



บริษัท ซินเน็ค (ประเทศไทย) จำกัด (มหาชน)  
SYNNEX (THAILAND) PUBLIC COMPANY LIMITED

# THE ONE

**No.1**

IT Distributor in Thailand



**ANNUAL REPORT 2018**

รายงานประจำปี 2561





= **Teamwork & Thankful**  
→ Gratitude and spirit toward all



= **Results Driven**  
→ Discipline toward self



= **Understanding & Caring**  
→ Heart toward clients and business partners



= **Sustainability**  
→ Responsibility toward society



= **Transformation & Innovation**  
→ Vision toward the future

# CONTENT

Vision and Mission	<b>2</b>	Securities and Shareholders	<b>32</b>
Strategies	<b>3</b>	Dividend Policy	<b>33</b>
Message from the Board of Directors	<b>4</b>	Board of Directors and Management	<b>34</b>
Financial Highlight	<b>6</b>	Organization and Management Structure	<b>46</b>
General Information	<b>8</b>	Corporate Governance	<b>67</b>
History and Major Development	<b>11</b>	Corporate Social Responsibilities	<b>77</b>
Major Events and Activities in 2018	<b>16</b>	Report of the Audit Committee	<b>85</b>
Business Structure and Shareholding	<b>18</b>	Report of the Board of Directors on Financial Reporting	<b>88</b>
Business Overview and Objectives	<b>19</b>	Related Transactions	<b>89</b>
Industrial Outlook, Competition and Maintaining of market share	<b>26</b>	Management Discussion and Analysis (MD&A)	<b>94</b>
Risk Factors	<b>28</b>		
Internal Control and Risk Management	<b>30</b>		

# VISION AND MISSION



## Vision

“SYNNEX is committed to being a leading Thai company as well as to developing and growing its businesses to be strong and stable, together with incorporating a positive corporate culture and good governance practices and also in being responsible towards society and the environment, so as to achieve excellence in a sustainable manner”

## Mission

- Being committed to achieving customer satisfaction together giving importance to delivering quality products and services to satisfy its customers and clients.
- Being committed to creating economic value together with delivering trust and condence with regards to conducting its businesses in accordance with the principles of good governance, as well as to being an organization that delivers positive Financial returns to all involved Stakeholder groups in an equitable manner.
- Being committed to developing creative thinking and innovation, as well as to making use of the latest modern and advanced technology or applications in managing its businesses so as to increase overall business effectiveness.
- Being committed to creating a knowledge-based culture within the organization, so as to engage all its staff in developing and growing together with the Company and also to facilitate a mutually happy work environment.
- Being committed to paying attention to as well as acting in a fully responsible manner towards the community, society as a whole and also the environment, so as to achieve ongoing business sustainability.

# STRATEGIES



**SYNNEX**  
**STRATEGY**

*People  
Product&Service  
Operation  
Collaboration*

- 1. People Excellence:** The Strategy to remain in the No.1 position with regards to human resources, through being committed to developing our human resources on a continuous basis, in order that they will possess skills, knowledge, and capabilities so as to always be on top of the situation and in tune with the fast-changing and latest technology; as well as to attach great importance in taking good care, as much as possible, of the health and well-being together with the welfare of our human resources, so as to enable them to drive the Company to achieve further ongoing success.
- 2. Product & Service Excellence:** The Strategy to remain in the No. 1 position with regards to both the IT products we distribute and the various IT services we provide, through selecting only the latest, modern and most innovative IT products that have world class-brand names so as to expand our products portfolio and meet the needs of consumers in this digital age; together with upgrading our services standards by providing a Total Solutions Service. As such, this is achieved through providing an Integrated Services Solution, that supports the current IoT Ecosystem, with teams of Certified Engineers, who possess the best capabilities to deliver IT products and associated IT services to our consumers and customers under the “Trusted by Synnex” corporate brand logo.
- 3. Operation Excellence:** The strategy to remain in the No. 1 position with regards to our business operations, through having a technology and creative innovation Knowledge Base, which is a vital tool in adapting Artificial Intelligence (AI) technology for use in the management of our internal operations so as to increase our potential capabilities in distributing both IT products and associated IT services in a speedy manner that will create a competitive edge for our business operations.
- 4. Collaboration Excellence:** The strategy to remain in the No, 1 position in the hearts and minds of all Stakeholder groups - namely: business partners, customers, consumers, investors and Shareholders, local communities and society as a whole, through relying on the close cooperation and collaboration on the part of our personnel; whereby this is a key success factor in creating business value - added so as to grow both in the domestic and the regional Indochina markets, together with conducting our business within the principles of good governance and corporate social responsibility for the sake of ongoing and sustainable growth.

# MESSAGE FROM THE BOARD OF DIRECTORS

Last year, 2018, can be considered to be a year in which Thailand's Information Technology & Communications Industry has genuinely progressed into the era of the Digital Economy. Every sector - both Public and Private - has given great importance to investing in various digital tools for use in reducing costs as well as in increasing efficiency and capabilities through implementing a Digital Transformation. Increasing use of innovation was seen, so as to benefit from increased competitiveness. As such, this can be considered to be a complete paradigm shift in the internal operating procedures and processes of many organizations.

Many organizations in Thailand began to achieve revenues from providing increased digital services, to expand their digital and technology-based capabilities and to change the way they operated; as well as to develop new products and services together with changing the way they interacted with their customers. Such changes were made so that they can compete in becoming leading organizations within the digital economy.

The dynamic social trends, that is driving changes at a fast pace, make us believe the tangible change platform of Digital Transformation will result in further increasingly concrete and clear changes; whereby this platform will become a critical tool for competing within the digital economy. As such, this will result in both technology and IT equipment unavoidably having an important part as well as playing a core role as change catalysts.

As for the performance results of the Company in 2018, SYNnex's business grew and exceed established targets, both in terms of achieved total revenues and total Profits. Total Revenues was Baht 38,196 million, an increase of Baht 5,770 million, or equal to 17.8%, from the previous year; while Total Net Profit was Baht 721 million, an increase of Baht 98 million, or 15.7%, from the previous year. Key factors for this achieved growth were: every Product Group achieved increased sales coupled with more effective internal management, that resulted in Total Operating Expenses decreasing to only 2.28% of Total Revenues. As such, the overall successful and positive performance results for 2018 exceeded all expectations and were beyond set targets for all aspects of the operations.

For 2019, as a leading distributor of a comprehensive range of IT products and provider of IT related services, SYNnex, under the marketing theme of being a "Value-added IT Distributor", will continue to conduct our businesses through adhering to the core principle that "Everything as a service" in the same manner as in the past year.

Furthermore, improved services will be provided via its Call Center: Synnex Care 1251, as well as through the established network of 70 Service Centers that are operated jointly with our business partners. An application is also available for use by the customers themselves to make appointments or track the status of their IT equipment being repaired. However, the services provided will be upgraded and improved from currently being a Total Solutions Service to become an Integrated Services Solution, so as to further enhance the consumer's confidence in the Company's "Trusted by Synnex" corporate brand logo.

With regards to the various products and IT equipment offered, the Company will increase and expand the current products portfolio, so as to have a more varied assortment of products throughout every product or IT equipment group, together with more product brands. As such, we will offer a more comprehensive range of products and IT equipment so as to support and meet the needs of all the ever-increasingly varied groups of consumers. We will bring together technology relating to Artificial Intelligence (AI) and the Internet of Things (IoT), in order to create and enhance an IoT Ecosystem in a tangible and concrete manner, and to build a foundation for offering various products and associated advisory services to a Smart City project across various industry sectors - such as: Smart Building, Smart Retail and even Smart Manufacturing for the manufacturing sector. We will also bring and introduce various new technology-based tools and applications; such as: Face Recognition technology that is used in capturing and confirming a person's face and personal identity; and tools for analyzing soil and agricultural land plots so as to assess which plot is suited for growing what crops. Additionally, we will continue to focus on making use of various IT Platforms for increasing our IT related services, for logistics operations management, and also for Financial management operations so as to achieve the most effective means of Financial management.

The direction of our participation in both the Gaming and e-sport businesses will become much clearer this year. As such, we will see how we can create, in a comprehensive manner, value-added to the group of products relating to the Gaming business through forming alliances with leading players for Gaming products; and we will also continue to hold various competitive e-sport events. We will also establish a Cloud Platform that focuses on introducing and offering various products within the cloud products group in the form of a solution package, that will include every aspect of Cloud usage; such as: Cloud Data Storage and Cloud backup solutions; together with focusing on sales of software as a service on the Cloud



**Supant Mongkolsuthree**

Chairman  
Synnex (Thailand) Public Company Limited

**Sutida Mongkolsuthree**

Director and Chief Executive Officer  
Synnex (Thailand) Public Company Limited

Additionally, the Company plans to develop further channels for providing the products fulfillment service or for offering a comprehensive set of services from products sourcing, supplying and also including delivery to the end-consumer (ie: B2B2C). This is to upgrade and enhance the degree of competitiveness for our business partners. Thus, 2019 will be considered as the year in which “SYNNEX” will be fully prepared in having an assorted variety and range of products and IT equipment together with a wide range of associated services to offer to our business partners, so as to meet the challenges and the fast-paced changes in technology that will occur in the near future.

Moreover, the Company will continue to attach importance to further developing and growing our businesses in a sustainable manner and to our corporate social responsibility together with being responsible towards the environment. As such, during 2018, the Company undertook many various CSR-related activities; such as: supported the

ongoing “F.T.I. Library project - year 9”, in giving computers to 9 schools; created the “Doing Good Deeds From the Heart” Volunteers Network by holding a “opening the boot of your car CSR event - year 6; and held the Business Brotherhood competition under the theme of “Smart City Smart Technology” together with the King Mongkut Institute of Technology Ladkrabang, with also the Company acting as a business mentor; together with various many other activities.

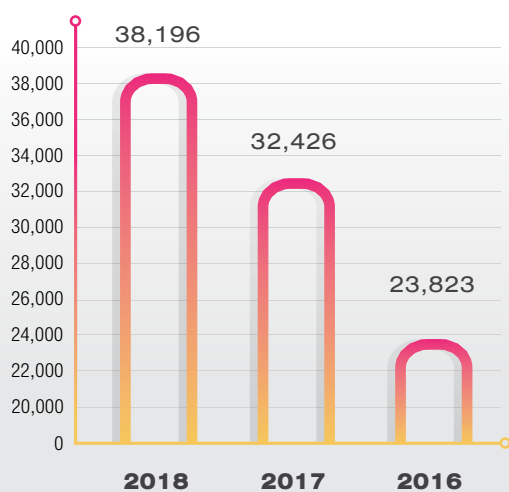
On behalf of the Board of Directors, I wish to thank all Stakeholder groups for the continued positive support and trust given to the Company throughout the years; and I also wish to assure that the Board of Directors, the Management Group and our staff are all fully committed as well as prepared to devote ourselves, to the best of our abilities, in undertaking our duties and tasks in the Company, so as to achieve maximum benefits for all involved parties on a sustainable basis.

Supant Mongkolsuthree  
Chairman

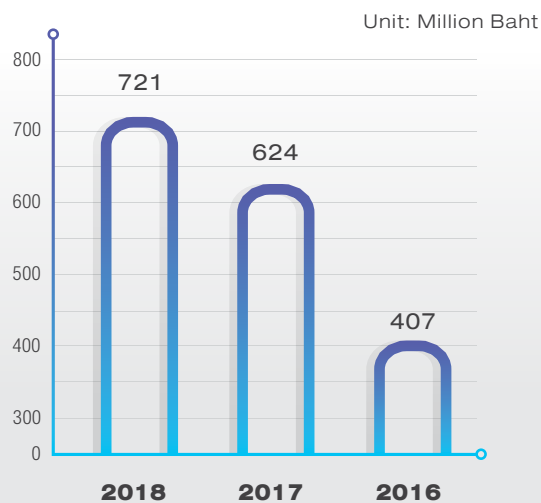
Sutida Mongkolsuthree  
Director and Chief Executive Officer

# FINANCIAL HIGHLIGHT

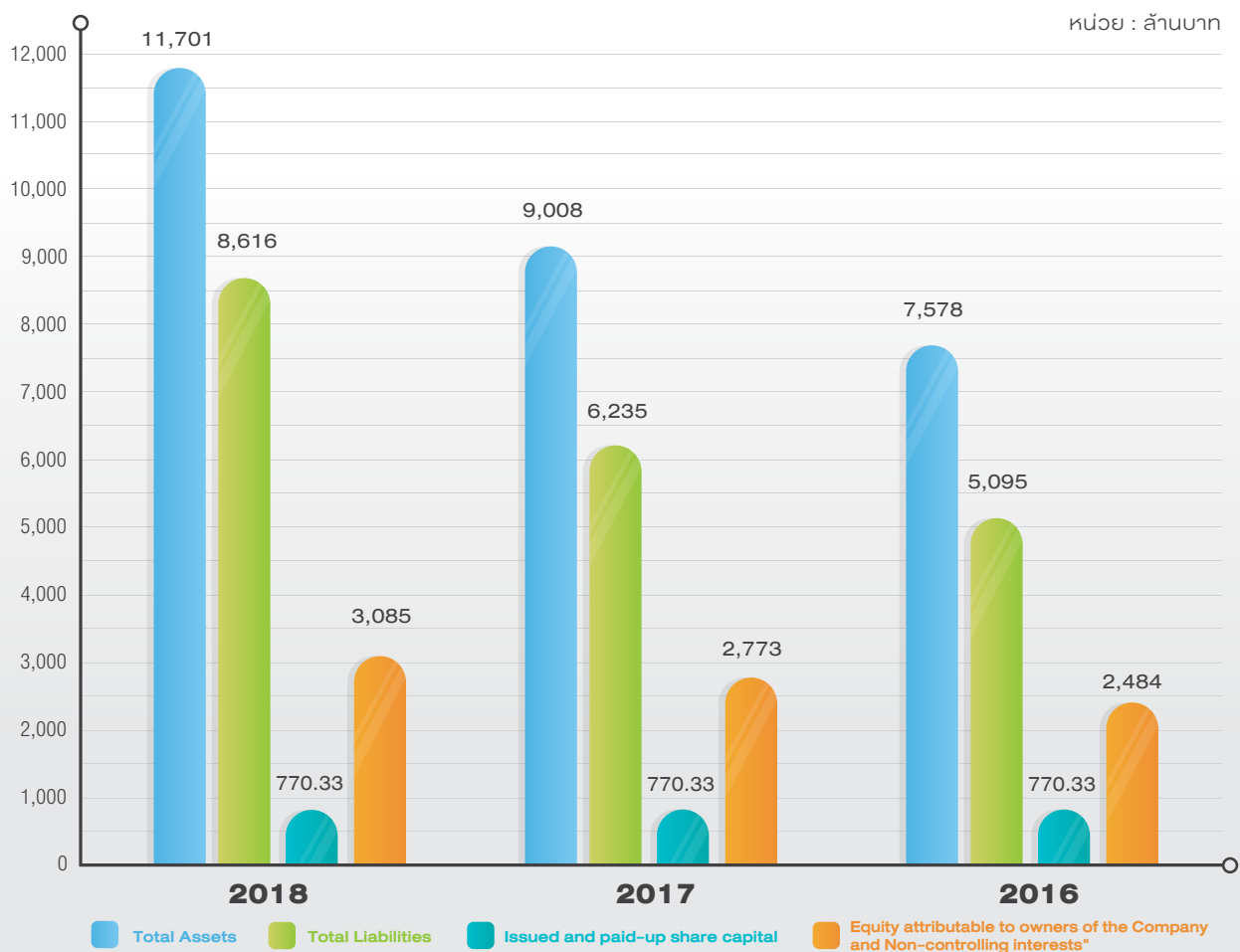
## ● Revenue from Sale and Services



## ● Net Profit



## ● Balance Sheet





## FINANCIAL HIGHLIGHTS

Unit: Million Baht

FOR THE YEAR ENDED 31 DECEMBER	CONSOLIDATED FINANCIAL STATEMENTS		
	2018	2017	2016
<b>Balance Sheet</b>			
Current Assets	10,745.31	8,078.08	7,028.83
Total Assets	11,700.71	9,008.49	7,577.99
Current Liabilities	8,379.78	5,787.55	4,686.86
Total Liabilities	8,615.79	6,235.19	5,094.51
Equity attributable to owners of the Company and Non-controlling interests	3,084.91	2,773.30	2,483.48
Issued and paid-up share capital	770.33	770.33	770.33
<b>Operating</b>			
Revenue from Sale and Services	38,196.00	32,426.01	23,823.30
Operating Cost	36,577.56	30,990.54	22,710.04
Gross Profit	1,618.45	1,435.47	1,113.26
Net Profit	721.49	623.84	406.93
<b>Financial Ratio</b>			
Gross Profit (%)	4.24	4.43	4.67
Net Profit (%)	1.89	1.92	1.71
Return on Equity (%)	24.63	23.73	16.96
Return on Assets (%)	9.17	9.95	8.16
Current ratio (Times)	1.28	1.40	1.50
Debt to Equity ratio (Times)	2.79	2.25	2.05
Book value (Baht/Share)	4.00	3.60	3.22
Basic Earnings per share (Baht)	0.94	0.81	0.53
Dividend per share (Baht)	0.64	0.53	0.36
Dividend Payout (%)	69.57	66.55	66.67

**Remark:** The Board of Directors' Meeting No.1/2019, which was held on 21 February 2019. The Meeting resolved that the 2019 Annual General Meeting of Shareholders be proposed to consider and approve the distribution of the dividend payment for the year 2018 at THB 0.54 per share and stock dividend as common shares of the Company at the book value per share of THB 1.00 at the payout ratio of 10 existing shares to 1 dividend share. The company has already made an interim dividend payment for the first-half year operating of 2018 on 7 September 2018 at THB 0.20 per share. The remaining 2018 dividend at THB 0.34 per share and 10:1 stock dividend payment per share, in case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash instead of stock dividend at the rate of THB 0.10 per share. The Dividend payment shall be payable on 10 May 2019. Rights concerning the dividend are subject to changes, depending on the resolution of the 2018 Annual General Meeting.

# GENERAL INFORMATION



<b>Company Name</b>	: SYNEX (THAILAND) PUBLIC COMPANY LIMITED
<b>Stock Symbol</b>	: SYNEX
<b>Company Registration no.</b>	: 0107550000203
<b>Registered Capital</b>	: 800,000,000.00 Baht (Eight Hundred Million Baht)
<b>Paid-up Capital</b>	: 770,328,649.00 Baht (Seven Hundred Seventy Million Three Hundred Twenty Eight Thousand Six Hundred Forty-Nine Baht)
<b>Par value</b>	: 1 Baht (One Baht)
<b>Nature of Business</b>	: Distribute the world-recognized brands of computers, computer peripherals, software, IT system, computer consumables and communication device
<b>Head Office</b>	: 433 Sukhonhasawat Road, Lat Phrao, Bangkok 10230
<b>Telephone</b>	: +66 2553 8888
<b>Fax</b>	: +66 2578 8188
<b>Website</b>	: <a href="http://www.synex.co.th">http://www.synex.co.th</a>

## SYNNEX SERVICE CENTER (BANGKOK) :

### **Pantip**

51028, 51028/1, 5<sup>th</sup> Floor Pantip Plaza Bldg. 604/3 Petchburi Rd.,  
Rajthevee, Bangkok 10400  
Telephone: +66 2656 6171 Fax: +66 2656 6172

### **Zeer Rangsit**

FC098, 4<sup>th</sup> Floor Zeer Rangsit Plaza Bldg. 99, Phahonyothin Rd.,  
Lam Luk Ka, Pathum Thani 12130  
Telephone: +66 2992 6910 Fax: +66 2992 6911

### **IT Mall**

Room 4P26, 4<sup>th</sup> Floor, Fortune Town Bldg., 7 Ratchadaphisek Rd.,  
Dindaeng, Bangkok 10400  
Telephone: +66 2641 1314 Fax: +66 2641 1315

### **Seacon Square**

Room ITB 36, B1 Floor, Seacon Square Bldg., 55 Srinakarin Rd.,  
Nongbon, Pravate, Bangkok 10250  
Telephone: +66 2721 8971 Fax: +66 2721 8972

## SYNNEX SERVICE CENTER (UPCOUNTRY) :

### **NORTHERN**

#### **Chiang Mai**

133 M.1, Chiangmai-Hod Road, Padad,  
Muang Chiang Mai, Chiang Mai 51000  
Telephone: +66 5390 3634-5, +66 5390 3673-4 Fax: +66 5327 3206

#### **Phitsanulok**

234/2-3 Borom Trilokkanat 2 Road, Mueang, Phitsanulok 65000  
Telephone: +66 5524 8999 Fax: +66 5525 1556

### **NORTHEASTERN**

#### **Khonkaen**

672/42-43-44 Klang Muang Road, T.Nai Muang,  
Muangkhonkaen, Khonkaen 40000  
Telephone: +66 4332 2750-1 Fax: +66 4332 2752

#### **Nakornrachsim**

1135/7-8 Suranarai Road, T.Nai Muang, Nakornrachsim 30000  
Telephone: +66 4427 1365, +66 4492 2808-9 Fax: +66 4427 1906

### **SOUTHERN**

#### **Suratthani**

299/6-7 Taladmai Road, Muang, Suratthani 84000  
Telephone: +66 7721 2932-3, +66 7728 3955 Fax: +66 7727 4845

#### **Hat Yai**

38,40 Chotivitayakun Road, T.Hatyai, Songkhla 90110  
Telephone: +66 7442 9372-5 Fax: +66 7442 9375





## HUAWEI SERVICE CENTER BY SYNnex

### **MBK Center (MBK MSC HUAWEI)**

Room B009-010, 5<sup>th</sup> Floor, MBK Center, 444 Phayathai Rd, Pathumwan, Bangkok 10330

Telephone: +66 2064 4000 Fax: +66 2064 4001

### **Seacon Square (Seacon Srinakarin ASCE HUAWEI)**

Room ITB09, B1 Floor, Seacon Square Bldg., 55 Srinakarin Rd., Nongbon, Pravate, Bangkok 10250

Telephone: +66 2721 8971 Fax: +66 2721 8972

### **Seacon Bangkae (Seacon Bangkae ASCE HUAWEI)**

Room 241, 2<sup>th</sup> Floor, Seacon Bangkae Bldg., 607 Phetkasem Rd., Bang Wa, Phasi Charoen, Bangkok 10160

Telephone: +66 2074 7917

### **Zeer Rangsit (Zeer ASCE HUAWEI)**

FC097, 4<sup>th</sup> Floor Zeer Rangsit Plaza Bldg. 99, Phahonyothin Rd., Lam Luk Ka, Pathum Thani 12130

Telephone: +66 2992 6910 Fax: +66 2992 6911

### **Harbor Pattaya (PATTAYA MSC HUAWEI)**

Room 3R63,3R64,3R65, 3<sup>rd</sup> Floor, Harbor Pattaya Bldg. 190/25 Moo 9, Pattaya Klang Rd.,

Bang La Mung, Chonburi, Thailand 20150

Telephone: +66 3819 7351

### **Ubon Ratchathani (UBON MSC HUAWEI)**

425/12 Uppalisan Rd, Amphoe Mueang Ubon Ratchathani, Ubon Ratchathani 34000

Telephone: +66 4521 0994

### **Suratthani (Surat ASCE HUAWEI)**

299/6-7 Taladmai Road, Muang, Suratthani 84000

Telephone: +66 7721 2932-3, +66 7728 3955 Fax: +66 7727 4845

### **Nakornrachsima (Korat ASCE HUAWEI)**

1135/7-8 Suranarai Road, T.Nai Muang, Nakornrachsima 30000

Telephone: +66 4427 1365, +66 4492 2808-9 Fax: +66 4427 1906

# HISTORY AND MAJOR DEVELOPMENTS

YEAR	EVENT
1988	T.K.S. Technologies Public Company Limited, wholesaler of stationery and printing forms, and computer components and consumables, found Compex (Thailand) Company Limited to import and distribute computer components and peripherals, software, and IT systems on 5 April 1988 with the paid-up registered capital totaling 1,000,000 Baht, comprising of common shares totaling 10,000 shares at the par value of 100 Baht per share.
1990	On 4 April 1990, the Company increased the amount of paid-up registered capital from originally 1,000,000 Baht to 2,000,000 Baht at the par value of 100 Baht per share. The Company became an authorized distributor of hard disk products of Seagate in Thailand.
1991	On 16 July 1991, the Company increased the amount of paid-up registered capital from previously 2,000,000 Baht to 8,000,000 Baht at the par value of 100 Baht per share.
1992	On 2 April 1992, the Company increased the amount of paid-up registered capital from previously 8,000,000 Baht to 12,000,000 Baht at the par value of 100 Baht per share.
1994	On 21 March 1994, the Company increased the amount of paid-up registered capital from previously 12,000,000 Baht to 20,000,000 Baht at the par value of 100 Baht per share. And on 2 August 1994, the paid up registered capital was additionally increased to 40,000,000 Baht at the same par value per share, 100 Baht.
1996	On 9 February 1996, the Company established Prism Solutions Company Limited with the initial paid-up registered capital 2,000,000 Baht, of which 99.99% was owned by the Company, to operate the business of training, installation, and maintenance of advanced computer programs. On 13 May 1996, the Company increased the amount of paid-up registered capital from previously 40,000,000 Baht to 50,000,000 Baht at the par value of 100 Baht per share.
1997	On 26 March 1997, the Company increased the amount of paid-up registered capital from previously 50,000,000 Baht to 100,000,000 Baht at the par value of 100 Baht per share. The Company was officially appointed as a product distributor of every Intel product line in Thailand.
1998	On 24 June 1998, the Company increased the amount of paid-up registered capital from previously 100,000,000 Baht to 135,000,000 Baht at the par value of 100 Baht per share. The Company opened the first upcountry branch in Khonkaen Province.
1999	Synnex Technology International Corp. from Taiwan, a world's giant distributor of computer and IT products, entered partnership with the Company with the shareholding ratio of 49%. On 2 February 1999, the Company increased the paid-up registered capital from previously 135,000,000 Baht to 180,000,000 Baht with the par value of 100 Baht per share. On 22 June 1999, the Company increased the paid-up registered capital of Prism Solutions Company Limited to 8,000,000 Baht with the par value of 100 Baht per share. On 27 October 1999, the Company increased the amount of paid-up registered capital to 260,000,000 Baht at the par value of 100 Baht per share.

YEAR	EVENT
2002	On 1 March 2002, the Company increased the amount of paid-up registered capital from previously 260,000,000 Baht to 300,000,000 Baht at the par value of 100 Baht per share.
	Compex (Thailand) Company Limited changed its corporate name to Synnex (Thailand) Company Limited and relocated the Company's Head Office to Sukhonthasawat Road near Ramintra Toll Way, where the Company's warehouse and distribution center was also built and run using the distribution technology relayed from the Taiwan's Synnex Group.
2003	On 28 February 2003, the Company increased the amount of paid-up registered capital from previously 300,000,000 Baht to 340,000,000 Baht at the par value of 100 Baht per share.
2004	On 24 February 2004, the Company increased the amount of paid-up registered capital from previously 340,000,000 Baht to 500,000,000 Baht at the par value of 100 Baht per share.
	The Company was accredited the ISO 9001: 2000 certification from Bureau Veritas Certification for Congure-to-Order computers and after-sales service.
2005	Prism Solutions Company Limited sold all shares, held at the ratio of 25% of the paid-up registered capital, of Zenith Comp Company Limited, operating the business of software distribution, computer system design and installation, and software consultancy and training, to existing shareholders, at the book value.
2006	The Company started implementing the Automatic Storage and Retrieval System (ASRS), an automatic, computer-controlled warehouse management system, of which the installation was completed in 2007.
2007	On 24 July 2007, the Company was certified ISO 14001:2004 on environmental management from Bureau Veritas Certification.
	The Company's Extraordinary General Meeting of Shareholders no. 2/2007, held on 29 November 2007, resolved to register the Company as a listed company and changed the par value of the Company from 100 Baht to 1 Baht per share. It was also resolved to increase the amount of Company's registered capital with the additional 205,000,000 Baht by issuing 205,000,000 common shares at the par value of 1 Baht per share. The additional common shares issued were allocated to be offered to existing stockholders of T.K.S. Technologies Public Company Limited, according to the Pre-emptive Right at the amount not exceeding 57,000,000 shares, at the amount of 180,000,000 shares and initially to the public at the amount of 123,000,000 shares. The Company also allocated the additional common shares for capital increase at the amount of 25,000,000 shares to accommodate the warrant exercise of common stocks to be issued and offered to the Company's directors and employees.
	On 30 November 2007, the Company registered with the Ministry of Commerce as a listed company and changed the name from Synnex (Thailand) Company Limited to Synnex (Thailand) Public Company Limited.
2008	The Company registered as a company listed on the Stock Exchange of Thailand with the initial public offering of shares on 16 June 2008.

YEAR	EVENT
2009	<p>The Company invested by expanding the Head Office with an adjoining building to respond to business growth and expansion of which the construction was completed in the second quarter of 2010. And in 2009, to commemorate the 20th anniversary of the Company's establishment, the Company found "Library IT by Synnex", a project set up with the purpose of donating computer and IT products to schools across the country which are qualified according to the selection criteria.</p>
2010	<p>The Company was a nominee for the final round of 2010 Stock Exchange of Thailand (SET)'s CSR Award in the second category of listed companies with the value of the market capitalization not exceeding 10,000 Million Baht, as part of the SET Awards 2010 event, as held at the Stock Exchange of Thailand.</p>
	<p>The Company officially became an authorized distributor in the Smartphone market with HTC as pioneering brands of smartphone products distributed with the goal of distributing Smartphone products of a variety of brands in the future to come.</p>
2012	<p>On 26 November 2012, the Company won "Most Improved CSR Award" from Corporate Social Responsibility Institute (CSRI) in CSRI Recognition 2012, the award-presenting event of listed companies with the value of the market capitalization not exceeding 10,000 Million Baht, as held at the Stock Exchange of Thailand.</p>
2013	<p>The 2013 Annual General Meeting of Shareholders, as held on 26 April 2013, resolved to increase the amount of Company's registered capital by issuing common shares for capital increase not exceeding 95,000,000 shares at the par value of 1 Baht to accommodate the payment of dividend shares to Company's shareholders. The Meeting also resolved to revise the Company's Memorandum of Association concerning the registered capital from 705,000,000 Baht to 800,000,000 Baht at the par value of 1 Baht per share.</p>
	<p>On 11 November 2013, the Company was presented CSRI Recognition 2013 Award - General Category from Corporate Social Responsibility Institute (CSRI) under the Stock Exchange of Thailand.</p> <p>On 12 November 2013, the Company won 2013 Sustainability Report Award from Thai Listed Companies Association, Securities and Exchange Commission and Thaipat Institute.</p>
2014	<p>Prism Solutions Company Limited's Extraordinary General Meeting of Shareholders no. 3/2014, held on 10 October 2014, resolved to increase the amount of paid-up registered capital to 15,000,000 Baht by issued additional 70,000 ordinary shares at the par value of 100 Baht per share with total amount 7,000,000 Baht (New holding ratio: Synnex (Thailand) PCL. 60%: J Group Technology Co., Ltd. 40%)</p>
	<p>On 18 November 2014, The Company won the award "CSR Recognition 2014" under the general category for the 3rd consecutive year. This award is presented annually by Corporate Social Responsibility Institute (CSRI) of the Stock Exchange of Thailand (SET), to the organization that exhibits commitment in developing business operations towards social responsibility with sustainability.</p>

YEAR	EVENT
2015	<p>The Company received an ESG 100 Certificate from Thaipat Institute. SYNEX is ranked among the top 100 companies for outstanding performance from 567 SET-listed companies in terms of environmental, social, and governance (ESG) aspects.</p>
	<p>On 16 October 2015, The Stock Exchange of Thailand launched the record of listed companies with corporate sustainable development by selecting companies which have passed the criteria specified by economic, social and environment indicators. And SYNEX is the one of 51 listed companies with a list of "Thailand Sustainability Investment 2015". The information was also provided to investors aim to invest in quality stocks with long term returns</p>
2016	<p>In March 2016, the shareholders of the subsidiary terminated the joint venture memorandum and entered into the share transfer agreements with non-related parties, effecting to the ownership interest in the subsidiary increased from 60% to 95%. Then, in June 2016, the Company acquired the additional interest in the subsidiary of 5% amounting to Baht 0.40 million in cash, effecting to the ownership interest in subsidiary increased to 99.99%.</p>
	<p>The Company received an ESG 100 Certificate from Thaipat Institute for the 2nd consecutive year, in being 1 of the 100 quality SET-listed companies (and 1 of the 9 listed technology companies) chosen from a total of 621 listed companies for achieving outstanding operating performance with regards to the environment, social responsibility and governance practices.</p>
	<p>The Company received an ESG 100 Certificate from Thaipat Institute for the 2nd consecutive year, in being 1 of the 100 quality SET-listed companies (and 1 of the 9 listed technology companies) chosen from a total of 621 listed companies for achieving outstanding operating performance with regards to the environment, social responsibility and governance practices.</p>
2017	<p>On April 17, 2017, the Company entered into a joint venture agreement with PT Automation (Thailand) Co. Ltd., that is the importer and distributor of Industrial Grade technical products, so as to expand and increase the growth potential of the business; whereby it is a 50% Joint Venture business.</p>
	<p>On June 26, 2017, the Company entered into a joint venture agreement with BAF (Thailand) Co. Ltd. through purchasing 30% of its shares from an existing shareholder, in order to expand the Company's business into the hire purchase operations so as to enable the Company to undertake an all-round, comprehensive range of business services.</p>
2018	<p>In 2018, the Company offered for sale some of the shares held in BAF (Thailand) Co. Ltd., in order to help support its business plans to progress according to the established objectives and goals; whereby after the share sale, the Company will hold 27.5% of the total shares of BAF (Thailand) Co. Ltd.</p>
	<p>The Company was named as part of the announced list of companies in the Thailand Sustainability Investment - THSI list for 2018; whereby the Company was name as 1 of the 79 listed companies select-ed and award this recognition, based on these key criteria: sustainability, the environment; society, and the economy together with good governance. As such, the shares of these selected companies are considered to be quality shares, with expected continuing long-term positive nial returns. The selection of these companies was undertaken by the Stock Exchange of Thailand on October 31, 2018.</p>





No.1 IT Distributor in Thailand



# MAJOR EVENTS AND ACTIVITIES IN 2018



SYNNEX held and hosted a ‘Thank You Party’, at Lhong 1919 Bangkok, for our business partners on the occasion of the 30th Anniversary of the Company, under the theme of “Growth Together, so as to thank those business partners for over 50 leading product brands who attended the event and to further cement our mutual relationship. Furthermore, the Company also presented our corporate vision and goals in conducting our business operations, so that, together, we can drive and achieve further business growth on a stable basis as well as meet the needs of the consumers in an even better manner.



Synnex (Thailand) PCL. together with TKS Technologies PCL. and Thai British Security Printing PCL. held an Analysts Meeting, at the Siam Anantra Hotel, Bangkok, to announce our joint 2018 business strategies for ongoing growth and to confirm our confidence that the overall performance outlook of the Group is strong and sustainable.



The SYNEX Annual General Shareholders Meeting 2018 was held, at which event resolutions to approve the various Agenda Items proposed by the Board of Directors were made together with approval to the proposed dividend payment with regards to the positive performance results for the last half of 2017 at the rate of Baht 0.35 per share; thus making the total dividend payment to our Shareholders for the full year 2017 performance results to be Baht 0.53 per share.

## Q1

SYNNEX together with Intel held a joint seminar on “IoT Solutions & Innovation Summit”, in order to present detailed information regarding IoT technology for various industry sectors together with the increasing trend to adopt and adapt IoT technology for use to support ongoing growth within the business sector.



## Q2

The “Synnex Partners Connect 2018” event was held to jointly celebrate the Company’s 30<sup>th</sup> Anniversary, under the theme of “WE ARE ONE”, at which event we were honored to welcome our distributors from Thailand and Indochina as well as our business partners for over 30 leading and world-class product brands, who displayed their respective IT products and solutions together with the latest smart phone models.



The “SYNNEX open your car boot sale and Doing Good Deeds from the Heart - CSR Event Year 6” was held, in order to create a network of volunteers and to create awareness of our social responsibility. A community market day was held, internally within the organization, to allow employees to set up stalls for selling various consumer products and to donate various items or money for joining in with the Baan Nok Kamin Foundation. As such, all proceeds from the sales were added to the Company’s existing CSR Fund for further beneficial use in various ongoing CSR activities.





SYNNEX undertook a “From the Heart” event for the Baan Nok Kamin Foundation, through donating funds for education together with various donated items received from the “Give us your unused items” project; as well as held recreation activities to allow the staff to join together as one in giving opportunities to the children of the Baan Nok Kamin Foundation, so as instill awareness for sharing with the disadvantaged children at the Baan Nok Kamin Foundation.



SYNNEX held Analyst meeting to present our plans for ongoing business growth for the last half of the year. As such, we will actively participate in all segments of the IT and smartphone products market together with also entering other new IT related markets with strong positive growth trends - such as: Gaming & eSports, Cloud Services, IoT Solutions. We also reinforced our strength as a Value Added IT Distributor, who has received the trust and condence from many leading IT product brands, and in having a comprehensive after-sales services offering.



TKS Technologies PCL. together with Synnex (Thailand) PCL. held a training seminar, for Board Directors and senior Executives, to inform them, in order that they will have a full understanding and be well-prepared to participate in the Thailand Private Sector Collective Action Against Corruption (CAC) and the Thai Institute of Directors Association (IOD)

### Q3

SYNNEX met with investors at the SET's Opportunity Day for listed companies to present our strategies for ongoing business growth in the last half of the year - the high business season, together with our plans to participate in as well as to launch new products and associated services for the Cloud & Solutions market. We also introduced other new products with regards to the Gaming and eSports market, which were also displayed and demonstrated at the investors event, together with announcing that we plan to hold an eSport Campus Tournament so as to stimulate market demands for these products in the Thai market.



SYNNEX held the “Synnex Roadmap 2018” seminar, for all our distributor partners throughout Thailand, to present the current IT trends aimed at strengthening the operations of various organizations, as well as to introduce and showcase more than 40 new leading IT products and brands together with the associated IT solutions concepts such as - the Concept Store, Smart Home Office, Smart Classroom, Smart Hospital and Smart Factory - that are aimed at helping to achieve improved IT preparedness and at driving increased capabilities of various business operators, corresponding to the announced Thailand 4.0 Policy of the Government.



