

[ TRANSLATION ]

JTS/RCD-022/2565

November 8, 2022

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

The Board of Directors' Meeting No.5/2022 of Jasmine Technology Solution Public Company Limited (the "Company") convened on November 8, 2022 has resolved to approve the consolidated financial statements for 3Q 2022, ended on September 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.5/2022 convened on November 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

	3Q2022	2Q2022	3Q2021	QoQ		YoY	
				Inc (Dec)	%	Inc (Dec)	%
<b>Revenue from Sales &amp; Services:</b>							
Telecom Systems Integration and Telecom Service business	129.78	22.99	43.49	106.79	464.51	86.29	198.41
Telecommunication Services business	471.49	452.42	419.60	19.07	4.22	51.89	12.37
Computer Systems Integration business	13.04	16.45	11.87	(3.41)	(20.73)	1.17	9.86
Cryptocurrency Mining Revenue	56.03	23.46	4.22	32.57	138.83	51.81	1,227.73
Gains on Exchange Rate	20.55	20.87	15.37	(0.32)	(1.53)	5.18	33.70
Other Income	0.23	0.56	3.35	(0.33)	(58.93)	(3.12)	(93.13)
<b>Total Revenue</b>	<b>691.12</b>	<b>536.75</b>	<b>497.90</b>	<b>154.37</b>	<b>28.76</b>	<b>193.22</b>	<b>38.81</b>
Cost of Sales and Services	457.81	364.01	370.98	93.80	25.77	86.83	23.41
Cost of Bitcoin Mining Business	161.70	64.06	3.74	97.70	152.51	158.02	4,225.13
Selling and Administrative Expenses	39.01	39.55	30.78	(0.54)	(1.37)	8.23	26.74
Expected Credit Loss	(13.78)	0.05	(27.03)	(13.83)	(27,660)	13.25	49.02
<b>Net Profit (Loss)</b>	<b>4.64</b>	<b>34.81</b>	<b>102.95</b>	<b>(30.17)</b>	<b>(86.67)</b>	<b>(98.31)</b>	<b>(95.49)</b>
<b>EBITDA</b>	<b>205.47</b>	<b>165.49</b>	<b>184.25</b>	<b>39.98</b>	<b>24.16</b>	<b>21.22</b>	<b>11.52</b>
Net Profit (Loss) of Shareholders' Equity of the Company	4.59	34.74	102.90	(30.15)	(86.79)	(98.31)	(95.54)

The operating results for 3Q 2022, ended September 30, 2022: The net profit of the Company and its subsidiaries was 4.64 million Baht, decreasing by 98.31 million Baht or 95.49% compared to 3Q 2021 and decreasing by 30.17 million Baht or 86.67% compared to 2Q 2022. Details are as follows:-

### **Total Revenue**

The total operating revenue of the Company and its subsidiaries for 3Q 2022 was 691.12 million Baht, increasing by 193.22 million Baht or 38.81% compared to 3Q 2021 and increasing by 154.37 million Baht or 28.76% compared to 2Q 2022. The total revenue comprised:-

- The revenue obtained from Telecom Systems Integration and Telecom Service business was 129.78 million Baht, increasing by 86.29 million Baht or 198.41%, due to the increasing revenue from selling computer hardware by 63.25 million Baht, constructing Horizontal Directional Drilling (HDD) by 14.96 million Baht, selling and installing Closed-Circuit Television (CCTV) by 3.08 million Baht, and servicing integrated wireless connection for petrol stations by 5 million Baht.
- The revenue obtained from Telecommunication Services business was 471.49 million Baht, increasing 51.89 million Baht or 12.37% due to the increased revenue in Domestic Leased Line service of 11.85 million Baht, International Private Leased Circuit service of 35.74 million Baht, and other services of 4.48 million Baht.
- The revenue obtained from Computer Systems Integration business was 13.04 million Baht, increasing by 1.17 million Baht or 9.86% due to the maintenance of network systems of 0.56 million Baht and Cloud service of 0.61 million Baht.
- The revenue obtained from Cryptocurrency Mining was 72.90918189 Bitcoins or 56.03 million Baht, increasing by 51.81 million Baht or 1,228.54% compared to 3Q 2021 and increasing by 50.67800523 Bitcoins or 227.96% compared to 2Q 2022.
- Gains on exchange rate was 20.55 million Baht, increasing by 5.18 million Baht or 33.70%
- Other revenue was 0.23 million Baht, decreasing by 3.12 million Baht or 93.13%

### **Costs and Expenses**

The cost of sales and services, Bitcoin mining cost, the selling and administrative expenses of the Company and its subsidiaries in 3Q 2022 was 644.80 million Baht, increasing by 266.33 million Baht or 70.37% compared to 3Q 2021 and increasing by 177.18 million Baht or 37.89% compared to 2Q 2022. The total costs and expenses comprised:

Cost of sales and services was 457.81 million Baht, increasing by 86.83 million Baht or 23.41% compared to 3Q 2021, due to the increase in Telecom Systems Integration and

