JTS

Jasmine Technology Solution

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Q2/2026

Jasmine Technology Solution PCL

Executive Summary

Business Overview and Business Outlook

In line with global trends, the Group's business operations remain aligned with the world's transition toward a fully AI-driven digital economy. The advancement of Thailand's digital infrastructure has been supported by government policies that identify digital infrastructure as one of the country's strategic industries, supporting investment from both domestic and international organizations. The Group is well-positioned to capture growth opportunities through the integration of its core telecommunications business with data center, cloud computing, and artificial intelligence (AI) businesses, creating an interconnected and integrated digital value chain. This integration enables the development of innovative, high-quality products and services, strengthens the Group's competitive capabilities, and supports sustainable long-term growth.

Due to ongoing economic uncertainty, the Company has deferred investments in its satellite business and AI-Powered Primary Care Clinic project. These investment plans remain under preparation and are expected to proceed once economic conditions stabilize and uncertainties subside.

- **Telecommunication and Internet Business and Cloud Computing Service Providing:**

The Businesses continue to demonstrate favorable growth prospects. Revenue from domestic internet services and leased line services continued to demonstrate solid growth despite a competitive market environment increasingly focused on network quality and digital service offerings.

The subsidiary plans to continue expanding its telecommunications network to create new business opportunities by broadening its DPLC (Domestic Private Leased Circuit) customer base to include industrial estates, office buildings, data service providers, and data centers, supporting customer demand and the continued growth of the Generative AI business. In addition, the subsidiary plans to expand into cybersecurity services to address increasing cybersecurity risks in the digital era, creating another sustainable avenue for long-term growth.

- **Digital Asset Business:**

During the first half of the year, the Company continued to adopt a flexible Bitcoin mining strategy by operating its mining facilities only during periods when electricity costs provide attractive economic returns, thereby maximizing operational efficiency. The Bitcoin mining operation is powered entirely by renewable energy generated from the Company's solar farm.

Bitcoin prices have continued to recover following the correction from their peak reached last year, although they remain subject to volatility driven by macroeconomic factors affecting capital flows into risk assets. Nevertheless, Bitcoin continues to gain broader acceptance among investors, supported by the United States' efforts to establish a regulatory framework for digital assets, which is expected to enhance confidence in the cryptocurrency industry.

- **Generative AI Business:**

The Generative AI platform is currently in the pilot implementation phase to develop artificial intelligence solutions in collaboration with both government agencies and private sector customers, with the objective of establishing a customer base. The Group primarily focuses on providing AI solutions to business-to-business (B2B) enterprise customers in Thailand that require data storage and processing within the country. The Group is currently developing a range of AI services, including AI chatbots and predictive AI solutions, designed to meet the specific requirements of businesses in Thailand. At the same time, the Group continues to enhance its AI platform to better address the operational needs of domestic enterprises. In addition, the Group is leveraging artificial intelligence to improve internal organizational management, enhance operational efficiency, and support its marketing activities through the Look Look App and Peep Share App.

