

**(Translation)**

IR 008/24

May 13, 2024

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, 2024. The company's net profit is Baht 298.15 million. The profit increased by Baht 140.48 million or 89.10% compared to last year. The main reasons are as follows.

1. The company had total revenue of Baht 786.39 million, increased from last year by Baht 201.56 million or 34.46% as the company had the sale of Cosmetics and Consumer Products of Baht 769.61 million, increased from last year by Baht 200.82 million or 35.31%. Income from warehouse rental services of Baht 6.53 million equal to last year other income of Baht 10.23 million, increased from last year by Baht 0.73 million or 7.68%.

2. The company had the cost of sales and service of Baht 357.10 million, increased from last year by Baht 82.21 million or 29.91% which corresponds to an increased in sales revenue proportionately.

3. The company had the selling and administrative expenses of Baht 189.69 million, increased from last year by Baht 52.00 million or 37.77% due to the company had selling expenses of Baht 111.79 million, increased from last year by Baht 36.51 million or 48.50% (in advertising, sales promotion) and administrative expenses of Baht 77.90 million, increased from last year by Baht 15.49 million or 24.82% increased from employee expenses increased Baht 7.18 million, increased expenses under the contract Baht 5.00 million and loss from exchange rate Baht 3.12 million.

4. Gain on the change in fair value of investments in equity instruments stood at Baht 103.42 million, marking a significant increase of Baht 103.42 million or 100%

5. Gain on sale of investments Baht 6.58 million increased from last year by Baht 6.58 million or 100%

6. Finance income increased to Baht 7.05 million from the previous year's Baht 6.94 million. This increase can be attributed to the Company's heightened cash reserves resulting for capital increases, leading to higher interest income.

7. The company had the financial cost of Baht 4.42 million, increased from last year by Baht 1.07 million or 31.94%.

8. The company had Income Tax of Baht 52.89 million, increased from last year by Baht 20.43 million or 62.94% because the company's profit increased from the previous year.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwanee Tharacheevin)

Company's Secretary