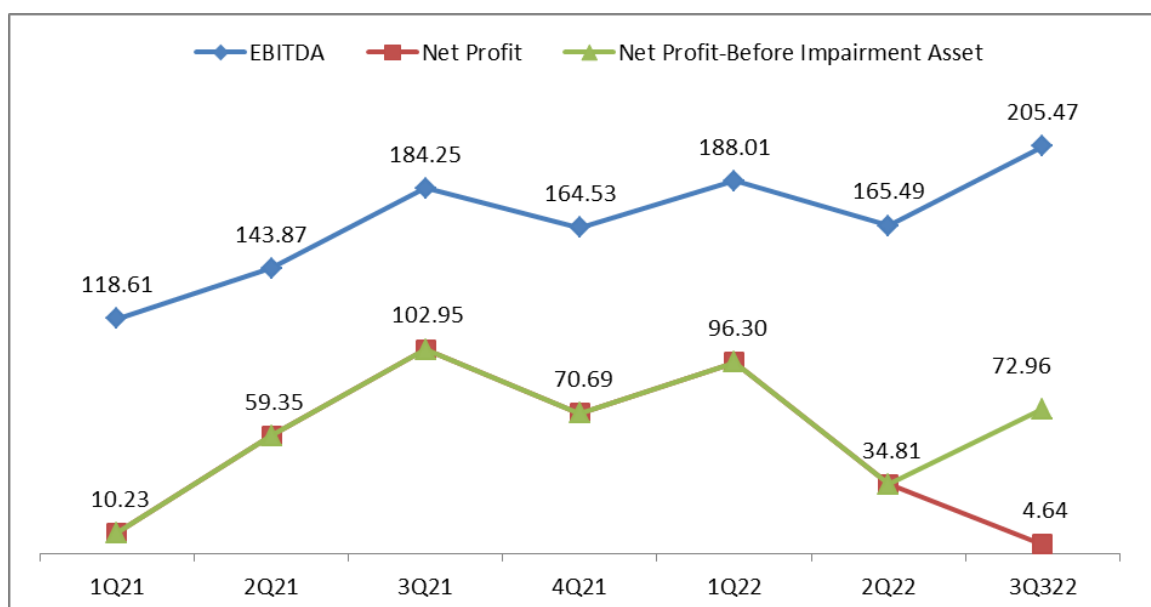
Telecom Service business cost of 77.49 million Baht, the Telecommunication Service business cost of 8.71 million Baht and the Computer Systems Integration business cost of 0.63 million Baht

Bitcoin mining cost was 161.76 million Baht, increasing by 158.02 million Baht compared to 3Q 2022 due to the number of Bitcoin mining machines was increased from 110 to 2,037 machines. Also, another cost from recording of impairment of assets in Cryptocurrency mining business pursuant to Thai Accounting Standard 36 (TAS36) Re: Impairment of Assets was increased in the amount of 68.94 million Baht.

The selling and administrative expenses of 39.01 million Baht increased by 8.23 million Baht or 26.74% due to the increase in the employee expense of 4.15 million Baht, the office lease cost of 0.91, training course expense of 0.84 million Baht, other advisor expense of 0.57 million Baht, and the director expense of 0.90 million Baht compared to 3Q 2021 but decreased by 0.54 million Baht or 1.37% compared to 2Q 2022.

Expected credit loss was decreased by 13.77 million Baht due to the effectiveness of debt collection. However, the expected credit loss was decreased by 27.03 million Baht in 3Q 2021 since the Company's subsidiaries reviewed and revised the calculation of expected credit loss to be in accordance with the business operation pursuant to Thai Financial Reporting Standards 9 (TFRS9), Financial Instruments, to decrease Allowance for Doubtful Accounts.

### Net Profit



The Company and its subsidiaries' profit from the operation before interest, tax, depreciation, and amortization (EBITDA) was 205.47 million Baht in 3Q 2022, increasing by 21.22 million Baht or 11.52% compared to 3Q 2021 and increasing by 39.98 million Baht or 24.16% compared to 2Q 2022.

According to the graph in 3Q 2022, in case of the impairment of assets in Cryptocurrency mining business is not included, the Company's net profit will be 72.96 million Baht. On the other hand, in case of the mentioned incident is included, the Company's net profit in 3Q 2022 will be 4.64 million Baht, decreasing by 98.31 million Baht or 95.49% compared to 3Q 2021 and decreasing by 30.15 million Baht or 86.79% compared to 2Q 2022

### **2022 Business Plan**

In the third quarter of 2022, the Company has experienced revenue growth from Telecommunication Services business, Telecom Systems Integration and Telecom Service business and Computer Systems Integration business, increasing by 29.34% compared to 3Q 2021 and 24.90% compared to 2Q 2022.

For Cryptocurrency Mining business which is operated by Jastel Network Company Limited ("JasTel"), the Company's subsidiaries, has the number of installed Bitcoin mining machines in the amount of 2,037 machines with a total mining capacity at 213,189 TH/s, as well as 902 machines and 600 machines are expected to be delivered in 4Q 2022 and 1Q 2023, respectively. Therefore, JasTel will have 3,539 Bitcoin mining machines with a total mining capacity at 423,190 TH/s.

The Company continues to discreetly make investments in Bitcoin Mining business according to the intended long-term investment plan, even though the return on investment does not achieve target because of the volatility of Bitcoin price. On 18 June 2022, Bitcoin price dropped to 19,017.64 USD. Besides, on 21 September 2022, the Federal Reserve System (Fed) raised interest rate by 0.75% for the third time in a row bringing the federal funds rate to 3.25% which highly fluctuated US stock market and cryptocurrency market. The cryptocurrency market is significantly correlated with stock market and its movement depends on macroeconomic factors. Therefore, the interest rate rise has affected the market inevitably corresponding with an investment direction in most of the assets affected by a global inflation crisis. On the other hand, Bitcoin's trading volume hit its highest level on 28 September 2022 compared to major currencies traded globally.

The Company has considered a solar cell business expansion to create growth opportunity in the future because many businesses have emphasized renewable energy or clean energy following an eco-friendly trend, especially a solar power system. Solar power is one of the main renewable energy sources used worldwide and there is research and development of new solar power technology to support growing demand. The Ministry of Energy and the Board of Investment of Thailand (BOI) set policy to support Thai solar cell industry for power generation and usage which encourages business sector to consider solar power adoption which also serves as a long-term management and cost reduction.

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