

(Translation)

IR 001/22

January 4, 2022

Subject : Notification of capital increment for Pa Donphutsa Company Limited (subsidiary) and acquisition of asset for the Company's subsidiary. (The Amendment is in Blue letter)

To : The President
The Stock Exchange of Thailand

Karmarts Public Company Limited ("The Company") would like to inform that The company would like to increase the capital of Pa Donphutsa Company Limited (subsidiary) and execute the acquisition of asset for the Company's subsidiary with respect to the resolutions of the board of director's meeting no.1, /2022, which were held on January 4, 2022 with details as follows:

1. Pa Donphutsa Company Limited (Related Transactions)

Transaction Date : November 1, 2021

Parties : Buyer - Karmarts Public Company Limited
Seller - The Iconic Property Company Limited

Shareholders of The Iconic

Property Company Limited : 1. Karmarts Public Company Limited holds 7,102,999 shares
or 33.33%
2. Mr. Parit Teekakirikul holds 3,553,001 shares
or 16.67%
3. Mr. Polkrit teekhakhirikul holds 3,550,000 shares
or 16.67%
4. Mr. Chayut Udomcharoenchaikit holds 7,103,000 shares
or 33.33%

Board of Directors of The Iconic

Property Company Limited : 1. Mr. Wiwat Theekhakhirikul
2. Mr. Parit Teekakirikul
3. Mr. Chayut Udomcharoenchaikit

Type of Transaction : Investment in Pa Donphutsa Company Limited in the
proportion of 75% of total shares.

Type of Business : Forestation, Agricultural plantation, and conservation of endangered large-sized river animals.

Transaction Objectives : To expand new business opportunity and to encourage social contribution on environmental conservation within Bangkok vicinity area. By planting standing timbers as a main support to carbon credits and as a CSR according to the Government's Policy, The Company will have incomes from the selling of the soil for the first 5 years and later, will generate income from supplying of timbers to the furniture factories, sawmills, and etc.

Authorized Capital and

Paid-up Capital : Authorized capital Baht 20,000,000, divided into 200,000 ordinary shares at par value of Baht 100. Paid-up capital : Baht 20,000,000

Shareholding Proportion :

| Shareholders | Before November 1, 2021 | After November 1, 2021 |
|-------------------------------------|--|--|
| The Iconic Property Company Limited | holds 150,000 shares or representing 75% of the authorized capital | — |
| Theekhakhirikul Group | holds 50,000 shares or representing 25% of the authorized capital | holds 50,000 shares or representing 25% of the authorized capital |
| Karmarts Public Company Limited | — | Holds 150,000 shares or representing 75% of the authorized capital |

Board of Directors : 1. Mr. Wiwat Theekhakhirikul
2. Mr. Wongwiwat Theekhakhirikul
3. Mr. Chayut Udomcharoenchaikit
4. Mr. Parit Teekakirikul

Source of Investment fund : The Company's Working Capital

Transaction size : On November 1, 2021, The Company held 150,000 ordinary shares, amounted Baht 16,500,000. The size of transaction according to the value of consideration paid as of November 1, 2021 was 0.98%. Additionally, for the past 6 months, the financial loans transactions of Baht 12 millions and Baht 9 millions to Pa Donphutsa Company Limited on November 1 and 3, 2021, respectively, leading to the value of consideration paid of 1.81% which added up to total 2.79%.

Opinion of the Board of

Directors

: The Board of Directors has considered and deemed it appropriate to approve the investment and provide the financial support to the subsidiary as the transaction is considered reasonable and beneficial to the Company as to expand new business opportunity and to encourage social contribution on environmental conservation within Bangkok vicinity area. By planting standing timbers as a main support to carbon credits and as a CSR according to the Government's Policy, The Company will have incomes from the selling of the soil for the first 5 years and later, will generate income from supplying of timbers to the furniture factories, sawmills, and etc.

2. Pa Donphutsa Company Limited

Transaction Date : November 1, 2021 and January 4,2022

Name of New Subsidiary : Pa Donphutsa Company Limited

Type of Business : Forestation, Agricultural plantation, and conservation of endangered large-sized river animals.