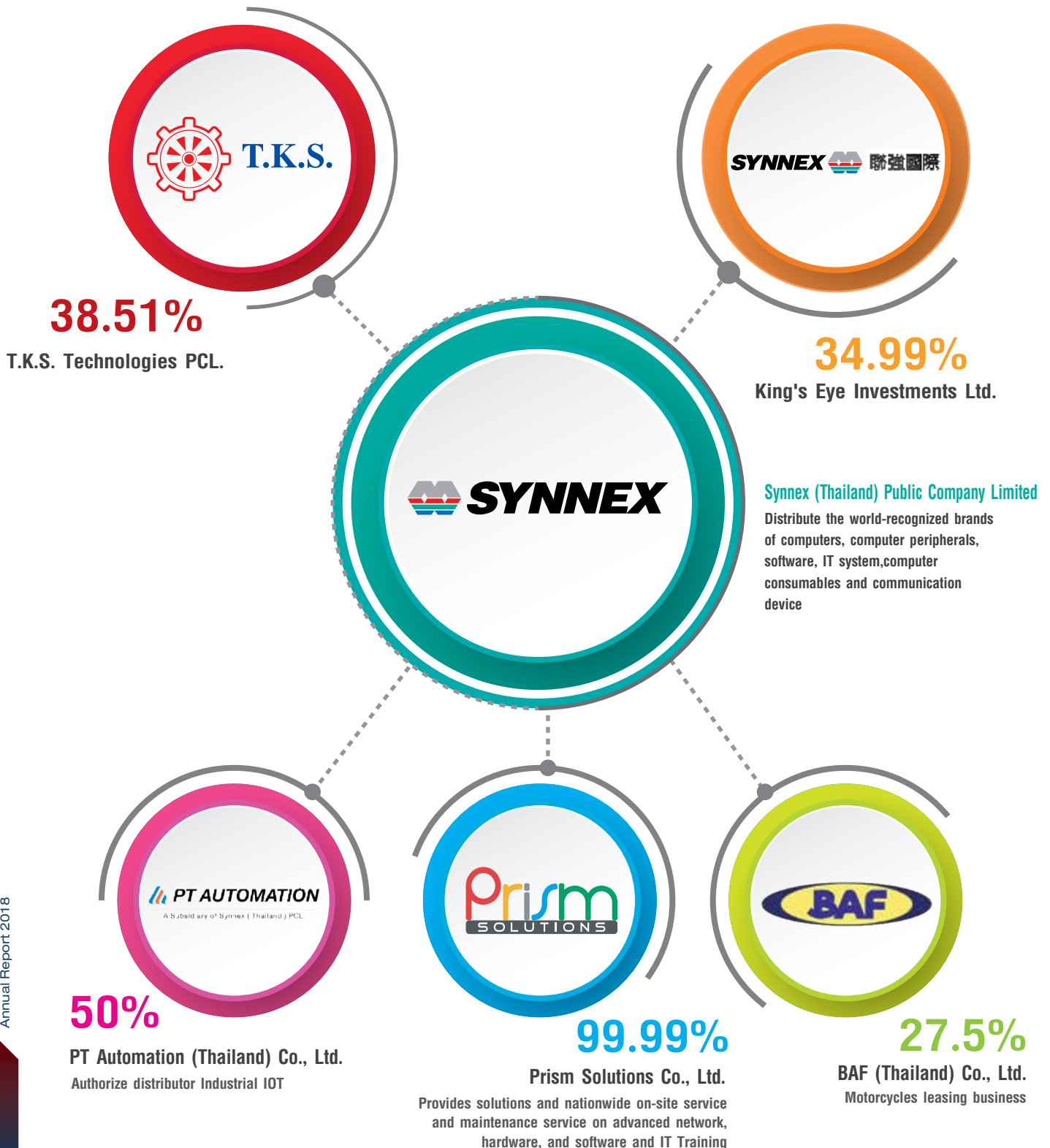
### Q4

SYNNEX was announced as part of the Thailand Sustainability Investment (THSI) list - 2018; whereby the Company is 1 of the 79 listed companies selected and named by the Stock Exchange of Thailand - based on these criteria: sustainability, the environment, society and the economy together with good governance - as being companies with quality shares and expected ongoing long term positive Financial returns.



# BUSINESS STRUCTURE AND SHAREHOLDING

Shareholding structure as of 31 December 2018



# BUSINESS OVERVIEW AND OBJECTIVES

The Company distributes computers, computer peripherals, software, IT system, computer consumables and Communication Device of over 60 world-recognized brands whereas the Company's customer base includes countrywide computer retailers and wholesalers, major software solutions providers, local-branded computer manufacturers, department stores, giant superstores, stationary shops, and Indochina.

Owing to the wide and comprehensive assortment of products and credibility of the Company, partners and customers have condence in placing orders for products thanks to the Company's convenient process in product ordering, after-sale service, and timely product shipment.

## PRODUCTS DISTRIBUTED BY THE COMPANY CAN BE CATEGORIZED INTO 9 GROUPS WITH DETAILS AS FOLLOWS:

### 1. Component Product Group: CPG

CPG incorporates computer components comprising of main products namely Motherboard, Hard Disk Drive, CPU, DRAM, VGA and Optical Drive. In responding to the DIY PC market, consumers could selectively buy components to congure own PCs with specifications answering their needs the most or to replace certain parts of existing PCs to accelerate the computer' performance including computer peripherals and accessory for Gaming and Smart House (CCTV).

### 2. Consumables & Supply Group: CSG

CSG covers consumables and supplies which constantly need to be purchased for replacement. Main products include. For example: Ink Cartridge, Toner, Ribbon, and Office Paper.

### 3. Image & Printing Product Group: IPG

IPG comprises of printing products with major product lines as Inkjet Printer and Laser Printer categorized by function as all-in-one kind (printer, fax, copier, and scanner), single kind (printer only) and Dot Metrix printer.

### 4. Display Product Group: DPG

DPG includes such main products as Display Screen, Projector, Monitor and Digital Signage is a highly powerful and Flexible communication method to display content such as digital images, video, streaming media, and information to a public audience. Digital signage software works over an Internet connection, delivering rich media content to digital screens.

### 5. Multimedia Product Group: MPG

MPG covers electronic devices used with applications on computers or with computers or Smartphones. Main products are, for instance, External Hard Drive, Media Player, USB Flash Drive, Flash Card and Accessories such as Earphone/Headphone used with computers and Smartphone as well as Input Devices, namely Computer Mouse, Keyboard and DJI Drone.

### 6. Software Product Group: SPG

SWG consists of software products featuring Operating System Software for PCs, Application Software, Operating System for Server, and Safety Software for Network, 2D and 3D Program for instance.

### 7. Network Product Group: NPG

NPG products encompasses network components comprising of major products such as Switch, Hub, Router, Wireless LAN, UPS, Server, Storage, Network Cabling System and Internet Security.

### 8. System Product Group: SPG

SPG includes complete computer sets with such focal products as Portable Computer (Notebook, UltraBook, 2 in 1 Notebook), Desktop PC, Server, and Congure-to-Order (CTO) Computer of Lemel, Taiwan's Synnex Group's House Brand.

### 9. Communication Devices Group: CDG

CDG encompasses communication devices and accessories namely Smartphone, Tablet PC, Wearable products operated on a variety of systems such as Android OS, iOS and etc. such as Apple, Asus, Huawei, Lenovo, Motorola, Samsung and Neffos by TP Link.

## 1 MOBILE PHONE & TABLET



## 2 PERSONAL COMPUTER

## 3 PC COMPONENT



4  
PERIPHERAL & ACCESSORY




5  
COMMERCIAL & CLOUD






6  
SMART DEVICE & IoT



7  
SERVICE & MAINTENANCE

Synnex Care   
**1251**

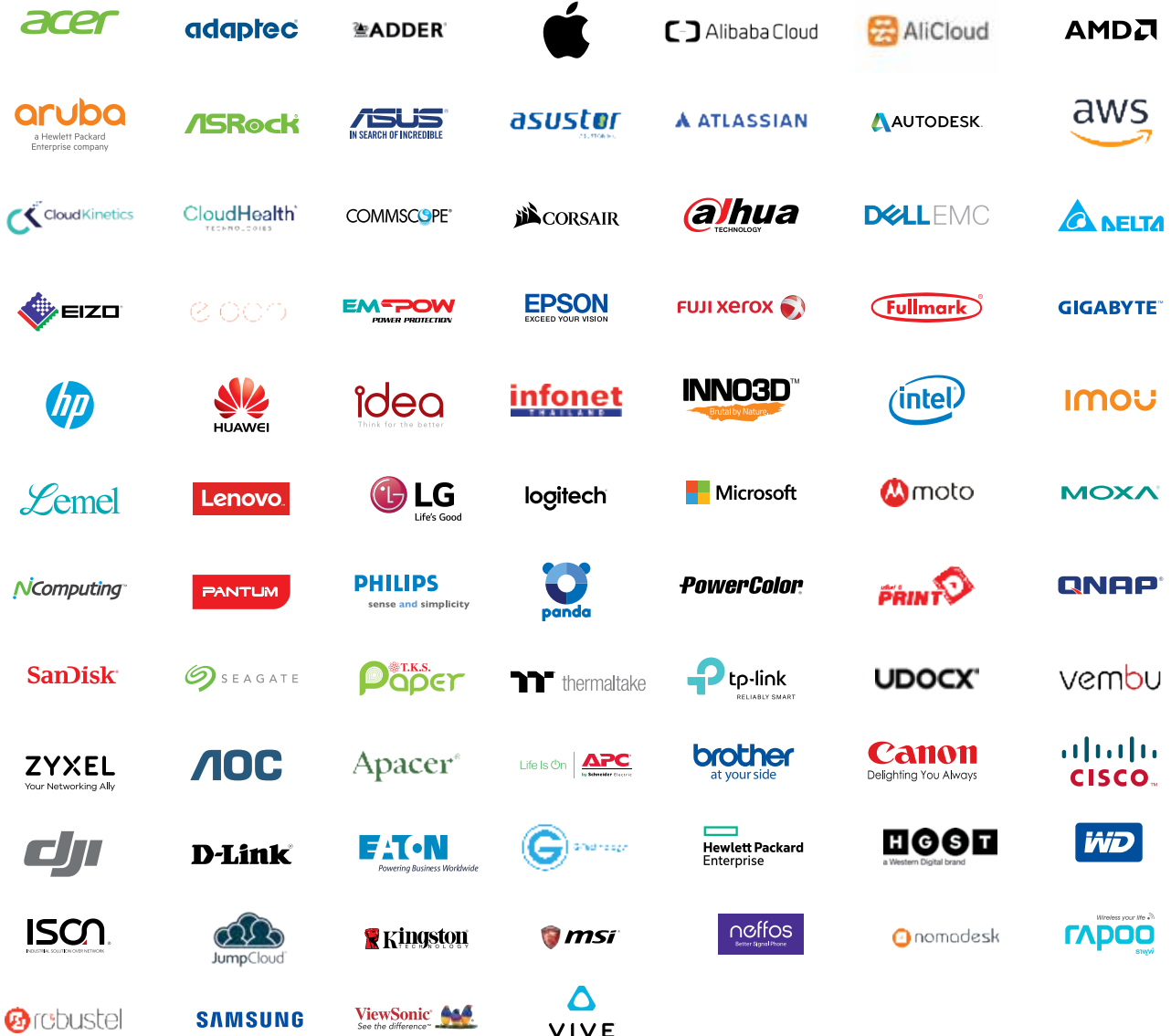
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Think IT คิดเรื่องไอที คิดง่าย  
**Think**





# OVERALL BRANDS



**THE ONE** | No. 1  
IT Distributor in Thailand





## BUSINESS OBJECTIVES

The Company has determined the objectives and strategies in conducting our businesses through establishing a business network to support and facilitate the Company in continuing to grow in a stable and sustainable manner as well as to remain in the No.1 position with regards to the technology products business, in which we have extensive expertise. As such, this is to be achieved by having quality and well-experienced people and also by selecting only quality and innovative products that meet the needs of consumers in the current era of fast-changing technology, together with a comprehensive range of products, from product owners and manufacturers with world-class standards, that meet the specific requirements of various respective industry sectors. The Company has received the trust and condence in being appointed their authorized distributor by more than 60 product brands. The Company is committed to offer and provide both genuinely sincere pre-sales and after-sales services, that are based on the principles of good governance and of giving back to society - to both of which principles we have always adhered in a continuous manner.

In 2019, Synnex (Thailand) PCL. is stepping up to be in the No. 1 position in a stable and sustainable manner under the marketing concept of being a “Value-added IT distributor”, by focusing on adding value to the comprehensive range of IT products and associated services we offer. The Company has determined the strategy to increase our market share and also the proportion of revenues from sales of those products with a high Profit margin, through forming business alliances with those world-class and well-known product brands so as to add new and innovative technology products to the expanding Synnex products portfolio as well as to include and cover all groups of IT products. We also plan to expand our market presence by venturing into the group of technology products related to IoT Solutions, so as to meet the requirements of the IT market in this digital era of the general consumers, corporate clients and clients from various industrial sectors. We will also launch special financing schemes aimed at supporting new start-up businesses.

Additionally, the Company plans to develop sales channels for providing Fullment Service via the B2B2C platform, so as to increase our business competitiveness and commitment to provide a Total Solutions Service on a continuous basis. We will also increase the sales channels for our Synnex Care 1251, so as to reinforce our customers’ condence in our “Trusted by Synnex” corporate brand logo and for it to be more well-known and recognize in a wider circle. We are well-prepared to upgrade our internal operations to be more effective and efficient; as well as to implement plans to manage the corporate expenses so as to achieve maximum value that will be reflected in the Financial returns in a tangible manner and to create the opportunity in achieving sustainable business growth.

## STRATEGY TO EXPAND SALES CHANNELS INTO THE OVERSEAS MARKETS WITHIN THE INDOCHINA REGION

The Company has determined plans to distribute various products in the Indochina regional markets since 2013, so as to achieve a share of the market within these 3 Indochina markets: The Republic of Myanmar, the Kingdom of Cambodia, and the Lao People’s Democratic Republic. As such, these 3 countries have had full diplomatic relationships with Thailand for a long time; are neighboring countries with a common border with Thailand; and also have a significantly high volume and value of border trade with Thailand. Further, Thai branded products are highly popular in these 3 countries.

Currently the Company has achieved sales revenues from distributing products within all these 3 neighboring markets, where our products are well-received and well-accepted since SYNEX is an important, established and well-known Global Distributor especially within the Asia Pacic Region - for products marked with the trade mark of “Trusted by SYNEX”. Further, the Company is also well-known and well-accepted users in these neighboring countries for providing good after-sales services together with products warranty that has then resulted in the previous ongoing border trade activities.

The success that has been achieved by the Company in Thailand is used as a positive business model for its overseas operations; whereby they have been adapted to be suitable for the local laws and regulations, culture, and IT market environment in each respective country or market. The Company has collaborated with local business partners in each country with regards to the applicable marketing activities; such as: in Myanmar, currently we focus on distributing through 1 key business partner and sending Thai staff assigned to work from the business partner’s Offices in Myanmar in assisting the local sales and marketing staff and transferring relevant sales, marketing and management know-how to the business partner there.

While in the case of Cambodia, the Company started to undertake marketing activities since Q4/2014 in selling IT network equipment to many local systems integrators (SI). The plan for this year is to expand the range of products offered by entering the consumer IT products market and appointing the associated business partner to distribute these products in Cambodia.

For the Laos market, the Company currently has a core customer, who is strong business partner in distributing communications equipment and smart phone products in Laos. Additionally, we have expanded in distributing IT systems equipment by working with a group of systems integrators (SI), through leveraging the company’s potential capabilities and the advantage of being geographically located nearby that offers operational convenience together with overall reduced or low communications costs and logistics

In 2018, the Company's total exports to these 3 countries increase by 20% from the previous year, with ongoing plans to increase again, due to the fact that the Company has again received the trust from various leading brands of technology and IT products in being appointed as the official licensed distributor for their products starting in 2018. As such, the Company is confident to be able to drive these exports sales to reach the original set target of Baht 1,000 million a year.

The Company also has plans to develop various other sales channels within the Indochina markets, through focusing on hiring knowledgeable and capable Staff who will be assigned to work permanently in these markets, together with installing internal information systems and a communications network equipment that will enable the Company to integrate relevant

information that will facilitate speedy coordination and reduce overall internal communications costs as well as reduce regional travel-related expenses to these the business partners within these regional markets. Further, the Company has allocated more marketing and promotional expenses so as to increase the capabilities of the customer/business partners and dealers in the respective markets together with a budget for ongoing staff development for those personnel assigned to these markets so as to develop their respective products knowledge and management skills and also their English or local language skills. It has also increased the approved business credit limits given to appointed business partners and dealers so as to be appropriate to the required Financial liquidity for their respective business activities.



## INCOME STRUCTURE

Unit: Million baht

PRODUCT	2018		2017		2016	
	Income	%	Income	%	Income	%
<b>Income from Sale</b>						
1. Component Product Group (CPG)	3,740	9.79%	4,162	12.84%	3,396	14.26%
2. Consumables & Supply Group (CSG)	2,304	6.03%	2,286	7.05%	2,175	9.13%
3. Image & Printing Product Group (IPG)	1,695	4.44%	1,722	5.31%	1,669	7.00%
4. Display Product Group (DPG)	1,326	3.47%	1,417	4.37%	1,034	4.34%
5. Multimedia Product Group (MPG)	2,710	7.10%	2,365	7.29%	2,110	8.86%
6. Software Product Group (SWG)	1,645	4.31%	1,033	3.19%	1,735	7.28%
7. Network Product Group (NPG)	3,579	9.37%	2,147	6.62%	3,274	13.74%
8. System Product Group (SPG)	4,579	11.99%	4,324	13.34%	2,255	9.47%
9. Communication Devices Group (CDG)	16,521	43.25%	12,884	39.73%	6,100	25.60%
10. Others	1	0.003%	1	0.003%	33	0.14%
<b>Total income from sale</b>	<b>38,100</b>	<b>99.74%</b>	<b>32,341</b>	<b>99.74%</b>	<b>23,781</b>	<b>99.82%</b>
Income from rendering of services	96	0.26%	85	0.26%	42	0.18%
<b>Total Income</b>	<b>38,196</b>	<b>100%</b>	<b>32,426</b>	<b>100%</b>	<b>23,823</b>	<b>100%</b>
<b>Growth rate from total income (%)</b>	<b>17.79%</b>		<b>36.11%</b>		<b>10.74%</b>	

# INDUSTRIAL OUTLOOK

## **Current IT Industry and associated business trends**

Gartner, Inc. has projected that, in 2019, the worldwide total value of all segments of the personal computer products group will increase as a result of the current trend for digital transformation, that is aimed at achieving improved quality of all industry sectors. As such, this will lead to increasing use of the internet - or IoT trend - by all industry sectors; whereby the Company is also planning to focus our attention and business towards the same direction.

During 2018, there has been a continued significant growth rate for smart phone products and associated mobile devices, with the leading brands being still Samsung, Apple and Huawei respectively. In 2018, the highest share of popular operating system was still Android with an 80% share of the market, followed by the iOS and other operating systems respectively. The Company distributes and sells various well-known brands of such products; ie: Samsung, Huawei, Asus, and Lenovo.

## **Competition and Maintaining of market share**

The Company's business operations concern products related to communication and interface technology with the TOP 20 world-class brands' appointing the Company as the authorized distributor, resulting in the Company's distributing of products with high market share and a wide assortment of products such as component product group, network product group, software product group, communication device product group, and printing and supplies product group, for

instance. The Company employs the strategies of having a broad customer base to extensively cover sales areas and operating branch Offices across all regions to promptly answer the needs of upcountry customers. The Company has a team of sales engineers to assist dealers of networking and software products that require specialized customer services. Moreover, the Company is able to increase the ratio of products with high market share for the distribution to enterprise and general customers.

Functioning as a service center, sales Office, and warehouse in one Office, the Company's branch Offices are opened in main cities throughout the country with 6 branch Offices upcountry and 5 service centers in Bangkok including 60 Synnex Service Partner for faster sales and after-sales services.

The Company's distribution channels through more than 5,000 dealers across the country has enabled the Company to distribute products to consumers more thoroughly while a number of customers of the Company own a variety of distribution channels, such as large retail customers and giant IT dealers with a number of branches to disseminate products.

The Company has a process of validating product quality before distribution to ensure that products supplied are standardized and reliable with product testing before the market launching and product warranty from manufacturers, in order to create consumer condence prior to purchasing.

The Company expanded distribution channel to E-Commerce & Digital Market, for Online and Digital market to increase market share and quick responsiveness on customer requirement to access products information for purchasing.

The Company's warehouse and distribution center started implementing a new warehouse management system called Automatic Storage and Retrieval System (ASRS) to store and retrieve products in the warehouse using robotic arms and the conveyor controlled by a computerized system for effective product storage and retrieval, linking ASRS with the management system effectively.

The Company runs a system on the Company's website and mobile application for product warranty checking and product repair and exchange status checking, which can be accessed on one's own all the time. And user can also reserve service requested for service center in Bangkok.

The Company publishes a digital magazine via the Company's website, [www.synnex.co.th](http://www.synnex.co.th), called "Synnex (Thailand) Pricelist" on a monthly basis with dealers and IT shops as target readers to promote products, inform product details, and provide updates on technologies of new products. In addition, dealers can ascertain wholesale prices and price adjustments of products from the magazine.

The Company distributes free copies of magazine, Synnextra, every 45 days to dealers across the country to reach to consumers patronizing dealers' shops. Details of various IT technology products together with retail prices of products are included in the magazine. Consumers and website viewers can also download the online version of Synnextra.

The Company is favored with conditions from big manufacturers on product rotation for end-of-line products and price protection in case of product price discounts, decreasing risks from inventory and technology changes and sale increasing.

The Company conveys Personal Computer (PC) products using a registered trademark of Taiwan's Synnex Group, Lemel, and strategically selects dealers with determination for distributing Lemel PC products with 3-year product warranty and 1-year On Site Service to assure consumers of product quality.

The Company has a corporate marketing communication team, Marketing Communication Department, to support and organize roadshow events on a regular basis to give customers access to newly launched products as well as to promote and communicate news of various aspects of the Company to ensure customers are aware of current movements in products, sales, marketing, organization management, and other related activities.

The Company has a team of pre-sale engineers and project engineers to support customers on knowledge and accurate understanding of product attributes as well as a team of technical support engineers to provide after-sales service in assisting customers to solve installation and usage problems for both hardware and software products.

The Company has been certified according to international standards with ISO 9001:2008 certification for quality management and ISO14001:2004 certification for environmental management from Bureau Veritas Certification.

# RISK FACTORS

The Company attaches great importance to the management of risks relating to the industry environment and the competition, through overseeing and ensuring that constant monitoring, and planning together with the management of various risk factors, that may have an impact on the company's future operations, in a systematic manner. This is in order to these risks will then be minimized to an acceptable level; whereby such various risks can be categorized as follows:

## 1. Risks relating to ongoing changes in technology and product development

The Company is a distributor of computers, associated peripherals and accessories, and Information Technology and Communications (IT) products and systems, all of which continuously undergo ongoing development and technology changes. As such, the Company needs to regularly and closely monitor the market in order to study the ever-changing trends and product demands in the market; as well as constantly control its products purchases and inventory levels, since such products easily become out to date and obsolete in line with evolving technology changes. However, the Company regularly exchanges information about technology trends with its majority Shareholder, the Synnex Group in Taiwan, which has been operating a highly successful business in distributing computers, associated peripherals and accessories, and Information Technology and Communications (ITC) products and systems, as well as has extensive expertise in assessing the ongoing demand trends of the market and owns an advanced computerized inventory management system. Furthermore, that company has accumulated extensive operating experiences in using a computer system to help manage its operations; while the Management of the Thai Company also has lengthy experience in this business that has enabled it to be capable of effectively handling and managing any ongoing technology changes.

Additionally, in being a major distributor of various computers and IT products in Thailand, the Company is offered favorable terms and conditions - such as, special discounts when placing bulk orders for large quantities. Further, the Company receives, from various major manufacturers and suppliers, special terms relating to product rotation by being able to exchange any outdated or obsolete products for newer models, together with a special price protection condition on any future discounted models. As such, both of these special conditions considerably reduces the risk in

having adverse inventory aging problems for the Company; while at the same time, the Company also sets aside a provision for the deterioration in the inventory value of any obsolete and slow-moving products.

## 2. Risks Relating to Trade Accounts Receivables

Risks relating trade accounts receivables or our customers. Apart from the quality of these debts owed to us, the management of these debts, adapting to changes, and the Financial discipline on the part of our debtors together with the capabilities and experiences of our credit analysts and credit controllers, are all important factors in the associated risks arising. This is in spite the credit approval process following exactly all the established steps and procedures, as well as the credit approval decision and whether or not the credit control and payments follow-up procedures are taken in an effective manner. As such, the Company gives importance to the ways of managing their business on the part of the debtors, as well as to determining the role and authorities in approving credit lines to customers and in controlling the debtors, together with giving more knowledge to the involved staff on a regular basis, reviewing by internal units within the organization, and determining clearly defined policies in approving credit lines and credit control activities.

## 3. Risks Relating to Foreign Currency Exchange Rates

The Company imports goods from overseas, for which quotes and payments are made mostly in US dollars; whereby the imported products account for approximately 32% of the total amount of goods purchased annually. Nevertheless, the Company has a policy of protecting risks relating to foreign currency exchange rates through buying forward contracts, so as to manage such risks to be at the appropriate level corresponding to the increase of the business as well as to both the overall internal and external economic situation. As such, the Company does not have a policy of speculating in trying to make a Profit from foreign currencies exchange rates.

## 4. Risk Relating to Working Capital

The Company has the need for working capital for use in effectively managing its trade debtors and inventory on hand, both of which have increased in line with the expanding market requirements and the need to support the ongoing growth of the organization. As such, the Company has plans



to source funds for use as working capital that is appropriate to the duration needed, in order to obtain and use such working capital funds that are sourced from various Financial institutions so as to improve our liquidity and diversify risks relating to sources of our capital funds. Due to success of our marketing strategies and increased demands for our products as well as to enable same-day delivery as on the day the sales order was received, this has resulted in the Company having Average Inventory period of 30 days (from 27 days previously) and Average Collection period of 50 days (from 49 days previously). As such, the Company has made use of a Financial tool so as to minimize the associated risks, relating to defaults on debt payments, to a level that is acceptable to the Company without incurring any increased costs. While at the same time, the Average Payment period has been increased to 23 days (from 22 days previously), due to our business partners having responded in increasing both the credit limit and the accounts payable terms in order to jointly facilitate having a more effective and improved Financial liquidity. This has also enabled the Company to expand our business into all product groups as well as to increase our market share for all Business Groups. Currently, the Company has credit facilities from many commercial banks and that is sufficient for our business operations, resulting in improved overall Financial liquidity. Nevertheless, the Company enjoys good relations with all commercial banks, which has given us the opportunity to review and negotiate the various credit facilities given with regards to having both the credit lines and the interest rates charged that are most appropriate to our business plans and also with regards to the various bank fees payable, so that the Company can maintain adequate Financial liquidity and overall costs of nance

that are appropriate to our business situation and that can support the continuing growth of our business.

### **5. Risks Relating to Having Achieved Low Gross Profit Margins**

The Company operates its business as a distributor of communications products, complete computer systems and associated computer components, as well as multi-media products and consumables. The technology industry always has rapid changes. However, the Company has over 30 years of experience in this industry; as such, in spite of being a business with low gross Profit margins, the Company is able to add value to the various leading brands of products and associated services that the Company distributes that amount to over 5,000 SKUs. This, combined with the trust and condence from its customers as well as business partners, has enabled the Company to effectively manage overall gross Profit margins in all existing business units to be at the targeted level corresponding to the budget plans, through the Company having in place specic plans from procedures in placing purchase orders from the suppliers, shipments of goods to the Company and to the distribution of the goods to its various sales channels - whether retailers, wholesalers, small retail outlets, or large modern trade department stores. This facilitates effective management of the amount of inventory on hand to achieve a balance between demand and supply, which together with the sales and marketing promotions strategies for each product group so as to achieve a positive demand in the market at the appropriate timing, that then achieves the targeted gross Profit margins corresponding to established business plans.

# INTERNAL CONTROL AND RISK MANAGEMENT

Internal controls are an important part of managing operations so as to create confidence on the part of all involved parties, in order to enable the achievement of the set goals and business growth in a stable manner. The Board of Directors has assigned the Audit Committee to review and assess the internal controls system, as well as to review the existing policies and operating guidelines for risk management together with the annual risk management plans and also to acknowledge the progress reports from the various risk management working groups on a regular basis. As such, regular reviews and improvements have been made to the associated activities plans that are best suited to the current situation and business environment. Furthermore, reports have been submitted to inform the Board of Directors every year, in order to enable them to determine further guidelines for corporate governance practices as well as for the oversight and management of the operations by the Management Group. The assessment criteria of the adequacy of the internal controls system relating to the conduct of the business operations are as follows: the organization and the environment, risk management, oversight and control of the behavior of the Management group, the information and data communications technology systems, and the monitoring system to ensure the achievement of both effectiveness and efficiency.

The Board of Directors' Meeting No. 1/2019, as held on 21 February 2019, concluded that the Company's internal control over transactions with major shareholders, directors, executives, or their associates is adequate and able to prevent the occurrence of the Company's assets being exploited by concerned parties. The Company's approval authorities and operational procedures are presented in writing and the Company's approval of previous transactions have taken into account interests of the Company at maximum.

Regarding the internal control system for accounting, the Company's Auditor, KPMG Poomchai Audit Company Limited reviewed and evaluated the efficiency of the internal controls of the Company's accounting for the purpose of performing the audit. In 2018, KPMG Poomchai Audit Company Limited evaluated the effectiveness of the internal controls system of the Company and expressed an opinion that the Company had a good internal control system which was appropriate and adequate for the business operations.

## INTERNAL AUDIT DEPARTMENT

The Board of Directors has established an Internal Audit department, to oversee and control the internal audit activities of the Company, so as to ensure that such activities continue to be regularly undertaken in an effective manner and in accordance with the establish operating procedures guidelines as well as in compliance with all applicable laws and regulations. This Internal Audit Unit also coordinates with the external auditor and the respective Management member involved in preparing the Financial reports that includes all significant information in an appropriately correct manner and in accordance with the required standards for Financial reporting, as well as that discloses all required information in an adequate and credible manner. In order that the Internal Audit department is fully independent, the Audit Committee has required the Internal Audit department to submit its internal audit

activities plan every year; as well as to submit a report, directly to the Audit Committee every Quarter, of the outcome of its internal audit activities and any further associated follow-up actions together with the results of its reviews of the risk management activities undertaken in the various operating areas.

As such, the Company has appointed Mr. Boonchai Ekapisit to be Vice President - Internal Audit, replacing Ms. Kingkaew Jutasompakorn who has retired from the Company as at December 31, 2018; since he possesses the required educational qualifications and experience together with other appropriate qualifications to undertake this duty and responsibility. As such, this appointment of the new Head of the Internal department has been agreed to by the Audit Committee.





## SUPERVISION ON INSIDE INFORMATION USAGE

The Company's policy to prohibit its executives from using the inside corporate information for their own benefits or including insider trading, as follows:

- The company prevents use of inside corporate information by prohibiting persons from different agencies who is aware of significant information to disclosing such information to unrelated agencies or persons. In case of Executives or Employees disclosure to public or use for their own benefits or transaction that may conflict of interest will be considered a serious offense and may be disciplined.
- The Company's policy to prohibit its directors, executives and employees who learn internal information from disclosing the same species that they refrain from trading shares of the Company 1 month prior to the Company disclosing its Financial statement to the public.
- The Company informed the directors and executives of the duties of reporting shareholding under section 59 according to the Notification of the Office of the Securities and Exchange Commission ref: Preparation and Disclosure of Report on Shareholder and punishment under section 275 of the Securities and Exchange Act B.E. 2535 in compliance with the Securities and Exchange Commission requirement including the changing of shareholding of their spouses and any minor children.
- Board of Directors and the members of the Management are required to report the initial ownership of Company shares together with any changes in the number of shares owned; whereby this report must be submitted on the same day that the report is also submitted to the Thailand Securities and Exchange Commission (SEC), which is to be submitted within 3 days of any shares ownership changes occurring. This report must be submitted to the Company Secretary, so that a full record can be made of the changes in the total number of Company shares owned by any Board Directors and members of the Management on an individual basis for reporting to the Board of Directors at the subsequent Board Meeting and disclosing in the Company's Annual Report and the annual 56-1 Form for reporting Company information.



# SECURITIES AND SHAREHOLDERS

## Registered and Paid-up Capitals

### Ordinary Shares

As of 31 December 2018, the Company's registered capital was THB 800,000,000 and paid-up capital was THB 770,328,649. They comprised of 770,328,649 ordinary shares at the par valued at THB 1 per share.

### Shareholders

As of 31 December 2018, Top 10 major shareholders are follows:

NO.	TOP 10 MAJOR SHAREHOLDERS	NUMBER OF SHARES	SHAREHOLDING (%)
1	T.K.S. Technologies PCL.	296,687,160	38.51%
2	King's Eye Investments Ltd.	269,500,000	34.99%
3	BNP PARIBAS HONG KONG BRANCH	38,626,830	5.01%
4	THAI NVDR Co., Ltd.	16,076,594	2.09%
5	PHATRA Long Term Equity Dividend Fund	5,555,000	0.72%
6	PHATRA Small and Mid-Cap Equity Fund	5,392,900	0.70%
7	Ms. Sutida Mongkolsuthree	4,768,887	0.62%
8	Mr. Sataporn Ngarmruengpong	3,675,300	0.48%
9	PHATRA Strategic Asset Allocation Fund	3,572,900	0.46%
10	Mr. Sanit Kerdlapphol	3,036,000	0.39%

# DIVIDEND POLICY

The company has a dividend policy of paying dividends at a rate of not less than 40 percent of the net Profit available after payment of the Company's corporate income tax, allocation of legal reserve and other reserves. The Company will pay no dividend when they have an accumulated deficit. However, such payments are subject to future capitalizations, to the approval by the Company's Board of Directors, as well as to the availability of earnings to distribute.

The dividend policy for the Company shall be considered and proposed by the Board of Directors to the annual general meeting for approval. Consideration shall be given to investment plans and other requirements and considerations, such as the adequacy of cash flow of each company after deducting reserve funds in accordance with the law.

## Dividend Payout Information

Dividend Payout to shareholders are follows :

OPERATING RESULT FOR THE YEAR	DIVIDEND PER SHARE (BAHT)			EARNINGS PER SHARE	DIVIDEND PAYOUT (%)	DIVIDEND PAYMENT DATE
	INTERIM	FINAL	TOTAL			
2018	0.20	0.34 + 0.10 (10:1 Stock Dividend)	<b>0.64</b>	0.92	69.57%	10 May 2019
2017	0.18	0.35	<b>0.53</b>	0.80	66.25%	10 May 2018
2016	0.10	0.26	<b>0.36</b>	0.54	66.67%	12 May 2017
2015	0.08	0.22	<b>0.30</b>	0.48	62.50%	12 May 2016
2014	-	0.13	<b>0.13</b>	0.27	48.15%	15 May 2015
2013	-	0.15	<b>0.15</b>	0.28	53.57%	15 May 2014
2012	-	0.22 + 0.10 (10:1 Stock Dividend)	<b>0.32</b>	0.49	65.31%	14 May 2013
2011	0.05	0.22	<b>0.27</b>	0.55	49.09%	14 May 2012
2010	0.10	0.15	<b>0.25</b>	0.39	64.10%	20 May 2011
2009	0.08	0.14	<b>0.22</b>	0.30	73.33%	19 May 2010

**Remark:** The Board of Directors' Meeting No.1/2019, which was held on 21 February 2019. The Meeting resolved that the 2019 Annual General Meeting of Shareholders be proposed to consider and approve the distribution of the dividend payment for the year 2018 at THB 0.54 per share and stock dividend as common shares of the Company at the book value per share of THB 1.00 at the payout ratio of 10 existing shares to 1 dividend share. The company has already made an interim dividend payment for the first-half year operating of 2018 on 7 September 2018 at THB 0.20 per share. The remaining 2018 dividend at THB 0.34 per share and 10:1 stock dividend payment per share, in case that any shareholder holds the indivisible share remaining after such allocation, the dividend shall be paid by cash instead of stock dividend at the rate of THB 0.10 per share. The Dividend payment shall be payable on 10 May 2019. Rights concerning the dividend are subject to changes, depending on the resolution of the 2018 Annual General Meeting.

