

(Translation)

IR 008/23

May 11, 2023

Re : To explain the reasons on the company's net profit (net loss) more than 20% from last year.

To : The President

The Stock Exchange of Thailand

Karmarts Public Company Limited would like to submit financial statement for the period of 3 months ended March 31, 2023. The company's net profit is Baht 157.67 million. The profit increased by Baht 88.67 million or 128.51% compared to last year. The main reasons are as follows.

1. The company had the sales revenue of Baht 584.83 million, increased from last year by Baht 166.71 million or 39.87% as the company had the sale of Cosmetics and Consumer Products of Baht 568.79 million, increased from last year by Baht 161.61 million or 39.69%. Income from warehouse rental services of Baht 6.53 million increased from last year by Baht 1.24 million or 23.44%

2. The company had the cost of sales and service of Baht 274.89 million, increased from last year by Baht 62.43 million or 29.38% which corresponds to a increased in sales revenue proportionately.

3. The company had the selling and administrative expenses of Baht 137.69 million, increased from last year by Baht 21.32 million or 18.32% due to the company had selling expenses of Baht 75.28 million, increased from last year by Baht 13.17 million or 21.22% in advertising, sales promotion and administrative expenses of Baht 62.41 million, increased from last year by Baht 8.15 million or 15.02% increased from employee expenses increased Baht 3.00 million and increased expenses under the contract Baht 7.00 million.

4. The company had the share of profit from investments in joint venture and associate of Baht 21.45 million, increased from last year by Baht 21.84 million, the associate arranged for an independent valuer to appraise the fair value of its investment properties which are land.

5. The company had the financial cost of Baht 3.35 million, increased from last year by Baht 1.09 million or 48.23%.

6. The company had Income Tax of Baht 32.46 million, increased from last year by Baht 14.96 million or 85.49% 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