

**Karmarts Public Company Limited and its subsidiary**  
**Statement of financial position**  
**As at 30 September 2018**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2018	31 December 2017	30 September 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		25,925	10,716	23,994	5,947
Current investments	3	447	361	447	361
Trade and other receivables	4, 5	342,933	344,467	351,871	344,417
Current portion of finance lease receivables	5	-	363	-	363
Short-term loans to related party	5	-	55,875	-	55,875
Short-term loans to unrelated parties	6	-	18,000	-	18,000
Current portion of long-term loans to related party	5	1,080	-	1,080	-
Current portion of long-term loans to unrelated person and party	8	9,600	9,600	9,600	9,600
Inventories	7	318,355	304,940	307,301	303,898
Deposit for purchase of investments in a subsidiary	11	-	4,000	-	4,000
Deposit for purchase of land		-	12,000	-	12,000
Other current assets		47,440	35,661	47,422	35,661
<b>Total current assets</b>		<b>745,780</b>	<b>795,983</b>	<b>741,715</b>	<b>790,122</b>
<b>Non-current assets</b>					
Finance lease receivables - net of current portion	5	-	903	-	903
Long-term loans to related party - net of current portion	5	3,301	-	3,301	-
Long-term loans to unrelated person and party - net of current portion	8	21,177	28,675	21,177	28,675
Investments in joint venture	9	455	343	3,563	3,563
Investments in associate	10	188,649	63,042	71,030	71,030
Investments in subsidiary	11	-	-	7,000	4,000
Investment properties	12	118,000	118,000	118,000	118,000
Property, plant and equipment	13	408,924	293,002	403,705	292,573
Land awaiting future development	14	8,284	8,284	8,284	8,284
Intangible assets	15	5,469	10,090	5,386	10,090
Deferred tax assets		10,598	8,458	10,598	8,458
Other non-current assets	4	18,922	20,168	18,817	20,148
<b>Total non-current assets</b>		<b>783,779</b>	<b>550,965</b>	<b>670,861</b>	<b>565,724</b>
<b>Total assets</b>		<b>1,529,559</b>	<b>1,346,948</b>	<b>1,412,576</b>	<b>1,355,846</b>

The accompanying notes are an integral part of the financial statements.

**Karmarts Public Company Limited and its subsidiary**  
**Statement of financial position (continued)**  
**As at 30 September 2018**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2018	31 December 2017	30 September 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	16	121,907	175,276	121,907	175,276
Trade and other payables	5,17	160,148	102,952	165,159	102,735
Short-term loan from related party	5	100,000	-	100,000	-
Current portion of liabilities under finance lease agreements		4,433	3,968	4,433	3,968
Current portion of long-term loans from financial institution	18	17,904	17,904	17,904	17,904
Income tax payable		12,388	37,954	11,975	37,528
Other current liabilities		15,662	13,292	15,145	13,238
<b>Total current liabilities</b>		<b>432,442</b>	<b>351,346</b>	<b>436,523</b>	<b>350,649</b>
<b>Non-current liabilities</b>					
Liabilities under finance lease agreements					
- net of current portion		6,092	6,905	6,092	6,905
Long-term loans from financial institution					
- net of current portion	18	51,074	62,096	51,074	62,096
Provision for long-term employee benefits		17,763	16,052	17,763	16,052
Deferred tax liabilities		40,714	41,116	40,714	41,116
<b>Total non-current liabilities</b>		<b>115,643</b>	<b>126,169</b>	<b>115,643</b>	<b>126,169</b>
<b>Total liabilities</b>		<b>548,085</b>	<b>477,515</b>	<b>552,166</b>	<b>476,818</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
880,000,000 ordinary shares of Baht 0.60 each		528,000	528,000	528,000	528,000
Issued and fully paid up					
879,998,016 ordinary shares of Baht 0.60 each		527,999	527,999	527,999	527,999
Share premium		88,397	88,397	88,397	88,397
Capital reduction surplus		15,267	15,267	15,267	15,267
Retained earnings					
Appropriated - statutory reserve	19	52,800	52,800	52,800	52,800
Unappropriated		251,659	142,022	134,440	153,058
Other components of shareholders' equity		41,457	41,284	41,507	41,507
<b>Equity attributable to owners of the Company</b>		<b>977,579</b>	<b>867,769</b>	<b>860,410</b>	<b>879,028</b>
Non-controlling interests of the subsidiary		3,895	1,664	-	-
<b>Total shareholders' equity</b>		<b>981,474</b>	<b>869,433</b>	<b>860,410</b>	<b>879,028</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,529,559</b>	<b>1,346,948</b>	<b>1,412,576</b>	<b>1,355,846</b>

