

(Translation)

IR 022/23

November 13, 2023

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, 2023. The company's net profit is Baht 143.51 million. The profit increased by Baht 55.93 million or 63.86% when compared to the net profit of last year. The main reasons are as follows.

1. The company had the sales revenue of Baht 627.18 million, increased from last year by Baht 128.10 million or 25.67% as the company had increased the sale of Cosmetics and Consumer Products. Income from warehouse rental services of Baht 6.53 million, equal to the previous year, other income of Baht 3.73 million increased from last year by Baht 3.11 million.

2. The company had the cost of sales and service of Baht 291.16 million, increased from last year by Baht 39.68 million or 15.78% because increased sales proportion.

3. The company had the selling and administrative expenses of Baht 164.08 million, increased from last year by Baht 24.09 million or 17.21% due to the company had selling expenses of Baht 97.35 million, increased from last year by Baht 24.11 million or 32.92%. Increased from advertising and sale promotion of Baht 9.11 million, increased from employee expenses of Baht 4.17 million, increased from rental fee of Baht 2.27 million and other expenses of Baht 8.56 million. Administrative expenses of Baht 66.73 million, decreased from last year by Baht 0.02 million or 0.03% decreased from loss on exchange of Baht 13.03 million, increased from expenses under the contract of Baht 11.16 million, increased from employee expenses of Baht 4.02 million and decreased from other administrative expenses of Baht 2.17 million.

4. The company had the financial cost of Baht 4.00 million, increased from last year by Baht 0.82 million or 17.01%.

5. The company had Income Tax of Baht 35.68 million, increased from last year by Baht 11.78 million or 43.28% because the company's profit increased from the previous year.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company Secretary