

November 11, 2021

Subject: Management Discussion and Analysis for the 3rd quarter ended September 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 9 months ended September 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 97.04 million for the 9 months ended September 30, 2021 in which there was a profit attributable to equity holders of the Company of THB 93.72 million, increased by THB 44.53 million or 90.53% as compared to the same period in the previous year which was shown the net profit of THB 49.19 million.

Revenue:

Sales Revenue for the 9 months ended September 30, 2021 was THB 1,254.47 million, increased by THB 380.02 million or 43.46% as compared to the same period in the previous year. This resulted mainly from the overall growth from household chemical products both domestic and overseas market. Domestic revenue in traditional trade channel has increased 77.97% as compared to the same period in the previous year resulting from the Company being driven by a developed solid distribution network to continuously expand more distributors to further strengthen the distribution network across the country and also increased promotional activities to boost strong sales growth during challenging circumstances from the coronavirus disease 2019 (COVID-19) pandemics. Moreover, revenue from online platform has increased 487.99% as compared to the same period in the previous year, resulting from the expansion of online platform through social media and online marketplaces such as Shopee, Lazada and JD Central, in order to accommodate with the customer behavior that spend more time via online channel. Sales revenue from agrochemicals has increased 28.22% as compared to the same period in the previous year, resulting from efficiently strengthen distribution network together with increased promotional activities in agrochemicals products. In addition, export revenue for the 9 months ended September 30, 2021 has increased 56.93% as compared to the same period in the previous year, resulting from the sales growth in Australian market that has increased 145.13% as compared to the same period in the previous year, contributed from spray termite and soil treatment. Sales revenue from consumer export market has increased 82.56% as compared to the same period in the previous year, contributed from spray termite and pet care product. As well as the sales revenue from food and beverage products have showed the solid sales growth which comprised of food products under “Marucho” trademark, that the sales revenue has increased 14.02% as compared to the same period in the previous year, resulting from distribution network improvement in traditional trade channel. Also, dairy products under “Hokkaido” trademark that the sales revenue has increased 6.20% as compared to the same

period in the previous year, since July 2021, dairy products have been available for sale in modern trade channel such as Villa Market, Foodland and Gourmet Market to increase distribution channels to serve customer demands. Sales revenue from beverage products has increased from business expansion in herbal energy drink under “SuperFight” trademark in all distribution channels nationwide.

Cost of goods sold:

Cost of goods sold for the 9 months ended September 30, 2021, decreased from 62.32% to 58.20% of sales amount resulting from the Company contributed on higher profit margin products and manage production costs more efficiently, 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 9 months ended September 30, 2021 was THB 277.02 million, increased by THB 139.87 million or 101.98% as compared to the same period in the previous year resulting from the Company has increased advertising media and further active marketing through offline and online platform to build brand awareness and product revamped including marketing and sales promotional activities to boost a stronger sales forces, for instances, marketing campaigns on the Cockroach Killer advertising for “Chaindrite Foam 2” product, Keep Skin but not Keep Stain advertising for “Teepol Pure” product and Chaindrite Smart Fighter advertising for “Chaindrite” product in household chemical groups. For food and beverage groups, the Company has launched marketing campaigns promoted “Marucho” and “Hokkaido” dairy products through online platform and also herbal energy drink product has launched marketing activities through several media and marketing campaigns on Fight Now & Fight Next advertisings for “ SuperFight” product in order to build brand awareness.

Administrative expenses:

Administrative expenses for the 9 months ended September 30, 2021 was THB 111.67 million, decreased by THB 5.59 million or 4.77% as compared to the same period in the previous year resulting from the control of administrative expenses during uncertain economic situations.

Please be informed accordingly.

Sincerely yours,

Thakerngbol Laobisuddhi

Authorized Signature