



Ref. OS 2023/021

November 10th, 2023

Subject : Management Discussion and Analysis for the Quarter 3 of 2023

To : President
The Stock Exchange of Thailand

SiS Distribution (Thailand) Public Company Limited (“the Company”) and its subsidiaries would like to announce the Financial Report for the third Quarter of 2023 as at September 30th, 2023, which has been reviewed by certified Auditors. The details are as follows:

1) Revenues

Total revenue of the Company and its subsidiaries for the third Quarter of 2023 was 6,779 million Baht, an increase of 18 million Baht or 0.3% from the same period of last year, consisting of Sales and Service Income of 6,769 million Baht and Others of 10 million Baht.

Sales and Service Income by segments were presented as follows:

Business Units	Revenues (Million Baht)		Increase (Decrease)		Gross Margin (Million Baht)		Increase (Decrease)	
	2023	2022	MB.	%	2023	2022	MB.	%
Commercial	1,780	2,031	(251)	(12.36)	92	90	2	2.22
Consumer	2,087	2,140	(53)	(2.48)	94	125	(31)	(24.80)
Value Added	1,201	936	265	28.31	155	96	59	61.46
Phone	1,042	1,091	(49)	(4.49)	37	45	(8)	(17.78)
Others	659	517	142	27.47	122	104	18	17.31
Total	6,769	6,715	54	0.80	500	460	40	8.70

For the third Quarter of 2023, Revenues continued to decrease from three major Business Units as follows:

- Commercial: There was a decrease in sales of 251 million Baht or 12.4% when compared to the same period of the previous year because most mega projects have already been recognized since the previous quarter and new projects have slowed down.
- Consumer: There was a decrease in sales of 53 million Baht or 2.5% when compared to the same period of the previous year. Overall, the consumer market is still sluggish. Purchasing power has not yet recovered. Household debt continues to increase when



combined with rising interest rates, causing the purchasing power of households to decrease. As a result, the consumers focus on purchasing necessities. May have to wait for government stimulus measures next year.

- Phone: There was a decrease in sales of 49 million Baht or 4.5% when compared to the same period of the previous year because the total market has shrunk. However, Phone direction was getting better. Sales began not to decline compared to the previous quarter of this year.

When compared to the same period of the previous year, Value Added and other products continued to grow because the private sector still invested in security products, the use of cloud services continued to grow and solar products that help energy saving were also growing as well.

2) Net Profit

Net Profit of the Company and its subsidiaries for the third Quarter of 2023 was 161 million Baht, a decrease of 25 million Baht or 13.5% from the same quarter of the previous year mainly due to

- 2.1 Selling and distribution expenses increased by 25 million Baht from employee expenses of 13 million Baht because of an increase in manpower to support the expansion of new business unit. The remainder was spent as marketing expenses due to higher competition during the downturn in the economy.
- 2.2 the Company's financial cost increased by 14 million Baht due to interest rate continuously increase.

Yours sincerely,

Mr. Somchai Sittichaisrichart
Managing Director