

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

Financial statements for the year ended
31 December 2016
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 2016, 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 2016 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 under the Royal Patronage of His Majesty the King 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.

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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 28.	
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. 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"> • understanding the process of collection and measurement of allowance for doubtful accounts by inquiry of management; • evaluating the Group's controls design and implementation regarding categorisation of trade accounts receivable aging and estimation of allowance for doubtful accounts; • 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; • 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; • testing the receipt of cash after the year end on a sample basis; • 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; • consideration of the adequacy of the Group's disclosures in respect of allowance for doubtful accounts in accordance with Thai Financial Reporting Standards. <p><i>Maha</i></p>

Valuation of inventories	
Refer to notes 2(d), 3(e) and 7.	
The key audit matter	How the matter was addressed in the audit
<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"> • understanding process of measurement of net realisable value of inventories by inquiry of management; • evaluating the Group's control design and implementation regarding categorisation of inventories aging and the measurement of net realisable value of inventories; • 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; • testing the appropriateness of inventories aging report exported from accounting system on a sample basis with the assistance of KPMG's information technology specialist; • comparing the cost of inventories against the net realisable value including the estimated selling expenses with the related documents on a sample basis; • 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; • 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. <p><i>Maha.</i></p>



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.

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.

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.

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- 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.



(Marisa Tharathornbunpakul)
Certified Public Accountant
Registration No. 5752

KPMG Phoomchai Audit Ltd.
Bangkok
20 February 2017

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

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2016	2015	2016	2015
(in Baht)					
Current assets					
Cash and cash equivalents	5	206,289,594	78,093,470	202,266,246	73,147,672
Trade accounts receivable	4, 6	4,116,921,807	3,018,788,550	4,107,610,318	3,010,062,199
Inventories	7	2,091,734,162	1,538,780,431	2,090,267,926	1,529,692,827
Rebate receivables		287,393,417	312,263,824	287,393,417	312,263,824
Prepayment for goods		214,398,256	5,311,770	214,328,698	3,577,367
Short-term loans to subsidiary	4	-	-	44,000,000	29,000,000
Other current assets	8	125,820,159	91,882,212	111,260,646	75,287,984
Total current assets		7,042,557,395	5,045,120,257	7,057,127,251	5,033,031,873
Non-current assets					
Investment in subsidiary	9	-	-	9,400,000	9,000,000
Other long-term investments	10	26,625,847	18,033,186	25,615,337	16,997,464
Property, plant and equipment	11	405,678,104	303,528,664	399,220,671	295,443,439
Deferred tax assets	12	85,479,419	82,432,781	84,606,922	82,432,781
Others non-current assets		17,649,290	36,979,297	17,516,586	14,010,587
Total non-current assets		535,432,660	440,973,928	536,359,516	417,884,271
Total assets		7,577,990,055	5,486,094,185	7,593,486,767	5,450,916,144

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

Synnex (Thailand) Public Company Limited and its Subsidiary

Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2016	2015	2016	2015
		(in Baht)			
Current liabilities					
Short-term loans from					
financial institutions	13	2,080,080,007	1,369,114,360	2,080,080,007	1,339,114,360
Trade accounts payable	4, 14	2,018,223,487	1,277,174,118	2,014,969,632	1,271,208,960
Other payables	4, 15	82,748,059	67,826,429	82,588,975	67,646,150
Current portion of long-term loans	13	111,120,000	18,500,000	111,120,000	18,500,000
Income tax payable		27,616,102	18,349,503	27,616,102	18,349,503
Accrued expenses	4, 16	324,848,457	302,622,575	322,196,181	294,637,357
Other current liabilities		42,221,987	54,084,072	41,604,918	53,847,427
Total current liabilities		4,686,858,099	3,107,671,057	4,680,175,815	3,063,303,757
Non-current liabilities					
Long-term loans from financial					
institution	13	333,320,000	-	333,320,000	-
Deferred tax liabilities	12	-	2,993,948	-	-
Employee benefit obligations	17	39,150,783	35,266,807	37,973,971	33,841,213
Other non-current liabilities		35,185,251	23,991,700	35,178,640	23,985,090
Total non-current liabilities		407,656,034	62,252,455	406,472,611	57,826,303
Total liabilities		5,094,514,133	3,169,923,512	5,086,648,426	3,121,130,060
Equity					
Share capital:	18				
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
Additional paid in capital:					
Premium on ordinary shares	18	350,872,541	350,872,541	350,872,541	350,872,541
Surplus on treasury shares	18	52,835,830	52,835,830	52,835,830	52,835,830
Retained earnings					
Appropriated					
Legal reserve	19	80,000,000	80,000,000	80,000,000	80,000,000
Unappropriated		1,217,639,106	1,058,256,571	1,240,995,644	1,070,837,685
Other components of equity		11,799,796	4,925,667	11,805,677	4,911,379
Equity attributable to owners					
of the Company		2,483,475,922	2,317,219,258	2,506,838,341	2,329,786,084
Non-controlling interests		-	(1,048,585)	-	-
Total equity		2,483,475,922	2,316,170,673	2,506,838,341	2,329,786,084
Total liabilities and equity		7,577,990,055	5,486,094,185	7,593,486,767	5,450,916,144

