

24 February 2022

Subject Management Discussion and Analysis for the year ended December 31, 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 year ended December 31, 2021, audited by the Company’s authorized auditor as follows:

Description	2021		2020		YoY	
	MB	%	MB	%	MB	%
Income from operations	37,085.38	100.00	32,148.70	100.00	4,936.68	15.36
Operating Cost	35,301.79	95.19	30,740.99	95.62	4,560.80	14.84
Gross profit	1,783.59	4.81	1,407.71	4.38	375.88	26.70
Selling and Administrative expenses	997.33	2.69	850.73	2.65	146.60	17.23
Net profit	856.53	2.31	641.95	2.00	214.58	33.43
Basic earnings per share (THB)	1.02		0.76			

Total Revenue in 2021 increased 4,936.70 MB or 15.36% YoY mainly from the contribution of Apple Products in both Mobile Phones and Tablets. With the growing trend of Cryptocurrency, the demand for Computer components especially in Chipset, Graphic Card and Hard Disk has sharpened. In addition, demand for work-from-home and online conference solutions remain very strong including laptops from multiple brands such as Asus, HPI, and Huawei, display, and projectors despite the ease of restriction for COVID-19 from Thai Government.

Moreover, in the 4th quarter of 2021, the supply shortage of IT products has unraveled, which made the company received more products to distribute to our customers. Additionally, the company already has variety of brands in our portfolio. When one brand of product is in the shortage condition, others brand could substitute. Thus, the company could maintain the growth of sales in the shortage period.

Operating Cost for the year 2021 equal to 35,301.79 MB, increased by 4,560.80 MB or 14.84% YoY, while still lower than the revenue growth rate of 15.36% YoY. Thus, in 2021, the company has achieved Gross Profit of 4.81%, which increased from 4.38% on previous year. The company also focused to gain high Profit Margin during supply shortage period, especially on Computer Component and Gaming Products, resulted in total gross profit of 1,783.59 MB, which increased 26.70% YoY. Selling and Administrative expenses equal to 997.33 MB, increased 146.60 MB or 17.23% YoY, accounted for 2.69% of Total Revenue in 2021 compare with 2.65% in previous year. The increasing in expense were mainly from marketing and sales promotion in order to boost revenue. In addition, marketing event such as COMMART could be resume due to government has ease COVID restriction policy.

Net Income in 2021 equals to 856.53 MB, increased by 33.43% YoY, consequence from higher revenue and Gross Profit, as well as effective management for exchange rate and financial cost.

Please kindly be informed accordingly.

Yours faithfully,

(Sutida Mongkolsuthree)
Chief Executive Officer