# BOARD OF DIRECTORS



**Mr. Supant Mongkolsuthree**  
Chairman

- **Age** 60
- **Appointed:** May 5, 1988
- **% Shareholding as of December 31, 2018:**  
990,272 shares (or 0.13%)
- **Educations / Certifications**
  - Honorary Doctorate of Economics, Ramkhamhaeng University
  - Master of Political Science, Chulalongkorn University
  - Master of Business Administration, City University, USA
  - Bachelor of General Management, Sukhothai Thammathirat University
  - Certificate Program of National Institute of Defense Studies (NIDS), National Defense College (NDC), Class 16 in B.E. 2002
  - Certificate Program of "NIDA - Wharton Executive Leadership Program", University of Pennsylvania in 2005
  - Certificate Program of Senior Executive Development Program, Capital Market Academy (CMA), Class 3 in B.E. 2006
  - Certificate Program of Management for Directors and Senior Executives in State Enterprises and Public Organizations, Special Class in B.E. 2009
  - Certificate Program of Senior Executives in Justice Administration (SEJA) Program, Class 14 in B.E. 2010
  - Certificate Program of Senior Executive Development Program in Bangkok Metropolitan Administration (BMA 1) Program, Urban Green Development in B.E. 2011
  - Certificate Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 5 (2014), Thailand Energy Academy
  - Course "The Rule of Law and Democracy" Class 3 in B.E. 2015 Institute of Constitution Studies, The Constitutional Court of the Kingdom of Thailand
- **Director Certifications**
  - 2004 Director Accreditation Program (DAP)
  - 2004 Director Certification Program (DCP)
- **Position in Listed Companies**
  - 1988 - Present Chairman - Synnex (Thailand) PCL.
- **Position in Non-Listed Companies**
  - 2018 - Present Chairman - The Federation of Thai Industries (F.T.I.)
  - 2018 - Present Chairman - The Joint Standing Committee on Commerce, Industry and Banking
  - 2018 - Present Member - Future Economy and Internet Governance
  - 2016 - Present Chairman - Choonhavan Institute for Sustainable SMEs Development
  - 2015 - Present Member - Rattana Bundit University
  - 2015 - Present Member - The SUPPORT Arts and Crafts International Centre of Thailand
  - 2014 - Present Member of the National Legislative Assembly  
The National Legislative Assembly
  - 2014 - Present RMUTI Council of Honorary Members  
Rajamangala University of Technology Isan Council
- 2008 - Present Chairman of Activity Promotion Committee / Council Director  
Royal Police Cadet Academy
- **Work Experiences**
  - 2016 - 2018 Director and Chairman of the Investment Management Committee  
EGAT International Company Limited
  - 2016 - 2017 Chairman - The Federation of Thai Industries (F.T.I.)
  - 2014 - 2017 Member - Member of the Board of Investment
  - 2014 - 2017 Director - Krung Thai Bank PCL.
  - 2014 - 2017 Chairman of the Corporate Governance and Social Responsibility Committee - Krung Thai Bank PCL.
  - 2012 - 2017 Member - Cultural Promotion Fund Committee,  
Department of Cultural Promotion
  - 2008 - 2017 Director/ Editor - Chulalongkorn University Alumni Association
  - 2006 - 2017 Advisor to Chairman - Thai Listed Companies Association
  - 2005 - 2017 Advisor - Thai Printing Association
  - 2014 - 2016 Chairman - The Federation of Thai Industries (F.T.I.)
  - 2014 - 2016 Honorary Member - National Defense College (NDC)
  - 2014 - 2016 Member - Sirindhorn International Institute of Technology,  
Thammasat University
  - 2009 - 2016 Vice President - T.K.S. Technologies PCL.
  - 2013 - 2014 Member of Operation Risk Management Committee  
Synnex (Thailand) PCL.
  - 2012 - 2014 Honorary Member - Student Loans Scheme for Education Committee  
Chairman of Technology and System Subcommittee  
Student Loans Scheme for Education Committee
  - 2012 - 2014 Member - E-Payment Transactions Promotion Working Committee,  
Bank of Thailand
  - 2010 - 2014 Member of Nominating and Remuneration Management Committee  
Synnex (Thailand) PCL.
  - 2010 - 2014 Member of Financial Risk Management Committee  
Synnex (Thailand) PCL.
  - 2010 - 2014 Member of Corporate Governance Committee  
Synnex (Thailand) PCL.
  - 2010 - 2014 Member of Legal Risk Management Committee  
Synnex (Thailand) PCL.
  - 2010 - 2014 Honorary University Council Member  
Rajamangala University of Technology Rattanakosin
  - 1996 - 2014 President - Prism Solutions Company Limited
  - 1988 - 2014 Chief Executive Officer - Synnex (Thailand) PCL.
  - 1986 - 2014 Chief Executive Officer - T.K.S. Technologies PCL.
  - 2012 - 2013 Chairman of the RFID Institute of Thailand  
The Federation of Thai Industries (F.T.I.)  
Chairman of the Institute of Information and Communication Technology for Industries  
The Federation of Thai Industries (F.T.I.)
  - 2010 - 2011 Member of NTC Standards Subcommittee  
National Telecommunications Commission (NTC)
- **Relation among Family with other Directors and Executives**  
- Yes - (Ms. Sutida Mongkolsuthree - Director and Chief Executive Officer)



**Mr. Tu, Shu-Wu**  
Director

- **Age 67**
- **Appointed: February 2, 2002**
- **% Shareholding as of December 31, 2018:**  
- None -
- **Educations / Certifications**
  - Bachelor of Engineering Electrical and Control System,  
National Chiao Tung University, Taiwan.
- **Director Certifications**  
- None -
- **Position in Listed Company**  
2002 - Present    Director - Synnex (Thailand) PCL
- **Position in Non-Listed Companies**  
1988 - Present    President and Chief Executive Officer  
Synnex Technology International Corporation
- **Relation among Family with other Directors and Executives**  
- Yes - (Mr. Tu, Shu-Chyuan - Director)



**Mr. Somchai Apiwattanaporn**  
Independent Director and Chairman of the Audit Committee

- **Age 68**
- **Appointed: November 29, 2007**
- **% Shareholding as of December 31, 2018:**  
- None -
- **Educations / Certifications**
  - Master of Arts in Public Administration, Ramkhamhaeng University
  - Bachelor of Accountancy, Ramkhamhaeng University
  - Certificate Program of National Institute of Defense Studies (NIDs),  
National Defense College (NDC), Class 16 in B.E. 2003
  - Certificate Program of Senior Executive Development Program,  
Capital Market Academy (CMA), Class 5 in B.E. 2009
  - Top Executive Program in Commerce and Trade: TEPCoT
- **Director Certifications**  
2008    Audit Committee Program (ACP)  
2006    Director Certification Program (DCP)  
2004    Director Accreditation Program (DAP)
- **Position in Listed Companies**
  - 2013 - Present    Member of Operational Risk Management Committee  
Synnex (Thailand) PCL.
  - 2013 - Present    Chairman of the Audit Committee  
MC Group PCL.
  - 2010 - Present    Chairman of the Nomination and Remuneration Committee  
Synnex (Thailand) PCL.
  - 2007 - Present    Chairman of the Audit Committee and Independent Director  
Synnex (Thailand) PCL.
  - 2006 - Present    Chairman of the Audit Committee/ Chairman of the Remuneration  
and Compensation Committee/ Director/ Independent Director  
Robinson Department Store PCL.
- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**
  - 2011 - 2014    Chairman of the Board of Directors  
Thailand Tobacco Monopoly, Ministry of Finance
  - 2010 - 2013    Member of Financial Risk Management Committee  
Synnex (Thailand) PCL.
  - 2008 - 2011    President - ASEAN Potash Mining PCL.
  - 2008 - 2011    Head of Inspectors - Ministry of Finance
  - 2005 - 2011    Director of Tax Accounting Profession  
Federation of Accounting Professions
  - 2006 - 2008    President of Playing Card Manufacturing Factory  
Excise Department, Ministry of Finance
  - 2005 - 2008    Executive Director of Liquor Distillery Organization  
Excise Department, Ministry of Finance
  - 2003 - 2008    Vice Director - Excise Department, Ministry of Finance
  - 2003            Director - TMB Bank PCL.
- **Relation among Family with other Directors and Executives**  
- None -



**Mrs. Maleeratna Plumchitchom**  
Independent Director and Audit Committee's Member

- **Age 73**
- **Appointed: November 29, 2007**
- **% Shareholding as of December 31, 2018:**
  - None -
- **Educations / Certifications**
  - Master of Business Administration, Michigan State University, USA
  - Bachelor of Accounting (Honors), Chulalongkorn University
  - Certificate Program of National Institute of Defense Studies (NIDs) National Defense College (NDC), Class 11 in B.E. 1998
  - Certificate Program of Senior Executive Development Program, Capital Market Academy (CMA), Class 6 in B.E. 2008
  - Advanced Security Management Program (ASMP), National Defense College (NDC), Class 3 in B.E. 2012
  - Poompalungpandin, Chulalongkorn University class 2 in B.E. 2013
  - Urban Green Development Institute Bangkok, B.E. 2014 Navamindradhiraj University
- **Director Certifications**
  - 2004 Director Certification Program (DCP)
- **Position in Listed Companies**
  - 2013 - Present Chairman of Operational Risk Management Committee  
Synnex (Thailand) PCL.
  - 2011 - Present Member of the Nomination and Remuneration Committee  
Synnex (Thailand) PCL.
  - 2011 - Present President and Audit Committee's Member  
Asian Phytochemicals PCL.
  - 2007 - Present Audit Committee's Member and Independent Director  
Synnex (Thailand) PCL.
- **Position in Non-Listed Companies**
  - 2017 - Present President - Nara 12 Co., Ltd.
  - 1997 - Present President - Knowledge Plus
- **Work Experiences**
  - 2010 - 2013 Member of Financial Risk Management Committee  
Synnex (Thailand) PCL.
  - 2005 - 2011 Advisor - Thanachart Group
  - 2006 - 2007 Audit Committee's Member and Independent Director  
T.K.S. Technologies PCL.
- **Relation among Family with other Directors and Executives**
  - None -



**Mr. Vissut Sethaput**  
Independent Director and Audit Committee's Member

- **Age 69**
- **Appointed: November 29, 2007**
- **% Shareholding as of December 31, 2018:**
  - Spouse 69,000 shares (or 0.01%)
- **Educations / Certifications**
  - Master of Engineering, McGill University, Canada
  - Bachelor of Engineering, McGill University, Canada
- **Director Certifications**
  - 2005 Audit Committee Program (ACP)
  - 2004 Director Certification Program (DCP)
- **Position in Listed Companies**
  - 2010 - Present Chairman of Corporate Governance Committee  
Synnex (Thailand) PCL.
  - 2007 - Present Independent Director and Audit Committee's Member  
Synnex (Thailand) PCL.
- **Position in Non-Listed Companies**
  - None -
- **Work Experiences**
  - 2013 - 2017 Revolving - budgetary fund Management Committee  
The Comptroller General's Department, Ministry of Finance
  - 2013 - 2016 Advisor of Managing Director - Government Housing Bank
  - 2004 - 2010 Advisor - Office of Small and Medium Enterprises Promotion
  - 2005 - 2007 Independent Director and Audit Committee's Member  
T.K.S. Technologies Public Company Limited
- **Relation among Family with other Directors and Executives**
  - None -



**Mrs. Rawittha Pongnuchit**  
Independent Director and Audit Committee's Member

- **Age 69**
- **Appointed: August 9, 2010**
- **% Shareholding as of December 31, 2018:**  
- None -
- **Educations / Certifications**
  - Master of Political Science, Thammasat University
  - Bachelor of Laws, Ramkhamhaeng University
  - Training Program for High Level Executive in Criminal Justice (Class 19)
  - Certificate Program of Senior Executives in Administrative Justice, Class 3
  - Certificate Program of "Top Executive Program in Commerce and Trade (TEPCot), Class 1
  - Certificate Program of Senior Executive Development Program, Capital Market Academy (CMA), Class 3 in B.E. 2006
  - Certificate Program of Public Administration and Law, King Prajadhipok's Institute, Class 3
  - Certificate Program of National Institute of Defense Studies (NIDs) National Defense College (NDC), Class 15 in B.E. 2003
- **Director Certifications**  
2005 Director Certification Program (DCP)
- **Position in Listed Companies**

2012 - Present	Independent Director and Member of Audit Committee Pranda Jewelry PCL.
2011 - Present	Chairman of the Audit Committee and Independent Director Solatron PCL.
2010 - Present	Chairman of the Legal Risk Management Committee Synnex (Thailand) PCL.
2010 - Present	Audit Committee's Member and Independent Director Synnex (Thailand) PCL.
Present	Independent Director and Audit Committee's Member Sakol Energy PCL.
- **Position in Non-Listed Companies**

Present	President - Chankam Residence Co., Ltd.
Present	President - Phudra Corporation Co., Ltd.
Present	Committee's Member - Fiscal Policy Research Institute Foundation (FPRI)
Present	Committee's Member Alumni Association of Capital Market Academy (CMA)
Present	Committee's Member Top Executive Program in Commerce and Trade (TEPCoT)
Present	Advisor - Institute of Management Consultants Association of Thailand
Present	Chairman of the Class 59 - Director Certificate Program (DCP59)
Present	Advisor - Economics and Finance Academy
Present	Audit Committee's Member and Independent Director Nam Heng Concrete (1992) Co., Ltd
- **Work Experiences**

2010 - 2011	Director and Chairman of Audit Committee Sukhumvit Asset Management Co., Ltd.
2008 - 2010	Inspector - Ministry of Finance
Feb - Jun 2009	Director and Chairman of Audit Committee Airports of Thailand PCL.
2005 - 2008	Deputy Director-General - Revenue Department, Ministry of Finance
- **Relation among Family with other Directors and Executives**  
- None -



**Mr. Kachachan Mongkoncharoan**  
Independent Director

- **Age 60**
- **Appointed: November 5, 2015**
- **% Shareholding as of December 31, 2018:**  
- None -
- **Educations / Certifications**
  - Master of Arts (Public Administration), Thammasat University
  - Bachelor of Arts (Political Science), Ramkhamhaeng University
  - Diploma, The National Defence Course Class 51 National Defence College (NDC)
  - Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Class 6, King Prajadhipok's Institute (KPI)
  - Top Executive Program Class 10, Capital Market Academy (CMA)
  - Executive Creative Economy Training Program (EXCET-III)  
Office of Knowledge Management and Development
  - Certificate Program of Senior Executive Development Program in Bangkok Metropolitan Administration (BMA 1)
  - Top Executive Program in Commerce and Trade (TEPCoT) Class 5 Commerce Academy
  - Poornpalungpandin, Chulalongkorn University class 1
  - Certificate of Micro MBA Program, Chulalongkorn University
  - Senior Executives on Justice Administration Batch 18 National Justice Academy
  - Certificate Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 7, Thailand Energy Academy
- **Director Certifications**  
2011 Director Accreditation Program (DAP)
- **Position in Listed Companies**

2017 - Present	Vice President CEO Office / Assistant to Chairman BTS Group Holdings Public Company Limited
2015 - Present	Chairman of Corporate Public Communication and Social Responsibility Committee Synnex (Thailand) PCL.
2015 - Present	Independent Director - Synnex (Thailand) PCL.
- **Position in Non-Listed Companies**  
- None -
- **Work Experiences**

2012 - 2017	Executive Vice President -The Bangkok Entertainment Co., Ltd.
2004 - 2012	Deputy Manager, News Department The Bangkok Entertainment Co., Ltd.
- **Relation among Family with other Directors and Executives**  
- None -



**Ms. Sutida Mongkolsuthree**  
Director

- **Age 37**
- **Appointed: June 27, 2014**
- **% Shareholding as of December 31, 2018:**  
4,768,887 shares (or 0.62%)
- **Educations / Certifications**
  - Master of Science in International Management, Queen Mary, University of London, UK
  - Bachelor of Administration in Finance and Banking, Chulalongkorn University
  - Certificate Program of Fundamental Practice for Corporate Secretary (FPCS), Thai Listed Companies Association, in B.E. 2009
  - Certificate Program for Corporate Secretary, Thai Institute of Directors (IOD), in B.E. 2009
  - Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 7 in B.E. 2011
  - Advance Certificate Course Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute
  - Academy of Business Creativity Program, Sripatum University
  - Young F.T.I. Elite Class 1, The Federation of Thai Industries
- **Director Certifications**
  - 2016 Director Certification Program (DCP)
- **Position in Listed Companies**
  - 2015 - Present Member of Corporate Public Communication and Social Responsibility Committee Synnex (Thailand) PCL.
  - 2015 - Present Member of Legal Risk Management Committee Synnex (Thailand) PCL.
  - 2015 - Present Member of Operation Risk Management Committee Synnex (Thailand) PCL.
  - 2015 - Present Member of Corporate Governance Committee - Synnex (Thailand) PCL.
  - 2014 - Present Chief Executive Officer - Synnex (Thailand) PCL.
  - 2013 - Present Director - Thai British Security Printing PCL.
- **Position in Non-Listed Companies**
  - None -
- **Work Experiences**
  - 2013 - 2015 Member of Financial Risk Management Committee Synnex (Thailand) PCL.
  - 2013 - 2014 Vice President - Accounting and Finance & Corporate Secretary Synnex (Thailand) PCL.
  - 2012 - 2013 Department Manager - Finance & Corporate Secretary Synnex (Thailand) PCL.
  - 2009 - 2011 Corporate Secretary - Synnex (Thailand) PCL.
  - 2004 - 2006 Management Trainee (Institutional Dealer / Securities Analyst) UOB Kay Hian Securities (Thailand) PCL.
- **Relation among Family with other Directors and Executives**
  - Yes - (Mr. Supant Mongkolsuthree - Chairman)



**Mr. Puttipan Tayarachkul**  
Director and Corporate Secretary

- **Age 60**
- **Appointed: September 15, 2008**
- **% Shareholding as of December 31, 2018:**  
27,558 shares (or 0.004%)
- **Educations / Certifications**
  - Bachelor of International Trade, Cheng Chi University, Taiwan, R.O.C.
  - Certificate Program of TLCA Executive Development Program (EDP) Thai Listed Companies Association, Class 1 in B.E. 2008
  - Executive Energy Program (EEP) The Federation of Thai Industries, Class 1 in B.E. 2015
- **Director Certifications**
  - 2007 Director Certification Program (DCP)
- **Position in Listed Companies**
  - 2019 - Present Senior Advisor - Synnex (Thailand) PCL.
  - 2014 - Present Corporate Secretary - Synnex (Thailand) PCL.
  - 2013 - Present Member of Operation Risk Management Committee Synnex (Thailand) PCL.
  - 2010 - Present Member of Law Risk Management Committee - Synnex (Thailand) PCL.
  - 2010 - Present Member of Corporate Governance Committee - Synnex (Thailand) PCL.
  - 2008 - Present Director - Synnex (Thailand) PCL.
- **Position in Non-Listed Companies**
  - None -
- **Work Experiences**
  - 1991 - 2018 Senior Executive Vice President - Operations - Synnex (Thailand) PCL.
  - 2015 - 2017 Member of Corporate Public Communication and Social Responsibility Committee Synnex (Thailand) PCL.
  - 2010 - 2015 Member of Financial Risk Management Committee Synnex (Thailand) PCL.
- **Relation among Family with other Directors and Executives**
  - None -





**Mr. Tu, Shu-Chyuan**  
Director

- Age 60
- Appointed: November 10, 2008
- % Shareholding as of December 31,2018:
  - None -
- Educations / Certications
  - Master of Computer Engineering, San Jose State University, U.S.A.
- Director Certications
  - None -
- Position in Listed Companies
  - 2015 - Present     Member of Nomination and Compensation Committee  
Synnex (Thailand) PCL.
  - 2008 - Present     Director - Synnex (Thailand) PCL.
- Position in Non-Listed Companies
  - 2007 - Present     General Manager - Business Development & Strategy  
Synnex Technology International Corporation
- Relation among Family with other Directors and Executives
  - Yes - (Mr. Tu, Shu-Wu - Director)



**Mr. Wei, Hui**  
Director

- Age 65
- Appointed: September 15, 2008
- % Shareholding as of December 31,2018:
  - None -
- Educations / Certications
  - Bachelor of Information Technology, Tamkang University, Taiwan, R.O.C.
- Director Certications
  - None -
- Position in Listed Companies
  - 2008 - Present     Director - Synnex (Thailand) PCL.
- Position in Non-Listed Companies
  - 1984 - Present     Vice President - Logistics, Information Technology, Services  
Synnex Technology International Corporation
- Relation among Family with other Directors and Executives
  - None -



**Mr. Lin, Tai-Yang**  
Director

- Age 50
- Appointed: April 25, 2011
- % Shareholding as of December 31,2018:
  - None -
- Educations / Certications
  - Bachelor of Accounting, National Chengchi University, Taiwan, R.O.C.
- Director Certications
  - None -
- Position in Listed Companies
  - 2011 - Present     Director - Synnex (Thailand) PCL.
- Position in Non-Listed Companies
  - 2006 - Present     Director of Finance Planning & Management Division  
Synnex Technology International Corporation
- Relation among Family with other Directors and Executives
  - None -



**Mr. Su, Chih-Ching**  
Director

- Age 57
- Appointed: August 8, 2014
- % Shareholding as of December 31,2018:
  - None -
- Educations / Certications
  - Bachelor of Law, National Chengchi University
- Director Certications
  - None -
- Position in Listed Companies
  - 2014 - Present     Director - Synnex (Thailand) PCL.
- Position in Non-Listed Companies
  - 1988 - Present     Director of Risk Planning & Management Division  
Synnex Technology International Corporation
- Relation among Family with other Directors and Executives
  - None -

# MANAGEMENT



1

**Ms. Sutida Mongkolsuthree**  
Chief Executive Officer

2

**Mr. Puttipan Tayarachkul**  
Senior Advisor

3

**Ms. Kamonsri Boonjang**  
Vice President Product Controller  
and Purchasing

4

**Ms. Sutasani Sukeechon**  
Chief Financial Officer and Legal

5

**Ms. Jutarat Bunyanuprapart**  
Vice President Services

6

**Mr. Boonchai Ekapisit**  
Vice President Internal Audit

7

**Mrs. Haruthaikarn Phansuwan**  
Vice President Collection & Credit Control



13

12

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8

**Mr. Anuchit Boonyalug**  
Senior Advisor

9

**Mr. Prasit Panvichien**  
Vice President Sales and Operations

12

**Mr. Piyasit Thongyuak**  
Vice President Sales and Marketing

10

**Mr. Pornthep Watcharaamnouy**  
Vice President Sales and Marketing

13

**Mr. Woraphot Thavornwan**  
Vice President Sales and Marketing,  
Marketing Communication  
and Investor Relations

11

**Ms. Tisakorn Wongyai**  
Vice President Sales and Marketing - Upcountry

## Ms. Sutida Mongkolsuthree

- **Chief Executive Officer**

- **Age 37**

- **Appointed: June 27, 2014**

- **% Shareholding as of December 31, 2018:**

4,768,887 shares (or 0.62%)

- **Educations / Certifications**

- Master of Science in International Management, Queen Mary, University of London, UK
- Bachelor of Administration in Finance and Banking, Chulalongkorn University
- Certificate Program of Fundamental Practice for Corporate Secretary (FPCS), Thai Listed Companies Association, in B.E. 2009
- Certificate Program for Corporate Secretary, Thai Institute of Directors (IOD), in B.E. 2009
- Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 7 in B.E. 2011
- Advance Certificate Course Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute
- Academy of Business Creativity Program, Sripatum University
- Young F.T.I. Elite Class 1, The Federation of Thai Industries
- Certificate Program of "Director Certification Program" (DCP), Thai Institute of Directors (IOD), Class 233

- **Position in Listed Companies**

- 2015 - Present Member of Corporate Public Communication and Social Responsibility Committee Synnex (Thailand) PCL.
- 2015 - Present Member of Legal Risk Management Committee Synnex (Thailand) PCL.
- 2015 - Present Member of Operation Risk Management Committee Synnex (Thailand) PCL.
- 2015 - Present Member of Corporate Governance Committee Synnex (Thailand) PCL.
- 2014 - Present Chief Executive Officer - Synnex (Thailand) PCL.
- 2013 - Present Director - Thai British Security Printing PCL.

- **Position in Non-Listed Companies:**

- None -

- **Work Experiences**

- 2013 - 2015 Member of Financial Risk Management Committee Synnex (Thailand) PCL.
- 2013 - 2014 Vice President - Accounting and Finance & Corporate Secretary Synnex (Thailand) PCL.
- 2012 - 2013 Department Manager - Finance & Corporate Secretary Synnex (Thailand) PCL.
- 2009 - 2011 Corporate Secretary Synnex (Thailand) PCL.
- 2004 - 2006 Management Trainee (Institutional Dealer / Securities Analyst) UOB Kay Hian Securities (Thailand) PCL.

- **Relation among Family with other Directors and Executives**

- Yes - (Mr. Supant Mongkolsuthree - Chairman)

## Mr. Puttipan Tayarachkul

- **Senior Advisor**

- **Age 60**

- **Appointed: April 1, 1991**

- **% Shareholding as of December 31, 2018:**

27,558 shares (or 0.004%)

- **Educations / Certifications**

- Bachelor of International Trade, Cheng Chi University, Taiwan, R.O.C.
- Certificate Program of "Director Certification Program" (DCP), Thai Institute of Directors (IOD), Class 52 in B.E. 2007
- Certificate Program of TLCA Executive Development Program (EDP) Thai Listed Companies Association, Class 1 in B.E. 2008
- Executive Energy Program (EEP) The Federation of Thai Industries, Class 1 in B.E. 2015

- **Position in Listed Companies**

- 2019 - Present Senior Advisor - Synnex (Thailand) PCL.
- 2014 - Present Corporate Secretary - Synnex (Thailand) PCL.
- 2015 - Present Member of Legal Risk Management Committee Synnex (Thailand) PCL.
- 2015 - Present Member of Operation Risk Management Committee Synnex (Thailand) PCL.
- 2015 - Present Member of Corporate Governance Committee Synnex (Thailand) PCL.
- 2014 - Present Chief Executive Officer - Synnex (Thailand) PCL.

- **Position in Non-Listed Companies:**

- None -

- **Work Experiences**

- 1991 - 2018 Senior Executive Vice President - Operations Synnex (Thailand) PCL.
- 2015 - 2017 Member of Corporate Public Communication and Social Responsibility Committee Synnex (Thailand) PCL.
- 2010 - 2015 Member of Financial Risk Management Committee Synnex (Thailand) PCL.

- **Relation among Family with other Directors and Executives**

- None -

## Mr. Anuchit Boonyalug

- **Senior Advisor**
- **Age 65**
- **Appointed: February 1, 1993**
- **% Shareholding as of December 31, 2018:**  
17,954 shares (or 0.002%)
- **Educations / Certifications**
  - Master of Computer Sciences, West Coast University, U.S.A.
  - Bachelor of Science in Statistical Science, Kasetsart University
  - Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 2 in B.E. 2008
- **Position in Listed Companies**

2016 - Present	Senior Advisor Synnex (Thailand) PCL.
2013 - Present	Member of Operation Risk Management Committee Synnex (Thailand) PCL.
2010 - Present	Member of Corporate Governance Committee Synnex (Thailand) PCL.
- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

1993 - 2015	Senior Executive Vice President - Sales and Marketing Synnex (Thailand) PCL.
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- **Relation among Family with other Directors and Executives**  
- None -

## Ms. Sutasani Sukeechon

- **Chief Financial Officer and Legal**
- **Age 49**
- **Appointed: July 1, 2018**
- **% Shareholding as of December 31, 2018:**  
- None -
- **Educations / Certifications**
  - Master of Economics, Ramkhamhaeng University
  - Bachelor of Accountancy, Bangkok University
- **Position in Listed Companies**

2018 - Present	Chief Financial Officer and Legal - Synnex (Thailand) PCL.
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- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

2016 - 2018	Chief Financial Officer and Legal - Thai Insurance PCL.
2013 - 2015	Vice President - Accounting & Finance TAG Joint Stock company (Vietnam) Affiliates Berli Jucker PCL.
2012 - 2013	Vice President Finance - Minor Corporation PCL.
2009 - 2012	Finance & Accounting Manager - Samsonite (Thailand) Co., Ltd.
- **Relation among Family with other Directors and Executives**  
- None -

## Mr. Boonchai Ekapisit

- **Vice President Internal Audit**
- **Age 56**
- **Appointed: January 1, 2019 (Replacement Ms. Kingkaew Jutasompakorn)**
- **% Shareholding as of December 31, 2018:**  
431,778 shares (or 0.06%)
- **Educations / Certifications**
  - Bachelor of Business Administration (Marketing), Ramkhamhaeng University
  - Certificate of Mini MBA Program "Modern IT CEO", Faculty of Commerce and Accountancy, Chulalongkorn University
  - Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 5 in B.E. 2010
- **Position in Listed Companies**

2019 - Present	Vice President Internal Audit Synnex (Thailand) PCL.
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- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

2016 - 2017	Executive Vice President - Prism Solutions Co., Ltd.
2015 - 2016	Vice President - Bangkok Sales Synnex (Thailand) PCL.
2013 - 2015	Vice President - Sales and Marketing (Commercial) Synnex (Thailand) PCL.
2012 - 2013	Vice President - Bangkok Sales Synnex (Thailand) PCL.
2010 - 2011	Vice President - Sales and Marketing (Commercial) Synnex (Thailand) PCL.
2006 - 2010	Vice President - Sales Synnex (Thailand) PCL.
2002 - 2005	Department Manager - Sales Synnex (Thailand) PCL.
- **Relation among Family with other Directors and Executives**  
- None -

## Ms. Kamonsri Boonjang

- **Vice President Product controller and Purchasing**
- **Age 57**
- **Appointed: October 1, 1993**
- **% Shareholding as of December 31, 2018:**  
142,466 shares (or 0.02%)
- **Educations / Certifications**
  - Bachelor of Accountancy, Ramkhamhaeng University
  - Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 6 in B.E. 2010
  - Human Resource Processional Practice (HRP) The Federation of Thai Industries, Class 1 in B.E. 2015
- **Position in Listed Companies**

2017 - Present	Vice President - Product Controller and Purchasing Synnex (Thailand) PCL.
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- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

2016 - 2017	Vice President - Accounting
2015 - 2016	Member of Corporate Public Communication and Social Responsibility Committee
2015 - 2016	Vice President - Human Resource and Admin
2014 - 2015	Vice President - Product Controller and Purchasing
2004 - 2013	Vice President - Accounting
1993 - 2003	Vice President - Accounting and Finance
- **Relation among Family with other Directors and Executives**  
- None -

## Mr. Woraphot Thavornwan

- **Vice President - Sales and Marketing (Consumer), Marketing Communication and Investor Relations**
- **Age 41**
- **Appointed: May 3, 2016**
- **% Shareholding as of December 31, 2018:**  
103,587 shares (or 0.01%)
- **Educations / Certifications**
  - Master of Business Administration (General Management), Assumption University
  - Bachelor of Business Administration (International Business Management), Assumption University
- **Position in Listed Companies**

2019 - Present	Vice President - Sales and Marketing (Consumer), Marketing Communication and Investor Relations Synnex (Thailand) PCL.
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- **Position in Non-Listed Companies:**

2010 - Present	Visiting Lecturer in Marketing Management (BBA) - Bangkok University
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- **Work Experiences**

2016 - 2018	Vice President - Sales and Marketing Commercial Product, Notebook, E-Commerce, Marketing Communication Synnex (Thailand) PCL.
2012 - 2016	Vice President - Sales and Marketing Dell Corporation (Thailand) Co., Ltd.
2011 - 2012	Country Manager - Channel Sales Organization Hewlett-Packard (Thailand) Limited
2008 - 2011	Regional Manager - South-East Asia & Taiwan Hewlett-Packard (Thailand) Limited
2004 - 2008	Marketing Development Manager Hewlett-Packard (Thailand) Limited
- **Relation among Family with other Directors and Executives**  
- None -

## Mr. Pornthep Watcharamnouy

- **Vice President - Sales and Marketing Commercial & IOT**
- **Age 50**
- **Appointed: August 1, 2018**
- **% Shareholding as of December 31, 2018:**  
- None -
- **Educations / Certifications**
  - Master of Business Administration (International Business Management) Stamford International University (Thailand)
  - Bachelor of Business Administration (Marketing), Assumption University
  - Certificate Program of "Role of the Chairman Program", Thai Institute of Directors (IOD), Class 36 in B.E. 2015
- **Position in Listed Companies**

2019 - Present	Vice President - Sales and Marketing Commercial / Cloud / IoT Synnex (Thailand) PCL.
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- **Position in Non-Listed Companies:**

2019 - Present	Member of Industrial Promotion and Support The Federation of Thai Industries (F.T.I.)
2012 - Present	Managing Director - PT Automation (Thailand) Co., Ltd.
- **Work Experiences**

2018	Vice President - Sales and Marketing IoT Solution Group Synnex (Thailand) PCL.
2013 - 2015	Vice President - Advice Holdings Group Co., Ltd.
2013 - 2014	Member of East Asia Business - Board of Trade of Thailand
2002 - 2015	Managing Director and Country Manager (Southeast Asia) Asustek Computer (Thailand) Co. Ltd.
- **Relation among Family with other Directors and Executives**  
- None -

## Mr. Piyasit Thongyuak

- **Vice President Sales and Marketing Computing Device and Moderntrade**
- **Age 51**
- **Appointed: January 4, 2011**
- **% Shareholding as of December 31, 2018:**  
14,784 shares (or 0.002%)
- **Educations / Certifications**
  - Master of Public and Private Management, Class 3 National Institute of Development Administration (NIDA)
  - Bachelor of Business Administration (Marketing), Faculty of Commerce and Accountancy, Thammasat University
  - Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 11 in B.E. 2013
- **Position in Listed Companies**

2016 - Present	Vice President - Sales and Marketing Computing Device, Modern Trade Synnex (Thailand) PCL.
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- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

2015 - 2016	Vice President - Sales and Marketing Computing Device Synnex (Thailand) PCL.
2011 - 2014	Department Manager - Sales and Marketing Computing Device Synnex (Thailand) PCL.
- **Relation among Family with other Directors and Executives**  
- None -

## Mr. Prasit Panvichien

- **Vice President - Sales and Operations (Commercial)**
- **Age 47**
- **Appointed: July 16, 1995**
- **% Shareholding as of December 31, 2018:**  
30,748 shares (or 0.004%)
- **Educations / Certifications**
  - Master of Business Administration (Marketing), Ramkhamhaeng University
  - Bachelor of Arts (Political Science), Ramkhamhaeng University
  - Certificate of Mini MBA Program "Modern IT CEO", Faculty of Commerce and Accountancy, Chulalongkorn University
  - Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 10 in B.E. 2012
- **Position in Listed Companies**

2019 - Present	Vice President - Sales and Operations (Commercial) Synnex (Thailand) PCL.
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- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

2010 - 2018	Vice President - Provincial Sales and Operation Synnex (Thailand) PCL.
2006 - 2009	Department Manager - Regional Sales and Operations Synnex (Thailand) PCL.
1998 - 2006	Regional Branch Manager - North Region Synnex (Thailand) PCL.
- **Relation among Family with other Directors and Executives**  
- None -

## Ms. Tisakorn Wongyai

- **Vice President Sales Upcountry**
- **Age 50**
- **Appointed: May 3, 2016**
- **% Shareholding as of December 31, 2018:**  
23,587 shares (or 0.003%)
- **Educations / Certifications**
  - Bachelor of Humanities and Social Sciences, Khon Kaen University
- **Position in Listed Companies**  
2019 - Present Vice President Sales Upcountry - Synnex (Thailand) PCL.
- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

2016 - 2018	Vice President - Sales and Marketing Consumer Product Synnex (Thailand) PCL.
2011 - 2016	General Manager - Consumer and Commercial Product Ingram Micro (Thailand) Limited
2006 - 2010	Country Manager Ingram Micro (Thailand) Limited
- **Relation among Family with other Directors and Executives**  
- None -

## Ms. Jutarat Bunyanupapart

- **Vice President Services**
- **Age 52**
- **Appointed: March 8, 1999**
- **% Shareholding as of December 31, 2018:**  
11,469 shares (or 0.001%)
- **Educations / Certifications**
  - Master of Technology, Kasetsart University
  - Bachelor of Science (2nd class honors), Srinakharinwirot University
  - Certificate of Mini MBA Program "Modern IT CEO", Faculty of Commerce and Accountancy, Chulalongkorn University
- **Position in Listed Companies**  
2018 - Present Vice President Services - Synnex (Thailand) PCL.
- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

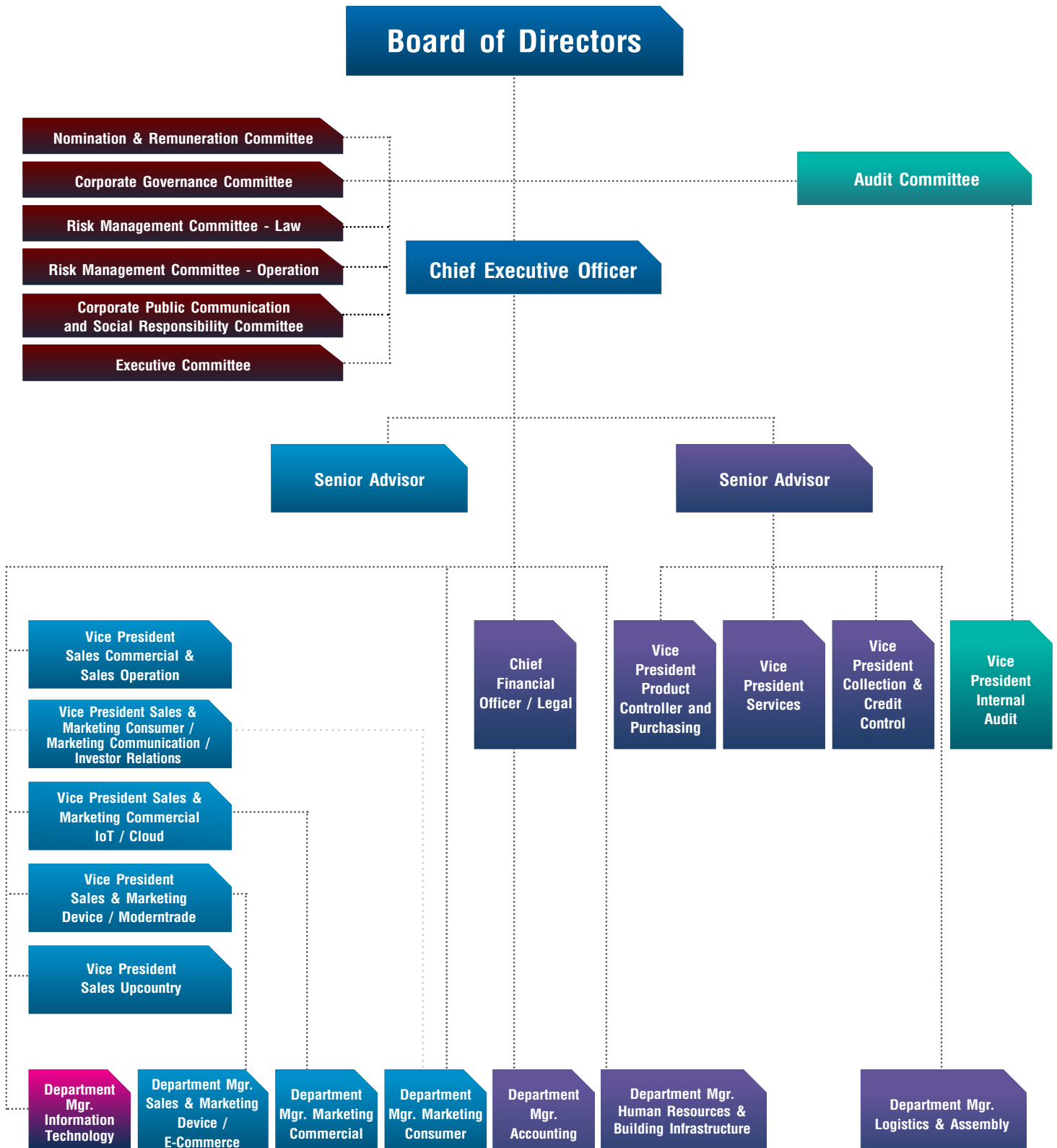
2007 - 2018	Customer Services Department Manager Synnex (Thailand) PCL.
1999 - 2007	Logistic Division Manager Synnex (Thailand) PCL.
1990 - 1998	Production Senior Supervisor Asahi Electronic (Thailand) Co., Ltd.
- **Relation among Family with other Directors and Executives**  
- None -

## Mrs. Haruthaikarn Phansuwan

- **Vice President Collection & Credit Control**
- **Age 57**
- **Appointed: July 1, 2008**
- **% Shareholding as of December 31, 2018:**  
61,750 shares (or 0.01%)
- **Educations / Certifications**
  - Master of Business Administration (Marketing), Dhurakij Pundit University
  - Master of Business Administration (Finance & Banking), Ramkhamhaeng University
  - Certificate of Mini MBA Program "Modern IT CEO", Faculty of Commerce and Accountancy, Chulalongkorn University
  - Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 18
- **Position in Listed Companies**  
2018 - Present Vice President Collection & Credit Control - Synnex (Thailand) PCL.
- **Position in Non-Listed Companies:**  
- None -
- **Work Experiences**

2008 - 2018	Collection & Credit Control Department Manager Synnex (Thailand) PCL.
1998 - 2008	Credit Manager - D Computer Co., Ltd.
- **Relation among Family with other Directors and Executives**  
- None -

# ORGANIZATION AND MANAGEMENT STRUCTURE





## THE BOARD OF DIRECTORS

As of 31 December 2018, the Board of Directors comprised of the following 13 directors:

NO.	NAME	POSITION
1	Mr. Supant Mongkolsuthree	Chairman
2	Mr. Tu, Shu-Wu	Director
3	Mr. Wei, Hui	Director
4	Mr. Tu, Shu-Chyuan	Director
5	Mr. Lin, Tai-Yang	Director
6	Mr. Su, Chih-Ching	Director
7	Ms. Sutida Mongkolsuthree	Director
8	Mr. Puttipan Tayarachkul	Director and Corporate Secretary
9	Mr. Somchai Apiwattanaporn	Independent Director and Chairman of the Audit Committee
10	Mrs. Maleeratna Plumchitchom	Independent Director and Audit Committee's Member
11	Mr. Vissut Sethaput	Independent Director and Audit Committee's Member
12	Mrs. Rawittha Pongnuchit	Independent Director and Audit Committee's Member
13	Mr. Kachachan Mongkoncharoean	Independent Director

### Authorized Directors Regarding the Legal Binding of the Company

The Company stipulates that at least 2 directors jointly sign together with the corporate seal affixed. Directors who are authorized signatories are Mr. Supant Mongkolsuthree Mr. Tu, Shu-Wu Mr. Puttipan Tayarachkul Mr. Lin, Tai-Yang Mr. Wei, Hui Mr. Tu, Shu-Chyuan Mr. Su, Chih-Ching and Ms. Sutida Mongkolsuthree. Two of these eight directors shall sign together with the corporate seal affixed.