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary****Income statement****For the three-month period ended 30 September 2018**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
<b>Revenues</b>					
Sales		397,037	385,977	394,550	384,607
Income from warehouse rental		5,189	5,189	5,189	5,189
Other income		3,463	7,060	5,484	7,576
<b>Total revenues</b>		<b>405,689</b>	<b>398,226</b>	<b>405,223</b>	<b>397,372</b>
<b>Expenses</b>					
Cost of sales		186,569	168,426	189,157	169,066
Cost of warehouse rental		107	107	107	107
Selling expenses		123,723	113,922	123,723	113,922
Administrative expenses		26,185	29,044	26,141	29,001
<b>Total expenses</b>		<b>336,584</b>	<b>311,499</b>	<b>339,128</b>	<b>312,096</b>
<b>Profit before share of gain (loss) from investments in joint venture and associate, finance cost and income tax expenses</b>					
Share of gain (loss) from investments in joint venture and associate		127,652	(364)	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>196,757</b>	<b>86,363</b>	<b>66,095</b>	<b>85,276</b>
Finance cost		(3,219)	(2,251)	(3,215)	(2,249)
<b>Profit before income tax expenses</b>		<b>193,538</b>	<b>84,112</b>	<b>62,880</b>	<b>83,027</b>
Income tax expenses	20	(11,938)	(17,053)	(11,448)	(16,898)
<b>Profit for the periods</b>		<b>181,600</b>	<b>67,059</b>	<b>51,432</b>	<b>66,129</b>
<b>Profit or loss attributable to:</b>					
Equity holders of the Company		181,353	66,671	51,432	66,129
Non-controlling interests of the subsidiary		247	388		
		181,600	67,059		
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company	21	0.206	0.076	0.058	0.075
Weighted average number of common stock (shares)		879,998,016	880,222,985	879,998,016	880,222,985

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary**  
**Statement of comprehensive income**  
**For the three-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Profit for the periods</b>	181,600	67,059	51,432	66,129
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Share of profit (loss) from exchange differences on translation				
of joint venture's financial statements in foreign currency	14	(2)	-	-
Other comprehensive income for the periods	14	(2)	-	-
<b>Total comprehensive income for the periods</b>	<u>181,614</u>	<u>67,057</u>	<u>51,432</u>	<u>66,129</u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	181,367	66,669	<u>51,432</u>	<u>66,129</u>
Non-controlling interests of the subsidiary	247	388		
	<u>181,614</u>	<u>67,057</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary**  
**Income statement**  
**For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
<b>Revenues</b>					
Sales		1,111,813	1,106,267	1,109,267	1,104,697
Income from warehouse rental		15,567	15,567	15,567	15,567
Other income		16,087	23,861	18,454	25,410
<b>Total revenues</b>		<b>1,143,467</b>	<b>1,145,695</b>	<b>1,143,288</b>	<b>1,145,674</b>
<b>Expenses</b>					
Cost of sales		523,953	496,409	528,177	498,595
Cost of warehouse rental		254	315	254	315
Selling expenses		297,171	297,252	297,171	297,252
Administrative expenses		102,411	82,810	102,278	82,684
<b>Total expenses</b>		<b>923,789</b>	<b>876,786</b>	<b>927,880</b>	<b>878,846</b>
<b>Profit before share of gain (loss) from investments in joint venture and associate, finance cost and income tax expenses</b>					
		219,678	268,909	215,408	266,828
Share of gain (loss) from investments in joint venture and associate		125,546	(1,506)	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>345,224</b>	<b>267,403</b>	<b>215,408</b>	<b>266,828</b>
Finance cost		(9,056)	(7,347)	(9,047)	(7,343)
<b>Profit before income tax expenses</b>		<b>336,168</b>	<b>260,056</b>	<b>206,361</b>	<b>259,485</b>
Income tax expenses	20	(41,014)	(50,861)	(40,193)	(50,706)
<b>Profit for the periods</b>		<b>295,154</b>	<b>209,195</b>	<b>166,168</b>	<b>208,779</b>
<b>Profit or loss attributable to:</b>					
Equity holders of the Company		294,423	208,619	166,168	208,779
Non-controlling interests of the subsidiary		731	576		
		295,154	209,195		
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company	21	0.335	0.237	0.189	0.237
Weighted average number of common stock (shares)		879,998,016	879,692,655	879,998,016	879,692,655

