

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **2022-04-05** | Period of Report: **2022-02-28**
SEC Accession No. [0001177394-22-000030](#)

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FILER

TD SYNEX CORP

CIK: [1177394](#) | IRS No.: **942703333** | State of Incorporation: **DE** | Fiscal Year End: **1130**
Type: **10-Q** | Act: **34** | File No.: [001-31892](#) | Film No.: **22806717**
SIC: **5045** Computers & peripheral equipment & software

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended February 28, 2022

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-31892



TD SYNEX CORPORATION
(Exact name of registrant as specified in its charter)

Delaware

94-2703333

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification Number)

44201 Nobel Drive, Fremont, California

94538

(Address of principal executive offices)

(Zip Code)

(510) 656-3333

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	SNX	The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of March 30, 2022
Common Stock, \$0.001 par value	96,103,902

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TD SYNnex CORPORATION

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PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

TD SYNnex CORPORATION
CONSOLIDATED BALANCE SHEETS
(currency and share amounts in thousands, except par value)
(unaudited)

	February 28, 2022	November 30, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 510,207	\$ 993,973
Accounts receivable, net	8,732,024	8,310,032
Receivables from vendors, net	1,102,988	1,118,963
Inventories	7,883,265	6,642,915
Other current assets	720,383	668,261
Total current assets	18,948,867	17,734,144
Property and equipment, net	429,765	483,443
Goodwill	3,911,973	3,917,276
Intangible assets, net	4,832,795	4,913,124
Other assets, net	599,264	618,393
Total assets	\$ 28,722,664	\$ 27,666,380
LIABILITIES AND EQUITY		
Current liabilities:		
Borrowings, current	\$ 1,111,400	\$ 181,256
Accounts payable	12,193,263	12,034,946
Other accrued liabilities	1,902,311	2,017,253
Total current liabilities	15,206,974	14,233,455
Long-term borrowings	3,935,220	3,955,176
Other long-term liabilities	514,936	556,134
Deferred tax liabilities	1,043,677	1,015,640
Total liabilities	20,700,807	19,760,405
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 5,000 shares authorized, no shares issued or outstanding	—	—
Common stock, \$0.001 par value, 200,000 shares authorized, 98,386 and 98,204 shares issued as of February 28, 2022 and November 30, 2021, respectively	98	98
Additional paid-in capital	7,293,780	7,271,337
Treasury stock, 2,915 and 2,633 shares as of February 28, 2022 and November 30, 2021, respectively	(230,374)	(201,139)
Accumulated other comprehensive loss	(317,015)	(336,194)
Retained earnings	1,275,368	1,171,873
Total stockholders' equity	8,021,857	7,905,975
Total liabilities and equity	\$ 28,722,664	\$ 27,666,380

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

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TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(currency and share amounts in thousands, except per share amounts)
(unaudited)

	Three Months Ended	
	February 28, 2022	February 28, 2021
Revenue	\$ 15,469,977	\$ 4,939,014
Cost of revenue	(14,501,316)	(4,634,447)
Gross profit	968,661	304,567
Acquisition, integration and restructuring costs	(93,370)	—
Selling, general and administrative expenses	(652,851)	(162,820)
Operating income	222,440	141,748
Interest expense and finance charges, net	(42,343)	(22,838)
Other expense, net	(4,268)	(1,333)
Income before income taxes	175,829	117,575
Provision for income taxes	(43,505)	(29,754)
Net income	\$ 132,324	\$ 87,822
Earnings per common share:		
Basic	\$ 1.38	\$ 1.70
Diluted	\$ 1.37	\$ 1.69
Weighted-average common shares outstanding:		
Basic	95,584	51,145
Diluted	95,892	51,563

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(currency in thousands)
(unaudited)