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

Synnex (Thailand) Public Company Limited and its Subsidiary
Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
Note		2016	2015	2016	2015
		(in Baht)			
Operating income					
Revenue from sale of goods	4	23,781,332,194	21,488,457,902	23,740,259,258	21,421,694,390
Revenue from rendering of services	4	41,962,897	25,212,533	18,951,854	11,963,218
Total income	20	23,823,295,091	21,513,670,435	23,759,211,112	21,433,657,608
Operating cost					
Cost of sale of goods	4, 7, 23	(22,702,168,094)	(20,419,837,453)	(22,669,867,809)	(20,367,643,475)
Cost of rendering of services	4, 23	(7,867,711)	(9,149,679)	(2,400,926)	(1,852,370)
Total cost		(22,710,035,805)	(20,428,987,132)	(22,672,268,735)	(20,369,495,845)
Gross profit		1,113,259,286	1,084,683,303	1,086,942,377	1,064,161,763
Gain on foreign exchange		84,700,033	102,213,544	84,713,725	102,095,271
Investment income	4, 21	1,554,229	1,136,092	2,532,986	1,738,435
Other income	4	40,028,094	38,043,143	41,681,298	40,364,018
Profit before expenses		1,239,541,642	1,226,076,082	1,215,870,386	1,208,359,487
Selling expenses	4, 23	(383,055,361)	(446,145,286)	(364,194,647)	(421,403,229)
Administrative expenses	4, 23	(323,478,220)	(303,899,919)	(309,259,739)	(289,608,950)
Finance costs	24	(25,260,196)	(32,784,034)	(25,079,894)	(32,295,559)
Total expenses		(731,793,777)	(782,829,239)	(698,534,280)	(743,307,738)
Profit before income tax expense		507,747,865	443,246,843	517,336,106	465,051,749
Income tax expense	25	(100,815,838)	(92,086,441)	(100,677,240)	(92,388,863)
Profit for the year		406,932,027	351,160,402	416,658,866	372,662,886
Other comprehensive income					
<i>Items that will not be reclassified</i>					
<i>to profit or loss</i>					
Defined benefit plan actuarial losses	17	-	(1,924,340)	-	(1,924,340)
Income tax on other comprehensive income		-	384,868	-	384,868
		-	(1,539,472)	-	(1,539,472)
<i>Item that are or may be reclassified subsequently</i>					
<i>to profit or loss</i>					
Net change in fair value of available-for-sale investments	10	8,592,661	(2,585,382)	8,617,873	(2,621,104)
Income tax on other comprehensive income	12	(1,718,532)	517,076	(1,723,575)	524,221
		6,874,129	(2,068,306)	6,894,298	(2,096,883)
Total other comprehensive income for the year, net of tax		6,874,129	(3,607,778)	6,894,298	(3,636,355)
Total comprehensive income for the year		413,806,156	347,552,624	423,553,164	369,026,531
Profit attributable to:					
Owners of the Company		406,932,027	358,682,364	416,658,866	372,662,886
Non-controlling interests		-	(7,521,962)	-	-
Profit for the year		406,932,027	351,160,402	416,658,866	372,662,886
Total comprehensive income attributable to:					
Owners of the Company		413,806,156	355,060,297	423,553,164	369,026,531
Non-controlling interests		-	(7,507,673)	-	-
Total comprehensive income for the year		413,806,156	347,552,624	423,553,164	369,026,531
Basic earnings per share (in Baht)	26	0.53	0.46	0.54	0.48

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	Retained earnings					Other components of equity			Total equity
		Issued and paid-up share capital	Share premium	Surplus on treasury shares	Legal reserve	Unappropriated (in Baht)	Fair value changes in available-for-sale investments	Equity attributable to owners of the Company	Non-controlling interests	
Year ended 31 December 2015		770,328,649	350,872,541	52,835,830	80,000,000	862,882,625	7,008,262	2,123,927,907	6,459,088	2,130,386,995
Balance at 1 January 2015										
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Dividends to owners of the Company	27	-	-	-	-	(161,768,946)	-	(161,768,946)	-	(161,768,946)
Total distributions to owners of the Company		-	-	-	-	(161,768,946)	-	(161,768,946)	-	(161,768,946)
Comprehensive income for the year										
Profit		-	-	-	-	358,682,364	-	358,682,364	(7,521,962)	351,160,402
Other comprehensive income		-	-	-	-	(1,539,472)	(2,082,595)	(3,622,067)	14,289	(3,607,778)
Total comprehensive income for the year		-	-	-	-	357,142,892	(2,082,595)	355,060,297	(7,507,673)	347,552,624
Balance at 31 December 2015		770,328,649	350,872,541	52,835,830	80,000,000	1,058,256,571	4,925,667	2,317,219,258	(1,048,585)	2,316,170,673

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	Retained earnings				Other components of equity			Total equity
		Issued and paid-up share capital	Share premium	Surplus on treasury shares	Legal reserve	Unappropriated (in Baht)	Fair value changes in available-for-sale investments	Equity attributable to owners of the Company	
Year ended 31 December 2016									
Balance at 1 January 2016		770,328,649	350,872,541	52,835,830	80,000,000	1,058,256,571	4,925,667	2,317,219,258	2,316,170,673
Transactions with owners, recorded directly in equity									
Distributions to owners of the Company									
Dividends to owners of the Company	27	-	-	-	-	(246,500,907)	-	(246,500,907)	(246,500,907)
Total distributions to owners of the Company		-	-	-	-	(246,500,907)	-	(246,500,907)	(246,500,907)
Changes in ownership interests in subsidiary									
Acquisition of non-controlling interests without a change in control									
	9	-	-	-	-	(1,048,585)	-	(1,048,585)	1,048,585
Total changes in ownership interests in subsidiary		-	-	-	-	(1,048,585)	-	(1,048,585)	1,048,585
Total transactions with owners of the Company									
		-	-	-	-	(247,549,492)	-	(247,549,492)	1,048,585
Comprehensive income for the year									
Profit		-	-	-	-	406,932,027	-	406,932,027	406,932,027
Other comprehensive income		-	-	-	-	-	6,874,129	6,874,129	6,874,129
Total comprehensive income for the year		-	-	-	-	406,932,027	6,874,129	413,806,156	413,806,156
Balance at 31 December 2016									
		770,328,649	350,872,541	52,835,830	80,000,000	1,217,639,106	11,799,796	2,483,475,922	2,483,475,922

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

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

		Separate financial statements					
Note	Issued and paid-up share capital	Share premium	Surplus on treasury shares	Legal reserve (in Baht)	Retained earnings		Total equity
					Unappropriated	Fair value changes in available-for-sale investments	
Year ended 31 December 2015							
Balance at 1 January 2015	770,328,649	350,872,541	52,835,830	80,000,000	861,483,217	7,008,262	2,122,528,499
Transactions with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
Dividends to owners of the Company	-	-	-	-	(161,768,946)	-	(161,768,946)
Total distributions to owners of the Company	-	-	-	-	(161,768,946)	-	(161,768,946)
Comprehensive income for the year							
Profit	-	-	-	-	372,662,886	-	372,662,886
Other comprehensive income	-	-	-	-	(1,539,472)	(2,096,883)	(3,636,355)
Total comprehensive income for the year	-	-	-	-	371,123,414	(2,096,883)	369,026,531
Balance at 31 December 2015	770,328,649	350,872,541	52,835,830	80,000,000	1,070,837,685	4,911,379	2,329,786,084

