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Management Discussion and Analysis

For Second Quarter of 2026

Synnex (Thailand) Public Company Limited

Executive Summary

In Q2/2026, the Company recorded sales and service revenue of THB 11,810 million, up 1.3% year-on-year and 4.4% quarter-on-quarter, bringing total revenue for the first half of 2026 to THB 23,122 million, an increase of 1.3% from the same period last year. Amid a prolonged Supply Shortage and a slowing economy, the Company maintains its full-year 2026 total revenue target of THB 53,000 million, focusing on growth led primarily by the IT Commercial and Enterprise business groups. During the quarter, the IT Commercial group grew 43.1% and Enterprise Solution grew 11.3% year-on-year, reaffirming the success of the strategy to expand its corporate and government customer base. Profit quality improved across the board, with the gross profit margin (GPM) reaching 3.96%, up from 3.83% in the same quarter last year, driven by a Product Mix shift toward higher-margin products. Net profit was THB 224 million, up 17.8% year-on-year, significantly outpacing revenue growth, supported by disciplined finance-cost management and a 33.1% increase in the share of profit from associates. Net profit for the first half was THB 445 million, up 17.7% from the same period last year.

Q2/2026 Growth Drivers

The Company recorded total revenue of THB 11,810 million, up 1.3% year-on-year and 4.4% quarter-on-quarter. Although the economy and industry remained under pressure from Supply Shortage, global economic uncertainty, and geopolitical factors, the Company sustained revenue growth while enhancing revenue quality by shifting its sales mix toward higher-margin products and solutions. As a result, the gross profit margin (GPM) rose to 3.96%, the highest level in several quarters, close to the 4.0% target for 2026. The key supporting factors were as follows:

- **Growth in Strategic Growth Engine businesses.** The enterprise IT business group (Enterprise Solution) grew 11.3% year-on-year, driven by demand for AI Infrastructure, Digital Government investment, and the upgrade of its partnership to AWS Advanced Tier Services Partner. Meanwhile, the clean-energy business group (Energy Solution) remained one of the Company's standout businesses, expanding in solar cells, peripheral equipment, and end-to-end services. The Company is expanding its team and network of installation partners to capture long-term growth opportunities.
- **Effective Product Mix management.** The Company increased the revenue contribution from higher-margin products, particularly the IT Commercial group, which grew 43.1% year-on-year. This lifted gross profit by 5.0%, outpacing revenue growth and expanded the gross profit margin (GPM) from 3.83% to 3.96%, reflecting the effectiveness of the Company's portfolio-management strategy and its focus on quality growth.

As a result of these factors, the Company posted net profit of THB 224 million, up 17.8% year-on-year, growing significantly faster than revenue. The net profit margin rose to 1.89% from 1.63% in the same quarter last year, while earnings per share (EPS) increased to THB 0.26 from THB 0.22. This was supported by the recognition of a THB 50 million share of profit from the investment in Next Capital Public Company Limited (NCAP), up 33.1% year-on-year, together with efficient finance-cost management — reflecting strong earnings quality and continued growth. For the first half of 2026, the Company recorded net profit of THB 445 million, up 17.7% from the same period last year.

Industry and Competitive Environment

Economic and IT Industry Overview in Q2/2026

In Q2/2026, the Thai economy continued to face challenges from global economic uncertainty and geopolitical factors. Although the recovery in domestic demand remained gradual, technology investment, particularly in AI, Cloud, and digital infrastructure, remained a key driver for the business sector, reflecting the ongoing transition toward a digital economy.

The global information technology industry continued to trend upward, driven by accelerating investment in AI Infrastructure and the ongoing adoption of AI across the business sector. This lifted demand for Enterprise Solutions, AI Servers, Cloud, and Data Centers, consistent with the Company's business direction and its Product Mix strategy of increasing the revenue contribution from higher value-added products and solutions.

On the supply side, the memory shortage (Memory Shortage) continued to affect the industry as demand for High Bandwidth Memory (HBM) for AI Data Centers increased, tightening supply for certain product categories and pushing costs higher, particularly Smartphones and PCs/Notebooks. Nonetheless, the Company managed this risk through its diversified product portfolio spanning Apple, Smartphone, IT Consumer, IT Commercial, Enterprise Solution, and Gaming, together with proactive inventory management, to absorb supply volatility and maintain continuity of product delivery to customers.

