

August 9, 2018

Subject: Management Discussion and Analysis Quarter 2/2018

To: President,  
The Stock Exchange of Thailand

Synnex (Thailand) Public Company Limited and its subsidiaries ("the Company") is pleased to report the operation results for Quarter 2 ended June 30, 2018 as reviewed by the authorized Company's auditor as follows:

Description	Quarter 2/2018		Quarter 2/2017		YoY	
	MB	%	MB	%	MB	%
Income from operations	9,573.34	100.00	8,249.92	100.00	1,323.42	16.04
Operating Cost	9,181.58	95.91	7,904.38	95.81	1,277.12	16.16
Gross profit	391.76	4.09	345.54	4.19	46.22	13.38
Selling and Administrative expenses	210.69	2.20	177.40	2.15	33.29	18.77
Net profit	161.19	1.68	151.05	1.83	10.14	6.71
Basic earnings per share (THB)	0.21		0.20		0.01	5.00

The Company's operating results in Quarter 2/2018 has shown Sales and Services revenue increased from THB 8,249.92 Million to THB 9,573.34 Million, increasing by THB 1,323.42 Million or 16.04%. Gross Profit increased from THB 345.54 Million to THB 391.76 Million, increasing by THB 46.22 Million. Selling and Administrative expenses increased from THB 177.40 Million to THB 210.69 Million, increasing by THB 33.29 Million and Net Profit increased from THB 151.05 Million to THB 161.19 Million, increasing 6.71%.

The sales revenues growth resulted from sales growth in all products groups, especially Devices Group. The Company also focus to introduce various new product brands corresponding to the latest advances in available technology and demand. The Company will also give importance to services, with a focus on being more comprehensive from Pre-sales to On Site Services activities and also provide after sales service to customers and promotional campaign to develop distribution channel Sale in Bangkok and Up-country.

Description	H1/2018		H1/2017		YoY	
	MB	%	MB	%	MB	%
Income from operations	18,483.74	100.00	16,421.30	100.00	2,062.44	12.56
Operating Cost	17,660.03	95.54	15,723.41	95.75	1,936.62	12.32
Gross profit	823.71	4.46	697.89	4.25	125.82	18.03
Selling and Administrative expenses	427.30	2.31	386.74	2.36	40.56	10.49
Net profit	371.05	2.01	299.66	1.82	71.39	23.82
Basic earnings per share (THB)	0.48		0.39		0.09	23.08

For the period of H1/2018, the Company had better performance which mainly derived from higher total income increased by THB 2,062.44 Million or 12.56%. Net Profit increased from THB 299.66 Million to THB 371.05 Million, increasing by THB 71.39 Million or 23.82%. Basic earnings per share increased from THB 0.39 to THB 0.48, increasing 23.08%. The Company has been closely monitoring the operating expenses to be in the appropriate level, potentially enhance efficiency and effectiveness in management and operation.

<b>Dividend Summary</b>	<b>H1/2018</b>	<b>H1/2017</b>	<b>FY2017</b>
Dividend per share	0.20	0.18	0.53
Payout Ratio (% of Net Profit)	42.55%	45.00%	66.25%

The resolutions adopted in the Board of Directors' Meeting no. 3/2018 to approved the payment of interim dividend from the first six-month periods of the operation result for the year 2018 at the rate of THB 0.20 per share. The Record Date for determination the list of shareholders for the right to receive the interim dividend payment is scheduled on 24 August 2018 and the interim dividend payment is scheduled on 7 September 2018.

Please kindly be informed accordingly.

Yours faithfully,

(Sutida Mongkolsuthree)  
Chief Executive Officer