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

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

Separate financial statements									
	Note	Issued and paid-up share capital	Share premium	Surplus on treasury shares	Legal reserve (in Baht)	Retained earnings		Other components of equity	
						Unappropriated	Fair value changes in available-for-sale investments	Total equity	
Year ended 31 December 2016									
Balance at 1 January 2016		770,328,649	350,872,541	52,835,830	80,000,000	1,070,837,685	4,911,379	2,329,786,084	
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the Company</i>									
Dividends to owners of the Company	27	-	-	-	-	(246,500,907)	-	(246,500,907)	
Total distributions to owners of the Company		-	-	-	-	(246,500,907)	-	(246,500,907)	
Comprehensive income for the year									
Profit		-	-	-	-	416,658,866	-	416,658,866	
Other comprehensive income		-	-	-	-	-	6,894,298	6,894,298	
Total comprehensive income for the year		-	-	-	-	416,658,866	6,894,298	423,553,164	
Balance at 31 December 2016		770,328,649	350,872,541	52,835,830	80,000,000	1,240,995,644	11,805,677	2,506,838,341	

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

Synnex (Thailand) Public Company Limited and its Subsidiary

Statement of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
Note		2016	2015	2016	2015
		(in Baht)			
Cash flows from operating activities					
		406,932,027	351,160,402	416,658,866	372,662,886
	Profit for the year				
	Adjustments for				
	Depreciation and amortisation	37,660,944	41,036,326	34,775,085	37,979,212
	Investment income	(1,554,229)	(1,136,092)	(2,532,986)	(1,738,435)
	Finance costs	25,260,196	32,784,034	25,079,894	32,295,559
	Unrealised loss on exchange	2,190,720	3,469,341	2,190,720	3,469,340
	Provision for bad and doubtful debts expense	6	11,105,334	2,759,885	11,652,932
	Provision for (reversal of) allowance for decline in value of inventories	7	3,806,280	(4,123,747)	3,702,887
	Gain on disposal of plant and equipment		(1,793,139)	(1,096,225)	(1,790,452)
	Gain on bargain purchase		-	(1,000,000)	-
	Loss on termination of joint venture agreement	9	1,400,000	-	-
	Employee benefit obligations		4,400,201	4,544,379	4,132,758
	Cost of donated goods		16,791,639	9,311,324	16,791,639
	Income tax expense		100,815,838	92,086,441	100,677,240
			<u>607,015,811</u>	<u>529,796,068</u>	<u>611,338,583</u>
					<u>546,513,630</u>
Changes in operating assets and liabilities					
	Trade accounts receivable		(1,108,627,921)	(198,761,816)	(1,108,590,381)
	Inventories		(573,551,650)	403,950,424	(581,069,625)
	Rebate receivables		24,870,407	(54,534,395)	24,870,407
	Prepayment for goods		(209,086,486)	(4,266,500)	(210,751,331)
	Other current assets		(33,937,947)	(5,904,248)	(35,972,662)
	Other non-current assets		12,920,419	(78,242)	(4,915,587)
	Trade accounts payable		738,281,871	(128,655,381)	740,993,174
	Other payables		14,921,630	547,853	14,942,825
	Accrued expenses		23,350,115	112,601,986	28,648,766
	Other current liabilities		(11,862,085)	42,206,587	(12,242,509)
	Other non-current liabilities		11,193,551	2,605,043	11,193,550
	Employee benefit obligations paid		(516,225)	(4,150,000)	-
	Cash generated from (used in) operating activities		<u>(505,028,510)</u>	<u>695,357,379</u>	<u>(521,554,790)</u>
	Income tax paid		<u>(95,308,357)</u>	<u>(79,946,613)</u>	<u>(95,308,357)</u>
	Net cash from (used in) operating activities		<u>(600,336,867)</u>	<u>615,410,766</u>	<u>(616,863,147)</u>
					<u>658,938,489</u>
Cash flows from investing activities					
	Interest received		362,818	341,818	1,341,575
	Dividends received from long-term investment		1,191,411	794,274	1,191,411
	Purchase of plant and equipment		(138,751,630)	(13,675,030)	(137,455,017)
	Sale of plant and equipment		2,143,973	2,465,867	2,102,740
	Cash outflow on investment in subsidiary	9	-	-	(400,000)
	Net cash outflow on acquisition of non-controlling interests	9	(400,000)	-	-
	Short-term loan to subsidiary		-	-	(30,000,000)
	Proceeds from short-term loan to subsidiary		-	-	15,000,000
	Net cash used in investing activities		<u>(135,453,428)</u>	<u>(10,073,071)</u>	<u>(148,219,291)</u>
					<u>(7,007,383)</u>

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

Statement of cash flows

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

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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 20 February 2017.

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 as at 31 December 2016 and 2015 are given in notes 4 and 9.

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 new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. The initial application of these new and 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 new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 31.

(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 financial assets	Fair value
Defined benefit liability	Present value of the defined benefit obligation, as explained in note 3 (k)

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(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 presented in Thai Baht has been rounded in the notes to the financial statements 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 amounts recognised in the financial statements is included in the following notes:

Note 6	Valuation of trade accounts receivable: key assumptions underlying allowance for doubtful accounts;
Note 7	Valuation of inventories: key assumptions underlying allowance for decline in value of inventories; and
Note 17	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 such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable 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:

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- 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 28 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”).

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

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 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.

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.

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.

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Subsidiary

Subsidiary is 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.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

(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.

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(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.

(f) Investments

Investments in subsidiary

Investments in subsidiary in the separate financial statements of the Company are accounted for using the cost method.

Investments in other debt and equity securities

Marketable debt securities and 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.

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(g) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are stated 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.

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 net within other income in profit or loss.

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.

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(h) 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.

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.

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.

(i) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at cost.

(j) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

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(k) 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.

(l) 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.

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(m) 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.

(n) Finance costs

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

(o) 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.

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(p) 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 subsidiaries 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. 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.

(q) 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.

(r) 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 prepayment for goods, investments, deferred tax assets and other assets.

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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 is described in note 9. Relationship with key management personnel and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
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
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	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.