### Composition and Qualifications of the Company's Board of Directors

- The Board of Directors is composed of at least 5 persons, with at least half of the appointed Board Directors being residents of Kingdom of Thailand. Board Directors must possess the qualifications as required by the law and as specified by the Articles of Association of the Company, and without any restrictions with regards to gender or other types of diversity or differences.
- The Board of Directors must also be composed of Independent Directors; whereby at least 1/3rd. of the total number of appointed Board Directors must be Independent Directors, who do not have any responsibilities for the management and operations of the business and who are fully independent of the Management group and those with controlling power over the Company.
- The Board of Directors must be composed of people who possess the qualifications and requirements as specified by Article 68 of the Public Company Act (BE 2535) together with the Articles of Association of the Company; as well as must not possess any of the disqualifications as specified by the SEC Announcement No. Kor Jor 12/2543.
- The Board of Directors must be composed of persons who possess knowledge, and capabilities as well as other appropriate qualifications that are aligned with the established strategies of the Company together with special expertise relating to legal matters, finance and accounting, and Government regulations that are applicable to the Company's business operations. This is so to enable the Board to determine the corporate strategies and core policies together with being able to oversee compliance with the stated strategies in an effective and productive manner. As such, there should be no restrictions with regards gender, age, nationality, religious beliefs or any other specialized qualifications whatsoever.

5. Members of the Board of Directors can hold Board Directorships in not more than 5 other listed companies.
6. The position of the Chairman of the Board of Directors and the Chief Executive are not to be held by the same person, with clear separation of their respective roles and duties.

### **Scope of Authority and Responsibility of the Company's Board of Directors**

The Board of Directors has the role and responsibilities to oversee and ensure that the operations of the Company are undertaken in accordance with the principles of good corporate governance and also with the established required business conducts for Board Directors of listed companies as specified by the Stock Exchange of Thailand (SET) as follows:

1. Determine the overall objectives, strategic directions and key policies of the Company; to review and concur with proposed corporate strategies, business plans, budgets, planned investments, and any key operating projects or activities of the Company; to oversee and monitor, on a regular basis, that Management undertakes operational activities in accordance with the agreed business plans that are based on the established corporate objectives and strategies, in order to ensure that Management will be able to realize the established vision, directions and corporate strategies in a fully effective manner.
2. Oversee and monitor full compliance with all applicable laws together with the established objectives and regulations of the Company – such as: legal requirements relating to matters that require specific approval by the Shareholders Meeting eg: capital increase, capital decrease, issue of debentures, partial and/or total sales or transfer of any key businesses of the Company to other parties, purchases by the Company or transfers to the Company of any businesses/companies, and additions or amendments to the Articles of Association or Regulations of the Company; as well as to oversee and monitor compliance with the Securities and Exchange laws, and regulations of the Stock Exchange of Thailand (SET) – such as: reporting related transactions in accordance with the regulatory requirements as specified by the Stock Exchange of Thailand (SET) or any involved laws applicable to the businesses of the Company.
3. Determine a policy on good corporate governance practices together with on ethical business conducts,

to serve as positive operating guidelines for Board Directors, the Management Group, and Staff of the Company in recognizing and being committed to being fully accountable in discharging their duties and assigned responsibilities, as well as to facilitate a good understanding, on their part, so as to enable full adherence to these principles in order to be equitable for all Stakeholder groups.

4. A succession plan must be defined and determined together with human resources development plans for the Staff, Board Directors and members of the Management Group on a continuing basis.
5. Determine and establish a system of Financial reporting that is credible, together with procedures to assess the adequacy, appropriateness and effectiveness of the established systems of internal controls and internal audit processes as well as of the system of risk assessment and risk management.
6. Arrange and ensure that the Financial Statements and Profit & Loss Statements of the Company are prepared, as required, for each Financial period at the end of each respective Financial period, which Financial reports will be audited by the Auditors and then submitted for consideration and approval by the Shareholders Meeting.
7. Arrange to hold the Annual General Shareholders Meeting every year within 4 months from the end of the Financial year of the Company; as well as arrange to establish appropriate channels of communications with Shareholders; and oversee that relevant information disclosures are made in a comprehensive manner so as to create confidence, equally among all Shareholders, that such disclosures are accurate, clearly stated, fully transparent and credible.
8. Arrange to hold Board Meetings at least every 3 months, with not less than 2/3 of all appointed Board Directors attending each meeting.
9. Consider and establish the governance and management structure of the Company – from the Executive Committee, the Chief Executive Officer, and the Sub-Committees as appropriate.
10. The Board of Directors can authorize or empower a specific Board Director or a group of Board Directors or other Executives to act on behalf of the Board relating to a specific responsibility and within a specific timeframe as authorized by and within the oversight of the Board of Directors as considered appropriate; whereby the

Board of Directors can rescind and amend the scope of this delegated authority or change the names of those being empowered with the authority at any time as considered appropriate.

11. A Board Director is forbidden to undertake any business activities that is similar in nature to or in competition with those of the Company, or to be a shareholder or partner, with unlimited liabilities in any businesses, limited partnerships, or to be a Director in any private or other types of companies that are similar in nature to or in competition with those of the Company, regardless of whether for personal gain or for the benefit of others, unless this matter is informed and disclosed to the Board of Directors in advance prior to taking up such positions with other businesses or companies
12. Board Directors must disclose, without delay, if they have any vested interests, either directly or indirectly, relating to any contracts or agreements that the Company is planning to execute with other parties; as well as if they own any shares or debentures of the Company or whenever there are any changes ie: increases or decreases in such shareholdings in the Company or Companies within the Group.
13. Board Directors are required to adhere to the importance of conducting the Company's business with full corporate social responsibility together with responsibility towards the environment, so as to support and promote overall improved well-being of the society and environment together with coexistence in a sustainably happy manner.

## Qualifications of Independent Directors

The Board of Directors is comprised of 5 Independent Directors or more than 1/3 of the total number of appointed Board Directors. As such, these Independent Directors are not involved in the management of the Company as well as are fully independent of the Management group and of the majority Shareholder group. They possess the following qualifications, that are in accordance with the announcement of the Office of the Securities and Exchange Commission (SEC), which is a key component of the principles of good corporate governance.

1. Hold not more than 1% of the outstanding and fully paid up capital of the Company, of any Subsidiary Companies, of any Companies within the Group, of any Joint Venture Companies or of any Associated Companies; whereby this also includes those shareholdings owned by any related party to the Independent Director.

2. Is not involved with or does not participate in any management activities of the Company, of any Subsidiary Companies, of any Companies within the Group, of any Joint Venture Companies or of any Associated Companies, or the majority Shareholder group of the Company; as well as is not an employee or staff of or a consultant to, with a regular salary or income, the Company, any Subsidiary Companies, any Companies within the Group, any Joint Venture Companies or any Associated Companies, and the majority Shareholder group of the Company.
3. Has no benefits or vested interests, whether directly or indirectly and regardless of whether they involve any Financial benefits or management participation in the Company, in any Subsidiary Companies, in any Companies within the Group, in any Joint Venture Companies or in any Associated Companies; whereby the nominee must not have had such vested interests or benefits or involvement, as described above, for a period of not less than 2 years prior to being appointed as an Independent Director.
4. Not being related and involved with or a close relative of any member of the Executive group or the majority Shareholder group of the Company.
5. Has not been appointed as a representative, with regards to protecting the rights and benefits, of a Board Director, or the majority Shareholder group of the Company or a party related to the majority Shareholder group of the Company.
6. Able to discharge the required responsibilities, express opinions and report the outcome of any responsibilities as assigned by the Board of Directors in a fully independent manner as well as without being influenced by the Management group or the majority Shareholder group of the Company, including any other involved persons or close relatives of such parties.

## Term of Office for Board Directors

At every Annual General Shareholders Meeting (AGM) at least 1/3rd of the appointed Board Directors must resign by rotation; whereby if the total number cannot be fully divided by 3, then the nearest number to 1/3rd of all the Board of Directors will resign. As such, in the First and second year after listing those Board Directors who must resign will be determined by drawing lots; and thereafter those Board of Directors with the longest tenure will resign by rotation. Those Board Directors who resign may be elect to be reappointed as a Board Director for another term.

## THE BOARD COMMITTEES

So as to enable the Board of Directors to discharge its responsibilities in an effective manner, the Board will appoint various Board Committees that comprise of: The Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, the Legal Risk Management Committee, the Operations Risk Management Committee, the Corporate Public Communication and Social Responsibility Committee, and the Executive Committee.

### Audit Committee

The Audit Committee has been established in accordance with the resolution of the Board of Directors to promote

good corporate governance and enhance the efficiency of building the condence and reliability of the Financial reports presented to the shareholders and other stakeholders. Also, the Committee is to review and evaluate the internal control system, risk management, and internal audit system, and also to ensure that the operation comply with its good corporate governance policy.

The Audit Committee shall consist of Independent Directors and Non-Executive Directors with the qualifications fully conformed with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

As of 31 December 2018, the Audit Committees comprised of the following 4 Independent directors:

NO.	NAME	POSITION
1	Mr. Somchai Apiwattanapron	Chairman of the Audit Committee (Independent director)
2	Mrs. Maleeratna Plumchitchom	Member (Independent director)
3	Mr. Vissut Sethaput	Member (Independent director)
4	Mrs. Rawittha Pongnuchit	Member (Independent director)

### Scope of Authority and Responsibilities of the Audit Committee

1. To review the accuracy of the Company's Financial reports in accordance with legally defined accounting principles, and to ensure that there is adequate disclosure
2. To review the Company's internal control system including risk management system and internal audit system to ensure that they are suitable and efficient, to determine the internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit's or any other unit in charge of an internal audit
3. To review that the Company complies with the requirements of the Securities and Exchange Commission, SET, and all laws relating to the Company's businesses
4. To consider selecting and nominating the Company's Auditor and determining their annual remuneration while also reviewing the Auditor's independence as well as removing the Auditor in addition to meeting exclusively with the Company's Auditor without Management's members present at least one time a year

5. To review all connected transactions and possible conflicts of interests to ensure they are in compliance with the laws and regulations of SET to ensure that all transaction is reasonable and beneficial to the Company and all its stakeholders
6. To review and approve the annual internal audit plan and the performance of the internal audit unit's
7. To review the Company anti-corruption policy and other operational measure including any operational requirement that related to change of business, regulation and legal requirements
8. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the Audit Committee's Chairman and consist of at least the following information
  - (a) An opinion on the accuracy, completeness and creditability of the Company's Financial report
  - (b) An opinion on the adequacy of the Company's internal control system
  - (c) An opinion on the compliance with the law on securities and exchange, SET's regulations, or the laws relating to the Company's business
  - (d) An opinion on the suitability of an auditor
  - (e) An opinion on the transactions that may lead to conflicts of interests
  - (f) The number of Audit Committee meetings, and the attendance of such meetings by each committee member
  - (g) An opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter
- (h) Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors
9. To continue the inspection when the external auditor informs regarding any suspicious circumstance that the director, manager or any person responsible for the operation of such juristic person commits an offence under the law on the Security and Exchange and the Audit Committee shall report the result of preliminary inspection to the Office of the Securities and Exchange Commission and the external auditor within thirty days
10. To report the discussion and/or decision of the Audit Committee at its meetings and make recommendation as necessary to the Board of Directors at least four times a year. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts, which may materially affect the Company's Financial condition and operating results, the Audit Committee shall report it to the Board of Directors for rectification within the period of time that the Audit Committee thinks fit
  - (1) Transactions which may cause conflicts of interest
  - (2) Fraud or irregular events or material laws in the internal control system
  - (3) Violations of laws pertaining to Securities and the Stock Exchange, the regulations of the Stock Exchange, or laws pertaining to the Company's business

Should the Board of Directors or management fail to remedy the issues within the timeline specified by the Audit Committee, a member of the Audit Committee may report the issue to the SEC or the SET

11. To have the authority to invite concerned executives, management and Officers of the Company to express opinions, attend meeting or deliver documents as deemed necessary
12. To evaluate the scope of the performance of the Audit Committee on an annual basis
13. To Review the Charter of Audit Committee in order to compatible with the current situations
14. To perform other duties as assigned by the Board of Directors of the Company with the consent of the Audit Committee

## Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for the recruitment and selection of qualified persons, who are considered appropriate to be proposed to the Board of Directors for appointment as Board Directors, as well as for defining the policies and criteria relating to the remuneration structure for Board Directors that is transparent and fair.

The Nomination and Remuneration Committee is comprised of the following 3 Members:

NO.	NAME	POSITION
1	Mr. Somchai Apiwattanapron	Chairman of the Nomination and Remuneration Committee
2	Mrs. Maleeratna Plumchitchom	Member
3	Mr. Tu, Shu-Chyuan	Member

## Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

1. Determine policies, required qualifications and selection criteria for those persons to be considered for nomination as Board Directors and Members of Board Committees.
2. Undertake the selection of those qualified persons to be considered for nomination, who possess the abilities and experiences appropriate for the Company's businesses; and then, in the event that the position becomes vacant, recommend such candidates to be nominated as Board Directors and Members of the various Board Committees to the Board of Directors and/or the Shareholders Meeting (as applicable).
3. Define policies and criteria for determining remuneration for Board Directors, (ie: meeting allowances and/or other types of monetary or non-monetary compensation), and then propose to the Board of Directors and/or Shareholders Meeting for approval (as applicable).
4. At least half of the Members of the Nomination and Remuneration Committee must attend each Committee meeting; and a resolution of the Nomination and Remuneration Committee requires a majority vote; whereby in the event of a tie-vote the Chairman of the Nomination and Remuneration Committee will have one additional deciding vote.
5. The Nomination and Remuneration Committee will meet at least once each year.
6. The Nomination and Remuneration Committee will undertake any other duties as assigned by the Board of Directors, as appropriate.



## Corporate Governance Committee

The Corporate Governance Committee is responsible for defining good corporate governance policies and practices, as specified by the principles and criteria relating to good governance and the Company’s Code of Ethics and Business Conduct towards all other involved parties; as well as for

overseeing that good governance practices are adhered to, with regards to both internal and external parties, in an equitable manner without any bias and on a continuing basis.

The Corporate Governance Committee is comprised of the following 4 Members:

NO.	NAME	POSITION
1	Mr. Vissut Sethaput	Chairman of the Corporate Governance Committee
2	Ms. Sutida Mongkolsuthree	Member
3	Mr. Puttipan Tayarachkul	Member
4	Mr. Anuchit Boonyalug	Member

## Scope of Duties and Responsibilities of the Corporate Governance Committee

1. Define and then propose, to the Board of Directors for consideration and approval, the Company’s good governance policies and practices; as well as then monitor that these policies and practices are complied with in the various operational activities. Review such policies and practices on a regular basis, so that they remain relevant and appropriate for the Company.
2. Define and oversee policies relating to human resources management, based on the principles of good corporate governance.
3. The Corporate Governance Committee will meet at least 6 times a year, with at least half of total Members of the Committee to attend each meeting; whereby a resolution of the Corporate Governance Committee requires a majority vote.
4. The Corporate Governance Committee will undertake any other duties as assigned by the Board of Directors, as appropriate

## Legal Risk Management Committee

The Legal Risk Management Committee is responsible for overseeing and controlling corporate legal documents as well as the internal management activities of the Company, so as to ensure that they all comply with the current applicable laws and regulations. Additionally, the Committee may consider applying existing laws and legal

procedures, so as to monitor and expedite any legal cases that have occurred or may occur, as well as make use of any legal proceedings to prevent various potential risks from occurring that may result in damages for the Company.

The Legal Risk Management Committee is comprised of the following 4 Members:

NO.	NAME	POSITION
1	Mrs. Rawittha Pongnuchit	Chairman of the Legal Risk Management Committee
2	Ms. Sutida Mongkolsuthree	Member
3	Mr. Puttipan Tayarachkul	Member
4	Pol.Gen. Rachatha Yensuang	Member

### Scope of Authority and Responsibilities of the Legal Risk Management Committee

- Review and amend the Charter of the Legal Risk Management Committee once a year, so that it always remains timely, current and appropriate to the present business environment for the organization.
- Review and consider, together with the Management and the involved Department Managers, the operational legal aspects of the Company.
- Review, consider and Define policies relating to various legal issues; and also oversee that various applicable operational procedures or measures correspond to the provisions of the law. Provide recommendations and, together with involved Departments, Define policies and oversee that the various operational procedures and measures, rules and regulations of the Company correspond to the provisions of the law.
- Authorize to review and amend rules, regulations, or any contracts relating to Company's internal management activities or other associated issues, so that they correspond to the provisions of the law. Provide legal advice relating any lawsuit filing and procedures, legal judgment and enforcement, and any ongoing legal proceedings or those to be undertaken.
- Report to the Company's Board of Directors, on a regular basis, on any matters that need to be improved, so as they correspond to established Company policies and strategies.
- The meeting of the Legal Risk Management Committee will be attended by not less than half of the total existing Members; whereby the resolution of the Committee will require a majority vote.
- The Minutes of the Committee meetings must be submitted to the Board of Directors for acknowledgement.
- The Committee shall meet at least 6 times per year.





## Operations Risk Management Committee

The Operations Risk Management is responsible for reviewing the adequacy and effectiveness in managing risks relating to the operations of business partners that may impact the organization, through taking into consideration both present

and future risk situations or factors, so as to reflect the stated vision and Code of Ethics and Business Conduct of the Company as well as established principles of good corporate governance.

The Operations Risk Management Committee is comprised of the following 5 Members:

ลำดับ	รายชื่อ	ตำแหน่ง
1	Mrs. Maleeratna Plumchitchom	Chairman of the Operations Risk Management Committee
2	Mr. Somchai Apiwattanapron	Member
3	Ms. Sutida Mongkolsuthree	Member
4	Mr. Puttipan Tayarachkul	Member
5	Mr. Anuchit Boonyalug	Member

## Scope of Authority and Responsibilities of the Operations Risk Management Committee

1. Define policies and business partner operations risk guidelines; and then propose to the Board of Director for consideration the overall risk management measures covering such key aspects as: credit risk, obsolete inventory risk, operations risk and other risks that will impact to the Group’s corporate reputation or image.
2. Define strategies that conform to the established Operations Risk Management Policy; whereby the risks relating to respective business partners can be monitored and reviewed so that they can be managed at appropriately acceptable levels; as well as ensure they effectively comply with established criteria as specified by the Company.
3. Review the adequacy of established policies and the efficiency of overall the Operations Risk Management procedures so that they correspond with established policies.
4. The Operations Risk Management Committee will meet at least 6 times a year, with at least half of the Committee’s Members must be present at each meeting; whereby a resolution of the Committee requires a majority vote.
5. Undertake any other duties assigned by the Board of Directors of the Company, as appropriate.

## Corporate Public Communication and Social Responsibility Committee

The Corporate Public Communication and Social Responsibility Committee is responsible for communicating corporate public relations information and corporate image, so as to add value to its business operations with regards to the economic, marketing, investor relations (IR), corporate social

responsibility, and environmental responsibility aspects of its operations in an effective and continuous manner. These operational aspects or components are aimed at benefiting all involved internal and external parties.

The Corporate Public Communication and Social Responsibility Committee is comprised of the following 4 Members.

NO.	NAME	POSITION
1	Mr. Kachachan Mongkoncharoean	Chairman of the Corporate Public Communication and Social Responsibility Committee
2	Ms. Sutida Mongkolsuthree	Member
3	Mr. Woraphot Thavornwan	Member
4	Mr. Chakaphan Oonhaprasertkul	Member

## Scope of Authority and Responsibilities of the Corporate Public Communication and Social Responsibility Committee

1. Define policies, objectives and strategies of the CC, PR & CSR Committee, so as to correspond to the stated vision and corporate strategies with regards to the Company's overall commitment and focus to strengthen its business operations, as well as to achieve sustained growth and development.
2. Develop various channels of communications that are relevant and timely, so as to effectively support the Company's business operations to be conducted in accordance with and to achieve the policies, strategies, objectives and business plans as specified by the Company's Board of Directors.
3. Oversee as well as monitor information disclosures and required notifications to the various involved regulatory authorities in accordance with the rules and regulations specified by the Stock Exchange of Thailand and other involved parties.
4. Oversee communications with investors and associated activities of the Investor Relations Department in an effective manner, so that investors and shareholders are fully informed of their rights, benefits and privileges.
5. Support and disseminate information about the Company's activities with regards to its Corporate Social Responsibility (CSR) and care for the environment, so that such public relations communications will serve to inform as well as make the general public and other external parties aware about such activities in an effective manner and on a continuing basis.
6. The Corporate Public Communication and Social Responsibility Committee will meet at least 6 times a year, with each meeting to be attended by at least half of the total number of the Committee Members; whereby resolutions of the Committee require a majority vote.
7. Report the outcome of the activities of the Corporate Public Communication and Social Responsibility Committee directly to the Board of Directors on a Quarterly basis.
8. Undertake any other duties as assigned by Board of Directors, as appropriate.



## Executive Committee

The Executive Committee is charged with overseeing the Company’s overall operations and administrative activities, in accordance with the agreed objectives, goals and policies within the applicable legal framework and scope of authority

of the Board of Directors. Additionally, the Executive Committee represents the Company with regards to external parties, and will act for the overall interests and benefit of the Company.

The Executive Committee is comprised of the following 3 Members:

NO.	NAME	POSITION
1	Ms. Sutida Mongkolsuthree	Chairman of the Executive Committee
2	Mr. Puttipan Tayarachkul	Member
3	Mr. Anuchit Boonyalug	Member

### Criteria and Qualifications in appointing Members to the Executive Committee, and Term of Office

1. The Company’s Board of Directors is responsible for establishing and appointing Members of the Executive Committee, through selecting from some of the Board Directors and Senior Executives of the Company who possess those qualifications considered appropriate for the assigned responsibilities. The Board of Directors also appoints one of those Members to be the Chairman of the Executive Committee or Chief Executive Officer (CEO).
2. Members of the Executive Committee have a 3-year term of Office, with the Nomination and Remuneration Committee being responsible for determining the remuneration for Members of the Executive as well as for considering appropriately qualified Board Directors and Senior Executives and nominating such persons to the Board of Directors for approval in being appointed to the Executive Committee every 3 years. However, the Chief Executive Officer and Members of the Executive Committee who retire by rotation can be nominated and reappointed for another term of Office.
3. The Executive Committee must arrange to convene Executive Committee meetings as appropriate; and all Executive Directors are required to regularly attend such meetings.

4. At all Executive Committee meetings, there must not less than half of all the appointed Members attending so as to constitute a quorum for a meeting to take place.
5. Members of the Executive Committee will not receive any meeting allowances in attending Executive Committee meetings.

### Scope of Authority and Responsibilities of the Executive Committee

1. Oversee and conduct the business activities of the Company; Define the goals, business strategies, and business expansion plans of the Company in accordance with the established vision, mission, strategies, policies, and resolutions of the Board of Directors, which are not contrary to the applicable laws, together with the rules and regulations of the Company.
2. Consider for approval the overall executive structure, salary, and bonus as well as other employee rewards and incentives that are aimed at promoting staff motivation and morale. Review the Company’s management structure from the Department level downwards; and Define the operational procedures of the Company’s staff so as to not be in conflict with all applicable laws and regulations.
3. Consider for approval the Company’s annual budget, to be submitted for further approval by the Board of Directors.

4. Undertake any legal transactions, in the name of the Company, as authorized by the established policies, regulations and scope of authority of the Executive Committee and assigned by the Board of Directors.
5. Consider for approval the proposed applications for credit facilities of the Company; Define the Company's policies together with overall investment directions and activities in accordance with the established investment policies of the Company.
6. Consider for approval or acknowledge other relevant management issues, as deemed necessary or appropriate by the Executive Committee.
7. The Chief Executive Officer, as the Chairman of the Executive Committee, oversees to ensure performance effectiveness of the Committee in accordance with the above mentioned duties and responsibilities. Oversees and ensures that Company's internal controls system is adequate, comprehensive and appropriate, through close coordination and collaboration with the Audit Committee.
4. Determine the Company's business plans and annual budget relating to the normal conduct of its businesses for submission to Board of Directors for its consideration and approval.
5. Approve the budget for significant investments, as incorporated in annual expenditures plans as authorized and assigned by the Board of Directors or as per any previous resolutions of the Board of Directors
6. Determine and approve loans or borrowings and issue of any Financial instruments to the general public, together with the any guarantees and loan collaterals to be given or any applications for credit facilities, for proposing to the Board of Directors Meeting for final approval.
7. Define and determine the Company's mission, objectives, operating guidelines, and policies; as well issue any orders in overseeing the overall operations of the Company.
8. Delegate any authority or assign others to act on behalf of the CEO, or both, within the framework of the Company's rules and regulations or authority as given by the Board of Directors or the Company, or both. The delegation of such authority, in legally binding the Company, requires the joint approval of any two of these three persons: the Chief Executive Officer and the 2 Senior Vice Presidents, together with affixing the corporate seal.

## **Scope of Authority and Responsibilities of the Chief Executive Officer**

The Company's Board of Directors has determined and assigned the CEO to have the duty, responsibilities and associated authority to manage the overall business operations of the Company in accordance with the established corporate policies, as follows:

1. Oversee and manage the Company's daily operations and activities
2. Manage the Company's overall operations in accordance with established Company policy, business activities plan, and approved budget as determined by the Board of Directors.
3. Act as the authorized person, under the established Company regulations, to manage, in a comprehensive manner, the Company's operations in accordance with the established Company objectives and policies, as well as with its rules and regulations and together with the resolutions of the Shareholders Meeting and/or the Board of Directors Meeting.
9. Monitor and evaluate the company's operations, so as to prevent any possible impact from both internal and external risk factors.
10. Consider entering into any business agreements or contracts that are beneficial for the Company; as well as determine associated procedures and methods in negotiating such contracts to be proposed to the Board Meeting for final approval. As such, any two of these three persons - the Chief Executive Officer and the 2 Senior Vice Presidents - together are required to sign such agreements or contracts with affixing the corporate seal, so as to be legally binding on the Company.

11. Consider the allocation of pension payments, rewards or other compensation to be given to the Company's employees or other involved parties who undertake any business for the Company, as approved by a resolution of the Board of Directors
12. Authorized to employ and appoint any employees to various Management positions within the Company, as well as to transfer them to other Departments or to dismiss them from the Company. Also authorized to determine the terms of employment and remuneration or compensation, bonus and other additional benefits with regards to the employees of the Company.
13. Authorized to issue orders, rules and regulations, and associated memoranda so as to ensure that all operational activities and performances are in accordance with the policy and to the benefit of the Company, as well as to maintain regulations and discipline within the Company.
14. Undertake any other duties as assigned by the Board of Directors, as appropriate.

Nevertheless, the authority or assigning the authority to the third parties will not include the authority and/or assigning the authority to approve any activities that may have the conflicts of interest with the Company or the subsidiaries company as determined in the rule and regulations of the Stock Exchange of Thailand. The approval of such activities shall be proposed to the Board of Directors Meeting and/or the Shareholders Meeting to consider and approve such activities according to regulations or relevant laws.

## Board Meetings

The Company arranges to hold one Board Meeting at least every 3 months, with Board Meetings being scheduled in advance for the whole year and informed to all Board Directors so as to facilitate them to plan their time in being available and able to attend the scheduled Board Meetings. For each Board Meeting not less than 2/3rd. of the total number of appointed Board Directors must be present to form a quorum for the Board Meeting; whereby

the attendance record for Board Meetings of each respective Board Director during the year will be disclosed in the Company's Annual Report.

The Company sends out notifications of Board Meetings together with the proposed Agenda for consideration as well as all associated supporting documents, that are clear, adequate and appropriate, at least 5 working days in advance prior to the scheduled date of the Board Meeting so that each Board Director can have sufficient time to read and review the information beforehand.

## The Evaluation of the Board of Directors and the Sub-Committees

The Company has a policy to ask the Board of Directors and the Sub-Committees (as a whole and an individual basis) to evaluate its performances at least once a year to consider and review their performances, issues and obstacles over the year and to increase the effectiveness of the Board of Directors and the Sub-Committees. The evaluation results are beneficial to consecutively improve the efficiency of the Board of Directors and the Sub-Committees.

## Performance Evaluation of the Board of Directors

The Company gives the Board of Directors evaluation forms to all members so they are able to evaluate the performances during the year collectively. The areas to be assessed are qualification, roles and responsibilities, meeting, performances of the Board of Directors, relationship with Management and self-improvement of the Board of Directors and Executive development. After day complete the forms, the Board of Directors send them to the corporate secretary who collects the results of each member, summarizes and analyzes the performances of the Board of Directors during the year.

## The Criteria of Evaluation of the Board of Director.

- Scores above 85 are considered "Excellent"
- Scores above 75 are considered "Good"
- Scores above 65 are considered "Moderately Good"
- Scores above 50 are considered "Average"
- Scores below 50 are considered "Needs Improvements"

## The Evaluation of the Board of Directors' Performance

1. Board of Directors: the performance evaluation of Board of Directors are considered “Excellent”, point average was 99.
2. Audit Committee: the performance evaluation of Audit Committee are considered “Excellent”, point average was 93.
3. Nomination and Remuneration Committee: the performance evaluation of Nomination and Remuneration Committee are considered “Excellent”, point average was 100.
4. Corporate Governance Committee: the performance evaluation of Corporate Governance Committee are considered “Good”, point average was 79.
5. Legal Risk Management Committee: the performance evaluation of Legal Risk Management Committee are considered “Excellent”, point average was 98.
6. Operation Risk Management Committee: the performance evaluation of Operation Risk Management Committee are considered “Excellent”, point average was 98.
7. Corporate Public Communication and Social Responsibility Committee: the performance evaluation of Corporate Public Communication and Social Responsibility Committee are considered “Excellent”, point average was 90.

## The evaluation of the Chief Executive Officer

The Company evaluated the Chief Executive Officer's performance which the areas to be assessed are: leadership / determination of strategic planning / compliance strategy / Financial planning and results of Financial operations / relationship with Directors / external relation / management and employee relation / succession / product knowledge and individual characteristic. The Board of Directors had a resolution to the Chief Executive Office's performance which are considered “Excellent”, point average was 99.

## Policies and criteria for selection, nomination and appointment of Board Directors

The Nomination and Remuneration Committee is responsible for considering persons deemed qualified to be selected and proposed as nominees for appointment as a Board Director of the Company, in order to replace those Board

Directors who have completed their term of Office or due to any other situation, and to be proposed to the Board of Directors for their concurrence and/or to the Shareholders Meeting for final consideration and approval. Such qualified persons must possess leadership skills, broad vision, and good moral ethics, together with a transparent and positive professional business experience. Also great importance is placed on achieving a positive Board Diversity that comprises of Directors possessing the appropriate qualifications and experiences corresponding to the Company's strategies, together with having the required specific knowhow and expertise within the Board of Directors. This is in order that the Board will be capable of determining effective strategies and policies, together with being able to oversee, in an effective and productive manner, their execution and implementation. As such, the proposed qualifications and criteria for Board Directors are:

- Having a leadership role, broad vision, good ethics and honesty; as well as being fully committed to good corporate governance practices
- Possessing a mature and stable personality and being a good listener; as well as willing to express an opposing opinion and speaking out independently
- Committed to working standards as a professional; and able to fully devote full efforts as well as time – especially with regards to making important decisions based on information and reasons for the overall benefit of the Company
- Having a positive range of diversity among the Board Directors – such as, educational background, gender, and age etc.
- Being knowledgeable and well-experienced; and having specific knowledge or expertise that is divided into these 3 areas: legal matters, Government rules and regulations applicable to the business operations, and finance and accounting with required specific knowledge about Financial statements/reporting and accounting standards
- Not being a person with any prohibited qualifications as specified by the applicable law on public companies; as well as not being a person who is listed in the ‘Black List’ of any organization, or having received a guilty judgment or verdict in a criminal legal proceeding.
- A Board Director who is an Independent Director must possess all the qualifications and criteria as specified for Independent Directors
- Consideration of any other qualifications that are considered to be appropriate, applicable, and reasonable by the Board of Directors

## Policies and criteria for selection, nomination and appointment of top Executives

Those persons being considered for appointment as a top Executive of the Company will be considered by the Nomination and Remuneration Committee so as to screen and ensure that they possess all the required and appropriate qualifications, knowledge, professional experiences, specific expertise, leadership qualities, management skills, and good understanding to the Company's business. Those considered qualified will then be proposed and nominated to the Board of Directors for consideration and approval.

## Policy on the Remuneration for Board Directors

The Board of Directors has assigned the Nomination and Remuneration Committee to be responsible for considering, determining and proposing the annual remuneration for Board Directors to the Board of Directors to consider and submit to the AGM for approval; whereby as such, this is a regularly scheduled Agenda Item for consideration and approval at each AGM. As such, the proposed remuneration for Board Directors must be aligned with and appropriate to their assigned duties and required responsibilities, as well as be equitable and aligned with the annual performance results of the Company together with being comparable to the remuneration given to Board Directors in other SET-listed companies of a similar size within the same industry/business sector.

## Director and Executive Development

### Director Training

The Company is supportive in providing extra training to Directors and also applied to support the Thai Institute of Directors (IOD) to gain benefits related to increasing knowledge to help them better perform their duties

IOD Training Courses of the Board of Directors as following:

NAME	DAP	DCP	ACP
1. Mr. Supant Mongkolsuthree	2004	2004	-
2. Mr. Somchai Apiwattanapron	2004	2006	2008
3. Mrs. Maleeratna Plumchitchom	-	2004	-
4. Mr. Vissut Sethaput	-	2004	2005
5. Mrs. Rawittha Pongnuchit	-	2005	-
6. Mr. Kachachan Mongkoncharoean	2011	-	-
7. Ms. Sutida Mongkolsuthree	-	2016	-
8. Mr. Puttipan Tayarachkul	-	2007	-

## Board Directors orientation

The Company undertakes an orientation program for newly appointed Board Directors so that they will be informed about and made aware of the Company's business policies, the overview of the types of business operations and activities, the Financial structure, and the corporate structure and operating performance results; as well as being provided with other relevant information on the business and the various applicable laws and regulatory requirements which information will be beneficial and useful for Board Directors - with details as follows:

1. Company's Afdavit and Articles of Association
2. Names of Members of the main corporate Board of Directors and names of the Board of Directors of Subsidiary Companies
3. Role and duties of the Board of Directors and those of the various subcommittees
4. Code of Conduct
5. Minutes of the Ordinary Annual General Shareholders Meeting (for the latest year)
6. Minutes of the Board of Directors Meetings (for the latest year)
7. The Company's Annual Report (for the latest year)
8. Form 56-1 (for the latest year)
9. Financial Statements (for the latest year)
10. Timeline of Board of Directors Meetings for the year for the current year.

## **Succession Plans and Development of Senior Management / Executives**

The Board of Directors has assigned the Executive Committee to develop and determine a succession plan for key positions; whereby the Chief Executive Officer is responsible for reporting to and informing the Board of Directors about the current succession plans on a regular basis, so that the Board will be content that the Company has in place a systematic process for the selection of appropriately qualified persons to assume key Management/ Executive positions and associated responsibilities at every management level. This information will then be used to develop senior Management /Executives persons, so that they are well-prepared in succeeding to the respective designated positions as planned.

## **Corporate Secretary**

The Board of Directors' Meeting No. 5/2014, held on 6 November 2014, appointed Mr. Puttipan Tayarachkul, Senior Advisor to be the Corporate Secretary.

