

[TRANSLATION]

JTS/RCD-012/2566

August 8, 2023

Subject : Report on the Company's operating results for the second quarter of 2023
Attention : President of the Stock Exchange of Thailand

The Board of Directors' Meeting No.6/2023 of Jasmine Technology Solution Public Company Limited (the "Company") convened on August 8, 2023 has resolved to approve the consolidated financial statements for 2Q 2023, ended on June 30, 2023 that have been accordingly reviewed by the Company's external auditor and by the Audit and Corporate Governance Committee at the meeting No.4/2023 convened on August 8, 2023. Also, on this occasion, the Company would like to report its operating results as detailed below:-

Three-Month-Period Performance Comparison

Unit: Million Baht

	2Q2023	1Q2023	2Q2022	QoQ		YoY	
				Inc (Dec)	%	Inc (Dec)	%
Revenue from Sales & Services:							
Telecom System Integration business	19.06	59.58	22.99	(40.52)	(68.01)	(3.93)	(17.09)
Telecommunication Services business	513.03	494.40	452.42	18.63	3.77	60.61	13.40
Computer System Integration business	17.73	19.17	16.45	(1.44)	(7.51)	1.28	7.78
Cryptocurrency Mining Revenue	28.94	1.65	23.46	27.29	1,653.94	5.48	23.36
Gains on Exchange Rate	9.93		20.87	9.93	100.00	(10.94)	(52.42)
Other Income	0.48	1.00	0.56	(0.52)	(52.00)	(0.08)	(14.29)
Total Revenue	589.17	575.80	536.75	13.37	2.32	52.42	9.77
Cost of Sales and Services	375.21	398.64	364.01	(23.43)	(5.88)	11.20	3.08
Cost of Bitcoin Mining Business	127.25	163.37	33.89	(36.12)	(22.11)	93.36	275.48
Selling and Administrative Expenses	52.47	42.52	39.60	9.95	23.40	12.87	32.50
Reversal of Loss on Impairment of Cryptocurrency Assets		(57.54)	30.16	57.54	100.00	(30.16)	(100.00)
Losses on Exchange Rate		0.99		(0.99)	(100.00)		
Net Profit (Loss)	8.31	(1.58)	34.81	9.89	625.95	(26.50)	(76.13)
EBITDA	178.97	132.79	165.49	46.18	34.78	13.48	8.15
Net Profit (Loss) of Shareholders' Equity of the Company	8.21	(1.74)	34.74	9.95	571.84	(26.53)	(76.37)

The operating results for 2Q 2023, ended on June 30, 2023: The net profit of the Company and its subsidiaries was 8.31 million Baht, decreasing by 26.50 million Baht or 76.13% compared to 2Q 2022 but increasing by 9.89 million Baht or 625.95% compared to 1Q 2023. Details are as follows:-

Total Revenue

The total operating revenue of the Company and its subsidiary for 2Q 2023 was 589.17 million Baht, increasing by 52.42 million Baht or 9.77% compared to 2Q 2022 and increasing by 13.37 million Baht or 2.32% compared to 1Q 2023. The total revenue comprised:-

- The revenue obtained from Telecom System Integration business was 19.06 million Baht, decreasing by 3.93 million Baht or 17.09%, due to the decreased revenue of 6.35 million Baht in one-time service for new petrol stations, however, there still be monthly integrated wireless connection service. Moreover, revenue of the construction of fiber optic networks decreased by 1.69 million Baht due to the delayed implementation of the new telecommunications infrastructure, on the other hand, there was an increase revenue of 4.08 million Baht in the sale of Solar Roof equipment.
- The revenue obtained from Telecommunication Services business was 513.03 million Baht, increasing 60.61 million Baht or 13.40% due to the increased revenue in Domestic Leased Line service of 16.73 million Baht, International Private Leased Circuit service of 48.80 million Baht, used by the telecommunication service provider in Singapore, Malaysia, and Vietnam. However, equipment selling and implementing revenue decreased by 4.92 million Baht.
- The revenue obtained from Computer System Integration business was 17.73 million Baht, increasing by 1.28 million Baht or 7.78% due to the projects undertaken by the Bangkok Metropolitan Administration related to the development of receiving and payment system.
- The revenue obtained from Cryptocurrency Mining was 28.94 million Baht, increasing by 5.48 million Baht or 23.36%. As for 2Q 2023, the Company increased 30.19556668 bitcoins and altogether hold 211.46788554 bitcoins.
- Gains on exchange rate was 9.93 million Baht, decreasing by 10.94 million Baht or 52.42%
- Other revenue was 0.48 million Baht, decreasing by 0.08 million Baht or 14.29%