Operational Summary

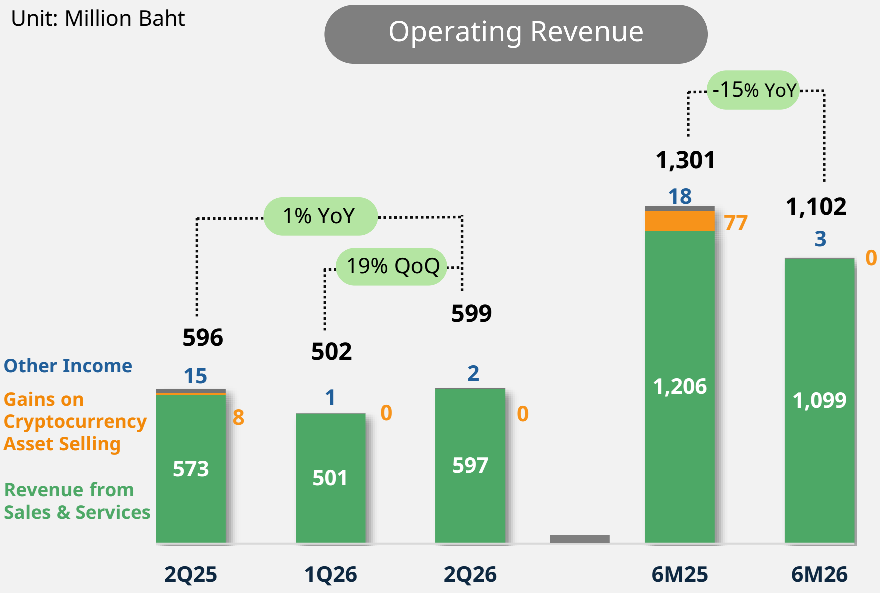
The Group recorded total operating revenue of Baht 599 million, representing a 1% increase compared to 2Q 2025. The increase was mainly attributable to higher revenue from the Telecommunication Service business, partially offset by lower revenue from the Bitcoin mining business. Total cost of sales and services amounted to Baht 504 million, representing a 4% increase YoY. The increase in cost of sales and services was in line with the growth in operating revenue. Selling and administrative expenses totaled Baht 67 million, representing a 15% decrease compared to 2Q 2025. As a result, the Group reported operating profit of Baht 18 million, representing a 54% decrease YoY, while net loss attributable to the owners of the parent company amounted to Baht 19 million.

Six-Month-Period Performance

Operational Overview	6M25	6M26	Change +/(-) % YoY
Unit: Million Baht			
Revenue from Sales & Services:			
Telecommunication Service business	1,069	1,040	(3%)
Telecom Systems Integration and Telecom Service business	13	6	(54%)
Computer Systems Integration business	47	41	(13%)
Cryptocurrency Mining Revenue	77	11	(86%)
Generative AI Business	-	1	100%
Total Revenue from Sales & Services	**1,206**	**1,099**	**(9%)**
Gains on Cryptocurrency Asset Selling	77	-	(100%)
Gains on Exchange Rate	8	-	(100%)
Other Income	10	3	(70%)
Total Revenue from Operation	**1,301**	**1,102**	**(15%)**
Cost of Sales and Services	834	901	8%
Cost of Bitcoin Mining Business	145	45	(69%)
Selling and Administrative Expenses	142	130	(9%)
Loss on exchange rate	-	8	100%
Expected Credit Loss (Reversal)	(13)	13	200%
Impairment loss (reversal)/loss on disposal of digital assets	-	4	100%
Operating profit	**193**	**1**	**(99%)**
EBITDA	**389**	**260**	**(33%)**
Net Profit (Loss) attributable to the owners of the parent company	**112**	**(65)**	**(158%)**

Second Quarter Operating Results

Operational Overview	2Q25	1Q26	2Q26	Change +/(-) % YoY	% QoQ
Unit: Million Baht					
Revenue from Sales & Services:					
Telecommunication Service business	523	470	570	9%	21%
Telecom Systems Integration and Telecom Service business	5	3	3	(40%)	-
Computer Systems Integration business	26	20	20	(23%)	-
Cryptocurrency Mining Revenue	19	8	3	(84%)	(63%)
Generative AI business	-	-	1	100%	100%
Total Revenue from Sales & Services	**573**	**501**	**597**	**4%**	**19%**
Gain on sales of cryptocurrency assets	8	-	-	(100%)	-
Gains on Exchange Rate	10	-	-	(100%)	-
Other Income	5	1	2	(60%)	100%
Total Revenue	**596**	**502**	**599**	**1%**	**19%**
Cost of Sales and Services	442	417	485	10%	16%
Cost of Bitcoin Mining Business	44	25	19	(57%)	(24%)
Selling and Administrative Expenses	79	61	67	(15%)	10%
Losses on Exchange Rate	-	5	3	100%	(40%)
Expected Credit Loss (Reversal)	(8)	4	9	213%	125%
Impairment loss (reversal)/loss on disposal of digital assets	-	6	(2)	(100%)	(133%)
Operating Profit (Loss)	**39**	**(16)**	**18**	**(54%)**	**213%**
EBITDA	**140**	**102**	**159**	**14%**	**56%**
Net Profit (Loss) attributable to the owners of the parent company	**2**	**(46)**	**(19)**	**(1,050%)**	**59%**