## **Scope of Duties and Responsibilities of the Corporate Secretary**

The Company's Board of Directors is responsible for establishing and appointing the Corporate Secretary shall act as defined in Section 89/15 and 89/16 of the Securities and Exchange Act (No. 4) Act 2551 which comes into force on 31 August 2008 with responsibility, caution and honesty including the need to comply with the laws, regulations, the Company objectives, the Board of Directors resolutions and resolutions of the shareholders' meeting. The scope of legal duties and responsibilities of the Corporate Secretary are shown below:

1. Arranging the Annual General Meeting of Shareholders to conform to the Companies' regulation
2. Recording Minutes of the General Meeting of Shareholders and Minutes of the Board of Directors' Meeting, and monitoring subsequent actions in accordance with resolutions of those meetings
3. Preparing and keeping registrations of directors, notices calling Shareholders and the Board of Directors Meetings, as well as Minutes of the Shareholders and the Board of Directors Meetings
4. Communicating with all correspondence in the Company and ensuring that people entitled abide by the Board's and Shareholders resolution
5. Providing basic advice pertaining to the relevant law provision and regulations and the Company's procedures, as well as monitoring compliance on a regular basis
6. Keeping all interest or conflicts of interest reported by directors or any member of management team and submit the interest and conflict of interest report to Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days upon receiving by the Company
7. Ensuring that corporate information disclosures to regulatory agencies are in accordance with the laws and regulations
8. Being accountable for anti-corruption operations as the measure determined by the Board of Directors
9. Communicating with Shareholders on their legitimate rights and on the Company's information
10. Assisting in the Board of Directors activities



## Remuneration of Directors and Management

### 1. Financial compensation

#### Remuneration of Directors

In 2018, the Remuneration of Board of Directors in form of allowances totally 3,477,000 Baht as following;

NAME	REMUNERATION OF DIRECTORS FOR THE YEAR 2018							TOTAL REMUNERATION (THB)
	MEETING ATTENDED							
	BOARD OF DIRECTORS	AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	THE SUB-COMMITTEES				
				CORPORATE GOVERNANCE COMMITTEE	LEGAL RISK MANAGEMENT COMMITTEE	OPERATION RISK MANAGEMENT COMMITTEE	CORPORATE PUBLIC COMMUNICATION AND SOCIAL RESPONSIBILITY COMMITTEE	
1 Mr. Supant Mongkolsuthree	5/5							260,000
2 Mr. Tu, Shu-Wu	4/5							115,000
3 Mr. Wei, Hui	-							-
4 Mr. Tu Shu Chyuan	4/5		2/2					160,000
5 Mr. Lin, Tai-Yang	1/5							25,000
6 Mr. Su, Chih-Ching	-							-
7 Ms. Sutida Mongkolsuthree	5/5							140,000
8 Mr. Puttipan Tayarachkul	5/5							140,000
9 Mr. Somchai Apiwattanaporn	5/5	5/5	2/2			11/11		569,000
10 Mrs. Maleeratna Plumchitchom	5/5	5/5	2/2			11/11		544,000
11 Mr. Vissut Sethaput	5/5	5/5		12/12				519,000
12 Mrs. Rawittha Pongnuchit	5/5	5/5			12/12			517,000
13 Mr. Kachachan Mongkoncharoean	5/5						6/6	256,000
14 Pol.Gen. Rachatha Yensuang					12/12			232,000

For the 2018 Annual General Meeting of Shareholders on 20 April 2018, it was resolved to fix the total remuneration for directors, Audit Committee's members, and Committee's members to not exceed THB 4,500,000 with details as

REMUNERATION OF THE COMPANY'S DIRECTORS / AUDIT'S COMMITTEE'S MEMBERS / SUB-COMMITTEES' MEMBERS	POSITION	2018 (THB/MEETING)
1. Company's directors	Chairman	60,000
	Director	30,000
2. Audit Committee	Chairman	35,000
	Member	30,000
3. Nomination and Remuneration Committee	Chairman	25,000
	Member	25,000
4. Corporate Governance Committee	Chairman	20,000
	Member	20,000
5. Legal Risk Management Committee	Chairman	20,000
	Member	20,000
6. Operational Risk Management Committee	Chairman	20,000
	Member	20,000
7. Corporate Public Communication and Social Responsibility Committee	Chairman	20,000
	Member	20,000
Total Remunerations for the Company's directors/ Audit Committee's members/ Sub-committees' members		Not exceeding 4,500,000

#### Remunerations of Management

REMUNERATIONS	2018		2017		2016	
	NUMBER OF EXECUTIVES	TOTAL (MILLION BAHT)	NUMBER OF EXECUTIVES	TOTAL (MILLION BAHT)	NUMBER OF EXECUTIVES	TOTAL (MILLION BAHT)
Salaries, bonus payments, the provident fund	6	34.76	6	27.88	8	30.92
total	6	34.76	6	27.88	8	30.92



## 2. Other Remuneration

### The Employee Joint Investment Program (EJIP no.1)

The Board of Directors' Meeting no. 4/2013 which hold on 6 November 2013, passed the significant resolution of the approval of the Employee Joint Investment Program (EJIP) to bring employees up to their ultimate efficiency, motivation and the sense of ownership. The program period is 5 years, starting from 1 January 2014 – 31 December 2018

### The Employee Joint Investment Program (EJIP no.2)

The Board of Directors' Meeting no. 4/2017 which hold on 11 November 2017, passed the significant resolution of the approval of the Employee Joint Investment Program (EJIP no.2). The program period is 5 years, starting from 1 January 2018 – 31 December 2022

The eligible employees are follows:

RANK	WORKING PERIOD
Officer (O1)	Over 10 years
Senior Officer (O2)	Over 2 years
Supervisor (O3) to Section Manager (M1)	Over 1 years
Division Manager (M2) upward	Successful probation period

The Company will deduct from payroll of eligible employee who voluntarily joins EJIP in each month until the end of the EJIP period. The Company will contribute 42% of the deductible amount from EJIP participants on a monthly basis. The deduction from payroll of eligible employee who voluntarily joins EJIP as follows:

RANK	PAYROLL DEDUCTION RATE (BAHT)
Officer (O1)	500 Baht/Month
Senior Officer (O2)	1,000 Baht/Month
Supervisor (O3)	1,200 Baht/Month
Section Manager (M1)	1,800 Baht/Month
Division Manager (M2)	2,500 Baht/Month
Department Manager (M3)	5,000 Baht/Month
Vice President (E1)	8,000 Baht/Month
Executive Vice President (E2)	12,000 Baht/Month
Senior Executive Vice President (E3)	15,000 Baht/Month
Chief Executive Officer (CEO)	20,000 Baht/Month

## Changes in the Securities Portfolios of the Board and the Executive

The Company has notified all Board of Directors and Executives team members about the announcement of the Securities and Exchange Commission (SEC), calling on them to report their portfolios, including those of their spouses and children not yet of age, to SEC within 30 days of their appointment to the Board and the management rank, and to do so with each change in portfolio.

The portfolios and changes of the Board and the executives as of 31 December 2018, these portfolios were as following:

NAME	SHARES AS OF 31 DECEMBER 2018	SHARES AS OF 31 DECEMBER 2017	Remark Up / (Down)
<b>Board of Directors</b>			
1. Mr. Supant Mongkolsuthree	990,272	965,266	25,006
2. Mr. Tu, Shu-Wu	-	-	-
3. Mr. Wei, Hui	-	-	-
4. Mr. Tu, Shu-Chyuan	-	-	-
5. Mr. Lin, Tai-Yang	-	-	-
6. Mr. Su, Chih-Ching	-	-	-
7. Ms. Sutida Mongkolsuthree	4,768,887	4,683,864	85,023
8. Mr. Puttipan Tayarachkul	27,558	42,041	(14,483)
9. Mr. Somchai Apiwattanaporn	-	-	-
10. Mrs. Maleeratna Plumchitchom	-	-	-
11. Mr. Vissut Sethaput	-	-	-
• Spouse	69,300	69,300	-
12. Mrs. Rawittha Pongnuchit	-	-	-
13. Mr. Kachachan Mongkoncharoean	-	-	-
<b>Executive</b>			
1. Mr. Anuchit Boonyalug	17,954	32,954	(15,000)
2. Ms. Kingkaew Jutasompakorn*	681,306	668,340	12,966
3. Ms. Sutasani Sukeechon	-	-	-
4. Ms. Kamonsri Boonjang	142,466	132,463	10,003
5. Mr. Woraphot Thavornwan	103,587	13,584	90,003
6. Mr. Piyasit Thongyuak	14,784	44,282	(29,498)
7. Mr. Pornthep Watcharaamnouy	-	-	-
8. Mr. Prasit Panvichien	30,748	22,445	8,303
9. Ms. Tisakorn Wongyai	23,587	13,584	10,003
10. Mrs. Haruthaikarn Phansuwan	61,750	54,215	7,535
11. Ms. Jutarat Bunyanuprapart	11,469	57,915	(46,446)

Remark: \* retired, due to her completion of 60 years of age, effective from December 31, 2018.

# CORPORATE GOVERNANCE

Synnex (Thailand) Public Company Limited realizes the importance of good corporate governance and conducting business according to the principles of good governance. Thus, the Board of Directors of the Company and its Management are committed to managing and operating the business with transparency and accountability according to accepted international standards of practices, together with respecting their rights in regard to our treatment towards all Shareholders in an equal manner and our responsibilities towards all Stakeholder groups, and in taking into consideration our responsibilities towards society and the environment. This will then enhance and enable effective achievement of the Company's goals, which is a key driving factor for increasing the Company's economic value added and maximizing Financial returns for Shareholders in the long term.

The Board of Directors have determined its policy on corporate governance through adhering to and complying with the regulations specified by the Stock Exchange of Thailand (SET) and also in accordance with the criteria of the Corporate Governance Report of Thai Listed Companies - CGR published by the Thai Institute of Directors Association (IOD). Further, the Company has reviewed and revised the established Corporate Governance (CG) Policy to be in line with the recently issued Corporate Governance Code for listed companies - 2017, that is to be used as operating guidelines in the conduct of the businesses by the Company's Board Directors, the Management and all our Staff; whereby it is also required that this CG Policy and the associated operating guidelines be reviewed every year and be disseminated to all our Staff through our internal communications systems and the corporate website, so that they will all be fully aware of the established CG Policy; whereby during 2018, the Company received a positive CG rating with details as follows:

- The Corporate Governance Report of Thai Listed Companies (CGR) for 2018 from the Thai Institute of Directors Association (IOD), Rating is "Very Good" or CG score is 83%
- The evaluation of the quality of its procedures in holding its Annual General Shareholders Meeting 2018 from the Thai Investors Association (TIA), Evaluate scores is 98%

The Company has the following operating guidelines relating to good corporate governance for listed companies of the Stock Exchange of Thailand (SET), that cover these 5 key components:

## Section 1: The Rights of Shareholders

The Board of Directors places great importance on the rights of Shareholders together with taking care of and encouraging all Shareholders to exercise their rights, that includes such fundamental rights as provided by the law on an equal basis, namely: having the right to buy, sell and transfer the Company's shares owned by them; being allocated a share of Company's Profits; and actively participating in the Annual General Shareholders Meeting (AGM) or exercising the right to appoint their authorized proxy to attend and vote at the AGM on their behalf - such as: to appoint new Board Directors', to approve the appointment of the Company's External Auditor and to determine the associated audit fee; to make any enquiries or express any opinions on various matters being reported to the AGM by the Board of Directors. As such, Shareholders are entitled to the number of votes according to the total number of shares owned.

Further, the Board of Directors has also determined best practices in promoting and giving all Shareholders further rights in addition to the abovementioned fundamental Shareholder rights, and in not violating or depriving any rights of the Shareholders.

- Offering opportunities for shareholders to propose agenda items for consideration at the Annual General Shareholders Meeting and to nominate candidates qualified to be proposed for election as the Company's Directors, at least 30 days in advance prior to the scheduled date of the AGM and based on the criteria and procedures that have been clearly defined by the Company. As such, associated details of these rights and associated procedures to be followed are disclosed to inform shareholders via the SET news system and are also posted the Company's Investor Relations (IR) website.
- Arrange to hold the Annual General Shareholders Meeting, through appointing Thailand Security Depository Company Limited, as the Company's shares registrar, to send out to every shareholder a Letter of Invitation, in English and Thai, to attend the AGM

together with details of the proposed agenda items and relevant supporting documents, as well as other information regarding the rights of shareholders and voting procedures in attending the AGM, and the date, time and venue for the AGM. The Letter of Invitation is sent out at least 7 days prior to the scheduled date of the AGM, as required by law, and the same details are also publicized on the Company's IR website. Further, so as to inform all shareholders, the Company also publishes the Letter of Invitation to attend the AGM in the newspapers for 3 consecutive days prior to the scheduled date of the AGM.

- Grants shareholders the right to appoint an authorized proxy to attend the AGM and to vote on their behalf, through using a proxy form, as specified by the Ministry of Commerce, to appoint either the designated Independent Directors or other individuals. The Company distributes these proxy forms and required duty stamp together with the Letter of Invitation to attend the AGM. Or the proxy form can be downloaded, for free, from the Company's website.
- The Company takes into consideration the suitability of the venue to convene AGM and provides a shuttle van service for the convenience of shareholders. Registration of shareholders attending the AGM makes use of a barcode system so as to speed up the registration process.
- The Chairman of the Board of Directors, the Board of Directors, the Chief Executive Officer, the Management and the Company's Auditor will attend the Shareholders Meetings, in order to respond to any questions from Shareholders and also to allow Shareholders the opportunity to express their opinions, make any suggestions, and make any enquiries or request for any clarification prior to voting on the Agenda Item being discussed.
- Shareholders can vote to approve to elect new Board Directors on an individual basis; and since shareholders submit their votes by using the ballot with barcodes, the Company is able to promptly announce the voting results immediately after the consideration of each respective agenda item ends. Shareholders can also request to see voting details after AGM is adjourned.
- Disclosing of the resolutions of the Shareholders Meetings together with the associated votes for each Agenda Item considered within the next working day via the SET's news and information communications network and also on the Company's own website; as well as publishing the official Minutes of the Shareholders Meetings, that accurately and

comprehensively records all key discussions in an accurate and comprehensive manner for submitting to the SET and disclosing on the Company's website within 14 days from the date that the Shareholders Meeting was held, together with showing the VDO recording of the Shareholders Meetings for the sake of transparency and to enable a full review thereafter.

## **Section 2: Equitable Treatment of Shareholders**

The Board of Directors takes into consideration the treatment towards all Shareholders on an equal basis - both Majority Shareholders and Minority Shareholders, or foreign Shareholders, in order to achieve genuine equitable treatment for everyone through determining measures aimed at preventing the use of inside information so that Board Directors, the Management, Staff and other involved parties cannot make use of confidential internal information for their own benefit or that of others in an illegal manner, that also includes the trading of Company shares. As such, these measures to prevent the misuse of inside information are issued as a policy together with associated operating procedures. The Company discloses the latest current information on the Company via its investor relations (IR) website, in order to ensure all Shareholders receive news on any significant changes in the Company. All IR activities and Company news, in Thai and English, are also uploaded for public information on the SET's website as well as on the Company's IR website.

## **Section 3: Roles of Stakeholders**

The Board of Directors gives great importance to the rights of all Stakeholder groups on an equal basis, in accordance with the law and any agreements made with the Company as well as in compliance with various international standards of practices. This is for achieving mutual benefits in a sustainable manner with regards to human rights, managing the environment etc.; whereby policies have been determined regarding the treatment of the various Stakeholder groups as follows:

- Shareholders: The Company is committed to conducting its business in accordance with the principles of good governance as well as in a transparent and equitable manner, in order to achieve positive growth and Financial returns for the Shareholders on a sustainable basis. This is realized through taking into consideration both current and future risks so that maximum economic value added is created for the Shareholders in the long term, together with regularly disclosing accurate information and also treating all Shareholders on an equal basis via various channels of communication and via the Company's Investor Relations website.

- **Customers:** The Company is committed to the ongoing development of the quality of our products and services, so that customers are fully satisfied; as well as to focusing on developing and retaining customer relationships in a sustainable manner together with constantly monitoring the level of customer satisfaction so as to further develop and improve both our products and services. Additionally, we have established procedures to oversee and ensure that our business operations are undertaken in strict accordance with the agreed commitments made to our customers and that we treat our customers in a straight forward and honest manner.
- **Vendors, suppliers and business partners:** The Company is committed to treating our business partners and business alliances in an equitable manner and on an equal basis; whereby our actions are based on the framework of free and fair competition with honesty, equitability and professional ethics as well as within the established rules and regulations and without violating any intellectual property rights. Additionally, we will strictly adhere to any commitments given to our business partners and business alliances. We will also select only those business partners who act in a transparent and equitable manner, as well as will explain and ensure that the business partners also have respect for human rights, treat their workers in an equitable manner and act with responsibility towards both society and the environment.
- **Creditors:** The Company is committed to always strictly adhering to the terms and conditions of the loans agreements, as well as to act in an equitable and equal manner towards all groups of creditors alike with regards to repaying loans on time or to acting in accordance with the various conditions of guarantees or obligations together with giving importance to the rights of all creditors - such as: information disclosures to the Stakeholders and in giving attention to full accuracy, comprehensiveness, timeliness and transparency of the both the Financial and non-Financial information being disclosed.
- **Staff and Employees:** The Company is committed to treating our staff and employees in an equitable manner and to respecting their basic human rights so that all our staff receive fair and equitable remuneration and appropriate staff welfare benefits - such as: Employee Joint Investment Program (EJIP), training programs to disseminate additional knowledge, regular programs to develop their competency and potential, improved quality of life, good health and safety in the work place, health promotions activities and arranged

annual health check-up; together with providing knowledge about saving money and undertaking joint activities to improve the working environment so as to enhance workplace harmony.

- **The Public Sector:** The Company is committed to giving the same importance to the Public Sector as to other Stakeholders of the Company, through determining operating guidelines and procedures relating to the Public Sector and conducting business operations as appropriate in accordance with the applicable laws together with on the basis of acting in a fully transparent manner and cooperating with Public Sector agencies with regards to various technical and support activities - such as: undertaking joint activities in promoting anti-corruption within the organization as well as in the Public and Private Sectors, so as to establish good governance practices and to enhance good relationships on a sustainable basis.
- **The Communities, Society and Environment:** The Company is committed to conducting its business so as to benefit the overall economy and society in general, and to being environmentally friendly; together with further developing the Company's growth in a sustainable manner through determining a policy framework and establishing internal units with specific and clear associated responsibilities. Additionally, the Company encourages people within the organization to be aware of and to take care in developing conscious responsibilities towards the community, society and the environment; whereby this can be achieved by listening to others, by supporting and sharing with others, and by giving opportunities and happiness to local communities and society through various social activities undertaken by the Company; as well as in protecting and preserving the existing environment. Additionally, every Department within the organization should be encouraged to participate in such activities, which will then result in the Company being able to conduct and operate its business on a firm base for sustainable growth.

#### **Section 4: Disclosure and Transparency**

The Board of Director has determined a Policy on Information Disclosures for both important Financial and non-Financial information as well as for any other related information in accordance with the regulations specified by the SEC and the SET; whereby such information are to be disclosed with adequate and accurate important details, and in a comprehensive, timely, transparent equitable and credible manner both in Thai and English - such as: the shareholdings

structure, business operations, achieved performance results, corporate governance practices, Anti-Corruption Policy, and the Handbook and Code of Business Conduct and Ethics as well as including any information or complaints received by the Board of Directors relating to any legal wrongdoings or misconducts or the accuracy of the Financial reports that can be easily submitted through the various channels of communications for disclosing.

- Disclosing information in the Company Annual Report and 56-1 Form regarding the Company's Quarterly and Full Year operating performance results, and operating activities; as well as Disclosing, on the Company's IR website, the Corporate Registration Certificate of Juristic Person, and the Objectives and Articles of Association of the Company.
- Providing the opportunity for the Company's shareholders, investors, institutional investors and other interested individuals to visit the Company and attend a presentation on the Company's operating activities, as well as to participate in and attend at a SET 'opportunity day' presentation for the shareholders, investors and any interested parties. Presentations for securities analysts and foreign investors, together with various other key events are also undertaken by the Company on a continuing basis.
- Disclosures of information about the Company's Directors and Management on the Company's website, which consists of each individual's name, position, educational background, information on their shareholding of Company's shares, and working experience together with a profile photo.
- Various channels of communications to hear any suggestions and opinions or enquiries from both internal and external stakeholders of the Company on an equitable and equal basis - such as: registered letter or emails sent to Internal Audit Department or the Chief Executive Officer.
- The Investor Relations Department, which has been established to disclose information as well as answer any enquiries from shareholders, investors, and securities analysts via Company's IR websites: [www.synnex.co.th](http://www.synnex.co.th) and email: [ir@synnex.co.th](mailto:ir@synnex.co.th) and via the Office telephone phone lines, +66 2553 8888 to contact Investor Relations Department.

## Section 5: Board Responsibilities

The Board of Directors plays an important role in the overseeing and ensuring that the business achieves positive operating performance results in the long term for the

maximum benefit of the Company, that is credible to the Shareholders and other Stakeholders of the Company. The Board of Directors must also be separate and independent from the Management group; as well as must discharge its duties with responsibility and all due care, honesty, and positive ethics, and in accordance with all applicable laws, together with according to the stated corporate objectives, regulations and resolutions of both the Board and the Shareholders Meetings, through developing a comprehensive and adequate system of internal controls relating to all finance and business operations in compliance with good corporate governance principles and practices and corresponding to all applicable laws and regulations as specified by the Office of the Securities Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and other involved Government authorities. The Company has also established an adequate risk management system together with internal audit mechanisms so as to ensure transparency and good management in the Company's business operations, as well as adequate risk management procedures together with effective risk management monitoring that are appropriate for the businesses of the Company.

The Company's Board of Directors is comprised of 13 Members, who possess extensive capabilities and experiences, of which 5 Members are Independent Directors. Further, the Board of Directors has appointed the Company's Audit Committee and an associated Board Committee/Sub Committee, each with clearly assigned duties and responsibilities to cover various risk management aspects of the Company. These Board Committees are assigned to oversee, monitor and analyze risk management at the operational level of each operating Department, as well as to convene the respective Committee Meetings on a monthly basis, and to then report on risk management outcomes to the Company's Board of Directors through the Audit Committee every quarter.

The Board of Director, the Audit Committee and the associated Committee/Sub Committee undertakes a self-evaluation of their respective performance as a group and for individual Members at least once a year, so as to review the adequacy of their good governance oversight activities and to provide supporting information to the Management for use in developing increased efficient management practices within the Company. At the same time, a performance evaluation of Chief Executive Officer is undertaken annually, based on the agreed objectives and criteria for this assessment exercise that are linked to the successful implementation of the agreed corporate strategies, so as to be able to consider and determine appropriate compensation and incentives to motivate the ongoing drive to achieve continuing business growth of the Company.



## ANTI - CORRUPTION POLICY



The Company realizes the importance of conducting its business in accordance with the principles of good corporate governance, of competing in an equitable and transparent manner, and of complying with all applicable laws; as well as is committed to being against corruption. As such, the Company has determined an Anti-Corruption Policy together with associated operating guidelines and procedures as the Code of Business Conducts and Ethics for use and adherence by the Company, its Subsidiary Companies and all persons within the organization and also by those external people who are involved in doing business with the Company, so that every party can comply to these guidelines. This is in order to jointly promote anti-corruption practices under the same Anti-Corruption Policy and support the building up a

full understanding of the Company’s intent and position on being against corruption that will result in a positive corporate image for the Company, which will then lead to the ongoing development and sustainable growth of the Company.

The Company has arranged for the dissemination of information together with associated training on the subject of anti-corruption, in order to create awareness, knowledge and understanding on the part of all those involved - namely: Board Directors, the Management and all staff. This is so that everyone will not support or act in giving all types of bribery within the respective business units under their control; or will not ask for any monetary payments, goods,

or any other type of benefits in an improper manner regardless of whether it is for the benefit of the Company, for themselves, for their family, or for their close friends. As such, in the event that it is found out that someone has not acted in compliance with this policy, that person will be subjected to disciplinary punishment or legal prosecution; whereby the type and degree of punishment will be based on the true facts and associated situation as applicable.

The Company has also undertaken an assessment of the risks relating to the possible occurrence of acts of corruption within the various established business operations procedures on a regular basis; as well as has determined various appropriate measures to rectify the problem if it occurs together with establishing channels of communications for submitting any relevant information or complaints to be received by the Management as applicable whenever anyone comes across any situation of alleged acts of corruption, or any wrongdoings and improper behavior.

The Company has signed up in being part of the “Private Sector Collective Action Against Corruption” and joined in stating its position on being against corruption, so as to underscore its genuine intent and commitment in being against corruption for the benefit of developing both the organization and the country as a whole in a sustainable manner.

### **Submitting Information or Complaints**

The Board of Directors has established procedures together with setting up channels of communications to receive relevant information and to deal with complaints received from any Stakeholders; whereby various anti-corruption measures have been established to prevent any acts of corruption that are to be operating guidelines for adherence by Board Directors, the Management and staff, together with the ability to submit any complaints. In the event that any person comes across any suspected improper actions, they can inform the Internal Audit Unit or submit a formal written note to the Chief Executive Officer, whereby the Company has set up a box to receive any complaints or information with only the CEO possessing the key to open this complaints box. Alternatively, a message can be sent directly to the CEO immediately and at any time.

Upon receiving relevant information or complaints from any Stakeholder, who comes across or suspects any possible wrongdoing by a staff member or business unit that is an act of non-compliance with or violation of the law or policy and regulations relating to good corporate governance and the Code of Business Conduct and Ethics, which may cause damage to the Company, a committee will be set up to investigate the true facts; whereby working together with the involved business unit, this committee will proceed with the investigation in a careful, equitable and transparent manner, as well as will then report its findings to the Internal Audit Unit and the Senior Management together with recommendations on how to resolve the situation in an appropriate time and manner. Further, after the Internal Audit Unit has reviewed the report and concurs with the recommendations, the Committee will then give feedback of its findings to the informant or complainant.

### **Protection of the Rights of Informants**

The Company has arranged various channels of communications for informants to use in submitting complaints on any alleged wrongdoings relating to a violation of any applicable laws and the Code of Business Conducts and Ethics, or on any acts of misconducts by people within the organization or by other Stakeholders involved with the Company; whereby the informant or complainant must provide details of the alleged wrongdoing together with his/her name, address and contact telephone number by sending the information in a letter by ordinary mail or by email to the Internal Audit Unit or directly to the CEO or via any other designated channel of communication specified by the Company. As such, the Company will keep confidential the name and contact details of the informant or complainant, who will then receive full protection until the investigation process is completed, during which period all details will not be revealed to any other parties who have no duties in being involved with the investigation except as required by the applicable laws; as well as will restrict the specific rights to reveal any details on the part of those persons involved and responsible for the investigation of the complainant.



# CODE OF CONDUCT

Synnex (Thailand) PCL. has realized the importance of ethical core values in doing business according to its good governance thus the Board of Director set the Business Code of Conduct as the Company’s regulation and policy that have been held in high regard and put into practice by the Board of Directors, by management, and by staff at all levels ensuring to shareholders, customer, and all stakeholders for long term sustainable business.

## 1. Complying with Laws, Regulations, Policies and Procedures

Synnex (Thailand) PCL. gives precedence to abide by laws and related regulations according to business practices.

### Good Practice

1. Acknowledge and understand roles and responsibilities complying with all of the laws, regulations, policies and procedures of Synnex (Thailand) PCL.
2. Acknowledge, understand, respect and comply with all of the laws, regulations, policies and procedures of Synnex (Thailand) PCL.
3. Comply with laws and regulations of business practice and be scrupulous in avoiding any action which give appearance of a corruption
4. Regularly reconsider accordance of practices according to laws, regulations, policies and procedures

5. Corporate with government agencies through promoting and supporting activities related to society.

## 2. Practice to Shareholders

The present prosperity, success, and stability of Synnex (Thailand) PCL. are the result of doing business according to its ethical core values considering to all shareholders and stakeholders’ interests to achieve its reasonable return and to long term sustainable added value to business.

### Good Practice

1. Cautious conduct business through knowledge, competence and management skills to achieve
2. Completely and regularly disclosure business results and business trend of the Company to shareholders
3. Permit shareholders to suggest such agenda or name list of person who is appropriate to be considered to the Board of directors before the Annual General Meeting which Nomination and Remuneration Committee will consider and ask for resolution from the Board of director afterwards.

## 3. Practice to Customer

Synnex (Thailand) PCL. set policy to be fair treatment to our customers considering to their benefits also has selected quality products with reasonable price to meet customers’ satisfaction as well as better before and after sales services to keep long term relationship.

### Good Practice

1. Select quality products and good services to meet customers' satisfaction and giving appropriate information which benefits to their decisions also entirely disclosure news and product details.
2. Product and service warranty under appropriate conditions and customers' complaints and suggestions monitoring with fair treatment to customers.
3. Strictly comply with all conditions to customers and always protect and never disclose any confidential to third parties.

### 4. Practice to Business Partners and Account Payable

Synnex (Thailand) PCL. operate business with business partner and alliances through fair treatment to meet mutual benefits to develop relationship in dealing business also complies with laws and regulations of business conditions.

### Good Practice

1. Procure and purchase with transparency and correctness.
2. Comply with contract, agreement and business condition. Prior inform business partner in case of the Company cannot comply with such condition to consider problem and seek its solution.
3. Fairly select business partners and avoid situations that have even the appearance of impropriety also protect and never disclose any confidential of business partners to third parties.

### 5. Practice to Competitors

Synnex (Thailand) PCL. has a policy to practice with competitors according to laws and global business practices according to global practice with competitors to fairly compete business.

### Good Practice

1. Corporate in transparency and fairly business competition.
2. Not to pirate to competitors and not the benefits from confidential information of competitors.
3. Not to backbite competitors through accusation or assault competitors without fact.

### 6. Responsibilities to employees

Synnex (Thailand) PCL. recognizes the value of the resources and is thus determined to promote and develop their knowledge and capabilities for their career progress and stability and proper remuneration commensurate with their capabilities and performance to create a good work culture. The organization provides opportunities for employees to express their opinions and to bring forth suggestions equally. Under consistent standards of conduct, the company committed to promote teamwork, collaboration and mutual respect. SYNEX shall maintain a high standard of safety and a disciplined work environment with high awareness in the prosperity of business

### Good Practice

1. Equal Opportunity in employment, promotion and relocation is and shall be provided for all employees and applicants for employment on the basis of their demonstrated ability and competence without

unlawful discrimination on the basis of their race, color, national origin, ancestry, religion, sex, sexual orientation, gender identity, gender expression, age, genetic information, disability or protected veteran status.

2. All employees of SYNEX are expected to observe and maintain shall maintain high standards of moral and ethical conduct, which includes promote unity, teamwork, coordination and work support in a due manner to facilitate operations, and treat colleagues with politeness and kindness, as well as have good relationship with and respect for each other at all times.
3. The company considers all staff a valuable resource and is thus determined to promote and develop their knowledge and capabilities for their career progress and stability and proper remuneration commensurate with their capabilities and performance.
4. Reasonable remuneration shall be appropriate to the employee's capability and maintaining their motivation regardless of to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group or ethnic origin
5. SYNEX shall maintain a high standard of safety and a disciplined work environment and consider the welfare of its personnel regularly.

6. SYNEX must perform their duties compliance with all laws, policies, procedures, rules, regulations and provide provision or establish appropriate channel for employees to disclose or le complaint on any misconduct, law violation, and /or discomfort according to the company's policy for a proper and speed solution.

## 7. Responsible toward Society

SYNEX has adopted this code of Corporate Social Responsibility that draws upon internationally recognized standards to promote social and environmental responsibility in the workplace. SYNEX is committed to ensuring that its employees are treated with respect and dignity in accordance with the Labor and Human Rights law and that its operation are environmentally responsible for the sustainability of the social and environment.

### Good Practice

1. Assist and support social activities especially local activity in support of public and local benefit
2. Support social activities which are continuously focus on the sustainability and undependability in the society in relation to education by providing fund and electronic appliance as we as computers the company distributes
3. Provide support and skills training for adolescent and general public to access career opportunity as well as donate mechanic tools and recycled computer components and parts for renewable usage which could help reduce e-waste.

4. Support and sponsor merit activities initiated by employees to promote social conscience, public interest and social responsibility cognition.
5. Emphasize on conducting business with partners who conduct their business under the code of ethnicity, social and environment responsibility as well as abide by the laws and regulation regarding labor and human rights.

## 8. Responsible toward Environment

The company employs strict policy on environmental sustainability by stressing on saving energy for environment and establish a thoughtful organization culture to preserve, protect, and develop ecology and natural resources for the future. The company aims to become a good social organization by protecting the environment in compliance with international standards and to improve standards of living.

### Good Practice

1. Support and encourage the environmentally friendly products and packaging and natural disposability.

2. Develop, maintain and follow policies and procedures that provide a framework for environmental protection, accountability and stewardship to minimize and mitigate the adverse environmental effects of its activities by designing, constructing, operating and decommissioning facilities in an environmentally-responsible manner through waste management process.
3. Encourage education and research and the development of useful technical information relating to the environmental field for employee at all level.
4. Supporting and fostering environmental consciousness and in full compliance with procedure to preserve the environment and natural resources by launching and promoting activities and events regarding the matters such as conducting “5S training” The training Encourage staffs and employees at all level to implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous)
5. Foster and Encourage Sustainable Economy for all employees to understand and adopt the idea in their daily life.

# CORPORATE SOCIAL RESPONSIBILITIES : CSR

Synnex (Thailand) Public Company Limited is a part of the overall economic and social system, and is fully committed to incorporating the concept of corporate social responsibility (CSR) as an integral part in the conduct of its businesses so as to achieve maximum effectiveness. This is in order to fully understand and respond to all the various needs of society, as well as to collaborate in protecting the environment, in recognizing the value in making use of resources, in choosing the correct technology that is environmental friendly, and cooperating to protect the environment so as to preserve available resources for the next generation. Most importantly, it is in order to be able to adapt business plans

and society to be in accordance with the royal initiative and philosophy of “sufficiency” in an integrated manner so as to achieve a sustainable business model. And finally, it is in order to instill in the minds of the people within the organization the awareness for the need to make sacrifices, to have good moral ethics, and not to take advantage of or exploit others. Therefore, the Company has determined its vision, mission, and policies on corporate social responsibility (CSR) to correspond to its core strategies. As such, the Company’s business success will grow in concert with taking care of as well as being responsible towards society and the environment in a sustainable manner.

## POLICIES AND OPERATING GUIDELINES ON CORPORATE SOCIAL RESPONSIBILITY

The Company has undertaken various activities relating to its corporate social responsibility since starting business operations on a continuing basis up to this day, and still attaches great importance on this aspect of its operations. As such, the Company has determined a core policy of the organization relating to “having good corporate governance practices, conducting its businesses in an equitable manner, respecting human rights, giving great importance to treating its labor force in an equitable manner, and taking into consideration its responsibility towards all Stakeholders; together with recognizing the need to look after and protect the environment in a sustainable manner, and giving importance to actively participating in the development and progress of communities and society as a whole”. As such, the Company promotes and encourages its people, at all

levels of the organization, to volunteer and be actively involved, through setting up a CSR Working Committee responsible for undertaking and managing all the various short term and long term CSR projects so as to achieve genuinely practical results and continuity. Further, the Company has also set up a CSR Communications and Public Relations Committee, assigned with the responsibility to disseminate relevant information on its various corporate social responsibility activities, as well as for assisting to screen and make recommendations to the CSR Working Committee on various operating matters or issue, together with informing both internal and external parties about such activities and also to prepare a CSR Report to be submitted to the Board of Directors on a quarterly basis. The associated operating guidelines are as follows:

## OPERATING GUIDELINES ON GOOD CORPORATE GOVERNANCE





## OPERATING GUIDELINE ON CONDUCTING BUSINESS IN AN EQUITABLE MANNER

The Company has clearly determined comprehensive operating guidelines, procedures and measures in conducting its businesses in an equitable manner that covers key issues for strict adherence; whereby no other interests should be taken into consideration that may be inappropriate or incorrect, any possible situations of a conflict of interests should be avoided, and all relevant information should be disclosed in a fully transparent manner. The Company also promotes and encourages all staff and employees to be aware of the importance of preventing any acts of corruption, through determining policies on anti-corruption together with determining various positive business ethics and conducts for adherence so as to create trust and confidence on the part of all involved parties for the long term benefits of the organization.

### Creating Equitable Business Competition

The Company purchases products and goods from various sources, manufacturers and distributors through being accepted by as well as giving the opportunity to all such suppliers and vendors to propose and offer their products on an equal basis under a free market mechanism and open terms or conditions. This has facilitated the Company to receive full confidence and trust in being appointed as the official distributor for more than 50 well-known global branded products.

### Policy on Promoting Free Trade Competition

The Company fully supports free competition under an open market mechanism and environment. As such, both the suppliers or vendors and consumers alike view the Company as being a distributor of many types of IT products and brands together with the same types of products but of differing brands, whereby each product and brand has been carefully selected so as to be the best product to compete in the same market. This is like being a mirror that reflects the full potential features and capability of various brands and products, in order to attract and meet consumer demands as much as possible and enable the products to compete freely so that consumers can select and choose the exact product brand that best meets their working requirements

### Creating Equitability for Consumers before Making their Decision to Buy

Before consumers make a decision to buy any product, the Company attaches importance to always giving full information and recommendations regarding the best benefits, features, prices, and available warranty of the products through various marketing communications channels - such as Web Site SYNnex, Price List SYNnex (online), SYNnexTRA

marketing media, which are used for informing and disseminating various information to consumers and the general public about products, associated technology and features, together with any information on the outcome of various CSR activities and company-related news.

A magazine is also used to disseminate comprehensive news about the latest technology or innovation and IT products together with news updates about after-sales services and associated marketing activities undertaken by the Company. This printed merchandizing media is published every 45 days and distributed via the Synnex distribution and sales outlets network in Bangkok, suburban areas, and the provinces throughout Thailand as well as at various educational institutions. Additionally, this merchandizing media is posted online at [www.synnex.co.th](http://www.synnex.co.th), so as to allow Shareholders and other Stakeholders the opportunity to easily and quickly access, for free, the same information about the latest technology or innovation relating to the IT business or products

### Delivering Products and Good Customer Services so as to Achieve Customer Satisfaction

Being focused on delivering products and good customer services so as to achieve satisfaction for all customers on an equal basis, through the established Synnex business operations and procedures, such as:

- Carefully selecting all products to be distributed and offered, that are both user-friendly and environmentally friendly, as well as that incorporate technology to allow an appropriate period of use, conserve energy, and available at an affordable budget as selected by the consumer
- Offering after-sales services and having an expert after-sales service team that can respond to all questions from users, as well as provide repair services so as to extend the useful life of the product and give maximum value to users, and reduce the amount of IT garbage
- Being open to receiving any suggestions or comments from customers about the products; and giving useful recommendations or advice on the use of the products together with providing good after-sales services - such as, offering a product warranty, verifying the valid warranty or guarantee period, providing repair services for the products, and allowing warranty claims. Additionally, acting as a center in collecting and summarizing information about various product problems or defects for forwarding to the manufacturers so that they can be fully informed and improve their respective products to be the best available in the market and be equitable for all consumers.

## RESPONSIBILITY TOWARDS CONSUMER

The Company takes into account its responsibility to deliver good products and services to customers, so that consumers will receive products that are of accepted standards and in order to create confidence in the products purchased and any associated services that will then enable further increased sales and business sustainability.

The Company has developed and implemented a warehouse and logistics management system which is an intelligent ASRS system, in order to increase effectiveness in delivering goods to our customers in a correct, speedy and efficient manner so as to reduce operating logistics costs and enhance our competitive capabilities. The Company has a customer service centers located in all regions of the country - separated into 11 Synnex Centers and over 60 other authorized service centers appointed by Synnex throughout Thailand. Further, the Company has also developed operating procedures for the Customer Services Department so as to be more effective and create customer satisfaction for the after-sales services - such as, develop a procedure to assess the validity of the product warranty, and an IT system, accessible on the Company website, for customers to view the progress and status of products sent in for repair by themselves or to enquire about products at the Call Center 24 hours a day. The Call Center will receive and respond to the customer enquiry. Additionally, for further convenience, a system to view product information is also available on mobile devices, so that customers can more quickly access and view relevant product information.

### Good After-Sales Services

The Company provides good after-sales services, when a customer brings in the products together with proof of purchase (ie: serial number); whereby the Company maintains a database of all products sold to customers using the serial number as a reference point, so as to be able to provide convenient after-sales services to customers in speedily verifying the warranty validity and associated conditions in the event they have any product problems and requires service at the Service Center.



## HAVING RESPECT FOR HUMAN RIGHTS AND EQUITABLE TREATMENT OF THE LABOR FORCE

The Company attaches importance to having respect for human rights, as well as to giving equitable treatment to the labor force. As such, the Company supports and promotes further development of employees' capabilities, skills and knowledge so as to be able to work in a more professional manner, through appointing employees to positions that best suit their abilities; providing opportunities for career development and advancement on an equal and equitable basis. The Company also offers good welfare and staff benefits together with a positive, safe, healthy and hygienic workplace environment, through providing various facilities and amenities, and hires staff in an equitable manner, offering them compensation and other payments appropriate to the assigned work position, responsibilities and capability of the employee together with the beneficial right for the employee to have a good life, be happy and enjoy job security. The Company employs all staff as appropriate and on an equal basis, without any bias with regards to gender, race, or religious beliefs; and offers compensation and benefits as appropriate to the assigned job position and responsibilities. The Company has working hours, days off per week and annual holidays together with maternity leave for female employees and other working conditions that are better than the standard legal regulations.

### Staff Development

The Company attaches importance to the ongoing development of its staff in a systematic and continuous manner, in order to support the creation of a knowledge-based organization and promote the motivation for its people to develop their capabilities. This will then support the further expansion of the Company's business groups together with career advancement for the staff themselves in an appropriate manner, which will result in staff loyalty and feeling of attachment so as to remain and grow together with the Company for the long term.

