

August 11, 2021

Subject: Management Discussion and Analysis for the 2nd quarter ended June 30, 2021

To: President
The Stock Exchange of Thailand

Sherwood Corporation (Thailand) Public Company Limited (“The Company”) and its subsidiary would like to submit herewith the reviewed consolidated financial statements for the 6 months ended June 30, 2021, with the financial analysis compared to the same period last year. The performance can be summarized as follows;

The Company and its subsidiary had net profit of THB 62.93 million for the 6 months ended June 30, 2021 in which there was a profit attributable to equity holders of the Company of THB 60.28 million, increased by THB 39.90 million or 195.67% as compared to the same period in the previous year which was shown the net profit of THB 20.39 million.

Revenue:

Sales Revenue for the 6 months ended June 30, 2021 was THB 794.67 million, increased by THB 260.50 million or 48.77% as compared to the same period in the previous year. This resulted mainly from the Company has launched marketing activities through advertisings and marketing campaigns to communicate brand awareness towards the customers which received positive feedback on the “Chaindrite Foam 2” Cockroach Killer advertising and Keep Skin but not Keep Stain advertising for "Teepol Pure" product. The Company has also increased marketing and promotional activities to boost strong sales growth and further strengthen the distribution network to mitigate the impact of the coronavirus disease 2019 (COVID-19) pandemics leading to severely affected the economic slowdown and the weaker consumption sentiment following pandemic concerns. Moreover, the Company has diversified into new product under food and beverage industry, and launched herbal energy drink under “SuperFight” trademark in all distribution channels nationwide. The Company has launched marketing activities through media and marketing campaigns on Fight Now & Fight Next advertising for "SuperFight" product, including active marketing and promotional activities to build brand awareness and also boost sales.

Cost of goods sold:

Cost of goods sold for the 6 months ended June 30, 2021, decreased from 64.43% to 57.85% of sales amount resulting from the price of insecticide active ingredients have decreased, as well as the lower production cost per unit that driven by higher production volume.

Selling and distribution expenses:

Selling and distribution expenses for the 6 months ended June 30, 2021 was THB 185.22 million, increased by THB 103.92 million or 127.83% as compared to the same period in the previous year resulting from the Company has increased advertising media and further active marketing, including sales promotional activities to retain customer's loyalty and boost a stronger sales forces.

Administrative expenses:

Administrative expenses for the 6 months ended June 30, 2021 was THB 61.14 million, decreased by THB 14.92 million or 19.62% as compared to the same period in the previous year due to the adjusted accounting entries as well as the control of administrative expenses during uncertain economic situations.

Please be informed accordingly.

Sincerely yours,

Thakerngbol Laobisuddhi
Authorized Signature