

[ TRANSLATION ]

JTS/RCD-018/2565

August 8, 2022

**Subject** : Report on the Company's operating results for the second quarter of 2022  
**Attention** : President of the Stock Exchange of Thailand

The Board of Directors' Meeting No.4/2022 of Jasmine Technology Solution Public Company Limited (the "Company") convened on August 8, 2022 has resolved to approve the consolidated financial statements for 2Q 2022, ended on June 30, 2022 that have been accordingly reviewed by the Company's external auditor and by the Audit and Corporate Governance Committee at the meeting No.4/2022 convened on August 8, 2022. Also, on this occasion, the Company would like to report its operating results as detailed below:-

**Three-Month-Period Performance Comparison**

Unit: Million Baht

	2Q2022	1Q2022	2Q2021	QoQ		YoY	
				Inc (Dec)	%	Inc (Dec)	%
<b>Revenue from Sales &amp; Services:</b>							
Telecom Systems Integration and Telecom Service business	22.99	25.89	21.76	(2.90)	(11.20)	1.23	5.65
Telecommunication Services business	452.42	444.36	396.16	8.06	1.81	56.26	14.20
Computer Systems Integration business	16.45	13.77	11.64	2.68	19.46	4.81	41.32
Cryptocurrency Mining Revenue	23.46	25.23	-	(1.77)	(7.02)	23.46	100.00
Gains on Exchange Rate	20.87	0.84	7.07	20.03	2,384.52	13.80	195.19
Other Income	0.56	1.02	0.74	(0.46)	(45.10)	(0.18)	(24.32)
<b>Total Revenue</b>	<b>536.75</b>	<b>511.11</b>	<b>437.37</b>	<b>25.64</b>	<b>5.02</b>	<b>99.38</b>	<b>22.72</b>
Cost of Sales and Services	364.01	305.19	321.07	58.82	19.27	42.94	13.37
Cost of Bitcoin Mining Business	64.06	29.75	-	34.31	115.33	64.06	100.00
Selling and Administrative Expenses	39.60	44.56	50.82	(4.96)	(11.13)	(11.22)	(22.08)
<b>Net Profit (Loss)</b>	<b>34.81</b>	<b>96.30</b>	<b>59.35</b>	<b>(61.49)</b>	<b>(63.85)</b>	<b>(24.54)</b>	<b>(41.35)</b>
<b>EBITDA</b>	<b>165.49</b>	<b>188.01</b>	<b>143.87</b>	<b>(22.52)</b>	<b>(11.98)</b>	<b>21.62</b>	<b>15.03</b>
Net Profit (Loss) of Shareholders' Equity of the Company	<b>34.74</b>	<b>96.19</b>	<b>37.32</b>	<b>(61.45)</b>	<b>(63.88)</b>	<b>(2.58)</b>	<b>(6.91)</b>

The operating results for 2Q 2022, ended June 30, 2022: The net profit of the Company and its subsidiaries was 34.81 million Baht, decreasing by 24.54 million Baht or 41.35% compared to 2Q 2021 and decreasing by 61.49 million Baht or 63.85% compared to 1Q 2022. Details are as follows:-

### **Total Revenue**

The total operating revenue of the Company and its subsidiaries for 2Q 2022 was 536.75 million Baht, increasing by 99.38 million Baht or 22.72% compared to 2Q 2021 and increasing by 25.64 million Baht or 5.02% compared to 1Q 2022. The total revenue comprised:-

- The revenue obtained from Telecom Systems Integration and Telecom Service business was 22.99 million Baht, increasing by 1.23 million Baht or 5.65%, as the Company increasingly obtained the profit by servicing integrated wireless connection for petrol stations of 3.33 million Baht, however, the revenue obtained from selling computer hardware was decreased by 1.78 million Baht, and providing telecommunication network installation service and others were decreased by 0.32 million Baht.
- The revenue obtained from Telecommunication Services business was 452.42 million Baht, increasing 56.26 million Baht or 14.20% due to the increased revenue in Domestic Leased Line service of 13.37 million Baht, International Private Leased Circuit service of 38.61 million Baht, and other services of 4.28 million Baht.
- The revenue obtained from Computer Systems Integration business was 16.45 million Baht, increasing by 4.81 million Baht or 41.32% due to the project of preparing a system for processing and reporting Bangkok election's result, and maintenance of network systems and Bangkok application program.
- The revenue obtained from Cryptocurrency Mining was 22.23117666 Bitcoins or 23.46 million Baht, increasing by 100% compared to 2Q 2021 and increasing by 3.62085540 Bitcoins or 19.46% compared to 1Q 2022.
- Gains on exchange rate was 20.87 million Baht, increasing by 13.80 million Baht or 195.19%
- Other revenue was 0.56 million Baht, decreasing by 0.18 million Baht or 24.32%