### Performance Evaluation

The Company has established a system for performance evaluations to take place every 6 months, through use of key performance Indicators (KPIs) to gauge the degree of success and job achievement, so as to be a genuine and practical means of evaluating effective Staff performance as well as of assessing their knowledge, skills, and behaviors in undertaking their respective work responsibilities together with participating and cooperating in various CSR activities. As such, the Staff performance evaluation scores will have a direct effect on the salary adjustment and job promotion to be given in an equitable manner based on their knowledge and capabilities.

## Employee Welfare and Benefits

The Company has established a Working Committee on Staff Welfare and Benefits, whose members are elected by the Staff themselves, so as to encourage cooperation among the Staff in overseeing the various types of Staff welfare benefits to be offered that will be genuinely beneficial for all Staff throughout the organization – such as: annual health check-up, health and life insurance plans, Staff provident fund, Staff retirement benefits, Employee-Employees Joint Investment Project (EJIP), Joint Education Fund for the children of the Staff, morning meal welfare, Staff uniforms, Staff fitness and gym facilities, Staff recreation and karaoke room, Staff rest and reading area, annual u-vaccination program during a u-epidemic, Staff hire-purchase facility when buying a Company product, assistance in sourcing housing loans from banks for the Staff, education courses on how to save money so that the Staff can know how to allocate part of their income for savings deposited with various Financial institutions and use in their retirement years



## WORKPLACE SAFETY, HEALTH AND HYGIENE

The Company has determined a policy and associated operating procedures with regards to workplace safety, taking into consideration the overall safety of the workplace environment, through having a professional services firm to determine various plans and to implement various activities in line with the legal requirements on work environment safety standards – such as: putting up warning signs or notices regarding dangerous situations, arrange various equipment to be ready and available to prevent any dangers from machinery and equipment, measuring the quality of the work environment with regards to dust, chemicals, lighting and sound, and measuring the quality of waste water as well as holding training courses to promote various safety measure – such as, training on protecting and ghting res as well as undertaking re drills, or training about the 5 Sor principles, together with arranging to have a professional nurse on standby in the rst aid room with available basic household medicine and rst aid medical equipment.



## PARTICIPATION IN THE DEVELOPMENT OF SOCIETY, LOCAL COMMUNITIES AND THE ENVIRONMENT

The Company undertakes various activities in helping to develop society and the environment on a continuing basis since starting its business operations, through initiating many long term projects. The initial pilot project was related to education in Thailand, and was the “Library IT by Synnex” project, motivated by the aim of participating and helping in the development of communities and society in regards the widespread use of technology in education within Thailand, which is related the core business of the Company in distributing IT products. Thus, this was the starting point of our activities in this regard.

Subsequently, in 2014 the Company undertook a follow-on long term project, namely: “External Technician Project” with the objective of benefiting local vocational students throughout the country – especially electronic technicians. The aim was to enable Thai youths to gain additional knowledge, capability and experience through using IT equipment supplied by the Company, as well as to achieve genuine practical outcomes in being able to gain additional income for rural families in their respective communities. This project was also supported by various important international business partners of the Company, through jointly participating with the organization to create added value for society in being better prepared for the future. Additionally, the “External Technician Project” also serves to instill into the minds of the participating Trainees awareness about the need to take care of the

environment at the same time, in order to reduce e-waste that is becoming a major current global problem.

As at today, the “External Technician Project” is now in its 5<sup>th</sup> year, with a total of 64 educational institutions participating and receiving IT equipment from the Company for use in teaching and training their students as well as for making use of the donated IT equipment in providing IT repair and maintenance services to their respective local communities through the “FIX-IT project of various vocational schools. A total of 153 professors and teachers have also received training related to repairing SMD equipment, together 579 students participating in the training on IT Trends Update.



## PROJECTS TO DONATE COMPUTER EQUIPMENT FOR PUBLIC BENEFIT IN 2018

The Company supported and provided the budget for various CSR related activities of the Federation of Thai Industries (FTI) for the 9th. consecutive year, as well as in donating computers for use in education together with the FTI to the following 9 schools:

- BanPhonPhaeng School, Sakon Nakhon
- BanPongKhaeSiThavorn School, Nong Bua Lam Phu
- BangPongSriTone School, Loei,
- BanKokpakung School, Khonkaen
- BanKoha-dang school, Satun
- Watkotham School, Songkhla
- BanMaeJawang School, Tak
- Nongbuakhao-din School, Sukhothai
- Anubansoemngam School, Lampang



## COMPANY EMPLOYEES VOLUNTEER PROJECT AIMED AT CREATING AN AWARENESS OF CORPORATE SOCIAL RESPONSIBILITY

- Donating blood together with the Thai Red Cross National Blood Centre every 3 months
- Making merit events to build the main Buddha Image, so as to disseminate Buddhist teachings and religion at Wat Bang Pla Kod, Nakorn Nayok
- Jointly donating gifts on Children's Day to children at Loi Sai Anusorn School, Banbankapi and Khok Khram Police Station
- Jointly participating in the campaign for those businesses operating in Thailand to conduct their businesses with respect for the rights of children in their work place and local communities based on the established Children's Rights and Business Principles: CRBP, which is a cooperative program with UNICEF
- Participated in the Age Friendly Society Program together with the Thai Pat Organization, that is aimed at promoting businesses to conduct their business by taking into consideration the elderly and to develop their roles with regards to Corporate Social Responsibility (CSR) relating to the elderly, as well as to develop their businesses to be well-prepared for Thailand becoming an aging society.
- Undertaking various activities to preserve Thai culture and customs, and undertaking various events annual event to create unity; such as: taking staff to practice meditation off site, holding internal training courses on Dhamma teachings for the staff and also for people in the immediate local communities; and undertaking merit making ceremonies or events on the staff's respective birthdays as well as on important religious days or holidays
- Undertaking projects to donate money to buy essential goods for those affected by major flooding in the South together with undertaking free repairs for local communities - ie: Fixit Center - together with Kanchanaphisek Technical College Mahanakorn in the Vocational Education Commission
- Undertaking projects Help from the Heart to flood victims - Donating money to those affected by major floods in P.R Laos
- Undertaking projects Business Brotherhood - Year 2 - Activities to support and develop the growth of new creative and innovative business startups, through large businesses acting as their business mentors.
- Undertaking projects Innovative Startup -Year 2 - Activities to help develop new creative and innovative business startups, undertaken jointly with the King Mongkut Institute of Technology, Ladkrabang.
- Undertaking projects Kind and Helpful People Groups: Collecting money and goods, to join with the "Give us your unused items" Project of the Baan Nok Kamin Foundation in donating to orphans and disadvantaged children.



## THE ENVIRONMENT

The Company has established a policy on and gives importance to environmental sustainability, that is focused on knowing the value in the use of various resources, together with establishing a corporate culture of encouraging everyone to help look after, protect and revive the environment as well as in making valuable use of available resources in a sustainable manner – such as, choosing environmental friendly products that do not contain any components or chemicals that are toxic and harmful, undertaking 5 Sor related activities, recycling and reusing all packaging materials so as to achieve maximum value of the overall costs incurred by the Company, and undertaking various eternal activities like planting trees, reviving the natural environment. Additionally, the Company has undertaken various other activities such as:

- Implemented the environment related ISO14000 project on a continuing basis, so as to achieve genuine practical results
- Implemented various energy-related projects, aimed at saving and conserving energy through establishing a policy on energy conservation together with setting up an Energy Management Committee responsible for monitoring and assessing the overall continuous use of energy in an effective manner
- Undertaking projects to collect and donate electronic and IT products as well as damaged Office equipment wastes: Collecting electronic and IT as well as damaged Office equipment wastes, to donate to the Association of persons with physical disability international for being recycled and also partly for sale to raise money to buy wheelchairs – or special tri-cycles for the disabled.
- Undertaking projects Change Together - Campaign to encourage and promote employees to save water, conserve use of electricity, conserve use of paper, so as to jointly give attention to saving the earth and the environment.
- Undertaking projects Give us your last year's calendar - Collecting used calendars for donating to the Educational Technology Center for The Blind of the Foundation for The Blind in Thailand under the Royal Patronage of H.M. the Queen
- Undertook a project to save the use of electricity, through replacing all light bulbs throughout the organization to be LED lighting
- Undertook a project to promote and encourage employees to learn about and understand the philosophy of the 'sufficieny economy', so as to make use of it in their daily lives.



# REPORT OF THE AUDIT COMMITTEE

Dear Shareholders of Synnex (Thailand) Public Company Limited

The Audit Committee of Synnex (Thailand) Public Company Limited is consisted of 4 independent directors, Mr. Somchai Apiwattanapron, Chairman and the other 3 members of the Committee namely Mrs. Maleeratna Pleumchitchom, Mr. Vissut Sethaput, and Mrs. Rawittha Pongnuchit. All independent directors with combined skills and expertise in finance, accounting, laws, and business

administration, all members possess adequate qualifications as required by the Audit Committee Charter and the regulations of the Securities and Exchange Commission, Thailand (SEC) and the Stock Exchange of Thailand (SET). In 2018 there were 5 meetings. All audit committee members attended every meeting, details of which are as follows:

NAME - LAST NAME	POSITION	NUMBER OF MEETING ATTENDANCE
1 Mr. Somchai Apiwattanapron	Chairman of the Audit Committee	5/5
2 Mrs. Maleeratna Pleumchitchom	Member of the Audit Committee	5/5
3 Mr. Vissut Sethaput	Member of the Audit Committee	5/5
4 Mrs. Rawittha Pongnuchit	Member of the Audit Committee	5/5

The Audit Committee Operates independently and performs its duties and responsibilities as assigned by the Board of Directors in Overseeing the Corporate governance and the internal control systems to ensure that the Company’s business operations are carried out for the interests of its shareholders and other stakeholders and that the Management executes its duties with integrity, accountability, and in accordance with the Company’s policies. The Audit Committee’s operations in the year 2018 are summarized below:

## Financial Report

The Audit Committee reviewed the accuracy, completeness and reliability of the quarterly and annual separate and consolidated Financial statements of the Company and its

subsidiaries for the year ended 2018, conducted in accordance with Thai Financial Reporting Standards and the International Financial Reporting Standards. The Audit Committee discussed significant issues, important accounting policies, estimates, and judgments applied in the preparation of these Financial statement with the external auditor. The Audit Committee also discussed the disclosure in the notes to the Financial statements with discretion to assure that the preparation of these Financial statements and the disclosure in the notes to the Financial statements are reliable, transparent, and in accordance with Thai Accounting Standards and the Financial Reporting Standards.

In addition, The Audit Committee held a private meeting with the external auditor without the Management’s participation for an independent discussion on important issues concerning

independence in operations, significant information in the preparation of Financial statements, and recommendations for the internal control over Financial reporting. For the year 2018, the external auditor did not have any significant remark.

The Audit Committee concluded that the Company's accounting and Financial reports were prepared in accordance with the appropriate internal control system. The external auditor performed auditing duties independently, regardless of any audit limit scope. This assures that the Financial reports reflect actual the Company's Financial status and operation performance accurately including adequately disclosure according to Thai Accounting Standards and the Financial Reporting Standards.

### **Connected Transactions or Any Transactions that Potentially Conflicted with the Company's Interests**

The Audit Committee reviewed, oversaw, and provided opinions concerning the connected transactions or any transactions that potentially conflicted with the Company's interests quarterly based on reasonability, transparency, adequate disclosure, business normality and the interest of the Company in compliance with the rules and regulations of the Securities Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee reviewed significant issues such transaction was transparent and reasonable aligned with fair pricing and conducted for the interest of the Company and the Shareholders. The disclosure had been submitted to the SET accurately and timely.

### **Internal Control System and Internal Audit**

The Audit Committee reviewed the effectiveness and adequacy of the internal control system from the annual internal audit report in 2018. The Audit Committee consistently considered and monitored results pertaining to the recommendations in the internal audit and external audit reports to acknowledge root causes and provide guidelines for the management to prevent future potential loss. The Audit Committee monitored and

reviewed the results to ascertain that the Management performs duties in accordance with the recommended internal control system guidelines to prevent from recurrence.

The Audit Committee approved the annual internal audit plan for the year 2019, conducted in accordance with the Company's strategies and risk based principles, emphasizing the effectiveness of the preventive key control function. The preventive control of fraud also be conducted and reviewed, together with determination of operation scope, responsibilities, adequate number of personal, competence of personal.

The Audit Committee also oversaw the Internal Audit Office to ensure that all assurance the internal control systems, risk management systems, and corporate governance systems were performed effectively and efficiently.

The Audit Committee agreed that the Company's internal control system was adequate and appropriate and its internal audit was performed independently and in accordance with the professional standards.

### **Compliance with the Rules and Regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and Laws Relating to the Company's Business**

The Audit Committee audited the Company's compliance with the rules and regulations relating to SEC and SET and the laws which concern the Company's business, including the compliance with the Company's terms and obligations that the Company has made with external parties.

The Audit Committee agreed that the Company complied with the requirements from SEC and SET and laws related to the business.

### **Risk Management**

The Audit Committee had audited the policies and annual plan on risk management and the Audit Committee also regularly acknowledged the progress reports on actions implemented by the Risk Management



Committee as per the plan, which were reviewed and revised to be appropriate with the environment and situation.

The Audit Committee is of an opinion that the Company has proper and adequate risk management system.

### **Good Corporate Governance**

The Audit Committee continuously promoted the Company's good corporate governance by revising and amending policies on corporate governance and code of conduct to be in accordance with the best practices while offering guidance and necessary suggestions for improvements on good corporate governance. The Audit Committee reviewed the Anti-Corruption Policy monitored progress regarding Thailand's Private Sector Collective Action Coalition Against Corruption (Anti-Corruption Policy)

The Audit Committee agreed the Company has consistently developed and improved its corporate governance.

### **Consideration, Selection and Nomination of the Auditors**

The Audit Committee took into consideration the nomination and appointment of the auditor and the annual audit fee for 2019 based on the assessment of qualification, competency, experience in auditing, independence in auditing according to the Code of Ethics for Professional Accountants and requirements of the SEC, Auditing quality in the past year, and the audit fee.

The Audit Committee reached a resolution to propose the appointment of KPMG Poomchai Audit Company Limited, the existing Auditor of the Company and the

subsidiary, as the auditing firm for the year 2019 with Mr. Watchara Pattarapitak Certified Public Accountant number 6669 or Mr. Banthit Tangpakorn Certified Public Accountant number 8509 or Ms. Marisa Tharathornbunpakul Certified Public Accountant number 5752 as the Auditor for the Company and the subsidiary. Its auditing fee for the Company and the subsidiary is proposed at the total amount of 2,520,000 Baht (Consisting of 2,000,000 Baht for Synnex (Thailand) Public Company Limited and 520,000 Baht for Prism Solutions Company Limited) to be approved in the Annual General Meeting of Shareholders.

### **Performance Assessment**

The Audit Committee's self-performance assessment was conducted annually, as an individual and group assessment, according to the SET guidelines. The result showed that the Audit Committee had performed its duties and responsibilities, according to the Audit Committee Charter, with a commitment to accuracy, discretion, transparency, and independence. The Audit Committee had full access to all pertinent information from management, employees and associated parties. The Audit Committee had given beneficial and practical comments and recommendations benefiting all stakeholders.

In summary, the Audit Committee concluded that the Board of Directors, Management, and Executive Directors had performed their duties with integrity and diligence in pursuit of the Company's goals, and that the Company demonstrated commitment to effective and transparent Corporate Governance which included appropriate risk management and internal control system.

On behalf of the Audit Committee



**( Mr. Somchai Apiwattanapron )**  
**Chairman of the Audit Committee**

# REPORT OF THE BOARD OF DIRECTORS ON FINANCIAL REPORTING

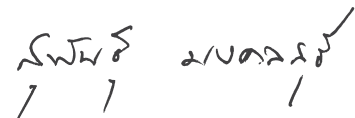
## Dear Shareholders

The Company's Board of Directors of Synnex (Thailand) Public Company Limited heeds the significance of Financial reporting of the Company and the Subsidiary as well as the Financial information included in the annual report to assure that the Company's Financial reporting is prepared using accurate and complete accounting records and being in accordance with Thai Financial Reporting Standards (TFRSs), using suitable accounting policies and adhere to such policies regularly, so that the Financial statements will reflect the Financial position and essential operating result of the Company.

The Company's Board of Directors has appointed the Audit Committee which consist of independent directors, possessing qualifications as required by the Securities and Exchange Commission and related rules and regulations, to supervise the Company's internal control system to be effective; audit the Financial statements to

be sufficient and accurate; disclose related transactions which are potential of conicts of interest as per the requirements of the Stock Exchange of Thailand and related regulations. The Audit Committee already reported on their performance to the Board of Directors.

The Board of Directors resolved that the Financial statements of the Company the Subsidiary for the year 2018, which had been reviewed and audited by the Audit Committee with Company's Management and the Auditor, reflected the accurate Financial position and operating results of the Company and the Subsidiary which is in compliance with Thai Financial Reporting Standards (TFRSs) and key information has been adequately disclosed in the notes to the Financial statements. The auditor has expressed opinion on the Financial statements of Synnex Public Company Limited and the consolidated Financial statements and its subsidiaries in the Auditor's Report.



(Supant Mongkolsuthree)

Chairman

# CONNECTED TRANSACTIONS

The Company has transactions with certain related party transactions. Arising from normal business operations for year ended December 31, 2018 according on the following.

THE COMPANY'S RELATED	RELATIONSHIP CAUSING THE CONFLICT	DESCRIPTION ACCOUNT	AMOUNT (THOUSAND BAHT)	TTRANSACTIONS	REASON AND NECESSITY OF TRANSACTION
Prism Solutions Company Limited	Subsidiary	• Revenue from sales and service	118,894	Selling products	• The Company's selling prices of products and service were higher than costs under the normal course of business that can be referred to the prices offered to other customers.
		• Other revenue	1,852	Revenue from rental and other service	• The service location fee's rates charged in proportion to the area and found that the rates are reasonable and compared with similar rates of Office as the fair value. These transactions were in business collaboration to the high beneficial for the company.
		• Interest income	818	Interest income on lending in the form of promissory notes. Interest rate of 1.9%-2.25% per year.	• The loan interest rates a rate comparable to that of Financial transactions on the basis of fair value.
		• Short term loans	41,000	Short term loans on lending in the form of promissory notes. Interest rate of 1.9%-2.25% per year.	• These transactions were in business collaboration to the high beneficial for the company.

THE COMPANY'S RELATED	RELATIONSHIP CAUSING THE CONFLICT	DESCRIPTION ACCOUNT	AMOUNT (THOUSAND BAHT)	TTRANSACTIONS	REASON AND NECESSITY OF TRANSACTION
		<ul style="list-style-type: none"> <li>Purchasing products/service</li> </ul>	250	Purchasing products	<ul style="list-style-type: none"> <li>The price the Company buy in operation or to sale the price has been agreed the cost plus the cost of packaging and labor margin compared to other companies in the market items such as normal trading conditions.</li> </ul>
		<ul style="list-style-type: none"> <li>Technical assistance and other service expense</li> </ul>	444	Service training system	<ul style="list-style-type: none"> <li>These transactions were in business collaboration to the high beneficial for the company.</li> </ul>
T.K.S. Technology Public Company Limited	Related Parties	<ul style="list-style-type: none"> <li>Revenue from sales and service</li> </ul>	167	Selling products	<ul style="list-style-type: none"> <li>The Company's selling prices of products and service were higher than costs under the normal course of business that can be referred to the prices offered to other customers.</li> </ul>
		<ul style="list-style-type: none"> <li>Purchase of goods or receiving of services</li> </ul>	186,438	Purchase of goods	<ul style="list-style-type: none"> <li>The price the Company buy in operation or to sale the price has been agreed the cost plus the cost of packaging and labor margin compared to other companies in the market items such as normal trading conditions.</li> </ul>

THE COMPANY'S RELATED	RELATIONSHIP CAUSING THE CONFLICT	DESCRIPTION ACCOUNT	AMOUNT (THOUSAND BAHT)	TTRANSACTIONS	REASON AND NECESSITY OF TRANSACTION
T.K.S. Siam press Management Company Limited	Related Parties	<ul style="list-style-type: none"> <li>Revenue from sales and service</li> </ul>	2,886	Selling products	<ul style="list-style-type: none"> <li>The Company's selling prices of products and service were higher than costs under the normal course of business that can be referred to the prices offered to other customers.</li> </ul>
		<ul style="list-style-type: none"> <li>Purchase of goods or receiving of services</li> </ul>	37,695	Purchase of goods	<ul style="list-style-type: none"> <li>The price the Company buy in operation or to sale the price has been agreed the cost plus the cost of packaging and labor margin compared to other companies in the market items such as normal trading conditions.</li> </ul>
		<ul style="list-style-type: none"> <li>Printing services</li> </ul>	9,449	Ordering the printing journals and brochures for sales promotion.	<ul style="list-style-type: none"> <li>The printing service fee's rate was similar to the market price under the normal cost business that can be referred to other customers' offered rates.</li> </ul>
		<ul style="list-style-type: none"> <li>Warehouse management expense</li> </ul>	9,052	The warehouse management and logistics fee is 3 percent, Products under TKS, Idea green are 2 percent of selling price.	<ul style="list-style-type: none"> <li>These transactions were in business collaboration to the high beneficial for the company.</li> </ul>

THE COMPANY'S RELATED	RELATIONSHIP CAUSING THE CONFLICT	DESCRIPTION ACCOUNT	AMOUNT (THOUSAND BAHT)	TTRANSACTIONS	REASON AND NECESSITY OF TRANSACTION
BAF (Thailand)	Joint venture	<ul style="list-style-type: none"> <li>Revenue from sales and service</li> </ul>	3,721	Selling products	<ul style="list-style-type: none"> <li>The Company's selling prices of products and service were higher than costs under the normal course of business that can be referred to the prices offered to other customers.</li> </ul>
PT Automation (Thailand)	Joint venture	<ul style="list-style-type: none"> <li>Revenue from sales and service</li> </ul>	787	Selling products	<ul style="list-style-type: none"> <li>The Company's selling prices of products and service were higher than costs under the normal course of business that can be referred to the prices offered to other customers.</li> </ul>
		<ul style="list-style-type: none"> <li>Other revenue</li> </ul>	580	Revenue from rental and other service	<ul style="list-style-type: none"> <li>The service location fee's rates charged in proportion to the area and found that the rates are reasonable and compared with similar rates of Office as the fair value. These transactions were in business collaboration to the high beneficial for the company.</li> </ul>
		<ul style="list-style-type: none"> <li>Purchase of goods or receiving of services</li> </ul>	2,042	Purchase of goods	<ul style="list-style-type: none"> <li>The price the Company buy in operation or to sale the price has been agreed the cost plus the cost of packaging and labor margin compared to other companies in the market items such as normal trading conditions.</li> </ul>

## Measures or Procedure Concerning the Approval of Related Transactions

Related transactions of the Company must be proposed to the Board of Directors for consideration and approval in a meeting in which the Audit Committee attends to express opinions on the necessity to enter such transactions and validity of these transactions. The Company's procedure of approval on related transactions is in compliance with the law concerning the Stock Exchange of Thailand (SET) as well as SET regulations, notifications, orders, and requirements. Directors with vested interest in related transactions are not entitled to vote to approve such transactions and the transactions approved will be disclosed in the notes to the Financial statements of the Company and/or the Subsidiary.

## Policies and Trend of Related Transactions with Potential Conflicts of Interest

- The Company adopts a policy to assure that related normal business transactions and normal business supporting transactions in general trading conditions, such as the purchase or sale of goods and services, are treated in accordance with normal trading terms and at market price, which can be compared to the price offered to non-related parties, and strictly adhered to contracts mutually agreed. Pricing and trading terms of related transactions are clearly and fairly stated and not grounds for conflict of interest. Accounting and Finance Department is in charge of making the report on related transactions while Internal Audit Department is liable to audit the report and present it to the Audit Committee to review and comment on the appropriateness and validity of related transactions every quarter.
- The Company has a policy to propose normal business transactions and normal business supporting transactions with abnormal trading conditions and other related transactions to the Board of Directors' Meeting for review and approval in which the Audit Committee attends to express opinions on the necessity to enter such transactions and validity of these transactions before proceeding on. The Company's procedure must comply with the law concerning the Stock Exchange of Thailand (SET) as well as SET regulations, notifications, orders, and requirements on top of obeying the requirement on disclosure of related transactions regarding the acquisition or disposal of major assets of the Company or the Subsidiary. In the event that the Audit Committee lacks expertise to review any given related transaction, the Company will arrange an independent expert to evaluate such transaction to facilitate the decision making of the Board of Directors or shareholders, depending on the event. Directors with vested interest in related transactions are not entitled to vote to approve such transactions.
- For related transactions that may occur in the future, the Company's directors are obliged to comply with the regulations and shall not approve any items which directors themselves or any parties have vested interests which are potential to create conflicts of interest for the Company and/or the Subsidiary. Additionally, the Company's directors shall not authorize anyone to act on their behalf to engage in transactions with conflicts and must disclose such transactions with the Company's Board of Directors and/or the Subsidiary for review and consideration.
- Regarding the trends of related transactions in the future, there will be such transactions as part of regular business operations which the Company is obliged to strictly conduct in transparency and compliance with the Company's policies on related transactions which are consistent with the requirements of the Stock Exchange of Thailand and other regulators.

# MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Financial Status and Operating Performance Results for the Full Year end December 31, 2018

## Operating Result

### Sales Revenues

Total Sales Revenues increased by 17.80% from the previous year and in almost every Product Group, except for the components and printer products group, in line with market mechanisms and changing technology; while the Product Group achieving the most sales revenues increase were: communications products, assembled computer products and accessories. The achieved sales revenues increase resulted from the marketing strategy in offering more new product choices corresponding to the advancement of new technologies having a role within both the consumer households and the economic/business sectors, as well as to the continuing development of closed relationships by the Company with its products distributors and product/brand owner business partners – both existing and new, in order to increase distribution and sales channels that now also cover the AEC markets. The sales revenues increase was also due to continuing increased revenues from sale of services, which grew by 13.73% from the previous year and which grew in the same direction as sales of communications equipment, for which the Company was appointed to be the sole exclusive authorized after-sales service center for its products. As such, Total Revenues for 2018 from sales of products and equipment was Baht 38,100 million and Total Revenues from sales of services was Baht 96.40 million.

### Selling and Administrative Expenses

Total Selling and Administrative Expenses showed a decreasing trend when compared to the rate of increase for Total Sales Revenues; whereby Total Selling and Administrative Expenses for 2018 was Baht 870.70 million (compared to

Baht 808.72 million for the previous year), or equal to 2.27% of total sales (compared to 2.48% in the previous year). This resulted from the Company having distributed and sold technology products, and thus attaching importance in making use of technology in every area of its business operations – such as: deploying machinery in managing products inventory in the warehouse, that resulted in a reduction of various associated expenses while increasing efficiency in the distribution of products as well as close cooperation in managing overall logistics and distribution costs to be at an appropriate level and not increasing at the same rate as the growing business operations.

### Net Profit

Total Net Profit continued to increase year-on-year, with achieved Total Net Profit for full year 2018 of Baht 721.49 million (compared to Baht 623.84 million in the previous year) and equal to an increase of 15.65% year-on-year. The increased net Profit resulted from the marketing strategies implemented together with the business plans relating to the sales and marketing promotions campaigns. The development of close cooperation with both business partners and distributor partners in a sustainable manner resulted in achieving increased sales revenues in all key Product Groups. Further, the effective management of costs of sales as well as selling and administrative expenses together with making use of Financial tools to help manage various Financial risks and also to reduce overall cost of nance. As such, all of these operational aspects enabled the Company to continue achieving increased Profits.





## Financial Status

### Assets

As at December 31, 2018, the Company and Subsidiary Companies had Total Assets of Baht 11,700.71 million, comprising of Total Current Assets of Baht 10,745.31 million, equal to 91.83% of Total Assets, together with Total Non-Current Assets of Baht 955.39 million, equal to 8.17% of Total Assets.

As at December 31, 2018, Total Assets increased from the previous year by 29.89%; whereby Total was Baht 9,008.48 million. As such, this resulted from Trade Debtors Receivables increasing in line with the increase in sales

revenues for the year, as well as from the increased credit limits and longer payment terms being given to our premium customers so as to enable both increased sales and overall business growth. Similarly, there was an increase in inventory on hand to support the implemented marketing plans in all the Business Units. While, cash and cash equivalent together with other current assets remained nearly the same as at the end of the previous year, despite current and non-current liabilities having increased. However, the Company still has a larger proportion of current assets than current liabilities

Unit: Thousand Baht

	DEC 31, 2018	DEC 31, 2017	DEC 31, 2016
Cash Flow used in operating activities	(71,005.09)	(635,845.10)	(600,370.76)
Cash Flow used in investing activities	(199,780.29)	(306,802.37)	(135,453.43)
Cash Flow from financing activities	323,457.96	941,719.35	864,020.31
Effect of exchange rate change on cash and cash equivalents	(428.62)	(754.26)	(33.89)
Net Increase in cash or cash equivalents	52,243.96	(1,682.38)	128,196.12
Cash or cash equivalent (at the beginning of the period)	204,607.21	206,289.59	78,093.47
Cash or cash equivalent (at the end of the period)	256,851.17	204,607.21	206,289.59
Cash Cycle (days)	56	54	57

### Cash Flow from Operating Activities

The decrease in cash ow from operations during 2018 was due to:

- Increased Trade Accounts Receivables, totaling Baht 1,359.08 million
- Increased Total Inventory on hand, totaling Baht 976.82 million
- Increased Trade Accounts Payables, totaling Baht 1,417.94 million

### Cash Flow from Investing Activities

The decreased in cash ow from investments made during 2018 was due to:

- Decreased short term loans to other parties, totaling Baht 156.46 million

## Cash Flow from Financing Activities

The increased cash flow from financing activities during 2018 was due to:

- Increased Proceeds from borrowings, totaling Baht 31,888.89 million
- Dividends paid to the Company's Shareholders, totaling Baht 423.68 million
- Repayment of borrowings, totaling Baht 31,084.43 million

In 2018, the Company had total cash flows from operations that decreased by Baht 71.01 million due to the increase in trade account receivables, inventory on hand and trade account payable that totaled Baht 1,359.08 million, Baht 976.82 million and Baht 1,417.94 million respectively. At the same time, the Company achieved a Total Net Profit of Baht 721.49 million together with a Cash Cycle of 56 days that increased from 54 days in 2017. As such, this resulted from the increase in the average receivables collections period that was 50 days in 2018 compared to 49 days in 2017, and due to the increase in trade account receivables following the growth in total sales revenues together with the increased credit limits and longer payment terms given to premium customers so as to support the ability to increase sales and overall business growth. Similarly, there was an increase in total inventory on hand to support the marketing strategies deployed by all the Business Units; whereby this resulted in Average Inventory Sales being increased from 27 days in 2017 to 30 days in 2018. As for the Average Payables Payment Period, this was at 23 days in 2018, increasing from 22 days in 2017 due to the Company still making payments in cash or earlier than the due date so as to benefit from trade discounts given.

In 2018, the Company had a Liquidity Ratio that decreased to 1.28 times and a Current Ratio of 0.86 times, due to the appropriate Financial structure of the Company being mainly made up of the Profits achieved from normal operations together with obtaining short term loans for use as working capital. As such, the Company has achieved improved overall management, control and monitoring, and risk management of its trade account receivables as well

as inventory on hand, which has resulted in receiving credit lines from many Financial institution and commercial banks with costs of funds that are appropriate for the Company; as well as resulted in the Company enjoying continuing positive Financial liquidity to support its business situation and ongoing business growth.

## Sources of Funds and Working Capital

### Liabilities

As at December 31, 2018, the Company and Subsidiary Companies had Total Liabilities of Baht 8,615.79 million, comprising of Total Current Liabilities of Baht 8,379.78 million or equal to 97.26% of Total Liabilities, together Total Non-Current Liabilities of Baht 236.01 million or equal to 2.74% of Total Liabilities.

Furthermore, the majority of the Company's liabilities are current liabilities consisting of Bank overdrafts and loans from Financial institutions totaling Baht 4,291.66 million, trade accounts payables and bills of exchange totaling Baht 3,036.83 million; whereby the Debt to Equity (D/E) Ratio is at 2.79 times, increasing from 2.25 times as at December 31, 2017. As such, this was due to the positive response from our business partners' in giving the Company both increased credit limits and longer trade debts payment terms so as to have a more effective and increased working capital flow. This enabled the Company to expand its business in every product group as well as to increase market share in all its Business Units. With regards to loans from Financial institutions, the Company has maintained its overall Debt to Equity (D/E) Ratio to be below 3.0 times until it is able to repay its loans from the increased Total Debts to Equity. Furthermore, the Company has a Gearing Ratio of 1.51 times.

### Shareholders' Equity

As at December 31, 2018, Total Shareholders' Equity was Baht 3,084.91 million, an increase of Baht 311.61 million from 2017, or equal to 11.24%, as a result of the achieved Total Net Profit of Baht 721.49 million less the interim dividend payment made totaling Baht 423.68 million.

**Synnex (Thailand) Public Company Limited  
and its Subsidiary**

Financial statements for the year ended  
31 December 2018  
and  
Independent Auditor's Report



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## Independent Auditor's Report

### To the Shareholders of Synnex (Thailand) Public Company Limited

#### *Opinion*

I have audited the consolidated and separate financial statements of Synnex (Thailand) Public Company Limited and its subsidiary (the "Group") and of Synnex (Thailand) Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2018, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2018 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

#### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



*Key Audit Matters*

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of trade accounts receivable	
Refer to notes 2(d), 3(d), 6 and 29 to the financial statements	
The key audit matter	How the matter was addressed in the audit
<p>The Group distributes computer equipment of over 50 world-recognised brands whereas the Group’s customer base includes over 5,000 countrywide computer retailers and wholesalers including corporate customers and government projects. Accordingly, the Group had material trade accounts receivable.</p> <p>The Group has a credit policy including analysis of payment histories and future expectations of customer payments for setting up allowance for doubtful accounts to reflect the collectible amount of trade accounts receivable.</p> <p>The estimation of allowance for doubtful accounts involves categorisation of trade accounts receivable by the age profile and requires significant management judgment. Therefore, I considered that this is a significant risk and a key area of focus in my audit.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>• understanding the process of collection and measurement of allowance for doubtful accounts by inquiry of management;</li> <li>• evaluating the controls design and implementation regarding categorisation of trade accounts receivable aging and estimation of allowance for doubtful accounts;</li> <li>• performing a retrospective assessment of the allowance by comparing past experience of allowance with actual results in order to evaluate the appropriateness of the assumptions made in the current year;</li> <li>• testing the appropriateness of trade accounts receivable aging report exported from accounting system on a sample basis with the assistance of KPMG’s information technology specialist;</li> <li>• testing the receipt of cash after the year end on a sample basis;</li> <li>• in respect of long-outstanding trade accounts receivable, assessment of the allowance level was considered by examining the collection histories as well as assessment of information regarding the troubled trade accounts receivable in the lawyer confirmation;</li> <li>• consideration of the adequacy of the Group’s disclosures in respect of allowance for doubtful accounts in accordance with Thai Financial Reporting Standards.</li> </ul>

Valuation of inventories	
Refer to notes 2(d), 3(e) and 9 to the financial statements	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Group had material inventories. The Group's products are related to computer equipment which is subject to rapid changes in consumer demand in response to changing technology trends impacting price volatility.</p> <p>The Group has a policy for setting up allowance for decline in value of inventories to reflect the net realisable value of inventories. The measurement of net realisable value of inventories involves categorisation of inventories by the age profile and requires significant management's judgment. Therefore, I considered that this is a significant risk and a key area of focus in my audit.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>• understanding process of measurement of net realisable value of inventories by inquiry of management;</li> <li>• evaluating the control design and implementation regarding categorisation of inventories aging and the measurement of net realisable value of inventories;</li> <li>• performing a retrospective assessment of the measurement by comparing past experience of the measurement and actual results in order to evaluate the appropriateness of the assumptions made in the current year;</li> <li>• testing the appropriateness of inventories aging report exported from accounting system on a sample basis with the assistance of KPMG's information technology specialist;</li> <li>• comparing the cost of inventories against the net realisable value including the estimated distribution costs with the related documents on a sample basis;</li> <li>• in respect of long-outstanding inventories, assessment of the allowance level was considered with the historical data of consumer's demands, sales plans as well as considering the selling price trend of each long-outstanding inventories;</li> <li>• consideration of the adequacy of the Group's disclosures in respect of allowance for decline in value of inventories in accordance with Thai Financial Reporting Standards.</li> </ul>





### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

A handwritten signature in blue ink, appearing to be 'S. H.', located at the bottom center of the page.



As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.





From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in blue ink, appearing to read 'Watchara Pattarapitak', written in a cursive style.

