



บริษัท จัสมิน เทเลคอม ซิสเต็มส์ จำกัด (มหาชน)
Jasmine Telecom Systems Public Company Limited

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[TRANSLATION]

JTS/CS-019/2564

August 9, 2021

Subject : Report on the Company's operating results for the second quarter of 2021

Attention : President of the Stock Exchange of Thailand

The Board of Directors' Meeting No.6/2021 of Jasmine Telecom Systems Public Company Limited (the "Company") held on August 9, 2021 has resolved to approve the consolidated financial statements for 2Q 2021, ended June 30, 2021 that have been accordingly reviewed by the Company's external auditor and by the Audit Committee at the meeting No.5/2021 held on August 9, 2021. Also, on this occasion, the Company would like to report its operating results as detailed below:-

Quarterly Performance Comparison

Unit: Million Baht

	2Q2021	1Q2021	2Q2020	QoQ		YoY	
				Inc (Dec)	%	Inc (Dec)	%
Revenue from Sales & Services:							
Telecom Systems Integration and Telecom Service business	21.76	22.05	100.99	(0.29)	(1.32)	(79.23)	(78.45)
Telecommunication Services business	393.90	0.00	0.00	393.90	100.00	393.90	100.00
Computer Systems Integration business	11.64	12.17	11.37	(0.53)	(4.35)	0.27	2.37
Other Income	3.28	0.01	0.01	3.27	32,700.00	3.27	32,700.00
Total Revenue	430.58	34.23	112.37	396.35	1,157.90	318.21	283.18
Cost of sales and services	321.07	19.00	96.91	302.07	1,589.84	224.16	231.31
Selling and administrative expenses	51.10	16.33	19.18	34.77	212.92	31.92	166.42
Impact of exchange rate	7.07	(1.09)	1.34	8.16	748.62	(5.73)	(427.61)
Net profit (loss)	37.32	10.23	8.85	27.09	264.81	28.47	321.69
EBITDA	143.87	4.10	13.49	139.77	3,409.02	130.38	966.49

Following the resolution, passed by the Extraordinary General Meeting of Shareholders No.2/2021 of the Company, convened on May, 17 2021, approving the acquisition of 99.99% of shares of JasTel Network Company Limited. ("JasTel"), the Company proceeded to acquire JasTel's shares; the share purchase transaction was completed on May 31, 2021. Due to the acquisition of JasTel as a new subsidiary, only for 2Q 2021, the Company shall disclose its operating results in which JasTel's financial statements are included in its consolidated financial statements.

The operating results for 2Q 2021, ended June 30, 2021 : The net profit of the Company and its subsidiaries was 37.32 million Baht, increasing by 28.47 million Baht or 321.69% YoY compared to 2Q 2020 and increasing by 27.09 million Baht or 264.81% QoQ compared to 1Q 2021. Details are as follows:-

1. Total revenue

The total operating revenue of the Company and its subsidiaries for 2Q 2021 was 430.58 million Baht, increasing by 318.21 million Baht or 283.18% YoY compared to 2Q 2020 and increasing by 396.35 million Baht or 1,157.90% QoQ compared to 1Q 2021. The total revenue comprised:-

- The revenue obtained from Telecom Systems Integration and Telecom Service business of 21.76 million Baht, decreasing by 79.23 million Baht or 78.45%, a result of a sale of computer servers to big customers, amounting 79.63 million Baht, in 2Q 2020;
- The revenue obtained from Telecommunication Services business was 393.90 million Baht or 100% due to the purchase of the shares JasTel;
- The revenue obtained from Computer Systems Integration business was 11.64 million Baht, increasing by 0.27 million Baht or 2.37%.
- Other revenue of 3.28 million Baht, increasing by 3.27 million Baht or 32.700.00%, obtained from Telecommunication Services business.

2. Costs and Expenses

The cost of sales and services and the selling and administrative expenses of the Company and its subsidiaries in 2Q 2021 increased by 256.08 million Baht or 220.59% YoY compared to 2Q 2020 due to the record of 1 additional subsidiary.

Cost of sales and services was 321.07 million Baht, increasing by 224.16 million Baht or 231.31% YoY compared to 2Q 2020 and increasing by 302.07 million Baht or 1,589.84 % QoQ compared to 1Q 2021.

Selling and administrative expenses was 51.10 million Baht, increasing by 31.92 million Baht or 166.42% YoY compared to 2Q 2020 and increasing by 34.77 million Baht or 212.92% QoQ compared to 1Q2021.

The Company; therefore, has prepared the consolidated financial statements retrospectively to include the financial statements of JasTel for the benefit of the comparison of the financial position, operating results and cash flows of the Group under the same control. This is deemed as if the subsidiary has operated business under the group of companies since before January 1, 2020.

