

AJA.002/2024

23 February 2024

 Subject Management Discussion and Analysis of the Consolidated Financial Statements for  
 Year 2023

 To Committee and Manager  
 The Stock Exchange of Thailand

As the resolution of Board of Director Meeting of AJ Advance Technology Public Co., Ltd. (“the Company”) No.4/2024 on 23 February 2024, approved the financial statement for year 2023 for period ended 31 December 2023 which had the net loss attributable to owners of the parent at 37.99 million Baht loss decreased at 107.47 million Baht or 73.88 percent. If compared with the operation result of same period last year, the Company had the net loss at 145.46 million baht.

Performance for 2023 compared to 2022

Unit : million Baht	Year 2023	Year 2022	Change	
			Increase (Decrease)	percentage
<b>Revenue from sales of goods and rendering of services</b>				
Revenue from sales of goods	261.09	224.53	36.56	16.28
Revenue from rendering of services	16.48	17.35	(0.87)	(5.01)
Revenue Bitcoin Mining	11.56	28.64	(17.08)	(59.64)
Other Income - Reversal loss of impairment of cryptocurrency assets	20.33	-	20.33	100.00
Gain on sale of cryptocurrency assets	2.19	2.33	(0.14)	(6.01)
Other Income	14.64	20.63	(5.99)	(29.04)
<b>Total Income</b>	<b>326.29</b>	<b>293.48</b>	<b>32.81</b>	<b>11.18</b>
<b>Cost of sales and rendering services</b>				
Cost of sales and rendering services	179.43	204.06	(24.63)	(12.07)
Cost of Bitcoin Mining	48.60	47.61	0.99	2.08
Distribution costs	57.21	37.11	20.10	54.16

Administrative expenses	67.96	108.78	(40.82)	(37.53)
Loss for impairment of crypto-currency assets	-	40.48	(40.48)	(100.00)
Profit (loss) for the period	(38.07)	(143.40)	105.33	(73.45)
Profit (loss) for the period attributable to equity holders of the Company	(37.99)	(145.46)	107.47	(73.88)

The Company would like to report the operation result of year 2023 for the period ended December 31<sup>th</sup> 2023 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 326.29 million Baht which increased at 32.81 million Baht or 11.18 percent when compared with same period of last year at 293.48 million Baht. Total income had changed by income categories as follows.

- Revenue from sales of goods was 261.09 million Baht, an increased at 36.56 million Baht or an increased of 16.28 percent when compared to the same period of last year was 224.53 million Baht, caused decreased by electrical appliances product at 81.61 million Baht, increased by electric motorcycle products at 49.70 million Baht and increased in sport sneakers product at 66.06 million Baht.
- Revenue Bitcoin Mining in the amount of 10.414519880 Bitcoin, was 11.56 million Baht, an decrease of 17.08 million Baht or 59.63 percent when compared to the same period of last year. Because the Company opened some bitcoin mining machines. The reason is that the price of bitcoin has decreased a lot. and the cost of electricity is increased.
- Other Income - Reversal loss of impairment of cryptocurrency assets was 20.33 million Baht, an increasing in the whole amount. When compared to the same period of the last year because the fair value price is measured from the closing price at the end of the period on December 31, 2023 is higher than the closing price at the end of the last period.

2. Distribution costs was 57.21 million Baht, increased of 20.10 million Baht or 54.16 percent when compared to the same period of the previous year, at 37.11 million Baht. This was mainly due to the business expansion of sports shoes and sports equipment in the subsidiaries, resulting in higher expenses related to employees and rental spaces for selling products.

3. Administrative expenses was 67.96 million Baht, decrease of 40.82 million Baht or 37.53 percent when compared to the same period of last year at 108.78 million Baht. The main reason is that the company can

control administrative expenses more efficiently and last year, the company considered setting aside the remaining foreign investment allowance for the entire amount at 25.92 million baht.

Please be informed accordingly.

Sincerely Yours,

(Mrs. Prangthip Chanvisitsak)

Company Secretary