

(Translation)

IR 024/18

November 14, 2018

President and Director

The Stock Exchange of Thailand

Subject : To explain the reasons on the company's net profit (net loss) more than 20% from last year.

Dear Sir,

Karmarts Public Company Limited would like to submit financial statement for the period of 3 months ended September 30, 2018. The company's net profit is Baht 181.35 million. The profit increased by Baht 114.68 million or 172.01% compared to last year. The main reasons are as follows.

1. The company had the sales revenue of Baht 397.03 million, increased from last year by Baht 11.06 million or 2.87% as the company had increased the sale of Cosmetics and Consumer Products. Income from warehouse rental services of Baht 5.18 million, same as last year.

2. The company had the cost of sales and service of Baht 186.57 million, increased from last year by Baht 18.14 million or 10.77% because the company had the sale cosmetics and consumer products increased. Cost from warehouse service Baht 0.10 million.

3. The company had the selling and administrative expenses of Baht 149.90 million, increased from last year by Baht 6.94 million or 4.85% because the company increased selling expenses Baht 10.00 million from advertising.

4. Share of gain from investments in joint venture an associate Baht 127.65 million increased from last year by Baht 128.01 million because the associates gain a sales of land.

5. The company had the financial cost of Baht 3.21 million, increased from last year by Baht 0.96 million or 42.67%.

6. The company had Income Tax (Expenses) of Baht 11.93 million, decreased from last year by Baht 5.11 million or 29.99% because The company's profit decreased from the previous year.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company's Secretary