

November 10, 2021

Subject: Management Discussion and Analysis for the second quarter ended on September 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 third quarter ended on September 30, 2021, which has been reviewed by the Company’s authorized auditor as follows.

Description	Quarter 3/2021		Quarter 3/2020		YoY	
	THB million	%	THB million	%	THB million	%
Income from operations	8,896.68	100.00	7,436.27	100.00	1,460.41	19.64
Operating cost	8,440.69	94.87	7,077.05	95.17	1,363.64	19.27
Gross profit	456.00	5.13	359.22	4.04	96.77	26.94
Selling and Administrative expenses	255.65	2.87	225.39	3.03	30.26	13.43
Net profit	194.48	2.19	170.83	1.92	23.65	13.84
Basic earnings per share (THB)	0.23		0.20			

In summary, the Company earned income from operations of THB 8,896.68 million in the third quarter of 2021, a increase of 1,460.41 million baht or 19.64 percent from the same period of the previous year. When compared to the same period last year, gross profit was up by THB 96.77 million, or 26.94 percent, to THB 456.00 million. Furthermore, selling and administrative expenses were THB 255.65 million, a increase of THB 30.26 million from THB 225.39 million in the same period of the previous year. The net profit was THB 194.48 million, up by THB 23.65 million or 13.84 percent from the same period of last year.

The improvement in operating results was a result of improvement, increase of revenue from high supply in some product group in the same period, 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 as a result gross margin in practically all product groups. 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	9M/2021		9M/2020		YoY	
	THB million	%	THB million	%	THB million	%
Income from operations	25,915.15	100.00	25,460.37	100.00	2,454.78	10.46
Operating cost	24,659.70	95.16	22,404.32	95.50	2,255.39	10.07
Gross profit	1,255.45	4.84	1,056.06	4.50	199.40	18.88
Selling and Administrative expenses	690.40	2.66	654.25	2.79	36.15	5.53
Net profit	590.74	2.28	468.62	2.00	122.12	26.06
Basic earnings per share (THB)	0.70		0.55			

The Company's income from operations totaled THB 25,915.15 million in the third quarter of 2021, an increase of 2,454.78 million baht or 10.46 percent over the same period of the previous year, due to increase of supply in some product group. However, the demand of IT product is still high 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 590.74 million, an increase of THB 122.12 million or 26.06 percent from the previous year.

Please kindly be informed accordingly.

Yours faithfully,

(Sutida Mongkolsuthree)  
Chief Executive Officer