Quarterly Performance Comparison (Retrospective consolidated financial statements by presenting the financial statements of JasTel in the preparation of the consolidated financial statements of the Company)

Unit: Million Baht

	2Q2021	1Q2021 (Restated)	2Q2020 (Restated)	QoQ		YoY	
				Inc (Dec)	%	Inc (Dec)	%
Revenue from Sales & Services:							
Telecom Systems Integration and Telecom Service business	21.76	21.92	100.99	(0.16)	(0.73)	(79.23)	(78.45)
Telecommunication Services business	393.90	384.93	325.72	8.97	2.33	68.18	20.93
Computer Systems Integration business	11.64	11.61	11.29	0.03	0.26	0.35	3.10
Other Income	3.28	2.32	0.89	0.96	41.38	2.39	268.54
Total Revenue	430.58	420.78	438.89	9.80	2.33	(8.31)	(1.89)
Cost of sales and services	321.07	328.21	361.88	(7.14)	(2.18)	(40.81)	(11.28)
Selling and administrative expenses	51.10	58.39	56.73	(7.29)	(12.49)	(5.63)	(9.92)
Impact of exchange rate	7.07	7.72	(5.62)	(0.65)	(8.42)	12.69	225.80
Net profit (loss)	37.32	10.23	8.85	27.09	264.81	28.47	321.69
EBITDA	143.87	118.61	89.27	25.26	21.30	54.60	61.16

Operating results for 2Q 2021, ended June 30, 2021 : The net profit of the Company and its subsidiaries was 37.32 million Baht, increasing by 28.47 million Baht or 321.69% YoY compared to 2Q 2020 and increasing by 27.09 million Baht or 264.81% QoQ compared to 1Q 2021. Details are as follows:-

1. Total revenue

The total operating revenue of the Company and its subsidiaries for 2Q 2021 was 430.58 million Baht, decreasing by 8.31 million Baht or 1.89% YoY compared to 2Q 2020 but increasing by 9.80 million Baht or 2.33% QoQ compared to Q1 2021 . The total revenue comprised :-

- The revenue obtained from Telecom Systems Integration and Telecom Service business of 21.76 million Baht, decreasing by 79.23 million Baht or 78.45%, a result of a sale of computer servers to big customers, amounting 79.63 million Baht, in 2Q 2020.
- The revenue obtained from Telecommunication Services business was 393.90 million Baht, increasing by 68.18 million Baht or 20.93% due to an increase in number of the customers.
- The revenue obtained from Computer Systems Integration business was 11.64 million Baht, increasing by 0.35 million Baht or 3.10%.
- Other income was 3.28 million Baht, increasing by 2.39 million Baht or 268.54%. Such increase was the contribution of Telecommunication service business.

2. Costs and Expenses

The cost of sales and services and the selling and administrative expenses of the Company and its subsidiaries in 2Q 2021 decreased by 46.44 million Baht or 11.09% YoY compared to 2Q 2020, a result of efficient management of cost of sales and services and the selling and administrative expense and cost control to suit the situation of COVID19 .

Cost of sales and services was 321.07 million Baht, decreasing by 40.81 million Baht or 11.28% YoY compared to 2Q 2020 and decreasing by 7.14 million Baht or 2.18% QoQ compared 1Q 2021.

Selling and administrative expenses was 51.10 million Baht, decreasing by 5.63 million Baht or 9.92% YoY compared to 2Q 2020 and decreasing by 7.29 million Baht or 12.49% QoQ compared to 1Q2021.

2021 Business Plan

Since the new waves of the outbreak of COVID-19 have brought about uncertainty and impacts on Thailand's economy, the Company has determined to consider entering into new businesses of long-term investment to create new revenue, despite being not directly affected by the pandemic situation.

JasTel Network Company Limited ("JasTel"), a subsidiary of the Company, shall invest in the Bitcoin mining business of which the investment value is 156.7 million Baht. The company has gradually placed order for 500 Bitcoin mining machines and aims to complete the installation within 3Q 2021. The Company has studied about this business for a certain period of time and viewed that now is a good chance and timing to run it. Bitcoins obtained will be partially sold; they will be recorded, based on the accounting policy, as intangible asset and revenue (at fair value as at the date of acquisition) offset by impairment of assets. The Company expects that the revenue, generated by the Bitcoin mining business, can be realized continuously.

Regarding environmental impact, Bitcoin mining does not cause pollution to the environment. It relies mainly on electrical power. The Company, currently, utilizes electricity, generated by the government agencies that have been certified with the ISO 14001 for environmental management system standard. It is also considering the use of renewable energy such as solar energy and natural gas to generate electricity for the purpose of cost-saving and environmental conservation.

Sincerely yours,

Jasmine Telecom Systems Public Company Limited.

[Dusit Srisangaoran]

(Mr. Dusit Srisangaoran)

President