



Ref. OS 2019/005

February 20, 2019

Subject : Management Discussion and Analysis for the year 2018

To : The Director and Manager of The Stock Exchange of Thailand

SiS Distribution (Thailand) Public Company Limited and its subsidiaries would like to announce the Financial Report for the year ended December 31, 2018 which is audited by registered auditors. The details are as follows

1) Total Revenues

Total revenues of the Company and its subsidiaries for the year of 2018 were 22,194 Million Baht, an increase of 2,037 Million Baht or 10.1% from last year. This increase was mainly from smartphone and consumer products group.

2) Net Profit

Net Profit of the Company and its subsidiaries for the year of 2018 was 468 Million Baht, an increase of 171 Million Baht or 36.6% from last year. The significant changes are as follows:

2.1 Gross profit of 2018 was 1,338 Million Baht or 6.05%, an increase when compared to 1,105 Million Baht or 5.50% of last year from all product groups.

2.2 Selling expenses for the year of 2018 were 498 Million Baht, an increase of 115 Million Baht from last year. This increase were mainly due to 67 Million Baht of employee benefit expenses and 37 Million Baht of sales promotion expenses to expand the Company business.

2.3 Administrative expenses of 2018 were 321 Million Baht, a decrease of 46 Million Baht from

Expenses	2018 (M.Baht)	2017 (M.Baht)	Inc.(Dec) (M.Baht)
Employee benefit expenses	154	164	(10)
Doubtful Debt and Provision for doubtful debt expenses	(23)	37	(60)
Others	190	166	24



2.4 In 2018, the Company shared the 35 Million Baht gain from investment with Wiko Mobile (Thailand) Company Limited which closed to last year. Although, Smartphone have grown considerably but the competition in the market has also increased considerably when compared to last year.

Yours sincerely,

Mr. Somchai Sittichaisrichart
Managing Director