

(Translation)

IR 003/19

February 27, 2019

President and Director

The Stock Exchange of Thailand

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

Dear Sirs :

Karmarts Public Company Limited would like to submit financial statement for the year ended December 31, 2018. The company net Profit Baht 360.22 million increased Baht 78.59 million or 27.91% and net income Baht 1,523.19 million decreased Baht 28.43 million or 1.83% to the last year. The mainly reasons are as follows.

1. The company had the sales and service income Baht 1,479.38 million decreased from the last year Baht 14.18 million or 0.95%. Income from warehouse services Baht 20.75 million. Other income Baht 19.20 million decreased from the last year Baht 18.11 million or 48.54%.

2. The company had the cost of sales and service Baht 687.37 million decreased from the last year Baht 14.01 million or 2.08% regarding to this, the decreasing cost is related to the decreasing of last year sale. Cost from warehouse services Baht 0.42 million.

3. The company had the selling and administrative expenses of Baht 536.99 million, increased from the last year Baht 32.68 million or 6.48% due to the company's expenses increased from employee expenses and space rental.

4. Share of gain (loss) from investments in joint venture and associate Baht 126.65 million increased from the last year Baht 135.42 million because associate profit of last year sale.

5. The company had the finance cost Baht 12.21 million increased from the last year Baht 2.10 million or 20.77%.

6. The company had the Gain from a fair value adjustment of investment properties Baht 4 million increased from the last year by Baht 5.00 million.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company Secretary