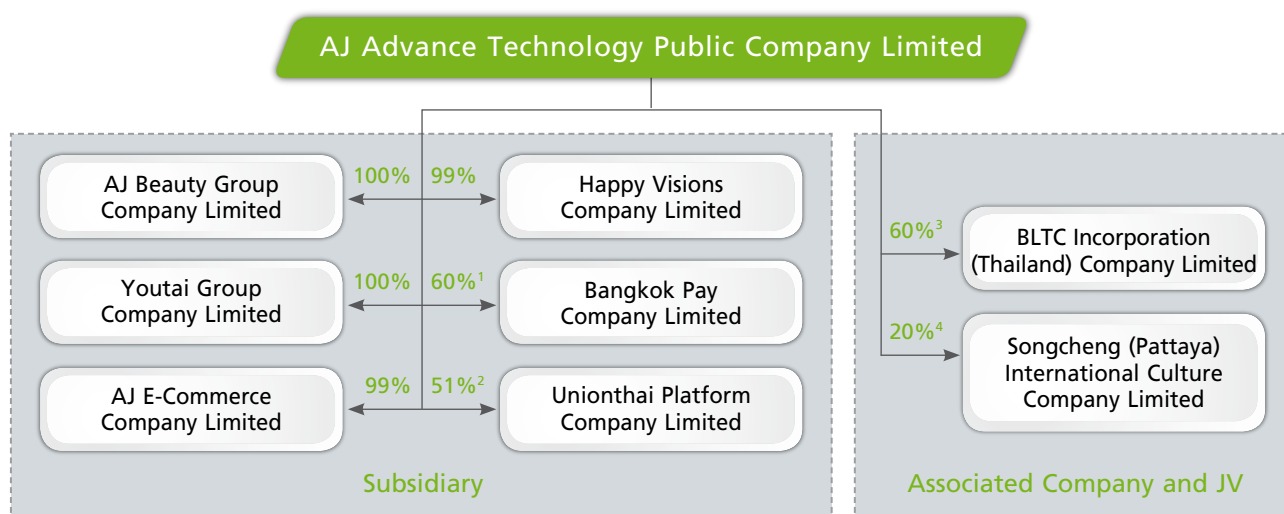
The Group entered to service agreement with 3 service receivers. Under such agreement, the Company is the service provider of top-up kiosk and is responsible for providing channel for receiving payment for good/service through top-up kiosk and website. In this regard, the Company will receive compensation per rate as specified in agreement. The service agreement has period of 12 months.

(9) Wholesale and resale service of mobile virtual network operator

The Group entered to one company in which the counterparty agrees to act as wholesaler and the Company agrees to resale service on mobile virtual network operator with condition and criteria as specified. The agent agreement has period of 60 months.

1.3 The Group's shareholding structure

As of 31 December 2022, the Group's shareholding structure is as follows:



Remark : 1. Residual shares held by following person:

- Ms.Verasurang Sasiarnont of 1,380,000 shares, or equivalent to 20.00 percent of total issued and paid-up shares.
- Bangkok Business Online Company Limited of 690,000 shares, or equivalent to 10.00 percent of total issued and paid-up
- Ms.Naruporn Kanmuang of 345,000 shares, or equivalent to 5.00 percent of total issued and paid-up shares.
- Mr.Montouch Sansai of 345,000 shares, or equivalent to 5.00 percent of total issued and paid-up shares.

2. Residual shares held by following person:

- Mr.Wen Jian Liao of 30,000 shares, or equivalent to 30.00 percent of total issued and paid-up shares.
- Sinothai Life Medical Science Research Center Company Limited of 19,000 shares, or equivalent to 19.00 percent of total issued and paid-up shares.
- Mr.Apisith Thaisethawatkul of 1 shares, or equivalent to 0.01 percent of total issued and paid-up shares.
- Ms.Prangthip Chanvisitsak of 1 shares, or equivalent to 0.01 percent of total issued and paid-up shares.
- Mr.Boonyasit Saengpongphithaya of 1 shares, or equivalent to 0.01 percent of total issued and paid-up shares.

3. Residual shares held by following person:

- Best Incorporation Company Limited of 91,260 shares, or equivalent to 25.00 percent of total issued and paid-up shares.
- Da Yun Yuan Company Limited of 53,752 shares, or equivalent to 14.73 percent of total issued and paid-up shares.

4. Residual shares held by following person:

- Songcheng Holding (Thailand) Company Limited of 325,000 shares, or equivalent to 65.00 percent of total issued and paid-up shares.
- Chiyun Holding (Thailand) Company Limited of 75,000 shares, or equivalent to 15.00 percent of total issued and paid-up shares.

1.3.1 Policy to segregate operation of the Group

At present, the Company mainly engages in distributing of electrical appliances electric motorcycle while engaging in other businesses to align with goal to strengthen the Group by investing in business that have sustainable growth. In this regard, the Company has policy to segregate operation in accordance with business of each company. In 2022, the operation was segregated into 4 segments as follows:

- Segment 1: wholesale and retail of electrical appliance, including equipment.
- Segment 2: mobile top-up and electronic payment service.
- Segment 3: distribution of sport shoe sports equipment and other (Out let pro)
- Segment 4: Electric motorcycle and equipment.
- Segment 5: others, e.g., member registration of Alibaba etc.



1.3.2 Information of subsidiaries associates and Joint Ventures

(1) AJ Beauty Group Company Limited

Head office location	: 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian Bangkok 10150
Type of business	: Engages in dermatology and beauty clinics in Bangkok and other provinces
Telephone	: 0-2451-6888
Fax	: 0-2451-5490
Registered Capital (As of 31 December 2022)	: THB 20,000,000.00, consist of 2,000,000 shares with par value of THB 10.00 per share
Paid-up capital (As of 31 December 2022)	: THB 10,000,000.00, consist of 2,000,000 shares with paid-up value of THB 5.00 per share.
Number of shares /	: 1,999,998 shares / 99%
Shareholding of the Company	
Remark	: At present, AJ Beauty Group Company Limited has not proceed Business.

(2) Youtai Group Company Limited

Head office location	: 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian Bangkok 10150
Type of business	: Exports products and provides trading services for members via website
Telephone	: 0-2451-6888
Fax	: 0-2451-5490
Registered capital (As of 31 December 2022)	: THB 50,000,000.00, consist of 500,000 shares with par value of THB 100.00 per share.
Paid-up capital (As of 31 December 2022)	: THB 12,500,000.00, consist of 500,000 shares with paid-up value of THB 25.00 per share.
Number of shares /	: 499,998 shares / 100%
Shareholding of the Company	
Remark	: At present, Youtai Group Company Limited has ceased its business operation.

(3) AJ E-commerce Company Limited

Head office location	: 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian Bangkok 10150
Type of business	: Engages in e-commerce business by being a subscription agent and service provider for Alibaba members in Thailand
Telephone	: 0-2451-6888
Fax	: 0-2451-5490
Registered capital (As of 31 December 2022)	: THB 5,000,000.00, consist of 50,000 shares with par value of THB 100.00 per share.
Paid-up capital (As of 31 December 2022)	: THB 5,000,000.00, consist of 50,000 shares with paid-up value of THB 100.00 per share.
Number of shares /	: 49,500 shares / 99%
Shareholding of the Company	

(4) Happy Visions Company Limited

Head office location : 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian
Bangkok 10150

Type of business : Sells sports sneakers

Telephone : 0-2451-6888

Fax : 0-2451-5490

Registered capital : THB 20,000,000.00, consist of 2,000,000 shares
(As of 31 December 2022) with par value of THB 10.00 per share.

Paid-up capital : THB 20,000,000.00, consist of 2,000,000 shares
(As of 31 December 2022) with paid-up value of THB 10.00 per share.

Number of shares / : 1,980,000 shares / 99%

Shareholding of the Company

(5) Bangkok Pay Company Limited

Head office location : 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian
Bangkok 10150

Type of business : Sells and provides services related to mobile top-up
kiosks for authorized service providers of electronic transfers and payments as well
as payment machines (POS) and portable charger rental services.

Telephone : 0-2451-6888

Fax : 0-2451-5490

Registered capital : THB 69,000,000.00, consist of 6,900,000 shares
(As of 31 December 2022) with par value of THB 10.00 per share.

Paid-up capital : THB 69,000,000.00, consist of 6,900,000 shares
(As of 31 December 2022) with paid-up value of THB 10.00 per share.

Number of shares / : 4,140,000 shares / 60%

Shareholding of the Company

(6) Unionthai Platform Company Limited

Head office location : 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian
Bangkok 10150

Type of business : Provides investment platform and online management
services for small and medium-sized businesses in Thailand

Telephone : 0-2451-6888

Fax : 0-2451-5490

Registered capital : THB 1,000,000.00, consist of 100,000 shares
(As of 31 December 2022) with par value of THB 10.00 per share.

Paid-up capital : THB 1,000,000.00, consist of 100,000 shares
(As of 31 December 2022) with paid-up value of THB 10.00 per share.

Number of shares / : 51,000,000 shares / 51%

Shareholding of the Company

Remark : At present, AJ Beauty Group Company Limited has not
proceed Business.



(7) BLTC Incorporation (Thailand) Company Limited

Head office location	: No. 825 Phairotkitcha Building, Floor 12A, Debaratana Road, Bang Na Nuea Sub-district, Bang Na District, Bangkok
Type of business	: Logistic
Telephone	: 0-2108-8008
Registered capital (As of 31 December 2022)	: THB 65,710,000.00, consist of 657,100 shares with par value of THB 100.00 per share.
Paid-up capital (As of 31 December 2022)	: THB 65,710,000.00, consist of 657,100 shares with paid-up value of THB 100.00 per share.
Number of shares /	: 396,047 shares / 60%
Shareholding of the Company	
Remark	: According to shareholder agreement, the Company will have voting rights only 13.4 of total voting rights, therefore the Company so does not have controlling power over BLTC Incorporation (Thailand) Company Limited.

(8) Songcheng (Pattaya) International Culture Company Limited

Head office location	: 427/2 Rama 2 Road, Kwang Samaedum, Khet Bangkhuntian Bangkok 10150
Type of business	: Art and cultural center business
Telephone	: 0-2451-6888
Fax	: 0-2451-5490
Registered capital (As of 31 December 2022)	: THB 5,000,000.00, consist of 500,000 shares with par value of THB 10.00 per share.
Paid-up capital (As of 31 December 2022)	: THB 5,000,000.00, consist of 500,000 shares with paid-up value of THB 10.00 per share.
Number of shares /	: 100,000 shares / 20%
Shareholding of the Company	

1.3.3 List of top 10 major shareholders

As of 9 February 2023, (XO) the Company's top 10 shareholders are as follows:

No.	Name	Number of shares	Percent
1.	Mr. Amorn Meemano	530,180,596	9.90
2.	Ms. Jintana Meemano	259,908,574	4.85
3.	Thailand Securities Depository Co., Ltd. for Depositor	254,946,018	4.76
4.	Ms. Nasikar Meemanonuns	233,714,354	4.36
5.	Ms. Wanida Wasiphanphong	187,434,591	3.50
6.	Mr. Pipat Patiwetphinyo	176,785,402	3.30
7.	Ms. Orapin Pipatwilaikul	136,958,955	2.56
8.	Thai NVDR Company Limited	132,686,439	2.48
9.	Mr. Nawat Issarakraisil	114,507,405	2.14
10.	Ms. Chinda Meemano	109,369,577	2.04
Top 10 shareholders		2,136,491,911	39.89
Other shareholders		3,218,892,163	60.11
Total		5,355,384,074	100.00

Remark : 1. Mr. Amorn Meemano's family consists of (1) Mr. Amorn Meemano and (2) Ms. Nasikar Meemanonuns aggregately hold shares of 763,894,950 shares or equivalent to 14.26 percent of total issued and paid-up shares.

2. Mr. Pipat Patiwetphinyo's family consists of (1) Mr. Pipat Patiwetphinyo and (2) Ms. Wanida Wasiphanphong aggregately hold shares of 364,219,993 shares or equivalent to 6.80 percent of total issued and paid-up shares.

1.4 Amount of registered and paid-up capital

As of February 6, 2023, the company has registered capital 767,974,533.50 baht divided into ordinary shares 7,679,745,335 shares with a par value of 0.10 baht per share and paid-up capital 535,538,407.40 baht.

As of 9 February 2023, Thai NVDR Company Limited holds ordinary shares in the Company of 132,686,439 shares, or equivalent to 2.48 percent of the Company's total issued and paid-up shares on such date. In this regard, the NVDR holders shall receive benefit similar to investment in the Company's ordinary shares in all aspects, e.g., rights to receive dividend, rights to subscribe newly issued ordinary share or warrant to purchase ordinary share etc.; however, the holders shall not have rights to cast their vote in shareholders' meeting. In this regard, Thai NVDR Company Limited will not exercise their voting rights in shareholders' meeting, except for exercising voting rights on resolution with respect to delist of securities from the Stock Exchange of Thailand.



1.5 Issuance of other securities

1.5.1 Warrant to Purchase Ordinary Shares of AJ Advance Technology Public Company Limited No. 3

On July 1, 2021, the Extraordinary General Meeting of Shareholders No. 1/2021 passed a resolution approving the issuance and offering of warrants to purchase ordinary shares of the Company No. 3 in the amount not exceeding 1,060,073,686 units to the existing shareholders, according to shareholding free of charge in the allocation ratio of 4 existing ordinary shares per 1 unit of warrant (In the case of fractions to be rounded off) by specifying the names of shareholders who will be allocated warrants on August 4, 2021 and on September 1, 2021, the Company issued warrants in the amount of 1,059,269,011 units of warrants with important details as follows:

Topic	Description
Issuer	AJ Advance Technology Public Company Limited
Type of warrants	Identify holder and can be transferred
Term of Warrants	Not exceeding 3 years from the issuing and offering date of AJA-W3 the due on 30 August 2024
Exercise Ratio	1 unit of warrant has a right to purchase 1 ordinary share, except to change in accordance with the adjustment of rights.
Exercise Price	Baht 0.20 per share, except to change in accordance with the adjustment of rights.
Exercise Period	Every last business day of March, June, September and December of each year until the maturity date of AJA-W3. The last exercise date is the maturity date. In case the exercise date is on the holiday of the Company, the exercise date will be made on the last business day prior to each exercise date.
Number of shares reserved for exercising warrants	1,060,073,686 shares with par value of Baht 0.10
Number of warrants that have not been exercised	998,173,367 units

1.5.2 AJ Advance Technology Public Company Limited No. 4 (AJA-W4)

On February 3, 2022, the Extraordinary General Meeting of Shareholders No. 1/2022 passed a resolution approving the issuance and offering of warrants to purchase ordinary shares of the Company No. 4 in the amount not exceeding 492,102,152 units to the existing shareholders. of the company subscribed and allocated newly issued ordinary shares free of charge at the ratio of 1 newly issued ordinary share per 2 warrants. From the calculation according to the aforementioned warrant allocation ratio, the aforementioned fractions must be eliminated and the Company expects to issue such warrants on April 1, 2022. The warrants have important details as follows:



Topic	Description
Securities issuer	AJ Advance Technology Public Company Limited
Type of the Warrants	In named certificate and transferable.
Term of the Warrants	Not exceeding 3 years from the issuance date of the Warrants. which will be due within August 31, 2024
Exercise Ratio	One unit of the Warrants has rights to purchase 1 newly issued ordinary share. (subject to adjustment as specified in adjustment conditions)
Exercise Price	THB 0.40 per share (at par value of THB 0.10 per share) subject to adjustment of exercise price as specified in adjustment conditions.
Exercise Period and Exercise Date	The Warrants' holders shall be entitled to exercise their rights on the last business day of March, June, September, and December throughout the term of the Warrants. The last exercise date will be on the expiry date of the Warrants. In case the exercise date is not the business day of the Company or the Stock Exchange of Thailand, the exercise date shall be the last business day before the exercise date.
Number of Ordinary Shares Reserved for Exercise of the	492,102,152 shares (at par value of THB 0.10 per shares).
Number of warrants that have not been exercised	492,105,152 units

1.6 Dividend Payment Policy

1.6.1 Company's dividend policy

The Company has a policy to pay dividend at the minimum of 40% of net profit after corporate income taxes and all statutory reserves. However, the Company may pay dividend less than the amount specified above or may not pay dividend, if the Company requires capital for business expansion.

In addition, the Board of Directors' resolution on approval of the dividend payment is required to be proposed to the shareholders' meeting for approval, except in the case of interim dividends, where the Board of Directors has the authority to approve and then report to the shareholders' meeting for acknowledgement in the next meeting.

1.6.2 Dividend Policy of Subsidiaries

Determination of dividend payment of subsidiaries is under the authority of the Board of Directors and/or the shareholders' meeting of each subsidiary. It depends on the operating results, financial status and liquidity of the said subsidiary. including the need to use working capital for operations Future business expansion plans and other factors related to the management of the said subsidiary as the Board of Directors of the said subsidiary deems appropriate.

In addition, in order to make the dividend payment of the subsidiary company in accordance with the good corporate governance be transparent and can check when the subsidiary pays dividends The Board of Directors of each subsidiary company must report to the Board of Directors' meeting of the Company will be informed in the next meeting.



2. Risk Management

2.1 Risk management policy and plan

The Company emphasizes on risk management which is part of corporate governance principle to drive the organization to grow and expand business with stability. The Company so prepares risk management policy to use as operation guideline for all personnel in the Group which will allow the Group's risk management procedure to be consistent with the details as follows:

Risk identification

Employee in each division will discuss to identify potential risk which may occur in their operation procedure and propose such with to executive to assess risk. In this regard, to create systematic on risk management, the Company so categorizes risk into 4 types as follows:

- 1.1 Strategic risk: risk relating to define of strategy, operating plan, and implementation of such plan inappropriately, including change of internal factor and external factor which affect defining of strategy or operation to achieve core objective and goal of the Group.
- 1.2 Operational risk: risk relating to operation in each process or activity in the Group, including risk relating to manage of information with respect to technology, information, and know-how etc. In this regard, operational risk may affect efficiency of operation procedure and achievement of the Group's core objective.
- 1.3 Financial risk: risk relating to financial management which may be risk occurred from internal factor, e.g., credit liquidity management and investment risk etc., or external factor, e.g., change of interest rate, change of exchange rate, and counterparty risk etc., which may affect existence or cause damage to the Group.
- 1.4 Compliance risk: risk occurred from not complying with relevant rules and regulations specified by regulators, e.g., the Office of the Securities and Exchange Commission etc., including legal risk relating to the Group's business, as well as not be able to comply with policies and procedures as specified by relevant regulators. If this risk occur, it may affect overall reputation and image of the organization.

Risk assessment

The Company specifies procedure to assess operating result and risk which may affect the Group at least 1 time per year. The executives will assess risks which may be occurred to propose to the Company's board of directors and audit committee to acknowledge, and propose alternative to eliminate risk or limit risk within acceptable level.

In risk assessment procedure, the relevant personnel will consider possibility, cause, and potential effect from such risk, and assess the severity of such risk, to prioritize based on importance. If such risk is higher than acceptable level, the Company will implement risk management process to manage further.

Risk management

To define risk management plan, the plan will be proposed to the Company's board of directors and audit committee to consider and approve allocation of necessity resource for using in operation. In this regard, the allocation of such resource will not affect operation of the Group in which the Group can still operate to achieve goal and objective. In this regard, it must compare potential cost with expected benefit to be received, including relevant laws and regulations.

Monitoring and evaluation of risk management

Each division will prepare report to define indicator and criteria to indicate that if such division will be affected from risk more than specified criteria or not, so that the risk management is always effective. In case the indicator reach the threshold criteria, such division will have duty to report to the executives to acknowledge of such risk immediately.

The executives will report risk management evaluation to the audit committee and the Company's board of directors at least every quarter. The audit committee has duty to assess dependability of overall risk management procedure of the Group on annually basis.

Information and communication

The Company will ensure that there is communication and information technology to allow all personnel of the Group, e.g., executives or employees, to understand risk management procedure and their duty on risk management, including reporting of risk management to such personnel to aware incur risk, as well as result of such risk management. In this regard, the Company will ensure that there is communication of information relating to risk management from both inside and outside the Group, and knowledge relating to risk management on regular basis, to allow the Group's personnel to receive current information.

Review of policy

The audit committee will have to review policy on annually basis. In this regard, there will be an audit on efficiency and effectiveness to propose recommendation to the Company's board of directors to approve in case there is any change.

2.2 Risk factor on the Company's business

In determining risk factor, the Company has analyzed risk factor of each company as each company in the Group operates business that have difference characteristic to reflect risk of each business properly. In this regard, the investment in subsidiary by the Company will adhere joint investment policy in which the Company must be major shareholder who have significant shareholding proportion to reduce risk on knowledge and expertise in such business. In the meantime, it can determine direction of business reasonably; however, on the other hand, the Company will expose to risk from joint operation. In this regard, important risk factors of the Company and subsidiaries can be summarized as follows:



2.2.1 Risks from the Company's business operations

2.2.1.1 Risks from Economic Slowdown

Risks from Economic Slowdown in the past 3 to 7 years: The economic slowdown in the previous 3-6 years has lowered consumers' purchasing power. Since the Company's main products are audio & visual products and home appliances with target groups covering consumers in all segments from low to high income, a reduction in purchasing power will have an adverse direct impact to the Company's sales. However, the Company has made an effort to stimulate sales by creating various promotional campaigns which partly help to boost up revenue.

2.2.1.2 Risks from Changes in Technology

Audio products are mainly electronic products such as DVD players, etc. The products in this group change technology quite quickly. It will result in obsolescence of the product. To reduce the risk and the chance of obsolete products, the company needs to constantly develop products to be up-to-date. At the same time, it must keep an eye on changes in consumer behavior, which the company found that responding to changes in technology. market in Bangkok and the main districts and provincial markets have different responses. Therefore, the product must be presented to be different. To reduce the risk of obsolete and outdated products, and for products that start slowing down, the company will stimulate sales. By organizing promotions such as price reductions, organizing products for sale as a set or trailer sales, setting up a booth, organizing an Expo to accelerate the release of products and reduce the impact.

2.2.1.3 Risks from Exchange Rates.

The Company has the same exchange rate risk as other importers of products from foreign countries for sale in Thailand. from the fact that the company Major orders for electrical appliances are denominated in US Dollars.

2.2.1.4 Risk from operating bitcoin mining business and investment in digital asset.

1. Risk from volatility of bitcoin price

Price of digital assets, including bitcoin, is continuously changing and highly volatile; however, the Company does not need to sell bitcoin immediately after receiving from mining. The Company may wait to sell bitcoin at appropriate timing to yield the best benefit to the Company. However, if the price of coin decrease, it may affect the Company to incur loss from operation or record impairment on digital asset.

Furthermore, the Company has policy to recruit personnel which have knowledge, expertise, and experience in investment in digital assets to support the investment in digital assets, as well as monitor news and information with regard to digital assets regularly to allow the Company to invest in digital assets appropriately.

2. Risk from cybercrime

As the operating of bitcoin mining business and investment in digital assets business are conducted via online system in which there were cybercrime incident continuously. If such incident occur with the Company, it may affect the Company's financial position and performance significantly. The Company has managed such risk by recruiting personnel which have knowledge and experience in information technology,



as well as use efficiency hardware and software, to reduce risk from cybercrime. The Company will also only trade bitcoin in the digital assets exchange approved by the Office of the Securities and Exchange Commission, as well as keep digital asset. The Company has implemented various measure with respect to keep of digital asset to prevent potential risk by imposing relevant personnel on mining process to transfer all digital asset, which is receive from the mining process, from the account opened with Mining Pool operator to the digital asset trading account of the Company on daily basis. In this regard, the accounting and finance department will audit on correctness of transfer of digital asset. For the digital asset trading account, the Company has assigned 2 personnel, which are assigned by chief executive officer, to mange account together, i.e., the first personnel will keep username and password, and the second personnel will keep authenticator, in which the access to digital asset trading account will require information from those two portion.

3. Risk from operation result is not as expected

As the mining of cryptocurrency, e.g., bitcoin, the bitcoin earning rate may be differed from the Company's expectation which is depended on Hash Rate of the Company compared to overall bitcoin miner. Therefore, it is possible that the Company may receive bitcoin less than expectation and the operating result will not be as expected. However, the Company well aware of such risk and prudently consider appropriate investment cost of bitcoin mining machine as well as selecting appropriate cryptocurrency to mine, and participate in mining pool to reduce such risk.

4. Risk from tax

At present, the government is in the process of issuing taxation criteria on trading of digital assets. Therefore, the Company may have risk as the taxation criteria may result in the Company paying tax more than expectation. However, the Company well aware of such risk and closely monitor situation on taxation.

2.2.1.5 Risk from operating bitcoin mining business only.

1. Risk from operation result is not as expected

As the mining of cryptocurrency, e.g., bitcoin, the bitcoin earning rate may be differed from the Company's expectation which is depended on Hash Rate of the Company compared to overall bitcoin miner. Therefore, it is possible that the Company may receive bitcoin less than expectation and the operating result will not be as expected, and may affect the Company to incur loss from operation. However, the Company well aware of such risk and prudently consider appropriate investment cost of bitcoin mining machine as well as selecting appropriate cryptocurrency to mine. In this regard, the Company opts to mine bitcoin and participate in mining pool to reduce such risk.

2. Risk from electricity expense is higher than expect

As the main expense in operating of bitcoin mining machine is electricity expense in which electricity expense may change in future by depending on demand and supply of the country. Therefore, the Company so has risk if the electricity expense



increase and may result in operating result of bitcoin mining business is not as expected. In addition, as the bitcoin mining operator can do business at any place of the world, in which each country will have difference electricity price structure. Therefore if the overall electricity price of foreign county decrease, it may affect the Company which operate business in Thailand. The Company has measure to manage risk by studying on way to save electricity expense, including investment in alternative energy, e.g., solar power etc. Furthermore, if the Company foresee opportunity to relocation business location to country which have lower electricity price and may be worthiness when compared to relocation cost, the Company may consider to relocate business location. However, the relocation may create risks on other aspects, e.g., exchange rate and regulation etc. Before the Company proceeding in any way, the Company will consider on the appropriateness to maximize benefit of the Company and shareholder.

3. Risk from obsolescence of equipment

As the bitcoin mining machine is information technology equipment. Therefore, if there is new technology, the bitcoin mining machine invested by the Company at present may be obsolete and may have Hash Rate lower than new miner, and the Company's return may be lower than expectation. However, the Company will manage this risk by studying qualification of bitcoin mining machine thoroughly and consider trend of technology development before making investment decision.

4. Risk from engaging in business which may affect environment

As the operating of bitcoin mining business, it require significant electricity to operate which may indirectly affect environment due to the main fuels to generate electricity in Thailand are coal and natural gas. However, the Company aware of importance of environment and has considered various ways to reduce impact to environment, e.g., investment in solar cell to generate electricity from solar etc.

2.2.2 Risks from the Company's business operations, AJ E-commerce Co.,Ltd., Youtai Group Co., Ltd.

2.2.2.1 Risks from Non-Renewal of Dealer's Contracts

Dealer Contracts are one of the most important elements for businesses that require the approval of brand suppliers or owners. The nature of the contracts in this field consists of auto-renew, and limited time where both parties have to consider the renewal of contract at the end of each term. For those contracts with scheduled renewal period, the Company has a potential risk of agreement cancellation which may result in a loss of revenue for that product line. However, having been a long-standing business partner with strict adherence to the conditions set forth in each of the contracts, the Company believes it will be trusted as a business partner going forward.

In the contract renewal process, the other party may request to adjust the conditions in the agreement to increase the compensations in accordance to normal business. Nonetheless, from having been in cooperation for a considerable amount of time, if required, the Company will negotiate with the other party to reach an agreement that is a mutual benefit and acceptable for both parties.



2.2.2.2 Risks from Overseas Suppliers Doing Business in Thailand

The Company's subsidiaries, associated companies, and joint ventures are resellers that also recruit new members and distributors. Typically, each dealer is responsible for their own marketing of the products. In the event that the brand owners wish to directly market their own products in Thailand, for example, the right to be an electric vehicle dealer in Thailand, the Company believes it is possible albeit with difficulty as the vehicles market in Thailand is small and Thai vehicle consumers have unique behaviors which requires a substantial understanding and expertise in order to successfully operate. The owner of the product or service has not yet decided to expand its investment in the near term. Thus, cooperation with local entrepreneurs is believed to be the best option, however, for measures to reduce the risk in the opportunity for product owners to enter business in Thailand by themselves, it is more specialized to take care of and provide customer service. Shaking hands with partners with business expertise and experience Have a good customer base, etc. or Alibaba recruitment business, in addition to the right to be an agent to recruit members The company needs to provide additional services to customers such as The service provides information about the product. Suggesting or creating pages that capture the customer's attention. Providing various advice that can support and increase sales for customers, etc.

2.2.2.3 Risks from Economic Slowdown

Since economic slowdowns bring about higher unemployment rates and lower average income per capita, sales figures may drop from reductions in consumer spending. Therefore, risks from economic slowdown have a direct adverse impact on customer's decision to become a member of Alibaba.

2.2.2.4 Risks from Exchange Rates:

As the business involves transactions with Alibaba, which is located overseas, fluctuations in the exchange rates may increase expenses (Baht depreciation) or reduce revenues (Baht appreciation) which could decrease the subsidiary's profit.

2.2.3 Risks from the Company's business operations, BLTC Incorporation Co., Ltd.

2.2.3.1 Risk of competition in the transportation logistics service industry.

As of now, there are multiple similar service providers in Thailand. Therefore, the subsidiary's performance may be adversely affected if the competition intensifies further or if a new operator enters the market. Severe competitions may cause a decline in the number of customers or necessitate a reduction in prices for services, which will result in lower overall profits. Nevertheless, the company focuses on good service, fast delivery, undamaged products and also on improving services to better meet the needs of customers in the 4.0 era as much as possible.

2.2.4 Risks from the Company's business operations, Happy Visions Co., Ltd.

2.2.4.1 Risks from Adverse Economic Conditions

As a consequence of the recent global trade wars, the slowdown in Thailand's private consumption and high household debt level have reduced the spending power of customers in low to medium income segments. This is a potential risk as the Company may have to adjust the pricing of the products according to the economic situation. On the



other hand, for customers in the high-income segment, the subsidiary must source high-technology and high-quality products in order to maintain sales figures. In this regard, the Company has alleviated this risk by providing products at reasonable prices for each customer segment which have yielded satisfactory results.

2.2.4.2 Risks from Fashion Trends

Because sneakers' popularity depends on the ever-changing fashion trend, management must continuously monitor global fashion trends in order to source the right products for target customers. In doing so, the subsidiary must sell all products before they become obsolete; therefore, it is important to place an emphasis on the ordering process as well as increase the frequency of orders which will help manage the level of inventory when changes in fashion trends occur.

2.2.4.3 Risks from Changes in Technology

Risks from Changes in Technology: Technological improvements in the material used for sneakers production have an impact on the demand of the products. For example, memory foam's increasing popularity for its comfortable feel has a major impact on products that utilize this material.

2.2.4.4 Risks from Exchange Rates

Since most of the products are imported from abroad. Severe exchange rate fluctuations will affect the cost of imported goods.

2.2.5 Risks from the Company's business operations, Bangkok Pay Co., Ltd.

2.2.5.1 Risks from Changes in Consumer Behaviors

Mobile phone top-up kiosks are one of the first top-up channels that have been developed in Thailand for consumers with low income due to their wide coverage of kiosk locations. However, since the mobile phone top-up market is large and mobile service operators seek to offer new ways for consumers to top-up, the demand for the kiosks may be affected. Thus, the company has a policy to closely monitor consumer behaviors in order to develop strategies to maintain the popularity and growth of the top-up kiosks.

2.2.5.2 Risks from Changes in Technology

Even though the electronic top-up kiosks provide multiple transactional services, technological advancements that allow top-up alternatives may reduce the kiosks' demand and render the products obsolete. Therefore, the company must constantly adapt in accordance with the current technology and seek new innovative products for customers.

2.2.6 Risk relating to environmental, social and corporate governance

2.2.6.1 Risk from environmental conservation trend is becoming more importance continuously

At present, the consumers turn to focus more on environmental conservation by emphasizing on product production process and consume product that do not create or create minimal effect to environment. Therefore, the Company so may have risk from such environmental conservation trend if the Company cannot procure product to align with such trend. However, the executives has well aware of such risk and has seek new



innovative product continuously and align with environmental conservation trend. In 2019, the Company started to import electric motorcycle or AJ EV BIKE which use electricity to mobilize and can reduce greenhouse gas and air pollution when compared to traditional motorcycle which use fuel.

2.2.6.2 Risk from breaching of personal data

According to Personal Data Protection Act, B.E.2019 (including amendment) which will be effective on 1 June 2022, such act will emphasize on rights of each personal on personal data, e.g., name-surname, gender, telephone number, e-mail, and picture etc., in which the Company will have to comply with criteria in order to utilize customer's data in business operation, e.g., request permission to use data etc. If customers do not provide consent or the Company cannot comply with such criteria, it may affect the Company significantly with respect to business operation, financial position, and reputation. In this regard, the Company has well aware of such risk and support the Group's personnel to create knowledge and understanding on such act, including setting up information management system which has efficiency to reduce risk from leak of information and wrongly use of information as per criteria.

2.2.7 Risk relating to investment in securities

2.2.7.1 Risk from volatility of the Company's share price which may cause significant loss to investor who invest in the Company's ordinary shares

The Company's share price may be increased or decreased sharply, depended on various factors and some factors are beyond the Company's control. The factors which may affect the Company's share price are as follows:

- Perspective on business opportunity and business operation of the Company and overall industry.
- Difference between actual financial performance and operating result, and financial performance and operating in which investors and analysts expect.
- Change of recommendation and view of analyst.
- Change of conditions which affect industry, economy, investment sentiment on the Stock Exchange of Thailand, or other events or factors.
- Announcement of other companies' operating result which operate in same business to the Company or operate in similar business.
- Change of market capitalization and share price of listed companies which operate in business similar to the Company.
- Volatility of share price which is traded on the Stock Exchange of Thailand.

In this regard, there may be other factor apart from factors as aforementioned which may affect the Company's share price significantly.



3. Driving of Business for Sustainability

3.1 Policy and objective on sustainability

According to the Company vision “AJA will be Holding Company which diversify investment in new business and create business which have sustainable growth”. Therefore, apart from the growth of the Company, the Company also focus on creating value to stakeholders which cover, environmental, social, and governance, as well as business value chain, to create sustainability to the Company and stakeholders. In this regard, the Company has defined operating strategy by categorized into 3 perspective, i.e., economic, social, and environmental.

Economic

The Company focus on development of the Company business to have strength and create appropriate and sustainable return to shareholders under corporate governance principle by concerning effect on business value chain, as well as participating in development of community to grow with the Company.