	<u>Three Months Ended</u>	
	<u>February 28, 2022</u>	<u>February 28, 2021</u>
Net income	\$ 132,324	\$ 87,822
Other comprehensive income:		
Unrealized gains on cash flow hedges during the period, net of tax (expense) of (\$2,918) for the three months ended February 28, 2022 and (\$38) for the three months ended February 28, 2021, respectively	8,902	3,017
Reclassification of net losses on cash flow hedges to net income, net of tax (benefit) of (\$2,459) for the three months ended February 28, 2022 and (\$2,539) for the three months ended February 28, 2021, respectively	7,501	7,788
Total change in unrealized gains on cash flow hedges, net of taxes	<u>16,403</u>	<u>10,805</u>
Foreign currency translation adjustments, net of tax (expense) of (\$75) for the three months ended February 28, 2022 and (\$844) for the three months ended February 28, 2021, respectively	2,776	(20)
Other comprehensive income	<u>19,179</u>	<u>10,785</u>
Comprehensive income	<u>\$ 151,503</u>	<u>\$ 98,607</u>

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

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TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(currency in thousands, except per share amounts)
(unaudited)

	Three Months Ended	
	February 28, 2022	February 28, 2021
Total Stockholders' equity, beginning balance	\$ 7,905,975	\$ 4,338,860
Common stock and additional paid-in capital:		
Beginning balance	7,271,435	1,591,590
Share-based compensation	20,327	4,887
Common stock issued for employee benefit plans	2,116	174
Ending balance	7,293,878	1,596,652
Treasury stock:		
Beginning balance	(201,139)	(191,216)
Repurchases of common stock for tax withholdings on equity awards	(5,478)	(794)
Repurchases of common stock	(23,757)	—
Ending balance	(230,374)	(192,010)
Retained earnings:		
Beginning balance	1,171,873	3,133,058
Separation of Concentrix	—	(2,305,982)
Net income	132,324	87,822
Cash dividends declared	(28,829)	(10,269)
Ending balance	1,275,368	904,629
Accumulated other comprehensive loss:		
Beginning balance	(336,194)	(194,572)
Separation of Concentrix	—	3,813
Other comprehensive income	19,179	10,785
Ending balance	(317,015)	(179,973)
Total stockholders' equity, ending balance	\$ 8,021,857	\$ 2,129,298
Cash dividends declared per share	\$ 0.30	\$ 0.20

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

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TD SYNnex CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(currency in thousands)
(unaudited)

	Three Months Ended	
	February 28, 2022	February 28, 2021
Cash flows from operating activities:		
Net income	\$ 132,324	\$ 87,822
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	155,501	15,614
Share-based compensation	20,327	4,887
Provision for doubtful accounts	15,927	901
Other	3,424	3,947
Changes in operating assets and liabilities, net of the impact of Concentrix separation:		
Accounts receivable, net	(420,981)	427,052
Receivables from vendors, net	14,721	17,136
Inventories	(1,243,348)	126,927
Accounts payable	149,738	(636,045)
Other operating assets and liabilities	(148,081)	(23,264)
Net cash (used in) provided by operating activities	(1,320,448)	24,977
Cash flows from investing activities:		
Purchases of property and equipment	(25,217)	(4,253)
Other	—	211
Net cash used in investing activities	(25,217)	(4,041)
Cash flows from financing activities:		
Dividends paid	(28,829)	(10,269)
Repurchases of common stock	(23,757)	—
Net borrowings on revolving credit loans	930,844	13,022
Principal payments on long term debt	(20,400)	—
Proceeds from issuance of common stock	2,116	174
Repurchases of common stock for tax withholdings on equity awards	(5,478)	(794)
Other	—	596
Net transfer of cash and cash equivalents to Concentrix	—	(149,948)
Net cash provided by (used in) financing activities	854,496	(147,219)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	6,663	1,640
Net decrease in cash, cash equivalents and restricted cash	(484,506)	(124,645)
Cash, cash equivalents and restricted cash at beginning of period	994,913	1,568,870
Cash, cash equivalents and restricted cash at end of period	\$ 510,407	\$ 1,444,225
Supplemental disclosure of non-cash financing activities:		
Net assets transferred to Concentrix	\$ —	\$ 2,322,598

(Amounts may not add due to rounding)

The accompanying Notes are an integral part of these Consolidated Financial Statements (unaudited).