(Watchara Pattarapitak)  
Certified Public Accountant  
Registration No. 6669

KPMG Phoomchai Audit Ltd.  
Bangkok  
21 February 2019

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Statement of financial position**

<b>Assets</b>	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		31 December		31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
<b><i>Current assets</i></b>					
Cash and cash equivalents	5	256,851,174	204,607,215	243,868,443	190,800,727
Trade accounts receivable	4, 6	5,901,486,972	4,404,610,481	5,880,853,731	4,404,413,659
Other receivables	7	352,694,943	215,605,065	348,408,256	205,809,429
Short-term loans	4,8	126,500,000	-	167,500,000	41,000,000
Inventories	9	3,498,365,185	2,546,416,820	3,495,757,088	2,546,060,231
Rebate receivables		546,774,515	454,515,900	546,391,900	454,500,551
Prepayment for goods		62,445,151	252,144,768	62,341,015	252,040,632
Other current assets		192,497	176,758	192,497	176,758
<b>Total current assets</b>		<b>10,745,310,437</b>	<b>8,078,077,007</b>	<b>10,745,312,930</b>	<b>8,094,801,987</b>
<b><i>Non-current assets</i></b>					
Investment in subsidiary	10	-	-	9,400,000	9,400,000
Investments in joint ventures	11	366,116,191	292,758,147	336,248,285	277,206,600
Other long-term investments	12	38,720,858	31,770,960	38,720,858	31,770,960
Trade accounts receivable	6	93,933,067	98,218,889	93,933,067	98,218,889
Other receivables	7	5,774,923	4,862,631	5,675,224	4,729,932
Property, plant and equipment	13	377,918,631	402,846,989	376,173,256	399,089,205
Intangible assets		9,093,921	9,630,015	9,093,917	9,630,011
Deferred tax assets	14	63,837,028	90,323,239	62,216,325	89,883,911
<b>Total non-current assets</b>		<b>955,394,619</b>	<b>930,410,870</b>	<b>931,460,932</b>	<b>919,929,508</b>
<b>Total assets</b>		<b>11,700,705,056</b>	<b>9,008,487,877</b>	<b>11,676,773,862</b>	<b>9,014,731,495</b>

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

# Synnex (Thailand) Public Company Limited and its Subsidiary

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2018	2017	2018	2017
<i>(in Baht)</i>					
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	15	4,291,656,054	3,276,120,483	4,291,656,054	3,276,120,483
Trade accounts payable	4, 16	3,036,825,242	1,648,898,189	3,018,974,556	1,648,155,151
Other payables	4, 17	486,593,125	279,235,725	485,531,306	278,619,364
Current portion of long-term loans					
from financial institution	15	211,080,000	211,080,000	211,080,000	211,080,000
Current tax payable		7,398,454	32,210,181	7,398,454	32,210,181
Accrued expenses	4, 18	346,227,013	340,007,880	340,527,668	336,041,851
<b>Total current liabilities</b>		<b>8,379,779,888</b>	<b>5,787,552,458</b>	<b>8,355,168,038</b>	<b>5,782,227,030</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institution	15	161,180,000	372,260,000	161,180,000	372,260,000
Other payables	17	45,598,483	34,243,983	45,598,483	34,243,983
Non-current provisions for employee benefits	19	28,726,321	40,621,334	28,581,516	39,157,182
Other non-current liabilities		508,015	508,015	501,405	501,405
<b>Total non-current liabilities</b>		<b>236,012,819</b>	<b>447,633,332</b>	<b>235,861,404</b>	<b>446,162,570</b>
<b>Total liabilities</b>		<b>8,615,792,707</b>	<b>6,235,185,790</b>	<b>8,591,029,442</b>	<b>6,228,389,600</b>
<b>Equity</b>					
Share capital:	20				
Authorised share capital		800,000,000	800,000,000	800,000,000	800,000,000
Issued and paid-up share capital		770,328,649	770,328,649	770,328,649	770,328,649
Share premium:					
Share premium on ordinary shares	20	350,872,541	350,872,541	350,872,541	350,872,541
Share premium on treasury shares	20	52,835,830	52,835,830	52,835,830	52,835,830
Retained earnings					
Appropriated					
Legal reserve	21	80,000,000	80,000,000	80,000,000	80,000,000
Unappropriated		1,808,585,236	1,502,534,892	1,809,417,307	1,515,574,700
Other components of equity		22,290,093	16,730,175	22,290,093	16,730,175
<b>Total equity</b>		<b>3,084,912,349</b>	<b>2,773,302,087</b>	<b>3,085,744,420</b>	<b>2,786,341,895</b>
<b>Total liabilities and equity</b>		<b>11,700,705,056</b>	<b>9,008,487,877</b>	<b>11,676,773,862</b>	<b>9,014,731,495</b>

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

# Synnex (Thailand) Public Company Limited and its Subsidiary

## Statement of comprehensive income

	Note	Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
		2018	2017	2018	2017
<i>(in Baht)</i>					
<b>Income from operations</b>					
Revenue from sale of goods	4	38,099,603,195	32,341,249,181	38,075,601,258	32,330,830,472
Revenue from rendering of services	4	96,400,830	84,762,132	63,547,370	45,602,613
<b>Total income</b>	22	<b>38,196,004,025</b>	<b>32,426,011,313</b>	<b>38,139,148,628</b>	<b>32,376,433,085</b>
<b>Operating costs</b>					
Cost of sale of goods	4, 9, 24	36,540,798,654	30,958,396,331	36,523,276,204	30,951,405,558
Cost of rendering of services	4, 24	36,756,431	32,144,185	27,280,657	14,735,486
<b>Total costs</b>		<b>36,577,555,085</b>	<b>30,990,540,516</b>	<b>36,550,556,861</b>	<b>30,966,141,044</b>
<b>Gross profit</b>		<b>1,618,448,940</b>	<b>1,435,470,797</b>	<b>1,588,591,767</b>	<b>1,410,292,041</b>
Gain on exchange rate		131,000,368	126,171,941	131,000,368	126,171,941
Other income	4	56,652,836	56,587,924	59,527,853	56,769,720
<b>Profit before expenses</b>		<b>1,806,102,144</b>	<b>1,618,230,662</b>	<b>1,779,119,988</b>	<b>1,593,233,702</b>
Distribution costs	4, 24	493,955,663	439,454,594	478,020,801	421,074,166
Administrative expenses	4, 24	376,744,803	369,266,361	360,800,831	357,850,292
Finance costs	25	55,948,083	56,606,480	55,948,077	56,606,470
<b>Total expenses</b>		<b>926,648,549</b>	<b>865,327,435</b>	<b>894,769,709</b>	<b>835,530,928</b>
Share of profit of joint ventures	11	14,316,359	15,551,547	-	-
<b>Profit before income tax expense</b>	22	<b>893,769,954</b>	<b>768,454,774</b>	<b>884,350,279</b>	<b>757,702,774</b>
Tax expense	26	(172,278,564)	(144,614,598)	(173,781,276)	(144,179,328)
<b>Profit for the year</b>		<b>721,491,390</b>	<b>623,840,176</b>	<b>710,569,003</b>	<b>613,523,446</b>
<b>Other comprehensive income</b>					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Gains on remeasuring available-for-sale investments	12	6,949,898	6,162,974	6,949,898	6,155,623
Income tax relating to item that will be reclassified subsequently to profit or loss	14, 26	(1,389,980)	(1,232,595)	(1,389,980)	(1,231,125)
<b>Total items that will be reclassified subsequently to profit or loss</b>		<b>5,559,918</b>	<b>4,930,379</b>	<b>5,559,918</b>	<b>4,924,498</b>
<i>Items that will not be reclassified to profit or loss</i>					
Gains on remeasurements of defined benefit plans	19	10,299,570	-	8,692,883	-
Income tax relating to items that will not be reclassified	14, 26	(2,059,914)	-	(1,738,577)	-
<b>Total items that will not be reclassified to profit or loss</b>		<b>8,239,656</b>	<b>-</b>	<b>6,954,306</b>	<b>-</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>13,799,574</b>	<b>4,930,379</b>	<b>12,514,224</b>	<b>4,924,498</b>
<b>Total comprehensive income for the year</b>		<b>735,290,964</b>	<b>628,770,555</b>	<b>723,083,227</b>	<b>618,447,944</b>

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

## Synnex (Thailand) Public Company Limited and its Subsidiary

### Statement of comprehensive income

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
		<i>(in Baht)</i>			
<b>Profit attributable to:</b>					
Owners of the parent		721,491,390	623,840,176	710,569,003	613,523,446
Non-controlling interests		-	-	-	-
<b>Profit for the year</b>		<b>721,491,390</b>	<b>623,840,176</b>	<b>710,569,003</b>	<b>613,523,446</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		735,290,964	628,770,555	723,083,227	618,447,944
Non-controlling interests		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>735,290,964</b>	<b>628,770,555</b>	<b>723,083,227</b>	<b>618,447,944</b>
<b>Basic earnings per share</b>	27	<b>0.94</b>	<b>0.81</b>	<b>0.92</b>	<b>0.80</b>

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

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Statement of changes in equity**

**Consolidated financial statements**

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings		Other components of shareholders' equity	Total equity
					Legal reserve <i>(in Baht)</i>	Unappropriated	Available- for-sale investments	
<b>Year ended 31 December 2017</b>								
<b>Balance at 1 January 2017</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,217,639,106</b>	<b>11,799,796</b>	<b>2,483,475,922</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the parent</i>								
Dividends	28	-	-	-	-	(338,944,390)	-	(338,944,390)
<b>Total distributions to owners of the parent</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(338,944,390)</b>	<b>-</b>	<b>(338,944,390)</b>
<b>Comprehensive income for the year</b>								
Profit		-	-	-	-	623,840,176	-	623,840,176
Other comprehensive income		-	-	-	-	-	4,930,379	4,930,379
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>623,840,176</b>	<b>4,930,379</b>	<b>628,770,555</b>
<b>Balance at 31 December 2017</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,502,534,892</b>	<b>16,730,175</b>	<b>2,773,302,087</b>

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

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Statement of changes in equity**

**Consolidated financial statements**

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings		Other components of shareholders' equity	Total equity
					Legal reserve <i>(in Baht)</i>	Unappropriated	Available-for-sale investments	
<b>Year ended 31 December 2018</b>								
<b>Balance at 1 January 2018</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,502,534,892</b>	<b>16,730,175</b>	<b>2,773,302,087</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the parent</i>								
Dividends	28	-	-	-	-	(423,680,702)	-	(423,680,702)
<b>Total distributions to owners of the parent</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(423,680,702)</b>	<b>-</b>	<b>(423,680,702)</b>
<b>Comprehensive income for the year</b>								
Profit		-	-	-	-	721,491,390	-	721,491,390
Other comprehensive income		-	-	-	-	8,239,656	5,559,918	13,799,574
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>729,731,046</b>	<b>5,559,918</b>	<b>735,290,964</b>
<b>Balance at 31 December 2018</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,808,585,236</b>	<b>22,290,093</b>	<b>3,084,912,349</b>

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

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Statement of changes in equity**

	<i>Note</i>	<b>Separate financial statements</b>				Other components of equity	Total equity	
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings			
					Legal reserve <i>(in Baht)</i>			Unappropriated
<b>Year ended 31 December 2017</b>								
<b>Balance at 1 January 2017</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,240,995,644</b>	<b>11,805,677</b>	<b>2,506,838,341</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the parent</i>								
Dividends	28	-	-	-	-	(338,944,390)	-	(338,944,390)
<b>Total distributions to owners of the parent</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(338,944,390)</b>	<b>-</b>	<b>(338,944,390)</b>
<b>Comprehensive income for the year</b>								
Profit		-	-	-	-	613,523,446	-	613,523,446
Other comprehensive income		-	-	-	-	-	4,924,498	4,924,498
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>613,523,446</b>	<b>4,924,498</b>	<b>618,447,944</b>
<b>Balance at 31 December 2017</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,515,574,700</b>	<b>16,730,175</b>	<b>2,786,341,895</b>

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



**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Statement of changes in equity**

	<i>Note</i>	<b>Separate financial statements</b>				<b>Other components of equity</b>		<b>Total equity</b>
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Retained earnings		Available-for-sale investments	
					Legal reserve <i>(in Baht)</i>	Unappropriated		
<b>Year ended 31 December 2018</b>								
<b>Balance at 1 January 2018</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,515,574,700</b>	<b>16,730,175</b>	<b>2,786,341,895</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the parent</i>								
Dividends	28	-	-	-	-	(423,680,702)	-	(423,680,702)
<b>Total distributions to owners of the parent</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(423,680,702)</b>	<b>-</b>	<b>(423,680,702)</b>
<b>Comprehensive income for the year</b>								
Profit		-	-	-	-	710,569,003	-	710,569,003
Other comprehensive income		-	-	-	-	6,954,306	5,559,918	12,514,224
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>717,523,309</b>	<b>5,559,918</b>	<b>723,083,227</b>
<b>Balance at 31 December 2018</b>		<b>770,328,649</b>	<b>350,872,541</b>	<b>52,835,830</b>	<b>80,000,000</b>	<b>1,809,417,307</b>	<b>22,290,093</b>	<b>3,085,744,420</b>

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

# Synnex (Thailand) Public Company Limited and its Subsidiary

## Statement of cash flows

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
<i>(in Baht)</i>					
<b><i>Cash flows from operating activities</i></b>					
Profit for the year		721,491,390	623,840,176	710,569,003	613,523,446
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense		172,278,564	144,614,598	173,781,276	144,179,328
Finance costs		55,948,083	56,606,480	55,948,077	56,606,470
Depreciation and amortisation		43,108,216	40,641,658	41,116,121	37,745,775
Non-current provisions for employee benefit		4,754,557	4,650,551	4,467,217	4,363,211
Unrealised gains on exchange		(17,404,286)	(6,426,798)	(17,404,286)	(6,426,798)
Share of profit of joint ventures	11	(14,316,359)	(15,551,547)	-	-
(Reversal of) bad and doubtful debts expenses	6	(134,143,742)	13,539,146	(141,456,210)	14,107,459
Losses on inventories devaluation	9	20,557,595	15,354,518	20,643,842	17,249,898
Cost of donated goods		4,309,505	17,328,441	4,309,505	17,328,441
Gains on disposal of interest in joint venture		(147,735)	-	(147,735)	-
Gains on disposal of plant and equipment		(87,124)	(2,848,373)	(68,037)	(795,980)
Gains on sale of other long-term investments		-	(3,855)	-	-
Interest income		(3,773,083)	(519,974)	(4,508,241)	(1,316,251)
Dividend income		(1,787,117)	(1,588,548)	(1,787,117)	(1,588,548)
		<u>850,788,464</u>	<u>889,636,473</u>	<u>845,463,415</u>	<u>894,976,451</u>
<b><i>Changes in operating assets and liabilities</i></b>					
Trade accounts receivable		(1,359,081,291)	(399,864,042)	(1,331,332,404)	(409,547,022)
Other receivables		(135,612,266)	(90,221,868)	(141,154,216)	(93,784,350)
Inventories		(976,815,465)	(487,365,617)	(974,650,204)	(490,370,644)
Rebate receivables		(92,258,615)	(167,122,483)	(91,891,349)	(167,107,134)
Prepayment for goods		189,699,617	(37,746,512)	189,699,617	(37,711,934)
Other current assets		(15,739)	1,180,685	(15,739)	(20,711)
Trade accounts payable		1,417,941,066	(361,726,907)	1,400,833,418	(359,216,090)
Other payables		207,165,155	153,832,426	206,719,697	153,992,219
Accrued expenses		7,587,957	12,829,684	5,854,641	12,136,255
Non-current provisions for employee benefits paid		(6,350,000)	(3,180,000)	(6,350,000)	(3,180,000)
Net cash generated from (used in) operating		<u>103,048,883</u>	<u>(489,748,161)</u>	<u>103,176,876</u>	<u>(499,832,960)</u>
Taxes paid		<u>(174,053,974)</u>	<u>(146,096,934)</u>	<u>(174,053,974)</u>	<u>(146,093,363)</u>
<b>Net cash used in operating activities</b>		<b><u>(71,005,091)</u></b>	<b><u>(635,845,095)</u></b>	<b><u>(70,877,098)</u></b>	<b><u>(645,926,323)</u></b>
<b><i>Cash flows from investing activities</i></b>					
Proceeds from sale of interest in joint venture	11	22,500,000	-	22,500,000	-
Acquisition of interest in joint ventures	11	(81,393,950)	(277,206,600)	(81,393,950)	(277,206,600)
Proceeds from sale of other long-term investments		-	1,021,716	-	-
Proceeds from sale of plant and equipment		434,649	3,100,377	113,364	954,578
Acquisition of plant and equipment		(16,030,567)	(35,573,326)	(15,748,683)	(35,283,686)
Acquisition of intangible assets		(1,960,722)	(253,058)	(1,960,722)	(253,058)
Proceeds from repayment of short-term loans to related parties		2,000,000	-	2,000,000	3,000,000
Short-term loan to related party		(2,000,000)	-	(2,000,000)	-
Proceeds from repayment of short-term loans to other party		29,960,000	-	29,960,000	-
Short-term loans to other parties		(156,460,000)	-	(156,460,000)	-
Dividends received		1,787,117	1,588,548	1,787,117	1,588,548
Interest received		1,383,179	519,974	2,118,338	1,316,251
<b>Net cash used in investing activities</b>		<b><u>(199,780,294)</u></b>	<b><u>(306,802,369)</u></b>	<b><u>(199,084,536)</u></b>	<b><u>(305,883,967)</u></b>

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

**Synnex (Thailand) Public Company Limited and its Subsidiary**

**Statement of cash flows**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
<i>(in Baht)</i>					
<b><i>Cash flows from financing activities</i></b>					
Proceeds from borrowings		31,888,887,732	18,782,294,219	31,888,887,732	18,782,294,219
Repayment of borrowings		(31,084,432,161)	(17,447,353,743)	(31,084,432,161)	(17,447,353,743)
Dividends paid to owners of the Company	28	(423,680,702)	(338,944,390)	(423,680,702)	(338,944,390)
Interest paid		(57,316,907)	(54,276,741)	(57,316,901)	(54,897,055)
<b>Net cash from financing activities</b>		<b><u>323,457,962</u></b>	<b><u>941,719,345</u></b>	<b><u>323,457,968</u></b>	<b><u>941,099,031</u></b>
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rates		52,672,577	(928,119)	53,496,334	(10,711,259)
Effect of exchange rate changes on cash and cash equivalents		(428,618)	(754,260)	(428,618)	(754,260)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b><u>52,243,959</u></b>	<b><u>(1,682,379)</u></b>	<b><u>53,067,716</u></b>	<b><u>(11,465,519)</u></b>
Cash and cash equivalents at 1 January		204,607,215	206,289,594	190,800,727	202,266,246
<b>Cash and cash equivalents at 31 December</b>	5	<b><u>256,851,174</u></b>	<b><u>204,607,215</u></b>	<b><u>243,868,443</u></b>	<b><u>190,800,727</u></b>
<b><i>Non-cash transaction</i></b>					
Gains on remeasuring available-for-sale investments		6,949,898	6,162,974	6,949,898	6,155,623

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

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Trade accounts receivable
7	Other receivables
8	Short-term loans
9	Inventories
10	Investment in subsidiary
11	Investments in joint ventures
12	Other long-term investments
13	Property, plant and equipment
14	Deferred tax
15	Interest-bearing liabilities
16	Trade accounts payable
17	Other payables
18	Accrued expenses
19	Non-current provisions for employee benefits
20	Share capital
21	Reserves
22	Segment information
23	Employee benefit expenses
24	Expenses by nature
25	Finance costs
26	Income tax expense
27	Basic earnings per share
28	Dividends
29	Financial instruments
30	Commitments with non-related parties
31	Event after the reporting period
32	Thai Financial Reporting Standards (TFRS) not yet adopted

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 21 February 2019.

## **1 General information**

Synnex (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 433 Sukontasawat Road, Lardprao, Lardprao, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand on 16 June 2008.

The Company’s major shareholders during the financial year were T.K.S. Technologies Public Company Limited (38.51% shareholding) and King’s Eye Investments Ltd. (34.99% shareholding). Both companies are incorporated in Thailand and British Virgin Islands, respectively.

The principal activities of the Company are engaged in the distribution of computers, IT system, and communication devices. Details of the Company’s subsidiary and joint ventures as at 31 December 2018 and 2017 are given in notes 10 and 11, respectively.

## **2 Basis of preparation of the financial statements**

### *(a) Statement of compliance*

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued revised TFRS effective for annual accounting periods beginning on or after 1 January 2018. The initial application of these revised TFRS has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

In addition to the above revised TFRS, the FAP has issued a number of new and revised TFRS which are not yet effective for current periods. The Group has not early adopted these standards in preparing these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 32.

### *(b) Basis of measurement*

The financial statements have been prepared on the historical cost basis except for the following items:

<i>Items</i>	<i>Measurement bases</i>
Available-for-sale investments	Fair value
Defined benefit liability	Present value of the defined benefit obligation, as explained in note 3 (l)

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

(c) *Functional and presentation currency*

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information in the notes to the financial statements has been rounded to the nearest thousand unless otherwise stated.

(d) *Use of judgements and estimates*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

*Assumption and estimation uncertainties*

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities within the year ending 31 December 2019 is included in the following notes:

Note 6	Valuation of trade accounts receivable: key assumptions underlying allowance for doubtful accounts;
Note 9	Valuation of inventories: key assumptions underlying allowance for decline in value of inventories;
Note 11	Acquisition of joint ventures: fair value of the net assets acquired, measured on a provisional basis; and
Note 19	Measurement of defined benefit obligations: key actuarial assumptions.

*Measurement of fair values*

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the note 29 financial instruments.

### **3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### **(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the “Group”) and the Group’s interests in joint ventures.

##### *Business combinations*

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiary section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

*Subsidiary*

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

*Non-controlling interests*

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

*Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

*Interests in equity-accounted investees*

The Group's interests in equity-accounted investees comprise interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which joint control ceases.



**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**(b) Foreign currencies**

*Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currency of the Group entities at exchange rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

**(c) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

**(d) Trade and other accounts receivable**

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

**(e) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**(f) Investments**

*Investments in subsidiary and joint ventures*

Investments in subsidiary and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in joint ventures in the consolidated financial statements are accounted for using the equity method.

*Investments in other equity securities*

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

*Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

**(g) Property, plant and equipment**

*Recognition and measurement*

*Owned assets*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings	5 - 20 years
Machinery and equipment	5 - 10 years
Computer	3 - 5 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years
Leasehold improvement	5 years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**(h) Intangible assets**

In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee. Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

*Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows: □

Software licenses	3, 5 and 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**(i) Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

*Calculation of recoverable amount*

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

*Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of a goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(j) Interest-bearing liabilities**

Interest-bearing liabilities are recognised initially at cost.

**(k) Trade and other accounts payable**

Trade and other accounts payable are stated at cost.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**(l) Employee benefits**

*Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

*Employee Joint Investment Program*

The Group establishes Employee Joint Investment Program for the Group's employees to buy the Company's shares through Employee Joint Investment Program as a defined contribution plan. The assets for which are held in a separate assets and are managed by a licensed agent. Contributions are made by the Group and its employees. The Group's contributions to the Program are charged to the profit or loss for the year to which they relate.

**(m) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**(n) Revenue**

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

*Sale of goods and services rendered*

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

*Investments*

Revenue from investments comprises dividend and interest income from investments and bank deposits.

*Dividend income*

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

*Interest income*

Interest income is recognised in profit or loss as it accrues.

**(o) Finance costs**

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred.

**(p) Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

*Determining whether an arrangement contains a lease*

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**(q) *Income tax***

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiary and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(r) *Earnings per share***

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

(s) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investments, deferred tax assets and other assets.

**4 Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationship with subsidiary and joint ventures are described in notes 10 and 11, respectively. Relationship with key management personnel and other related parties were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
T.K.S. Technologies Public Company Limited	Thailand	Major shareholder, 38.51% shareholding
King's Eye Investments Ltd.	British Virgin Islands	Major shareholder, 34.99% shareholding
T.K.S Siam Press Management Co., Ltd.	Thailand	Mutual shareholding and directors
Thai British Security Printing Public Company Limited	Thailand	Mutual shareholding and directors
Go Five Co.,Ltd.	Thailand	Mutual shareholding and directors
Synnex Global Ltd.	British Virgin Islands	Indirect shareholding via King's Eye Investments Ltd.
Synnex Technology International Corporation	Taiwan	Indirect shareholding via King's Eye Investments Ltd.
Key management personnel	Thailand, Taiwan	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.



**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

The pricing policies for transactions with related parties are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Sale of goods	Market price
Rendering of service	Market price
Purchase of goods	Market price
Receiving of services	Market price
Sale of fixed assets	Market price
Technical assistance and other service expenses	Contractually agreed prices
Interest income	1.9% - 2.25% per annum
Other income	Contractually agreed prices
Warehouse management expense	Contractually agreed prices
Printing service expense	Market price
Key management personnel	Criteria defined by Nomination and Remuneration Committee and Company's policies

Significant transactions for the years ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Sales of goods or rendering of services	-	-	118,894	14,286
Purchases of goods or receiving of services	-	-	250	759
Interest income	-	-	818	844
Technical assistance and other service expenses	-	-	444	230
Other income	-	-	1,852	1,726
<b>Joint ventures</b>				
Sales of goods or rendering of services	17,677	856	4,508	282
Purchases of goods or receiving of services	2,042	264	2,042	264
Sale of fixed assets	-	17	-	17
Interest income	12	-	12	-
Other income	580	40	580	40
<b>Key management personnel</b>				
Short-term benefit	34,764	27,882	34,764	27,882
<b>Other related parties</b>				
Sales of goods or rendering of services	25,906	25,920	3,053	3,083
Purchases of goods or receiving of services	224,267	240,714	224,134	240,710
Sale of fixed assets	-	40	-	40
Printing service expense	9,449	12,783	9,449	12,783
Warehouse management expense	9,052	6,079	9,052	6,079
Technical assistance and other service expenses	64	67	64	67
Other income	192	149	192	149

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

Balances as at 31 December with related parties were as follows:

<i>Trade accounts receivable - related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Prism Solutions Co., Ltd.	-	-	3,963	8,284
<b>Joint venture</b>				
BAF (Thailand) Co., Ltd.	-	614	-	-
PT Automation (Thailand) Limited	351	33	351	33
<b>Other related parties</b>				
T.K.S. Siam Press Management Co., Ltd.	1,868	2,082	184	179
T.K.S. Technologies Public Company Limited	10	7	10	7
<b>Total</b>	<b>2,229</b>	<b>2,736</b>	<b>4,508</b>	<b>8,503</b>

<i>Short-term loans to related parties</i>	<b>Interest rate</b>		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017	2018	2017
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<b>Subsidiary</b>						
Prism Solutions Co., Ltd.	1.9 - 2.25	1.9 - 2.25	-	-	41,000	41,000
<b>Total</b>			<b>-</b>	<b>-</b>	<b>41,000</b>	<b>41,000</b>

Movements during the years ended 31 December of short-term loans to related parties were as follows:

<i>Short-term loans to related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
At 1 January	-	-	41,000	44,000
Decrease	-	-	-	(3,000)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>41,000</b>	<b>41,000</b>
<b>Joint venture</b>				
At 1 January	-	-	-	-
Increase	2,000	-	2,000	-
Decrease	(2,000)	-	(2,000)	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total short-term loans to related parties</b>				
At 1 January	-	-	41,000	44,000
Increase	2,000	-	2,000	-
Decrease	(2,000)	-	(2,000)	(3,000)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>41,000</b>	<b>41,000</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

<i>Trade accounts payable - related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Prism Solutions Co., Ltd.	-	-	-	761
<b>Joint venture</b>				
BAF (Thailand) Co., Ltd.	-	204	-	204
PT Automation (Thailand) Limited	87	240	87	240
<b>Other related parties</b>				
T.K.S. Technologies Public Company Limited	21,168	27,702	21,168	27,702
T.K.S. Siam Press Management Co., Ltd.	7,930	7,668	7,930	7,668
<b>Total</b>	<b>29,185</b>	<b>35,814</b>	<b>29,185</b>	<b>36,575</b>
<i>Other payables - related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Prism Solutions Co., Ltd.	-	-	55	22
<b>Joint venture</b>				
PT Automation (Thailand) Limited	43	37	43	37
<b>Other related parties</b>				
T.K.S. Siam Press Management Co., Ltd.	5,339	4,134	5,339	4,134
Synnex Technology International Corporation	58	67	58	67
<b>Total</b>	<b>5,440</b>	<b>4,238</b>	<b>5,495</b>	<b>4,260</b>
<i>Accrued expense - related party</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Other related party</b>				
T.K.S. Siam Press Management Co., Ltd.	1,012	566	1,012	566
<b>Total</b>	<b>1,012</b>	<b>566</b>	<b>1,012</b>	<b>566</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Significant agreements with related parties*

*Trademark license agreement*

On 11 December 2007, the Company entered into “Trademark Licensing Agreement” with Synnex Global Ltd. which became effective from the year 2008 onwards. The Company would be able to use the trademark without incurring any expenses when the Synnex group (holding shares via King’s Eye Investments Ltd.) holds at least 20% of the Company’s total paid-up registered share capital and without any written intention for the Company to cease the usage of the trademark from the Synnex group.

*Building rental agreement and other services*

The Company has entered into agreements to provide building rental and other services to Prism Solutions Co., Ltd. The agreement rate is annually specified with a rental and other services fees of Baht 1.8 million per year. The agreement term is for a period of one year starting from 1 January 2018 to 31 December 2018, and is automatically renewed for a period of 3 years unless either party gives notice or intention to terminate the agreement.

*Memorandum of agreement for warehouse management and transport and delivery of goods*

The Company entered into a memorandum of agreement for warehouse management and transport and delivery of goods with T.K.S. Siam Press Management Co., Ltd. for the period of 3 years commencing from 1 September 2017 until 31 August 2020. The Company has to monthly pay the service fees calculated at the rates of 2.00% - 3.00% of sales price excluding value added tax. The agreement is automatically renewed for a period of 3 years unless either party gives notice or intention to terminate the agreement.

*Warehouse management and delivery service agreement*

The Company entered into a memorandum of agreement for warehouse management and delivery service with T.K.S. Siam Press Management Co., Ltd. for the period of 9 months commencing from 2 July 2018 until 31 March 2019. The Company has to monthly pay the service fees calculated at the rates of 0.34% of sales price excluding value added tax plus actual delivery expenses. The agreement can be early terminated if either party gives notice or intention for at least 2 months.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**5 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Cash on hand	40,729	39,426	40,704	39,402
Cash at banks - current accounts	36,231	29,446	36,223	29,440
Cash at banks - savings accounts	179,891	135,735	166,941	121,959
<b>Total</b>	<b><u>256,851</u></b>	<b><u>204,607</u></b>	<b><u>243,868</u></b>	<b><u>190,801</u></b>

**6 Trade accounts receivable**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	2,229	2,736	4,508	8,503
Other parties		6,234,273	4,875,319	6,203,920	4,869,227
<b>Total</b>		<b><u>6,236,502</u></b>	<b><u>4,878,055</u></b>	<b><u>6,208,428</u></b>	<b><u>4,877,730</u></b>
<i>Less</i> allowance for doubtful accounts		<u>(241,082)</u>	<u>(375,226)</u>	<u>(233,641)</u>	<u>(375,097)</u>
<b>Net</b>		<b><u>5,995,420</u></b>	<b><u>4,502,829</u></b>	<b><u>5,974,787</u></b>	<b><u>4,502,633</u></b>
Current		5,901,487	4,404,610	5,880,854	4,404,414
Non-current		93,933	98,219	93,933	98,219
<b>Total</b>		<b><u>5,995,420</u></b>	<b><u>4,502,829</u></b>	<b><u>5,974,787</u></b>	<b><u>4,502,633</u></b>
(Reversal of) bad and doubtful debts expense for the year		<b><u>(134,144)</u></b>	<b><u>13,539</u></b>	<b><u>(141,456)</u></b>	<b><u>14,107</u></b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Related parties</b>				
Within credit terms	2,130	1,977	4,409	3,692
Overdue:				
Less than 2 months	99	759	99	1,957
2 - 3 months	-	-	-	980
3 - 4 months	-	-	-	584
4 - 6 months	-	-	-	1,290
	<u>2,229</u>	<u>2,736</u>	<u>4,508</u>	<u>8,503</u>
<b>Other parties</b>				
Within credit terms	3,761,388	3,139,235	3,740,108	3,137,094
Overdue:				
Less than 2 months	1,978,103	1,233,849	1,976,524	1,231,060
2 - 3 months	242,780	73,256	242,780	73,252
3 - 4 months	25,153	22,355	25,153	22,352
4 - 6 months	3,662	23,184	3,662	23,184
6 - 9 months	5,092	21,874	2,650	21,874
9 - 12 months	6,336	9,750	1,286	9,745
Over 12 months	211,759	351,816	211,757	350,666
	<u>6,234,273</u>	<u>4,875,319</u>	<u>6,203,920</u>	<u>4,869,227</u>
Less allowance for doubtful accounts	(241,082)	(375,226)	(233,641)	(375,097)
	<u>5,993,191</u>	<u>4,500,093</u>	<u>5,970,279</u>	<u>4,494,130</u>
<b>Net</b>	<u>5,995,420</u>	<u>4,502,829</u>	<u>5,974,787</u>	<u>4,502,633</u>

The normal credit term granted by the Group ranges from 30 days to 60 days.

The Group provided allowance for doubtful accounts to reflect the collectible amount of trade accounts receivable related to provision for loss from uncollectible customers. The management used judgments in estimation of allowance for doubtful accounts by analysing the aging of trade accounts receivable presented in the above table and reference to analysis of payment histories and future expectations of customer payments.

**7 Other receivables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Refundable value added tax	179,517	47,356	176,923	46,155
Other receivables	153,822	137,229	153,822	137,229
Prepaid expenses	8,679	15,850	8,653	13,412
Others	16,452	20,033	14,685	13,743
<b>Total</b>	<u>358,470</u>	<u>220,468</u>	<u>354,083</u>	<u>210,539</u>
Current	352,695	215,605	348,408	205,809
Non-current	5,775	4,863	5,675	4,730
<b>Total</b>	<u>358,470</u>	<u>220,468</u>	<u>354,083</u>	<u>210,539</u>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**8 Short-term loans**

	Note	Interest rate		Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017	2018	2017
		(% per annum)		(in thousand Baht)			
Related party	4	1.9 - 2.25	1.9 - 2.25	-	-	41,000	41,000
Others		3.5 - 5.8	-	126,500	-	126,500	-
<b>Total</b>				<b>126,500</b>	<b>-</b>	<b>167,500</b>	<b>41,000</b>

**9 Inventories**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Finished goods	3,426,635	2,536,447	3,423,510	2,535,487
Goods in transit	148,969	66,651	148,969	66,651
<b>Total</b>	<b>3,575,604</b>	<b>2,603,098</b>	<b>3,572,479</b>	<b>2,602,138</b>
Less allowance for decline in value	(77,239)	(56,681)	(76,722)	(56,078)
<b>Net</b>	<b>3,498,365</b>	<b>2,546,417</b>	<b>3,495,757</b>	<b>2,546,060</b>
Inventories recognised as an expense in 'cost of sale of goods':				
- Cost	36,520,241	30,943,042	36,502,632	30,934,156
- Write-down to net realisable value	20,558	15,354	20,644	17,250
<b>Net</b>	<b>36,540,799</b>	<b>30,958,396</b>	<b>36,523,276</b>	<b>30,951,406</b>

The Group provided allowance for decline in value of inventories to reflect the net realisable value of inventories. The management used judgments in estimation of allowance for decline in value of inventories by analysing the aging of inventories together with analysis of obsolete inventory and future expectations of sales.

**10 Investment in subsidiary**

At 1 January and 31 December	Separate financial statements	
	2018	2017
	(in thousand Baht)	
	<b>9,400</b>	<b>9,400</b>

During the year ended 31 December 2018 there were no acquisition and disposal of investment in subsidiary.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

Investments in subsidiary as at 31 December 2018 and 2017 were follows:

Name of subsidiary	Type of business	Ownership Interest		Separate financial statements					
		2018	2017	Paid-up capital		Cost		At cost - net	
		( <i>%</i> )		2018	2017	2018	2017	2018	2017
				<i>(in thousand Baht)</i>					
Prism Solutions Co., Ltd.	Training service, repair and maintenance service of computer system, and selling computer accessories	99.99	99.99	15,000	15,000	9,400	9,400	9,400	9,400
<b>Total</b>						<u><b>9,400</b></u>	<u><b>9,400</b></u>	<u><b>9,400</b></u>	<u><b>9,400</b></u>

The subsidiary is incorporated in Thailand and did not have dividend payment during the year ended 31 December 2018 and 2017.



**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**11 Investments in joint ventures**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Joint ventures</b>				
At 1 January	292,758	-	277,207	-
Share of net profit of joint ventures	14,317	15,551	-	-
Acquisitions	81,394	277,207	81,394	277,207
Disposals	(22,353)	-	(22,353)	-
<b>At 31 December</b>	<b><u>366,116</u></b>	<b><u>292,758</u></b>	<b><u>336,248</u></b>	<b><u>277,207</u></b>

*Acquisitions*

*PT Automation (Thailand) Limited*

On 15 May 2017, the Group invested in 50% of the issued and paid capital of PT Automation (Thailand) Limited for a consideration of Baht 9 million.

The Group engaged an independent appraiser to appraise the fair value of the business at the acquisition date. The independent appraiser completed the process of appraising the fair value on 11 May 2018.

*Identifiable assets acquired and liabilities assumed*

	<b>Fair value</b>
	<i>(in thousand Baht)</i>
Cash and cash equivalents	12,603
Trade and other accounts receivable	601
Inventories	1,331
Building improvements and equipment	403
Intangible assets	12,152
Trade and other accounts payable	(400)
Short-term loans	(3,570)
Deferred tax liabilities	(2,422)
Other assets (liabilities), net	(1,305)
<b>Total identifiable net assets</b>	<b><u>19,393</u></b>
Group's controlling interest (%)	50
<b>Fair value of Group's share of identifiable net assets</b>	<b><u>9,697</u></b>
Gain on bargain purchase	(697)
<b>Purchase consideration transferred</b>	<b><u>9,000</u></b>

The fair value of intangible assets (customer relationships) has been determined by an independent appraiser based on income approach using Multi-period Excess Earning Method (MEEM). Key assumptions included forecast revenue and discount rate.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*BAF (Thailand) Co., Ltd.*

On 26 June 2017, the Group invested in 30% of the issued and paid capital of BAF (Thailand) Co., Ltd. for a consideration of Baht 268.21 million.

The Group engaged an independent appraiser to appraise the fair value of the business at the acquisition date. The independent appraiser completed the process of appraising the fair value on 1 June 2018, resulting goodwill of Baht 40.8 million recognised as part of the investment in joint ventures as per equity method in the consolidated statement of financial position.

*Identifiable assets acquired and liabilities assumed*

	<b>Fair value</b> <i>(in thousand Baht)</i>
Cash and cash equivalents	26,581
Trade and other accounts receivable	1,898,334
Property, plant and equipment	18,304
Intangible assets	330,961
Short-term loans	(950,000)
Trade and other accounts payable	(68,388)
Long-term loans	(420,000)
Deferred tax liabilities	(70,345)
Other assets (liabilities), net	(7,277)
<b>Total identifiable net assets</b>	<b>758,170</b>
Group's controlling interest (%)	30
<b>Fair value of Group's share of identifiable net assets</b>	<b>227,451</b>
Goodwill	40,756
<b>Purchase consideration transferred</b>	<b>268,207</b>

The fair value of intangible assets (distributor relationships) has been determined by an independent appraiser based on income approach using Multi-period Excess Earning Method (MEEM). Key assumptions included forecast revenue and discount rate.

On 22 February 2018, BAF (Thailand) Co., Ltd. increased its authorised share capital from Baht 4 million to Baht 300 million. The Group invested in the additional share capital of BAF (Thailand) Co., Ltd. for a consideration of Baht 81.39 million, bringing the Group's total interest in such joint venture to 27.5%.

*Disposals*

On 31 January 2018, the Company sold 2.5% of its 30% interest in the issued and paid-up capital of BAF (Thailand) Co., Ltd. for a consideration of Baht 22.5 million. BAF (Thailand) remained a joint venture of the Group as at 31 December 2018. The Group and the Company recognised a gain of Baht 0.15 million on the sale in the statement of comprehensive income for the year ended 31 December 2018.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

Investments in joint ventures as at 31 December 2018 and 2017 were as follows:

		<b>Consolidated financial statements</b>								
	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity	
			2018	2017	2018	2017	2018	2017	2018	2017
			(%)				<i>(in thousand Baht)</i>			
BAF (Thailand) Co., Ltd.	Hire purchasing motorcycle	Thailand	27.5	30	300,000	4,022	327,248	268,207	354,795	283,026
PT Automation (Thailand) Limited	Selling computer, computer accessories and peripheral components	Thailand	50	50	8,000	8,000	9,000	9,000	11,321	9,732
<b>Total</b>							<b>336,248</b>	<b>277,207</b>	<b>366,116</b>	<b>292,758</b>

The joint ventures did not have dividend payment for the year ended 31 December 2018 and 2017.