### **Costs and Expenses**

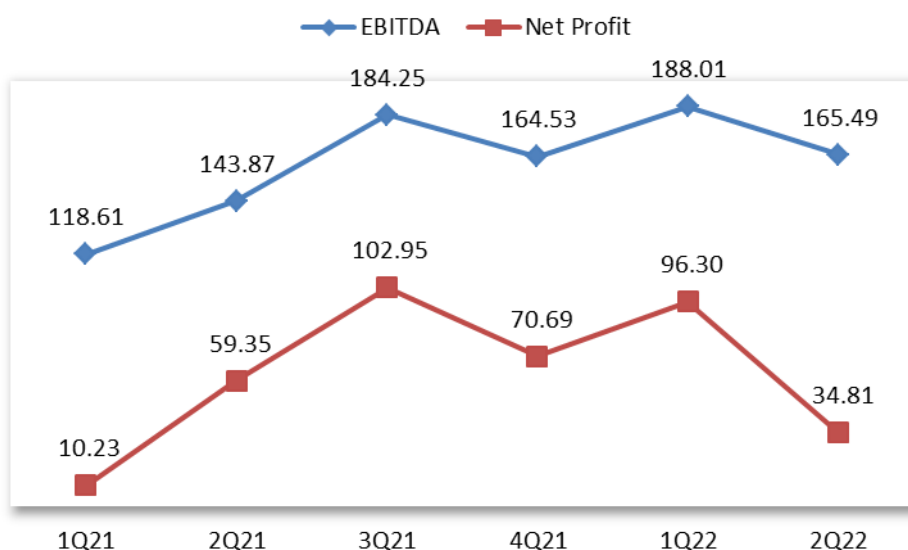
The cost of sales and services, Bitcoin mining cost, the selling and administrative expenses of the Company and its subsidiaries in 2Q 2022 was 467.67 million Baht, increasing by 95.78 million Baht or 25.75% compared to 2Q 2021 and increasing by 88.17 million Baht or 23.23% compared to 1Q 2022. The total increased sale and service costs and selling and administrative expenses comprised:

Cost of sales and services and Bitcoin mining was 428.07 million Baht, increasing by 107 million Baht or 33.33% compared to 2Q 2021, due to the increase in Bitcoin Mining cost of 64.06 million Baht, the increased cost of 40.49 million Baht in Telecommunication Services business, and the increased cost of 3.25 million Baht in Computer Systems Integration business, whereas the cost of Telecom Systems Integration and Telecom Service business was decreased by 0.82 million Baht.

Bitcoin mining cost was increased by 34.31 million Baht compared to 1Q 2022 due to the increased cost of Bitcoin mining operation in the amount of 4 million Baht and the record of an impairment of Bitcoin of 30.16 million Baht in accordance with the fair value (market price) of Bitcoin as a falling US dollar.

The selling and administrative expenses of 39.60 million Baht decreased by 11.22 million Baht or 22.08% because the Allowance for Doubtful Account was decreased by 12.88 million Baht and consulting and professional service fees were decreased by 4.36 million Baht, but the employee expense was increased by 5.71 million Baht compared to 2Q 2021 but decreased by 4.96 million Baht or 11.13% compared to 1Q 2022.

### **Net Profit**



The Company obtained the profit from the operation before interest, tax, depreciation, and amortization (EBITDA) in the amount of 165.49 million Baht in 2Q 2022, increasing by 21.62 million Baht or 15.03% compared to 2Q 2021 but decreasing by 22.52 million Baht or 11.98% compared to 1Q 2022. The Company also has the net profit in the amount of 34.81 million Baht in 2Q 2022, decreasing by 24.54 million Baht or 41.35% compared to 2Q 2021 and decreasing by 61.49 million Baht or 63.85% compared to 1Q 2022.

## **2022 Business Plan and Goal**

The Company has met the specified goal as it operates business in accordance with the plan in 2022. By the second quarter of 2022, Jastel Network Company Limited (“JasTel”), a Company’s subsidiaries and Bitcoin Mining Business operator, has the number of installed Bitcoin mining machines in the amount of 927 machines with the total mining capacity at 90,204 TH/s, as well as 2,599 Bitcoin mining machines will be gradually delivered in 2022 by separating the delivery as 1,699 machines and 900 machines by 3Q and 4Q, respectively. Therefore, by the end of the year, JasTel will have 3,526 delivered Bitcoin mining machines with the total mining capacity at 422,204 TH/s. The Company has realized and prioritized the impact on environment, resulting in planning to install solar cells and utilize 100 percent green energy in the long run to lessen the environmental pollution, global warming, as well as the usage of electricity from government agencies.

In the first half of the year 2022, an inflation has soared in 40 years due to the increasing interest rate, Quantitative Tightening (QT) made by Federal Reserve Bank or Fed and the central bank in many countries, Russia-Ukraine War, as well as Luna coin on Terra network which its price is tremendously decreased. These circumstances are the external factor which is uncontrollable, and it impacts on economic system, stock market, and Digital Asset. Besides, Bitcoin is the asset relied on liquidity in the world as by the time that the liquidity is discharged since the central bank across the world strictly oversee financial policy and the increasing interest rate, affecting on Bitcoin as the assets in the other markets. However, by the time that aforesaid situation is resolved, Bitcoin price is expected to become better as well. The Company sees that investing in Bitcoin mining is long-term investment, therefore, acquired Bitcoin will be sold when obtaining profit for only the most Company and investors’ benefits.

The Company has considered Bitcoin to be a large cryptocurrency and has a limited supply of 21 million coins. In addition, Bitcoin’s historical price data illustrates a trend of an increase significantly, hence, selling digital asset during a time of low Bitcoin price due to aforementioned situations causes the digital asset to run out and incur a loss immediately.

The Company continues to monitor various situations to adjust the investment plan appropriately, also contemplate ways to manage risks prudently to protect the interests of the Company and all stakeholders.

Sincerely yours,  
Jasmine Technology Solution Public Company Limited.

[Dusit Srisangaoran]  
(Mr. Dusit Srisangaoran)  
President