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

Transactions	Pricing policies
Sale of goods	Market price
Rendering of service	Market price
Purchase of goods	Market price
Receiving of services	Market price
Technical assistance and other service expenses	Contractually agreed prices
Interest income	1.9% - 2.5% per annum
Other income	Contractually agreed prices
Warehouse management expense	Contractually agreed prices
Printing service expense	Market price

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

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiary				
Sales of goods or rendering of services	-	-	40,491	57,974
Purchases of goods or receiving of services	-	-	3,109	3,021
Interest income	-	-	1,029	678
Technical assistance and other service expenses	-	-	184	2,325
Other income	-	-	2,322	3,982
Key management personnel				
Short-term employee benefit	30,915	25,755	30,915	25,755
Other related parties				
Sales of goods or rendering of services	17,240	4,308	2,385	3,667
Purchases of goods or receiving of services	237,678	210,008	237,678	209,976
Printing services	11,544	8,744	11,544	8,744
Warehouse management expense	5,777	5,572	5,777	5,572
Technical assistance and other service expenses	164	132	152	132
Dividend paid	181,180	118,899	181,180	118,899
Other income	120	80	120	80

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

<i>Trade accounts receivable - related parties</i>		Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Subsidiary					
Prism Solutions Co., Ltd.		-	-	10,950	8,724
Other related parties					
T.K.S. Siam Press Management Co., Ltd.		2,070	212	205	212
T.K.S. Technologies Public Company Limited		5	57	5	57
Total		2,075	269	11,160	8,993
Short-term loans to subsidiary					
	Interest rate	Consolidated financial statements		Separate financial statements	
	2016 2015	2016	2015	2016	2015
	<i>(% per annum)</i>	<i>(in thousand Baht)</i>			
Prism Solutions Co., Ltd.	1.9 - 2.5 2.25 - 2.5	-	-	44,000	29,000
Total		-	-	44,000	29,000

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Movements during the years ended 31 December of short-term loans to subsidiary was as follows:

<i>Short-term loans to subsidiary</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
At 1 January	-	-	29,000	30,000
Increase	-	-	30,000	22,000
Decrease	-	-	(15,000)	(23,000)
At 31 December	-	-	44,000	29,000

<i>Trade accounts payable - related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiary				
Prism Solutions Co., Ltd.	-	-	5	57
Other related parties				
T.K.S. Technologies Public Company Limited	25,835	22,467	25,835	22,467
T.K.S. Siam Press Management Co., Ltd.	5,386	3,780	5,386	3,780
Total	31,221	26,247	31,226	26,304

<i>Other payables - related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiary				
Prism Solutions Co., Ltd.	-	-	172	34
Other related parties				
T.K.S. Siam Press Management Co., Ltd.	2,737	2,981	2,737	2,981
Synnex Technology International Corporation	151	132	151	132
T.K.S. Technologies Public Company Limited	7	-	7	-
Total	2,895	3,113	3,067	3,147

<i>Accrued expense - related party</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Other related party				
T.K.S. Siam Press Management Co., Ltd.	358	462	358	462
Total	358	462	358	462

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Significant agreements with related parties

Trademark license agreement

On 11 December 2007, the Company entered into the new “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 0.5 million per year. The agreement term is for a period of one year starting from 1 January 2016 to 31 December 2016, 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 2011 until 31 August 2014. 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.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Cash on hand	433	652	421	634
Cash at banks - current accounts	87,601	30,809	87,585	30,809
Cash at banks - savings accounts	118,256	46,632	114,260	41,705
Total	206,290	78,093	202,266	73,148

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	192,377	44,517	188,353	39,572
United States Dollars (USD)	13,913	33,576	13,913	33,576
Total	206,290	78,093	202,266	73,148

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6 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	2,075	269	11,160	8,993
Other parties		4,476,534	3,369,101	4,457,440	3,350,406
Total		4,478,609	3,369,370	4,468,600	3,359,399
Less allowance for doubtful accounts		(361,687)	(350,581)	(360,990)	(349,337)
Net		4,116,922	3,018,789	4,107,610	3,010,062
Bad and doubtful debts expense for the year		11,106	2,760	11,653	1,177

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	2,075	269	9,881	5,417
Overdue:				
Less than 2 months	-	-	1,279	3,576
	2,075	269	11,160	8,993
Other parties				
Within credit terms	2,888,920	1,860,496	2,877,108	1,847,219
Overdue:				
Less than 2 months	1,073,930	965,557	1,068,714	962,035
2 - 3 months	132,490	104,069	132,843	103,442
3 - 4 months	7,269	48,434	7,150	47,506
4 - 6 months	21,328	29,145	21,258	28,804
6 - 9 months	7,420	8,441	6,554	8,441
9 - 12 months	5,313	5,180	4,964	5,180
Over 12 months	339,864	347,779	338,849	347,779
	4,476,534	3,369,101	4,457,440	3,350,406
Less allowance for doubtful accounts	(361,687)	(350,581)	(360,990)	(349,337)
	4,114,847	3,018,520	4,096,450	3,001,069
Net	4,116,922	3,018,789	4,107,610	3,010,062

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 judgements 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.

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The currency denomination of trade accounts receivable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	4,420,493	3,334,042	4,410,484	3,324,071
United States Dollars (USD)	58,116	35,328	58,116	35,328
Total	4,478,609	3,369,370	4,468,600	3,359,399

7 Inventories

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Finished goods	2,043,700	1,500,613	2,039,735	1,489,130
Goods in transit	89,361	75,687	89,361	75,688
Total	2,133,061	1,576,300	2,129,096	1,564,818
Less allowance for decline in value	(41,327)	(37,520)	(38,828)	(35,125)
Net	2,091,734	1,538,780	2,090,268	1,529,693
Inventories recognised as an expense in 'cost of sales of goods':				
- Cost	22,698,361	20,423,961	22,666,165	20,371,964
- Write-down to net realisable value	3,807	-	3,703	-
- Reversal of write-down	-	(4,124)	-	(4,321)
Net	22,702,168	20,419,837	22,669,868	20,367,643

The Group provided allowance for decline in value of inventories to reflect the net realisable value of inventories. The management used judgements 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.

8 Other current assets

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Other receivables	58,427	7,266	58,427	7,228
Refundable value added tax	26,790	20,114	26,774	19,915
Prepaid expenses	16,960	10,211	10,817	7,056
Other note receivables	4,497	35,382	4,402	35,382
Others	19,146	18,909	10,841	5,707
Total	125,820	91,882	111,261	75,288

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9 Investment in subsidiary

	Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
At 1 January	9,000	9,000
Acquisitions	400	-
At 31 December	<u>9,400</u>	<u>9,000</u>

Acquisitions

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 the subsidiary increased to 99.99% as at 31 December 2016.

