

AJA.018/2020

November 12th, 2020

Subject Management Discussion and Analysis of the Consolidated Financial Statements of Quarter 3/2020

To Committee and Manager
 The Stock Exchange of Thailand

As the resolution of Board of Director Meeting of AJ Advance Technology Public Co., Ltd. (“Company”) No. 18/2020 on November 12th, 2020 approved the financial statement of Quarter 3 year 2020 for period 9 months ended September 30th, 2020 which had the net loss attributable to owners of the parent at 103.62 million Baht. If compared with the operation result of same period last year, company had the net loss at 296.68 million baht which was loss decreased at 193.06 million baht or 65.07 percent.

Company would like to report the operation result of Quarter 3 year 2020 for period 9 months ended September 30th, 2020 about the change that more than 20 percent when compared with same period of last year. The main reasons are as follows.

1. Total income was 274.82 million Baht which decrease at 15.41 million Baht or 5.31 percent when compared with same period of last year at 290.24 million Baht. Total income had changed by income categories as follows.

Unit : million Baht

Total income by category	Quarter 3 2020	Quarter 3 2019	Increase (Decrease)	Change percentage
Revenue from sales of goods	218.51	263.87	(45.36)	(17.19)
Revenue from rendering of services	45.89	17.95	27.94	155.65
Other income	10.42	8.42	2.00	23.75
Total Income	274.82	290.24	(15.41)	(5.31)

The main reason is that Revenue from sales of goods decreased from the same period of last year at 45.36 million baht or 17.19 percent, which was affected by the impact of the economic slowdown including the market, conditions that have increased price competition, the COVID-19 situation. Affecting the company's sales decreased. For Revenue from rendering of services increased from the same period of last year at 27.94 million baht or 155.65 percent, mainly due to the increase of prepaid telephone services, prepaid phone systems, and the provision of electronic money transfer and payment services of subsidiaries (Bangkok Pay Co., Ltd.)

2. Loss from impairment of investment was 7.89 million baht, or 2.87 percent of total income, decreased at 177.62 million baht or 95.75 percent when compared to the same period of the last year at 185.51 million baht or 63.92 percent of total income, because the Company had investments in private fund in overseas. Funds, faced with unexpected situation and high marker fluctuation which cause negative result it its performance. Therefore set up allowance for impairment of that investment.

3. Share of loss of investment in associates and joint venture was 2.52 million baht, or 0.92 percent of total income, decreased at 8.95 million baht or 78.02 percent when compared to the same period of the last year at 11.47 million baht or 3.95 percent of total income, because The Last year, the company set up allowance an impairment of investment in associate which operating loss.

Please be informed accordingly.

Sincerely Yours,



(Mrs. Prangthip Chanvisitsak)

Company Secretary