Operating Revenue:

YTD Performance

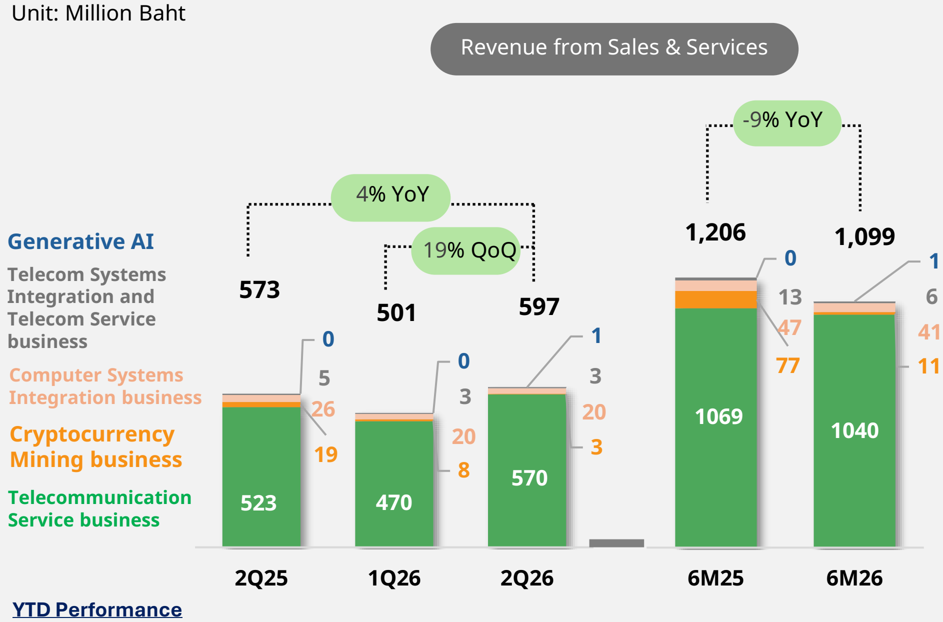
For the first six months of 2026, the Group recorded total operating revenue of Baht 1,102 million, representing a 15% decrease compared to the same period last year, mainly due to lower gains on the sale of digital assets and lower revenue from sales and services.

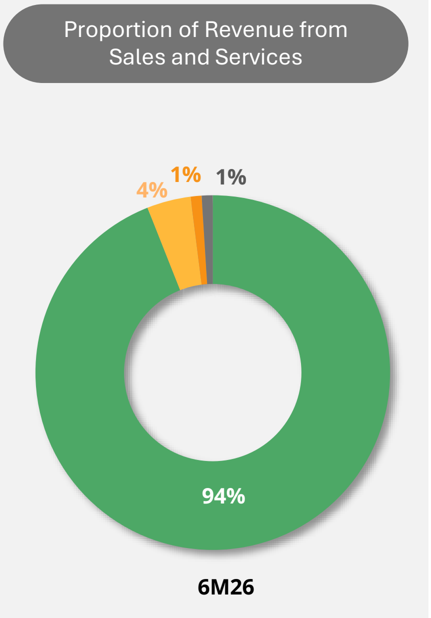
YoY Performance

In the second quarter of 2026, the Group recorded total operating revenue of Baht 599 million, representing a 1% increase compared to 2Q 2025. The increase was mainly attributable to higher revenue from sales and services.

Performance Analysis:

Revenue from Sales & Services





YTD Performance

For the first six months of 2026, the Group recorded total revenue from sales and services of Baht 1,099 million, representing a 9% decrease compared to the same period last year. The decline was mainly attributable to lower revenue from the Telecom Systems Integration and Telecom Service business and the Bitcoin mining business.

QoQ and YoY Performance

In 2Q 2026, total revenue from sales and services amounted to 597 million Baht, increasing by 19% compared to 1Q 2026, also increasing by 4% compared to 2Q 2025. The total revenue comprised:-

- **Telecommunication Service business**

In 2Q 2026, total revenue amounted to Baht 570 million, increasing by 21% compared to the previous quarter and by 9% compared to 2Q 2025. The increase was mainly due to higher leased line service revenue from providing services to international platform customers. Revenue from this business continued to grow in line with the expansion of the digital business sector.