TD SYNnex CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended February 28, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
(unaudited)

NOTE 1—ORGANIZATION AND BASIS OF PRESENTATION:

TD SYNnex Corporation (together with its subsidiaries, herein referred to as “SYNNEX”, “TD SYNnex” or the “Company”) is a leading global distributor and solutions aggregator for the information technology (“IT”) ecosystem, headquartered in Fremont, California and Clearwater, Florida and has operations in North and South America, Europe and Asia-Pacific and Japan.

On December 1, 2020, the Company completed the previously announced separation of its customer experience services business (the “Separation”), in a tax-free transaction for federal income tax purposes, which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation (“Concentrix”). SYNnex stockholders received one share of Concentrix common stock for every share of SYNnex common stock held at the close of business on the record date. The Company distributed 51.6 million shares of Concentrix common stock to its stockholders. Concentrix is now an independent public company trading under the symbol “CNXC” on the Nasdaq Stock Market. After the Separation, the Company does not beneficially own any shares of Concentrix’ common stock. Beginning December 1, 2020, the Company no longer consolidates Concentrix within its financial results or reflects the financial results of Concentrix within its continuing results of operations.

In connection with the Separation, the Company and Concentrix entered into a separation and distribution agreement as well as various other agreements that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix will continue to provide certain limited services to the Company following the Separation.

On March 22, 2021, SYNnex entered into an agreement and plan of merger (the “Merger Agreement”) which provided that legacy SYNnex Corporation would acquire legacy Tech Data Corporation, a Florida corporation (“Tech Data”) through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNnex Corporation (collectively, the “Merger”). On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation's sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex valued at approximately \$5.61 billion. The combined company is referred to as TD SYNnex. References to the “Company” indicate TD SYNnex for periods after the Merger and SYNnex for periods prior to the Merger.

The Consolidated Financial Statements include the accounts of the Company, its wholly-owned subsidiaries, majority-owned subsidiaries in which no substantive participating rights are held by minority stockholders and variable interest entities if the Company is the primary beneficiary. All intercompany accounts and transactions have been eliminated. The Company operates on a fiscal year that ends on November 30.

The accompanying interim unaudited Consolidated Financial Statements as of February 28, 2022 and for the three months ended February 28, 2022 and 2021 have been prepared by the Company, without audit, in accordance with the rules and regulations of the United States (“U.S.”) Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) in the United States have been condensed or omitted in accordance with such rules and regulations. In the opinion of management, the accompanying unaudited Consolidated Financial Statements reflect all adjustments, consisting only of normal recurring adjustments, necessary to state

fairly the financial position of the Company and its results of operations and cash flows as of and for the periods presented. These financial statements should be read in conjunction with the annual audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

Interim results of operations are not necessarily indicative of financial results for a full year, and the Company makes no representations related thereto. Certain columns and rows may not add due to the use of rounded numbers.

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TD SYNnex CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended February 28, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
(unaudited)

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

For a discussion of the Company's significant accounting policies, refer to the discussion in the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2021. Accounting pronouncements adopted during the three months ended February 28, 2022 are discussed below.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the reporting period. The Company evaluates these estimates on a regular basis and bases them on historical experience and on various assumptions that the Company believes are reasonable.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and work force participation and created volatility and disruption of financial markets. Despite improvements in the global economy since the onset of the pandemic, the emergence of the Delta and Omicron variants and other mutations bring uncertainty to continued economic recovery. As a result, the Company cannot at this time accurately predict what effects these conditions will have on its operations and financial condition, including due to the uncertainties relating to the severity and duration of the pandemic, the effect on its customers and customer demand and the length of the restrictions and closures imposed by various governments, including recent restrictions and closures within the Asia-Pacific region. Consequently, many of the estimates and assumptions required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, these estimates may change in future periods. Actual results could differ from the estimates.

Concentration of credit risk

Financial instruments that potentially subject the Company to significant concentration of credit risk consist principally of cash and cash equivalents, accounts receivable, receivables from vendors and derivative instruments.

The Company's cash and cash equivalents and derivative instruments are transacted and maintained with financial institutions with high credit standing, and their compositions and maturities are regularly monitored by management. The Company has not experienced any material credit losses on such deposits and derivative instruments.