Social

The Company focus on complying with relevant rules, regulations, and laws, relating to the Company's business, including operate business under good ethics, e.g., fair treatment on employee and create career to community etc.

Environmental

The Company focus on operating business, which is environmentally friendly by introducing product, which is environmentally friendly, as well as promote environmental conservation culture within organization, e.g., preservation of electricity and water etc.

To achieve above goal, the Company has policy to proceed according to Sustainable Development Goal of United Nations which cover 17 topics. The examples of implementation per such guideline are as follows:

Topic	Implementation of the Company
No poverty	<ul style="list-style-type: none">• Pay fair compensation to the Company's personnel.• Promote employment in community, including create stability in career and progress.• Introduce quality product with appropriate price.
Zero hunger	<ul style="list-style-type: none">• Conduct activities to relieve suffering for the community.
Good health and well-being	<ul style="list-style-type: none">• Arrange work premise which have safety and good environment.• Arrange appropriate health welfare for the Company's personnel.
Quality education	<ul style="list-style-type: none">• Promote education by awarding scholarship.• Development knowledge of the Company's personnel continuously, both internal and external training.
Gender equality	<ul style="list-style-type: none">• The Company will treat gender equality in which the recruitment will be mainly depended on skill and capability.• Promote organization culture to treat gender equality.
Climate action	<ul style="list-style-type: none">• The Company focus on introducing product, which is environmentally friendly, e.g., electric motorcycle etc.



3.2 Management effect on stakeholder in business value chain

3.2.1 Business value chain

The Company manages business value chain as follows:

Core activity	Implementation of the Company
Procurement of product and service	The Company has policy to procure product and service from supplier, by adhering on corporate governance by focusing on complying with trade condition, not take advantage on supplier, including procurement of product and service, which is environmentally friendly and in accordance with relevant standard, or rule, or regulation of government agency. The details of product and service procurement appeared in topic 1.2.4.
Operation	Before distributing product and service to customer, the Company will audit quality of product and service to be in line with specified qualification to ensure that customer will receive quality product and meet their expectation.
Distribution of product and service	The Company have distribution channels for distributing product and service, e.g., sale agent and online channel etc., to allow the Company to offer product and service to customer efficiently, and able to deliver product and service hastily. The details of distribution channel appeared in topic 1.2.3 (4).
Marketing and selling	The Company focus on introducing quality product and service with appropriate price to ensure that the customer will receive quality product and service. The details of marketing and selling appeared in topic 1.2.3 (1) and (3).
After sale service	The Company believes that product and service in which the Company will offer to customer is the quality product and service. However, to create customer confidence, the Company so offer after sale service in which the Company has service center more than 80 center nationwide to facilitate customer.
Support activity	Implementation of the Company
Procurement	The Company has policy to procure with fair and the Company will not accept corruption in procurement process and will ensure that the procurement process is fair.
Human resource management	The Company emphasizes on human resource and believes that human resource is main factor which will create sustainability to organization. Therefore, the Company so has policy to pay fair compensation, create stability and progress in career, and create skill, capability, and knowledge to the personnel.
Finance and accounting management	The Company aware of duty and responsibility as the listed company, and so arrange effective accounting and finance system. The Company will comply with criteria relating to disclosure of financial information and operating result, including disclosure of important information and benefit to the stakeholder.



3.2.2 Analysis of stakeholders in business value chain

The Company has categorized stakeholders both inside and outside organization which have relationship with business value chain and defined operation guideline to response to stakeholders as follows:

Stakeholders	Communication channel	Expectation of stakeholders	Response of the Company to expectation
Stakeholder inside organization			
Shareholder	<ul style="list-style-type: none"> Shareholders' meeting. The Company's website. Information disclosure channel of the Stock Exchange of Thailand. 	<ul style="list-style-type: none"> Good compensation and sustainable growth. Treat and grant rights to shareholders fairly. Transparent and auditable operation. 	<ul style="list-style-type: none"> Operate business with prudent and care by focusing on procurement of product that is aligned with economic condition and environmentally friendly. Ensure that all shareholders will be able to exercise their rights as the shareholders efficiently Manager operation under corporate governance principle and disclosure important information completely and accurately.
Employee	<ul style="list-style-type: none"> Internal communication channel of the Company. Evaluation of performance. The Company's activities. 	<ul style="list-style-type: none"> Appropriate compensation. Appropriate welfare. Job security. Career path. Health and safety in workplace. Work life balance. 	<ul style="list-style-type: none"> Specify compensation scheme based on duty and responsibility. Specify criteria relating to welfare. Specify appropriate criteria to evaluate performance and promote on building skill, capability, and knowledge to grow in work. Arrange work premise which have good environment, including specify appropriate work hour.
Stakeholder outside organization			
Customer	<ul style="list-style-type: none"> Distribution channel. The Company's website. After sale service center. 	<ul style="list-style-type: none"> Quality product and service and meet its expectation. Appropriate product price. After sale service. 	<ul style="list-style-type: none"> Continuously procuring new product and service by concerning customers' need. Seek efficient procuring channel and appropriate price to offer product and service to customer with appropriate price. Establish after sale service center to facilitate customer.
Supplier	<ul style="list-style-type: none"> Product and service purchasing channel. Meeting together. Site visit. 	<ul style="list-style-type: none"> Fair procurement process. Comply with trade condition. Sustainable growth together. 	<ul style="list-style-type: none"> Ensure that procurement process is fair and not accept corruption. Adhere to comply with trade condition. Continuously communicate with supplier with respect to trend of product and service demand.



Stakeholders	Communication channel	Expectation of stakeholders	Response of the Company to expectation
Competitor	<ul style="list-style-type: none"> Meetings or seminars. 	<ul style="list-style-type: none"> Fair competition. 	<ul style="list-style-type: none"> Fair competition and operation under good corporate governance principle.
Community	<ul style="list-style-type: none"> The Company's website. Community relation activity. 	<ul style="list-style-type: none"> Effect to community and environment. Sustainable growth together with community. 	<ul style="list-style-type: none"> Offer product which is environmentally friendly. Promote employment in community. Support corporate responsibility project.
Regulator	<ul style="list-style-type: none"> Contact with regulator. Participate activity of regulator. 	<ul style="list-style-type: none"> Comply with relevant regulations. Cooperate with government agency. 	<ul style="list-style-type: none"> Operate under corporate governance principle. Strictly comply with criteria and law.

3.3 Management on sustainability in environmental perspective

3.3.1 Policy and practice on environmental perspective

The Company emphasizes on management on sustainability in environmental perspective, including business operation of the Company, and promote environmental conservation in nearby community.

For the Company's business, the Company focus on procuring and offering of product and service which is environmentally friendly, e.g., product powered by electricity instead of oil or decomposable product etc. Furthermore, the Company also has policy to promote environmental conservation inside the Company by creating culture on preservation of electricity and water. With regard to environmental conservation in nearby community, the Company has policy to arrange activities to create awareness and understanding on environmental conservation.

However, in term of greenhouse gas emission, the Company is studying on information relating to greenhouse gas emission, which is caused by the Company's business to use in defining business plan of the Company, and create sustainability in environmental perspective.



3.3.2 Performance on environmental perspective

Distributing product powered by electricity instead of oil which is environmentally friendly.



3.4 Management on sustainability in social perspective

3.4.1 Policy and practice on social perspective

The Company has policy to operate business under good corporate governance principle and emphasize on stakeholders, including corporate social responsibility in various aspects with the details as follows:

Fair treatment on labor

The Company treats employees and staffs with fair and respect human rights, including comply with relevant laws and standards, including promoting of development of personnel capability to create maximize benefit to the Company, as well as promote teamwork to increase flexibility in work and arrange work premise which have safety, and provide appropriate compensation.





Fair treatment on consumer

The Company focus on offering quality product and service at appropriate price, including efficient after sale service. Furthermore, the Company will keep customers' information strictly confidentiality, and will not wrongly use such information for own or other party benefit and in compliance with relevant laws.

Development of community and social

The Company emphasizes on community, social, and environment, by focusing on offering of product and service which is friendly with community, social, and environment, including encouraging employees to aware of responsibility to community, social, and environment.

3.4.2 Performance on social perspective

Give gifts on Children's Day to Wat Charoen Sukham School and Wat Pho Jae School.
 (Malee Ratbamrung)



4. Management Discussion and Analysis

4.1 Financial Position and Operating Results Analysis

4.1.1 Operating Results:

The Operating Results for year 2022 as of December 31st, 2022 which had the net loss attributable to owners of the parent at THB 145.46 million. If compared with the operation result of same period last year, company had the net loss at THB 152.01 million which was loss increased at THB 6.55 million or 4.31 percent.

4.1.2 Operating Results and Profitability

4.1.2.1 Revenue from sales of goods and Revenue from rendering of services

Revenue from sales of goods

Classify products	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Electrics appliance	183.62	86.93	(96.69)	(52.66)
Sports shoes	22.86	74.67	51.81	226.64
Electric Vehicle-Bike	9.25	61.57	52.32	565.62
Bitcoin Mining	-	0.72	0.72	100.00
Other sales	5.04	0.76	(4.28)	(84.92)
Total Revenue from sales of goods	220.77	224.65	3.88	1.76

The Company recorded revenue from sale in fiscal year 2021 and fiscal year 2022 in the amount of THB 220.70 million and THB 224.65 million, respectively. In fiscal year 2022, revenue from sale increased by THB 3.88 million, or equivalent to 1.76 percent, from same period of previous year. This was mainly due to a decrease in electrical appliances in the amount of THB 96.69 million, an increase in electric motorcycles (EV Bike) in the amount of THB 52.32 million, and an increase in sports shoes in the amount of THB 51.81 million.

Revenue from rendering of services

Classify	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Top-up service for prepaid phone and service prepaid kiosk	52.96	48.95	(4.01)	(7.57)
Income from recruiting Alibaba members	17.07	17.39	0.32	1.87
Bitcoin Mining	-	28.64	28.64	100
Other service	1.94	1.37	(0.57)	(29.38)
Total	71.97	96.35	24.38	33.88



The Company recorded revenue from sale in fiscal year 2021 and fiscal year 2022 in the amount of THB 220.70 million and THB 224.65 million, respectively. In fiscal year 2022, revenue from sale increased by THB 3.88 million, or equivalent to 1.76 percent, from same period of previous year, This is mainly due to the mining income of 32.482731230 bitcoins, amounting to THB 28.64 million , an increase in total amount or a 100 percent increase compared to the same period last year. Since the company started its bitcoin mining business in early 2022.

4.1.2.2 Cost of sales and Cost of rendering services

Cost of sales

Cost of sale consists of purchase of product and expense etc. Most of cost will vary with revenue from sale due to the Company's business which import product to sale. The details are as follows:

	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Net purchase	141.48	179.40	37.92	26.80
Import and other expenses	6.42	1.79	(4.63)	(72.12)
Allowance for product return	(0.60)	7.64	8.24	(1,373.33)
Allowance for product obsolescence	56.29	7.29	(49.00)	(87.05)
Total	203.59	196.12	(7.47)	(3.67)
Changes in inventory	14.05	(7.24)	(21.29)	(151.53)
Net cost of sales	217.64	188.88	(28.76)	(13.21)
Percentage of sales revenue	98.58	84.08	(14.50)	

The Company recorded cost of sale in fiscal year 2021 and fiscal year 2022 in the amount of THB 217.64 million and THB 188.88 million, respectively. In fiscal year 2022, cost of sale decreased by THB 28.76 million, or equivalent to 13.21 percent, from same period of previous year, the main reason is from the company group. Manage product costs more efficiently, such as reducing the import of high-cost electrical appliances Reversal of allowance for diminishing in value of inventories due to stock clearance.

Cost of rendering services

Cost of services compared to the previous year as follows:

	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Cost of rendering services	48.97	55.08	6.11	12.48
Percentage of sales service	68.03	81.34 **	13.31	

** Year 2022 Service income minus Bitcoin mining income = THB 67.71 million.



The Company group recorded cost of service in fiscal year 2021 and fiscal year 2022 in the amount of THB 48.97 million and THB 55.08 million, respectively. In fiscal year 2022, cost of service increased by THB 6.11 million, or equivalent to 12.48 percent, due to the appreciation of the dollar exchange rate, which affects the cost of Alibaba subscriptions. And the cost of automatic payment services is also higher.

4.1.2.3 Gross profit and gross profit margin

Gross profit from sale

The Company recorded gross profit from sale in fiscal year 2021 and fiscal year 2022 in the amount of THB 3.12 million and THB 35.77 million, respectively, or equivalent to gross profit margin of 1.42 percent and 15.92 percent, respectively. In fiscal year 2022, gross profit margin increased mainly due to product cost management of the company group has become more efficient, for example, reducing the import of high-cost electrical appliances. Release long-stale products in stock as a result, the company reversed the allowance for diminution in product value, etc.

Gross profit from service

The Company recorded gross profit from service in fiscal year 2021 and fiscal year 2022 in the amount of THB 23.00 million and THB 12.63 million, respectively, or equivalent to gross profit margin of 31.95 percent and 18.60 percent, respectively. In fiscal year 2022, gross profit margin decreased by 13.30 percent this was due to the decline in the automatic payment service revenue and the increase in service costs.

4.1.2.4 Other income

	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Profit from exchange rate	1.34	2.20	0.86	64.18
Revenue from invesment	0.80	-	(0.80)	(100.00)
Revenue from the sale of digital assets	-	2.33	2.33	100.00
Other income	13.87	23.96	10.09	72.75
Total	16.01	28.49	12.48	77.95

The Company recorded other income in fiscal year 2021 and fiscal year 2021 in the amount of THB 16.01 million and THB 28.49 million, respectively. The gain from foreign exchange occurred from import of product and difference of exchange rate in purchase and payment period. Investment income occurred from the Group record of interest income from investment and deposit in bank. The company sells digital assets and recognizes revenue from the sale of assets from the difference between the market price on the date of sale of digital assets and the price acquired. and other main income Increased from income from the reversal of accrued expenses and long overdue foreign officials.

4.1.2.5 Selling expense

Selling expense consists of employee expense, commission expense, and promotion expense etc. The details are as follows:

	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Selling expense	61.73	43.57	(18.16)	(29.42)

The Company recorded selling expense in fiscal year 2021 and fiscal year 2022 in the amount of THB 61.73 million and THB 43.57 million, respectively. In fiscal year 2022, selling expense decreased by THB 18.16 million, or equivalent to 29.42 percent, from same period of previous year, the company reduce inefficient expenses in line with the current economic and sales conditions. as a result, sales-related expenses are reduced, such as sales staff salaries and commissions, transportation costs, advertising costs, and sales promotion expenses.

4.1.2.6 Administrative expense

Administrative expense consists of employee and executive benefit and operating expenses in administrative etc. The details are as follows:

	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Cost (expense) Bitcoin Mining	-	47.61	47.61	100.00
Impairment Losses on Cryptocurrency Assets	-	40.48	40.48	100.00
Administrative expense	124.45	118.96	(5.49)	(4.41)
Total Administrative expense	124.45	207.05	82.60	66.37

The Company recorded administrative expense in fiscal year 2021 and fiscal year 2022 in the amount of THB 124.45 million and THB 207.05 million, respectively. In fiscal year 2022, administrative expense increased by THB 82.60 million, or equivalent to 66.37 percent, from same period of previous year, the main reason is that in 2022, the company has an increase in business, namely Bitcoin mining business, which has main operating costs (expenses) such as electricity, depreciation of bitcoin mining machines, etc. and investment business. in digital assets (Cryptocurrencies) in which bitcoins (BTC) mined and invested coins are not sold. Considered as digital currency assets such as Bitcoin (BTC), Binance Coin (BNB), Bitkub Coin (KUB), GALA and Ethereum (ETH). At the end of the period, the market price was lower than the acquired price. Impairment of digital currency assets in the amount of 40.48 million baht. Administrative expenses decreased from the group of companies controlling and reducing inefficient expenses in line with current economic conditions.



4.1.2.8 Finance expense

The Company recorded finance expense in fiscal year 2021 and fiscal year 2022 in the amount of THB 0.99 million and THB 1.98 million, respectively. In fiscal year 2021, finance expense increased by THB 0.99 million, or equivalent to 99.60 percent, from same period of previous year the company group has fees from using credit cards to pay for goods and interest expenses under the rental agreement.

4.1.2.9 Share of profit (loss) from investment in associated company and joint venture

The Company recorded share of profit (loss) from investment in associated company and joint venture in fiscal year 2021 and fiscal year 2022 in the amount of THB 4.86 million and THB 1.15 million, respectively. In fiscal year 2022, share of profit (loss) from investment in associated company and joint venture decreased by THB 3.71 million, or equivalent to 76.33 percent, from same period of previous year, was caused by impairment of investments in subsidiaries and joint ventures that had operating loss.

4.1.2.10 Profit (loss) for the year from discontinued operation - net of tax

The Company recorded profit (loss) for the year from discontinued operation - net of tax in fiscal year 2021 and fiscal year 2022 in the amount of THB 1.33 million and none, respectively, mainly due to in 2021, the company disposed of investment. in all of Siam Advance Electronic Co., Ltd. cease to be a subsidiary of the Company. and are shown as discontinued operations separately from continuing operations.

4.1.2.11 Net profit and net profit margin

The company group has a net loss to the shareholders of the company for the year 2021 and the year 2022 equal to THB 152.01 million and THB 145.46 million respectively rate of 4.31 Percent, the main reason for the operating loss in 2022 is that the company still has insufficient income to cover expenses, such as bitcoin mining and investment in digital assets at the of cryptocurrencies in 2022 is in a downtrend. together with the higher price of electricity Recognition of impairment losses of crypto-currency assets and recognition of loss from impairment of foreign investments, etc.

4.1.3 Financial position

As of 31 December 2021 and 31 December 2022, the Company's total assets were THB 1,035.60 million and THB 982.13 million, respectively. The details are as follows:

4.1.3.1 Current assets

As of 31 December 2021 and 31 December 2022, the Company's current assets were THB 491.08 million and THB 245.02 million, respectively. The details of significant change are as follows:

Statement of financial position (Unit: THB Million)	As at December 31,		Increased (decreased)	
	2021	2022	MB.	%
Cash and cash equivalents	250.72	36.95	(213.77)	(85.26%)
Trade and other current receivables	75.41	86.63	11.22	14.88%
Inventories	112.68	96.48	(16.20)	(14.38%)
Right of return products	7.71	0.07	(7.64)	(99.09%)
Current tax assets	0.93	1.40	0.47	50.54%
Other current financial assets	25.92	0.00	(25.92)	(100.00%)
Other current assets	17.72	23.48	5.76	32.51%
Total current assets	491.08	245.02	(246.06)	(50.11%)

As of 31 December 2021 and 31 December 2022, the Company's current assets were THB 491.08 million and THB 245.02 million, respectively. The current assets as of 31 December 2022 decreased by THB 246.06 million, or equivalent to 50.11 percent, when compared to current assets of previous year with the key items as follows:

- Cash and cash equivalent increased by THB 213.77 million, or 85.26 percent mainly due to the company's cash flow used in operating activities for the purchase of bitcoin mining machines in the amount of THB 168.92 million, buy-sell) investment in buying digital coins in the amount of THB 46.51 million.
- Inventory decreased by THB 16.20 million, as the Company controlled inventory by accelerating drain of stock and purchase high turnover rate product etc.
- Other current financial assets decreased by THB 25.92 million or decreased in whole amount due to the company's impairment of assets arising from investments in foreign private funds and experiencing investment volatility that did not meet the target and trading was suspended in the middle of 2020, it is currently quite likely that the fund will continue to operate. unable to return to normal trading Therefore, the remaining allowance was set at THB 25.92 million.

4.1.3.2 Non-current assets

As of 31 December 2021 and 31 December 2022, the Company's non-current assets were THB 544.52 million and THB 737.11 million, respectively. The details of significant change are as follows:



Statement of financial position (Unit: THB Million)	As at December 31,		Increased (decreased)	
	2021	2022	MB.	%
Other non-current financial assets	2.29	4.94	2.65	115.72%
Investments in associates	0.96	0.00	(0.96)	(100.00%)
Investments in joint ventures	2.60	0.00	(2.60)	(100.00%)
Trade and other non-current receivables	3.18	1.00	(2.18)	(68.55%)
Property, plant and equipment	428.10	569.77	141.67	33.09%
Right-of-use assets	0.88	30.82	29.94	3402.27%
Contract cost assets	51.21	40.85	(10.36)	(20.23%)
Goodwill	30.46	30.46	0.00	0.00
Other intangible assets other than goodwill	13.87	11.83	(2.04)	(14.71%)
Cryptocurrency assets	0.10	34.46	34.36	34360.00%
Deferred tax assets	5.32	6.83	1.51	28.38%
Other non-current assets	5.55	6.16	0.61	10.99%
Total non-current assets	544.52	737.11	192.59	35.37%

As of 31 December 2022, the Company's non-current assets were THB 737.11 million, increased by THB 35.37 million, or equivalent to 35.37 percent, when compared to previous year. The change of key asset is as follows:

- Property, plant, and equipment in the amount of THB 529.77 million, increased by THB 141.67 million, or equivalent to 33.09 percent, when compared to previous year as the Group there is a depreciation depreciated bitcoin mining machine, increased THB 148.46 million.
- Right-of-use assets in the amount of THB 30.82 million, increased by THB 29.94 million, or equivalent to 3402.27 percent, when compared to previous year company group There is a building rental agreement with an unrelated company for a period of 2-5 years.
- Cryptocurrency assets in the amount of THB 34.46 million, increased by THB 34.36 million, or equivalent to 34360.00 percent, when compared to previous year in 2022, the company group has digital currency assets. arising from purchase and mining totaling 108.33 million and adecrease from selling and recording allowance for impairment of digital assets totaling THB 73.97 million.

4.1.4 Liquidity and sufficiency of capital

The Company's capital structure consists of liability accounting for approximately 20.19 percent to 24.96 percent of total liabilities and shareholders' equity, and shareholders' equity accounting for approximately 75.03 percent to 79.80 percent of total liabilities and shareholders' equity. The details of liabilities and shareholders' equity are as follows:

4.1.4.1 Current liabilities

As of December 31, 2021 and December 31, 2022, the Company's current liabilities are equal to 99.86 million baht and 65.32 million baht, respectively, with details of significant changes as follows:



Statement of financial position (Unit: THB Million)	As at December 31,		Increased (decreased)	
	2021	2022	MB.	%
Trade and other current payables	72.25	48.75	(23.50)	(32.52%)
Current portion of lease liabilities	0.53	7.97	7.44	1403.77%
Income tax payable	0.54	-	(0.54)	(100.00%)
Current provisions for employee benefit	6.57	0.56	(6.01)	(91.48%)
Other current provisions	19.20	7.63	(11.57)	(60.26%)
Other current liabilities	0.77	0.42	(0.35)	(45.45%)
Total current liabilities	99.86	65.32	(34.54)	(34.59%)

The Company had current liabilities of THB 65.32 million, a decrease of THB34.54 million or 34.59 percent compared to the previous year. Changes in main current liabilities are as follows:

- Trade payables and other current payables amounted to THB 48.75 million baht, a decrease of 23.50 million baht from the previous year, or 32.52 percent, because the company There are trade payables from purchase of products according to sales. By purchasing fast-moving products that are not in stock for a long time by THB 14.44 million, expenses and other payables by THB 34.31 million.
- Other current liabilities amounted by THB 7.63 million, decrease of THB 11.57 million from the previous year, or 60.26 percent, due to a decrease in the provision for goods returned.

4.1.4.2 Non-current liabilities

As of December 31, 2021 and December 31, 2022, the Company's non-current liabilities amounted by THB 158.72 million and THB 133.04 million, respectively, with details of significant changes as follows:

Statement of financial position (Unit: THB Million)	As at December 31,		Increased (decreased)	
	2021	2022	MB.	%
Lease liabilities	-	22.02	22.02	100.00%
Contract liabilities	76.29	63.41	(12.88)	(16.88%)
Convertible bonds	35.30	-	(35.30)	(100.00%)
Deferred tax liabilities	42.32	42.32	-	-
Non-current provisions for employee benefit	4.31	4.78	0.47	10.90%
Other non-current liabilities	0.51	0.51	-	-
Total non-current liabilities	158.72	133.04	25.68	16.18%

As of December 31, 2022, the Company's non-current liabilities amounted by THB 133.04 million decreased THB 25.68 million by 16.18 percentage compared to the previous year with details of significant changes as follows:

- Lease liabilities y as of 31 December 2022 in the amount of THB 22.02 million, increased from the previous year. Caused by the group of companies to lease the building space. More than 1 year.



- Contract liability as of 31 December 2022 in the amount of THB 63.41 million, decreased by THB 12.88 million, or equivalent to 16.88 percent, from previous year. It occurred from advance payment from mobile top-up and electronic payment business.
- Convertible bonds zero balance decreased from the previous by THB 35.30 million by decrease the whole amount because the company exercised the right to convert the debentures into ordinary shares.

4.1.4.3 Equity

As of December 31, 2021 and December 31, 2022, the Company's shareholders' equity is equal to 777.02 million baht and 783.77 million baht, respectively, with details of significant changes as follows:

Statement of financial position (Unit: THB Million)	As at December 31,		Increased (decreased)	
	2021	2022	MB.	%
Share capital				
Authorised share capital	623.82	767.97	144.15	23.11%
Issued and paid-up share capital	475.02	531.09	56.07	11.80%
Premium on ordinary shares	824.73	930.38	105.65	12.81%
Retained earnings (deficit)				
Appropriated - Legal reserve	20.90	20.90	-	-
Unappropriated	(742.45)	(887.91)	(145.46)	19.59%
Convertible options	1.71	-	(1.71)	(100.00%)
Cash advance received for shares	6.39	-	(6.39)	(100.00%)
Other components of equity	182.89	182.89	-	-
Equity attributable to owners of the parent	769.19	777.34	8.15	1.05%
Non-controlling interests	7.83	6.43	(1.40)	(17.88%)
Total Equity	777.02	783.77	6.75	0.86%

In 2021 and 2022, the Company's shareholders' equity attributable to owners of the parent at the end of fiscal period was THB 769.19 million and THB 777.34 million, respectively. It increased from previous year of THB 8.15 million, or equivalent to 1.06 percent. The main items were increase in share premium of THB 105.65 million, increase in issued and paid-up capital of THB 56.07 million, decrease in advance payment for share of THB 6.39 million, due to issuance of convertible bonds, issuance of warrant no.4 (AJA-W4) which have been exercised, and decrease in retain earnings on unappropriated portion of THB 145.46 million, when compared to previous year as the loss from operation in 2022.

4.1.4.4 Statement of cash flows

In the year 2021 and the year 2022, the important items in the statement of cash flows can be summarized as follows:

	Consolidated financial statement			
	fiscal years 31 December		Increased (decreased)	
	2021	2022		
	THB Million	THB Million	THB Million	Percent
Net cash provided by (used in) operation activities	(55.51)	(118.76)	(63.25)	113.94%
Net cash provided by (used in) investing activities	(16.73)	(215.89)	(199.16)	1190.44%
Net cash provided by (used in) financing activities	275.47	120.87	(154.60)	(56.12%)
Net increase (decrease) in cash and cash equivalents	203.22	(213.77)	(416.99)	(205.19%)
Cash and cash equivalents, at beginning of year	47.50	250.72	203.22	427.83%
Cash and cash equivalents, at ending of year	250.72	36.95	(213.77)	(85.26%)

4.1.5 Analysis important financial ratios

Important financial ratios

	As of December 31		Increased (decreased)	
	2021	2022	Ratio	%
1. Financial Liquidity Ratio				
- Current ratio (Time)	4.92	3.75	(1.17)	(23.78%)
- Quick ratio (Time)	3.27	1.89	(1.38)	(42.20%)
- Cash flow current ratio (Time)	(0.51)	(1.44)	(0.93)	182.35%
2. Working Capital Management Ratio				
- Accounts receivable turnover ratio (Time)	3.12	4.41	1.29	41.35%
- Average debt collection period ratio (Day)	115.44	81.59	(33.85)	(29.32%)
- Inventory Turnover Ratio (Time)	0.94	0.96	0.02	2.13%
- Average sales period (Day)	384.01	373.26	(10.75)	(2.80%)
- Account Payable Turnover	3.14	4.03	0.89	28.34%
- Average Payment Period ratio (Day)	114.70	89.28	(25.42)	(22.16%)
- Cash Cycle ratio (Day)	384.76	365.58	(19.18)	(4.98%)
3. Profitability Ratio				
- Operating Profitability ratio (%)	(49.20)	(45.20)	4.00	(8.13%)
- Net Profit Margin (%)	(49.10)	(42.02)	(7.07)	(14.40%)
- Return on Owner's Equity (ROE) (%)	(20.86)	(18.99)	(1.87)	(8.96%)
4. Financial Policy Ratio				
- Debt to Equity ratio (Time)	0.33	0.25	(0.08)	(24.24%)
- Debt Service Coverage (cash basis) (Time)	(1.90)	(0.46)	1.44	(75.79%)



4.1.5.1 Financial liquidity ratio

As of 31 December 2022, current ratio and quick ratio was 3.75 times and 1.89 times, respectively, decreased because the Company used the proceeds from the issuance and sale of convertible debentures for working capital. Buy a bitcoin miner, improve the area. and investing in digital assets, etc., along with a decrease in trade and other payables. from the fact that the company Order products by sales by purchasing goods that spin fast Do not hold stock to reduce the problem of long-standing stock and loss from impairment according to the accounting policy.

4.1.5.2 Ratio to measure working capital management

In year 2022, The Company's cash conversion cycle was shorten compared to fiscal year 2021, mainly due to decrease of day inventory outstanding as the Company controlled inventory by accelerating drain of stock and purchase high turnover rate product etc. In the meantime, day sales outstanding also decreased as the Company had more stringent policy on debt collection. However, day payable outstanding also decreased, but the decrease still lower than sum of decrease average debt collection an average sales period.

4.1.5.3 Ratio to measure profitability*

Overall, the profitability ratio for the year 2022 slightly improved. because there are still more expenses than income to run a business such as a bitcoin mining business. where the coin's market price is in a downtrend and has higher electricity cost per unit Including the recognition of loss from the impairment of digital currency assets. and recognition of loss from impairment of foreign investments, etc.

4.1.5.4 Ratio to measure debt service capability and risk

As of 31 December 2022, the debt to equity ratio was 0.25 times, slightly decreased from 31 December 2021, mainly due to exercise of convertible bonds which result in increase of the return on owner's equity while debt service coverage ratio also improved as the company raised fund from issuance of convertible bonds and result in increase of cashflow in operation as well as debt repayment rate has better trend.

4.1.6 Off-balance sheet obligation on liability and management

As of 31 December 2021 and 31 December 2022, the Company had minimum obligation to pay in future under non-cancellable operating lease and capital expenditure as follows:

Consolidated statement of financial position (Unit: THB million)	As of 31 December		Increase (Decrease)	
	2021	2022	Amount	Percent
Minimum obligation to pay in future under non-cancellable operating lease				
Within 1 year	5.58	6.19	0.61	10.93%
After 1 year but not exceed 5 years	5.04	5.49	0.45	8.93%
Total	10.62	11.68	1.10	10.36%
Capital expenditure				
Purchased order in which seller has agreed	31.84	18.61	(13.23)	(41.55%)



4.2 Factor or event which may affect financial position and operating result in future

In 2022, the Company operated new business to reduce risk from dependency on the Company's core business and to create strength and sustainable growth of the Group. With regard to operation in future, the Company has determined business plan, strategy, and method to achieve specified annual goal in order to response to main factors and influences which may affect financial position and operating result in future as follows:

1. Consumers' behavior and popularity of product.
2. Pricing of product, expense, and distribution channel.
3. Capability on create and implement of modern technology.
4. Seek and collaborate with appropriate partner to do business together and support each other.
5. Volatility of world economic and controlled by government.
6. Preparation of capital for expanding business, either from borrowing from financial institution or fund raising in other form in which the Company will take into account of appropriateness with business form and liability obligation in future.

Operation guideline

1. The Company has allocated existing products, modified to suit consumer behavior and existing trends, such as finding products that meet the needs of today's consumers as well as controlling the procurement system and maintaining the level of products sufficient for sales Including inventory management for quick turnover. Keep up with fast-changing market prices and keep up with trends. and non-overstocked products to reduce the problem of long-term inventory and loss from impairment according to the accounting policy.
2. Change product which is feasible in future and grow in long term, e.g., electric motorcycle (EV Bike) which will help to reduce fuel expense and reduce pollution. In this regard, the Company focus on development to be appropriate with consumer in term of price, convenient on change and battery recharge, including speed and distance which is appropriate with usage.
3. Investment in new business, e.g., bitcoin mining and digital asset, which will create opportunity for the Company to generate profit, including stable revenue in long term, and better operating result, and diversify business risk.
4. Expanded investment in Outlet Pro, selling sports shoes, sportswear, sports equipment and others. to increase sales by expanding from 7 branches to 12 branches in 2023.
5. Investment in existing and new business. Apart from the Company's cashflow from business at present, after the business has growth trend and become more strength, the Company must borrow from financial institution and raise fund in other form.

In this regard, the Company will proceed in accordance with regulation applied to listed company in the Stock Exchange of Thailand completely, transparently, and auditable as per specified criteria and standard.



