

(Translation)

IR 018/20

August 10, 2020

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 June 30, 2020. The company's net profit is Baht 23.09 million. The profit decreased by Baht 36.73 million or 61.40% when compared to the net profit of last year due to Coronavirus Pandemic Situation (COVID-19). The main reasons are as follows.

1. The company had the sales revenue of Baht 235.50 million, decreased from last year by Baht 140.76 million or 37.41% as the company had decreased the sale of Cosmetics and Consumer Products. 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 123.80 million, decreased from last year by Baht 56.01 million or 31.15% because decreased sales proportion.

3. The company had the selling and administrative expenses of Baht 87.94 million, decreased from last year by Baht 40.38 million or 31.47% according to the market conditions.

4. The company had the financial cost of Baht 2.70 million, increased from last year by Baht 0.37 million or 15.88%.

5. The company had Income Tax of Baht 5.12 million, decreased from last year by Baht 10.02 million or 66.18% because The company's profit decreased from the previous year.

Please be informed accordingly.

Sincerely yours,

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(Ms. Suwannee Tharacheevin)

Company's Secretary