Accounts receivable include amounts due from customers, including related party customers. Receivables from vendors, net, includes amounts due from original equipment manufacturer ("OEM") vendors. The Company performs ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary, but generally requires no collateral. The Company also maintains allowances for expected credit losses. In estimating the required allowances, the Company takes into consideration the overall quality and aging of its receivable portfolio, the existence of credit insurance and specifically identified customer and vendor risks. The Company also considers risks attributed to COVID-19 in establishing the required allowances.

The following table provides revenue generated from products purchased from vendors that exceeded 10% of our consolidated revenue for the periods indicated (as a percent of consolidated revenue):

	Three Months Ended	
	February 28, 2022	February 28, 2021
Apple, Inc. ⁽¹⁾	13 %	N/A
HP Inc.	10 %	14 %

⁽¹⁾ Revenue generated from products purchased from this vendor was less than 10% of consolidated revenue during the period presented.

No single customer accounted for more than 10% of the Company's total revenue during the three months ended February 28, 2022. One customer accounted for 18% of the Company's total revenue during the three months ended February 28, 2021. As of February 28, 2022 and November 30, 2021, no single customer comprised more than 10% of the consolidated accounts receivable balance.

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Accounts receivable

The Company maintains an allowance for doubtful accounts as an estimate to cover the future expected credit losses resulting from uncertainty regarding collections from customers or OEM vendors to make payments for outstanding balances. In estimating the required allowance, the Company takes into consideration historical credit losses, current conditions and reasonable and supportable forecasts. Adjustments to historical loss information are made for differences in current conditions as well as changes in forecasted macroeconomic conditions, such as changes in unemployment rates or gross domestic product growth. Expected credit losses are estimated on a pool basis when similar risk characteristics exist using an age-based reserve model. Receivables that do not share risk characteristics are evaluated on an individual basis.

The Company has uncommitted supply-chain financing programs with global financial institutions under which trade accounts receivable of certain customers and their affiliates may be acquired, without recourse, by the financial institutions. Available capacity under these programs is dependent on the level of the Company's trade accounts receivable with these customers and the financial institutions' willingness to purchase such receivables. In addition, certain of these programs also require that the Company continue to service, administer and collect the sold accounts receivable. As of February 28, 2022 and November 30, 2021, accounts receivable sold to and held by the financial institutions under these programs were \$966.0 million and \$759.9 million, respectively. Discount fees related to the sale of trade accounts receivable under these facilities are included in "Interest expense and finance charges, net" in the Consolidated Statements of Operations. Discount fees for these programs in the three months ended February 28, 2022 and February 28, 2021 totaled \$3.0 million and \$0.6 million, respectively.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is computed based on the weighted-average method. Inventories are comprised of finished goods and work-in-process. Finished goods include products purchased for resale, system components purchased for both resale and for use in the Company's projects and integration-based completed systems. Work-in-process inventories are not material to the Consolidated Financial Statements.

Segments

Operating segments are based on components of the Company that engage in business activities that earn revenues and incur expenses (a) whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resource allocation and performance and (b) for which discrete financial information is available.

Prior to the Separation, the Company had two reportable segments: Technology Solutions and Concentrix. After giving effect to the Separation of the Concentrix segment, the Company operated with one reportable segment: Technology Solutions. After completion of the Merger, the Company reviewed its reportable segments as there was a change in its chief executive officer, who is also the Company's chief operating decision maker. The Company's chief operating decision maker has a leadership structure aligned with the geographic locations of the Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic locations. As a result, as of September 1, 2021 the Company began operating in three reportable segments based on its geographic locations: the Americas, Europe and APJ.

Seasonality

The Company's operating results are affected by the seasonality of the IT products industry. The Company has historically experienced higher sales in the first and fourth fiscal quarters due to patterns in capital budgeting, government spending and purchasing cycles of its customers and end-users. These historical patterns may not be repeated in subsequent periods.

Revenue Recognition

The Company generates revenue primarily from the sale of various IT products.