- **Telecom Systems Integration and Telecom Service business**

In 2Q 2026, total revenue amounted to Baht 3 million, representing a 40% decrease compared to 2Q 2025. The decline was mainly due to the Group's policy to discontinue operations in this business segment.

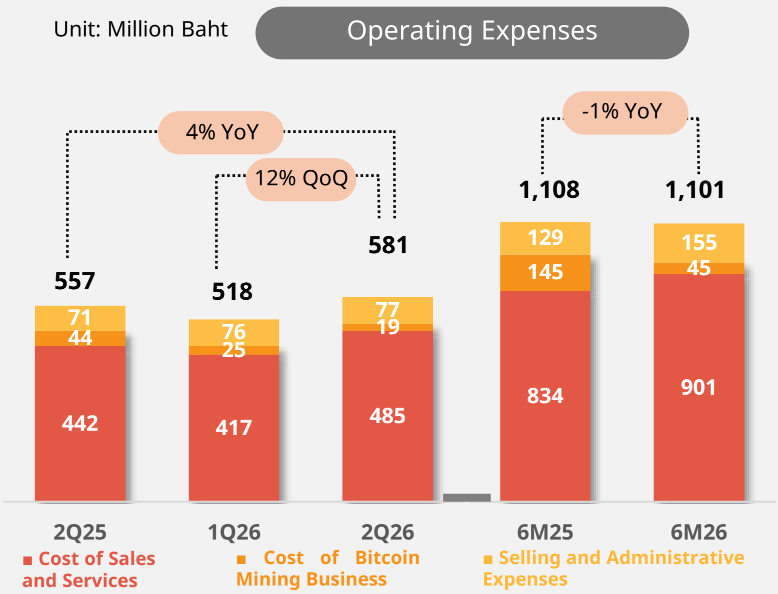
- **Computer Systems Integration business**

In 2Q 2026, total revenue amounted to Baht 20 million, representing a 23% decrease compared to 2Q 2025.

- **Cryptocurrency Mining business**

In 2Q 2026, total revenue amounted to Baht 3 million, decreasing by 63% compared to the previous quarter and by 84% compared to 2Q 2025. The decline was mainly attributable to lower Bitcoin mining volume and lower Bitcoin prices. Nevertheless, the mining volume remained in line with the Group's flexible production strategy, which focuses on operating mining equipment only during periods when electricity costs are economically viable, consistent with the Group's cost management approach to maximize returns. As of the end of the second quarter of 2026, the Group held 3.3778 Bitcoins.

Operating Expenses :



QoQ and YoY Performance

- **Cost of Sales and Services**

In 2Q 2026, the cost of sales and services amounted to Baht 485 million, increasing by 16% QoQ and by 10% YoY. The increase was in line with the growth in revenue from the Telecommunication Service business.

- **Cost of Bitcoin Mining Business**

In 2Q 2026, the cost of the Bitcoin mining business amounted to Baht 19 million, decreasing by 24% QoQ and by 57% YoY. The decline was primarily attributable to lower electricity costs following the implementation of the production management strategy and lower depreciation expenses resulting from mining equipment reaching the end of its useful life.

- **Selling and Administrative Expenses**

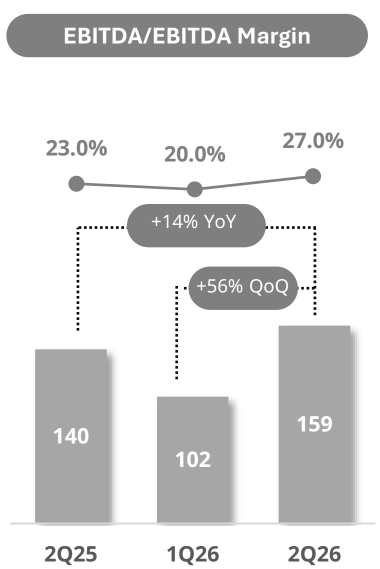
In 2Q 2026, selling and administrative expenses amounted to Baht 77 million, increasing by 1% QoQ and by 8% YoY. The increase was primarily attributable to a higher provision for expected credit losses recognized in accordance with accounting standards.