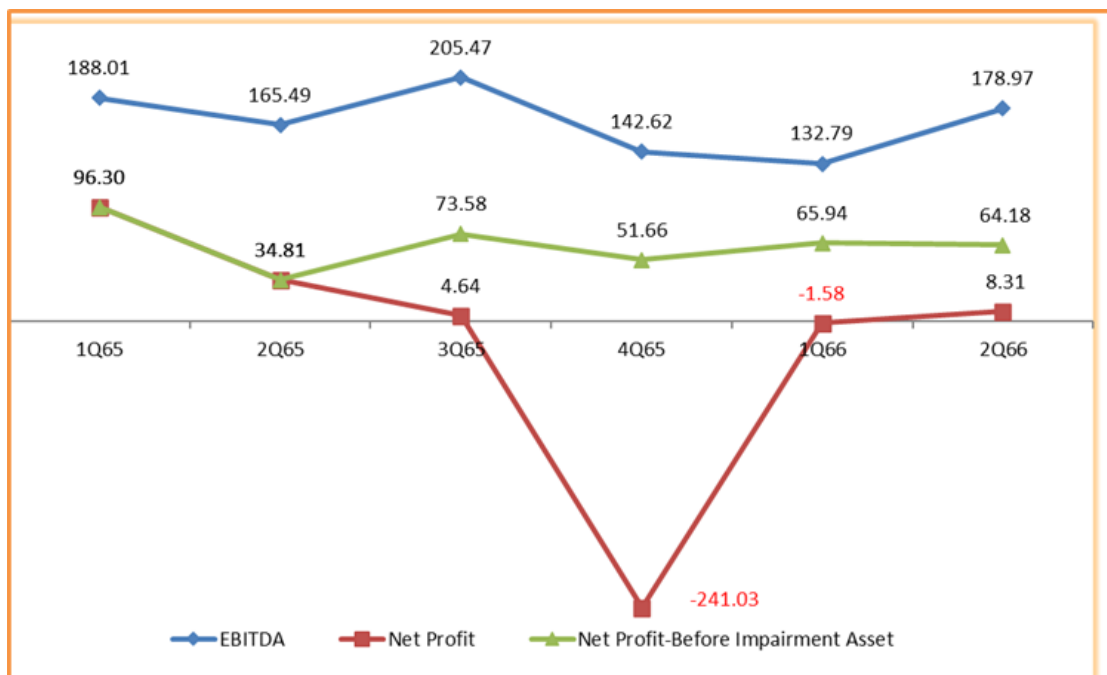
Costs and Expenses

The cost of sales and services, the selling and servicing expenses, and administrative expense in 2Q 2023 were 554.93 million Baht, increasing by 87.27 million Baht or 18.66% compared to 2Q 2022 and increasing by 6.95 million Baht or 1.27% compared to 1Q 2023. The total costs and expenses comprised:

- Cost of sales and services was 375.21 million Baht, increasing by 11.20 million Baht or 3.08% due to the decrease in costs and expenses of Telecom System Integration business

- of 10.33 million Baht, however, Telecommunication Services business increased by 20.33 million Baht and the Computer System Integration business increased by 1.22 million Baht.
- Bitcoin mining cost was 127.25 million Baht, comprised with the cost related to bitcoin mining of 71.38 million Baht or 56.09% and the unrealized loss from the impairment of building and equipment for bitcoin mining business operation of 55.87 million Baht or 43.91%.
 - Selling and administrative expenses were 52.47 million Baht, increasing by 12.87 million Baht or 32.50%, due to the increase in the employee expense of 8.65 million Baht as the number of employees was increased, other advisor expense of 1.69 million Baht, the office lease and service cost of 0.76 million Baht, bank charges of 0.97 million Baht, and Expected Credit Loss (allowance for doubtful accounts) of 0.86 million Baht pursuant to Thai Financial Reporting Standards 9 (TFRS9).
 - Loss on impairment (reversal) of cryptocurrency assets in 2Q 2023 has no recording of impairment of cryptocurrency assets acquired from mining pursuant to Thai Accounting Standard 38 (TAS38) Re: Intangible of Assets since the capital value of mined and recorded cryptocurrency assets is lower than fair value (market price) of bitcoin. As of June 30, 2023, the market value is 30,477.25 USD per bitcoin.

Net Profit Graph



The Company and its subsidiaries' profit from the operation before interest, tax, depreciation, and amortization (EBITDA) was 178.97 million Baht in 2Q 2023, increasing by 13.48 million Baht or 8.15% compared to 2Q 2022.

According to the graph, in 2Q 2023, in case that an unrealized loss from the impairment of building and equipment for bitcoin mining business operation are excluded, the Company's net profit will be 64.18 million Baht, increasing by 29.37 million Baht or 84.37% compared to 2Q 2022.

2023 Business Plan and Goal

Progress report on business plan execution of two JTS Group's subsidiaries which the Company hold 100% of shares is as follows:

Jastel Network Company Limited (JasTel), a subsidiary in which the Company holds a 100% share, operating as a telecommunication and internet service provider both domestically and internationally, after signing a collaboration agreement with Telehouse (Thailand) Limited, one of the global data center services providing leader, JasTel has expanded Data Center at Jasmine International Tower to enhance its capabilities and strengthen its leadership position in the data center market, also be committed to meeting customer needs and expanding the business.

In addition, Cloud Computing Solutions Company Limited (CCS) has entered into an agreement with Tencent Cloud for a strategic collaboration aimed at expanding and elevating cloud services through new innovations to develop products and services that effectively meet diverse customer needs and enhance efficiency in the digital era.

For bitcoin mining business, the average price of bitcoin has been on the rise, with the average price of bitcoin in June and July at 27,582.03 USD and 29,975.43 USD, respectively. This trend is further influenced by the Bitcoin Halving event that took place in April 2024, which resulted in a 50% reduction in mined bitcoin supply. This reduction in supply has become another significant factor contributing to the substantial increase in the bitcoin price. Also, despite an increase in Fuel Adjustment Charge (at the given time) (Ft) during January-April 2023, the government has implemented a reduction in the Fuel Adjustment Charge (at the given time) (Ft) in the billing periods of May-August 2023 and September-December 2023 which are 91.19 satang per unit (reduced by 63.73 satang) and 66.89 satang per unit (reduced by 24.30 satang), respectively, decreasing in cost of bitcoin mining business operation. The Company continues to expedite engagement with international partners as swiftly as possible to facilitate the relocation of bitcoin mining machines to locations that offer potential advantages and resources, particularly in terms of electricity cost, which is lower compared to Thailand, including efficiently manage the risks associated with reaching bitcoin mining machines.

Sincerely yours,
Jasmine Technology Solution Public Company Limited.

[Sang Do Lee]
(Mr. Sang Do Lee)
President