The Company recognizes revenues from the sale of IT hardware and software as control is transferred to customers, which is at the point in time when the product is shipped or delivered. The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Binding purchase orders

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(unaudited)

from customers together with agreement to the Company's terms and conditions of sale by way of an executed agreement or other signed documents are considered to be the contract with a customer. Products sold by the Company are delivered via shipment from the Company's facilities, drop-shipment directly from the vendor, or by electronic delivery of software products. In situations where arrangements include customer acceptance provisions, revenue is recognized when the Company can objectively verify the products comply with specifications underlying acceptance and the customer has control of the products. Revenue is presented net of taxes collected from customers and remitted to government authorities. The Company generally invoices a customer upon shipment, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component. Service revenues represents less than 10% of the total revenue for the periods presented.

Provisions for sales returns and allowances are estimated based on historical data and are recorded concurrently with the recognition of revenue. A liability is recorded at the time of sale for estimated product returns based upon historical experience and an asset is recognized for the amount expected to be recorded in inventory upon product return. These provisions are reviewed and adjusted periodically by the Company. Revenue is reduced for early payment discounts and volume incentive rebates offered to customers, which are considered variable consideration, at the time of sale based on an evaluation of the contract terms and historical experience.

The Company recognizes revenue on a net basis on certain contracts, where the Company's performance obligation is to arrange for the products or services to be provided by another party or the rendering of logistics services for the delivery of inventory for which the Company does not assume the risks and rewards of ownership, by recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, post-contract software support services and extended warranty contracts.

The Company considers shipping and handling activities as costs to fulfill the sale of products. Shipping revenue is included in revenue when control of the product is transferred to the customer, and the related shipping and handling costs are included in cost of revenue.

Reclassifications

Certain reclassifications have been made to prior period amounts in the Consolidated Financial Statements to conform to the current period presentation. These reclassifications did not have a material impact on previously reported amounts.

Recently adopted accounting pronouncements

In December 2019, the Financial Accounting Standards Board ("FASB") issued new guidance that simplifies the accounting for income taxes. The guidance is effective for annual reporting periods beginning after December 15, 2020, and interim periods within those reporting periods. Certain amendments should be applied prospectively, while other amendments should be applied retrospectively to all periods presented. The adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In October 2021, the FASB issued new guidance which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with Accounting Standards Codification ("ASC") 606, "Revenue from Contracts with Customers." Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree. Historically, such amounts were recognized by the acquirer at fair value in acquisition accounting. The guidance is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years (the fiscal quarter ending February 28, 2023 for the Company), and should

be applied prospectively to acquisitions occurring on or after the effective date. Early adoption is permitted. The Company adopted this standard during the fiscal quarter ended February 28, 2022 and will apply the guidance prospectively to future acquisitions.

TD SYNEX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended February 28, 2022 and 2021
(Except per share amounts or as otherwise indicated, currency and share amounts in thousands)
(unaudited)

Recently issued accounting pronouncements

In March 2020, the FASB issued optional guidance for a limited time to ease the potential burden in accounting for or recognizing the effects of reference rate reform, particularly, the risk of cessation of the London Interbank Offered Rate (“LIBOR”) on financial reporting. The guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments are elective and are effective upon issuance for all entities through December 31, 2022. The Company does not currently expect any material impacts from the adoption of this new guidance.

NOTE 3—ACQUISITIONS:

Tech Data Merger

On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for an aggregate purchase price of \$7.22 billion, comprised of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation’s sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNEX, valued at approximately \$5.61 billion based on the closing price of the Company’s common stock on September 1, 2021. The Merger created a leading global distributor and solutions aggregator for the IT ecosystem. The Company used the net proceeds from the issuance of new Senior Notes, borrowings under its new credit agreement and cash on hand to fund the above payments. Additionally, the Company repaid the majority of Tech Data’s outstanding debt after the Merger, including approximately \$2.4 billion outstanding under Tech Data’s existing Asset-Based Credit Agreement and approximately \$0.2 billion of outstanding Tech Data Senior Notes.

The Company has accounted for the Merger as a business combination and allocated the purchase price to the estimated fair values of Tiger Parent (AP) Corporation’s assets acquired and liabilities assumed. The Company has not yet completed its evaluation and determination of certain assets acquired and liabilities assumed, primarily (i) the final assessment and valuation of certain assets acquired and liabilities assumed, including accounts receivable, receivables from vendors, inventory, accrued expenses and other liabilities and (ii) the final assessment and valuation of certain income tax amounts. Therefore, the final fair values of the assets and liabilities may vary from the Company’s preliminary estimates. No material adjustments to the preliminary allocation of the purchase price were recorded during the three months ended February 28, 2022.