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Investments in subsidiary as at 31 December 2016 and 2015 were follows:

Name of subsidiary	Type of business	Separate financial statements					
		Ownership 2016	Interest 2015	Paid-up capital 2016	Paid-up capital 2015	Cost 2016 <i>(in thousand Baht)</i>	At cost - net 2016 2015
Prism Solutions Co., Ltd.	Training service, repair and maintenance service of computer system, and selling computer accessories	99.99	60.00	15,000	15,000	9,400	9,400
Total						9,400	9,400
						9,000	9,000

The subsidiary is incorporated in Thailand and did not have dividend payment during the years ended 31 December 2016 and 2015.

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10 Other long-term investments

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Other long-term investments</i>				
Equity securities available for sale	25,615	16,997	25,615	16,997
Debt securities available for sale	1,011	1,036	-	-
Total	26,626	18,033	25,615	16,997

Other long-term investments of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Available-for-sale securities				
At 1 January	18,033	20,619	16,997	19,619
Valuation adjustment	8,593	(2,586)	8,618	(2,622)
At 31 December	26,626	18,033	25,615	16,997

Synnex (Thailand) Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2016

11 Property, plant and equipment

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
Cost									
At 1 January 2015	125,372	271,559	146,295	89,546	29,977	23,077	14,157	822	700,805
Additions	-	1,058	1,388	6,773	1,637	1,992	40	787	13,675
Transfers	-	507	22	-	143	-	685	(1,357)	-
Disposals	-	-	(2,979)	(4,118)	(625)	(2,604)	(6)	-	(10,332)
At 31 December 2015 and 1 January 2016	125,372	273,124	144,726	92,201	31,132	22,465	14,876	252	704,148
Additions	-	98	2,529	14,953	4,943	-	662	115,566	138,751
Disposals	-	(29)	(229)	(9,061)	(2,315)	(6,212)	(3,213)	(184)	(21,243)
At 31 December 2016	125,372	273,193	147,026	98,093	33,760	16,253	12,325	115,634	821,656
Accumulated depreciation									
At 1 January 2015	-	124,836	114,619	75,580	25,140	21,118	9,432	-	370,725
Depreciation charge for the year	-	14,535	10,927	7,863	2,812	1,608	1,111	-	38,856
Disposals	-	-	(2,979)	(3,710)	(587)	(1,680)	(6)	-	(8,962)
At 31 December 2015 and 1 January 2016	-	139,371	122,567	79,733	27,365	21,046	10,537	-	400,619
Depreciation charge for the year	-	14,387	10,609	7,602	1,509	976	1,168	-	36,251
Disposals	-	(12)	(210)	(8,998)	(2,251)	(6,209)	(3,212)	-	(20,892)
At 31 December 2016	-	153,746	132,966	78,337	26,623	15,813	8,493	-	415,978

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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
Net book value									
At 1 January 2015	125,372	146,723	31,676	13,966	4,837	1,959	4,725	822	330,080
At 31 December 2015 and 1 January 2016	125,372	133,753	22,159	12,468	3,767	1,419	4,339	252	303,529
At 31 December 2016	125,372	119,447	14,060	19,756	7,137	440	3,832	115,634	405,678

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2016 amounted to Baht 176 million (2015: Baht 169 million).

Security

At 31 December 2016 the Group's properties with a net book value of Baht 191 million (2015: Baht 191 million) were subject to secure long-term loans from financial institution (see note 13).

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	Separate financial statements							Construction in progress and machinery under installation	Total
	Land	Buildings	Machinery and equipment	Computer	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Leasehold improvement		
Cost									
At 1 January 2015	125,372	271,559	141,782	81,702	28,952	22,984	9,274	567	682,192
Additions	-	1,058	1,167	5,577	1,596	1,992	32	787	12,209
Transfers	-	507	22	-	-	-	639	(1,168)	-
Disposals	-	-	(238)	(3,999)	(625)	(2,604)	(6)	-	(7,472)
At 31 December 2015 and 1 January 2016	125,372	273,124	142,733	83,280	29,923	22,372	9,939	186	686,929
Additions	-	98	2,433	13,779	4,918	-	661	115,566	137,455
Disposals	-	(29)	(229)	(8,989)	(2,315)	(6,212)	(3,213)	(184)	(21,171)
At 31 December 2016	125,372	273,193	144,937	88,070	32,526	16,160	7,387	115,568	803,213
Accumulated depreciation									
At 1 January 2015	-	124,836	111,624	70,115	24,961	21,112	9,110	-	361,758
Depreciation charge for the year	-	14,535	10,570	6,429	2,582	1,590	123	-	35,829
Disposals	-	-	(238)	(3,590)	(587)	(1,680)	(6)	-	(6,101)
At 31 December 2015 and 1 January 2016	-	139,371	121,956	72,954	26,956	21,022	9,227	-	391,486
Depreciation charge for the year	-	14,387	10,231	6,314	1,292	958	183	-	33,365
Disposals	-	(12)	(210)	(8,964)	(2,251)	(6,209)	(3,213)	-	(20,859)
At 31 December 2016	-	153,746	131,977	70,304	25,997	15,771	6,197	-	403,992

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	Separate financial statements						Construction in progress and machinery under installation	Total
	Land	Buildings	Machinery and equipment	Computer	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Leasehold improvement	
<i>Net book value</i>								
At 1 January 2015	125,372	146,723	30,158	11,587	3,991	1,872	164	320,434
At 31 December 2015 and 1 January 2016	125,372	133,753	20,777	10,326	2,967	1,350	712	295,443
At 31 December 2016	125,372	119,447	12,960	17,766	6,529	389	1,190	399,221

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2016 amounted to Baht 170 million (2015: Baht 164 million).

Security

At 31 December 2016 the Company's properties with a net book value of Baht 191 million (2015: Baht 191 million) were subject to secure long-term loans from financial institution (see note 13).