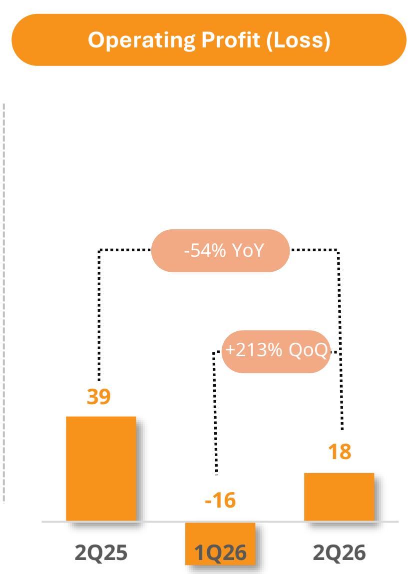
YTD Performance

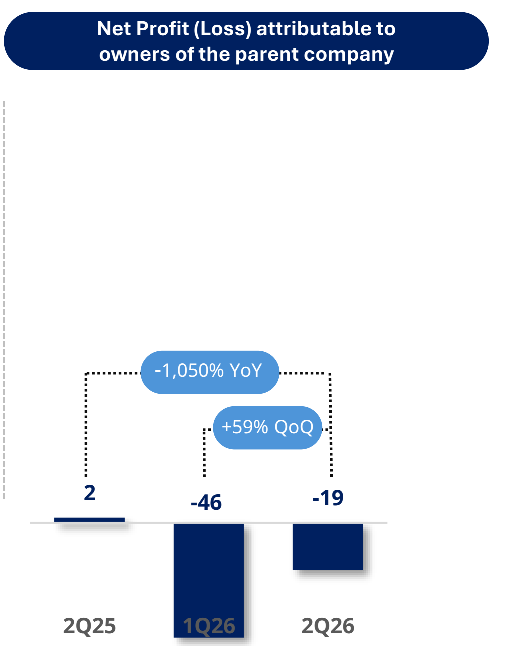
For the first six months of 2026, the Group's total operating expenses amounted to Baht 1,101 million, representing a 1% decrease compared to the same period last year. This comprised cost of sales and services of Baht 901 million, representing an 8% increase; the cost of the Bitcoin mining business of Baht 45 million, representing a 69% decrease; and selling and administrative expenses of Baht 155 million, representing a 20% increase compared to the same period last year.

Operating Profit (Loss) and Net Profit (Loss)

