

(Translation)

IR 003/22

February 24, 2022

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, 2021. The company net Profit Baht 292.87 million increased Baht 160.05 million or 120.50% and net income Baht 1,503.23 million increased Baht 177.02 million or 13.35% to the last year. The mainly reasons are as follows.

1. The company had the sales and service income Baht 1,269.89 million decreased from the last year Baht 24.09 million or 1.86%. Income from warehouse services Baht 21.16 million. Other income Baht 9.62 million decreased from the last year Baht 1.33 million or 12.15% and dividend Baht 0.24 million.

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 Baht 672.91 million increased from the last year Baht 34.76 million or 5.45% regarding to this, the decreasing cost is related to the decreasing of last year sale. Cost from warehouse services Baht 0.16 million.

4. The company had the selling and administrative expenses of Baht 458.11 million, decreased from the last year Baht 50.91 million or 10.00% due to the company had selling expenses of Baht 231.96 million, decreased from last year by Baht 38.48 million or 14.23% in response to the market conditions and administrative expenses of Baht 226.15 million, decreased from last year by Baht 12.43 million or 5.21% year 2020 out of which Baht 22.11 million is Microsoft licensing fee incurred along with interests payable as ordered by the Civil Court of Thailand, year 2021 Baht – million, loss from exchange rate Baht 11.58 million.

5. The company had the Loss from a fair value adjustment of investment properties Baht 0.70 million increased from the last year by Baht 0.80 million.

6. Share of gain from investments in joint venture and associate Baht 0.46 million increased from the last year Baht 1.70 million because associate gain performance.

7. The company had the finance cost Baht 7.70 million decreased from the last year Baht 2.67 million or 25.75%.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company Secretary