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12 Deferred tax

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

	Consolidated financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Total	88,433	84,674	(2,954)	(5,235)
Set off of tax	(2,954)	(2,241)	2,954	2,241
Net deferred tax assets (liabilities)	85,479	82,433	-	(2,994)

	Separate financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Total	87,559	83,661	(2,952)	(1,228)
Set off of tax	(2,952)	(1,228)	2,952	1,228
Net deferred tax assets	84,607	82,433	-	-

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

	Consolidated financial statements				
		(Charged) / credited to			
	At 1 January 2016	Profit or loss	Other comprehensive income (in thousand Baht)	Acquired in business combination	At 31 December 2016
Deferred tax assets					
Trade accounts receivable	70,116	2,221	-	-	72,337
Inventories	7,504	762	-	-	8,266
Employee benefit obligations	7,054	776	-	-	7,830
Total	84,674	3,759	-	-	88,433
Deferred tax liabilities					
Available-for-sale investment	(1,235)	-	(1,719)	-	(2,954)
Other non-current assets (customer relationship)	(4,000)	-	-	4,000	-
Total	(5,235)	-	(1,719)	4,000	(2,954)
Net	79,439	3,759	(1,719)	4,000	85,479

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		Consolidated financial statements (Charged) / credited to			
	At 1 January 2015	Profit or loss	Other comprehensive income (in thousand Baht)	Acquired in business combination	At 31 December 2015
Deferred tax assets					
Trade accounts receivable	70,336	(220)	-	-	70,116
Inventories	8,329	(825)	-	-	7,504
Employee benefit obligations	6,589	80	385	-	7,054
Total	85,254	(965)	385	-	84,674
Deferred tax liabilities					
Available-for-sale investment	(1,752)	-	517	-	(1,235)
Other non-current assets (customer relationship)	-	-	-	(4,000)	(4,000)
Total	(1,752)	-	517	(4,000)	(5,235)
Net	83,502	(965)	902	(4,000)	79,439
			Separate financial statements (Charged) / credited to:		
	At 1 January 2016	Profit or loss	Other comprehensive income		At 31 December 2016
		(in thousand Baht)			
Deferred tax assets					
Trade accounts receivable	69,868	2,330	-		72,198
Inventories	7,025	741	-		7,766
Employee benefit obligations	6,768	827	-		7,595
Total	83,661	3,898	-		87,559
Deferred tax liabilities					
Available-for-sale investment	(1,228)	-	(1,724)		(2,952)
Total	(1,228)	-	(1,724)		(2,952)
Net	82,433	3,898	(1,724)		84,607

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	At 1 January 2015	Separate financial statements (Charged) / credited to:		At 31 December 2015
		Profit or loss (in thousand Baht)	Other comprehensive income	
<i>Deferred tax assets</i>				
Trade accounts receivable	70,318	(450)	-	69,868
Inventories	7,889	(864)	-	7,025
Employee benefit obligations	6,337	46	385	6,768
Total	84,544	(1,268)	385	83,661
<i>Deferred tax liabilities</i>				
Available-for-sale investment	(1,752)	-	524	(1,228)
Total	(1,752)	-	524	(1,228)
Net	82,792	(1,268)	909	82,433

13 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Current</i>				
Short-term loans from financial institutions				
Unsecured	2,080,080	1,369,114	2,080,080	1,339,114
Current portion of long-term loans from financial institution				
Secured	111,120	18,500	111,120	18,500
Total current interest-bearing liabilities	2,191,200	1,387,614	2,191,200	1,357,614
<i>Non-current</i>				
Long-term loans from financial institution				
Secured	333,320	-	333,320	-
Total non-current interest-bearing liabilities	333,320	-	333,320	-

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Within one year	2,191,200	1,387,614	2,191,200	1,357,614
After one year but within five years	333,320	-	333,320	-
Total	2,524,520	1,387,614	2,524,520	1,357,614

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Property, plant and equipment, net book value	<u>191,226</u>	<u>191,226</u>	<u>191,226</u>	<u>191,226</u>

As at 31 December 2016, the Group and the Company had unutilised credit facilities totalling Baht 3,129 million (2015: Baht 3,578 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 MMR per annum.

The secured current portion of long-term loans from financial institutions identified interest rate at FDR 6 months +2% per annum.

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 installment, commencing in July 2016 covering 54 months since the first drawdown date.

Loans from financial institutions were long-term loan secured by land together with construction and machinery of the Company. In addition, the transfer of beneficial right of insurance claim on securities and parts of goods to the lenders at Baht 720 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 2.75 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.

Interest-bearing liabilities of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

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14 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	31,221	26,247	31,226	26,304
Other parties		1,987,002	1,250,927	1,983,744	1,244,905
Total		<u>2,018,223</u>	<u>1,277,174</u>	<u>2,014,970</u>	<u>1,271,209</u>

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	1,090,117	695,318	1,086,864	689,353
United States Dollars (USD)	928,106	581,856	928,106	581,856
Total	<u>2,018,223</u>	<u>1,277,174</u>	<u>2,014,970</u>	<u>1,271,209</u>

15 Other payables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	2,895	3,113	3,067	3,147
Other parties		79,853	64,713	79,522	64,499
Total		<u>82,748</u>	<u>67,826</u>	<u>82,589</u>	<u>67,646</u>

Other payables of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

16 Accrued expenses

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Accrued sale rebate	246,351	218,777	246,590	218,777
Accrued bonus	67,443	60,196	65,000	59,696
Accrued operating expenses	7,113	17,911	6,983	10,429
Others	3,941	5,739	3,623	5,735
Total	<u>324,848</u>	<u>302,623</u>	<u>322,196</u>	<u>294,637</u>

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17 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Statement of financial position				
Obligations for:				
Post-employment benefits	39,151	35,266	37,974	33,841
Total	39,151	35,266	37,974	33,841
 Year ended 31 December				
Statement of comprehensive income				
Recognised in profit or loss:				
Post-employment benefits	4,400	4,544	4,133	4,382
Total	4,400	4,544	4,133	4,382
 Recognised in other comprehensive income:				
Actuarial losses recognised in the year	-	1,924	-	1,924
Cumulative actuarial losses recognised	1,631	1,631	2,285	2,285

Legal severance pay plan

The Group operates a defined benefit pension 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.

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

Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	35,266	32,948	33,841	31,685
Included in profit or loss:				
Current service costs and interest on obligation	4,400	4,544	4,133	4,382
Included in other comprehensive income:				
Actuarial loss	-	1,924	-	1,924
Benefit paid	(515)	(4,150)	-	(4,150)
Defined benefit obligations at 31 December	39,151	35,266	37,974	33,841

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Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Demographic assumptions	-	(3,781)	-	(3,781)
Financial assumptions	-	368	-	368
Experience adjustment	-	5,337	-	5,337
Total	-	1,924	-	1,924

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(%)</i>			
Discount rate	3.21 - 4.12	3.21 - 4.12	3.21	3.21
Future salary increases	7.72 - 8.93	7.72 - 8.93	7.72	7.72

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2016, the weighted-average duration of the defined benefit obligation was 26 years (2015: 27 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.

