

August 10, 2021

Subject: Management Discussion and Analysis for the second quarter ended on June 30, 2021

To: President
The Stock Exchange of Thailand

Synnex (Thailand) Public Company Limited and its subsidiaries (“the Company”) would like to report the operating results for the second quarter ended on June 30, 2021, which has been reviewed by the Company’s authorized auditor as follows.

Description	Quarter 2/2021		Quarter 2/2020		YoY	
	THB million	%	THB million	%	THB million	%
Income from operations	8,382.02	100.00	8,693.47	100.00	(311.45)	(3.58)
Operating cost	7,979.13	95.19	8,309.47	95.58	(330.33)	(3.98)
Gross profit	402.88	4.81	384.00	4.42	18.88	4.92
Selling and Administrative expenses	211.55	2.52	220.23	2.53	(8.68)	(3.94)
Net profit	211.12	2.52	166.11	1.91	45.01	27.09
Basic earnings per share (THB)	0.25		0.20			

In summary, the Company earned income from operations of THB 8,382.02 million in the second quarter of 2021, a decrease of 311.45 million baht or 3.58 percent from the same period of the previous year. When compared to the same period last year, gross profit was up by THB 18.88 million, or 4.92 percent, to THB 402.88 million. Furthermore, selling and administrative expenses were THB 211.55 million, a decrease of THB 8.68 million from THB 220.23 million in the same period of the previous year. The net profit was THB 211.12 million, up by THB 45.01 million or 27.09 percent from the same period of last year.

The improvement in operating results was a result of improvement in gross margin in practically all product groups, particularly the computer and components group. The availability of items in some product groups is still limited, while the demand for IT products is still high from both the COVID-19 pandemic and the rally in cryptocurrency. In the second half of the year, this high demand is likely to continue. Furthermore, the Company continues focusing on cost control in both distribution and administration, by utilizing technology to assist in the management of the business. Therefore, it will improve efficiency and provide prospects for sustainable business growth.

Description	6M/2021		6M/2020		YoY	
	THB million	%	THB million	%	THB million	%
Income from operations	17,018.47	100.00	16,024.10	100.00	994.37	6.21
Operating cost	16,219.01	95.30	15,327.27	95.65	891.74	5.82
Gross profit	799.46	4.70	696.83	4.35	102.63	14.73
Selling and Administrative expenses	434.75	2.55	428.87	2.68	5.89	1.37
Net profit	396.27	2.33	297.79	1.86	98.47	33.07
Basic earnings per share (THB)	0.47		0.35			

The Company's income from operations totaled THB 17,018.47 million in the first half of 2021, an increase of 994.37 million baht or 6.21 percent over the same period of the previous year, due to high demand for IT products as a result of the government's WFH and online learning policies, as well as the rally in cryptocurrency prices. Furthermore, many business organizations adjusted their working styles and organized meetings and various activities via electronic media. In the first half of 2021, the net profit was THB 396.27 million, an increase of THB 98.47 million or 33.07 percent from the previous year.

Dividend Summary	H1/2021	H1/2020	FY2020
Dividend per share	0.18	0.14	0.54
Payout Ratio (% of Net Profit)	38.30%	40.00%	74.90%

In addition, the Board of Directors' Meeting No. 3/2021 resolved to approve the interim dividend payment from the operating results of the first half of 2021 at the rate of THB 0.18 per share. The Record Date for specifying the list of shareholders entitled to receive the dividend is scheduled on August 25, 2021, and the interim dividend payment date is scheduled on September 3, 2021.

Please kindly be informed accordingly.

Yours faithfully,

(Sutida Mongkolsuthree)
Chief Executive Officer