4.3 Financial statements

4.3.1 Statement of financial position

Statement of financial position	Consolidated financial statements					
	As of December 31, 2020 (Audited)		As of December 31, 2021 (Audited)		As of December 31, 2022 (Audited)	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Assets						
Current assets						
Cash and cash equivalents	47.50	5.10	250.72	24.21	36.95	3.76
Trade and other current receivables	105.82	11.36	92.21	7.28	86.63	8.82
Inventories	215.50	23.14	112.68	10.88	96.48	9.82
Right of return products	7.10	0.76	7.71	0.74	0.07	0.01
Current tax assets	0.56	0.06	0.93	0.09	1.40	0.14
Other current financial assets	25.92	2.78	25.92	2.50	-	-
Other current assets	1.18	0.13	0.91	1.71	23.48	2.39
Total current assets	403.58	43.33	491.08	47.42	245.05	24.95
Non-current assets						
Investments in associates	1.00	0.11	0.96	0.09	-	-
Investments in joint ventures	7.42	0.80	2.60	0.25	-	-
Trade and other non-current receivables	-	-	3.18	0.31	1.00	0.10
Property, plant and equipment	411.22	44.15	428.10	41.29	569.77	58.01
Right-of-use assets	1.69	0.18	0.88	0.09	30.82	3.14
Contract cost assets	49.92	5.36	51.21	4.94	40.85	4.16
Goodwill	30.46	3.27	30.46	2.94	30.46	3.10
Other intangible assets other than goodwill	16.01	1.72	13.87	1.34	11.86	1.20
Cryptocurrency assets	-	-	0.10	0.01	34.46	3.51
Deferred tax assets	4.09	0.44	5.32	0.51	6.83	0.70
Other non-current financial assets	1.90	0.20	2.29	0.22	4.94	0.50
Other current assets	4.16	0.45	5.55	0.54	6.16	0.63
Total non-current assets	527.87	56.67	544.52	52.58	737.11	75.05
Total assets	931.45	100.00	1,035.60	100.00	982.12	100.00
Liabilities and equity						
Current liabilities						
Trade and other current payables	97.64	10.48	72.25	6.98	48.75	4.96
Current portion of lease liabilities	0.67	0.07	0.53	0.05	7.95	0.81
Lease liabilities	-	-	-	-	-	-
Current provisions for employee benefit	-	-	6.57	0.63	0.56	0.06
Other current provisions	18.33	1.97	19.20	1.85	7.63	0.78
Income tax payable	0.53	0.06	0.54	0.05	-	-
Other current liabilities	1.27	0.14	0.77	0.07	0.42	0.04
Total current liabilities	118.44	12.72	99.86	9.64	65.32	6.65

Statement of financial position	Consolidated financial statements					
	As of December 31, 2020 (Audited)		As of December 31, 2021 (Audited)		As of December 31, 2022 (Audited)	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Non-current liabilities						
Lease liabilities	0.53	0.06	-	-	22.02	2.24
Contract liabilities	68.71	7.38	76.29	7.37	63.41	6.46
Convertible bonds	-	-	35.30	3.41	-	-
Non-current provisions for employee benefit	5.99	0.64	4.31	0.42	4.78	0.49
Deferred tax liabilities	42.32	4.54	42.32	4.09	42.32	4.31
Other non-current liabilities	-	-	0.51	0.05	0.51	0.05
Total non-current liabilities	117.55	12.62	158.72	15.33	133.04	13.55
Total liabilities	236.00	25.34	258.58	24.97	198.36	20.20
Liabilities and equity						
Equity	424.03	45.52	623.82	60.24	767.97	78.20
Issued and paid-up share capital	424.03	45.52	475.02	45.87	531.09	54.08
Premium on ordinary shares	649.89	69.77	824.73	79.64	930.38	94.73
Retained earnings (deficit)						
Appropriated - Legal reserve	20.90	2.24	20.90	2.02	20.90	2.13
Unappropriated	(593.61)	(63.73)	(742.45)	(71.69)	(887.91)	(90.41)
Convertible options	-	-	1.71	0.17	-	-
Cash advance received for shares	-	-	6.39	0.62	-	-
Other components of equity	182.86	19.63	182.89	17.66	182.89	18.62
Equity attributable to owners of the parent	684.07	73.44	769.19	74.27	777.34	79.15
Non-controlling interests	11.38	1.22	7.83	0.76	6.43	0.65
Total equity	695.45	74.66	777.02	74.94	783.77	79.80
Total liabilities and equity	931.45	100.00	1,035.60	100.00	982.13	1000

4.3.2 Statement of comprehensive income

Statement of comprehensive income	Consolidated financial statements					
	As of December 31, 2020 (Audited)		As of December 31, 2021 (Audited)		As of December 31, 2022 (Audited)	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Income						
Revenue from sales of goods	207.74	73.84	220.77	71.50	224.65	64.28
Revenue from rendering of services	59.39	21.11	71.98	23.31	96.35	27.57
Profit from exchange rate	0.81	0.29	1.34	0.43	2.20	0.63
Revenue from investment	0.61	0.22	0.80	0.26	-	-
Other income	12.80	4.55	13.87	4.49	26.29	7.52
Total income	281.34	100.00	308.76	100.00	349.49	100.00



Statement of comprehensive income	Consolidated financial statements					
	As of December 31, 2020 (Audited)		As of December 31, 2021 (Audited)		As of December 31, 2022 (Audited)	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Expenses						
Cost of sales	(169.30)	(60.18)	(217.64)	(70.49)	(188.88)	(54.05)
Cost of rendering services	(40.35)	(14.34)	(48.97)	(15.86)	(55.08)	(15.76)
Distribution costs	(65.25)	(23.19)	(61.73)	(19.99)	(43.57)	(12.47)
Administrative expenses	(105.95)	(37.66)	(124.45)	(40.31)	(207.05)	(59.24)
Impairment losses on investment	(7.89)	(2.80)	-	-	-	-
Impairment losses on investment in subsidiaries	-	-	-	-	-	-
Finance costs	(0.92)	(0.33)	(0.99)	(0.32)	(1.98)	(0.57)
Total expenses	(389.65)	(138.50)	(453.79)	(146.97)	(496.57)	(142.08)
Share of profit (loss) from investments in associates and joint ventures	(2.71)	(0.96)	(4.86)	(1.57)	(1.15)	(0.33)
Profit (loss) before income tax expense	(111.03)	(39.47)	(149.89)	(48.54)	(148.23)	(42.41)
Tax income (expense)	0.16	0.06	(0.38)	(0.12)	1.36	0.39
Profit (loss) for the year from continuing operations	(110.87)	(39.41)	(150.27)	(48.67)	(146.87)	(42.02)
Discontinued operation						
Profit (loss) for the year from discontinued operation- Net of tax	(43.45)	(15.44)	(1.33)	(0.43)	-	-
Profit (loss) for the year	(154.32)	(54.85)	(151.59)	(49.10)	(146.87)	(42.02)
Items that will not be reclassified to profit or loss						
Profit from land revaluation	-	-	-	-	-	-
Gains on re-measurements of defined benefit plans	-	-	3.18	1.03	-	-
Income tax on items that will not be reclassified subsequently to profit or loss.	-	-	-	-	-	-
Total items that will not be reclassified to profit or loss	-	-	3.18	1.03	-	-
Total comprehensive income (expense) for the year	(154.32)	(54.85)	(148.41)	(48.07)	(146.87)	(42.02)
Profit (loss) attributable to:						
Owners of the parent						
Profit (loss) for the year from continuing operations	(109.92)	(39.07)	(151.34)	(49.01)	(145.46)	(41.62)
Profit (loss) for the year from discontinued operations	(22.16)	(7.88)	(0.68)	(0.22)	-	-
Profit (loss) for the year attributable to equity holders of the Company	(132.08)	(46.95)	(152.01)	(49.23)	(145.46)	(41.62)

Statement of comprehensive income	Consolidated financial statements					
	As of December 31, 2020 (Audited)		As of December 31, 2021 (Audited)		As of December 31, 2022 (Audited)	
	THB Million	Percent	THB Million	Percent	THB Million	Percent
Non-controlling interest						
Profit (loss) for the year from continuing operations	(0.96)	(0.34)	1.07	0.35	(1.40)	(0.40)
Profit (loss) for the year from discontinued operations	(21.29)	(7.57)	(0.65)	(0.21)	-	-
Profit (loss) for the year attributable to non-controlling interests	(22.25)	(7.91)	0.42	0.14	(1.40)	(0.40)
Profit (loss) for the year	(154.32)	(54.85)	(151.59)	(49.10)	(146.87)	42.02
Total comprehensive income (expense) attributable to:						
Owners of the parent						
Profit (loss) for the year from continuing operations	(109.92)	(39.07)	(148.16)	(47.98)	(145.46)	(41.62)
Profit (loss) for the year from discontinued operations	(22.16)	(7.88)	(0.68)	(0.22)	-	-
Profit (loss) for the year attributable to equity holders of the Company	(132.08)	(46.95)	(148.83)	(48.20)	(145.46)	(41.62)
Non-controlling interest						
Profit (loss) for the year from continuing operations	(0.96)	(0.34)	1.07	0.35	(1.40)	(0.40)
Profit (loss) for the year from discontinued operations	(21.29)	(7.57)	(0.65)	(0.21)	-	-
Profit (loss) for the year attributable to non-controlling interests	(22.25)	(7.91)	0.42	0.14	(1.40)	(0.40)
Total comprehensive income (expense) for the year	(154.32)	(54.85)	(148.41)	(48.07)	(146.87)	(42.02)
Basic earnings (loss) per share of the parent company shareholders						
Basic earnings (loss) per share (Baht : Share)	(0.031)	-	(0.035)	-	(0.028)	-
Basic earnings (loss) per share from continuing operations (Baht : Share)	(0.026)	-	(0.035)	-	(0.028)	-
Weighted average number of ordinary shares (Basic) (Shares)	4,240.29	-	4,357.97	-	5,184.10	-
Diluted earnings (loss) per share (Baht : Shares)	(0.031)	-	(0.033)	-	(0.027)	-
Weighted average number of ordinary shares (diluted) (Shares)	4,240.29	-	4,586.91	-	5,307.05	-



4.3.3 Statement of cash flows

Statement of cash flows	Consolidated financial statements		
	As of December 31, 2020 (Audited)	As of December 31, 2021 (Audited)	As of December 31, 2022 (Audited)
	THB Million	THB Million	THB Million
Cash flows from operating activities			
Profit (loss) for the year from continuing operations before corporate income tax	(111.03)	(149.89)	(148.23)
Profit (loss) for the year from discontinued operation	(43.45)	(1.33)	-
Profit (loss) before corporate income tax	(154.48)	(151.21)	(148.23)
Adjustment of profit (loss) on cash received (paid)			
Adjustment on financial cost	0.92	0.99	1.98
Adjustment on trade and other current receivables (increase) decrease	8.95	(28.18)	(3.75)
Adjustment on inventories (increase) decrease	4.41	28.82	8.65
Adjustment on other assets (increase) decrease	(2.29)	(1.17)	(8.72)
Adjustment on trade and other current payables increase (decrease)	(26.89)	(6.97)	(23.26)
Adjustment on other liabilities (increase) decrease	3.00	7.18	(47.50)
Depreciation and amortization charge	20.26	21.65	46.86
Impairment loss on assets (reversal)	-	-	-
Adjustment on provisions liabilities (reversal)	3.89	0.13	66.40
Unrealized loss (gain) on exchange rate	8.69	8.77	(13.93)
Share (profit) loss from associates and joint ventures	(0.27)	(0.40)	(0.68)
Bad debts and allowance for doubtful accounts (reversal)	2.71	4.86	0.96
Loss from inventories devaluation (reversal)	19.51	9.86	(2.07)
Estimated return of goods (reversal)	0.74	54.82	7.29
Loss (profit) on disposal of investments	5.08	(0.60)	7.64
Adjustment on financial cost	-	(0.99)	(0.02)
Return about product quality assurance	-	-	-
Adjustment on loss (gain) from disposal of non-current assets	(0.24)	(0.20)	0.02
Adjustment with Loss (Gain) on Sale of Digital Assets	(2.34)		
Cash payment for product insurance	-	-	-
Deferred revenue	8.43	-	-
Other adjustments to non-cash items	-	0.17	-
Adjustment on loss (gain) from disposal of non-current assets	(0.45)	(1.01)	(0.43)
Net cash provided by (used in) operation	(98.02)	(53.47)	(111.12)
Interest income	0.45	1.01	0.43
Interest expense	(0.89)	(0.95)	(2.22)
Income tax refund (paid)	(1.86)	(2.01)	(2.67)
Other cash received (paid) from operating activities			
provisions employee benefits	-	(0.09)	(3.17)
Net cash provided by (used in) operation activities	(100.31)	(55.51)	(118.76)



Statement of cash flows	Consolidated financial statements		
	As of December 31, 2020 (Audited)	As of December 31, 2021 (Audited)	As of December 31, 2022 (Audited)
	THB Million	THB Million	THB Million
Cash flows from investing activities			
Cash paid for purchase business	-	-	-
Cash paid for purchase Investments in associates and joint ventures	-	-	2.63
Cash paid for purchase of property, plant and equipment	(3.65)	(27.61)	(171.83)
Cash paid to purchase intangible assets	(0.02)	(0.32)	(0.16)
Cash paid for buying digital assets	(80.00)	-	-
Cash received from borrowings from related parties	-	10.17	-
Cash received from selling off in associated	-	0.31	-
Cash received from the sale of property, plant and equipment	0.59	1.26	0.30
Cash received form disposal Investment	-	-	-
Cash received form sale digital assets	-	-	35.83
Interest income	-	-	-
Cash received form Sales of discontinued operations - net of business cash disposed	-	-	-
Cash paid other investing activities - financial assets	0.94	(0.55)	(2.64)
Net cash provided by (used in) investing activities	(2.13)	(16.73)	(215.89)
Cash flows from financing activities			
Cash received from the issuance of equity shares	-	16.19	50.59
Cash received from convertible debentures	-	260.00	75.00
Cash paid by the lessee to reduce the amount of debt arising from the finance lease	(1.26)	(0.67)	(4.05)
Interest expense	-	(0.05)	(0.67)
Cash received from the issuance of ordinary shares of subsidiaries to non-controlling interests	-	-	-
Net cash provided by (used in) financing activities	(1.26)	275.47	120.87
Net increase (decrease) in cash and cash equivalents	(103.71)	203.22	(213.77)
Cash and cash equivalents, at beginning of year	151.21	47.50	250.72
Cash and cash equivalents, at ending of year	47.50	250.72	36.95



4.3.4 Financial ratios

		Consolidated financial statements		
		Unit	As of December 31, 2020	As of December 31, 2021
FINANCIAL LIQUIDITY RATIO				
Current ratio	Time	3.41	4.92	3.75
Quick ratio	Time	1.29	3.27	1.89
Cash flow current ratio	Time	(0.66)	(0.51)	(1.44)
Receivable turnover ratio	Time	2.21	3.12	4.41
Average debt collection period	(Day)	163.11	115.44	81.59
Inventory turnover ratio	Time	0.67	0.94	0.96
Average selling period	(Day)	537.88	384.01	373.26
Payable current ratio	Time	1.54	3.14	4.03
Days payable outstanding	(Day)	233.95	114.70	89.28
Cash cycle	(Day)	467.04	384.76	365.58
PROFITABILITY RATIO				
Gross profit margin	%	21.52	8.93	24.00
Operating profit margin	%	(40.20)	(49.20)	(45.20)
Other profit margin	%	5.05	5.19	8.15
Cash to profit margin	%	93.41	38.54	81.84
Net profit margin	%	(46.95)	(49.10)	(42.02)
Return on equity	%	(17.61)	(20.86)	(18.99)
EFFICIENCY RATIO				
Return on assets	%	(12.91)	(15.41)	(14.56)
Return on fixed assets	%	(26.96)	(41.28)	(38.83)
Assets turnover	Time	0.27	0.31	0.35
FINANCIAL POLICY RATIO				
Debt to equity ratio	Time	0.34	0.33	0.25
Interest Coverage Ratio	Time	n.a	n.a	n.a
Commitment coverage ratio (cash basis)	Time	(25.20)	(1.91)	(0.46)
Dividend payout ratio	%	n.a.	n.a.	n.a.



5 General Information and Other Information

5.1 General Information

Registrar	: Thailand Securities Depository Co., Ltd. 93 Rachadapisek Road, Dindaeng, Bangkok 10400 Telephone: 0-2009-9000 Fax: 0-2009-9991 SET Contact Center 0-2009-9999 Thailand Securities Depository Co., Ltd.
Auditor	: Karin Audit Co., Ltd. 72 Cat Telecom Tower, Floor 24, Charoen Krung Road, Bangrak, Bangkok 10500 Telephone: 0-2105-4661 Fax: 0-2026-3760

5.2 Other important information

According to the Company's article of association, "the Company's shares can be freely transfer without limitation, except for such transfer shall cause foreign shareholders to aggregately hold shares in the Company more than 49 percent of total issued and paid-up shares. In case the transfer of shares shall cause foreign shares holders to aggregately hold shares more than such threshold, the Company reserves rights to reject such transfer"

5.3 Legal dispute

As of 31 December 2022, the Company does not have any legal dispute which may cause negative effect on the Company more than 5.00 percent of shareholders' equity, and does not have any legal dispute which may affect the Company's business significantly.





Section 2

Corporate Governance



6. Corporate Governance Policy

6.1 Overview of corporate governance policy and practice

The Company aware of the importance of corporate governance. The corporate governance indicates efficient, transparent, and auditable management system which create confidence of shareholders, investors, stakeholders, and other related parties, as well as lead to the Company's value added and long-term sustainable growth. Therefore, the Company's board of directors resolve to amend corporate governance policy by adhering to "The Principles of Good Corporate Governance of Listed Companies" according to guideline of the Stock Exchange of Thailand and "Corporate Governance Code for Listed Companies 2017" according to guideline of the Office of the Securities and Exchange Commission. The Company's corporate governance policy consists of 8 principles as follows:

Principle 1 Duty and responsibility of the Company's board of director as the leader of organization who create sustainable value to business

- The Company has clearly defined duty and responsibility of the Company's board of directors. The Company's board of directors has duty to define main objective and target of business, define strategy, policies (e.g. risk management policy, related party transaction policy, dividend payout policy, and anti-corruption policy etc.), as well as allocate resource to allow the Company's personnel to achieve their duties and objectives, including evaluate performance and supervise the Company's operating result report to be appropriate.
- The Company's board of directors has defined policies to align with corporate governance principle to create sustainable value to the Company and promote ethical business that respect rights and being responsible to shareholders and stakeholders which will lead to successfulness of the Company's business, benefit social, and environmentally friendly, as well as being able to adapt under dynamic environment.
- The Company's board of directors will supervise the Company's directors, sub-committees, and executives to perform duty with care, ethical, and responsibility to shareholders and stakeholders, as well as comply to law, objective, article of association, the Company's board of directors resolution, shareholders' meeting resolution, and policies. The Company's board of directors will also impose sufficient mechanism to ensure that the Company's operation will comply with law, objective, article of association, the Company's board of directors resolution, shareholders' meeting resolution, and policies.
- The Company's board of directors understand role, scope of duty and responsibility of the Company's board of directors as well as clearly define scope of duty and responsibility of sub-committee, chief executive officer, and executives, and supervise said person to perform duties as assigned in which the guideline will be set in written. In addition, the Company's board of directors will review such guideline at least once per year to be in line with the Company's direction.



In this regard, the Company's board of directors will supervise the Company to proceed on the following matters:

1. Matter in which the Company's board of directors will perform:
 - 1.1 Define main objective and target of business.
 - 1.2 Create organization culture that adhere to ethical as well as lead by performing as example.
 - 1.3 Oversee structure and action of the Company's board of directors to be appropriate to achieve main objective and target of business efficiently.
 - 1.4 Recruit, develop, determine compensation, and evaluate performance of chief executive officer.
 - 1.5 Specify compensation structure which is mechanism to attract personnel to perform in compliance with main objective and target of the Company.
2. Matter in which the Company's board of directors will jointly perform with management:
 - 2.1 Specify and review strategy, target, and annual budget.
 - 2.2 Supervise the sufficiency of risk management and internal control system.
 - 2.3 Specify appropriate authority with responsibility of management.
 - 2.4 Specify guideline to allocate resource, development, and budget.
 - 2.5 Monitor and evaluate operating result.
 - 2.6 Supervise the disclosure of financial and other information to be reliable.
3. Matter in which the Company's board of directors will supervise by assigning management to perform:
 - 3.1 Perform in accordance with strategy, policy, and plan as approved by the Company's board of directors.

Principle 2 Define main objective and target of the Company for sustainability

- The Company's board of directors emphasizes on defining of main objective and target of the Company's business to allow the Company to grow with society sustainably, create value, and benefit to the Company, customers, suppliers, employees, shareholders, stakeholders, and society. The Company's board of directors will promote the communication as well as main objective and target of the Company to reflect in the decision making and performing process of all personnel to become corporate culture under corporate governance principle.
- The Company's board of directors will supervise the Company's annual budget to align with the Company's main objective and target under the factors and risks which may affect stakeholders and will promote to apply technology and innovation as deemed appropriate.
- The Company's board of directors will supervise the allocation of resource and operation controlling as deemed appropriate and will monitor implementation of annual plan to allow the Company to achieve main objective and target of the Company's business.

Principle 3 Strengthen effectiveness of the Company's board of directors

- The Company's board of directors will review structure of the Company's board of directors with respect to size, composition, and proportion of independent director which is deemed appropriate and necessary for achieving the Company's main objective and target. The Company's board of directors must consist of diversity person that have knowledge and qualification in respect of knowledge, expertise, and experience in relation to business as well as able to benefit the Company. In this regard, at least one-third of the Company's board of directors and not less than

- 3 directors must be independent director. In addition, the Company's independent director must have qualification pursuant to relevant regulations.
- The Company's board of director will appoint appropriate person as the Company's chairman and will supervise to ensure that composition and operation of the Company's board of directors allow directors to make decision independently. If the chairman is not independent director, the Company's board of directors will assign one independent director to participate in determining meeting agenda of the Company's board of directors meeting to promote check and balance between the Company's board of directors and management.
 - The Company's board of directors will supervise directors recruiting process to have transparent and clear to allow the Company to have directors who have qualification per specified guideline.
 - The Company's board of directors will consider compensation structure that is appropriate with responsibility and attract the Company's board of directors to lead the organization to achieve both short-term and long-term goal. In this regard, such compensation structure will be proposed to the shareholders' meeting to consider and approve.
 - The Company's board of directors will supervise the Company's directors to perform duty and allocate sufficient time, and promote the Company's directors to attend all of the Company's board of directors meetings.
 - The Company's board of directors will impose mechanism to supervise policy and operation of subsidiaries and associated companies as deemed appropriate with each entity to align with the Company's business policy.
 - The Company's board of directors have policy to evaluate annual performance of the Company's board of directors and sub-committees, both in form of group and individual. The evaluation result will be used to improve the operation.
 - The Company's board of directors will supervise the Company's directors to have knowledge and understand their role, business characteristic, and laws that are relevant to business, as well as regularly support the Company's directors to enhance their skill and knowledge to perform their duty.
 - The Company's board of directors will supervise to ensure that the operation of the Company's board of directors is smooth and able to access to necessary information, as well as having corporate secretary who have necessary and appropriate knowledge and experience to support the operation of the Company's board of directors.

Principle 4 Recruit and develop top executive and personnel management

- The Company's board of directors will perform to ensure that the recruiting and development process of chief executive officer and top executive is appropriate in order to have personnel who have knowledge, skill, experience, and qualification that is necessary to drive the Company to achieve goal, as well as support the Company's personnel to attend the training session as deemed appropriate to enhance their knowledge and experience in relation to their work, and impose succession plan to allow the Company's operation to operate smoothly.
- The Company's board of directors will supervise compensation structure and performance evaluation to align with duty and responsibility of each personnel and align with the Company's main objective.
- The Company's board of directors will monitor and analyze shareholding structure and relationship which may affect operation of the Company to prevent obstacle that may affect operation of the Company's board of directors and will supervise the disclosure of information that may affect the controlling power of the Company as deemed appropriate.



- The Company's board of directors will monitor human development process to allow personnel to have knowledge, skill, experience, and appropriate motivation.

Principle 5 Promote innovation and business that have responsibility

- The Company's board of directors emphasizes and supports implementation of innovation that create value to business coupled with create benefit to all stakeholders, and responsible to society and environment. The Company's board of directors will promote the operation that create value to the Company under dynamic environment which may be in form of business model and design and development of product and service.
- The Company's board of directors emphasizes on operating business with responsible to society and environment, as well as emphasize on rights of all stakeholders, and will supervise the Company's business to align with said guideline. In this regard, the Company aware of rights of all stakeholders as per following guidelines:
 1. **Shareholders** The Company will operate business with transparency and efficiency under good corporate governance by focusing on creating operating result and sustainable growth to shareholders, as well as disclose information sufficiently and transparently.
 2. **Employees** The Company will treat employees and staffs fairly and respect human rights, as well as comply with relevant laws and standards. The Company will promote the development of human resource to create highest benefit to the Company and promote to work as a team to create flexibility in working, as well as provide appropriate and safe work environment including provide appropriate compensation.
 3. **Customers** The Company focus on deliver product and service that have quality with appropriate price, as well as efficient after sale service. Furthermore, the Company will strictly keep customers' information confidential and will not wrongly use such information for its benefit or other person, and comply with relevant laws.
 4. **Suppliers** The Company has fair procurement process in which the Company will select supplier that meet specified criteria and concern corporate social responsibility to develop business of parties sustainably.
 5. **Creditors** The Company will adhere to comply with conditions that are specified in agreement including repayment of debts and obligations.
 6. **Competitors** The Company focus on operating business transparently and ethically under laws and avoid competing in dishonest way.
 7. **Community, society, and environment** The Company emphasize on community, society, and environment by focusing on deliver product and service that is friendly to community, society, and environment, including promote the employee to aware of responsibility to community, society, and environment.
 8. **Anti-corruption** The Company focus on adhering with criteria and standards that are relating to anti-corruption as well as support the Company's suppliers to comply with said criteria.
- The Company's board of directors will monitor the management to allocate and manage resource efficiently and effectively by concerning on value chain to achieve main objective and target sustainably.
- The Company's board of directors aware of importance of implementation of information technology to manger business by supporting implementation of information technology to develop business in various aspect, e.g., operation, risk management, as well as specifying policy relating to management of information technology to allow the Company to achieve main objective and target.

Principle 6 Ensure on appropriate risk management and internal control system

- The Company's board of directors will supervise to ensure that the Company will have risk management and internal control system that will allow the Company to achieve objective effectively and comply with relevant laws and standards.
- The Company's board of directors will appoint audit committee to assist the Company's board of directors to supervise the Company in various aspects, e.g., financial reporting, internal control, and connected transaction etc. In this regard, audit committee must have qualification in accordance with relevant regulations. The Company's board of directors will ensure that there is internal control audit process to ensure that the Company has internal control process that is efficient and effective.
- The Company's board of directors will monitor and manager conflict of interest which may arise between the Company and management, the Company's board of directors, or shareholders, including prevent wrongly use of assets, information, and opportunities of the Company, as well as entering to transaction with related or connected person with the Company in the inappropriate way.
- The Company's board of directors has clear anti-corruption policy and has communicated with all personnel of the Company and outside person, as well as promote and implant such matter to all employee and perform in accordance with relevant laws and regulations, and impose penalty for person who breach such policy.
- The Company's board of directors has supervised the Company to have mechanism to receive complaint and process in case there is a clue by providing channel to receive complaint on the Company's website.

Principle 7 Maintain reliability of financial and information disclosure

- The Company's board of directors will supervise the Company to have financial reporting system and disclosure of information that is correct, sufficient, in time, and comply with relevant regulations, standards, and guidelines, as well as allocate sufficient personnel to achieve said objective.
- The Company's board of directors will monitor sufficiency of financial liquidity and the Company's ability to repay debt.
- In case the Company face financial problem or tend to face problem, the Company's board of directors will supervise to ensure that the Company has plan to solve problem or has other mechanism to solve financial problem. In this regard, with consideration of rights of stakeholders.
- The Company's board of directors will arrange division or person who responsible on investor relation to perform duty on communication with shareholders, investors, or other stakeholders.
- The Company's board of directors will support and promote on using of information technology to disclose information.

Principle 8 Promote involvement and communication with shareholders

- The Company's board of directors will supervise to ensure that shareholders involve in decision making of the Company's importance matter and will support the shareholders to participate in shareholders' meeting, e.g. propose meeting agenda, propose person to be appointed as the Company's director etc., as well as prepare invitation letter to shareholders' meeting that have sufficient information to make decision and send to shareholders before the meeting date.
- The Company's board of directors will supervise the shareholders' meeting to proceed smoothly, transparently, efficiently, and allow the shareholders to exercise their rights, as well as will arrange relevant personnel to attend meeting to allow the shareholders to ask question.



- The Company's board of directors will supervise the Company to disclose shareholders' meeting resolution and prepare correct and complete shareholders' meeting report. The shareholders' meeting resolution will be disclosed via channel of the Stock Exchange of Thailand on the next business day of the shareholders' meeting date and will disclose shareholders' meeting report on the Company's website.

6.2 Important change and development of policy, practice, and procedure with regard to corporate governance in previous year

In 2022, the Company has amended policy relating to corporate governance and other related policies, e.g., corporate governance policy, risk management policy, and investment in subsidiary and associated company policy etc., so that the Company's corporate governance is in compliance with relevant criteria or guideline, and align with the Company's business, as well as achieve goal and objective sustainably. In this regard, the Company's board of directors meeting no. 2/2022, held on 24 February 2022, resolved to approve such policies and communicated such policies to all personnel of the Company to aware and understand in same direction.



A-88
400w
รถสามล้อไฟฟ้า

มอเตอร์ : 400W , ความเร็ว : 25 กม./ชม.
ระยะทางต่อการชาร์จ : 40-50 km
แบตเตอรี่ : 48V20Ah Lead-Acid
ระยะเวลาการชาร์จ : 4-6 ชม.
ขนาด : 1390 x 750 x 1040 มม.



ajevbike.com AJ EV BIKE AJ EV BIKE มอเตอร์ไซค์ไฟฟ้ามาตรฐานระดับโลก

MINI E-BIKE

Model: S-9
Motor: 350w





กุญแจรีโมท


มอเตอร์ 350 วัตต์


หน้าจอ LED


ประจุแบตเตอรี่ 1 ชม


ประจุแบตเตอรี่ 6 เดือน

Color

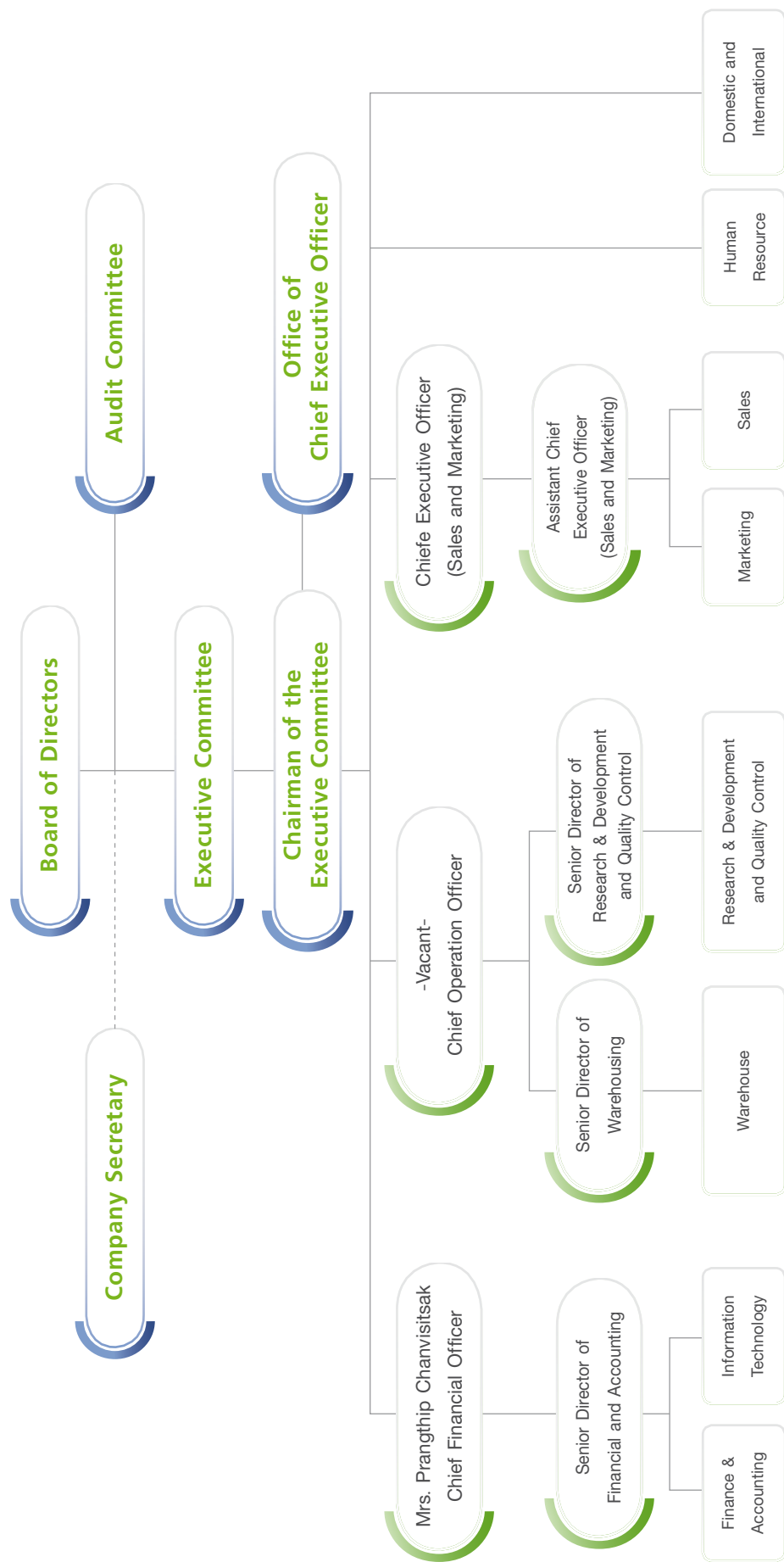


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7. Corporate Governance Structure and Important Information about the Board of Directors, Committees, Executives, Employees, and Others

7.1 Management Structure

Organizational Structure of the Company as of December 31st, 2022



7.2 List of directors

As of 31 December 2022, the Company's board of directors consist of 8 directors as follows:

No.	Name - Surname	Position
1.	M.R. Chirakom Kitiyakara	Chairman
2.	Lt.Gen. Pajongjed Meepin	Independent director / Chairman of audit committee
3.	Mr. Phuvit Panyasit	Independent director / Member of audit committee
4.	Mr. Thapana Boonlar	Independent director / Member of audit committee
5.	Mr. Anake Pattanaslid	Director
6.	Mr. Boonyasit Saengpongphithaya	Director
7.	Mr. Pichai Panjasanka	Director
8.	Mrs. Prangthip Chanvisitsak	Director

Mrs. Prangthip Chanvisitsak is the Company Secretary.

Authorized Director of the Company

Mr. Boonyasit Saengpongphithaya, Mr. Pichai Panjasanka, Mrs. Prangthip Chanvisitsak two of these three directors sign jointly. and seal the company's seal

Composition of the Company's board of directors

The Company's board of directors consists of personnel who have knowledge, skill, and experience, which can benefit the Company. The Company's board of directors is the entity that have important role in determining policy and business plan, while monitor result on quarterly basis. In addition, it also emphasizes on internal control system and internal audit system for the benefit of the Company and shareholders.