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary**  
**Statement of comprehensive income**  
**For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Profit for the periods</b>	295,154	209,195	166,168	208,779
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Share of profit (loss) from exchange differences on translation				
of joint venture's financial statements in foreign currency	173	(101)	-	-
<i>Other comprehensive income not to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Actuarial loss - net of income tax	-	(407)	-	(407)
Other comprehensive income for the periods	173	(508)	-	(407)
<b>Total comprehensive income for the periods</b>	<u>295,327</u>	<u>208,687</u>	<u>166,168</u>	<u>208,372</u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	294,596	208,111	<u>166,168</u>	<u>208,372</u>
Non-controlling interests of the subsidiary	731	576		
	<u>295,327</u>	<u>208,687</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary****Statement of changes in shareholders' equity****For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements										
	Equity attributable to owners of the Company										
						Other components of shareholders' equity					
				Retained earnings			Exchange differences				
	Issued and		Capital reduction	Appropriated -		Surplus on	on translation of	Total other	Total equity	Non-controlling	Total
	paid-up		surplus	statutory reserve	Unappropriated	revaluation of	joint venture's	components of	attributable to	interests of	shareholders'
	share capital	Share premium				assets	in foreign currency	shareholders' equity	the Company	the subsidiary	equity
Balance as at 1 January 2017	395,741	83,396	15,267	39,574	221,904	41,507	(40)	41,467	797,349	141	797,490
Profit for the period	-	-	-	-	208,619	-	-	-	208,619	576	209,195
Other comprehensive income for the period	-	-	-	-	(407)	-	(101)	(101)	(508)	-	(508)
Total comprehensive income for the period	-	-	-	-	208,212	-	(101)	(101)	208,111	576	208,687
Issuance of ordinary shares during the period											
from the ESOP scheme exercise	345	5,001	-	-	-	-	-	-	5,346	-	5,346
Stock dividend paid (Note 25)	131,913	-	-	-	(131,913)	-	-	-	-	-	-
Cash dividend paid (Note 25)	-	-	-	-	(153,940)	-	-	-	(153,940)	-	(153,940)
Transfer to statutory reserve (Note 19)	-	-	-	10,439	(10,439)	-	-	-	-	-	-
Change in non-controlling interests of the subsidiary											
from its paid up share capital	-	-	-	-	-	-	-	-	-	750	750
Balance as at 30 September 2017	527,999	88,397	15,267	50,013	133,824	41,507	(141)	41,366	856,866	1,467	858,333
Balance as at 1 January 2018	527,999	88,397	15,267	52,800	142,022	41,507	(223)	41,284	867,769	1,664	869,433
Profit for the period	-	-	-	-	294,423	-	-	-	294,423	731	295,154
Other comprehensive income for the period	-	-	-	-	-	-	173	173	173	-	173
Total comprehensive income for the period	-	-	-	-	294,423	-	173	173	294,596	731	295,327
Cash dividend paid (Note 25)	-	-	-	-	(184,786)	-	-	-	(184,786)	-	(184,786)
Change in non-controlling interests of the subsidiary											
from its paid up share capital	-	-	-	-	-	-	-	-	-	1,500	1,500
Balance as at 30 September 2018	527,999	88,397	15,267	52,800	251,659	41,507	(50)	41,457	977,579	3,895	981,474