Unit: Million Baht

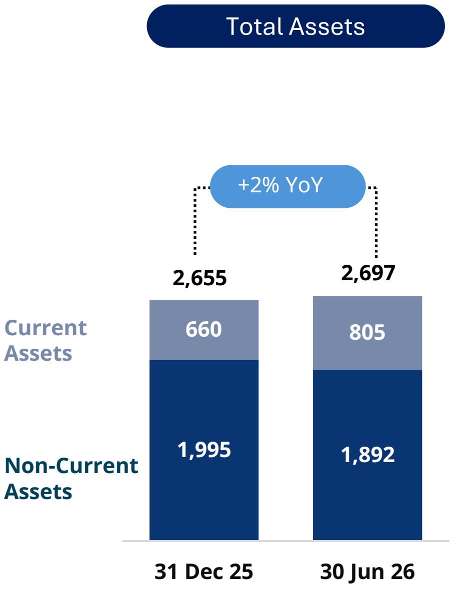


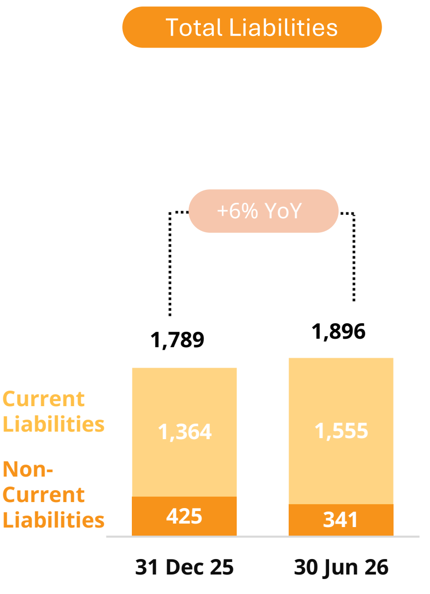


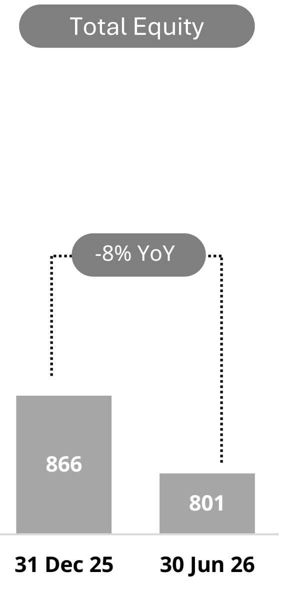


In 2Q 2026, the Group reported total EBITDA of Baht 159 million, representing a 56% increase QoQ and a 14% increase YoY. The Group recorded an operating profit of Baht 18 million, with operating profit increasing by 213% compared to the previous quarter and decreasing by 54% YoY. Net loss attributable to the owners of the parent company amounted to Baht 19 million, with net loss decreasing by 59% QoQ and increasing by 1,050% YoY.

Financial Position Analysis







Total Assets

Total assets as of 30 June 2026 amounted to Baht 2,697 million, increasing by Baht 42 million, or 2%, compared to 31 December 2025. The increase was mainly attributable to higher trade receivables, partially offset by decreases in property, plant and equipment and intangible assets due to depreciation and amortization.

Total Liabilities

Total liabilities as of 30 June 2026 amounted to Baht 1,896 million, increasing by Baht 107 million, or 6%, compared to 31 December 2025. The increase was mainly attributable to higher trade payables and short-term borrowings from related parties, partially offset by a decrease in debentures.

Total Equity

Total equity as of 30 June 2026 amounted to Baht 801 million, decreasing by Baht 65 million, or 8%, compared to 31 December 2025.

Sustainability Performance

In the second quarter of 2026, the Company continued to advance its sustainability initiatives by strengthening corporate governance, enhancing environmental management, and promoting the safety and well-being of employees as well as stakeholders in the communities where it operates. These efforts are intended to ensure that the Company's operations remain aligned with evolving regulatory requirements and responsible business practices.

Governance Dimension

The Company and its subsidiaries place significant importance on enhancing technological capabilities and promoting the effective use of AI across the organization. To this end, the Company has implemented structured AI training programs for employees while encouraging active participation from various business units to ensure that AI is adopted in an appropriate, transparent, and efficient manner. These initiatives strengthen employee capabilities, mitigate risks associated with the use of technology that may not comply with the Company's policies and guidelines and serve as a key foundation for enhancing the Company's internal governance framework to keep pace with the evolving business environment.

Environment Dimension

The Company assigned the 'Environmental Management Working Group' to launch the enhancement of the corporate-wide greenhouse gas (GHG) emissions assessment, covering all business units within the organization. This initiative aims to improve data collection, calculation, and monitoring processes to ensure completeness and verifiability. These actions serve as preparation for the upcoming draft Climate Change Act, while supporting GHG management and mitigation guidelines to concretely drive the Company towards Net Zero.

Social and Community Dimension

The Company and its subsidiaries , in collaboration with Premium Assets Co., Ltd., conducted training on earthquake response plans and carried out continuous earthquake evacuation drills. This initiative aims to enhance emergency preparedness while mitigating risks to the life and property of employees, visitors, and relevant stakeholders.

In addition, the Company continues to encourage employees to participate in first aid training and promotes occupational health and safety awareness by integrating these initiatives with the 5S program and ergonomic principles. These efforts aim to create a safer working environment, reduce the risk of workplace accidents and injuries and foster a sustainable organizational culture of safety.

The sustainability performance in this quarter reflects the Company’s continuous commitment to developing an organization resilient across governance, climate change adaptation, and personnel safety. Moving forward, the Company will focus on enhancing cross-functional engagement across all units to deliver concrete outcomes aligned with its corporate sustainability goals.

Sincerely yours,
Jasmine Technology Solution Public Company Limited.

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