Scope of Duties and Responsibilities of the Board of Directors

1. To perform duties pursuant to laws, objectives and articles of association of the Company as well as resolutions of shareholders' meetings with honesty, integrity and to preserve the best interest of the Company.
2. To specify vision, policy and operating direction of the Company and to supervise performance of the management to ensure compliance with the specified policies and work plans effectively and efficiently in order to maximize the economic value of the business and the benefits of the shareholders.
3. To monitor operating results to ensure that they are in accordance with the Company's policies and objectives. Clear indicators must be established to be used as operation guidelines by taking into consideration the possibility and reasonableness. In addition, policies and policy compliance must be reviewed constantly.
4. To attentively consider conflicts of interest and transactions that might have conflicts of interest by specifying clear guidelines for the overall benefits of the Company and the shareholders. A stakeholder in the transaction shall not be involved in the decision-making process. To supervise and to ensure compliance with standard regulations concerning operating procedures and disclosure of information of transactions with potential conflicts of interest correctly, completely and transparently.



5. To specify the authority of approval for undertaking any transactions and operations concerning the Company's business to a group of persons or a person as appropriate and in accordance with relevant laws. This is to be completed in the form of authority manual which must be reviewed at least once a year
6. To establish a reliable accounting system, processing system, financial reporting and auditing as well as to oversee the assessment process on appropriateness of internal control system by assigning an independent person or function to take responsibility for inspection of such systems and those systems must be constantly reviewed.
7. To specify comprehensive risks management policy throughout the organization where the management shall comply with the policies and report to the Board of Directors on continuous basis. To regularly review or assess the efficiency of risk management and every instance of a change in the risk level as well as place an importance on early warning signs and any abnormal transactions.
8. To appoint the sub-committee or any person to oversee, monitor and control operations of the Company in material matters under supervision of the Board of Directors. To assess performance and fix remuneration of such sub-committee or person or assign authority to such sub-committee or person to be within the period of time as the Board of Directors deemed appropriate. The Board of Directors may cancel, revoke, change or revise such authority.
9. The following operational powers shall be exercised only after an approval is obtained from the shareholders' meeting with the provision that any directors or persons with potential conflicts, interests or conflict of interest regarding any transactions with the Company or its subsidiaries shall not be entitled to vote:
 - Any activities requiring an approval from the shareholders' meeting according to the relevant regulations
 - Any transactions that any director may have some interests and in scope that the laws or regulations of the Stock Exchange of Thailand prescribed that it is required to have an approval from the shareholders' meeting first.
 - In addition, for the following cases, the resolution is required to be passed by the majority vote of not less than three-fourths of total votes of director members presenting at the meeting of the Board of Directors and of the shareholders presenting at the meeting and having the voting right:
 - Purchase or accept the transfer of business of other public company or private company.
 - Execute, amend or terminate the agreement relating to lease out in whole or in substantial parts of business of the Company, assign the other person to manage the business of the Company or merge business of the Company with business of the other person, which objective is for profit sharing.
 - Issue new shares to pay to the Company's creditor pursuant to debt to equity conversion project.
 - Decrease the Company's registered capital by decreasing number of shares or decreasing share values.
 - Increase, decrease the capital, issue the debenture, amalgamate or dissolve the Company.
 - Any other issues as per specified by the laws.
10. Furthermore, the chairman will have scope of power, duty, and responsibility in addition to the Company's board of directors as follows:
 - Supervise, monitor, and ensure that the performance of the Company's board of directors is effective and achieve the Company's core objective and goal.
 - Convene the Company's board of directors meeting by assigning corporate secretary to dispatch meeting invitation letter not less than 7 days before the meeting date.
 - Determining agenda in the Company's board of directors meeting by discussing with executives and implement measure to ensure that important matter has been included in meeting agenda.



- The chairman will act as chairman of the Company's board of directors meeting to control the meeting to perform efficiently.
- Encourage the Company's directors to attend shareholders' meeting and act as the chairman in the meeting to control the meeting to perform efficiently.

7.3 The Audit Committee

As of December 31st, 2022, the Audit Committee comprised of

No.	Name - Surname	Position
1.	PL. Gen Pajongjed Meepin	Chairman of the Audit Committee
2.	Dr. Phuvit Panyasit	Audit Committee
3.	Prof. Dr. Thapana Boonlar	Audit Committee

Ms. Arporn Chum-in is a secretary of the Audit Committee

Prof. Dr. Thapana Boonlar is an audit committee who has sufficient knowledge and experience in reviewing the credibility of financial statements. Prof. Dr. Thapana Boonlar graduated with a bachelor's degree in accounting from Krirk University.

Scope of Duties and Responsibilities of the Audit Committee

1. To audit to ensure that the Company has sufficient, accurate and transparent financial reports by coordinating with the external auditors and the Company's executives who are responsible for preparing quarterly and yearly financial reports.
2. To review the Company's internal control and internal audit systems to ensure that they are suitable and effective jointly with the external auditors and internal auditors (if any) and to determine the independence of the internal audit function or any other functions in charge of internal auditing
3. To review operations of the Company to ensure compliance with the laws on securities and exchange, regulations of the Stock Exchange of Thailand and any laws related to the Company's businesses.
4. To select and propose the Company's auditor and to fix his or her remuneration by taking into consideration reliability, adequacy of resource, amount of auditing activities and experiences of such auditor as well as to attend the meeting with the auditor without any participation of the executives at least once a year
5. To consider the connected transactions or transactions which may have conflicts of interest to ensure that they are reasonable, in compliance with the laws and regulations of the Stock Exchange of Thailand and are for the maximum benefits of the Company.
6. To review and ensure that the Company has appropriate and efficient risk management system
7. To prepare a report on the Audit Committee's activities and disclose it in the Company's annual report. Such report must be signed by the Chairman of the Audit Committee and included at least the following recommendations:
 - Recommendation on accuracy, completeness and creditability of the preparation process and information disclosure in the Company's financial report,
 - Recommendation on adequacy of the Company's internal control system,
 - Recommendation on compliance with laws on securities and exchange, the stock exchange's regulations, or other laws related to the Company's business,

- Recommendation on suitability of the auditor,
 - Recommendation on transactions that may cause conflicts of interests,
 - Number of the Audit Committee's meetings and attendance of such meetings by each committee member
 - Overall recommendations or observations that have arisen while the Audit Committee performed its duties in accordance with the Charter, and
 - Other reports which should be made available to the shareholders and general investors within scope of duty and responsibility assigned by the Company's Board of Directors
8. To perform any other tasks as assigned by the Board of Directors according to the opinions of the Audit Committee, for instance, review of financial management policy & risk management, review compliance with business ethics of the management, review material reports jointly with the Company's management which must be presented to the general public as per specified by the law, i.e. executive report and analysis and etc

In order to make the Audit Committee perform the work efficiently, the Audit Committee may seek independent opinions from consultants of various professions, if it deems necessary, at the Company's expense

7.4 Executive Committee

As of December 31st, 2022, the Executive Committee consists of:

No.	Name - Surname	Position
1.	Mr. Pichai Panjasanka	Chairman of the Executive Committee
2.	Mrs. Prangthip Chanvisitsak	Executive Committee
3	Mr. Sayon Suntaros	Executive Committee

with Mrs. Nucharee Methavorn as the secretary of the Executive Committee.

Scope of Duties and Responsibilities of the Executive Committee

1. To control management of the Company to ensure that it is in accordance with the policies specified by the Board of Directors and then report operating results to the Board of Directors.
2. To specify strategies and business plans, budget including management structure so that it can achieve policies and objectives of the Board of Directors, then propose to the Board of Directors for considerations.
3. To specify the authority of approval of each person as appropriate, by segregating duties which may promote corruption, and propose to the Board of Directors or the sub-committee assigned by the Board of Directors for approval. To control and ensure adherence to the approved principles and regulations.
4. To consider organizational structure and manage salary structure, define scope and duty of work, assignment, appointment; transfer, cut or reduce salary; remove; dismiss or impose disciplinary penalty; give reward and consider praiseworthy of the employee.
5. To consider and approve financial transactions with banks or financial institutions to support normal business operations, such as opening or closing of accounts; taking on a loan; granting a loan, providing credit amount, pledge, mortgage, guarantee and other activities including purchase, sell and register of title deed ownership of land for normal business operations in accordance to the authority approved by the Company's Board of Directors.



6. To consider and approve investment and specify investment budget as per specified in the delegation of authority manual.
7. To consider about fund raising to propose to the Company's Board of Directors.
8. To approve appointment of consultants in various fields necessary for business operations.
9. To approve the operating plan of each department of the Company including to approve a request from various departments which beyond power of such department.

However, for authorization of such duty and responsibility of the Executive Committee, the authorized person shall not be empowered to approve any transactions that such person or a person who might have a conflict of interest (meaning of "person who might have a conflict of interest" is as per defined by the notification of the Securities and Exchange Commission), or may have conflicts in any other manners against the benefits of the Company or its subsidiaries. The approval of such foregoing transactions are required to be submitted to the Board of Directors' meeting and/or the shareholders' meeting for considerations and approval pursuant to the Company's articles of association or as per required by relevant laws, except where it is an approval of a normal business transaction of the Company according to the policy and criteria approved by the Board of Directors

7.5 Information relating to corporate secretary

As of 31 December 2022, Mrs. Prangthip Chanvisitsak held position of corporate secretary and have scope of power, duty, and responsibility as follows:

1. Prepare and keep following documents:
 - 1) The Company's director register.
 - 2) Invitation letter to the Company's board of directors meeting, minute of the Company's board of directors meeting, and the Company's annual report.
 - 3) Invitation letter to the shareholders' meeting and minute of shareholders' meeting.
2. Keep stakeholder report prepared by the Company's directors, member of sub-committees, or executives.
3. Proceed any actions as specified by the Capital Market Supervisory Board.
4. Submit copy of stakeholder report pursuant to section 89/14 of Securities and Exchange Act, B.E. 2535 (including amendment) to the Company's chairman of the board and chairman of the audit committee within 7 business days from the date in which the Company receive such report. The Company must ensure that there is system to maintain documents or evidences relating to the information declaration and ensure that the documents will be kept accurate, complete, and can be audited not less than 10 years from the date in which such documents or information are prepared.
5. Provide advice to the Company's board of directors with regard to laws and regulations as well as good corporate governance practice so that the performance of the Company's board of directors is in accordance with relevant laws and regulations.
6. Responsible for coordinating with regulators, e.g., the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand etc., and responsible for disclosing information and information memorandum to regulators in accordance with relevant regulations.
7. Perform any actions as assigned by the Company's board of directors.



7.6 The Management

As of December 31st, 2022, the Company's management consisted of

No.	Name - Surname	Position
1.	Mr. Pichai Panjasanka	Chief Executive Officer
2.	Mrs. Prangthip Chanvisitsak	Chief Financial Officer
3.	Mr. Sayon Suntaros	Assistance of Chief Operating Office (Sales and Marketing)
4.	Ms. Nutchaya Sirariyakul	Senior Director of Marketing
5.	Mr. Supalerk Chumkum	Senior Director of Research and Development and Quality Control

7.7 Directors' and Executives' Remuneration

7.7.1 Directors' Remuneration

Monetary Remuneration

The 2022 Annual General Meeting of Shareholders held on April 28, 2022 resolved to approve the criteria for payment of remuneration to the Board of Directors. and Audit Committee The details are as follows.

Remuneration for the Board of Director

Position	Monthly package* (Baht)	Meeting allowance (Baht/Meeting)
Chairman of the Board	44,000	15,000
Director (Executive)	-	10,000
Director (Non-Executive)	27,500	10,000

Audit Committee	Monthly package* (Baht)	Meeting allowance (Baht/Meeting)
Chairman of the Audit Committee	38,500	15,000
Audit Committee	24,000	10,000

Remark : * In the case of assuming multiple positions, the highest remuneration shall be paid.

Remuneration for the Sub-committee

Every member of the Board of Director Assign to the Chairman of the Executive Committee to allocate the pension from the remuneration remaining at the end of the year to each director by considering the performance and duration of work. when combined with monthly remuneration and meeting allowance, the total remuneration will not exceeding to 5,000,000 Baht.



In the year 2022, the Company paid remuneration to the Board of Directors. and sub-committees, totaling 3.27 million baht, with details as follows:

No.	Name - Surname	Directors		The Audit Committee		Total
		Monthly (million baht)	Meeting allowance (million baht)	Monthly (million baht)	Meeting allowance (million baht)	
1.	M.R. Chirakom Kitiyakara	0.51	0.15	-	-	0.66
2.	Lt.Gen. Pajongjed Meepin	-	0.10	0.45	0.08	0.63
3.	Mr. Phuvit Panyasit	-	0.10	0.32	0.05	0.47
4.	Mr. Thapana Boonlar	-	0.10	0.32	0.05	0.47
5.	Mr. Anake Pattanaslid	0.32	0.10	-	-	0.42
6.	Mr. Boonyasit Saengpongphithaya	0.32	0.10	-	-	0.42
7.	Mr. Pichai Panjasanka	-	0.10	-	-	0.10
8.	Mrs. Prangthip Chanvisitsak	-	0.10	-	-	0.10
	Total	1.15	0.85	1.09	0.18	3.27

Non-monetary Remuneration

- None -

7.7.2 Executives' Remuneration

Monetary compensation

In 2022, the Company paid compensation to 6 executives in the total amount of 9.55 million baht. The executive compensation consists of salary, bonus, commission, social security, and provident fund etc. In this regard, the Company has policy to pay compensation to executive based on scope of duty and responsibility in combining with the Company's overall operating result. The Company's board of directors opines that executive compensation scheme is deemed appropriate and comparable to other operators in industry.

Non-monetary Remuneration

- None -



7.8 Information about employees

As of December 31, 2022, the Company's group has a total of 71 employees (excluding executives), which can be divided by line of work as follows:

No.	Department	Number of employees
1.	Finance	6
2.	Operations	38
3.	Sales and Marketing	21
4.	HR	4
5.	Domestic / Overseas Purchasing Department	2
	Total	71

In 2022, the Company paid compensation to employees (excluding executive) in the total amount of 24.98 million baht. The employee compensation consists of salary, bonus, commission, social security, and provident fund etc. In this regard, the Company has established provident fund pursuant to Provident Fund Act, B.E. 2530 (including amendment). The Company assigned Krungsri Asset Management Company Limited to manage provident fund under name "Ayudhya Master Fund Registered Provident Fund" with objective to attract employees to work with the Company and used as reserved fund for employee in future.

Furthermore, the Company has policy to train and develop personnel to have knowledge, understanding, and expertise, as well as good attitude on the Company and increase productivity for the Company with quality, and ensuring that the Company has personnel that have knowledge and skill that is aligned with vision and goal of the Company with most efficiency.

7.9 Other important information

The person taking the highest responsibility in finance and accounting

Mrs. Prangthip Chanvisitsak by information on educational qualifications and work experience Details are shown in Attachment 1.

Head of Internal Audit

The Company has hired BKIA & IC Company Limited to perform internal audit. Ms. Boonnee Kusolsopit was appointed by BKIA & IC Company Limited to be the head of the Company's internal audit.

Investor Relations

Miss Arporn Chumin

Telephone: 02-451-6888 # 301 E-mail: arporn.c@ajthai.com

Auditor compensation

The 2022 annual general meeting of shareholders held on 28 April 2022, resolved to approve the Company's auditor compensation for the year 2022 in amount of 1.19 million baht, and subsidiary/associated companies in amount of 0.85 million baht, totaling amount of 2.04 million baht. In 2022, the Company and subsidiary/associated paid compensation to auditor for providing audit service on quarterly and annually financial statement of the Company of 2.04 million baht and other compensation, transportation of 0.07million baht and subsidiary 0.03 million baht, totaling amount of 2.14 million baht.



8. Corporate Governance Milestones

8.1 Performance of the Board of Directors in 2022

In 2022, the Company has amended policy relating to corporate governance and other related policies, e.g., corporate governance policy, risk management policy, and investment in subsidiary and associated company policy etc., so that the Company's corporate governance is in compliance with relevant criteria or guideline, and align with the Company's business, as well as achieve goal and objective sustainably. In this regard, the Company's board of directors meeting no.2/2022, held on 24 February 2022, resolved to approve such policies and communicated such policies to all personnel of the Company to aware and understand in same direction.

8.1.1 Nomination, development, and evaluation of performance of the Company's board of directors, sub-committees, and top executives

8.1.1.1 Nomination of the Company's directors, member of sub-committee, and top executives

Nomination of the Company's directors

As the Company does not have a Nomination Committee, the selection and appointment of the Board of Directors shall be made by committees and consideration shall be based on knowledge, capability, experience, vision and credibility. In addition, such candidate must be a qualified person and must not possess prohibited characteristics specified by the laws. The appointment is required to have an approval from the shareholders' meeting. Criteria and method can be summarized as follows:

1. The Company's Board of Directors shall consist of at least 5 directors, who possess qualification pursuant to the laws and not less than one-half of total directors must reside in the kingdom.
2. The selection of the director by the shareholders' meeting shall elect the directors shall be based on majority votes pursuant to the following criteria and methods
 - 2.1 A shareholder shall have a number of votes which is equivalent to the number of shares held by him/her.
 - 2.2 The shareholder shall vote for election of a director individually.
 - 2.3 The persons receiving the highest number of votes in the respective order of the votes shall be elected as directors up to the total number of directors required or to be elected at such time. In the event that a number of persons receive an equal number of votes for the last directorship exceed the number of directors the Company required or to be elected at such time, the chairman of the meeting shall have a casting vote.
3. During every annual general meeting, at least one-third of directors shall retire. If the number of directors is not a multiple of three, then the number of directors closest to one-third shall retire. The directors who shall retire in the first and the second year after the registration of the Company shall be selected by drawing lot, and for subsequently years, the longest serving directors shall be retired. A retired director may be reappointed
4. The directors shall be entitled to receive remunerations from the Company as gratuity, meeting allowance, pension, bonus or any benefits pursuant to the regulations or as per approved by the shareholders' meeting. Such remunerations may be as per an exact amount or as per defined criteria and shall be specified occasionally or it shall be in effect



until further change. Moreover, they shall also receive allowances and fringe benefits pursuant to the Company's regulations without having any impact to the rights of the officers and employees, who have been elected as the committee, with regard to remuneration as part of the committee and benefits as the Company's officer or employee

5. Any director who will resign from directorship position shall submit a resignation letter to the Company and such resignation shall be effective from the date such letter arrives at the Company. The resigned director may inform his or her resignation to the registrar
6. In case of vacancy of director's position due to reasons other than by retirement in due course, the Board of Directors may appoint a person who is qualified and does not possess any prohibited qualifications specified in the Public Limited Act and laws on securities and exchange to be the director in the next Board of Directors' meeting. Except in the case where the remaining term of a director is less than 2 months, then the term of the newly appointed director shall expire at the same time as the director he/she substitutes. The resolution of the Board of Directors under paragraph one shall consist of votes not less than three-fourths of the remaining directors
7. The shareholders' meeting may have a resolution to remove a director prior to the expiration of his or her term with the votes not less than three-fourths of the total votes of shareholders present at the meeting and have the voting right which must have accumulated shares not less than one half of total shares of the shareholders present at the meeting and have the voting right.
8. The committee members shall appoint one of them as the Chairman. In case they deem reasonable, one or more than one member shall be selected as the Vice Chairman/Chairmen

Nomination of independent director

In nomination of person to hold position as independent director, apart from having qualification as per specified, such person must have qualification in accordance with qualification of independent director as specified by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. In this regard, independent director must not less than 3 person and at least one-third of total number of the Company's director.

The Audit Committee/Independent Director

The Board of Directors or the Annual General Meeting of Shareholders is authorized to appoint at least 3 directors to be the Company's Audit Committee by selecting from the members of the Board of Directors. In addition, at least 1 member of the Audit Committee shall have adequate knowledge, understandings and experiences on accounting or finance. Upon the number of the Audit Committee is less than 3, the Board of the Directors or the shareholders' meeting shall appoint other director to replace such vacant position within 3 months from the date the number of Audit Committee is less than 3.

Executive Committee

The Company's Board of Directors is authorized to appoint the Executive Committee which shall not be less than 2 persons, by selecting from the committee members or the employees who possess skill and capability. However, such person must not be the Audit Committee to perform and supervise operations of the Company as per assigned by the Board of Directors on its behalf. The Executive Committee shall directly report to the Board of Directors.



Nomination of top executives

In nomination of top executives, the Company's board of directors will be responsible for screening to nominate qualified personnel. That person must have knowledge, expertise, skill, and experience that is benefit the Company's operation, as well as well understand the Company's business, to drive the Company to achieve objective and goal as specified by the Company's board of directors.

8.1.1.2 Development of the Company's directors, member of sub-committees, and top executives

The Company emphasizes on skill and knowledge the Company's directors, member of sub-committees, and top executives to promote such personnel to have knowledge, expertise, and skill that is appropriate and align with the Company's operation and achieve goal and objective sustainably. The Company's board of directors will encourage the Company's directors, member of sub-committees, and top executives to attend various training seminar that is relating to duty. In 2021, the director and executive has attended training session as follows:

Session name	Objective	Participant
Easy listening	Audit committee members are aware of accounting issues and perspectives on the duties of the audit committee that will be useful in overseeing the accuracy and credibility of listed companies' financial reports.	Lt.Gen. Pajongjed Meepin Dr. Phuvit Panyasit Prof. Dr. Thapana Boonlar
CFO 2023	Executives have learned to be careful tax considerations financial reporting standards with current and future tax calculation standards and ethics of professional accountants.	Mrs. Prangthip Chanvisitsak

8.1.2 Attendance of the Board of Directors' Meeting and sub-committees

8.1.2.1 Board of Directors

In the year 2022, the directors of the company Each of them attended the Board of Directors' meeting. and the shareholders' meeting as follows:

No.	Name	Number of times attending the meeting / Number of times having the right to attend the meeting	
		Board of Directors	Shareholder meeting
1.	M.R. Chirakom Kitiyakara	9 / 9	2 / 2
2.	Lt.Gen. Pajongjed Meepin	9 / 9	2 / 2
3.	Mr. Phuvit Panyasit	9 / 9	2 / 2
4.	Mr. Thapana Boonlar	9 / 9	2 / 2
5.	Mr. Anake Pattanaslid	9 / 9	2 / 2
6.	Mr. Boonyasit Saengpongphithaya	9 / 9	2 / 2
7.	Mr. Pichai Panjasanka	9 / 9	2 / 2
8.	Mrs. Prangthip Chanvisitsak	9 / 9	2 / 2



8.1.2.2 Audit Committee

In the year 2022, each member of the Audit Committee attended the Audit Committee meeting as follows:

No.	Name	Number of times attending the meeting / Number of times having the right to attend the meeting
1.	Lt.Gen. Pajongjed Meepin	5 / 5
2.	Dr. Phuvit Panyasit	5 / 5
3.	Prof. Dr. Thapana Boonlar	5 / 5

8.1.2.3 Executive Committee

In the year 2022, each Executive Committee attended the Executive Committee meeting as follows:

No.	Name	Number of times attending the meeting / Number of times having the right to attend the meeting
1.	Mr. Pichai Panjasanka	8 / 8
2.	Mrs. Prangthip Chanvisitsak	8 / 8
3	Mr. Sayon Suntaros	8 / 8

8.1.3 Supervision of subsidiary and associated company

To allow the Company to supervise operation of subsidiary company as if it was part of the Company and/or effectively supervise operation of associated company. The Company so require that the nomination and exercise of voting rights in appointing person as directors in subsidiary and associated company must get approval from the Company's board of directors. The person who is appointed as director in subsidiary and associated company has duty to perform for the best benefit of such subsidiary or associated company (not the best benefit of the Company). In this regard, such person must receive approval from the Company's board of directors to cast his/her vote on important matter of subsidiary and associated company which is same importance as if it was carried out by the Company. In this regard, sending of representative to be director in subsidiary and associated company shall be in accordance with shareholding proportion of the Company and/or shareholders' agreement of such subsidiary and associated company.

Furthermore, in case of subsidiary company, the Company will require such person, which is appointed by the Company, to ensure that subsidiary company will have article of association with respect to connected transaction, acquisition or disposition transaction, or other important transaction of such subsidiary company, and in accordance with criteria of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand, as well as apply similar criteria of the Company relating to disclosure of information and entering into transaction, including ensure that there is mechanism to keep information and accounting record so that the Company can audit and collect information to prepare consolidated financial statement in accordance with criteria of the Stock Exchange of Thailand.

8.1.4 Monitoring to ensure compliance of corporate governance policy and practice

In 2022, the Company's board of directors supervised the Company's directors, member of sub-committees, executives, and employees of the Company and subsidiary to comply with matters in relation to corporate governance, e.g., staff care, fair competition, and environment care etc., as well as 4 important matters relating to corporate governance as follows:



Prevent conflict of interest

The Company has set policy that the Company's board of directors, member of sub-committees, executives, and employees of the Company and subsidiary to perform their duty for the best benefit of the Company. In case person who has interest or relation to the transaction to be considered or approved, such person must not participate in consideration or approval of such transaction. In previous year, the Company does not have significant matter with respect to conflict of interest.

Use insider information to exploit benefit

The Company has set policy to supervise the Company's directors, sub-committees, executives, and employees on using of the Company's insider information which has not been disclosed to public to exploit personal interest, including trading of securities as follows:

- Provide knowledge to the Company's directors and executives with regard to duty to disclose their securities holding, as well as their spouse and underage child securities holding, to the Office of the Securities and Exchange Commission pursuant to section 59 and penalty pursuant to section 275 of the Securities and Exchange Act, B.E.2535.
- The Company has informed executives to report on change in securities holding to the Office of the Securities and Exchange Commission pursuant to section 59 of the Securities and Exchange Act, B.E.2535. The Company also requires executives to submit copy of such documents to the Company on the same date of submission to the Office of the Securities and Exchange Commission.
- The Company prohibit the Company's board of directors, sub-committees, executives, or staffs who perceive insider information to disclose such information to outside party or person who does not have relevant duty, and should refrain from trading shares of the Company for the period of 30 days prior the disclosure of the Company's financial statement, status, other important information, and should wait at least 24 hours after disclosure of information to public before trading the Company's shares.

Furthermore, the Company also set penalty for person who exploit benefit from using the Company's insider information or disclose which may cause damage to the Company. The penalty measure will be considered case by case, e.g., warning by verbal, warning in letter, probation, as well as termination of employment etc. In 2022, the Company did not find any case in which the Company's personnel using insider information to exploit benefit.

Anti-corruption

The Company commits to operate business with honesty, integrity, transparency, and responsible for society and all stakeholders. The Company so adheres good governance, code of conduct, and ethics in operating business. In addition, the Company has intention to resist against corruption in which the Company has set anti-corruption policy and set appropriate system to monitor so that the Company's directors, member of sub-committees, executives, and employees of the Company and subsidiary can adhere and strictly perform in accordance with this policy and practice. The guideline is as follows:

1. Prohibit the Company's directors, member of sub-committees, executives, and employees of the Company and subsidiary to accept all form of corruption even directly or indirectly. This will cover all relevant function and there will be a procedure to review the implementation of anti-corruption policy regularly.



2. The Company's directors, member of sub-committees, executives, and employees of the Company and subsidiary have duty to report to the Company with respect to any actions that are considered as corruption and related to the Company by reporting to the supervisor or responsible person, and such reporting person will be cooperate on investigation of such matter.
3. The Company will provide fairness and protect person who report corruption matter as well as person who cooperate in reporting and investigating of matter relating to corruption.
4. The Company's board of directors and management has duty to act as role model in anti-corruption to employees of the Company and subsidiary, and has duty to promote and support anti-corruption policy, as well as review appropriateness of policies and measures to align with change of business conditions, regulations, and laws.
5. Person who conduct corruption will be punished as per policy of Company and may be punished by law if such action violate law. The Company's board of directors will have power to consider and punish the employees of the Company and subsidiary who offend or not comply with regulations specified by the Company.
6. The Company will arrange training session to provide knowledge on compliance with anti-corruption policy to the Company's directors, member of sub-committees, executives, and employees of the Company and subsidiary as well as promote such personnel to have moral, honesty, and responsibility on their duty.
7. The Company support counterparty, supplier, or any person relating to the Company to report any action that violate the Company's anti-corruption policy.
8. The Company has policy to recruit and select personnel, promotion, training, evaluation of performance, and specify compensation scheme of employees of the Company and subsidiary fairly to prevent corruption inside organization, as well as being collateral for employees of the Company and subsidiary.
9. The Company will arrange whistleblowing channel to receive information, clue, or complaint with respect to corruption, and submit such information to the audit committee to consider. In this regard, the Company will keep information of informer confidently.

In 2022, the Company did not find any case relating to corruption and did not receive information, clue, or complaint with respect to corruption.

Whistleblowing

The Company has arranged whistleblowing channel to receive clue and complaint with respect to corruption and violation of corporate governance policy on the Company's website. In this regard, the audit committee who is independent from executives will be person who consider such clue and complaint. In 2022, the Company did not receive clue and complaint with respect to corruption and violation of corporate governance policy.

8.2 Summary of the audit committee performance in previous year

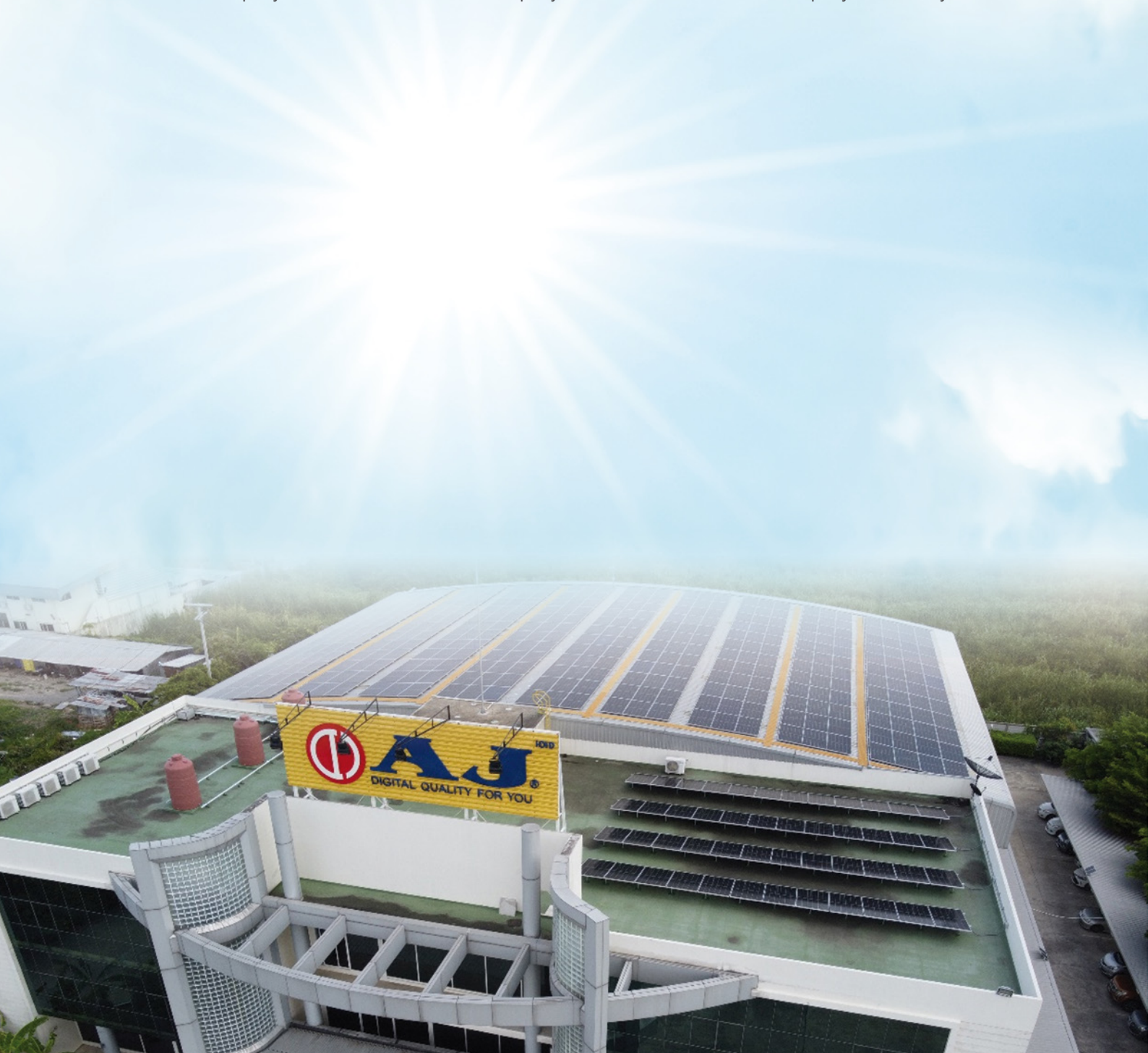
In 2022, the audit committee performed duties as assigned by the Company's board of directors, including reviewing the Company's financial statement, reviewing internal control system, providing opinion of related party transaction, and attending meeting with auditor without management team etc. In this regard, the audit committee opined that the Company's financial statement properly reflected



financial position and operating performance of the Company and was in accordance with relevant financial reporting standard, the Company's internal control system was sufficient to prevent potential risk, and the Company's related party transaction was in accordance with normal business term and benefit to the Company.

8.3 Summary of the executive committee performance in previous year

In 2022, the executive committee performed duties as assigned by the Company's board of directors, including exploring business opportunities by focusing on business management to achieve main goal of the Company to create return to the Company and shareholders of the Company sustainably.



9. Internal Control and Related Party Transactions

9.1 Internal control

9.1.1 Opinion of the Company's board of directors on internal control system

The Company's board of directors has considered sufficiency of the Company's internal control system pursuant to internal control system sufficiency evaluation from of the Office of the Securities and Exchange Commission by inquiring executives on 5 perspectives as follows:

1. Control environment
2. Risk assessment
3. Control activity
4. Information and communication
5. Monitoring activity

The Company's board of directors opines that the Company has sufficient and appropriate internal control system in all aspects and effectively, and comply with acceptable financial reporting standard, notification of the Office of the Securities and Exchange Commission, and regulation of the Stock Exchange of Thailand in reporting of quarterly and annually financial statement of the Company. The Company also has procedure to prepare and disclose financial information, which is accurate, complete, sufficient, and timely, and has internal control system, which is sufficient, appropriate, and improve to align with situation, which is changing, efficiently. This is to allow the Company to achieve specified objective and comply with relevant laws and regulations. In this regard, there is no significant issues or defects which may cause damage to the Company's operation. In addition, the internal control system on transaction with major shareholder, director, executive, and person relating to such person, can protect the Company's assets from wrongly use by executives. In this regard, independent director and audit committee does not have opinion that is differed from the Company's board of directors.