	Consolidated financial statements		Separate financial statements	
	<i>(in thousand Baht)</i>			
Defined benefit obligation 31 December 2016	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(1,784)	1,925	(1,702)	1,836
Future salary growth (0.5% movement)	1,978	(1,851)	1,895	(1,774)
Defined benefit obligation 31 December 2015	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(1,734)	1,875	(1,653)	1,786
Future salary growth (0.5% movement)	1,750	(1,639)	1,667	(1,562)

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.

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18 Share capital

	Par value per share (in Baht)	2016		2015	
		Number	Amount	Number	Amount
(thousand shares / thousand Baht)					
Authorised					
At 1 January					
- ordinary shares	1	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
At 31 December					
- ordinary shares	1	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
Issued and paid-up					
At 1 January					
- ordinary shares	1	<u>770,329</u>	<u>770,329</u>	<u>770,329</u>	<u>770,329</u>
At 31 December					
- ordinary shares	1	<u>770,329</u>	<u>770,329</u>	<u>770,329</u>	<u>770,329</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.

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19 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.

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.

20 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 and communication devices.
- *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.

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Information about reportable segments:

	Trading computer components and communication devices	Providing computers service and training	Total reportable segments
	2016	2015	2016
		(in thousand Baht)	
External revenue	23,800,284	13,250	23,823,295
Inter-segment revenue	43,742	2,325	44,046
Total segment revenue	23,844,026	15,575	23,867,341
Elimination of inter-segment revenue	(43,742)	(2,325)	(44,046)
Consolidated revenue	23,800,284	13,250	23,823,295
Profit before income tax	499,211	7,232	507,748
Reportable segment assets as at 31 December	6,607,877	8,085	6,614,334
Prepayment for goods			214,398
Deferred tax assets			85,479
Other long-term investments			26,626
Other assets			637,153
Consolidates total assets			7,577,990
			5,486,094

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.

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21 Investment income

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
<i>Dividend income</i>					
Other parties		1,191	794	1,191	794
		<u>1,191</u>	<u>794</u>	<u>1,191</u>	<u>794</u>
<i>Interest income</i>					
Subsidiary	4	-	-	1,029	678
Other parties		363	342	313	266
		<u>363</u>	<u>342</u>	<u>1,342</u>	<u>944</u>
Total		<u>1,554</u>	<u>1,136</u>	<u>2,533</u>	<u>1,738</u>

22 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Salaries and wages		262,211	239,744	242,657	216,623
Overtime and bonus		59,225	77,300	56,961	77,296
Contribution to defined contribution plans		9,393	8,609	8,689	7,876
Post-employment benefits		4,400	4,544	4,133	4,382
Others		56,768	57,345	55,525	55,175
Total		<u>391,997</u>	<u>387,542</u>	<u>367,965</u>	<u>361,352</u>

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.

On 26 December 2013, the Company received the approval of Employee Joint Investment Program (EJIP) 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.

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23 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Included in cost of sale of goods:</i>				
Purchases of goods	23,241,448	20,037,273	23,216,770	19,983,520
Changes in inventories of finished goods	(543,087)	386,688	(550,605)	388,443
(Reversal of) loss on decline in value of inventories	3,807	(4,124)	3,703	(4,320)
Total	22,702,168	20,419,837	22,669,868	20,367,643
<i>Included in cost of rendering of services:</i>				
Employee benefit expenses	-	164	-	-
Others	7,868	8,986	2,401	1,852
Total	7,868	9,150	2,401	1,852
<i>Included in selling expenses:</i>				
Employee benefit expenses	208,069	203,306	191,128	184,724
Marketing expenses	67,953	139,083	67,924	138,548
Transportation expenses	66,287	63,378	66,062	63,154
Depreciation and amortisation expenses	1,888	2,215	1,888	2,215
Others	38,858	38,163	37,193	32,762
Total	383,055	446,145	364,195	421,403
<i>Included in administrative expenses:</i>				
Employee benefit expenses	183,928	184,073	176,837	176,628
Depreciation and amortisation expenses	35,772	38,791	32,887	35,764
Donation expenses	16,960	10,545	16,960	10,545
Bad debt and allowance for doubtful accounts	11,106	2,760	11,653	1,177
Others	75,712	67,731	70,923	65,495
Total	323,478	303,900	309,260	289,609

24 Finance costs

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Interest expense:</i>				
Bank loans and overdrafts	25,260	32,784	25,080	32,296
Total	25,260	32,784	25,080	32,296

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25 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		104,575	91,121	104,575	91,121
		<u>104,575</u>	<u>91,121</u>	<u>104,575</u>	<u>91,121</u>
Deferred tax expense	12				
Movements in temporary differences		(3,759)	965	(3,898)	1,268
		<u>(3,759)</u>	<u>965</u>	<u>(3,898)</u>	<u>1,268</u>
Total income tax expense		<u>100,816</u>	<u>92,086</u>	<u>100,677</u>	<u>92,389</u>

Income tax recognised in other comprehensive income

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Available-for-sale investments	1,719	(517)	1,724	(524)
Defined benefit plan actuarial losses	-	(385)	-	(385)
Total	<u>1,719</u>	<u>(902)</u>	<u>1,724</u>	<u>(909)</u>

Reconciliation of effective tax rate

	Consolidated financial statements			
	2016		2015	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		507,748		443,247
Income tax using the Thai corporation tax rate	20	101,550	20	88,649
Income not subject to tax		(238)		(1,159)
Expenses not deductible for tax purposes		1,870		1,984
Expense not subject to tax		(4,417)		(2,133)
Current year loss for which no deferred tax asset was recognised		2,571		4,145
Others		(520)		600
Total	<u>20</u>	<u>100,816</u>	<u>21</u>	<u>92,086</u>

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	Separate financial statements			
	2016		2015	
	<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		517,336		465,052
Income tax using the Thai corporation tax rate	20	103,467	20	93,010
Income not subject to tax		(238)		(158)
Expenses not deductible for tax purposes		1,865		1,670
Expense not subject to tax		(4,417)		(2,133)
Total	19	100,677	20	92,389

Income tax reduction

Revenue Code Amendment Act No.42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

26 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2016 and 2015 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:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2016	2015	2016	2015
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	406,932	358,682	416,659	372,663
Number of ordinary shares outstanding	770,329	770,329	770,329	770,329
Earnings per share (basic) (in Baht)	0.53	0.46	0.54	0.48

27 Dividends

Parent

At the Board of Directors' meeting of the Company held on 9 August 2016, the Directors approved the appropriation of interim dividends of Baht 0.10 per share, amounting to Baht 77.03 million. The dividend was paid to the shareholders on 8 September 2016.