2H/2026 Outlook

The Company expects the overall technology industry in the second half of 2026 to remain supported by investment in AI Infrastructure, Cloud, and Digital Transformation across the business and government sectors, although factors to monitor remain, including the memory shortage, energy-price volatility, and global economic uncertainty.

For the Company's own business, performance is expected to be supported by new technology product launches from business partners in the second half of the year, together with growth in Enterprise Solution, AI Infrastructure, Cloud, Energy Solution, and Gaming businesses the Company continues to expand. In addition, the Company has prepared its inventory and closely managed its supply chain to meet market demand during the year-end selling season.

The Company continues to pursue its strategy of upgrading the Product Mix toward higher value-added products and solutions, while expanding its Technology Ecosystem through collaboration with global partners — to generate quality growth and advance toward becoming the No.1 IT Ecosystem in Thailand over the long term.

Key Events and Developments During the Quarter

The Company was officially appointed as an authorized distributor of MAXHUB products and solutions

The Company announced a partnership with MAXHUB to expand its portfolio of display products and smart meeting solutions for enterprises, covering interactive smart displays, commercial displays, LED screens, video conferencing systems, and Unified Collaboration solutions, together with consulting, solution design, and after-sales services through its nationwide dealer network under the "Trusted by Synnex" standard.

Signed a cooperation agreement with the Thai-Nichi Institute of Technology to develop the workforce for the industries of the future

The Company signed a memorandum of understanding on academic cooperation and academic services with the Thai-Nichi Institute of Technology to develop a learning ecosystem linking the education sector with industry. The collaboration focuses on developing curricula, internships, cooperative education, and key technology skills such as AI, Smart Manufacturing, Robotics, Digital Engineering, BIM, Digital Twin, and Cloud Technology, with technology support from Autodesk, to prepare students for professional standards and the labor market in the digital era.

Joined AWS and partners to advance the application of AI and Deep Tech in Thai industry

Together with Amazon Web Services (AWS), the Digital Institute for Industry, the Federation of Thai Industries, and technology partners, the Company showcased solutions at the AI Solution for Industry EXPO 2026 to promote the application of AI and Deep Tech in the manufacturing sector, aiming to enhance quality control, predictive maintenance, cost reduction, and energy management, and to help Thai enterprises make tangible progress toward Smart Manufacturing.

Received two Asia-Pacific regional awards from HUAWEI

The Company received the APAC Core Partner Award and the APAC Outstanding Partner Award at "Now Is Your Spark: HUAWEI Innovative Product Launch 2026," reflecting its strengths in distribution-channel management, product delivery, service, and marketing support, as well as the strength of the strategic partnership between the Company and HUAWEI, which has continued for over 12 years.

Summary of Financial Results for Q2/2026 and the First Half of 2026

Total Revenue and Gross Profit

In Q2/2026, the Company recorded total sales and service revenue of THB 11,810 million, an increase of THB 155 million, or 1.3%, year-on-year, and up THB 498 million, or 4.4%, quarter-on-quarter. This brought total revenue for the first half of 2026 to THB 23,122 million, up 1.3% from the same period last year. Although the Supply Shortage continued to affect the supply of Apple products, the Company sustained revenue growth with support from the IT Commercial, Enterprise Solution, and Gaming & Gadget groups, consistent with its Product Mix Shift strategy toward higher-margin products and solutions. As a result, gross profit was THB 468 million, up 5.0% year-on-year, with a gross profit margin (Gross Profit Margin: GPM) of 3.96%, up from 3.83% in Q2/2025 and 3.87% in the previous quarter, approaching the gross profit margin target of approximately 4% for 2026 and reflecting the effectiveness of the Company's portfolio-management strategy and its focus on quality growth. For the first half of 2026, the Company recorded gross profit of THB 905 million, up 4.02% from the same period last year, representing a gross profit margin of 3.92%.

When gross profit is analyzed by business unit, the improvement was driven primarily by higher margin IT Commercial, IT Consumer, and Enterprise Solution business groups. Gross profit from IT Commercial rose 47.6%, Enterprise Solution rose 35.7%, and IT Consumer rose

21.9% year-on-year, consistent with the Company's Product Mix strategy of shifting toward higher value-added products and solutions. Meanwhile, gross profit from the Apple product group declined, affected by the ongoing Supply Shortage. Nonetheless, growth in the higher-margin groups more than offset this impact, allowing the Company's overall gross profit to keep expanding and pushing the gross profit margin higher.

