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August 11, 2022

Subject : Management Discussion and Analysis for Quarter 2/2022

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 Second Quarter ended June 30, 2022, which has been reviewed by certified Auditors. The details are as follows:

1) Total Revenue

Total revenue of the Company and its subsidiaries for the Second Quarter of 2022 was 7,532 million Baht, a decrease of 365 million Baht or 4.6% from the same period of last year. For the Second Quarter of this year, Phone Revenue decreased from the same period of last year amounting to 966 million Baht or 33.4% because there were the Thai government's 50:50 co-payment scheme which had to be run through mobile payment application, including allowing employees to work from home and online learning to stimulate a large number of Smartphone purchasing volume in that period. After the Covid situation began to improve and plus the inflation situation which directly affected the purchasing power as well, most people buy a new phone device to replace an old phone only. That's why sales declined back to the same as before the Covid outbreak.

In addition to Phone, the revenue growth of each product groups was as follows:

- Consumer increased by 246 million Baht or 11.5%
- Value Added increased by 236 million Baht or 27.4%
- Commercial increased by 88 million Baht or 5.7%
- Others increased 35 million Baht or 8.5%

2) Net Profit

Net Profit of the Company and its subsidiaries for the Second Quarter of 2022 was 194 million Baht, a slight decrease of 3 million Baht or 1.5% from the same period of last year. This was mainly due to an increase of selling and distribution expenses amounting 19 million Baht because the Company has added new more products and sales channel to cover more customers' needs. In addition, there was an impairment loss on financial assets of 11 million Baht in this quarter.

Yours sincerely,

Mr. Somchai Sittichaisrichart
Managing Director