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The preliminary allocation of the purchase price is as follows:

Cash and cash equivalents	\$	702,907
Accounts receivable, net		5,150,725
Receivables from vendors, net		730,431
Inventories		2,994,842
Other current assets		395,984
Property and equipment		347,532
Goodwill		3,543,426
Intangible assets		4,933,900
Other assets		474,000
Total assets		19,273,747
Borrowings, current		493,076
Accounts payable		6,613,031
Other accrued liabilities		1,246,962
Long-term borrowings		2,218,672
Other long-term liabilities		416,587
Deferred tax liabilities		1,061,019
Total liabilities		12,049,347
Purchase consideration	\$	7,224,400

The allocation of the value of identifiable intangible assets is as follows:

	Fair value	Weighted average useful life
Customer relationships	\$ 3,860,200	14 years
Trade name	1,073,700	Indefinite lived
Total intangibles acquired	\$ 4,933,900	

Goodwill is the excess of the consideration transferred over the net assets recognized and primarily represents future economic benefits arising from assets acquired that are not individually identified and separately recognized, including synergies inherent in the acquired business, of which approximately \$500 million is expected to be deductible for tax purposes.

Included within the Company's Consolidated Statement of Operations are revenues for the three months ended February 28, 2022, of approximately \$10.0 billion from Tech Data. As the Company began integrating certain sales and other functions after the closing of the acquisition, these amounts represent an estimate of the Tech Data revenues for the three months ended February 28, 2022.

It is not necessarily indicative of how the Tech Data operations would have performed on a stand-alone basis. As a result of certain integration activities subsequent to the date of acquisition, it is impracticable to disclose net income from Tech Data for the period subsequent to the acquisition date.

The following table presents unaudited supplemental pro forma information as if the Merger had occurred at the beginning of fiscal 2020, after giving effect to certain adjustments related to the transaction. The pro forma results exclude any benefits that may result from potential cost savings and certain non-recurring costs. As a result, the pro forma

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information below does not purport to present what actual results would have been had the Merger been consummated on the date indicated and it is not necessarily indicative of the results of operations that may result in the future.

	Three Months Ended
	February 28, 2021
Revenue	\$ 15,245,644
Net income	\$ 136,324

Adjustments reflected in the pro forma results include the following:

- Amortization of acquired intangible assets
- Interest costs associated with the Merger
- Tax effects of adjustments based on an estimated statutory tax rate

NOTE 4—ACQUISITION, INTEGRATION AND RESTRUCTURING COSTS:

Acquisition, integration and restructuring costs are primarily comprised of costs related to the Merger and costs related to the Global Business Optimization 2 Program initiated by Tech Data prior to the Merger (the “GBO 2 Program”). There were no acquisition, integration and restructuring costs incurred during the three months ended February 28, 2021.

The Merger

The Company incurred acquisition, integration and restructuring costs related to the completion of the Merger, including professional services costs, personnel and other costs, long-lived assets charges and stock-based compensation expense. Professional services costs are primarily comprised of legal expenses and tax and other consulting services. Personnel and other costs are primarily comprised of costs related to retention and other bonuses, as well as severance costs. Long-lived assets charges are comprised of accelerated depreciation and amortization expense of \$52.9 million recorded due to changes in asset useful lives in conjunction with the consolidation of certain IT systems. Stock-based compensation expense primarily relates to costs associated with the conversion of certain Tech Data performance-based equity awards issued prior to the Merger into restricted shares of TD SYNnex (refer to [Note 5 - Share-Based Compensation](#) for further information) and expenses for certain restricted stock awards issued in conjunction with the Merger.