The Company has policy to hire outsource internal audit, in which the Company has appoint BKIA and IC Company Limited (the "Internal Auditor") as internal audit for the year 2022 to review and assess the Company's internal control system, and provide recommendation on appropriate internal control system, by applying internal control system guideline pursuant to concept of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), consisting of (1) control environment, (2) risk assessment, (3) control activity, (4) information and communication, and (5) monitoring and evaluation. In this regard, audit committee has approved internal control assessment result for the year 2022 no. 1 to no. 4 of the Company in accordance with audit plan, consisting of (1) Data and information system control (2) Product quality control and product management control (3) product sales and payment control (4) asset control and safety The risk issues that have been detected, for example: (1) Request form for the use of computer systems and company assets Lack of proper control. (2) Procedures for controlling the issue of EV Bike goods for sale must adjust the operating manual in accordance with the actual practice. This is because a step has been added where the sales department must confirm the SERIES (tank identification number) with the warehouse department before they can issue a sales order (SO). In this regard, the Company has improved all issues in accordance with recommendation of internal audit.



In this regard, Karin Audit Company Limited, the Company's auditor, has reviewed and assessed control on accounting system of the Company and subsidiary, and not find any material defects which may significantly affect opinion of the auditor on the financial statement of the Company and subsidiary for the fiscal year ended 31 December 2022. The audit committee also have opinion similar to auditor that the Company's internal control system is sufficient and appropriate for the Company's business and able to prevent executives to use the Company's assets wrongly or without authority. In the Company's board of directors meeting no.2/2023, held on 9 March 2023, the Company's board of directors have acknowledged opinion of audit committee with regard to sufficiency of the Company's internal control system.

According to annual internal audit plan, internal audit will assess and review potential risk, review sufficiency and effectiveness of internal control system, and report defect in internal control system, which is material or non-compliance, as well as guideline for improvement to the executives. The internal audit will continuously monitor to ensure that the executives have improved as per recommendation of internal audit. In this regard, the audit committee will be reported on progress of improvement of internal control system on quarterly basis.

9.1.2 Opinion of audit committee on head of internal audit

In the audit committee meeting no.2/2023, held on 9 March 2023, the audit committee has approved appointment of BKIA and IC Company Limited as the Company's internal audit for the year 2023, and the Company's board of directors meeting no.2/2023, held on 9 March 2023, resolved to approve appointment of BKIA and IC Company Limited as the Company's internal audit for the year 2023. In this regard, BKIA and IC Company Limited has assigned Ms.Boonee Kusolsopit as the operation controller. The details regarding education and work experience of Ms.Boonee Kusolsopit appeared in attachment 3. The audit committee opines that Ms.Boonee Kusolsopit has qualification to perform her duty in reviewing and assessing the Company's internal control system effectively by considering education and work experience. In addition, Ms.Boonee Kusolsopit holds CPIAT license issued by Institute of Internal Auditors (Thailand), and does not have any relationship with the Company so she can perform her duty independently and neutrally.

9.1.3 Appointment, removal, and transfer of head of internal audit

According to scope of power, duty, and responsibility of the audit committee as approved by the Company's board of directors, the audit committee has scope of power, duty, and responsibility in considering independence of internal audit department as well as approve the appointment, removal, or transfer of head of internal audit department or other department who have responsibility on internal audit.

9.2 Related party transaction

9.2.1 Summary of relationship of individual and juristic person who may have conflict of interest

In 2020, 2021, and 2022, the Group does not have related party transaction with individual and juristic person who may have conflict of interest.

9.2.2 Related party transaction policy

If there is related party transaction between the Company and person who have interest or may have conflict of interest in future, e.g., major shareholder, the Company's director, executive, controlling person, or related person. The Company will comply with securities and exchange law, regulation, notification, and instruction of the Capital Market Supervisory Board, the Office of the Securities and



Exchange Commission, and the Stock Exchange of Thailand. The person who have interest will not be able to participate in such matter. In this regard, in entering into the transaction, the Company will concern on the best benefit of the Company and all shareholders. In addition, such transaction will not cause the transfer of benefit among the Company and person who may have conflict of interest. In case the relevant law require such related party transaction to get approval from the Company's board of directors meeting and/or shareholders' meeting, the Company will convene audit committee meeting to consider and provide opinion on necessity and reasonableness of such transaction.

In entering into transaction which have general business condition and does not have general business condition will be in accordance with following principle:

Transaction which have general business condition

The Company's board of directors will have power to define the concept in which the executives can approve transaction with general business condition between the Company and the Company's directors, executives, or related person. In this regard, the general business condition must be transaction that meet one of the following characteristics:

1. Transaction in which the commercial term is similar to condition in which normal person will agree with counterparty under similar situation and bargaining power without influence from his/her status as directors, executives, or related person (as the case may be), which include transaction that meet one of the following characteristics:
 - 1.1 Transaction in which the Company normally do with other parties (who is not the Company's directors, executives, or related person), and the products or services have standard characteristic and price. If comparing with transaction in which the Company do with other party and transaction in which the Company do with the Company's directors, executives, or related person, it has same price, conditions, or other agreements.
 - 1.2 Transaction in which the Company only do with the Company's directors, executives, or related person, but the products or services have standard characteristic and price, and there are many buyers and sellers in the market. The Company can seek information on standard characteristic and price in market to compare with the transaction in which the Company do with the Company's directors, executives, or related person. And, if comparing such transactions, it has same price, conditions, or other agreements.
 - 1.3 Transaction in which the Company only do with the Company's directors, executives, or related person, and the products or services have unique characteristic or made to order. So, it is not comparable in term of price, but the Company can demonstrate that gross profit in which the Company will receive from transaction is not differed from doing with other party or the gross profit in which the Company's directors, executives, or related person will receive from transaction is not differed from doing with other party, and the conditions or agreements are not differed.

In this regard, above transaction must be normal business transaction or normal business supporting transaction of the Company.

2. Lending to employees per specified policy.



3. Transaction in which party or both parties have status as follows:
 - 3.1 The subsidiary in which the Company holds shares not less than amount specified by securities and exchange law; or
 - 3.2 The subsidiary in which the Company's directors, executives, or related person hold shares or having directly or indirectly interest not exceeding amount, proportion, or characteristic as specified by the Capital Market Supervisory Board.
4. Transaction which has type or value not exceeding amount or proportion as specified by the Capital Market Supervisory Board.

In this regard, the management will prepare summary of transactions to report to audit committee meeting and the Company's board of directors meeting on quarterly basis.

Transaction which does not have general business condition

In order to enter into transaction which does not have general business condition, it will be considered and approved by the audit committee before proposing to the Company's board of directors and/or shareholders' meeting (as the case may be) to approve. In this regard, the audit committee must perform in accordance with securities and exchange law, including regulations, notifications, and instructions of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, as well as comply with regulation with regard to disclosure of information on connected transaction.

In case the audit committee does not have expertise to provide opinion on related transaction, the Company will appoint independent expert or auditor to provide opinion on such related party transaction so that the audit committee and/or the Company's board of directors and/or shareholders' meeting (as the case may be) use as information to make decision and to ensure that such transaction is necessity and reasonableness by concerning benefit of the Company. In this regard, the Company will disclose related party transaction in note to financial statement, which will be audited or reviewed by the Company's auditor, annual registration statement, and annual report.

9.2.3 Trend of related party transaction

The Company expects that in future, the Company may still have transaction with individual and juristic person who may have conflict of interest as such transaction may be the transaction that occur in accordance with necessity and benefit to the Company. In this regard, the Company will comply with securities and exchange law, regulations, notifications, and instructions of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand.





Section 3

Financial Statements



AJ ADVANCE TECHNOLOGY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
DECEMBER 31, 2022
AND INDEPENDENT AUDITOR'S REPORT**



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of AJ Advance Technology Public Company Limited.

Opinion

I have audited the financial statements of AJ Advance Technology Public Company Limited and its subsidiaries (the Group), which comprise the consolidated and separate statements of financial position as at December 31, 2022, the consolidated and separate statements of comprehensive income, changes in shareholders' equity, cash flows for the year ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of AJ Advance Technology Public Company Limited and its subsidiaries as at December 31, 2022, their financial performance and cash flows for the year ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Inventories

Risk

As described in Note 8 to the financial statements, the Company's inventories are technology and electronic products. It has changed rapidly and continuously, including the needs of consumers are changing rapidly as well. the Group is exposed to the risk that inventories may exceed net realizable value, including the risk of obsolete products. the Group considers estimates for diminution in value and obsolete inventories based on management estimates, which has used discretion in estimating. I consider the matter to be important. Therefore, the matter is considered as an important matter in the investigation.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are summarized as follows:

- To understand the policies and methods that the Group's management uses to estimate declines in inventory values.
- To test of the reasonableness of obsolete goods estimates calculation method and assess the reasonableness of the product life report, by sampling items from the inventory aging report to consider that the inventory was properly classified in each age group or not.
- To sampling for test the net realizable value of the inventories, by subsequent sales documents that there are sale at a price lower than the cost or not to assess the estimation and decisions of the management about an appropriate and adequate estimate of the decrease in inventory value or not.
- To consider the sufficient of the historical declining value of inventories to appropriately assess of the assumptions that used in the current and assess the reasonableness of the assumptions that the management used to consider long outstanding products, selling at a lower cost and future operation plans to determine the appropriateness of the estimation of declining inventories.
- To evaluate the sufficiency of disclosure of the Company's Group that accordance with Thai Financial Reporting Standards.



Other current financial assets

Risk

As described in Note 9 to the financial statements, the Company has investments in a foreign private fund. Which is measured at cost less impairment losses. As at December 31, 2022, such investment has a cost of Baht 296.76 million and record allowance for the remainder of the whole amount. The investment is funded by an overseas fund management company and an overseas trustee as the trustee. On June 5, 2020, the company received a letter from an overseas fund stating that Experiencing a temporary suspension due to the major holding in the fund has been suspended from trading. From such an event, the company is exposed to risks in the measurement of investments in such foreign private funds.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are summarized as follows:

- Have examined the documents from the foreign private fund that sent to the Company.
- Have inquiries in writing to the foreign private fund manager. To ask for more details of the reason for the suspension of trading.
- It has examined the source of the response from an overseas private fund manager.
- Has sent a letter confirming the balance. To inquire the remaining investment units at the year end and the value of the investment units that is the right of the company. Which specifies the value of the investment units equal to the recent measure.
- Have searched for information on unit price via website and found that the unit price has not changed since the date of the actual trading suspension.
- In this regard, the license of private fund managers in foreign countries has been verified. It remains in effect as a licensed foreign fund manager until the reporting date.
- Have read the minutes of the meeting. Both before and after the end of the reporting period to monitor the progress of the aforementioned matters.
- Have re-confirmed the progress from the foreign private fund manager near the date of financial statement approval to assess situations that may be changed.
- Asked the management about the possibility that the fund could be traded again, until considering the uncertainty that will occur in the future And record the remaining allowance in full amount at the year end



Investments in subsidiaries

Risk

As described in Note 12 to the financial statements, the Company have an indication of the impairment of investments in certain subsidiaries. Due to the actual operating results were lower than the estimates by the management. Affects revaluation of the expected future cash flows discounted to their present value. The information has been prepared using the management's judgment, which effects to the impairment of investment recording of subsidiaries. I consider of judgement is significant to take this as the key audit matter.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are summarized as follows:

- Compare the recoverable amount with the investment at the end of the accounting period. According to the adjusted net book value method or method for estimating the expected future cash flows discounted to present value, whichever is higher.
- Reviewed the reasonableness of the management assumptions to estimate future cash flows that are discounted to present value.
- Reading the minutes of the meeting about estimate discount of cash flow to be received and review the reasonableness of the estimates provided by the management.
- Review the operating results after the year end and management review the estimation close to actual data occurred.
- Performed calculation test for determine the value of impairment recording of assets invested in subsidiaries.



Intangible assets

Risk

As described in Note 17 to the financial statements, the Group has risk to cryptocurrency holdings. As at December 31, 2022, has a cost of Baht 74.94 million and allowance for impairment loss of Baht 40.48 million. (Record loss in amount Baht 40.48 million in consolidated statements of comprehensive income for the year). Due to cryptocurrency have high fluctuation included during the year, have news that often affect to confidence in cryptocurrency. Both about the weaknesses of the system that may be intervened and attacked, Affect the cryptocurrency price. Greatly reduced to the lack of credibility, or it may be caused by the security of the investor's asset maintenance system. Including digital currency holders use such money as collateral for loans. Which causes problems lack of liquidity when currency dropped significantly. Various factors can have both direct and indirect effects on cryptocurrency asset holders. Significant devaluation during the year affect to the amount was significantly reduced. I consider of judgement is significant to take this as the key audit matter.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are summarized as follows:

- I understand to acquisition cryptocurrency asset of the Group. Earned by mining digital and obtained by investing in buying cryptocurrencies. Including understanding the control system whether it is safe enough for the storage of digital currency assets or not.
- I have additionally considered the internal control system. To control both the increase and decrease of the company's internal digital assets whether it is appropriate enough or not
- I have considered account that holding digital currency is under the name of the group or not
- I have audited the existence of digital currency as the year ended to see if the company actually holds them.
- I have considered measure valuation of digital currency as the year ended under appropriately observable market prices. (Level 2 fair value)



Other matters

The consolidated statement of financial position of AJ Advance Technology Public Company Limited and its subsidiaries and the statement of financial position of AJ Advance Technology Public Company Limited as at December 31, 2021, which is presented as comparative information, audited by other auditor in my firm, expressed an unqualified opinion, report dated February 24, 2022.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to 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 Thai Financial Reporting Standards, 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 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 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

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

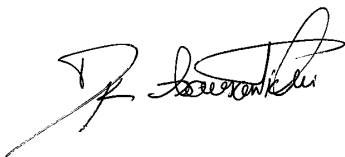
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group 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 and separate financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.



I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Pojana Asavasontichai



(Mr. Pojana Asavasontichai)

Certified Public Accountant

Registration No. 4891

Karin Audit Company Limited

Bangkok, Thailand.

February 24, 2023



AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Financial Position

As at December 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		As at	As at	As at	As at
		December 31,	December 31,	December 31,	December 31,
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	6	36,953,856	250,721,780	23,339,997	227,107,111
Trade and other current receivables	7	86,626,270	75,405,550	47,744,588	50,257,871
Short-term loans to related parties	5	-	-	28,011,190	15,671,190
Inventories	8	96,483,150	112,676,222	64,837,837	89,132,309
Right of return products		71,723	7,707,291	71,723	7,707,291
Current tax assets		1,404,415	934,317	152,063	91,568
Other current financial assets	9	-	25,916,984	-	25,916,984
Other current assets		23,482,608	17,716,898	15,112,583	16,349,103
Total current assets		245,022,022	491,079,042	179,269,981	432,233,427
Non-current assets					
Other non-current financial assets	9	4,935,000	2,292,000	3,460,000	1,462,000
Investments in associates	11	-	964,813	-	953,366
Investments in joint ventures	11	-	2,601,628	-	2,416,899
Investments in subsidiaries	12	-	-	83,024,173	85,729,595
Trade and other non-current receivables		1,000,044	3,182,625	-	-
Property, plant and equipment	13	569,767,190	428,103,843	563,639,407	406,171,330
Right-of-use assets	14	30,824,117	882,587	-	-
Contract cost assets	15	40,845,959	51,208,107	-	-
Goodwill		30,457,602	30,457,602	-	-
Other intangible assets other than goodwill	16	11,828,592	13,867,586	279,977	387,183
Cryptocurrency assets	17	34,457,763	96,541	29,143,682	-
Deferred tax assets	29	6,830,133	5,316,927	-	-
Other non-current assets		6,158,754	5,548,665	1,013,102	1,712,977
Total non-current assets		737,105,154	544,522,924	680,560,341	498,833,350
Total assets		982,127,176	1,035,601,966	859,830,322	931,066,777

The accompanying notes are an integral part of the financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Financial Position (Cont.)

As at December 31, 2022

		(Unit : Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		As at	As at	As at	As at
		December 31,	December 31,	December 31,	December 31,
Notes		2022	2021	2022	2021
Liabilities and equity					
Current liabilities					
Trade and other current payables	18	48,753,199	72,248,006	29,099,040	51,245,300
Current portion of lease liabilities	19	7,965,397	528,903	-	-
Income tax payable		-	544,569	-	-
Current provisions for employee benefit	22	556,647	6,569,296	556,647	6,569,296
Other current provisions		7,627,917	19,195,921	7,627,917	19,195,921
Other current liabilities		419,318	770,959	90,360	36,500
Total current liabilities		65,322,478	99,857,654	37,373,964	77,047,017
Non-current liabilities					
Other non-current financial liabilities	19	22,019,157	-	-	-
Contract liabilities-Non-current	20	63,406,629	76,291,351	-	-
Debentures	21	-	35,295,162	-	35,295,162
Deferred tax liabilities	29	42,321,928	42,321,928	37,826,110	37,826,110
Non-current provisions for employee benefit	22	4,783,514	4,306,985	3,454,183	3,422,722
Other non-current liabilities		505,418	505,418	505,418	505,418
Total non-current liabilities		133,036,646	158,720,844	41,785,711	77,049,412
Total liabilities		198,359,124	258,578,498	79,159,675	154,096,429

The accompanying notes are an integral part of the financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Financial Position (Cont.)

As at December 31, 2022

		(Unit : Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		As at	As at	As at	As at
		December 31,	December 31,	December 31,	December 31,
		2022	2021	2022	2021
Notes					
Liabilities and equity (Cont.)					
Equity					
Share capital:					
Authorised share capital					
7,679,745,335 Ordinary shares					
with par value of Baht 0.10 each					
(As at 2021 : 6,238,154,776 Ordinary shares					
with par value of Baht 0.10 each)					
23		767,974,533	623,815,478	767,974,533	623,815,478
Issued and paid-up share capital					
5,310,868,406 Ordinary shares					
with par value of Baht 0.10 each					
23		531,086,842		531,086,842	
4,750,168,337 Ordinary shares					
with par value of Baht 0.10 each					
			475,016,834		475,016,834
	Premium on ordinary shares	930,381,409	824,732,652	930,381,409	824,732,652
Retained earnings (deficit)					
Appropriated - Legal reserve					
		20,900,000	20,900,000	20,900,000	20,900,000
Unappropriated					
		(887,911,740)	(742,448,388)	(857,238,115)	(707,325,566)
21	Convertible options	-	1,713,057	-	1,713,057
	Cash advance received for shares	-	6,392,860	-	6,392,860
	Other components of equity	182,885,038	182,885,038	155,540,511	155,540,511
	Total equity attributable to owners of the parent	777,341,549	769,192,053	780,670,647	776,970,348
	Non-controlling interests	6,426,503	7,831,415	-	-
	Total equity	783,768,052	777,023,468	780,670,647	776,970,348
	Total liabilities and equity	982,127,176	1,035,601,966	859,830,322	931,066,777

The accompanying notes are an integral part of the financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Comprehensive Income

For the year ended December 31, 2022

		(Unit : Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2022	2021	2022	2021
Income					
Revenue from sales of goods		224,652,897	220,767,737	149,702,606	199,068,085
Revenue from rendering of services		96,347,122	71,979,166	26,371,368	1,826,374
Other income	25	28,486,693	16,012,327	23,652,271	10,277,536
Total income		349,486,712	308,759,230	199,726,245	211,171,995
Expenses					
Cost of sales		188,884,422	217,643,848	142,203,479	197,795,616
Cost of rendering services		55,082,755	48,969,929	-	-
Distribution costs	26	43,570,949	61,733,710	23,696,595	47,469,593
Administrative expenses		207,045,136	124,448,941	179,994,449	99,853,809
Impairment losses on investment in associates and joint ventures		-	-	953,366	3,937,176
Impairment losses on investment in subsidiaries		-	-	2,705,422	945,030
Finance costs		1,982,189	993,081	85,483	371,287
Total expenses		496,565,451	453,789,509	349,638,794	350,372,511
Share of profit (loss) from investments in associates and joint ventures		(1,149,541)	(4,856,739)	-	-
Profit (loss) before income tax expense		(148,228,280)	(149,887,018)	(149,912,549)	(139,200,516)
Tax income (expense)	29	1,360,016	(378,153)	-	-
Profit (loss) for the year		(146,868,264)	(150,265,171)	(149,912,549)	(139,200,516)
Discontinued operation					
Profit (loss) for the year from discontinued operation - Net of tax	10	-	(1,326,189)	-	-
Profit (loss) for the year		(146,868,264)	(151,591,360)	(149,912,549)	(139,200,516)
Items that will not be reclassified to profit or loss					
Gains on re-measurements of defined benefit plans	22	-	3,180,223	-	2,793,843
Total items that will not be reclassified to profit or loss		-	3,180,223	-	2,793,843
Total comprehensive income (expense) for the year		(146,868,264)	(148,411,137)	(149,912,549)	(136,406,673)

The accompanying notes are an integral part of the financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Comprehensive Income (Cont.)

For the year ended December 31, 2022

		(Unit : Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2022	2021	2022	2021
Profit (loss) attributable to:					
Owners of the parent					
	Profit (loss) for the year from continuing operations	(145,463,352)	(151,338,321)	(149,912,549)	(139,200,516)
	Profit (loss) for the year from discontinued operations	-	(676,356)	-	-
	Profit (loss) for the year attributable to equity holders of the Company	(145,463,352)	(152,014,677)	(149,912,549)	(139,200,516)
Non-controlling interests					
	Profit (loss) for the year from continuing operations	(1,404,912)	1,073,150	-	-
	Profit (loss) for the year from discontinued operations	-	(649,833)	-	-
	Profit (loss) for the year attributable to non-controlling interests	(1,404,912)	423,317	-	-
	Profit (loss) for the year	(146,868,264)	(151,591,360)	(149,912,549)	(139,200,516)
Total comprehensive income (expense) attributable to:					
Owners of the parent					
	Profit (loss) for the year from continuing operations	(145,463,352)	(148,158,098)	(149,912,549)	(136,406,673)
10	Profit (loss) for the year from discontinued operations	-	(676,356)	-	-
	Profit (loss) for the year attributable to equity holders of the Company	(145,463,352)	(148,834,454)	(149,912,549)	(136,406,673)
Non-controlling interest					
	Profit (loss) for the year from continuing operations	(1,404,912)	1,073,150	-	-
10	Profit (loss) for the year from discontinued operations	-	(649,833)	-	-
	Profit (loss) for the year attributable to non-controlling interests	(1,404,912)	423,317	-	-
	Total comprehensive income (expense) for the year	(146,868,264)	(148,411,137)	(149,912,549)	(136,406,673)
Basic earnings (loss) per share of the parent company shareholders					
	Basic earnings (loss) per share (Baht : Share)	(0.028)	(0.035)	(0.029)	(0.032)
	Basic earnings (loss) per share from continuing operations (Baht : Share)	(0.028)	(0.035)	(0.029)	(0.032)
	Weighted average number of ordinary shares (Basic)(Shares)	5,184,104,642	4,357,968,557	5,184,104,642	4,357,968,557
	Diluted earnings (loss) per share (Baht : Share)	(0.027)	(0.033)	(0.028)	(0.030)
	Weighted average number of ordinary shares (Diluted)(Shares)	5,307,050,812	4,586,906,043	5,307,050,812	4,586,906,043

The accompanying notes are an integral part of the financial statements.





AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Changes in Equity

For the year ended December 31, 2022

(Unit : Baht)

Consolidated financial statements															
	Notes	Retained earnings (deficit)			Other components of equity								Equity attributable to owners of the parent	Non-controlling interests	Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Appropriated - Legal reserve	Cash advance received for shares	Difference from change in estimate of actuary	Land revaluation surplus	Surplus from business combination under common control	Surplus on change in shareholding in subsidiary	Total other components of equity					
Balance at January 1, 2021		424,029,474	649,893,744	20,900,000	-	-	155,540,511	27,321,019	-	182,861,530	684,070,814	11,379,730	695,450,544		
Ordinary shares increase (decrease)		50,987,360	174,838,908	-	-	-	-	-	-	-	225,826,268	-	225,826,268		
Ordinary shares increase (decrease) - subsidiary		-	-	-	-	-	-	-	-	-	-	9,800,000	9,800,000		
Comprehensive income (expense) for the year		-	-	-	-	3,180,223	-	-	-	3,180,223	(148,834,454)	423,317	(148,411,137)		
Convertible options		-	-	-	-	1,713,057	-	-	-	-	1,713,057	-	1,713,057		
Other		-	-	-	-	-	6,392,860	-	-	-	6,392,860	-	6,392,860		
Transfer to retained earnings (deficit)		-	-	-	-	(3,180,223)	-	-	-	(3,180,223)	-	-	-		
Changes in ownership interests of controlling interests															
without a change in control	12	-	-	-	-	-	-	-	23,508	23,508	23,508	(4,649,083)	(4,625,575)		
Loss of non-controlling interests due to a change in control	10	-	-	-	-	-	-	-	-	-	-	(9,122,549)	(9,122,549)		
Balance at December 31, 2021		475,016,834	824,732,652	20,900,000	-	-	155,540,511	27,321,019	23,508	182,885,038	769,192,053	7,831,415	777,023,468		
Ordinary shares increase (decrease)	23	50,417,259	101,813,118	-	-	-	-	-	-	-	152,230,377	-	152,230,377		
Comprehensive income (expense) for the year		-	-	-	-	-	-	-	-	-	(145,463,352)	(1,404,912)	(146,868,264)		
Convertible options	21	1,713,057	-	-	-	(1,713,057)	-	-	-	-	-	-	-		
Other - Advance received for shares registered	23	3,939,692	3,835,639	-	-	-	(7,775,331)	-	-	-	7,775,331	-	7,775,331		
Other - Advance received for shares registered	24	-	-	-	-	-	1,382,471	-	-	-	-	-	-		
Balance at December 31, 2022		531,086,842	930,381,409	20,900,000	-	-	155,540,511	27,321,019	23,508	182,885,038	783,734,409	6,426,503	790,160,912		

The accompanying notes are an integral part of the financial statements.

AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Changes in Equity

For the year ended December 31, 2022

(Unit : Baht)											
Separate financial statements											
		Retained earnings (deficit)			Other components of equity						
		Issued and paid-up share capital	Premium on ordinary shares	Appropriated - Legal reserve	Unappropriated	Convertible options	Cash advance received for shares	Difference from change estimate of actuary	Land revaluation surplus	Total other components of equity	Total equity
	Notes										
		424,029,474	649,893,744	20,900,000	(570,918,893)	-	-	-	155,540,511	155,540,511	679,444,836
	Balance at January 1, 2021										
	Ordinary shares increase (decrease)	50,987,360	174,838,908	-	-	-	-	-	-	-	225,826,268
	Comprehensive income (expense) for the year	-	-	-	(139,200,516)	-	-	2,793,843	-	2,793,843	(136,406,673)
	Convertible options	-	-	-	-	1,713,057	-	-	-	-	1,713,057
	Other	-	-	-	-	-	6,392,860	-	-	-	6,392,860
	Transfer to retained earnings (deficit)	-	-	-	2,793,843	-	-	(2,793,843)	-	(2,793,843)	-
	Balance at December 31, 2021	475,016,834	824,732,652	20,900,000	(707,325,566)	1,713,057	6,392,860	-	155,540,511	155,540,511	776,970,348
	Ordinary shares increase (decrease)	50,417,259	101,813,118	-	-	-	-	-	-	-	152,230,377
	Comprehensive income (expense) for the year	-	-	-	(149,912,549)	-	-	-	-	-	(149,912,549)
	Convertible options	1,713,057	-	-	-	(1,713,057)	-	-	-	-	-
	Other - Advance received for shares registered	3,939,692	3,835,639	-	-	-	(7,775,331)	-	-	-	-
	Other - Advance received for shares registered	-	-	-	-	-	1,382,471	-	-	-	1,382,471
	Balance at December 31, 2022	531,086,842	930,381,409	20,900,000	(857,238,115)	-	-	-	155,540,511	155,540,511	780,670,647

The accompanying notes are an integral part of the financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Cash Flows

For the year ended December 31, 2022

		(Unit : Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2022	2021	2022	2021
Cash flows from operating activities					
Profit (loss) for the year from continuing operations before corporate income tax		(148,228,280)	(149,887,018)	(149,912,549)	(139,200,516)
Profit (loss) for the year from discontinued operation		10	-	(1,326,189)	-
Profit (loss) before corporate income tax			(148,228,280)	(151,213,207)	(149,912,549)
Adjustment of profit (loss) on cash received (paid)					
Adjustment on financial cost			1,982,189	993,081	85,483
Adjustment on trade and other current receivables (increase) decrease			(3,750,752)	(28,176,141)	5,701,063
Adjustment on inventories (increase) decrease			8,652,582	28,820,051	17,702,247
Adjustment on other assets (increase) decrease			(8,724,306)	(1,169,154)	1,737,093
Adjustment on trade and other current payables increase (decrease)			(23,258,646)	(6,968,703)	(22,146,261)
Adjustment on other liabilities (increase) decrease			(47,495,838)	7,180,763	(33,116,479)
Depreciation and amortization expense		13,14,15,16	46,863,149	21,649,671	28,704,685
Losses from amortization of assets(reversal)		9,11,12,17	66,400,931	125,000	65,399,781
Adjustment on provisions liabilities (reversal)			(13,934,453)	8,774,145	(14,379,521)
Unrealized loss (gain) on exchange rate			(673,956)	(395,359)	(673,956)
Share (profit) loss from associates and joint ventures		11	964,813	4,856,738	-
Adjustment on allowance for credit loss (reversal)		7	(2,072,566)	9,863,422	(2,185,069)
Loss from inventories devaluation (reversal)		8	7,291,083	54,823,459	6,592,226
Adjustment with loss (gain) on disposal of non-current assets		13	17,290	(197,959)	17,290
Adjustment with Loss (Gain) on Sale of Digital Assets		17	(2,340,581)	-	(180,641)
Estimated return of goods (reversal)			7,635,568	(603,745)	7,635,568
Loss (profit) from disposal of investment in subsidiary		12	-	(679,602)	-
Loss (profit) from disposal of investment in associates company		11	(24,122)	(312,267)	(234,831)
Other adjustments to non-cash items			-	166,829	-
Other adjustment on cash from investing or borrowing			(425,015)	(1,005,818)	(1,584,768)
Net cash provided by (used in) operation			(111,120,910)	(53,468,796)	(90,838,639)
Interest income			425,015	1,005,818	1,584,768
Interest expense			(2,218,351)	(949,579)	(85,483)
Income tax refund (paid)			(2,669,403)	(2,010,989)	(389,249)
Other cash received (paid) from operating activities					
- provisions for employee benefit		22	(3,169,670)	(90,000)	(3,169,670)
Net cash provided by (used in) operation activities			(118,753,319)	(55,513,546)	(92,898,273)

The accompanying notes are an integral part of the financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Statement of Cash Flows (Cont.)

For the year ended December 31, 2022

		(Unit : Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2022	2021	2022	2021
Cash flows from investing activities					
		-	10,174,500	-	10,174,500
	11	2,625,750	312,267	2,625,750	312,267
		-	-	-	(14,825,575)
	13	295,018	1,260,963	295,018	825,963
	13	(171,828,556)	(27,613,494)	(186,377,866)	(5,675,373)
	16	(161,479)	(322,200)	-	(300,000)
	17	35,826,094	-	1,333,571	-
	17	(80,000,000)	-	(40,000,000)	-
	5	-	-	(101,340,000)	(22,539,065)
	5	-	-	89,000,000	7,000,000
		(2,643,000)	(546,204)	(1,998,000)	-
Net cash provided by (used in) investing activities		(215,886,173)	(16,734,168)	(236,461,527)	(25,027,283)
Cash flows from financing activities					
	23,24	50,592,686	16,192,859	50,592,686	6,392,859
	21	75,000,000	260,000,000	75,000,000	260,000,000
	5	-	-	-	(9,000,000)
	19	(4,046,250)	(673,642)	-	-
	19	(674,868)	(47,077)	-	-
Net cash provided by (used in) financing activities		120,871,568	275,472,140	125,592,686	257,392,859
Net increase (decrease) in cash and cash equivalents		(213,767,924)	203,224,426	(203,767,114)	206,296,729
Cash and cash equivalents, at beginning of year (Note 6)		250,721,780	47,497,354	227,107,111	20,810,382
Cash and cash equivalents, at ending of year (Note 6)		36,953,856	250,721,780	23,339,997	227,107,111

Non-cash transactions

- For the purpose of preparing the statement of cash flows, cash and cash equivalents items include cash in hand and cash at banks and short-term investment in promissory notes which are due within 3 months.
- During the year 2022, the Group has a contract to lease Office Building , Which has financial lease in the consolidated financial statements in the amount of Baht 33.44 million
- During the year 2021, the Company has reversed the impairment of music copyright amount of Baht 0.15 million and eliminated the music copyright accounts that have been purchased during the period 2019 Without the expense of the company. Because it is deducted from the outstanding debt that must be paid in the amount of Baht 0.15 million .

The accompanying notes are an integral part of the financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

1. GENERAL INFORMATION

AJ Advance Technology Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in January 2014. The Company’s registered office at No. 427/2 Rama 2 Road, Kwaeng Samaedum, Khet Bangkhunthien, Bangkok.

The principal activities of the Group and the Company are wholesaling and retailing of electric appliances, distribution of smart phone, tablet including parts, provide service to members for karaoke application, electric vehicle, provide service to member relating access of website of such Company for purchase and sales of goods, logistic business and export business, distribution of sport shoes, including retail top-up machine, top-up service for prepaid phone, service prepaid kiosk, e-money service and accept payment via electronic method, telecommunication business, and invest in digital assets, mining, trading digital assets including investment or providing other services about cryptocurrency and digital token transactions.

2. BASIS FOR INTERIM FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 Basis for financial statements preparation

The financial statements are prepared in accordance with generally accepted accounting principles under the Accounting Act, BE 2543, which refers to the financial reporting standards issued under the Accounting Profession Act BE 2547 and the Securities and Exchange Commission, Stock Exchange of Thailand Re: Formulation and presentation of financial statements under the Securities and Exchange Act.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies. Except for the matters described in the subsequent accounting policies.

The preparation of financial statements in conformity with generally accepted accounting principles in Thailand. Use accounting estimates significant accounting judgments and estimates the preparation of financial statements in conformity with generally accepted accounting principles requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. The Company discloses the use of management discretion. Or complexity or significant assumptions and estimates to the financial statements in Note 4.