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary**

**Statement of changes in shareholders' equity (continued)**

**For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Separate financial statements							
	Issued and paid-up share capital	Share premium	Capital reduction surplus	Retained earnings		Other components of shareholders' equity		
				Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets	Total other components of shareholders' equity	Total shareholders' equity
<b>Balance as at 1 January 2017</b>	395,741	83,396	15,267	39,574	225,967	41,507	41,507	801,452
Profit for the period	-	-	-	-	208,779	-	-	208,779
Other comprehensive income for the period	-	-	-	-	(407)	-	-	(407)
Total comprehensive income for the period	-	-	-	-	208,372	-	-	208,372
Issuance of ordinary shares during the period								
from the ESOP scheme exercise	345	5,001	-	-	-	-	-	5,346
Stock dividend paid (Note 25)	131,913	-	-	-	(131,913)	-	-	-
Cash dividend paid (Note 25)	-	-	-	-	(153,940)	-	-	(153,940)
Transfer to statutory reserve (Note 19)	-	-	-	10,439	(10,439)	-	-	-
<b>Balance as at 30 September 2017</b>	<u>527,999</u>	<u>88,397</u>	<u>15,267</u>	<u>50,013</u>	<u>138,047</u>	<u>41,507</u>	<u>41,507</u>	<u>861,230</u>
<b>Balance as at 1 January 2018</b>	527,999	88,397	15,267	52,800	153,058	41,507	41,507	879,028
Profit for the period	-	-	-	-	166,168	-	-	166,168
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	166,168	-	-	166,168
Cash dividend paid (Note 25)	-	-	-	-	(184,786)	-	-	(184,786)
<b>Balance as at 30 September 2018</b>	<u>527,999</u>	<u>88,397</u>	<u>15,267</u>	<u>52,800</u>	<u>134,440</u>	<u>41,507</u>	<u>41,507</u>	<u>860,410</u>

