

August 10, 2018

Subject: Clarification of Operating Result for Quarter 2/2018

To: President

The Stock Exchange of Thailand

We, Sherwood Corporation (Thailand) Public Company Limited (SWC), would like to submit herewith the reviewed financial statement for the Quarter 2/2018 ended June 30, 2018 and also clarify the change in operating result for the 6 months ended Quarter 2/2018 as follows :-

The Company had net profits of Baht 108.51 million for the 6 months ended Quarter 2/2018, increased by Baht 21.25 million or 24.35% as compared to the same period last year. The main reasons of such increase were as follow:-

- 1) Sales Revenues for the 6 months ended Quarter 2/2018 was Baht 863.46 million, increased by 17.87% as compared to the same period last year due to the better distribution in the Modern Trade channel as well as impact of the campaign to promote “Chaindrite” and “Teepol Lemon Power” products.
- 2) The decrease of cost of goods sold from 63.29% to 61.99% of sales amount resulting from the reduction of distribution margin.
- 3) The Baht 19.09 million of selling expenses increase or 18.60% resulting from the cost of advertising media to “Chaindrite” and “Teepol Lemon Power” products and the increase in marketing promotional expense.
- 4) The Baht 10.90 million of administrative expenses increase or 18.90% resulting from the increase in number of sale staffs and travelling expense.

Please be informed accordingly.

Sincerely yours,

Thakerngbol Laobisuddhi
Authorized Signature