The financial statements in English language have been derived from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 Basis for consolidated financial statements preparation

A) The consolidated financial statements have been prepared by including the financial statements of AJ Advance Technology Public Company Limited and its subsidiaries which are under its control with more than 50 percent voting rights as follows :



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

Company's name	Type of business	Country of establish	Percentage of investment (%)	
			As at December 31, 2022	As at December 31, 2021
AJ E-Commerce Co., Ltd.	Providing service to members relating to the access of website of such Company for purchase and sales of goods.	Thailand	99	99
Happy Vision Co., Ltd.	Retailing of sport shoes.	Thailand	99	99
Youtai Group Co.,Ltd.	Export product and service to members relating to the access of website of such Company for purchase and sales of goods, mining, trading, and investing in crypto assets.	Thailand	100	100
Bangkok Pay Co., Ltd.	Retail top-up machine, top-up service for prepaid phone, service prepaid kiosk, e-money service and accept payment via electronic method, telecommunication business	Thailand	60	60
AJ Beauty Group Co., Ltd.	Beauty service business.	Thailand	100	100
Unionthai Platform Co., Ltd.	Investment platform business manages and services online for small and medium-sized businesses of the company.	Thailand	51	51



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

B) Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

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 recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisitions and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

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.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

C) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. 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 associates and joint venture.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

D) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3 Functional and presentation currency

The financial statements are prepared in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statement to the nearest thousand unless otherwise stated.

2.4 New financial reporting standards

A) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

B) Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

3. ACCOUNTING POLICIES CONSOLIDATION

3.1 Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

3.2 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held 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.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.



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Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency (sometimes referred to as an accounting mismatch).

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.3 Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.



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Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

A right to recover returned products is recognised when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

3.4 Investments

Investments in associates, joint venture and subsidiaries

Investments in associates, joint venture and subsidiaries in the separate financial statements of the Company are accounted for using the cost method less any impairment losses.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

3.5 Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses except for land which is measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any impairment losses.

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 capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised 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 (major components) of property, plant and equipment.

Any gains and losses on disposal of 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 recognised in profit or loss. When there is disposal of revalued assets, the amount recognised in revaluation surplus is reclassified to retained earnings.



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Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation surplus in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised 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 its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to 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:

Land improvement	5 years
Buildings and improvement	5 and 20 years
Office equipment	5 years
Tools	5 years
Vehicles	5 years
Vending machine automatic	7 years
Cryptocurrency mining equipment	5 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.



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3.6 Contract assets

Contract assets are the costs to obtain a contract with a customer.

Contract assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on a straight-line basis, consistent with the related revenue recognition, from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

Mobile top-up machine and electronic payments kiosk	7 years
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No amortisation is provided on mobile top-up machine and electronic payments kiosk under installation.

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

3.7 Other intangible assets other than goodwill

Other intangible assets other than goodwill

Other intangible assets other than goodwill that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised 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 recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets 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:

Computer software	5 years
Music license	1 - 5 years (Contractual year)
Software license	10 years
Long term service contract	5 years

No amortisation is provided on computer software under installation.

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.



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3.8 Cryptocurrency assets

The cryptocurrency business is a new business globally and there are not yet any directly applicable financial reporting standards. Therefore, since the Group considers the objective of investing in cryptocurrency assets to be for long-term investment. The Group has adopted the principles of TAS 38, Intangible Assets, and classifies them as non-current assets. However, a company may increase or decrease its holdings of digital assets when it considers the necessity of the business and the market and conditions surrounding it.

The Group initially recognises cryptocurrency assets at cost, which is the fair value on the asset on the date of receipt. Following initial recognition, the assets are carried at cost (weighted average method) less any accumulated impairment losses (if any). The Group does not amortise cryptocurrency assets because they are indefinite useful lives. The assessment of their status with indefinite useful lives is reviewed annually.

3.9 Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date 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 recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's 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.

Reversal of impairment

An impairment loss in respect goodwill is not reversed. Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date 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 amortisation, if no impairment loss had been recognised.



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3.10 Goodwill

Goodwill is any consideration transferred above the fair value of the Group's share in identifiable assets and liabilities, and contingent liabilities of the subsidiary as at the date of acquisition of that subsidiary. Goodwill arising from the acquisition of a subsidiary is separately presented in the consolidated statement of financial position. If the fair value of the net assets acquired exceeds the cost of business combination, the higher is immediately recognized as gain in profit or loss.

The perceived goodwill must be tested for impairment annually, and presented at cost less accumulated allowance for impairment. Allowance for impairment of recognized goodwill is not reversed. The residual carrying amount of goodwill is included in profit or loss when the business is sold.

To test the impairment of goodwill, goodwill is allocated to cash-generating units, where the unit may be the same unit or a combination of units which are expected to benefit from the business combination where goodwill arises from identifiable operating segments.

3.11 The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions 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 their estimated useful lives and the lease term, as follows :

Office building	3 years
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Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be



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exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

3.12 Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

3.13 Trade and other accounts payable

Trade and other accounts payable are stated at cost.

3.14 Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

3.15 Employee benefits

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value



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of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has 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.

3.16 Other provisions

A provision is recognised if, as a result of a past event, the Group has 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 recognised as a finance cost.

Provision for warranties

A provision for warranties of product quality is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

3.17 Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the



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evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 : inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.18 Revenue

Information about the Group's accounting policies relating to revenue from contracts with customers.

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognised over time based on stage of completion and as the services are provided. The stage of completion is assessed based on cost-to-cost method. The related costs are recognised in profit or loss when they are incurred.



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For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

Commission revenue

For the contracts that the Group is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue.

Long-term advances received from customers

Long-term advances received from customers is recognised as revenue when the Group transferred control over the goods to the customers. For the advances that contain a significant financing component, they include the interest expense accreted on the contract liability under the effective interest method. The Group uses practical expedient which is not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Principal and agent consideration

The Group entered into a contract on procurement of products for a customer and also entered into another contract with a supplier to purchase and agreed that the supplier will directly deliver goods to the said customer. Under TAS 18, the Group assessed that it has significant risks and rewards of ownership of the goods based on credit risk and concluded that the Group acted as principal and recognised revenue from sale. Under TFRS 15, the Group assessed whether the Group has control over the goods before transferring them to the customer. The Group has determined that the Group is not primarily responsible for fulfilling the obligation as mentioned in the contract. The Group does not have inventory risk before or after the products have been transferred to the customer. In addition, the Group has no discretion in establishing the price for the said products. Therefore, the Group concluded that Group acts as selling agent. This change results in decreases in revenue from sale, cost of sale of goods, and inventories and an increase in commission revenue.

3.19 Rental income

Rental income is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.



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3.20 Investment income

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

3.21 Revenue from cryptocurrency mining

The Group, together with the Bitcoin mining pool, provides verification and validation of blockchain transactions and is compensated with cryptocurrencies by the Bitcoin mining pool. Revenue from cryptocurrency mining is recognised when the Group has provided a service and received cryptocurrency from the bitcoin mining pool, at the fair value of the cryptocurrencies on the date of receipt, measured at the closing price on www.coinmarketcap.com ("CoinMarketCap"), a central source for cryptocurrency prices.

3.22 Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.23 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in 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 or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised 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 recognised 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 and joint ventures 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 expects, 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 reverse, using tax rates enacted or substantively enacted at the reporting date.



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In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes 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 to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the year 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 realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.24 Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations. Classification as a discontinued operation occurs upon abandon line of business. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative year.

3.25 Earnings (loss) per share

Basic earnings (loss) per share

Basic earnings (loss) per share It is calculated by finding the net profit (loss) for the fiscal year by the weighted average number of ordinary shares over the issued and paid-up periods.

Diluted earnings (loss) per share

Diluted earnings (loss) per share Calculated by looking at the average number of ordinary shares held by third parties during the year adjusted by the number of diluted equivalent ordinary shares. assuming that all the diluted equivalent ordinary shares are converted to ordinary shares. The Company has diluted equivalent ordinary shares, which is the option to purchase shares given to the existing shareholders. To calculate diluted earnings per share Diluted equivalent ordinary shares from stock options, the company calculates the number of diluted equivalent shares. based on fair value.



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This depends on the monetary value of the option price that accompanies the option. (Determined from the average price of the Company's ordinary shares during the year). This calculation is made to determine the number of ordinary shares that must be added to the ordinary shares held by third parties in the calculation of diluted earnings per share, without any adjustment of net profit.

3.26 Related parties

A related parties is a person or entity that has direct or indirect control or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

3.27 Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENTS

Estimates, assumption and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below :

4.1 Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

4.2 Allowance for decline value and defective inventories

The Company maintains an allowance for decline value and defective inventories to reflect impairment of inventories. The allowance is based on consideration of inventory turnovers and deterioration of each categories.

4.3 Impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires management judgment.



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4.4 Plant and equipment

Management regularly determines the estimated useful lives and residual values of The Group and the Company plant and equipment and intangible assets, and will revise the depreciation where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or if they are no longer in use.

4.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group and the Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group and the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1: Use of quoted market prices in an observable active market for such assets or liabilities

Level 2: Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3: Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group and the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.6 Leases

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for The Group and the Company to exercise either the extension or termination option. After the commencement date, The Group and the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

To consider the type of lease agreement as either a operating lease or financial lease, The management of The Group's and the company will be consider by reviewing the condition term and detail on agreement that who transfer the risk and advantage of leased asset agreement.



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4.7 Impairment of assets

The Group and the Company treat assets as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.

4.8 Deferred tax assets

Deferred tax assets are recognised for temporary difference arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the end of reporting period when it is highly probable that the Group will generate sufficient taxable profits from their future operations to utilise these deferred tax assets. If management need to estimate the amounts of the deferred tax assets that the Group should recognise, they take into account the amount of taxable profit expected in each future period.

4.9 Employee benefits obligations

The present value of employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Including, the assumptions about the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit obligations.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 22.

5. TRANSACTIONS WITH RELATED PARTIES

Relationships with associates, joint venture and subsidiaries are described in notes 11 and 12 Relationships with key management were as follows :

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

Significant transactions with related parties for the year ended December 31, 2022 and 2021 are summarized as follows :

	(Unit : Baht)			
	Consolidated		Separate	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Subsidiaries				
Sales of goods	-	-	53,859	22,188,960
Management service income	-	-	3,536,652	2,548,000
Other income	-	-	461,184	174,000
Office rental income	-	-	144,000	144,000
Interest income	-	-	987,138	93,056
Interest Expense	-	-	-	226,981
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	15,294,606	17,006,107	12,654,606	13,880,107
Post-employment benefits	395,772	486,280	307,727	375,732
Total key management personnel compensation	15,690,378	17,492,387	12,962,333	14,255,839
Discontinued operation				
Subsidiaries				
Management service income	-	-	-	180,000
Interest income	-	-	-	21,604



AJ Advance Technology Public Company Limited and its subsidiaries

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December 31, 2022

Balances with related parties as at December 31, 2022 and 2021 were as follows :

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Trade accounts receivable				
Subsidiaries	-	-	6,349,156	12,994,373
Other receivables				
Subsidiaries	-	-	646,552	536,489
Short-term loans to related parties				
Subsidiaries	-	-	28,011,190	15,671,190
Movements in short-term loans to related parties during the year :				
Balance at the beginning of the year	-	-	15,671,190	132,125
Increase during the year	-	-	101,340,000	22,539,065
Decrease during the year	-	-	(89,000,000)	(7,000,000)
Balance at the ending of the year	-	-	28,011,190	15,671,190
Account payables				
Subsidiaries	-	-	39,500	2,048,406
Other payables				
Subsidiaries	-	-	85,346	175,461
Short-term borrowings from related parties				
Subsidiaries	-	-	-	-



AJ Advance Technology Public Company Limited and its subsidiaries

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December 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Movements in short-term borrowings from related parties during the year :				
Balance at the beginning of the year	-	-	-	9,000,000
Decrease during the year	-	-	-	(9,000,000)
Balance at the ending of the year	-	-	-	-

During the year 2022, the Company had loans to several subsidiaries totaling Baht 117.01 million and received repayment from this loan amounting to Baht 89.00 million, with an interest rate of 3.2% per annum, repayable at call.

6. CASH AND CASH EQUIVALENTS

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Cash on hand	303,389	460,551	90,364	249,416
Cash at banks - current accounts	5,954,499	4,828,602	1,666,239	512,839
Cash at banks - savings accounts	30,399,655	245,321,764	21,474,135	226,240,354
Highly liquid short-term investments	296,313	110,863	109,259	104,502
Total	36,953,856	250,721,780	23,339,997	227,107,111



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7. TRADE AND OTHER CURRENT RECEIVABLES

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Trade receivables				
Related parties	-	-	6,349,156	12,994,373
Other persons or parties	65,519,901	79,987,058	44,696,233	57,138,284
Total trade receivables	65,519,901	79,987,058	51,045,389	70,132,657
<u>Less</u> allowance for loss	(25,582,742)	(27,655,308)	(25,011,650)	(27,196,719)
Total trade receivables - Net	39,937,159	52,331,750	26,033,739	42,935,938
Other receivables				
Related parties	-	-	829,058	783,938
Prepaid expenses	18,317,537	11,020,376	1,850,474	2,945,514
Advance payment	3,390,298	2,163,916	1,652,800	947,528
Other	25,792,681	10,700,913	17,756,637	3,023,073
Total	47,500,516	23,885,205	22,088,969	7,700,053
<u>Less</u> allowance for loss	(811,405)	(811,405)	(378,120)	(378,120)
Total other receivables - Net	46,689,111	23,073,800	21,710,849	7,321,933
Total trade and other current receivables	86,626,270	75,405,550	47,744,588	50,257,871



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

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Trade receivable classified by outstanding age are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Trade receivables				
Related parties				
Within credit terms	-	-	3,880	1,904,144
Overdue :				
Less than 3 months	-	-	6,970	4,937,025
3 - 6 months	-	-	1,826,000	3,428,698
6 - 12 months	-	-	4,512,306	2,724,506
Total	-	-	6,349,156	12,994,373
Other parties				
Within credit terms	15,979,826	38,588,274	1,588,918	20,042,571
Overdue :				
Less than 3 months	7,229,055	19,550,117	1,456,643	16,011,735
3 - 6 months	23,663,856	1,563,160	23,404,684	1,317,254
6 - 12 months	1,664,339	903,381	1,664,325	781,007
Over 12 months	16,982,825	19,382,126	16,581,663	18,985,717
	65,519,901	79,987,058	44,696,233	57,138,284
<u>Less</u> allowance for loss	(25,582,742)	(27,655,308)	(25,011,650)	(27,196,719)
Total	39,937,159	52,331,750	19,684,583	29,941,565
Trade receivables - Net	39,937,159	52,331,750	26,033,739	42,935,938

The normal credit terms granted by the Group ranges from 30 days to 120 days.



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Allowance for credit loss on trade accounts receivable have changed during the year as follows :

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Beginning balance	(27,655,308)	(43,064,370)	(27,196,719)	(19,738,218)
Increase	(3,664,796)	(8,323,577)	(3,289,768)	(7,982,131)
Decrease	5,737,362	523,630	5,474,837	523,630
Loss of control	-	23,209,009	-	-
Ending balance	(25,582,742)	(27,655,308)	(25,011,650)	(27,196,719)

As at December 31, 2022, the Group reversed the allowance for credit loss on trade accounts in amount of Baht 5.74 million and separate financial statement in amount of Baht 5.47 million. Due to the Company has calculated the allowance for credit losses in accordance with the Financial Reporting Standard No. 9. It was found that the allowance for loss changed in a positive direction, resulting in the reversal of the allowance for loss with that amount.

As at December 31, 2021, the Group reversed the allowance for credit loss on trade accounts in amount of Baht 0.52 million and separate financial statement in amount of Baht 0.52 million due to debt repayment from such debtor.

8. INVENTORIES

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Merchandised goods	185,143,239	198,624,296	147,334,118	169,043,619
Spare parts	65,319,083	56,825,493	64,427,176	56,505,399
Goods in transit	1,015,608	4,930,130	1,015,608	4,930,130
	251,477,930	260,379,919	212,776,902	230,479,148
<u>Less</u> allowance for decline in value	(154,994,780)	(147,703,697)	(147,939,065)	(141,346,839)
Net	96,483,150	112,676,222	64,837,837	89,132,309



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Allowance for declining in value of inventories have changed during the year as follows :

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Beginning balance	(147,703,697)	(98,620,697)	(141,346,839)	(91,083,962)
Increase	(25,746,900)	(56,797,978)	(24,276,737)	(50,262,877)
Decrease	18,455,817	1,974,519	17,684,511	-
Lose control	-	5,740,459	-	-
Ending balance	(154,994,780)	(147,703,697)	(147,939,065)	(141,346,839)

As at December 31, 2022, the Company considers an Allowance for declining in value of inventories - Spare Parts in amount of Baht 24.28 million. Due to the management considers Allowance spare parts of electrical appliance that have not been movement during the year. because it is expected to can't sold or can't take it to repair

As at December 31, 2022, the Group has reverse allowance for declining in value of inventories amount of Baht 18.46 million, and separate financial statement amount of Baht 17.68 million. Because the Company's sold inventories.

As at December 31, 2021, the Company considers an Allowance for declining in value of inventories in amount of Baht 50.26 million. Due to the Company estimates the sale of goods by auctioning and sale the whole lot in part of over-stock electrical appliances.

According to the minutes of the Board of Directors' Meeting No. 15/2021, dated December 27, 2021, there were important approval resolutions as follows: because the sales of electrical appliances continued to decline rapidly, resulting in a loss in financial performance of the electrical appliance segment. 5 years in a row, the company tried to reduce various costs, but was unable to reduce the sales volume, which the main factor caused by

1. High competition and sluggish economy Consumers are limited in their spending and must consume what they need. The spread of the COVID-19 virus is also an important factor which has resulted in consumption having to spend more on things that are necessary for life. A product that replaces audio-visual appliances, mobile phones, smart phones, which are modern technologies.
2. Distribution channels that have been quickly converted to online Sales of merchandise through department stores declined. Department store expenses are still high, dealer sales have declined. Debt collection is more risky.
3. It is more difficult to order and go directly to the manufacturer. Higher product price. Bargaining is more difficult as the volume of orders decreases. The exchange rate of imported goods is higher. As a result, the cost of products is higher.



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However, the Company has tried to reduce expenses but sales cannot increase more than Baht 30 million per month.

Therefore, the Company consider changing the business strategy of electrical appliances in 2022.

As at December 31, 2021, the Group has reverse allowance for declining in value of inventories amount of Baht 1.97 million. Because the Company's sold inventories.

9. OTHER CURRENT FINANCIAL ASSETS

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Other current financial assets				
Other non-marketable equity securities	296,760,124	296,760,124	296,760,124	296,760,124
<u>Less</u> allowance for impairment	(296,760,124)	(270,843,140)	(296,760,124)	(270,843,140)
Net	-	25,916,984	-	25,916,984
Other non-current financial assets				
Restricted deposits at financial institutions	4,935,000	2,292,000	3,460,000	1,462,000
Total	4,935,000	28,208,984	3,460,000	27,378,984

Current financial assets

The Company had investment in a private foreign investment fund of 91,000 units at cost of USD 100 per unit each, in totaling amount of USD 9.1 million (equivalent of Baht 296.8 million) and a foreign asset management company was the fund manager and a foreign trustee was the custodian. The fund invested in a private investment fund which has the policy to invest in marketable and non-marketable securities.

As the reporting from the trustee, the net asset value shown as follows :

	As at December 31, 2022*	As at December 31, 2021*
Number of units	90,975 Units	90,975 Units
Net asset value per unit	USD 8.87	USD 8.87
Total investment unit value	USD 0.81 million	USD 0.81 million
	(equivalent of Baht 26.00 million)	(equivalent of Baht 26.00 million)

* The value of NAV per unit has shown as at April 30, 2020.



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Causes of impairment of said investment since the Company invests in private fund units of foreign funds and experiences investment conditions that are not in line with the target in late March 2019, the fund manager is still confident that he will see a positive operating result within 6 - 24 months, so it is recommended that the Company hold investment units for another 12 - 18 months at least and if the turn-around fund's performance, the Company will consider selling to reduce such damage.

On June 5, 2020, the Company received a letter from a foreign fund stating that experiencing a temporary suspension due to the major holding in the fund has been suspended from trading from May 31, 2020 as a result. Making it impossible to assess the value of the investment units at the end of the period the displayed value of investment units is therefore the latest value displayed on April 30, 2020. At present, there is no normal trading.

However, from the period of the fund that has been suspended for more than 2 years and from the follow-up on the progress of the fund qualifications, there is still uncertainty that the fund will resume normal trading. The management considers that at present there is a high possibility that the fund will not be able to return to normal trading. Therefore, the remaining allowance of Baht 25.92 million was considered and recorded in the consolidated statement of comprehensive income and the separate statement of income in the year.

Restricted deposits at financial institutions

As at December 31, 2022, the Group and the Company had restricted fixed deposits at financial institutions in the consolidated and separate financial statement of Baht 4.94 million and Baht 3.46 million, respectively which were used as collateral for electricity usage, fuel credit card usage and other guarantees.

10. DISPOSAL OF SUBSIDIARY AND DISCONTINUED OPERATION

Disposal of investment in Siam Advance Electronic Company Limited

On June 25, 2021, the Board of Directors meeting of the Company, the Board approved to sell ordinary shares of Siam Advance Electronic Company Limited., a subsidiary of the Company. The Company has entered into a sell and purchase share agreement of 0.36 million shares or equivalent to 51% of its share capital, at the total price of Baht 10.17 million with its cost of Baht 35.70 million and impairment of investment in the amount of Baht 25.65 million. The Company recorded gain on sale of investment in the separate statement of comprehensive income in amount of Baht 0.12 million. After the disposal, Siam Advance Electronic Company Limited., will be no longer a subsidiary of the Company. The comparative statement of comprehensive income for the year ended December 31, 2022



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

	(Unit : Baht)	
	Consolidated	
	2022	2021
Results of discontinued operation		
For the year ended December 31,		
Revenue	-	11,575,788
Expenses	-	(12,901,977)
Results from operating activities	-	(1,326,189)
Income tax	-	-
Results from operating activities (net of tax)	-	(1,326,189)
Profit (loss) attributable		
Owners of parent	-	(676,356)
Non-controlling interest	-	(649,833)
Results from operating activities (net of tax)	-	(1,326,189)
Loss per share (Baht : Share)	-	(0.000)
Cash flows from (used in) discontinued operation		
For the year ended December 31,		
Net cash from (used in) operating activities	-	(17,570,060)
Net cash form (used in) investing activities	-	538,796
Net cash from (used in) financing activities	-	20,000,000
Net cash flows from discontinued operation	-	2,968,736



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	(Unit : Baht)
	2021
Effect of loss control on the consolidated statement of financial position at loss of control date	
Decrease in assets	
Cash and cash equivalents	3,287,932
Trade and other current receivables	12,847,551
Inventories	19,185,087
Equipment	1,175,984
Other intangible assets other than goodwill	237,942
Non-current financial assets	152,000
Other non-current assets	1,200
	36,887,696
Decrease in liabilities	
Trade and other current payables	(18,041,769)
Other current liabilities	(73,739)
Non-current provision for employee benefit	(154,741)
	(18,270,249)
Carrying amounts of net assets and liabilities	18,617,447
<u>Less non-controlling interest</u>	<u>(9,122,549)</u>
Carrying amounts of interest in subsidiary	9,494,898
Consideration received, satisfied in cash	10,174,500
Profit from disposal of subsidiary	679,602



AJ Advance Technology Public Company Limited and its subsidiaries

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11. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Investments in associates and joint ventures as at December 31, 2022 and 2021 were as follows :

	Consolidated						(Unit : Baht)
	Ownership interest (%)		Paid-up capital		Cost		Equity
	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021	As at December 31, 2021
Associates							
BLTC Incorporation (Thailand) Co., Ltd. ⁽¹⁾	60	60	65,707,000	65,707,000	39,604,700	39,604,700	-
Songcheng (Pattaya) International Culture Co., Ltd. ⁽²⁾	20	20	5,000,000	5,000,000	1,000,000	1,000,000	964,813
Joint ventures							
Rizen Energy Co., Ltd. ⁽³⁾	-	45	-	35,000,000	-	15,750,000	2,601,628
Total					40,604,700	56,354,700	3,556,441





AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

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(Unit : Baht)											
Separate											
Ownership interest (%)		Paid-up capital		Cost		Impairment		At cost - Net			
		As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021		
Associates											
BLTC Incorporation											
60	60	65,707,000	65,707,000	39,604,700	39,604,700	(39,604,700)	(39,604,700)	-	-	-	-
Songcheng (Pattaya) International											
20	20	5,000,000	5,000,000	1,000,000	1,000,000	(1,000,000)	(46,634)	-	-	953,366	
Joint ventures											
Rizen Energy Co., Ltd. ⁽³⁾											
-	45	-	35,000,000	-	15,750,000	-	(13,333,101)	-	-	2,416,899	
Total				40,604,700	56,354,700	(40,604,700)	(52,984,435)	-	-	3,370,265	

(1) Associates operate the business in Thailand of holding company which invested in logistic business.

(2) Associates operate the business in Thailand of cultural center.

(3) Joint ventures operate the business in Thailand of distribution of electric vehicles.

None of the Group's associates and joint ventures are publicly listed and consequently do not have published price quotation.

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During the year 2022, the Company considers impairment investment of Songcheng (Pattaya) International Culture Company Limited in amount of Baht 0.96 million because the associated company has a loss than capital. The Company recognized in the separate statement of comprehensive income.

According to the Board of Directors Meeting No. 5/2022, held on May 12, 2022, the Board of Directors has approved the sale of ordinary shares in Rizen Energy Company Limited, a joint venture company of the Company, and has entered into a purchase agreement. Sold 0.23 million ordinary shares of Rizen Energy Company Limited, representing 45% of the issued and sold shares, at a total price of Baht 2.63 million. As a result, profit from disposal of investment in the consolidated and separate financial statements was equal to Baht 0.02 million and Baht 0.24 million, respectively, which were recorded in the consolidated statement of comprehensive income and the separate comprehensive income statement. However, after the sale of all ordinary shares of Rizen Energy Company Limited, Rizen Energy Company Limited ceased to be a joint venture of the Company.





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12. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at December 31, 2022 and 2021 were as follows :

Direct subsidiaries	Type of business	Separate								(Unit : Baht)
		Ownership interest (%)		Paid-up capital		At cost				
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021			
Siam Advance Electronic Co., Ltd.	Retailing and wholesaling of electric appliance, including parts.	-	-	-	50,000,000	-	-	-	-	
AJ E-Commerce Co., Ltd.	Providing service to members relating to the access of website of such Company for purchase and sales of goods.	99	99	5,000,000	5,000,000	4,950,000	4,950,000	4,950,000	4,950,000	
Happy Vision Co., Ltd.	Retailing of sport shoes.	99	99	20,000,000	20,000,000	19,800,000	19,800,000	19,800,000	19,800,000	
Youtai Group Co.,Ltd.	Export product and service to members relating to the access of website of such Company for purchase and sales of goods, mining, trading, and investing in crypto assets.	100	100	12,500,000	12,500,000	11,000,550	11,000,550	11,000,550	11,000,550	
Bangkok Pay Co., Ltd.	Retail top-up machine, top-up service for prepaid phone, service prepaid kiosk, e-money service and accept payment via electronic method, telecommunication business.	60	60	69,000,000	69,000,000	41,400,000	41,400,000	41,400,000	41,400,000	
AJ Beauty Group Co., Ltd.	Beauty service business	100	100	1,000,000	1,000,000	9,999,985	9,999,985	9,999,985	9,999,985	

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		Separate				(Unit : Baht)
Direct subsidiaries	Type of business	Ownership interest (%)		Paid-up capital		At cost
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2021
Unionthai Platform Co., Ltd.	Investment platform business manages and services online for small and medium-sized businesses of the company	51	51	1,000,000	1,000,000	509,970

Less Impairment losses from investment

Total



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During the year 2022, the Company considered impairment of investment in subsidiaries. Consisting of Youtai Group Company Limited and AJ Beauty Group Company Limited amounting to Baht 2.58 million and amounting to Baht 0.12 million, respectively, because the two subsidiaries do not have plans to develop their business further. The company is recognized in the separate comprehensive income statement

According to the Board of Directors Meeting No. 11/2021 held on September 27, 2021, the Board of Directors has approved the purchase of ordinary shares of Youtai Group Company Limited from the existing shareholders who are not related to the Company in the amount of 0.25 million shares, or is 49% of the issued and sold shares at a price of Baht 4.63 million, which the Company will hold the whole number of ordinary shares in Youtai Group Co., Ltd.

According to the Board of Directors Meeting No. 8/2021, dated June 25, 2021, the Board of Directors resolved to approve the sale of ordinary shares in Siam Advance Electronic Company Limited, which is a subsidiary of the Company. And entered into a sales and purchase agreement of 0.36 million ordinary shares of Siam Advance Electronic Company Limited, representing 51% of the issued and sold shares. Total price of Baht 10.17 million. There was a profit on disposal of the investment in the consolidated financial statements in amount of Baht 0.68 million, and gain on sale of investments in the separate statements in amount of Baht 0.12 million, which has been recorded in the consolidated and separate statement of comprehensive income. After the sale of all ordinary shares of Siam Advance Electronic Company Limited cause Siam Advance Electronic Company Limited ceased to be a subsidiary of the Company.

According to the Board of Directors Meeting No. 1/2021 held on January 13, 2021, the Board of Directors approved an increase in the registered capital of Siam Advance Electronic Company Limited by Baht 20.00 million, with the Company investing in the proportion of 51% by Paid in the amount of Baht 10.20 million, maintaining the same proportion. The company has already paid for the shares on January 19, 2021.

During the period 2021, the Company has considered to impairment of investments in subsidiaries. Comprised of Siam Advance Electronic Company Limited, amount of Baht 0.15 million due to the subsidiary company has no further business development plan. And AJ Beauty Group Company Limited amount of Baht 0.11 million due to the subsidiary company has not yet operated the business. And Unionthai Platform Company Limited amount of Baht 0.26 million. due the subsidiary company has not operated the business as well. The Company has recorded an allowance for impairment of investment in subsidiaries in amount of Baht 0.52 million, which the Company recognized into the separate comprehensive income statement.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

Non-controlling interest

Details of non-wholly owned subsidiaries which have material non-controlling interests as at December 31, 2022 and 2021, are as follows;

Company's name	Proportion of equity interest held by non-controlling interests		(Unit : Baht)			
			Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year	
	2022	2021	2022	2021	2022	2021
	(%)	(%)				
Bangkok Pay Co., Ltd.	40	40	5,658,695	7,044,233	(1,385,578)	1,096,917
Unionthai Platform Co., Ltd.	49	49	385,423	405,022	(19,599)	(22,697)





13. PROPERTY, PLANT AND EQUIPMENT

	Consolidated							(Unit : Baht)
	Land and improvement	Buildings and improvement	Office equipment	Tools	Vehicles	Cryptocurrency mining machine	Assets under construction and installation	Total
Cost / revaluation								
As at January 1, 2021	375,557,936	102,848,798	18,113,343	26,809,227	11,659,055	-	275,000	535,263,359
Additions	-	-	451,556	111,687	3,019,325	-	24,030,926	27,613,494
Disposals	-	-	-	-	(3,044,695)	-	-	(3,044,695)
Transfer in / (Transfer out)	-	-	-	-	-	806,700	(806,700)	-
Loss of control (Note 10)	-	-	(600,088)	(456,358)	(1,097,551)	-	-	(2,153,997)
As at December 31, 2021	375,557,936	102,848,798	17,964,811	26,464,556	10,536,134	806,700	23,499,226	557,678,161
Additions	-	8,502,142	520,984	168,844	9,109,331	-	153,527,255	171,828,556
Disposals	-	-	-	-	(504,652)	-	-	(504,652)
Transfer in / (Transfer out)	-	5,423,619	343,533	34,590	-	168,924,206	(174,725,948)	-
As at December 31, 2022	375,557,936	116,774,559	18,829,328	26,667,990	19,140,813	169,730,906	2,300,533	729,002,065

AJ Advance Technology Public Company Limited and its subsidiaries

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(Unit : Baht)

	Consolidated						
	Land and improvement	Buildings and improvement	Office equipment	Tools	Vehicles	Cryptocurrency mining machine	Assets under construction and installation
Accumulated depreciation							Total
As at January 1, 2021	19,101,269	57,511,546	15,450,228	25,047,411	6,930,598	-	124,041,052
Depreciation for the year	646,871	4,140,941	1,074,788	920,974	1,407,874	26,522	8,217,970
Disposals	-	-	-	-	(1,981,691)	-	(1,981,691)
Loss of control (Note 10)	-	-	(314,769)	(222,066)	(441,178)	-	(978,013)
As at December 31, 2021	19,748,140	61,652,487	16,210,247	25,746,319	5,915,603	26,522	129,299,318
Depreciation for the year	280,496	5,523,823	715,822	408,282	2,460,726	20,463,752	29,852,901
Disposals	-	-	-	-	(192,344)	-	(192,344)
As at December 31, 2022	20,028,636	67,176,310	16,926,069	26,154,601	8,183,985	20,490,274	158,959,875
Allowance for impairment							
As at December 31, 2021	-	-	-	-	-	-	275,000
Allowance for impairment for the year	-	-	-	-	-	-	-
As at December 31, 2022	-	-	-	-	-	-	275,000





AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

	Consolidated							(Unit : Baht)
	Land and improvement	Buildings and improvement	Office equipment	Tools	Vehicles	Cryptocurrency mining machine	Assets under construction and installation	Total
Net book value								
As at December 31, 2021	355,809,796	41,196,311	1,754,564	718,237	4,620,531	780,178	23,224,226	428,103,843
As at December 31, 2022	355,529,300	49,598,249	1,903,259	513,389	10,956,828	149,240,632	2,025,533	569,767,190

AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

(Unit : Baht)

	Separate							
	Land and improvement	Buildings and improvement	Office equipment	Tools	Vehicles	Cryptocurrency mining equipment	Assets under construction and installation	Total
Cost / revaluation								
As at January 1, 2021	375,557,936	102,848,798	17,352,247	26,411,552	9,365,358	-	275,000	531,810,891
Additions	-	-	400,220	123,905	1,447,925	-	3,703,323	5,675,373
Disposals	-	-	-	-	(1,880,793)	-	-	(1,880,793)
As at December 31, 2021	375,557,936	102,848,798	17,752,467	26,535,457	8,932,490	-	3,978,323	535,605,471
Additions	-	8,389,993	196,579	35,743	3,739,332	-	174,016,217	186,377,864
Disposals	-	-	-	-	(504,652)	-	-	(504,652)
Transfer in / (Transfer out)	-	5,423,619	343,533	34,590	-	169,730,906	(175,532,648)	-
As at December 31, 2022	375,557,936	116,662,410	18,292,579	26,605,790	12,167,170	169,730,906	2,461,892	721,478,683



	Separate							(Unit : Baht)
	Land and improvement	Buildings and improvement	Office equipment	Tools	Vehicles	Cryptocurrency mining equipment	Assets under construction and installation	Total
Accumulated depreciation								
As at January 1, 2021	19,101,269	57,511,546	15,240,408	24,837,716	6,302,936	-	-	122,993,875
Depreciation for the year	646,871	4,140,941	971,125	840,542	1,193,090	-	-	7,792,569
Disposals	-	-	-	-	(1,627,303)	-	-	(1,627,303)
As at December 31, 2021	19,748,140	61,652,487	16,211,533	25,678,258	5,868,723	-	-	129,159,141
Depreciation for the year	280,496	5,519,709	638,845	363,279	1,304,876	20,490,274	-	28,597,479
Disposals	-	-	-	-	(192,344)	-	-	(192,344)
As at December 31, 2022	20,028,636	67,172,196	16,850,378	26,041,537	6,981,255	20,490,274	-	157,564,276
Allowance for impairment								
As at December 31, 2021	-	-	-	-	-	-	275,000	275,000
Allowance for impairment for the year	-	-	-	-	-	-	-	-
As at December 31, 2022	-	-	-	-	-	-	275,000	275,000
Net book value								
As at December 31, 2021	355,809,796	41,196,311	1,540,934	857,199	3,063,767	-	3,703,323	406,171,330
As at December 31, 2022	355,529,300	49,490,214	1,442,201	564,253	5,185,915	149,240,632	2,186,892	563,639,407

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During the year 2021, the Group and the Company sold assets to unrelated persons at net book value of Baht 1.06 million and Baht 0.25 million, respectively, with profit from asset disposal amount of Baht 0.20 million and Baht 0.57 million. It is recorded in the consolidated and separate comprehensive income statement.