Expenses, Finance Costs, and Share of Profit from Associates

Selling and administrative expenses (SG&A) were THB 280 million, up 3.7% year-on-year and 9.1% quarter-on-quarter, in line with business expansion, while the expense-to-revenue ratio (SG&A to Sales) was maintained at 2.37%, reflecting continued efficiency in expense management. For the first half of 2026, SG&A expenses were THB 537 million, up 3.9% from the same period last year. On finance costs, interest expense was THB 25 million, down from THB 40 million in the same quarter last year, a decrease of 38.5%, due to efficient capital-structure management, lifting the Interest Coverage Ratio from 6.5 times to 11.6 times. Interest expense for the first half was THB 51 million, down 36.1% year-on-year. In addition, the Company recognized a THB 50 million share of profit from investments in associates, up 33.1% year-on-year and 7.4% quarter-on-quarter, driven mainly by the performance of Next Capital Public Company Limited (NCAP). As a result, the share of profit from associates for the first half of 2026 was THB 97 million, up 34.1% from the same period last year.

Net Profit

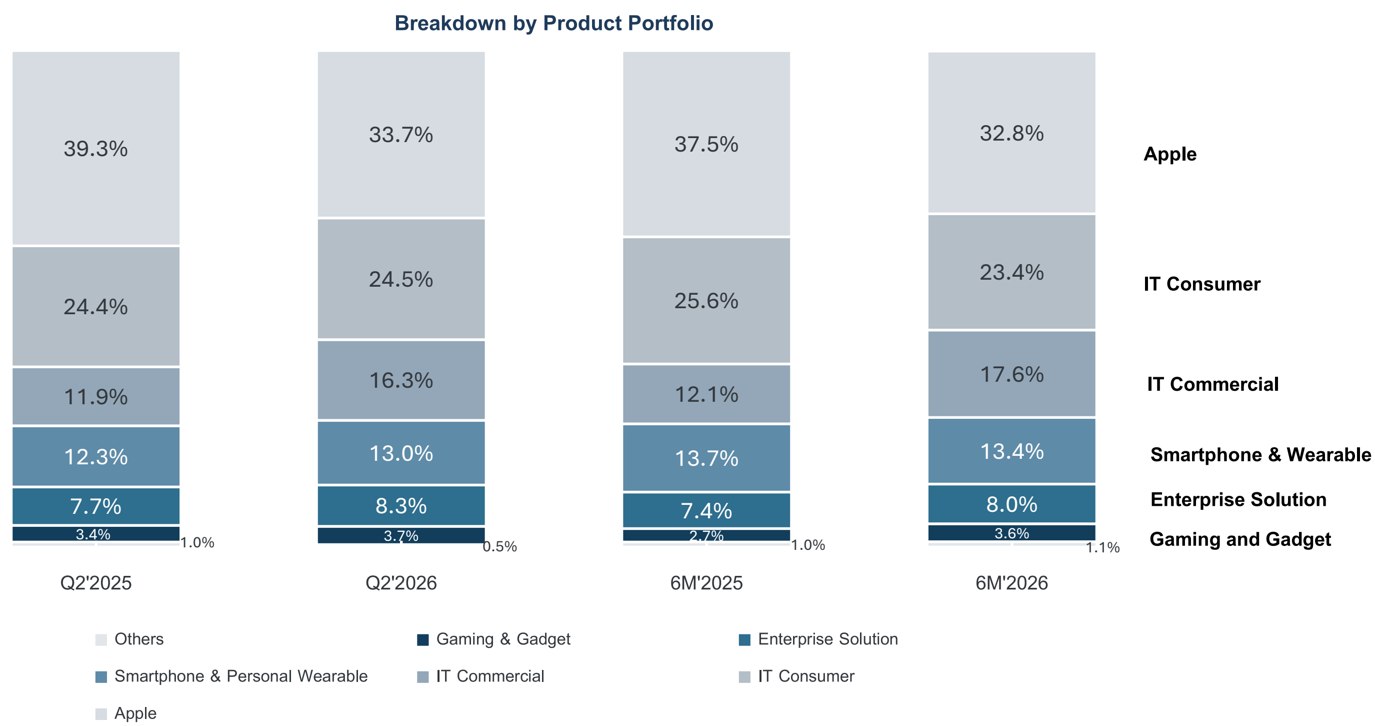
Through enhancing revenue quality through Product Mix management, together with expense control, lower finance costs, and growth in the share of profit from associates, the Company posted net profit of THB 224 million, an increase of THB 34 million, or 17.8%, year-on-year, and up 1.1% quarter-on-quarter, representing a net profit margin (NPM) of 1.89%, up from 1.63% in Q2/2025, with earnings per share (EPS) of THB 0.26 Net profit for the first half of 2026 was THB 445 million, an increase of THB 67 million, or 17.7%, from the same period last year. Net profit grew significantly faster than revenue, reflecting the effectiveness of Product Mix management, cost control, and continuously improving earnings quality.