At the annual general meeting of the shareholders of the Company held on 22 April 2016, the shareholders approved the appropriation of dividends from the net profit of 2015 of Baht 0.22 per share, amounting to Baht 169.47 million. The dividend was paid to the shareholders on 12 May 2016.

At the Board of Directors' meeting of the Company held on 7 August 2015, the Directors approved the appropriation of interim dividends of Baht 0.08 per share, amounting to Baht 61.63 million. The dividend was paid to the shareholders on 9 September 2015.

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At the annual general meeting of the shareholders of the Company held on 24 April 2015, the shareholders approved the appropriation of dividends from the net profit of 2014 of Baht 0.13 per share, amounting to Baht 100.14 million. The dividend was paid to the shareholders on 15 May 2015.

28 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 financial instruments 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 borrowings (see note 13). Most of the interest rates of financial assets and liabilities of the Company are floating rates, which are based on market rates such as the interest prime rate of commercial banks, saving interest rate or other benchmark floating rates.

The effective interest rates of debt securities and loans receivable as at 31 December and the periods in which the loans receivable and debt securities mature or re-price were as follows:

	Effective interest rate (% per annum)	Separate financial statements			Total
		Within 1 year	After 1 year but within 5 years	After 5 years	
2016					
Short-term loans to subsidiary	1.9 - 2.25	44,000	-	-	44,000
Total		44,000	-	-	44,000
2015					
Short-term loans to subsidiary	2.25 - 2.5	29,000	-	-	29,000
Total		29,000	-	-	29,000

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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:

		Consolidated financial statements			
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
2016					
Current					
Loans from financial institutions	1.56 - 1.8	2,080,080	-	-	2,080,080
Non - Current					
Loans from financial institution	2.65	111,120	333,320	-	444,440
Total		2,191,200	333,320	-	2,524,520
2015					
Current					
Loans from financial institutions	1.79 - 3.35	1,387,614	-	-	1,387,614
Total		1,387,614	-	-	1,387,614

		Separate financial statements			
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
2016					
Current					
Loans from financial institutions	1.56 - 1.8	2,080,080	-	-	2,080,080
Non - Current					
Loans from financial institution	2.65	111,120	333,320	-	444,440
Total		2,191,200	333,320	-	2,524,520
2015					
Current					
Loans from financial institutions	1.79 - 3.35	1,357,614	-	-	1,357,614
Total		1,357,614	-	-	1,357,614

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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	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
<i>United States Dollars</i>					
Cash and cash equivalents	5	13,913	33,576	13,913	33,576
Trade accounts receivable	6	58,116	35,328	58,116	35,328
Trade accounts payable	14	(928,106)	(581,856)	(928,106)	(581,856)
Gross statements of financial position exposure		(856,077)	(512,952)	(856,077)	(512,952)
Currency forwards		1,071,888	506,768	1,071,888	506,768
Net exposure		215,811	(6,184)	215,811	(6,184)

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.

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.

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Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, 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.

		Consolidated financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2016					
Non-current					
Equity securities available for sale	25,615	25,615	-	-	25,615
Debt securities available for sale	1,011	-	1,011	-	1,011
31 December 2015					
Non-current					
Equity securities available for sale	16,997	16,997	-	-	16,997
Debt securities available for sale	1,036	-	1,036	-	1,036

		Separated financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2016					
Non-current					
Equity securities available for sale	25,615	25,615	-	-	25,615
31 December 2015					
Non-current					
Equity securities available for sale	16,997	16,997	-	-	16,997

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation technique used in measuring Level 2 fair values, as well as the significant unobservable input used.

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable input and fair value measurement
Investments in marketable unit trusts classified as available-for-sale investments	The net asset value as of the reporting date	Not applicable	Not applicable

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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.

29 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	6,306	5,963	6,306	5,963
After one year but within five years	4,938	4,525	4,938	4,525
Total	11,244	10,488	11,244	10,488
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>Other commitments</i>				
Forward Contract and Option Contract <i>(in thousand U.S. Dollar)</i>	36,943	68,168	36,943	68,168
Bank guarantees <i>(in thousand Baht)</i>	64,881	128,616	62,186	122,929

30 Event after the reporting period

At the Board of Directors' meeting of the Company held on 20 February 2017, the Directors approved the appropriation of dividends from the net profit of 2016 of Baht 0.26 per share, amounting to Baht 200.29 million. This dividend is subject to the approval of the Shareholders in the Annual General Meeting in April 2017.

31 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2017, are set out below. The Group does not plan to adopt these TFRS early.

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TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events after the Reporting Period
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 5 (revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 25 (revised 2016)	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 32 (revised 2016)	Intangible Assets – Web Site Costs
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining whether an Arrangement Contains a Lease
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
FAP Announcement no. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

Synnex (Thailand) Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2016

32 Reclassification of accounts

Certain accounts in the 2015 financial statements have been reclassified to conform to the presentation in the 2016 financial statements as follows:

	2015		
	Consolidated financial statements		
	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>		
<i>Statement of comprehensive income</i>			
Revenue from sale of goods	21,489,732	(1,274)	21,488,458
Cost of sale of goods	(20,434,060)	14,223	(20,419,837)
Other income	52,266	(14,223)	38,043
Administrative expenses	(305,174)	1,274	(303,900)
		<u>-</u>	
	2015		
	Separate financial statements		
	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>		
<i>Statement of comprehensive income</i>			
Revenue from sale of goods	21,422,968	(1,274)	21,421,694
Cost of sale of goods	(20,381,866)	14,223	(20,367,643)
Other income	54,587	(14,223)	40,364
Administrative expenses	(290,883)	1,274	(289,609)
		<u>-</u>	

The reclassifications have been made because in the opinion of management, the new classification is more appropriate to the Group's business.