14. RIGHT-OF-USE ASSETS

Movement in right-of-use assets for the year ended December 31, 2022 as follow :

	(Unit : Baht)
	Consolidated
Net book value as at January 1, 2022	882,587
Increase during the year	33,441,118
Depreciation for the year	(3,499,588)
Net book value as at December 31, 2022	30,824,117

During the year 2022

- The Group has entered into a vehicle with unrelated company for a period of 2 years, with a period of which the agreement is from July 1, 2022 to June 30, 2024 and rental rate 60,022 Baht per month.
- The Group has entered into a vehicle with unrelated company for a period of 3 years, with a period of which the agreement is from July 1, 2022 to June 30, 2024 and rental rate 47,466 Baht per month.
- The Group has entered into a building rental agreement with an unrelated company for a period of 5 years, based on the management's forecast. The contract period starts from May 1, 2022 to April 30, 2027, with the average total amount to be paid according to the contract in the first 6 months of 62,500 baht per month and for the next 3 months, the payment of 87,500 baht per month for the remaining months according to the contract. Average amount to be paid under the contract, totaling 125,500 baht per month
- The Group has entered into a building rental agreement with an unrelated company for a period of 3 years as anticipated by the management. The contract period is from September 3, 2022 to June 30, 2025, with the average amount to be paid under the contract in the first 3 months at 123,360 baht per month and the remaining months according to the contract. 154,200 baht per month



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Notes to the Financial Statements

December 31, 2022

15. CONTRACT COST ASSETS

(Unit : Baht)

	Consolidated		
	Mobile top-up machine and electronic payments kiosk from business combination	Mobile top-up machine and electronic payments kiosk	Total
Cost			
As at January 1, 2022	11,697,286	58,106,532	69,803,818
Additions	-	948,038	948,038
As at December 31, 2022	11,697,286	59,054,570	70,751,856
Accumulated amortization			
As at January 1, 2022	(4,038,351)	(14,557,360)	(18,595,711)
Amortization charge for the year	(1,671,035)	(9,639,151)	(11,310,186)
As at December 31, 2022	(5,709,386)	(24,196,511)	(29,905,897)
Net book value			
As at December 31, 2021	7,658,935	43,549,172	51,208,107
As at December 31, 2022	5,987,900	34,858,059	40,845,959



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16. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

	Consolidated					(Unit : Baht)
	Computer software and others	Music copyright	Software copyright	Long-term service agreements	Computer software under installation	Total
Cost						
As at January 1, 2021	8,525,510	18,311,042	15,035,000	2,149,000	64,080	44,084,632
Additions	22,200	-	-	-	300,000	322,200
Write off	-	(150,000)	-	-	-	(150,000)
Transfer in / (Transfer out)	300,000	-	-	-	(300,000)	-
Loss of control (Note 10)	(324,980)	-	-	-	-	(324,980)
As at December 31, 2021	8,522,730	18,161,042	15,035,000	2,149,000	64,080	43,931,852
Additions	161,480	-	-	-	-	161,480
Transfer in / (Transfer out)	64,080	-	-	-	(64,080)	-
As at December 31, 2022	8,748,290	18,161,042	15,035,000	2,149,000	-	44,093,332
Accumulated amortization						
As at January 1, 2021	7,818,101	5,954,707	2,133,851	610,040	-	16,516,699
Amortization for the year	204,374	86,687	1,503,964	430,105	-	2,225,130
Loss of control (Note 10)	(87,038)	-	-	-	-	(87,038)
As at December 31, 2021	7,935,437	6,041,394	3,637,815	1,040,145	-	18,654,791
Amortization for the year	179,715	86,687	1,503,964	430,108	-	2,200,474
As at December 31, 2022	8,115,152	6,128,081	5,141,779	1,470,253	-	20,855,265





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Notes to the Financial Statements

December 31, 2022

	Consolidated					(Unit : Baht)
	Computer software and others	Music copyright	Software copyright	Long-term service agreements	Computer software under installation	Total
Allowance for impairment						
As at January 1, 2021	-	11,559,475	-	-	-	11,559,475
Reversal of allowance for impairment	-	(150,000)	-	-	-	(150,000)
As at December 31, 2021	-	11,409,475	-	-	-	11,409,475
Reversal of allowance for impairment	-	-	-	-	-	-
As at December 31, 2022	-	11,409,475	-	-	-	11,409,475
Net book value						
As at December 31, 2021	587,293	710,173	11,397,185	1,108,855	64,080	13,867,586
As at December 31, 2022	633,138	623,486	9,893,221	678,747	-	11,828,592

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(Unit : Baht)

	Separate			
	Computer software	Music copyright	Computer software under installation	Total
Cost				
As at January 1, 2021	7,749,700	17,020,000	64,080	24,833,780
Additions	-	-	300,000	300,000
Write off	-	(150,000)	-	(150,000)
Transfer in (Transfer out)	300,000	-	(300,000)	-
As at December 31, 2021	8,049,700	16,870,000	64,080	24,983,780
Additions	-	-	-	-
Write off	-	-	-	-
Transfer in / (Transfer out)	64,080	-	(64,080)	-
As at December 31, 2022	8,113,780	16,870,000	-	24,983,780
Accumulated amortization				
As at January 1, 2021	7,609,172	5,460,525	-	13,069,697
Amortization for the year	117,425	-	-	117,425
As at December 31, 2021	7,726,597	5,460,525	-	13,187,122
Amortization for the year	107,206	-	-	107,206
As at December 31, 2022	7,833,803	5,460,525	-	13,294,328
Allowance for impairment				
As at January 1, 2021	-	11,559,475	-	11,559,475
Reversal of allowance for impairment	-	(150,000)	-	(150,000)
As at December 31, 2021	-	11,409,475	-	11,409,475
Reversal of allowance for impairment	-	-	-	-
As at December 31, 2022	-	11,409,475	-	11,409,475
Net book value				
As at December 31, 2021	323,103	-	64,080	387,183
As at December 31, 2022	279,977	-	-	279,977



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Notes to the Financial Statements

December 31, 2022

17. CRYPTOCURRENCY ASSETS

	(Unit : Baht)	
	Consolidated	Separate
As at January 1, 2022	96,541	-
Increase		
- from purchase	80,000,000	40,000,000
- from mining	28,330,682	26,094,640
<u>Less</u> Allowance for impairment of cryptocurrency assets	(40,483,947)	(35,798,028)
Decrease from sales	(33,485,513)	(1,152,930)
As at December 31, 2022	34,457,763	29,143,682

As at December 31, 2022

from purchase

- The Group and the company have outstanding cryptocurrency assets in the amount of 7.19312813 Bitcoin (BTC) and 7.19312813 Bitcoin (BTC) respective, the fair value is Baht 4.15 million and Baht 4.15 million respective.
- The Group and the company have outstanding cryptocurrency assets in the amount of 97.27009875 Ethereum coins (ETH) and 97.27009875 Ethereum coins (ETH) respective, the fair value is Baht 4.07 million and Baht 4.07 million respective.
- The Group and the company have outstanding cryptocurrency assets in the amount of 1,693,962.745671507 Gala coins (GALA) and 1,693,962.745671507 Gala coins (GALA) respective, the fair value is Baht 1.00 million and Baht 1.00 million respective.
- The Group and the company have outstanding cryptocurrency assets in the amount of 49,432.21807716 bitkub coins (KUB) and 49,432.21807716 bitkub coins (KUB) respective, the fair value is Baht 2.91 million and Baht 2.91 million respective.
- The Group have outstanding cryptocurrency assets in the amount of 619.70013714 Binance coins (BNB) the fair value is Baht 5.31 million.

from mining

- The Group and the company have outstanding cryptocurrency assets in the amount of 29.69156326 Bitcoin (BTC) and 29.69156326 Bitcoin (BTC) respective, the fair value is Baht 17.02 million and Baht 17.02 million respective.

By measuring the value above it is a level 2 fair value.



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18. TRADE AND OTHER CURRENT PAYABLES

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Trade payables				
Related parties	-	-	39,500	2,048,406
Other parties	14,441,623	25,999,181	7,017,368	16,959,310
Total trade payables	14,441,623	25,999,181	7,056,868	19,007,716
Other payables				
Related parties	-	-	85,346	175,461
Other parties				
Copyright payables	252,625	252,625	252,625	252,625
Accrued operating expenses	18,562,832	35,975,073	11,427,933	26,913,091
Other payables from business combination	1,081,788	1,104,258	-	-
Others	14,414,331	8,916,869	10,276,268	4,896,407
Total other payables	34,311,576	46,248,825	22,042,172	32,237,584
Total	48,753,199	72,248,006	29,099,040	51,245,300



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

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19. LEASE LIABILITIES

As at December 31, 2022 and 2021 comprise the following:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
As at January 1,	528,903	1,202,545	-	-
Increase/Considered age of new lease agreement	33,501,901	-	-	-
Repayment	(4,046,250)	(673,642)	-	-
As at December 31,	29,984,554	528,903	-	-
Less portion due within one year	(7,965,397)	(528,903)	-	-
Contract liabilities-net from portion due within one year	22,019,157	-	-	-

Expense for the year ended December 31, 2022 and 2021 about leases that recognized in profit or loss as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Depreciation of assets right of use	3,499,588	807,063	-	-
Interest expense from lease liabilities	674,868	47,077	-	-
Total	4,174,456	854,140	-	-



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December 31, 2022

20. CONTRACT LIABILITIES

Significant changes of contract liabilities during the year are as follows:

	(Unit : Baht)		
	Consolidated		
	Advance received from business combination	Advance received after acquired business	Total
As at January 1, 2022	7,658,934	68,632,417	76,291,351
Advance received from mobile top-up and electronic payments business	-	1,605,807	1,605,807
Recognised as revenue during the year	(1,671,034)	(12,819,495)	(14,490,529)
As at December 31, 2022	5,987,900	57,418,729	63,406,629

21. DEBENTURES

On April 28, 2022, the Extraordinary General Meeting of Shareholders No.1/2022 has approved the issuance and offering of the convertible debentures on a private placement basis and is not a person related with the Company in the amount of not exceeding Baht 300 million. The Company has entered into the convertible debentures agreement to issue the convertible debentures on a private placement basis to Advance Opportunities Fund and Advance Opportunities Fund 1. The convertible debentures will be issued from time to time until the total amount is Baht 300 million with terms and conditions below:

Type of convertible debentures	Senior Unsecured Convertible Debentures (“Convertible Debentures”)
Currency	THB
Total principal amount of all convertible bonds	Not exceeding Baht 300 million as it can be broken down to 3 Tranche as below; 1. Tranche 1 not exceeding Baht 100 million which is divided in to 40 sets and Baht 2.50 million per set 2. Tranche 2 not exceeding Baht 100 million which is divided in to 40 sets and Baht 2.50 million per set 3. Tranche 3 not exceeding Baht 100 million which is divided in to 25 sets and Baht 4.00 million per set



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Conditions for issuing convertible debentures	The Company will gradually issue the convertible debentures following by Tranche according to the demand for spending money of the Company. The issuance of convertible debentures is subject to the completion of condition precedent which is approval of The Securities and Exchange Commission and other related regulator. However, the timeframe of the issuance of convertible debentures is within 1 year after shareholder's meeting approved the issuance. In case the convertible debentures are not completely issued within 1 year, the Company may request approval from shareholder meeting to issue the remaining convertible debenture.
Interest rate	0.50 percent per annum, interest payment on a quarterly basis after the issuance of each Tranche.
Maturity period	3 years after the issuance of each Tranche.
Principal repayment condition	Repay in lump sum after each due of specific Tranche according to the terms and conditions of each convertible debenture Tranche.
The right to redeem the convertible debentures before due date	The holders of the convertible debentures may or may not have the rights to redeem the convertible debentures before due date and/or the Company may or may not have the rights to redeem the convertible debentures before due date either. The redemption of the convertible debentures has to be in accordance with the terms and conditions of the convertible debentures to be issued each time by following the law, regulations or related announcements including requesting permission from any relevant government agency.
Conversion ratio	Principle amount of the convertible debentures divided by the conversion price.
Conversion price	Not lower than 90 percent of market price which does not in the case the price is lower than the offering price offered pursuant to the Notification No. Tor Chor. 72/2558 The market price shall be calculated based on the weighted average price "market price" of the Company's shares trading on the Stock Exchange of Thailand. Not less than 7 consecutive business days but not more than 15 consecutive business days (Floating Conversion Price) However, if the conversion price calculated above is lower than the par value of the company's shares. The company must issue additional compensation shares for the calculation of all shares issued at par value is based on the conversion price.
Conversion period	The holder of each convertible debentures Tranche may exercise their rights of conversion of the convertible debentures every day after the issuance of convertible debentures until the close of business on the date falling 7 days prior to the maturity date of the Convertible Debentures.



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Number of ordinary shares reserved for conversion	936,554,309 shares (representing 18.13 percent of the total issued shares of the Company after registering the paid-up capital which are based on the assumption that the convertible debentures shall be entirely exercised and fully exercise of Warrant AJA-W3.)
Secondary market for ordinary shares issued after conversion	The Company shall arrange to list the ordinary shares issued after the conversion of the Convertible Debentures on the Stock Exchange of Thailand (SET) or other stock exchange where the shares of the Company is a listed security at that time.
Other Information	The details described above are the summary of the terms and conditions of the Convertible Debentures and are still subject to change. Further relevant details will be stipulated in the terms and conditions of the Convertible Debentures.

Presentation and disclosure of Financial Instruments is determined at the date of initial recognised. The entity classifies financial instrument or components of financial instrument based on substance and definitions of financial liability and equity instrument.

Such convertible debentures have floating conversion price and the number of shares arising from the conversion depends on the future market price (Fixed - for - variable convertible debentures). Consequently, the convertible options are classified as a financial liability.

The convertible debentures are presented at amortised cost until the conversion or maturity of the debentures. The convertible options are presented at fair value through profit or loss until there is an exercise of conversion right to ordinary shares. Expenses for issuance debentures were deducted from convertible debentures and amortised over the life of the convertible debentures.

Movements of convertible debentures and convertible options for the year ended December 31, 2022 are summarised below:

	(Unit : Baht)	
	Consolidated and Separate	
	Convertible debentures	Convertible options
As at January 1, 2022	35,295,162	1,713,057
Issuing during the year	71,788,018	3,211,982
<u>Less</u> Amortised - transaction cost	(5,431,780)	-
Exercise of conversion rights	(101,651,400)	(4,925,039)
As at December 31, 2022	-	-

During the year 2022, Baht 115.00 million was exercised for convertible debentures (Note 23). This conversion was subject to amortization of related advisory fees of Baht 13.35 million, thus representing a decrease of Baht 101.65 million in the value of the conversion right.



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22. PROVISIONS FOR EMPLOYEE BENEFITS

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Present value of defined benefit obligations				
As at January 1,	10,876,281	5,990,102	9,992,018	5,137,018
Recognized in profit or loss				
Current service cost	951,223	1,645,782	522,250	1,086,038
Interest on the obligation	81,953	96,065	65,858	83,509
	1,033,176	1,741,847	588,108	1,169,547
Recognized in other comprehensive income				
(Profit) Loss from actuarial estimation				
- Adjustments from experience	-	(2,041,124)	-	(1,870,124)
- Financial Assumptions	-	(1,139,099)	-	(923,719)
	-	(3,180,223)	-	(2,793,843)
Other				
Benefits paid	(3,169,670)	(90,000)	(3,169,670)	(90,000)
Estimated compensation in case of dismissal of employees	(3,399,626)	6,569,296	(3,399,626)	6,569,296
Loss of control (Note 10)	-	(154,741)	-	-
	(6,569,296)	6,324,555	(6,569,296)	6,479,296
As at December 31	5,340,161	10,876,281	4,010,830	9,992,018
Defined employee benefit obligations	5,340,161	10,876,281	4,010,830	9,992,018
<u>Less</u> portion due within one year	(556,647)	(6,569,296)	(556,647)	(6,569,296)
Defined employee benefit obligation - net	4,783,514	4,306,985	3,454,183	3,422,722



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The key actuarial assumptions used in calculating employee benefit obligations are as follows :

	(Unit : percentage)			
	Consolidated		Separate	
	2022	2021	2022	2021
Principal actuarial assumptions				
Discount rate	2.3	2.3	2.3	2.3
Future salary increases	4.0	3.4	4.0	3.4
Turnover rate	10 - 35	10 - 35	10 - 35	10 - 35

Assumptions regarding future mortality are based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

	(Unit : Baht)			
	Consolidated		Separate	
	Increase	Decrease	Increase	Decrease
Effect to the defined benefit obligation				
As at December 31, 2022				
Discount rate (1% movement)	(442,944)	500,880	(338,914)	382,991
Future salary increases (1% movement)	555,037	(445,733)	424,421	(341,198)
Turnover rate (20% movement)	(600,529)	751,173	(468,386)	579,074
As at December 31, 2021				
Discount rate (1% movement)	(393,894)	446,450	(317,633)	359,487
Future salary increases (1% movement)	445,848	(357,953)	359,830	(289,206)
Turnover rate (20% movement)	(487,650)	607,390	(399,151)	492,013

Analyze the maturity of benefit payments before discounting to pay in the future as at December 31, 2022 comprise the following.

	(Unit : Baht)	
	Consolidated	Separate
Within 1 year	556,647	556,647
2 - 5 years	1,365,973	518,312
Over 5 years	16,048,443	10,487,511
Total	17,971,063	11,562,470



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23. SHARE CAPITAL AND SHARE PREMIUM (DISCOUNT) ON ORDINARY SHARES

Share capital and Share premium (discount) as at December 31, 2022 and 2021 comprise the following :

	Consolidated and Separate			
	Number of shares (Shares)	Ordinary shares (Baht)	Share premium (discount) on ordinary shares (Baht)	Total (Baht)
Authorized share capital				
As at December 31, 2021 (par value of Baht 0.10 per share)	6,238,154,776	623,815,478	-	623,815,478
Increase on authorized share capital	1,441,590,559	144,159,055	-	144,159,055
As at December 31, 2022	7,679,745,335	767,974,533	-	767,974,533

Issued and paid share capital

As at December 31, 2021 (par value of Baht 0.10 per share)	4,750,168,337	475,016,834	824,732,652	1,299,749,486
Issuing new shares from the exercise of convertible debentures	275,252,078	27,525,208	78,508,011	106,033,219
Issuing new shares from the exercise of warrants (AJA-W3)	39,396,908	3,939,691	3,835,634	7,775,325
Issuing new shares from the exercise of warrants (AJA-W4)	12	1	4	5
Issue new shares by offering to existing shareholders (Rights Offering)	246,051,076	24,605,108	23,305,108	47,910,216
Ordinary shares as at December 31, 2022	5,310,868,411	531,086,842	930,381,409	1,461,468,251

During the year 2022, the Company had direct expenses related to the issuance of shares by offered to existing shareholders. Therefore, it was used to reduce capital surplus in the amount of Baht 1.30 million.

Increase of registered capital

On January 4, 2022, the Company exercised the right to convert the debentures into ordinary shares of Baht 40.00 million with a convertible share value of Baht 0.576, representing a total of 69.44 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 6.94 million. The company has registered the capital increase with the Department of Business Development on January 6, 2022



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On January 6, 2022, the Company exercised the right to convert the debentures into ordinary shares of Baht 40.00 million with a convertible share value of Baht 0.576, representing a total of 69.44 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 6.94 million. The company has registered the capital increase with the Department of Business Development on January 7, 2022

On February 3, 2022, the Company passed a resolution to allocate the newly issued shares for sale to the existing shareholders in proportion to their respective shareholdings (Rights Offering) in the allocation ratio of 20 existing shares to 1 newly issued ordinary share. At the offering price of Baht 0.20 per share, the company received payment for 246,051,076 shares, totaling Baht 49.21 million. The company has registered for the increase in capital with the Department of Business Development on March 10, 2022.

On June 24, 2022, the Company exercised the right to convert the debentures into ordinary shares of Baht 6.00 million with a convertible share value of Baht 0.29, representing a total of 20.83 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 2.08 million. The company has registered the capital increase with the Department of Business Development on June 27, 2022

On June 29, 2022, the Company exercised the right to convert the debentures into ordinary shares of Baht 3.00 million with a convertible share value of Baht 0.28, representing a total of 10.75 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 1.08 million. The company has registered the capital increase with the Department of Business Development on July 1, 2022

On June 30, 2022, the Company exercised the right to convert the debentures into ordinary shares of Baht 6.00 million with a convertible share value of Baht 0.29, representing a total of 20.83 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 2.08 million. The company has registered the capital increase with the Department of Business Development on July 1, 2022

On July 12, 2022, the Company exercised the right to convert the debentures into ordinary shares of Baht 5.00 million with a convertible share value of Baht 0.25, representing a total of 19.84 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 1.98 million. The company has registered the capital increase with the Department of Business Development on July 18, 2022

On July 25, 2022, the Company exercised the right to convert the debentures into ordinary shares of Baht 5.00 million with a convertible share value of Baht 0.23, representing 21.37 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 2.14 million. The company has registered the capital increase with the Department of Business Development on July 27, 2022.

On August 5, 2022, the Company exercised the right to convert the debentures into ordinary shares in the amount of Baht 5.00 million with a convertible share value of Baht 0.23, representing 21.37 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 2.14 million. The Company has registered the said capital increase with the Department of Business Development on August 9, 2022.



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On August 10, 2022, the Company exercised the right to convert the debentures into ordinary shares in the amount of Baht 5.00 million with a convertible share value of Baht 0.23, representing 21.37 million ordinary shares with a par value of Baht 0.10 per share, totaling Baht 2.14 million. The company has registered the capital increase with the Department of Business Development on August 15, 2022.

24. WARRANTS

Warrants to purchase ordinary shares No.3 (AJA-W3)

On September 1, 2021, the Company has issued warrants to purchase ordinary shares no.3 allocated to the existing shareholders of the Company. The details are as follows:

Type of warrant	: Warrants to purchase the Company's ordinary shares in the names of respective holder and negotiable
Term of warrants	: 3 years from the issuance and offering date
Number of warrants issued	: 1,060,073,686 units
Offering price	: Baht 0 per unit
Allocation of warrants	: Allocate to existing shareholders of the Company by specifying list of shareholders who entitled to receive the Warrants on August 4, 2021 at the ratio of 4 existing ordinary shares to 1 unit of the Warrants (any fraction shall be discarded)
Exercise ratio	: 1 warrant per 1 ordinary shares. (the ratio might be adjusted under the conditions for adjustment of rights)
Exercise price	: Baht 0.20 per share (unless the exercise price is adjusted as a result of a rights adjustment)
Exercise date	: The Warrant Holders shall be entitled to exercise their rights under the Warrants to purchase Company's ordinary shares on the last business day of March, June, September and December of each year throughout the term of the Warrants after the issuance date during 9.30 a.m. and 4.30 p.m. during the exercise period. In this respect, the first exercise date will be on the last business day of September 2021 and the last exercise date will be on August 30, 2024 (3 year after the issuance date). In the case that the last exercise date falls on a non-business day of the Company, the exercise date shall then be the preceding business day before the last exercise date.
The last exercise date	: August 30, 2024



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During the year 2022, there were those who expressed their intention to exercise their rights. to purchase ordinary shares in the amount of Baht 1.37 million and Baht 0.01 million. The company was registered with the Department of Business Development on April 5, 2022 and July 1, 2022, respectively.

As at December 31, 2022, the Company has outstanding balance of unexercised warrants to purchase ordinary share is 991.23 million units.

Warrants to purchase ordinary shares No.4 (AJA-W4)

On April 1, 2022, the Company has issued warrants to purchase ordinary shares no.4 allocated to the existing shareholders of the Company. The details are as follows:

Type of warrant	: Warrants to purchase the Company's ordinary shares in the names of respective holder and negotiable
Term of warrants	: 3 years from the issuance and offering date
Number of warrants issued	: 492,102,152 units
Offering price	: Baht 0 per unit
Allocation of warrants	: Allocate to existing shareholders of the Company by reserve and who entitled to receive the Warrants at the ratio of 1 existing ordinary shares to 2 unit of the Warrants (any fraction shall be discarded)
Exercise ratio	: 1 warrant per 1 ordinary shares. (the ratio might be adjusted under the conditions for adjustment of rights)
Exercise price	: Baht 0.40 per share (unless the exercise price is adjusted as a result of a rights adjustment)
Exercise date	: The Warrant Holders shall be entitled to exercise their rights under the Warrants to purchase Company's ordinary shares on the last business day of March, June, September and December of each year throughout the term of the Warrants after the issuance date during 9.30 a.m. and 4.30 p.m. during the exercise period. In this respect, the first exercise date will be on the last business day of June 2022 and the last exercise date will be on August 30, 2025 (3 year after the issuance date). In the case that the last exercise date falls on a non-business day of the Company, the exercise date shall then be the preceding business day before the last exercise date.
The last exercise date	: March 31, 2025



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During the year 2022, there were those who expressed their intention to exercise their rights for the first time to purchase 12 ordinary shares, at a par value of Baht 0.40 per share and paid a total payment of Baht 4.80. The company was registered with the Department of Business Development on July 1, 2022

As at December 31, 2022, the Company has outstanding balance of unexercised warrants to purchase ordinary share is 492.10 million units.

25. OTHER INCOME

	(Unit : Baht)			
	Consolidated		Separate	
	For the year ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Other income - related parties	-	-	5,617,217	3,011,028
Income from reversal of overdue foreign payable	3,240,145	-	3,240,145	-
Income from reversal of accrued expenses	7,750,227	-	7,719,857	-
Gain on sale of cryptocurrency assets	2,326,309	-	180,641	-
Gain from foreign exchange	2,196,258	1,337,530	673,956	344,846
Income from investment	-	804,897	-	573,600
Other	12,973,754	13,869,900	6,220,455	6,348,062
Total	28,486,693	16,012,327	23,652,271	10,277,536

26. DISTRIBUTION COSTS

	(Unit : Baht)			
	Consolidated		Separate	
	For the year ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Employee benefit expenses	13,572,617	22,176,809	7,960,179	15,233,928
Commission	8,101,291	9,368,657	3,826,772	8,457,917
Sales promotion expenses	15,035,202	22,468,304	8,866,478	16,467,899
Shipping cost	3,928,177	7,190,513	2,976,956	7,190,413
Depreciation and amortization	2,634,235	-	-	-
Other	299,427	529,427	66,210	119,436
Total	43,570,949	61,733,710	23,696,595	47,469,593



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27. SEGMENT INFORMATION AND DISAGGREGATION OF REVENUE

Management determined that the Group has six reportable segments which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Retailing and wholesaling of electric appliance, including parts
- Segment 2 Retailing and wholesaling of mobile phone, including parts (Cancellation section)
- Segment 3 Top-up service for prepaid phone and service prepaid kiosk
- Segment 4 Retailing of shoe
- Segment 5 Sale of electric motorcycle
- Segment 6 Others

Performance is measured based on segment operating profit (loss), before segment's income tax expense as included in the internal management reports that are reviewed by the Group's CODM. Segment operating profit 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.





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Financial information by business segment for the consolidated statements of financial position for the year ended December 31, 2022 and 2021 as follows :

	Consolidated for the year ended December 31, 2022						(Unit : Baht)
	Retailing and wholesaling of electronics appliances, including parts	Retailing and wholesaling of mobile phone, including parts (discontinued part)	Top-up service for prepaid phone and service prepaid kiosk	Retailing of shoe	Sale of electric motorcycle	Others	Total
Timing of revenue recognition							
Point in time	87,650,221	-	39,992,772	74,667,221	61,567,181	48,168,370	312,045,765
Over time	-	-	8,954,254	-	-	-	8,954,254
Total revenues	87,650,221	-	48,947,026	74,667,221	61,567,181	48,168,370	321,000,019
Segment operating profit (loss) (excluding discontinued segments)							77,032,842
Other income							28,486,693
Distribution costs							(43,570,949)
Administrative expenses							(207,045,136)
Finance costs							(1,982,189)
Share of profit (loss) from investments in associates and joint ventures							(1,149,541)
Tax income (expense)							1,360,016
Profit (loss) for the year							(146,868,264)

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	Consolidated for the year ended December 31, 2021						(Unit : Baht)
	Retailing and wholesaling of electronics appliances, including parts	Retailing and wholesaling of mobile phone, including parts (discontinued part)	Top-up service for prepaid phone and service prepaid kiosk	Retailing of shoe	Sale of electric motorcycle	Others	Total
Timing of revenue recognition							
Point in time	183,624,765	11,273,677	46,891,738	22,856,411	9,248,243	22,480,882	296,375,716
Over time	-	-	7,644,864	-	-	-	7,644,864
Total revenues	183,624,765	11,273,677	54,536,602	22,856,411	9,248,243	22,480,882	304,020,580
Segment operating profit (loss) (excluding discontinued segments)							26,133,126
Other income							16,012,327
Distribution costs							(61,733,710)
Administrative expenses							(124,448,941)
Finance costs							(993,081)
Share of profit (loss) from investments in associates and joint ventures							(4,856,739)
Tax income (expense)							(378,153)
Profit (loss) for the year							(150,265,171)
Geographical segments							

The Group is managed and operates principally in Thailand. There are no revenues derived from, and assets located in, foreign countries.



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28. EXPENSE BY NATURE

The financial statements include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows :

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Purchases of merchandised goods and consumables used	180,118,051	220,941,392	124,313,183	192,492,667
Employee benefit expenses	60,444,998	79,359,772	40,561,282	59,682,618
Changes in inventories	(7,283,350)	14,049,991	2,833,378	(16,644,278)
Cost of service	55,082,755	48,969,929	-	-
Sales promotional expenses	15,023,518	21,569,089	8,866,478	15,233,928
Depreciation and amortization	46,863,149	21,649,672	28,704,685	7,909,994
Impairment loss on intangible assets (reversal)	66,400,931	125,000	65,399,781	4,728,865
Freight charges	3,928,178	9,449,760	2,976,955	8,457,916
Doubtful debts expense (reversal)	(2,072,566)	9,863,422	(2,185,069)	9,521,976
Loss from diminution in value (reversal)	7,291,083	54,823,459	6,592,226	50,262,877

29. INCOME TAX (EXPENSE)

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Income tax recognised in profit or loss				
Current tax expense				
Current year	153,190	1,608,815	-	-
Deferred tax expense				
Movements in temporary differences	(1,513,206)	(1,230,662)	-	-
Total	(1,360,016)	378,153	-	-



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Reconciliation of effective tax rate

	Consolidated			
	2022		2021	
	Rate (%)	(Baht)	Rate (%)	(Baht)
Loss before income tax expense from continuing operations		(148,228,282)		(150,265,171)
Income tax using the Thai corporation tax rate	20.00	(29,645,656)	20.00	(30,053,034)
Additional deductible expenses for tax purposes		1,030,431		(164,951)
Current year losses for which no deferred tax asset was recognised		20,286,436		20,812,426
Expenses not deductible for tax purposes		629,969		796,885
Share of loss of investments in associates and joint venture		(192,963)		971,348
Expenses not recognised as deferred tax asset		9,251,799		7,259,173
Total		1,360,016		(378,153)

	Separate			
	2022		2021	
	Rate (%)	(Baht)	Rate (%)	(Baht)
Loss before income tax expense from continuing operations		(149,912,549)		(139,200,516)
Income tax using the Thai corporation tax rate	20.00	(29,982,510)	20.00	(27,840,103)
Additional deductible expenses for tax purposes		969,523		(158,832)
Current year losses for which no deferred tax asset was recognised		17,624,355		20,158,237
Expenses not deductible for tax purposes		561,028		444,937
Expenses not recognised as deferred tax asset		10,827,604		7,395,761
Total		-		-



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(Unit : Baht)

	Consolidated			
	Assets		Liabilities	
	As at	As at	As at	As at
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Deferred tax				
Total	7,889,151	6,375,945	(43,380,946)	(43,380,946)
Set off of tax	(1,059,018)	(1,059,018)	1,059,018	1,059,018
Total	6,830,133	5,316,927	(42,321,928)	(42,321,928)

(Unit : Baht)

	Separate			
	Assets		Liabilities	
	As at	As at	As at	As at
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Deferred tax				
Total	1,059,018	1,059,018	(38,885,128)	(38,885,128)
Set off of tax	(1,059,018)	(1,059,018)	1,059,018	1,059,018
Total	-	-	(37,826,110)	(37,826,110)



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Movement in total deferred tax assets and liabilities during the year ended December 31, 2022 and 2021 were as follows:

	(Unit : Baht)			
	Consolidated			
	(Charged) / Credited to			
	As at		Other	As at
	January 1,		comprehensive	December 31,
	2022	Profit or loss	income	2022
Deferred tax assets				
Trade reveiveable (allowance for credit loss)	-	200,875	-	200,875
Inventory (Loss from inventories devaluation)	-	1,345,714	-	1,345,714
Other current liabilities (provisions)	26,729	-	-	26,729
Non-current provisions for employee benefit	1,181,607	-	-	1,181,607
Difference from recognition revenue and cost of sales	4,885	-	-	4,885
Unrealised intercompany profit on inventories	577,543	-	-	577,543
Gap from recognition revenue	3,526,163	(123,054)	-	3,403,109
Loss carry forward	-	89,671	-	89,671
Total	5,316,927	1,513,206	-	6,830,133
Deferred tax liabilities				
Property, plant and equipment	(38,885,128)	-	-	(38,885,128)
Amortization difference	(3,436,800)	-	-	(3,436,800)
Total	(42,321,928)	-	-	(42,321,928)
Net	(37,005,001)	1,513,206	-	(35,491,795)



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(Unit : Baht)

	Consolidated		
	(Charged) / Credited to		
	As at January 1, 2021	Profit or loss	Other comprehensive income
	As at December 31, 2021		
Deferred tax assets			
Other current liabilities (provisions)	26,729	-	-
Non-current provisions for employee benefit	1,181,607	-	-
Difference from recognition revenue and cost of sales	4,885	-	-
Unrealised intercompany profit on inventories	577,543	-	-
Gap from recognition revenue	2,295,501	1,230,662	-
Total	4,086,265	1,230,662	-
Deferred tax liabilities			
Property, plant and equipment	(38,885,128)	-	-
Amortization difference	(3,436,800)	-	-
Total	(42,321,928)	-	(42,321,928)
Net	(38,235,663)	1,230,662	-



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	(Unit : Baht)		
	Separate		
	(Charged) / Credited to		
	As at January 1, 2022	Other comprehensive income	As at December 31, 2022
		Profit or loss	
Deferred tax assets			
Other current liabilities (provisions)	26,729	-	26,729
Non-current provisions for employee benefit	1,027,404	-	1,027,404
Difference from recognition revenue and cost of sales	4,885	-	4,885
Total	1,059,018	-	1,059,018
Deferred tax liabilities			
Property, plant and equipment	(38,885,128)	-	(38,885,128)
Total	(38,885,128)	-	(38,885,128)
Net	(37,826,110)	-	(37,826,110)



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(Unit : Baht)

	Separate		
	(Charged) / Credited to		As at December 31, 2021
	As at January 1, 2021	Profit or loss	Other comprehensive income
Deferred tax assets			
Other current liabilities (provisions)	26,729	-	-
Non-current provisions for employee benefit	1,027,404	-	-
Difference from recognition revenue and cost of sales	4,885	-	-
Total	1,059,018	-	-
Deferred tax liabilities			
Property, plant and equipment	(38,885,128)	-	-
Total	(38,885,128)	-	-
Net	(37,826,110)	-	-



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Deferred tax assets have not been recognised in respect of the following items:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Statement of income				
Current investment (allowance for impairment)	59,352,025	54,168,628	59,352,025	54,168,628
Inventories (allowance for decline in value)	29,653,242	29,540,739	29,587,813	28,269,368
Investment in associates (allowance for impairment)	-	-	8,120,940	7,930,267
Trade accounts receivable (allowance for doubtful accounts)	5,680,230	6,106,038	5,680,300	5,927,663
Property, plant and equipment (allowance for impairment)	55,000	55,000	55,000	55,000
Other intangible assets (allowance for impairment)	9,441,501	2,281,895	9,441,501	2,281,895
Other current liabilities (provisions)	1,515,018	3,811,371	1,515,018	3,811,371
Investment in joint ventures (allowance for impairment)	-	-	10,566	2,694,434
Investment in subsidiaries (allowance for impairment)	-	-	927,266	386,182
Non-current provisions for employee benefit	1,983,773	993,649	802,166	-
Loss carry forward	100,076,750	109,071,513	97,994,109	98,449,510
Total	207,757,539	206,028,833	213,486,704	203,974,318

The tax losses expire in 2022 and 2026. The deductible temporary differences are not expired under current tax legislation. The Group has not yet recognized this as a deferred tax asset because it is not quite likely that the Group will have sufficient taxable profit to utilize the this tax benefit.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

30. EARNINGS (LOSS) PER SHARE

Earning (loss) per share for the year ended December 31, 2022 and 2021 were based on the profit (loss) for the year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year.

