

August 13, 2019

Subject: Management Discussion & Analysis for Quarter 2/2019

To: President

The Stock Exchange of Thailand

Sherwood Corporation (Thailand) Public Company Limited ("The Company") would like to submit the reviewed financial statements and the management discussion and analysis for Quarter 2/2019, with the financial analysis in comparison to the financial statement for the 6 months ended June 30, 2018. The performance of the Company can be summarized as follows;

The Company had net profits of THB 25.68 million, decreased by THB 82.83 million or 76.33% as compared to the same period in the previous year which shown the net profit of THB 108.51 million.

Revenue:

Sales Revenues for the 6 months ended June 30, 2019 was THB 631.87 million, decreased by THB 231.59 million or 26.82% as compared to the same period in the previous year due to the sales revenue in wood preservatives product decreased and the aerosol insecticide market has continued to contract whereas high competition still remained. However, The Company has launched marketing activities through media and marketing campaigns; which received positive feedback on the Termiteator advertising for "Chaindrite Foam" product and Teepol pure crystal clean mild and gentle advertising for "Teepol Pure" product. Moreover, the Company continues to focus on sales growth in other product groups and the increase in revenue from subsidiaries.

Cost of goods sold:

Cost of goods sold for the 6 months ended June 30, 2019 increased from 61.99% to 64.46% of sales amount due to higher production cost per unit as a result of lower volume of production. Moreover, the cost of insecticide raw material still remained at the high price.

Selling expenses:

Selling expenses for the 6 months ended June 30, 2019 was THB 115.06 million, decreased by THB 6.68 million or 5.49% as compared to the same period in the previous year due the lower advertising expense that consistent with the sales decline.







Administrative expenses:

Administrative expenses for the 6 months ended June 30, 2019 was THB 77.92 million, increased THB 9.36 million or 13.65% as compared to the same period in the previous year due to adjusting accounting entries.

Please be informed accordingly.

Sincerely yours,

Thakerngbol Laobisuddhi Authorized Signature



