

(Translation)

IR 014/22

November 14, 2022

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, 2022. The company's net profit is Baht 87.58 million. The profit decreased by Baht 85.73 million or 49.46% when compared to the net profit of last year. The main reasons are as follows.

1. The company had the sales revenue of Baht 499.08 million, increased from last year by Baht 251.96 million or 101.95% as the company had increased the sale of Cosmetics and Consumer Products. Income from warehouse rental services of Baht 6.53 million, increased from last year by Baht 1.24 million or 23.44%.

2. Year 2021 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. Year 2022, no items.

3. The company had the cost of sales and service of Baht 251.48 million, increased from last year by Baht 111.44 million or 79.57% because increased sales proportion.

4. The company had the selling and administrative expenses of Baht 139.99 million, increased from last year by Baht 40.74 million or 41.04% due to the company had selling expenses of Baht 73.24 million, increased from last year by Baht 25.78 million or 54.31% increased from advertising of Baht 12.23 million and increased from employee expenses of Baht 8.86 million and administrative expenses of Baht 66.75 million, increased from last year by Baht 14.97 million or 28.91% increased from loss on exchange of Baht 4.56 million and increased from employee expenses of Baht 4.89 million.

5. The company had the financial cost of Baht 4.82 million, increased from last year by Baht 2.67 million or 124.18%.

6. The company had Income Tax of Baht 23.90 million, decreased from last year by Baht 18.41 million or 43.52% 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