Transaction Objectives : To expand new business opportunity and to encourage social contribution on environmental conservation within Bangkok vicinity area. By planting standing timbers as a main support to carbon credits and as a CSR according to the Government's Policy, The Company will have incomes from the selling of the soil for the first 5 years and later, will generate income from supplying of timbers such as Yellow Poinciana, Yang, and Acacia Mangium to the furniture factories, sawmills, and etc. The Company is in the progress of sourcing the suppliers to enhance the costs of plants, the large-sized river animals, and other related costs. Once approved by the directors, the transactions will be calculated and shared according to the Stock Exchange of Thailand (SET)'s regulations.

Authorized Capital and

Paid-up Capital (Old) : Authorized capital Baht 20,000,000, divided into 200,000 ordinary shares at par value of Baht 100. Paid-up capital : Baht 20,000,000

Authorized Capital and

Paid-up Capital (New) : Authorized capital Baht 260,000,000, divided into 2,600,000 ordinary shares at par value of Baht 100. Paid-up capital: Baht 260,000,000

Shareholding Proportion :

| | November 1, 2021 | January 4, 2022 |
|---|----------------------|-------------------------|
| Karmarts Public Company Limited (Old) | 150,000 shares (75%) | 2,236,000 shares (86%) |
| Personal (Theekhakhirikul Group) (Connected Persons) | 50,000 shares (25%) | 182,000 shares (7%) |
| Personal (Mr. Chayut Udomcharoenchaikit) (Non-Connected Persons) | — | 182,000 shares (7%) |
| Total | 200,000 shares 100% | 2,600,000 shares (100%) |

Board of Directors : 1. Mr. Wiwat Theekhakhirikul
2. Mr. Wongwiwat Theekhakhirikul
3. Mr. Chayut Udomcharoenchaikit
4. Mr. Parit Teekakirikul

Source of Investment fund : The Company's Working Capital

Transaction size : Both November 1, 2021 and January 4, 2022 transactions summed up to Baht 225,100,000 and the highest possible calculation made on the value of consideration paid as at September 30, 2021 was 13.37% with no other transactions for the past 6 months.

Opinion of the Board of

Directors : The Board of Directors has considered and deemed it appropriate to [approve the investment](#) and provide the financial support to the subsidiary as the transaction is considered reasonable and beneficial to the Company [as to expand new business opportunity and to encourage social contribution on environmental conservation within Bangkok vicinity area. By planting standing timbers as a main support to carbon credits and as a CSR according to the Government's Policy, The Company will have incomes from the selling of the soil for the first 5 years and later, will generate income from supplying of timbers to the furniture factories, sawmills, and etc.](#)

3. Pa Donphutsa Company Limited (Subsidiary)'s execution on acquisition of assets where the key summaries are as follows:

| | |
|---|--|
| Transaction Date | : January 25, 2022 |
| Parties | : Seller - Mr. Boonchai Jinangkun and Mr. Suwat Suwattanapong (Non Connected Persons) Buyer - Pa Donphutsa Co., Ltd. |
| General Characteristic of the transaction | : Acquisition of assets (Land) total 17 pieces of land with total land space of 560 Rai 2 Ngan 80.4 Sqaure Wa at Donphutsa Subdistrict, DonTum District, Nakhon Pathom Province. Land specification is rice-field-type covered with black soil, Sandy Soil and Sand, respectively. |
| Transaction size | : Based on The Company's total value of consideration paid as at September 30, 2021 is equal to 14 % and there were no other transactions for the past 6 months. |
| Objective | : To expand new business opportunity and to encourage social contribution on environmental conservation within Bangkok vicinity area. |
| Amount | : THB 235,494,420 with interest as expense on loaning as of November 1, 2021 of THB 143,397.57. At present, the loan amount with interest of Baht 235,637,817.57 had been paid on January 10, 2022. |
| Source of Fund | : The Company's working Capital |
| Opinion of the Board of Directors | : The Board of Directors has considered and deemed it appropriate to approve the purchase the above mentioned pieces of lands as the transaction is considered reasonable and beneficial to the Company. |

As a result, Pa Donphutsa Company Limited has changed the status to become The Company's subsidiary as stated above.

The transaction is not regarded as a connected transaction and a transaction size is not considered as a major acquisition of assets according to the regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand. Nevertheless, the Company is required to disclose the aforementioned information

to the Stock Exchange of Thailand as per the Notification of the Stock Exchange of Thailand regarding Rules, Conditions and Procedures of information disclosure and Practices of Listed Company.

Please be informed accordingly.

Sincerely yours,

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(Mr. Wiwat Theekhakhirikul)

Chief Executive Officer