None of the Group's joint ventures are publicly listed and consequently do not have published price quotation.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

Investments in joint ventures as at 31 December 2018 and 2017 were as follows:

	<b>Separate financial statements</b>							
	Ownership interest		Paid-up capital		Cost		At cost - net	
	2018	2017	2018	2017	2018	2017	2018	2017
	( <i>%</i> )		( <i>in thousand Baht</i> )					
BAF (Thailand) Co., Ltd.	27.5	30	300,000	4,022	327,248	268,207	327,248	268,207
PT Automation (Thailand) Limited	50	50	8,000	8,000	9,000	9,000	9,000	9,000
<b>Total</b>					<b><u>336,248</u></b>	<b><u>277,207</u></b>	<b><u>336,248</u></b>	<b><u>277,207</u></b>

The joint ventures did not have dividend payment for the year ended 31 December 2018 and 2017.

None of the Company's joint ventures are publicly listed and consequently do not have published price quotations.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Joint ventures*

The following table summarises the financial information of the joint ventures as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	BAF (Thailand) Co., Ltd.		PT Automation (Thailand) Limited	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Revenue	850,361	376,415	59,899	21,606
Profit from continuing operations	46,281	49,396	3,178	1,465
Total comprehensive income (100%)	<u>46,281</u>	<u>49,396</u>	<u>31,78</u>	<u>1,465</u>
<b>Group's share of total comprehensive income</b>	<b><u>12,727</u></b>	<b><u>14,819</u></b>	<b><u>1,589</u></b>	<b><u>732</u></b>
Current assets	1,681,714	1,475,170	19,830	9,685
Non-current assets	2,139,968	1,269,521	9,719	14,901
Current liabilities	(1,333,646)	(1,931,922)	(3,773)	(860)
Non-current liabilities	(1,357,812)	(5,202)	(3,133)	(4,261)
Net assets (100%)	<u>1,130,224</u>	<u>807,567</u>	<u>22,643</u>	<u>19,465</u>
Group's share of net assets	314,039	242,270	11,321	9,732
Goodwill	40,756	40,756	-	-
<b>Carrying amount of interest in joint venture</b>	<b><u>354,795</u></b>	<b><u>283,026</u></b>	<b><u>11,321</u></b>	<b><u>9,732</u></b>

**12 Other long-term investments**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Other long-term investments</i>				
Equity securities available for sale	38,721	31,771	38,721	31,771
<b>Total</b>	<b><u>38,721</u></b>	<b><u>31,771</u></b>	<b><u>38,721</u></b>	<b><u>31,771</u></b>

Movements during the years ended 31 December of marketable equity securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Available-for-sale securities</b>				
At 1 January	31,771	26,626	31,771	25,615
Sales during the year	-	(1,018)	-	-
Valuation adjustment	6,950	6,163	6,950	6,156
<b>At 31 December</b>	<b><u>38,721</u></b>	<b><u>31,771</u></b>	<b><u>38,721</u></b>	<b><u>31,771</u></b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**13 Property, plant and equipment**

<b>Consolidated financial statements</b>									
	Land	Buildings	Machinery and equipment	Computer	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Leasehold improvement	Construction in progress and machinery under installation	Total
<b>Cost</b>									
At 1 January 2017	125,372	273,193	147,026	98,093	33,760	16,253	12,325	115,634	821,656
Additions	-	607	2,564	9,391	6,933	-	-	16,077	35,572
Disposals	-	-	(4)	(3,887)	(470)	(1,600)	-	-	(5,961)
Transfers	-	123,048	5,188	-	1,549	-	-	(129,785)	-
<b>At 31 December 2017 and 1 January 2018</b>	<b>125,372</b>	<b>396,848</b>	<b>154,774</b>	<b>103,597</b>	<b>41,772</b>	<b>14,653</b>	<b>12,325</b>	<b>1,926</b>	<b>851,267</b>
Additions	-	1,041	1,704	5,908	622	-	131	6,625	16,031
Disposals	-	-	(188)	(3,638)	(118)	-	-	-	(3,944)
Transfers	-	4,838	527	-	169	-	803	(6,337)	-
<b>At 31 December 2018</b>	<b>125,372</b>	<b>402,727</b>	<b>156,817</b>	<b>105,867</b>	<b>42,445</b>	<b>14,653</b>	<b>13,259</b>	<b>2,214</b>	<b>863,354</b>
<b>Accumulated depreciation</b>									
At 1 January 2017	-	153,746	132,966	78,337	26,623	15,813	8,493	-	415,978
Depreciation charge for the year	-	16,844	5,821	11,109	2,824	388	1,165	-	38,151
Disposals	-	-	(2)	(3,748)	(359)	(1,600)	-	-	(5,709)
<b>At 31 December 2017 and 1 January 2018</b>	<b>-</b>	<b>170,590</b>	<b>138,785</b>	<b>85,698</b>	<b>29,088</b>	<b>14,601</b>	<b>9,658</b>	<b>-</b>	<b>448,420</b>
Depreciation charge for the year	-	21,122	4,610	10,269	3,397	27	1,186	-	40,611
Disposals	-	-	(187)	(3,307)	(102)	-	-	-	(3,596)
<b>At 31 December 2018</b>	<b>-</b>	<b>191,712</b>	<b>143,208</b>	<b>92,660</b>	<b>32,383</b>	<b>14,628</b>	<b>10,844</b>	<b>-</b>	<b>485,435</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**Consolidated financial statements**

	Land	Buildings	Machinery and equipment	Computer	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Leasehold improvement	Construction in progress and machinery under installation	Total
<i>Net book value</i>									
At 1 January 2017	<u>125,372</u>	<u>119,447</u>	<u>14,060</u>	<u>19,756</u>	<u>7,137</u>	<u>440</u>	<u>3,832</u>	<u>115,634</u>	<u>405,678</u>
At 31 December 2017 and 1 January 2018	<u>125,372</u>	<u>226,258</u>	<u>15,989</u>	<u>17,899</u>	<u>12,684</u>	<u>52</u>	<u>2,667</u>	<u>1,926</u>	<u>402,847</u>
At 31 December 2018	<u>125,372</u>	<u>211,015</u>	<u>13,609</u>	<u>13,207</u>	<u>10,062</u>	<u>25</u>	<u>2,415</u>	<u>2,214</u>	<u>377,919</u>

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2018 amounted to Baht 267 million (2017: Baht 174 million).

*Security*

At 31 December 2018 the Group's properties with a net book value of Baht 271 million (2017: Baht 280 million) were subject to secure long-term loans from financial institution (see note 15).

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**Separate financial statements**

	Land	Buildings	Machinery and equipment	Computer	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Leasehold improvement	Construction in progress and machinery under installation	Total
<b>Cost</b>									
At 1 January 2017	125,372	273,193	144,937	88,070	32,526	16,160	7,387	115,568	803,213
Additions	-	607	2,498	9,168	6,933	-	-	16,076	35,282
Disposals	-	-	-	(1,304)	(388)	(1,600)	-	-	(3,292)
Transfers	-	123,048	5,188	-	1,549	-	-	(129,785)	-
<b>At 31 December 2017 and 1 January 2018</b>	<b>125,372</b>	<b>396,848</b>	<b>152,623</b>	<b>95,934</b>	<b>40,620</b>	<b>14,560</b>	<b>7,387</b>	<b>1,859</b>	<b>835,203</b>
Additions	-	1,041	1,686	5,644	622	-	131	6,625	15,749
Disposals	-	-	(188)	(3,165)	(117)	-	-	-	(3,470)
Transfers	-	4,838	527	-	169	-	803	(6,337)	-
<b>At 31 December 2018</b>	<b>125,372</b>	<b>402,727</b>	<b>154,648</b>	<b>98,413</b>	<b>41,294</b>	<b>14,560</b>	<b>8,321</b>	<b>2,147</b>	<b>847,482</b>
<b>Accumulated depreciation</b>									
At 1 January 2017	-	153,746	131,977	70,304	25,997	15,771	6,197	-	403,992
Depreciation charge for the year	-	16,844	5,426	9,833	2,603	369	180	-	35,255
Disposals	-	-	-	(1,227)	(306)	(1,600)	-	-	(3,133)
<b>At 31 December 2017 and 1 January 2018</b>	<b>-</b>	<b>170,590</b>	<b>137,403</b>	<b>78,910</b>	<b>28,294</b>	<b>14,540</b>	<b>6,377</b>	<b>-</b>	<b>436,114</b>
Depreciation charge for the year	-	21,122	4,213	9,878	3,200	8	199	-	38,620
Disposals	-	-	(187)	(3,137)	(101)	-	-	-	(3,425)
<b>At 31 December 2018</b>	<b>-</b>	<b>191,712</b>	<b>141,429</b>	<b>85,651</b>	<b>31,393</b>	<b>14,548</b>	<b>6,576</b>	<b>-</b>	<b>471,309</b>



**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**Separate financial statements**

	Land	Buildings	Machinery and equipment	Computer	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Leasehold improvement	Construction in progress and machinery under installation	Total
<i>Net book value</i>									
At 1 January 2017	<u>125,372</u>	<u>119,447</u>	<u>12,960</u>	<u>17,766</u>	<u>6,529</u>	<u>389</u>	<u>1,190</u>	<u>115,568</u>	<u>399,221</u>
At 31 December 2017 and 1 January 2018	<u>125,372</u>	<u>226,258</u>	<u>15,220</u>	<u>17,024</u>	<u>12,326</u>	<u>20</u>	<u>1,010</u>	<u>1,859</u>	<u>399,089</u>
At 31 December 2018	<u>125,372</u>	<u>211,015</u>	<u>13,219</u>	<u>12,762</u>	<u>9,901</u>	<u>12</u>	<u>1,745</u>	<u>2,147</u>	<u>376,173</u>

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2018 amounted to Baht 252 million (2017: Baht 170 million).

*Security*

At 31 December 2018 the Company's properties with a net book value of Baht 271 million (2017: Baht 280 million) were subject to secure long-term loans from financial institution (see note 15).

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**14 Deferred tax**

Deferred tax assets and liabilities as at 31 December were as follows:

	<b>Consolidated financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Total	69,410	94,506	(5,573)	(4,183)
Set off of tax	(5,573)	(4,183)	5,573	4,183
<b>Net deferred tax assets</b>	<b>63,837</b>	<b>90,323</b>	<b>-</b>	<b>-</b>

	<b>Separate financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Total	67,789	94,067	(5,573)	(4,183)
Set off of tax	(5,573)	(4,183)	5,573	4,183
<b>Net deferred tax assets</b>	<b>62,216</b>	<b>89,884</b>	<b>-</b>	<b>-</b>

Movements in total deferred tax assets and liabilities during the year were as follows:

	<b>Consolidated financial statements</b>			
	<b>At 1 January 2018</b>	<b>(Charged) / credited to</b>		<b>At 31 December 2018</b>
		Profit or loss	Other comprehensive income	
	<i>(in thousand Baht)</i>			
<b>Deferred tax assets</b>				
Accounts receivable <i>(doubtful accounts)</i>	75,045	(26,828)	-	48,217
Inventories <i>(allowance for decline in value)</i>	11,337	4,111	-	15,448
Non-current provisions for employee benefits	8,124	(319)	(2,060)	5,745
<b>Total</b>	<b>94,506</b>	<b>(23,036)</b>	<b>(2,060)</b>	<b>69,410</b>
<b>Deferred tax liabilities</b>				
Available-for-sale investment <i>(increase in fair value)</i>	(4,183)	-	(1,390)	(5,573)
<b>Total</b>	<b>(4,183)</b>	<b>-</b>	<b>(1,390)</b>	<b>(5,573)</b>
<b>Net</b>	<b>90,323</b>	<b>(23,036)</b>	<b>(3,450)</b>	<b>63,837</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

	<b>Consolidated financial statements</b>			<b>At 31 December 2017</b>
	<b>At 1 January 2017</b>	<b>(Charged) / credited to</b>		
		Profit or loss	Other comprehensive income	
		<i>(in thousand Baht)</i>		
<b><i>Deferred tax assets</i></b>				
Accounts receivable <i>(doubtful accounts)</i>	72,337	2,708	-	75,045
Inventories <i>(allowance for decline in value)</i>	8,266	3,071	-	11,337
Non-current provisions for employee benefits	7,830	294	-	8,124
<b>Total</b>	<b>88,433</b>	<b>6,073</b>	<b>-</b>	<b>94,506</b>
<b><i>Deferred tax liabilities</i></b>				
Available-for-sale investment <i>(increase in fair value)</i>	(2,954)	3	(1,232)	(4,183)
<b>Total</b>	<b>(2,954)</b>	<b>3</b>	<b>(1,232)</b>	<b>(4,183)</b>
<b>Net</b>	<b>85,479</b>	<b>6,076</b>	<b>(1,232)</b>	<b>90,323</b>
		<b>Separate financial statements</b>		
		<b>(Charged) / credited to:</b>		
	<b>At 1 January 2018</b>	Profit or loss	Other comprehensive income	<b>At 31 December 2018</b>
		<i>(in thousand Baht)</i>		
<b><i>Deferred tax assets</i></b>				
Accounts receivable <i>(doubtful accounts)</i>	75,019	(28,291)	-	46,728
Inventories <i>(allowance for decline in value)</i>	11,216	4,129	-	15,345
Non-current provisions for employee benefits	7,832	(377)	(1,739)	5,716
<b>Total</b>	<b>94,067</b>	<b>(24,539)</b>	<b>(1,739)</b>	<b>67,789</b>
<b><i>Deferred tax liabilities</i></b>				
Available-for-sale investment <i>(increase in fair value)</i>	(4,183)	-	(1,390)	(5,573)
<b>Total</b>	<b>(4,183)</b>	<b>-</b>	<b>(1,390)</b>	<b>(5,573)</b>
<b>Net</b>	<b>89,884</b>	<b>(24,539)</b>	<b>(3,129)</b>	<b>62,216</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

	At 1 January 2017	Separate financial statements (Charged) / credited to:		At 31 December 2017
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
<b><i>Deferred tax assets</i></b>				
Accounts receivable <i>(doubtful accounts)</i>	72,198	2,821	-	75,019
Inventories <i>(allowance for decline in value)</i>	7,766	3,450	-	11,216
Non-current provisions for employee benefits	7,595	237	-	7,832
<b>Total</b>	<b>87,559</b>	<b>6,508</b>	<b>-</b>	<b>94,067</b>
<b><i>Deferred tax liabilities</i></b>				
Available-for-sale investment <i>(increase in fair value)</i>	(2,952)	-	(1,231)	(4,183)
<b>Total</b>	<b>(2,952)</b>	<b>-</b>	<b>(1,231)</b>	<b>(4,183)</b>
<b>Net</b>	<b>84,607</b>	<b>6,508</b>	<b>(1,231)</b>	<b>89,884</b>

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Tax losses</b>	<b>7,377</b>	<b>6,398</b>	<b>-</b>	<b>-</b>

*(in thousand Baht)*

The tax losses expire in 2020 to 2023. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**15 Interest-bearing liabilities**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Current</b>				
Bank overdrafts				
Unsecured	-	11,032	-	11,032
Short-term loans from financial institutions				
Unsecured	4,291,656	3,265,088	4,291,656	3,265,088
Current portion of long-term loans from financial institution				
Secured	211,080	211,080	211,080	211,080
<b>Total current interest-bearing liabilities</b>	<b><u>4,502,736</u></b>	<b><u>3,487,200</u></b>	<b><u>4,502,736</u></b>	<b><u>3,487,200</u></b>
<b>Non-current</b>				
Long-term loans from financial institution				
Secured	161,180	372,260	161,180	372,260
<b>Total non-current interest-bearing liabilities</b>	<b><u>161,180</u></b>	<b><u>372,260</u></b>	<b><u>161,180</u></b>	<b><u>372,260</u></b>

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Within one year	4,502,736	3,487,200	4,502,736	3,487,200
After one year but within five years	161,180	372,260	161,180	372,260
<b>Total</b>	<b><u>4,663,916</u></b>	<b><u>3,859,460</u></b>	<b><u>4,663,916</u></b>	<b><u>3,859,460</u></b>

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	<i>Notes</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Property, plant and equipment, net book value	13	<u>271,143</u>	<u>280,142</u>	<u>271,143</u>	<u>280,142</u>

As at 31 December 2018, the Group and the Company had unutilised credit facilities totalling Baht 4,777 million (2017: Baht 4,663 million).

The short-term loans from financial institutions were trust receipts payable and promissory notes with maturity periods ranging from 1 - 3 months, bearing interest rate at 1.50 % - 1.97 % per annum (2017: 1.50 % - 1.78 % per annum).

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

In June 2016, the Company entered into a long-term loan agreement with a local financial institution for Baht 500 million bearing interest at the rate of 2.65% per annum. The loan is monthly repayable of Baht 9.26 million for each instalment, commencing in July 2016 covering 54 months since the first drawdown date.

In May 2017, the Company entered into a long-term borrowing agreement with a local financial institution for Baht 300 million bearing interest at the rate of 2.86% per annum. The borrowing is monthly repayable in the same amount for each instalment, commencing in June 2017 covering 3 years since the first drawdown date. In this regard, the Company has mortgaged some land, including structures thereon with the financial institution to secure its long-term borrowing from the financial institution.

Loans from financial institution were long-term loan secured by land including structures there on of the Company. In addition, the transfer of beneficial right of insurance claim on securities and parts of goods to the lenders at Baht 583 million of secured amount.

In addition, the Group shall comply with conditions in the loan agreements including:

- Maintain the debt to equity ratio to not more than 3 to 1 time and DSCR ratio not less than 1.20 time until the loan is completely repaid.
- Synnex Technology International Corporation or King's Eye Investments Ltd. and T.K.S Technologies Public Co., Ltd. shall remain as the shareholders, either directly or indirectly, at all time and each company must hold the shares not less than 30% of the issued and fully paid-up registered share capital.

**16 Trade accounts payable**

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	29,185	35,814	29,185	36,575
Other parties		3,007,640	1,613,084	2,989,790	1,611,580
<b>Total</b>		<b><u>3,036,825</u></b>	<b><u>1,648,898</u></b>	<b><u>3,018,975</u></b>	<b><u>1,648,155</u></b>

**17 Other payables**

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	5,440	4,238	5,495	4,260
Other parties		526,752	309,242	525,634	308,603
<b>Total</b>		<b><u>532,192</u></b>	<b><u>313,480</u></b>	<b><u>531,129</u></b>	<b><u>312,863</u></b>
Current		486,593	279,236	485,531	278,619
Non-current		45,599	34,244	45,598	34,244
<b>Total</b>		<b><u>532,192</u></b>	<b><u>313,480</u></b>	<b><u>531,129</u></b>	<b><u>312,863</u></b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**18 Accrued expenses**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Accrued sale rebate	231,969	242,618	231,969	242,618
Accrued bonus	93,252	78,122	90,378	74,353
Accrued operating expenses	13,784	13,016	13,728	12,895
Others	7,222	6,252	4,453	6,176
<b>Total</b>	<b><u>346,227</u></b>	<b><u>340,008</u></b>	<b><u>340,528</u></b>	<b><u>336,042</u></b>

**19 Non-current provisions for employee benefits**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Statement of financial position</b>				
<b>Non-current provisions for:</b>				
Post-employment benefits	28,726	40,621	28,582	39,157
<b>Total</b>	<b><u>28,726</u></b>	<b><u>40,621</u></b>	<b><u>28,582</u></b>	<b><u>39,157</u></b>

*Year ended 31 December*

**Statement of comprehensive income:**

**Recognised in profit or loss:**

Post-employment benefits	4,755	4,650	4,468	4,363
<b>Total</b>	<b><u>4,755</u></b>	<b><u>4,650</u></b>	<b><u>4,468</u></b>	<b><u>4,363</u></b>

**Recognised in other comprehensive income:**

Actuarial gains recognised in the year	(10,300)	-	(8,693)	-
Cumulative actuarial (gains) losses recognised	<u>(8,669)</u>	<u>1,631</u>	<u>(6,408)</u>	<u>2,285</u>

**Legal severance pay plan**

The Group operates a post-employment benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

On 13 December 2018, the National Legislative Assembly passed a bill amending the Labor Protection Act to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group will amend its retirement plan in the period in which the amendment will have become law and is announced in the Royal Gazette. As a result of this change, the provision for retirement benefits as at that future period end as well as past service cost recognised during that period in the consolidated and the separate financial statements is estimated to increase by an amount of approximately Baht 6.87 million and Baht 6.83 million, respectively.

The defined benefit plans expose the Group to actuarial risks, such as interest rate risk, future salary increases and employee turnover rates.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

Movement in the present value of the defined benefit obligations.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
At 1 January	40,621	39,151	39,157	37,974
<b>Include in profit or loss:</b>				
Current service cost and interest on obligation	4,755	4,650	4,468	4,363
<b>Included in other comprehensive income</b>				
Actuarial gain	(10,300)	-	(8,693)	-
Benefit paid	<u>(6,350)</u>	<u>(3,180)</u>	<u>(6,350)</u>	<u>(3,180)</u>
<b>At 31 December</b>	<b><u>28,726</u></b>	<b><u>40,621</u></b>	<b><u>28,582</u></b>	<b><u>39,157</u></b>

Actuarial gains and losses recognised in other comprehensive income arising from:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
Demographic assumptions	11,097	-	10,837	-
Financial assumptions	4,337	-	4,196	-
Experience adjustment	<u>(5,134)</u>	<u>-</u>	<u>(6,340)</u>	<u>-</u>
<b>Total</b>	<b><u>10,300</u></b>	<b><u>-</u></b>	<b><u>8,693</u></b>	<b><u>-</u></b>



**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Actuarial assumptions*

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
		(%)		
Discount rate	3.13 – 3.17	3.21 - 4.12	3.13	3.21
Future salary increases	6.08 - 6.46	7.72 - 8.93	6.46	7.72
Employee turnover	0 - 65%	-	0 - 65%	-

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2018, the weighted-average duration of the defined benefit obligation was 16 years (2017: 25 years).

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
<b>At 31 December 2018</b>				
Discount rate (0.5% movement)	(1,135)	1,234	(1,125)	1,223
Future salary growth (0.5% movement)	1,098	(1,023)	1,088	(1,013)
Employee turnover (0.5% movement)	(1,241)	1,361	(1,241)	1,356
<b>At 31 December 2017</b>				
Discount rate (0.5% movement)	(1,805)	1,776	(1,723)	1,857
Future salary growth (0.5% movement)	2,205	(2,061)	2,122	(1,984)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**20 Share capital**

	Par value per share (in Baht)	2018		2017	
		Number	Amount	Number	Amount
<i>Authorised</i>					
At 1 January					
- ordinary shares	1	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
<b>At 31 December</b>					
<b>- ordinary shares</b>	1	<u><b>800,000</b></u>	<u><b>800,000</b></u>	<u><b>800,000</b></u>	<u><b>800,000</b></u>
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	1	<u>770,329</u>	<u>770,329</u>	<u>770,329</u>	<u>770,329</u>
<b>At 31 December</b>					
<b>- ordinary shares</b>	1	<u><b>770,329</b></u>	<u><b>770,329</b></u>	<u><b>770,329</b></u>	<u><b>770,329</b></u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's shares that are held by the Group all rights are suspended until those shares are reissued.

*Share premium*

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

*Surplus on treasury shares*

The surplus on treasury shares represents the accumulated surplus on sale of treasury shares, net of any deficits on sale or cancellation of treasury shares. The surplus on treasury shares is not available for dividend distribution.

**21 Reserves**

Reserves comprise:

*Appropriations of profit and/or retained earnings*

**Legal reserve**

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Other components of equity*

**Fair value changes in available-for-sale investments**

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

*Movements in reserves*

Movements in reserves are shown in the statements of changes in equity.

**22 Segment information**

The Group has the reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1*      Trading computer components, communication devices and rendering of services.
- *Segment 2*      Providing computers service and training.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Information about reportable segments:*

	Trading computer components, communication devices and rendering of services		Providing computers service and training		Total reportable segments	
	2018	2017	2018	2017	2018	2017
	<i>(in thousand Baht)</i>					
External revenue	38,163,150	32,386,852	32,854	39,159	38,196,004	32,426,011
Inter-segment revenue	120,215	17,659	-	284	120,215	17,943
Total segment revenue	38,283,365	32,404,511	32,854	39,443	38,316,219	32,443,954
Elimination of inter-segment revenue	(120,215)	(17,659)	-	(284)	(120,215)	(17,943)
<b>Consolidated revenue</b>	<b>38,163,150</b>	<b>32,386,852</b>	<b>32,854</b>	<b>39,159</b>	<b>38,196,004</b>	<b>32,426,011</b>
Segment profit (loss) before income tax	888,258	769,375	5,512	(920)	893,770	768,455
Segment assets as at 31 December	9,932,404	7,700,480	1,745	3,758	9,934,149	7,704,238
Unallocated amounts					1,766,556	1,304,250
<b>Consolidates total assets</b>					<b>11,700,705</b>	<b>9,008,488</b>
Segment liabilities as at 31 December	8,357,772	5,958,307	-	-	8,357,772	5,958,307
Unallocated amounts					258,021	276,879
<b>Consolidates total liabilities</b>					<b>8,615,793</b>	<b>6,235,186</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

*Geographical segments*

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

*Major customer*

The Group had a large number of customer base. Accordingly, the Group had no revenue from major external customer from total revenue of the Group.

**23 Employee benefit expenses**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Salaries and wages	316,429	280,128	299,144	262,820
Overtime and bonus	108,032	99,730	106,771	95,253
Contribution to defined contribution plans	10,284	9,791	9,694	9,177
Post-employment benefits	4,755	4,650	4,468	4,363
Others	61,507	69,539	60,363	68,051
<b>Total</b>	<b><u>501,007</u></b>	<b><u>463,838</u></b>	<b><u>480,440</u></b>	<b><u>439,664</u></b>

*Defined contribution plans*

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2.0% to 5.0% of their basic salaries and by the Group at rates ranging from 2.0% to 5.0% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

*Employee Joint Investment Program*

On 26 December 2013 and 27 December 2017, the Company received the approval of Employee Joint Investment Program no.1 (EJIP no.1) and no.2 (EJIP no.2), respectively, from Securities and Exchange Commission (SEC) in accordance with the notification of the SEC, SorJor 12/2552, dated 10 June 2009. EJIP is an investment program for the periodic accumulative buying of the Company's ordinary shares, established to serve as another means of compensating Company's employees and executives.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**24 Expenses by nature**

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b><i>Included in cost of sale of goods:</i></b>				
Purchases of goods	37,410,429	31,435,789	37,390,655	31,429,908
Changes in inventories of finished goods	(890,188)	(492,747)	(888,023)	(495,752)
Loss on decline in value of inventories	20,558	15,354	20,644	17,250
<b>Total</b>	<b><u>36,540,799</u></b>	<b><u>30,958,396</u></b>	<b><u>36,523,276</u></b>	<b><u>30,951,406</u></b>
<b><i>Included in cost of rendering of services:</i></b>				
Cost of rendering of services	36,756	32,144	27,281	14,735
<b>Total</b>	<b><u>36,756</u></b>	<b><u>32,144</u></b>	<b><u>27,281</u></b>	<b><u>14,735</u></b>
<b><i>Included in distribution costs:</i></b>				
Employee benefit expenses	266,592	247,450	251,115	229,252
Transportation expenses	86,561	75,597	86,539	75,336
Marketing expenses	84,809	63,110	84,830	62,963
Depreciation and amortisation expenses	3,133	2,512	3,075	2,353
Others	52,861	50,786	52,462	51,170
<b>Total</b>	<b><u>493,956</u></b>	<b><u>439,455</u></b>	<b><u>478,021</u></b>	<b><u>421,074</u></b>
<b><i>Included in administrative expenses:</i></b>				
Employee benefit expenses	234,415	216,388	229,325	210,412
Depreciation and amortisation expenses	39,975	38,130	38,041	35,393
Bad debt and allowance for doubtful accounts	20,204	13,539	12,828	14,107
Donation expenses	4,547	17,586	4,547	17,586
Others	77,604	83,623	76,060	80,352
<b>Total</b>	<b><u>376,745</u></b>	<b><u>369,266</u></b>	<b><u>360,801</u></b>	<b><u>357,850</u></b>

**25 Finance costs**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b><i>Interest expense:</i></b>				
Bank loans and overdrafts	55,948	56,606	55,948	56,606
<b>Total</b>	<b><u>55,948</u></b>	<b><u>56,606</u></b>	<b><u>55,948</u></b>	<b><u>56,606</u></b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**26 Income tax expense**

*Income tax recognised in profit or loss*

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<b>Current tax expense</b>					
Current year		149,242	150,691	149,242	150,687
		<u>149,242</u>	<u>150,691</u>	<u>149,242</u>	<u>150,687</u>
<b>Deferred tax expense</b>	14				
Movements in temporary differences		23,036	(6,076)	24,539	(6,508)
		<u>23,036</u>	<u>(6,076)</u>	<u>24,539</u>	<u>(6,508)</u>
<b>Total income tax expense</b>		<u>172,278</u>	<u>144,615</u>	<u>173,781</u>	<u>144,179</u>

*Income tax recognised in other comprehensive income*

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<i>(in thousand Baht)</i>				
Available-for-sale investments	1,390	1,232	1,390	1,231
Defined benefit plan actuarial gains	2,060	-	1,739	-
<b>Total</b>	<u>3,450</u>	<u>1,232</u>	<u>3,129</u>	<u>1,231</u>

*Reconciliation of effective tax rate*

	Consolidated financial statements			
	2018		2017	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		893,770		768,455
Income tax using the Thai corporation tax rate	20.0	178,754	20.0	153,691
Income not subject to tax		(357)		(318)
Expenses not deductible for tax purposes		267		824
Expense not subject to tax		(2,969)		(7,868)
Current year loss for which no deferred tax asset was recognised		979		814
Others		(4,396)		(2,528)
<b>Total</b>	<u>19.3</u>	<u>172,278</u>	<u>18.8</u>	<u>144,615</u>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

	<b>Separate financial statements</b>			
	2018		2017	
	<i>Rate</i>	<i>(in</i>	<i>Rate</i>	<i>(in</i>
	<i>(%)</i>	<i>thousand</i>	<i>(%)</i>	<i>thousand</i>
		<i>Baht)</i>		<i>Baht)</i>
Profit before income tax expense		<u>884,350</u>		<u>757,703</u>
Income tax using the Thai corporation tax rate	20.0	176,870	20.0	151,541
Income not subject to tax		(357)		(318)
Expenses not deductible for tax purposes		267		824
Expense not subject to tax		(2,999)		(7,868)
<b>Total</b>	<b><u>19.7</u></b>	<b><u>173,781</u></b>	<b><u>19.0</u></b>	<b><u>144,179</u></b>

**27 Basic earnings per share**

The calculations of basic earnings per share for the years ended 31 December 2018 and 2017 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht / thousand shares)</i>			
<b>Profit attributable to ordinary shareholders of the Company (basic)</b>	<b><u>721,491</u></b>	<b><u>623,840</u></b>	<b><u>710,569</u></b>	<b><u>613,523</u></b>
<b>Number of ordinary shares outstanding</b>	<b><u>770,329</u></b>	<b><u>770,329</u></b>	<b><u>770,329</u></b>	<b><u>770,329</u></b>
<b>Earnings per share (basic) (in Baht)</b>	<b><u>0.94</u></b>	<b><u>0.81</u></b>	<b><u>0.92</u></b>	<b><u>0.80</u></b>



**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**28 Dividends**

At the Board of Directors' meeting of the Company held on 9 August 2018, the Directors approved the appropriation of interim dividends of Baht 0.20 per share, amounting to Baht 154.06 million. The dividend was paid to the shareholders on 7 September 2018.

At the annual general meeting of the shareholders of the Company held on 20 April 2018, the shareholders approved the appropriation of dividend for the second half of 2017 of Baht 0.35 per share, amounting to Baht 269.62 million. The dividend was paid to shareholders on 10 May 2018.

At the Board of Directors' meeting of the Company held on 9 August 2017, the Directors approved the appropriation of interim dividends of Baht 0.18 per share, amounting to Baht 138.66 million. The dividend was paid to the shareholders on 8 September 2017.

At the annual general meeting of the shareholders of the Company held on 21 April 2017, the shareholders approved the appropriation of dividend for the second half of 2016 of Baht 0.26 per share, amounting to Baht 200.29 million. The dividend was paid to shareholders on 12 May 2017.

**29 Financial instruments**

*Financial risk management policies*

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

*Capital management*

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

*Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its loans to (see note 8) and borrowings (see note 15). The Group mitigates this risk by ensuring that the majority of the interest rates of financial assets and liabilities of the Group are fixed and closed to market rate or are floating rates, which are based on market rates.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

The effective interest rates of loan receivables as at 31 December and the periods in which the loan receivables mature or re-price were as follows:

	Effective interest rate (% per annum)	Consolidated financial statements			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
<b>2018</b>					
Short-term loans to others	3.5 - 5.8	126,500	-	-	126,500
<b>Total</b>		<b>126,500</b>	<b>-</b>	<b>-</b>	<b>126,500</b>

	Effective interest rate (% per annum)	Separate financial statements			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
<b>2018</b>					
Short-term loans to subsidiary	1.9 - 2.25	41,000	-	-	41,000
Short-term loans to others	3.5 - 5.8	126,500	-	-	126,500
<b>Total</b>		<b>167,500</b>	<b>-</b>	<b>-</b>	<b>167,500</b>

<b>2017</b>					
Short-term loans to subsidiary	1.9 - 2.25	41,000	-	-	41,000
<b>Total</b>		<b>41,000</b>	<b>-</b>	<b>-</b>	<b>41,000</b>

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Effective interest rate (% per annum)	Consolidated financial statements			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
<b>2018</b>					
<b>Current</b>					
Loans from financial institutions	1.50 - 1.97	4,291,656	-	-	4,291,656
<b>Non-current</b>					
Loans from financial institution	2.65 - 2.86	211,080	161,180	-	372,260
<b>Total</b>		<b>4,502,736</b>	<b>161,180</b>	<b>-</b>	<b>4,663,916</b>

<b>2017</b>					
<b>Current</b>					
Loans from financial institutions	1.50 - 1.78	3,276,120	-	-	3,276,120
<b>Non-current</b>					
Loans from financial institution	2.65 - 2.86	211,080	372,260	-	583,340
<b>Total</b>		<b>3,487,200</b>	<b>372,260</b>	<b>-</b>	<b>3,859,460</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

	Effective interest rate (% per annum)	Within 1 year	Separate financial statements		Total
			After 1 year but within 5 years (in thousand Baht)	After 5 years	
<b>2018</b>					
<b>Current</b>					
Loans from financial institutions	1.50 - 1.97	4,291,656	-	-	4,291,656
<b>Non-current</b>					
Loans from financial institution	2.65 - 2.86	211,080	161,180	-	372,260
<b>Total</b>		<b>4,502,736</b>	<b>161,180</b>	<b>-</b>	<b>4,663,916</b>
<b>2017</b>					
<b>Current</b>					
Loans from financial institutions	1.56 - 1.78	3,276,120	-	-	3,276,120
<b>Non-current</b>					
Loans from financial institution	2.65 - 2.86	211,080	372,260	-	583,340
<b>Total</b>		<b>3,487,200</b>	<b>372,260</b>	<b>-</b>	<b>3,859,460</b>

**Foreign currency risk**

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>United States Dollars</b>				
Cash and cash equivalents	42,195	46,305	42,195	46,305
Trade accounts receivable	86,582	74,714	86,582	74,714
Trade accounts payable	<u>(1,564,656)</u>	<u>(747,351)</u>	<u>(1,564,656)</u>	<u>(747,351)</u>
<b>Gross statements of financial position exposure</b>	<b>(1,435,879)</b>	<b>(626,332)</b>	<b>(1,435,879)</b>	<b>(626,332)</b>
Currency forwards	<u>1,942,352</u>	<u>615,623</u>	<u>1,942,352</u>	<u>615,623</u>
<b>Net exposure</b>	<b>506,473</b>	<b>(10,709)</b>	<b>506,473</b>	<b>(10,709)</b>

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

***Credit risk***

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection over than allowance for doubtful accounts.

***Liquidity risk***

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

***Carrying amount and fair values***

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
<b>31 December 2018</b>					
<b><i>Financial assets measured at fair value</i></b>					
<b><i>Non-current</i></b>					
Equity securities available for sale	38,721	38,721	-	-	38,721
<b>31 December 2017</b>					
<b><i>Financial assets measured at fair value</i></b>					
<b><i>Non-current</i></b>					
Equity securities available for sale	31,771	31,771	-	-	31,771

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

	Carrying amount	Separated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
<b>31 December 2018</b>					
<i>Financial assets measured at fair value</i>					
<i>Non-current</i>					
Equity securities available for sale	38,721	38,721	-	-	38,721
<b>31 December 2017</b>					
<i>Financial assets measured at fair value</i>					
<i>Non-current</i>					
Equity securities available for sale	31,771	31,771	-	-	31,771

**Fair values of financial instruments not measured at fair value**

Cash and cash equivalents, receivables, loans to, payables, short-term loans and current portion of long-term loan have the carrying values approximate their fair values due to the relative short-term maturity of these financial instruments.

Long-term loan has the carrying values approximate to fair values due to interest rate approximate to market rate.

Fair values of forward contract and option contract approximate to the disclosure values due to those rates approximate to quotes announced by the financial institution.

**30 Commitments with non-related parties**

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<i>(in thousand Baht)</i>				
<i>Non-cancellable operating lease commitments</i>				
Within one year	14,151	9,147	14,131	9,147
After one year but within five years	8,691	7,873	8,691	7,873
<b>Total</b>	<b>22,842</b>	<b>17,020</b>	<b>22,822</b>	<b>17,020</b>
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<i>Other commitments</i>				
Forward Contract and Option Contract <i>(in thousand U.S. Dollar)</i>	59,684	20,302	59,684	20,302
Bank guarantees <i>(in thousand Baht)</i>	477,831	76,200	477,008	76,200

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

**31 Event after the reporting period**

At the Board of Directors' meeting of the Company held on 21 February 2019, the Directors approved the following resolutions:

- 1) Increase of the authorised share capital from Baht 800 million to Baht 880 million by increasing 80 million ordinary shares at Baht 1 par value, totalling Baht 80 million for appropriation as stock dividends to existing shareholders and reserve as working capital.
- 2) Appropriation of dividends from the net profit for the year 2018 as follows:
  - Cash dividends at the rate of Baht 0.34 per share, amounting to Baht 261.91 million
  - Stock dividends at the rate of 10 existing ordinary shares per 1 stock dividend at Baht 1 par value. If the number of shares is indivisible, the remainder will be paid by cash at the rate of Baht 0.10 per share.

These resolutions are subject to the approval of the Shareholders in the Annual General Meeting in April 2019.

**32 Thai Financial Reporting Standards (TFRS) not yet adopted**

A number of new TFRS which relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020
TFRIC 22	Foreign Currency Transactions and Advance Consideration	2019

\* TFRS - Financial instruments standards

**(a) TFRS 15 Revenue from Contracts with Customers**

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

This TFRS is replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue-Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

**Synnex (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**

The Group has made a preliminary assessment of the potential initial impact on the financial statements of this new TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

**(b) *TFRS - Financial instruments standards***

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS – Financial instruments standards on the consolidated and separate financial statements.

**(c) *TFRIC 22 - Foreign Currency Transactions and Advance Consideration***

TFRIC 22 explains what currency exchange rate should be applied to transactions related to the consideration paid or received in advance in foreign currency.

Management is presently considering the potential impact of adopting and initially applying this TFRIC on the consolidated and separate financial statements.

## REFERENCE

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