Diluted earnings (loss) per share are calculated by dividing loss for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares issued during the year and adjusted by the number of diluted ordinary shares, assuming that the diluted ordinary shares are exercised. Converted to ordinary shares. The Company has diluted ordinary shares, which is warrants to purchase ordinary shares. The Company calculates the equivalent of the discounted shares based on the fair value based on the par value of the share option price accompanying the warrants to purchase the ordinary shares (the calculation is based on the weighted average number of ordinary shares issued during the period). This calculation is made to determine the number of ordinary shares that must be added to the ordinary shares held by third parties in the calculation of diluted earnings (loss) per share without any adjustment in net profit

Basic earnings (loss) per share and Diluted earnings (loss) per share as following :

	Consolidated		Separate	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Profit (loss) attributable to ordinary shareholders of the Company (Basic) (Baht)	<u>(145,463,354)</u>	<u>(152,014,677)</u>	<u>(149,912,549)</u>	<u>(139,200,516)</u>
Profit (loss) attributable to ordinary shareholders of the Company from continuing operations (Basic) (Baht)	<u>(145,463,354)</u>	<u>(151,338,321)</u>	<u>(149,912,549)</u>	<u>(139,200,516)</u>
Profit (loss) attributable to ordinary shareholders of the Company (Basic) (Baht)	<u>(145,463,354)</u>	<u>(152,014,677)</u>	<u>(149,912,549)</u>	<u>(139,200,516)</u>
Profit (loss) attributable to ordinary shareholders of the Company from continuing operations (Basic) (Baht)	<u>(145,463,354)</u>	<u>(151,338,321)</u>	<u>(149,912,549)</u>	<u>(139,200,516)</u>



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

	Consolidated		Separate	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Number of ordinary shares at the beginning of the year (shares)	4,750,168,337	4,240,294,744	4,750,168,337	4,240,294,744
Ordinary shares issued during the year by weighted average method (shares)	433,936,305	117,673,813	433,936,305	117,673,813
Number of ordinary shares by weighted average method (Basic) (share)	<u>5,184,104,642</u>	<u>4,357,968,557</u>	<u>5,184,104,642</u>	<u>4,357,968,557</u>
Basic earnings (loss) per share (Baht : Share)	<u>(0.028)</u>	<u>(0.035)</u>	<u>(0.029)</u>	<u>(0.032)</u>
Basic earnings (loss) per share from continuing operations (Baht : Share)	<u>(0.028)</u>	<u>(0.035)</u>	<u>(0.029)</u>	<u>(0.032)</u>
Diluted earnings (loss) per share (Baht : Share)	<u>(0.027)</u>	<u>(0.033)</u>	<u>(0.028)</u>	<u>(0.030)</u>
Number of ordinary shares at the beginning of the year (shares)	5,184,104,642	4,357,968,557	5,184,104,642	4,357,968,557
Ordinary shares issued during the year by weighted average method (Diluted) (shares)	<u>122,946,170</u>	<u>228,937,486</u>	<u>122,946,170</u>	<u>228,937,486</u>
Number of ordinary shares by weighted average method (Diluted) (share)	<u>5,307,050,812</u>	<u>4,586,906,043</u>	<u>5,307,050,812</u>	<u>4,586,906,043</u>

As at December 31, 2022, the Company does not use the AJA - W4 warrants in the calculation of diluted earnings per share because the warrants have an exercise price higher than the market price.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

31. COMMITMENTS

31.1 Commitments about service agreement

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Future minimum lease payments under non-cancellable operating leases				
Within 1 year	6,194,100	5,577,120	108,900	163,200
After 1 year but within 5 years	5,487,000	5,042,520	345,000	122,400
Total	11,681,100	10,619,640	453,900	285,600
Capital expenditure				
Purchase orders for goods	18,612,221	31,843,677	12,021,541	8,836,471

Sale and purchase agreements

The Group entered into sale and purchase agreements with modern trade for distribution of products under brand “AJ”. The Company is committed to pay sales promotion and other sales related expenses at amounts specified in the agreements. The agreements are for the periods within 1 year, which are automatically renewable unless either party notifies for termination.

Service agreements

The Company entered into several service agreements with other parties covering services of warehouse rental, security, sales promotional advertising and other services. The Company is committed to pay service charges at amounts specified in the agreements. The agreements are for the periods of 6 to 12 months.

Agent agreement

The Company entered into agent agreement with another company, under this agreement the Company is committed to recruit members and provide services related to purchase of goods via such company’s website. The Company receives share of membership fee at amounts specified in the agreement. The agreement is for the period of 12 months.

Collaboration agreement

The Company has entered into the Collaboration agreement with a financial institution and a company that the Company entered into an agent agreement to get members relating to the access of website. The financial institution will provide marketing activities and financial service for transactions through the website for purchase and sale of goods. The Company is committed to pay fee as specified in the agreement. The Collaboration agreement is for a period of 12 months



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

Agent appointment agreement

The Company entered into an appointment agreement with a company. Under the said contract, the agent company is responsible for recruiting members and providing services to members in trading through the website. That the Company has contracted as an agent for memberships and provides services to members. The Company has an obligation to pay commission as stipulated in the agreement. The agent appointment contract has a period of 12 months

31.2 Contingent liabilities

As at December 31, 2022 and 2021, the Company and subsidiaries have commitments to financial insulation as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
Unused Letter of Credit	1,500,000	650,000	200,000	200,000
Letter of Guarantee				
- Electricity Guarantee	1,900,000	402,000	1,900,000	402,000
- Other Guarantee	3,510,256	2,365,256	2,035,256	1,535,256

32. FINANCIAL INSTRUMENTS

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has 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 risk management process to ensure that an appropriate balance between risk and control is achieved.



Interest rate risk

Interest rate risk is the risk that future changes in market interest rates will affect the Group's operations and cash flows. The Group is exposed to significant interest rates related to cash at financial institutions, trade and other current receivables and other non-current financial assets. Therefore, the Group is exposed to the risk of future interest rate fluctuations.

As at December 31, 2022 and 2021, significant financial assets and liabilities can be classified by interest rate type in the material areas as follows:

Consolidated										(Unit : Million Baht)
	Floating interest rate		Fixed interest rate		Non-interest bearing		Total		Interest rate per annum (%)	
	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021	As at December 31, 2022	As at December 31, 2021
Financial assets										
Cash and cash equivalents	31	246	-	-	6	5	37	251	0.10 - 0.45	0.12 - 0.25
Trade and other current receivables	-	-	-	-	87	75	87	75	-	-
Other current financial assets	-	-	-	-	-	26	-	26	-	-
Other non-current financial assets	5	2	-	-	-	-	5	2	0.55 - 1.00	0.40
Financial liabilities										
Trade and other current payables	-	-	-	-	49	72	49	72	-	-
Financial lease liabilities	-	-	31	1	-	-	31	1	5.58	5.25

AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases goods which are denominated in foreign currencies.

As at December 31, 2022 and 2021, the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies :

	(Unit : Baht)			
	Consolidated		Separate	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
United States Dollars				
Current financial assets	-	25,916,984	-	25,916,984
Trade accounts payable	(1,760,089)	(13,156,717)	(1,597,884)	(13,002,356)
Gross statement of financial position exposure	(1,760,089)	12,760,267	(1,597,884)	12,914,628
Net exposure	(1,760,089)	12,760,267	(1,597,884)	12,914,628

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group when it 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 reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

The fair value of cash and cash equivalents, trade and other accounts receivable, short-term loans, other current assets, bank overdrafts, short-term borrowings, trade and other accounts payable and other current liabilities is taken to approximate the carrying value.

The fair value of investments in equity securities - available-for-sales, are determined by reference to their quoted bid prices at the reporting date.

The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rates.

Fair values and the carrying values of financial assets and liabilities other than the aforementioned were as follows:

(Unit : Baht)

Consolidated							
Level 1		Level 2		Level 3		Total	
December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021

Assets

Other current

financial assets - - - 25,916,984 - - - 25,916,984

Land - - 194,425,639 194,425,639 - - 194,425,639 194,425,639

Cryptocurrency assets - - 34,457,763 96,541 - - 34,457,763 96,541

(Unit : Baht)

Separate							
Level 1		Level 2		Level 3		Total	
December 31, 2022	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021

Assets

Other current financial

assets - - - 25,916,984 - - - 25,916,984

Land - - 194,425,639 194,425,639 - - 194,425,639 194,425,639

Cryptocurrency assets - - 29,143,682 - - - 29,143,682 -

33. CAPITAL MANAGEMENT

Purpose of the Company and subsidiaries in financial management is to maintain the ability to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2022 and 2021, Consolidated financial statements disclosure debt to equity ratio 0.25 to 1 and 0.33 to 1 respectively (Separated financial statements : Debt to equity ratio 0.10 to 1 and 0.20 to 1 respectively)



AJ Advance Technology Public Company Limited and its subsidiaries

Notes to the Financial Statements

December 31, 2022

34. RECLASSIFICATION

Some accounts in the financial statements as at December 31, 2021 are presented for comparison. To compare with the current year without affecting the statement of comprehensive income and shareholders' equity as follows:

(Unit : Baht)				
Account	Consolidated	Separate	Before reclassification	After reclassification
Deposit for goods	18,866,501	18,068,856	Trade accounts receivable and other current receivables	Other current assets
Allowance for impairment loss - deposit	2,063,475	2,063,475	Trade accounts receivable and other current receivables	Other current assets

35. SUBSEQUENT EVENT

35.1 Offering of convertible debentures

On February 4, 2023, the Company entered into a convertible debentures issuance contract and offered for sale of the newly issued convertible debentures of the Company under the Convertible Debentures Issuance Contract No. 3/2022, totaling Baht 10.00 million, to Advance Opportunities Fund (“AO Fund”) totaling Baht 5.00 million and Advance Opportunities Fund 1 (“AO Fund 1”) totaling Baht 5.00 million. The convertible debentures will be due on June 28, 2025, unless the conversion right is exercised before the redemption maturity date.

35.2 Exercise of convertible debentures

In February 2023, the convertible debenture holders exercised their convertible rights of Baht 10.00 million, representing the number of shares issued from the exercise of convertible rights 44,515,668 shares, with a par value of Baht 0.10 per share, equivalent to Baht 4,451,567, which the company has registered for the increase of the paid-up capital with the Ministry of Commerce.

36. APPROVAL OF THE FINANCIAL INFORMATION

These financial statements were authorized for issue by the Company's Board of Director's on February 24, 2023.





Attachments

Attachment 1

Information of the Board of Directors, Executives, Controlling Persons Account and Company Secretary

01

M.R. Chirakom Kitiyakara



Age 76 Years

- Chairman of the Board of Director
(Get appointed on August 27, 2019)

Education/ Certification

Education

- Master of Political Science, Utah State University
- Bachelor of Law, Thammasat University

Training

- Director Accreditation Program (DAP) 172/2020

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2019 - Present Chairman of the Board of Director

AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2020 - Present Director

Unionthai Platform Company Limited

Business type Provides investment platform

2004 - 2007 Minister (Commercial) Tokyo, Ministry of CommerceTrade

Ministry of Commerce/Department of Exports

Business type Government agencies



02

Lt.Gen. Pajongjed Meepin



Age 67 Years

- Independent Director
(Get appointed on February 20, 2019)
- Chairman of audit committee
(Get appointed on March 13, 2019)

Education/Certification

Education

- Master of Political Science
Thammasat University
- Bachelor of Science
Chulachomklao Royal Military Academy
- Army Staff School Royal
Thai Army College
- Secondary level, Military School

Training

- Director Accreditation Program (DAP) 159/2019

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2019 - Present Independent Director

AJ Advance Technology Public Company
Limited

Business type Import and distributing of electronic appliances,
electric motorcycle and bitcoin mining

2019 - Present Chairman of audit committee

AJ Advance Technology Public Company
Limited

Business type Import and distributing of electronic appliances,
electric motorcycle and bitcoin mining

2015 - 2016 Deputy Chief of Communications

Signal Department Royal Thai Army

Business type Government agencies

2013 - 2014 Chief of the Department

Signal Department Royal Thai Army

Business type Government agencies



03

Dr. Phuwit Panyasit



Age 64 Years

- Independent Director
(Get appointed on December 27, 2017)
- Audit Committee
(Get appointed on December 27, 2017)

Education/Certification

- Is Studying Phd. Southeast Asia University
- Doctor of Philosophy, Sherwood University of USA
(Business Management)
- Master of Business Administration
(Management), E-Sarn University
- Bachelor of Business Administration (Management),
College of Asian Scholars
- Secondary College of Technology, Rajadamnern
Commercial College

Training

- Director Accreditation Program (DAP) 148/2018
- Director Certification Program (DCP) 262/2018
- Easy listening:

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2017 - Present Independent Director
AJ Advance Technology Public Company
Limited

Business type Import and distributing of electronic appliances,
electric motorcycle and bitcoin mining

2017 - Present Audit Committee

AJ Advance Technology Public Company
Limited

Business type Import and distributing of electronic appliances,
electric motorcycle and bitcoin mining

Present Advisor

The Police Audit and Monitoring Board,
Bangkok Yai Police Station

Business type Government agencies

Present Executive Editor

Police News newspaper

Business type Newspaper

Present Chairman of the Board
Samui Hotel Resort and Spa Co., Ltd.

Business type Hotel

Present 1st Lieutenant Governor

Alumni Association of Panitchayakan
Rajdamnern Technological College

Business type Association

Present 1st Lieutenant Governor

The Public Taxi Driver Association -
Suvarnabhumi

Business type Association

Present Advisory Board/President

President of Thai Territorial Preservation
Reserve Association

Business type Association

Present Vice Chairman/Deputy Minister.

Prime Minister's Office

Business type Government agencies





Age 69 Years

- Independent Director (Get appointed on February 28, 2020)
- Audit Committee (Get appointed on February 28, 2020)

Education/Certification

- Professor of Logistic Management, Intercultural Open University Netherlands
- Ph.D. in Leadership Management, Pacific Western University, USA
- Ph.D. in Social Science, Magadh University, India
- Master of Public Administration National Institute of Development Administration
- Bachelor of Business Administration (Accounting), Kirk University

Training

- Director Accreditation Program DAP 171/2020
- Easy listening:

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2020 - Present	Independent Director, AJ Advance Technology Public Company Limited
Business type	Import and distributing of electronic appliances, electric motorcycle and bitcoin mining
2020 - Present	Audit Committee, AJ Advance Technology Public Company Limited
Business type	Import and distributing of electronic appliances, electric motorcycle and bitcoin mining
Present	Chairman of Advisory Board Naret Group Co., Ltd.
Business type	Technology system installation service
Present	Chief Executive Officer / Financial Advisor Asec Frontier (Thailand) Co., Ltd.
Business type	Platform development services business information

Present	Chairman Asian Institute of Logistics Foundation
Business type	Foundation
Present	Executive Committee / Financial Advisor Traders City Holding Co., Ltd.
Business type	Investment
Present	Chairman of Advisory Board Thai Community Enterprise Development Co., Ltd
Business type	Wholesale of other agricultural raw materials
Present	Chairman of Advisory Board Business Events Service (Thailand) Co., Ltd.
Business type	Business show management and show products
Present	Chairman of Advisory Board Asia Green Innovation Co., Ltd
Business type	Retail communication equipment
Present	Chairman of Advisory Board OTOP Intertrader (Thailand) Co., Ltd.
Business type	Production and distribution of local products
Present	Advisor, Leo Global Logistic Plc.
Business type	Logistic
Present	Chancellor of Asia Pacific Region Open System Leadership University, USA (Under UN)
Business type	Independent agency
Present	Senior Member of Council Committee Rajabhat University, Nakhon Si Thammarat
Business type	University
Present	Advisor, Thailand's National Strategy and Reform Sub-Committee
Business type	Government agencies
Present	Director, for the Development of Agriculture Logistics Systems, Ministry of
Business type	Government agencies
Present	Advisor, Ministry of Agriculture and Cooperatives
Business type	Government agencies
Present	Advisor, Committee on Extraordinary Education Entertainment Complex
Business type	Government agencies



05

Mr. Anake Pattanaslid



Age 71 Years

- Director
(Get appointed on January 1, 2010)

Education/Certification

- Bachelor of Business Administration,
Huachiew University

Training

- Director Accreditation Program DAP 89/2011

(%) of Share Possession as of February 9, 2023

818,877 share (0.02%)

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2010 - Present Director, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2013 - Present Director, Losanne Khao Yai Co., Ltd.

Business type Property development

2010 - Present Director, AJ E-Commerce Co., Ltd.

Business type agent and service provider for Alibaba

2007 - Present Director, Happy Vision Co., Ltd

Business type Sells sports sneakers

2006 - Present Director, Maxon Herb Marketing (Thailand) Co., Ltd.

Business type Sells food supplements

1993 - Present Director, B.V.S. Trading Co., Ltd

Business type Sells paper boxes

1990 - Present Director, Flying Fish Service (Thailand) Co., Ltd

Business type Service

1987 - Present Director, Super Ten Co., Ltd.

Business type Sell packaging



06

Mr. Boonyasit Saengpongphithaya



Age 60 Years

- Authorized Director (Get appointed on March 13, 2019)

Education/Certification

- Master of Political Science, Ramkhamhaeng University
- Bachelor of Business Administration (Marketing), Assumption University

Training

- Director Accreditation Program DAP 159/2019

(% of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2019 - Present Director, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2019 - Present Director, Yutai Group Company Limited

Business type Trading services for members via website/Bitcoin

2019 - Present Director, Bangkok Pay Company Limited

Business type Sells and provides services related to mobile top-up kiosks for authorized service providers of electronic transfers and payments as well as payment machines (POS) and portable charger rental services.

2019 - Present Director, Songcheng (Pattaya) International Culture Company Limited

Business type Art and cultural center business

2020 - Present Director, AJ Beauty Group Company Limited

Business type Beauty clinics

2021 - Present Director, AJ E-Commerce Co., Ltd.

Business type Agent and service provider for Alibaba

2021 - Present Director, Happy Vision Co., Ltd

Business type Sells sports sneakers

2020 - Present Director, Unionthai Platform Company Limited

Business type Provides investment platform

2016 - Present Director, Sam Property Development Co., Ltd.

Business type Real estate agents and brokers



07

Mr. Pichai Panjasanka



Age 53 Years

- Authorized Director (Get appointed on May 5, 2021)
- Chairman of the Executive Committee (Get appointed on May 5, 2021)
- Chief Executive Officer (Get appointed on May 5, 2021)

Education/Certification

- Bachelor of Business Administration, Assumption University

Training

- Director Accreditation Program DAP 188/2021

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2021 - Present Director, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2021 - Present Chairman of the Executive Committee AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2021 - Present Chief Executive Officer AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2021 - Present Director, AJ E-Commerce Co., Ltd.

Business type gent and service provider for Alibaba

2021 - Present Director, Happy Vision Co., Ltd

Business type Sells sports sneakers

2021 - Present Director, Youtai Group Company Limited

Business type Trading services for members via website/ Bitcoin

2021 - Present Director, Bangkok Pay Company Limited

Business type Sells and provides services related to mobile top-up kiosks for authorized service providers of electronic transfers and payments as well as payment machines (POS) and portable charger rental services.

2021 - Present Director, AJ Beauty Group Company Limited

Business type Beauty clinics

2021 - Present Director, Unionthai Platform Company Limited

Business type Provides investment platform

2019 - Present Chief Executive Officer Happy Vision Co., Ltd

Business type Sells sports sneakers

2012 - Present Managing Director, Thai Auto Paint Co., Ltd

Business type Car service center

2011 - Present Managing Director, Thai Bid Club Co., Ltd.

Business type Car service center

2020 - Present Managing Director Pattanakarn Euro construction Co., Ltd

Business type Construction





Age 51 Years

- Authorized Director (Get appointed on March 13, 2019)
- Executive Committee (Get appointed on March 13, 2019)
- Chief Financial Officer (Get appointed on April 1, 2019)
- Company Secretary
- The person taking the highest responsibility in finance and accounting
- Person assigned to taking responsibility directly in the supervision of making accounting (Get appointed on 27, March 2012)

Education/Certification

- Master of Accountin, Ramkhamhaeng University
- Bachelor of Accounting, Siam University

Training

- Anti-Corruption: The practical Guide
- Director Accreditation Program
- Board Reporting Program
- Effective Minute Taking
- Company Secretary Program
- CFO Current Issues
- CFO Course -CFO 2022 (Overview of current and future accounts and taxes)
- Continuous knowledge development in accounting (CPD) Total 14 hours in 2022

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2019 - Present Director, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2019 - Present Executive, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2019 - Present Chief Financial Officer, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2012 - Present Company Secretary, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2019 - Present Director, AJ E-Commerce Co., Ltd.

Business type Agent and service provider for Alibaba

2019 - Present Director, Happy Vision Co., Ltd

Business type Sells sports sneakers

2019 - Present Director, Bangkok Pay Company Limited

Business type Sells and provides services related to mobile top-up kiosks for authorized service providers of electronic transfers and payments as well as payment machines (POS) and portable charger rental services.

2020 - Present Director, AJ Beauty Group Company Limited

Business type Beauty clinics

2019 - Present Director, Youtai Group Company Limited

Business type Trading services for members via website/Bitcoin

2020 - Present Director, Unionthai Platform Company Limited

Business type Provides investment platform

2012 - 2019 Senior Director of Accounting and Finance AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining



09

Mr. Sayon Suntaros

Age 53 Years

- Executive Committee (Get appointed on March 13, 2019)
- Assistant Chief Executive Officer Sales and Marketing (Get appointed on June 7, 2019)

Education/Certification

- Bachelor's degree in Computer Science
Payap University, Chiang Mai

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2019 - Present Executive Committee, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2019 - Present Assistant Chief Executive Officer Sales and Marketing, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2017 - 2019 Senior Director of Sales and Marketing
AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2015 - 2017 Senior Director of Sales and Marketing
AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2014 - 2015 Manager of Sales, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

10

Mr. Suparek Chumkham

Age 51 Years

- Director of Research & Development and Quality Control (Get appointed on March 21, 2017)

Education/Certification

- Master's degree in Marketing
University of the Thai Chamber of Commerce
- Bachelor's degree in Electrical-Electronic Engineering
Saint John's University

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2017 - Present Director of Research & Development and Quality Control, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2015 - 2017 Manager of Research & Development and Quality Control, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

11

Ms. Nutchaya Sirariyakul

Age 45 Years

- Director of Sales (Get appointed on March 21, 2017)

Education/Certification

- Bachelor of Business Administration, Marketing
Bangkok University

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2017 - Present Director of Sales, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances, electric motorcycle and bitcoin mining

2010 - 2017 Manager of Sales, AJ Advance Technology Public Company Limited

Business type Import and distributing of electronic appliances



Attachment 2

Details of Subsidiaries' Directors

Position of the Company's directors and executives in subsidiaries

<div> <div>Name of Directors/Executives</div> <div>Name of Company</div> </div>	M.R. Chirakom Kitiyakara	Lt.Gen. Pajongjed Meepin	Mr. Phuvit Panyasit	Mr. Thapana Boonlar	Mr. Anake Pattanasid	Mr. Boonyasit Saengpongphithaya	Mr. Pichai Panjasanka	Mrs. Prangthip Chanvisitsak	Mr. Sayon Suntaros	Mr. Supalerk Chumkum	Ms. Natchaya Sirariyakul
AJ Advance Technology Public Company Limited	C	I	I	I	D	D	D / E	D / E	E	E	E
AJ E-Commerce Company Limited					D	D	D / E	D / E			
Happy Visions Company Limited					D	D	D / E	D / E			
Yutai Group Company Limited						D	D / E	D / E			
Bangkok Pay Company Limited						D	D	D			
AJ Beauty Group Company Limited						D	D	D			
Unionthai Platform Company Limited	D					D	D	D			

Remark : C = Chairman D = Director I = Independent Director E = Executive



Attachment 3

Detail of Head of the Office of Corporate Audit

The Company has hired BKIA & IC Company Limited to perform internal audit. Ms. Boonnee Kusolsopit was appointed by BKIA & IC Company Limited to be the head of the Company's internal audit. The details are as follows.

1. Ms. Boonnee Kusolsopit

Age 50 Years

Education/Certification

- Master's degree in MBA (Executive), Burapha University
- Graduated Diploma (Auditing), Chulalongkorn University
- Bachelor's degree in B.A. (Mass Communication), Ramkhamhaeng University
- Bachelor's degree in B.B.A. (Accounting), Rajamangala University of Technology Krungthep

Credentials

- Certificate of Internal Auditor of Thailand (CPIAT)
- Certified Public Accountant (CPA)
- CAC SME IA

Certificate

- Endorsed Internal Auditing Program, Chulalongkorn University
- Discussion on Thai Financial Standards (TFRSs/ TFRS for NPAES), Chulalongkorn University
- National Cyber Security basic course (NCSC)
- Data Protection International Computer Driving License
- Top Risks for Internal Audit 022
- IT Audit Priorities and trends Association of Internal Auditors

(%) of Share Possession as of February 9, 2023

- None -

Family Relationship among Directors and Executives

- None -

Working Experiences in the 5 Preceding Years

2004 - Present Partner, Chief audit executive, BK IA & IC Company Limited
internal audit and give advice about the internal control system



Attachment 4

Assets Used in Business and Details of Assets Appraisal Report

Assets used in business and details of assets appraisal report

- No attachment -



Attachment 5

Corporate Governance Policy and Practice

Please consider details with regard to corporate governance policy and practice on the Company's website.
(https://www.irplus.in.th/Listed/AJA/corporate__policy.asp)



Attachment 6

Report of the Audit Committee

To Shareholders

AJ Advance Technology Public Company Limited

The Audit Committee of AJ Advance Technology Public Co., Ltd. consists of 3 Independent Directors who are qualified and experienced in corporate and financial management. The Audit Committee is appointed by the Board of Directors to review financial reports, internal audit, Audit by certified auditors as well as ensure that the Company complies with the duties prescribed by the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission

In this regard, As of December 31, 2022, the Audit Committee consists of 3 Audit Committee members as follows:

- | | | |
|----|---------------------------|---------------------------------|
| 1. | LT. Gen. Pajongjed Meepin | Chairman of the Audit Committee |
| 2. | Dr. Phuvit Panyasit | Audit Committee |
| 3. | Prof. Dr. Thapana Boonlar | Audit Committee |

In this regard, In the year 2022 the Audit Committee had performed duties as assigned by the Board of Directors and as stated in the Audit Committee Charter with compliance to the regulations of the Stock Exchange of Thailand as well as to ensure that the Executive Committee and the management have managed the business according to the Company's policies in a correct and complete manner with adequate standard by emphasizing suitable and effective internal control and risk management, accurate accounting system and financial reporting, as well as strict compliance with the laws, rules and regulations related to the Company's operation based on the principles of good governance.

In the year 2022 the Audit Committee held a total of 5 meetings. Some were with the presence of internal auditors and some with external auditors in order to acknowledge, discuss, resolve, and exchange ideas on various matters. The following summarizes such matters

1. Review of financial statements

The Audit Committee reviewed the annual and quarterly consolidated financial statements of the Company and its subsidiaries that have been audited by the external auditors for the year 2019, before proposing to the Board of Directors for approval. This was completed by considering significant issues and providing advice and useful comments to ensure that the process of financial reporting, information disclosure of notes to the financial statements, significant predictions, and other special transactions are correct, complete, timely, and in compliance with relevant laws, notices, rules and regulations of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), and the accounting standards. The Audit Committee was of the opinion that the financial statements were essentially correct according to the accounting standards.



2. Review of related transactions, connected transactions or transactions with potential conflicts of interest

The Audit Committee reviewed the Company's and its subsidiary companies' connected transactions, transactions with potential conflicts of interest as well as the disclosure of related transactions in order to ensure strict compliance with the rules and regulations of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), and the accounting standards by focusing on the transparency, appropriateness, and the interests of stakeholders. The Audit Committee opined that the connected transactions which occurred or has occurred during the year 2019 were in the ordinary and usual course of business, and were beneficial to the Company, including complete and sufficient information disclosure.

3. Review of internal control and risk management

The Audit Committee reviewed the adequacy of the internal control system and risk management of the Company through planning, annual inspection, conducting audits, reporting and monitoring of results to ensure that the Company conformed with the advice of the Audit Committee to improve the efficiency and effectiveness. Moreover, the Company has hired an internal auditor to audit the Company's fundamental operating systems, in addition to the internal auditor's plan, to limit the risk should there be any deficiencies, as well as to evaluate the internal control system according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) guideline. The Audit Committee concluded that the Company has adequate internal control and risk management system as no weaknesses or deficiencies were found in the fundamental internal control systems.

4. Review of good corporate governance

The Audit Committee reviewed the Company's policies and operations to ensure compliance with the Securities and Exchange Act and other laws related to business operation and governance. The Audit Committee emphasizes the conformity with business ethics by taking into account social and environmental responsibility as well as anti-corruption policies of executives and employees.

5. Charter and self-assessment of the Audit Committee

The Audit Committee reviewed the Charter of the Audit Committee and assessed the performance of both self and the committee on an annual basis according to the best practices of the Stock Exchange of Thailand (SET). The assessment results can be concluded that the Audit Committee has performed its duties with responsibility, prudence and independence in accordance with good practices and the Charter of the Audit Committee. Moreover, the Audit Committee reports its performance to the Board of Directors on a quarterly basis to be used as a guideline for further operational development



6. Consideration of auditors and remuneration determination for the year 2023

The Audit Committee considered the selection and remuneration of external auditors and gave an opinion to the Board of Directors to be proposed to the General Meeting of Shareholders. The selection was completed on the basis of experience, reliability, quality of work, availability of resources, independence and auditor certification status, and has been approved by the Securities and Exchange Commission (SEC). The Audit Committee auditor with Karin Audit Co., Ltd. to be the auditor for the Company and its subsidiaries for the fiscal year 2023, as well as determined the auditor's remuneration to be 2,137,000 baht which will be proposed to the General Meeting of Shareholders. The list of auditors is as follows:

List of auditors		Registration No.
1.	Mr. Jadesada Hungsapruet and / or	3759
2.	Ms. Kannika Wipanurat and / or	7305
3.	Mr. Jirote Sirirorote and / or	5113
4.	Ms. Nonglak Pattanabandith and / or	4713
5.	Mrs. Sumana Senivongse and / or	5897
6.	Mr. Komin Linphrachaya and / or	3675
7.	Mr. Worapol Wiriyakulapong and / or	11181
8.	Mr. Pojana Asavasontichai and / or	4891
9.	Mr. Wichian Proongpanish and / or	5851
10.	Ms. Kojchamon Sunhuan and / or	11536
11.	Mr. Supoj Mahantachaisakul and / or	12794
12.	Ms. Kanwarat Saksriborworn and / or	13273
13.	Ms. Bongkotrat Suamsiri and / or	13512
14.	Mr. Thanathit Raksathianraphap	13646

In summary, the Audit Committee had performed its duties as assigned and opined that the Company possessed adequate risk management, corporate governance policies, and internal control and corporate governance systems. Moreover, the Audit Committee concluded that the Company's financial statements for the year ended 31 December 2022 were substantially correct in accordance with the generally accepted accounting standards, and the Company's information disclosures were adequate, complete, and reliable.

On behalf of the Audit Committee



LT. Gen. Pajongjed Meepin
Chairman of the Audit Committee





www.ajthai.com



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