(Unit: THB million)

Consolidated Income Statement	Q2/2026	%	Q2/2025	%	%YoY	Q1/2026	%	%QoQ	6M/2026	6M/2025	%YoY
Total revenue	11,810	100.00	11,655	100.00	+1.3%	11,312	100.00	+4.4%	23,122	22,814	+1.3%
Cost of sales and services	(11,342)	95.85	(11,209)	96.17	+1.2%	(10,875)	96.03	+4.3%	(22,217)	(21,944)	+1.2%
Gross profit	**468**	**3.96**	**446**	**3.83**	**+5.0%**	**437**	**3.87**	**+7.0%**	905	871	+4.0%
Gain (loss) on exchange rate	26	0.22	25	0.22	+1.9%	44	0.39	-41.3%	70	63	12.9%
Other income	24	0.21	26	0.22	-5.1%	21	0.19	+12.7%	46	43	+7.9%
Selling and administrative expenses	(280)	2.37	(270)	2.32	+3.7%	(257)	2.27	+9.1%	(537)	(517)	+3.9%
Interest expense	(25)	0.21	(40)	0.35	-38.5%	(26)	0.23	-5.6%	(51)	(80)	-36.1%
Income tax	(40)	0.34	(34)	0.29	+17.3%	(45)	0.40	-12.3%	(85)	(73)	+16.5%

Consolidated Income Statement	Q2/2026	%	Q2/2025	%	%YoY	Q1/2026	%	%QoQ	6M/2026	6M/2025	%YoY
Profit before share of associates	**174**	**1.47**	**152**	**1.31**	**+14.5%**	**174**	**1.54**	**-0.6%**	348	306	+13.9%
Share of profit from associates	50	0.43	38	0.32	+33.1%	47	0.41	+7.4%	97	72	+34.1%
Net Profit	**224**	**1.89**	**190**	**1.63**	**+17.8%**	**221**	**1.96**	**+1.1%**	445	378	+17.7%
Earnings per share (THB)	**0.26**		**0.22**			**0.26**			0.53	0.45	

Revenue by Business Unit (Business Unit Performance)



The Company operates as one of Thailand's leading end-to-end distributors of information technology products, covering products, solutions, and services across six core business groups: Apple Business, Smartphone & Wearables Business, IT Consumer Business, IT Commercial Business, Enterprise Solution Business, and Gaming Business. The Company continues to expand into higher value-added areas such as Software, Cloud, AI, and Sustainability, while developing its Technology Ecosystem together with global partners to advance toward becoming the No.1 IT Ecosystem in Thailand and to generate sustainable long-term growth. Revenue growth by product group in Q2/2026 was as follows:

(1) Apple Business declined 10.7% year-on-year but rose 10.2% quarter-on-quarter. The year-on-year decline was mainly due to the Supply Shortage affecting the availability of certain models, together with some consumers delaying purchase decisions ahead of new product launches. Nonetheless, consumer demand remained healthy and is expected to be supported by new product launches in the second half of the year.

(2) Smartphone & Wearables Business grew 9.7% year-on-year and was flat quarter-on-quarter, driven mainly by the outstanding growth of Personal Wearables, while the smartphone segment was affected by the Memory Shortage and the restructuring of distribution for certain products. The trend toward AI Smartphone adoption and the popularity of Wearables devices remain supportive of long-term market growth.

(3) IT Consumer Business grew 4.8% year-on-year and 8.4% quarter-on-quarter, supported by growth in Consumer PCs, while the Printing & Supply segment remained soft in line with industry trends. The Company continues to manage inventory proactively in the Storage, SSD, RAM, and PC categories to absorb supply volatility and rising product-price trends.

