

(Translation)

IR 014/19

November 12, 2019

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, 2019. The company's net profit is Baht 56.66 million. The profit decreased by Baht 124.69 million or 68.76% compared to last year. The main reasons are as follows.

1. The company had the sales revenue of Baht 362.50 million, decreased from last year by Baht 34.53 million or 8.70% as the company had the sale of cosmetics and consumer products net sale expenses. Income from warehouse rental services of Baht 5.29 million, same as last year.

2. The company had the cost of sales and service of Baht 172.34 million, decreased from last year by Baht 14.23 million or 7.63% because the company had the sale cosmetics and consumer products. Cost from warehouse service Baht 0.10 million.

3. The company had the selling and administrative expenses of Baht 122.01 million, decreased from last year by Baht 27.89 million or 18.61% because the company decreased selling expenses to net sales.

4. Share of profit (loss) from investments in joint venture and associate Baht (0.19) million decreased from last year by Baht 127.84 million because year 2018 the associates gain a sales of land.

5. The company had the financial cost of Baht 2.54 million, decreased from last year by Baht 0.67 million or 21.03%.

6. The company had Income Tax (Expenses) of Baht 15.88 million, increased from last year by Baht 3.94 million or 33.03% because The company's profit increased from the previous year.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheewin)

Company's Secretary