(Translation)

IR 035/26

November 12, 2026

Subject : Clarification of the Reasons for the Company's Profit (Loss) Variance of More Than 20 Percent Compared with the Previous Year

To : The President

The Stock Exchange of Thailand

Karmarts Public Company Limited would like to submit its financial statement for the period of 3 months ended September 30, 2026. The Company's net profit was Baht 148.42 million. The profit decreased by Baht 33.00 million or 18.19%, compared with the net profit of the prior year. The main reasons are as follows:

1. The Company recorded sales revenue of Baht 889.18 million, increased from last year by Baht 27.13 million or 3.15% as the Company increased its sale of Cosmetics and Consumer Products. Income from warehouse rental services of Baht 6.80 million, dividend income of Baht 1.28 million and Other Income of Baht 2.27 million, all of which remained at levels comparable to the previous year.

2. The Company recorded cost of sales and services of Baht 431.65 million, increased from last year by Baht 34.52 million or 8.69%, in line with the increased sales proportion.

3. The Company recorded selling and administrative expenses of Baht 289.57 million, increased from last year by Baht 16.14 million or 5.90% due to the following:

- Selling expenses were Baht 205.77 million, increased from last year by Baht 16.54 million or 8.74%. This was due to a decrease in product advertising expenses of Baht 16.67 million, an increase in sales promotion expenses of Baht 27.98 million, employee expenses increased by Baht 8.50 million and other expenses decreased by Baht 3.27 million.
- Administrative expenses were Baht 83.80 million, remaining at a level comparable to the prior year (Baht 84.20 million). This was due to an increase in employee expenses of Baht 2.75 million, and in other expenses of Baht 9.18 million, which were offset by a decrease in contract-related expenses of Baht 11.93 million.

4. Loss on the change in fair value of investments in equity instruments stood at Baht 3.57 million, compared with a gain of Baht 4.54 million in the prior year, a significant swing of Baht 8.11 million. This was a result of changes in the price of shares held by the Company and is unrealized.

5. Gain on sale of investments was Baht 2.35 million, a decrease of Baht 2.99 million from the prior year, due to lower net selling prices of investments in line with market conditions.

6. The Company recorded share of gain from investments in joint venture and an associate of Baht 10.59 million, decreased from last year by Baht 2.53 million, due to a decrease in the net profit of the associate compared to the previous year.

7. The Company recorded financial income of Baht 1.77 million, a decrease of Baht 0.97 million from the prior year. Interest income was earned from cash received from the capital increase; however, income decreased from the prior year because part of the cash was used for investments.

8. The Company recorded the financial costs of Baht 4.82 million, decreased from last year by Baht 1.12 million or 18.86%, due to effective financial structure management and a reduction in interest rates.

9. The Company recorded Income Tax Expense of Baht 36.83 million, decreased from last year by Baht 2.13 million or 5.47%, in line with lower profit for the period.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company's Secretary