

(Translation)

IR 003/20

February 28, 2020

President and Director

The Stock Exchange of Thailand

Subject : To explain the reasons the company's net profit (net loss) or net income increased more than 20% from last year.

Dear Sirs :

Karmarts Public Company Limited would like to submit financial statement for the year ended December 31, 2019. The company net Profit Baht 261.23 million decreased Baht 98.99 million or 27.48% and net income Baht 1,526.02 million increased Baht 2.83 million or 0.19% to the last year. The mainly reasons are as follows.

1. The company had the sales and service income Baht 1,486.64 million increased from the last year Baht 7.26 million or 0.49%. Income from warehouse services Baht 21.06 million. Other income Baht 17.85 million decreased from the last year Baht 1.35 million or 7.03%.

2. The company had the cost of sales and service Baht 694.48 million increased from the last year Baht 7.11 million or 1.03% regarding to this, the decreasing cost is related to the decreasing of last year sale. Cost from warehouse services Baht 0.41 million.

3. The company had the selling and administrative expenses of Baht 493.80 million, decreased from the last year Baht 43.19 million or 8.04% due to the company has adjusted the selling expenses to net sales.

4. Share of gain (loss) from investments in joint venture and associate Baht 1.27 million decreased from the last year Baht 125.38 million because associate profit of last year from land sales.

5. The company had the finance cost Baht 10.19 million decreased from the last year Baht 2.02 million or 16.54%.

6. The company had the Gain from a fair value adjustment of investment properties Baht 0.46 million decreased from the last year by Baht 3.54 million.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company Secretary