(4) IT Commercial Business grew 43.1% year-on-year, although it declined 3.9% quarter-on-quarter, which had included the delivery of a large project. Growth was supported by demand for Commercial PCs amid the transition to Windows 11 and AI PCs in the business and government sectors, as well as continued investment in security systems (Surveillance).

(5) Enterprise Solution Business grew 11.3% year-on-year and 11.2% quarter-on-quarter, driven by corporate customers' investment in network infrastructure, security systems, and software, together with growing investment in AI Infrastructure and the Digital Government policy. The Company also upgraded its partnership with Amazon Web Services (AWS) to Advanced Tier Services Partner to strengthen its capability to serve enterprise customers. Meanwhile, the clean-energy business group (Energy Solution) continued to grow and is another business in which the Company is expanding investment in both personnel and its partner network to capture long-term growth opportunities.

(6) Gaming Business grew 13.6% year-on-year and 10.7% quarter-on-quarter, supported by the continued popularity of new gaming consoles and gaming peripherals. The Company continues to expand its network of gaming retail outlets and partnerships with business partners to capture growth in the gaming market and new game launches in the second half of the year.

Financial Position Summary

Item (THB million)	30 Jun 2026	31 Dec 2025	Change
Assets			
Cash and cash equivalents	237	90	+147
Trade receivables	7,521	7,253	+268
Inventories	5,749	4,798	+951
Other current assets	1,990	1,863	+127
Total current assets	**15,497**	**14,004**	**+1,493**
Investments in associates	1,604	1,520	+84
Property, plant and equipment	356	363	(7)
Other non-current assets	510	614	(104)

Item (THB million)	30 Jun 2026	31 Dec 2025	Change
Total non-current assets	**2,470**	**2,497**	**(27)**
Total assets	**17,967**	**16,501**	**+1,466**
Liabilities and shareholders' equity			
Short-term loans from financial institutions	6,935	7,262	(327)
Trade payables	4,775	3,277	+1,498
Other current liabilities	1,178	966	+212
Total current liabilities	**12,888**	**11,505**	**+1,383**
Total non-current liabilities	**126**	**173**	**(47)**
Total liabilities	**13,014**	**11,678**	**+1,336**
Total shareholders' equity	**4,953**	**4,823**	**+130**
Total liabilities and shareholders' equity	**17,967**	**16,501**	**+1,466**

Key Financial Ratios

Financial Ratio	Unit	Q2/2026	Q1/2026	Q4/2025
Debt to Equity Ratio (D/E)	Times	2.63	2.20	2.42
Interest-Bearing Debt to Equity	Times	1.43	1.34	1.54
Interest Coverage Ratio	Times	11.6	11.1	8.7
Current Ratio	Times	1.20	1.25	1.22

Financial Ratio	Unit	Q2/2026	Q1/2026	Q4/2025
Quick Ratio	Times	0.76	0.82	0.80
Days Sales Outstanding (DSO)	Days	56	57	53
Days Inventory Outstanding (DIO)	Days	46	39	37
Days Payable Outstanding (DPO)	Days	38	29	25
Cash Conversion Cycle (CCC)	**Days**	**64**	**68**	**65**

Driving Business Sustainability (ESG and Sustainability)

Sustainability Strategy: The Company conducts business sustainably under the FTSE Russell ESG Scores framework, covering three dimensions: Environmental, Social, and Governance & Economic. The Company integrates the Sustainable Development Goals (SDGs) into its corporate strategy, with the Corporate Governance and Sustainability Development Committee providing strategic oversight.

ESG Materiality Topics: In 2026, the Company identified four sustainability materiality topics based on business and stakeholder impact assessments: 1) Supply Chain Management, 2) Corporate Governance, 3) Environmental Management and Climate Change, and 4) Community Development and Social Collaboration. Targets and response strategies have been established across all dimensions.

Certifications and Memberships: ESG Rating at AA level from the Stock Exchange of Thailand (SET ESG) · Corporate Governance rated 5 Stars (Excellent) for the 4th consecutive year · AGM Checklist rated 5 Stars from the Thai Investors Association (TIA) · First-time certification of Corporate Carbon Footprint (CFO) for 2025 from the Thailand Greenhouse Gas Management Organization (TGO) · Participation in the Low Emission Support Scheme for the 4th consecutive year.

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Forward-Looking Statements Disclaimer

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