

(Translation)

IR 012/21

November 11, 2021

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, 2021. The company's net profit is Baht 173.31 million. The profit increased by Baht 134.42 million or 345.64% when compared to the net profit of last year. The main reasons are as follows.

1. The company had the sales revenue of Baht 247.12 million, decreased from last year by Baht 91.18 million or 26.95% as the company had decreased the sale of Cosmetics and Consumer Products. Income from warehouse rental services of Baht 5.29 million, same as last year.

2. Income from bad debt repayment and amount received to compensate losses of Baht 202.30 million. The company received payment from a former subsidiary. The payment consists of repayment of past outstanding liabilities, amount received to compensate deposits of past purchases, and amount received to compensate losses from sales of all inventories related to the project to upgrade the 470MHz Mobile Telephone Network to CDMA2000 1X.

3. The company had the cost of sales and service of Baht 140.04 million, decreased from last year by Baht 20.36 million or 12.69% because decreased sales proportion.

4. The company had the selling and administrative expenses of Baht 99.25 million, decreased from last year by Baht 32.48 million or 24.66% due to the company had selling expenses of Baht 47.46 million, decreased from last year by Baht 12.58 million or 20.95% in response to the market conditions and administrative expenses of Baht 51.78 million, decreased from last year by Baht 19.89 million or 27.75%. In 2020 the company out of which Baht 22.11 million is Microsoft Licensing fee incurred along with interests payable as ordered by the civil court of Thailand.

5. The company had the financial cost of Baht 2.15 million, decreased from last year by Baht 0.42 million or 16.06%.

6. The company had Income Tax of Baht 42.32 million, increased from last year by Baht 32.25 million or 320.57% because the company's profit increased from the previous year.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company's Secretary