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary****Statement of cash flows****For the nine-month period ended 30 September 2018**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Cash flows from operating activities</b>				
Profit before tax	336,168	260,056	206,361	259,485
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	27,529	21,727	27,013	21,716
Reversal of allowance for doubtful accounts	(2,093)	(2,238)	(2,093)	(2,238)
Increase in allowance for reducing cost of inventories to net realisable value	11,552	6,411	11,550	6,411
Increase in (reversal of) allowance for impairment of other current assets	114	(475)	114	(475)
Unrealised loss (gain) on exchange rate	7,631	(11,564)	7,631	(11,564)
Gain on disposal of current investments	(100)	(1,774)	(100)	(1,774)
Unrealised gain on changes in the fair value of current investments	(86)	(114)	(86)	(114)
Fixed assets and intangible assets write-off	455	215	455	215
Gain on disposal of fixed assets and intangible assets	(133)	(496)	(133)	(496)
Interest income	(10,787)	(4,719)	(10,787)	(4,719)
Dividend income	(12)	(37)	(12)	(37)
Provision for long-term employee benefits	2,247	1,475	2,247	1,475
Share-based payment transactions	-	4,196	-	4,196
Interest expenses	7,065	4,506	7,065	4,506
Share of loss (gain) from investments in joint venture and associate	(125,546)	1,506	-	-
Profit from operating activities before changes in operating assets and liabilities:	254,004	278,675	249,225	276,587
Operating assets (increase) decrease				
Trade and other receivables	(2,516)	(48,925)	(11,504)	(48,925)
Finance lease receivables	1,266	(61)	1,266	(61)
Inventories	(24,438)	6,447	(14,424)	8,264
Other current assets	(11,893)	(4,179)	(11,875)	(4,256)
Other non-current assets	1,246	330	1,331	350
Operating liabilities increase (decrease)				
Trade and other payables	42,691	21,721	47,555	21,129
Other current liabilities	2,370	3,299	1,907	3,336
<b>Cash from operating activities</b>	<b>262,730</b>	<b>257,307</b>	<b>263,481</b>	<b>256,424</b>
Cash paid for income tax	(69,122)	(52,462)	(68,288)	(52,462)
Cash paid for long-term employee benefits	(536)	(240)	(536)	(240)
<b>Net cash from operating activities</b>	<b>193,072</b>	<b>204,605</b>	<b>194,657</b>	<b>203,722</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Karmarts Public Company Limited and its subsidiary**  
**Statement of cash flows (continued)**  
**For the nine-month period ended 30 September 2018**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Cash flows from investing activities</b>				
Interest income received	16,930	4,281	16,930	4,281
Dividend received	12	37	12	37
Decrease (increase) in short-term loans to related party	55,875	(1,500)	55,875	(1,500)
Decrease in short-term loans to unrelated parties	18,000	11,922	18,000	11,922
Increase in long-term loans to related party	(4,381)	-	(4,381)	-
Decrease in long-term loans to unrelated person and party	7,498	15,000	7,498	15,000
Proceeds from disposal of equipment and intangible assets	3,074	602	3,074	602
Proceeds from disposal of current investments	8,280	6,024	8,280	6,024
Acquisition of current investments	(8,180)	(4,250)	(8,180)	(4,250)
Purchase of land, equipment and intangible assets	(116,278)	(42,448)	(110,525)	(42,448)
Redemption of deposit for purchase of investments in a subsidiary	4,000	-	4,000	-
Changes in non-controlling interests of the subsidiary from its paid up share capital	1,500	750	-	-
Increase in investments in the subsidiary	-	-	(3,000)	(1,500)
<b>Net cash used in investing activities</b>	<u>(13,670)</u>	<u>(9,582)</u>	<u>(12,417)</u>	<u>(11,832)</u>
<b>Cash flows from financing activities</b>				
Decrease in short-term loans from financial institutions	(61,030)	(30,916)	(61,030)	(30,916)
Increase in short-term loan from related party	100,000	-	100,000	-
Cash paid under finance lease	(693)	(2,615)	(693)	(2,615)
Decrease in long-term loans from financial institution	(11,022)	-	(11,022)	-
Interest paid	(6,662)	(4,257)	(6,662)	(4,257)
Cash received from exercise of ESOP Scheme	-	1,150	-	1,150
Dividend paid	(184,786)	(153,940)	(184,786)	(153,940)
<b>Net cash used in financing activities</b>	<u>(164,193)</u>	<u>(190,578)</u>	<u>(164,193)</u>	<u>(190,578)</u>
Net increase in cash and cash equivalents	15,209	4,445	18,047	1,312
Cash and cash equivalents at beginning of periods	10,716	10,099	5,947	9,334
<b>Cash and cash equivalents at end of periods</b>	<u>25,925</u>	<u>14,544</u>	<u>23,994</u>	<u>10,646</u>
	-		-	
<b>Supplemental cash flow information: -</b>				
Non-cash transactions: -				
Undue installment for acquisition of equipment and intangible assets	15,830	222	15,804	222
Purchases of vehicles under finance leases	33	1,387	33	1,387
Transfer of equipment to inventories	529	241	529	241
Transfer of deposit for purchase of land to be land	12,000	-	12,000	-
Actuarial loss	-	509	-	509
Issuance of stock dividend	-	131,913	-	131,913

The accompanying notes are an integral part of the financial statements.