During the three months ended February 28, 2022, acquisition and integration expenses related to the Merger were composed of the following:

	Three Months Ended	
	February 28, 2022	
Professional services costs	\$	8,148
Personnel and other costs		10,944
Long-lived assets charges		52,871
Stock-based compensation		13,576
Total	\$	85,539

GBO 2 Program

Prior to the Merger, Tech Data implemented its GBO 2 Program that includes investments to optimize and standardize processes and apply data and analytics to be more agile in a rapidly evolving environment, increasing productivity, profitability and optimizing net-working capital. TD SYNEX plans to continue this program in conjunction with the Company's integration activities. Acquisition, integration and restructuring expenses related to the GBO 2 Program are primarily comprised of restructuring costs and other professional services costs. Restructuring costs are comprised of severance costs and other associated exit costs, including certain consulting costs. Other professional services

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costs are primarily comprised of professional services fees not related to restructuring activities, including costs related to improving profitability and optimizing net-working capital.

Acquisition, integration and restructuring costs under the GBO 2 Program for fiscal 2022 included the following:

	Three Months Ended February 28, 2022
Restructuring costs	\$ 6,046
Other professional services costs	1,785
Total	\$ 7,831

Restructuring costs under the GBO 2 Program for fiscal 2022 were composed of the following:

	Three Months Ended February 28, 2022
Severance	\$ 359
Other exit costs	5,687
Total	\$ 6,046

During the three months ended February 28, 2022, the Company recorded restructuring costs related to GBO 2 of \$1.8 million, \$3.9 million and \$0.3 million, for the Americas, Europe and APJ regions, respectively.

Restructuring activity during the three months ended February 28, 2022 related to the GBO 2 Program is as follows:

	Severance and Benefits	Other Exit Costs	Total
Accrued balance as of November 30, 2021	\$ 4,918	\$ 1,591	\$ 6,509
Expenses	359	5,687	6,046
Cash payments	(3,104)	(6,755)	(9,859)
Foreign currency translation	(2)	(66)	(68)
Accrued balance as of February 28, 2022	\$ 2,171	\$ 457	\$ 2,628

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NOTE 5—SHARE-BASED COMPENSATION:

Overview of TD SYNnex stock incentive plans

The Company recognizes share-based compensation expense for all share-based awards made to employees and directors, including employee stock options, restricted stock awards, restricted stock units, performance-based restricted stock units and employee stock purchases, based on estimated fair values.

The following tables summarize the Company's share-based awards activity for TD SYNnex stock incentive plans during the three months ended February 28, 2022.

A summary of the changes in the Company's stock options is set forth below:

	Stock options
Balances, November 30, 2021	689
Granted	9
Exercised	(17)
Balances, February 28, 2022	<u>681</u>

A summary of the changes in the Company's non-vested restricted stock awards and stock units is presented below:

	Restricted stock awards and Restricted stock units
Nonvested at November 30, 2021	1,066
Granted	25
Vested	(150)
Canceled	(36)
Nonvested at February 28, 2022	<u>905</u>

The Company recorded \$8.7 million and \$4.9 million of share-based compensation expense in the Consolidated Statements of Operations for TD SYNnex stock incentive plans during the three months ended February 28, 2022 and 2021, respectively, including \$1.9 million recorded in "Acquisition, integration, and restructuring costs" during the three months ended February 28, 2022 for share-based awards issued in conjunction with the Merger.

Tech Data Equity Awards

Prior to the Merger, certain of Tech Data's employees were granted performance-based equity awards in Tiger Parent Holdings L.P., a partnership entity that was the parent company of Tiger Parent (AP) Corporation and Tech Data, that were unvested at the time of

the closing of the Merger. Upon closing of the Merger, the unvested performance-based equity awards were converted into restricted shares of TD SYNEX that vest over two years.

The following table summarizes the activity related to these restricted shares during the three months ended February 28, 2022:

	<u>Restricted shares</u>
Nonvested at November 30, 2021	751
Vested	(1)
Canceled	(15)
Nonvested at February 28, 2022	<u><u>735</u></u>

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The restricted shares had a fair value of \$127.60 per share upon closing of the Merger which will be recorded as share-based compensation expense on a straight-line basis over the vesting period in “Acquisition, integration, and restructuring costs” in the Consolidated Statement of Operations. The Company recorded \$11.7 million of share-based compensation expense related to these restricted shares in “Acquisition, integration, and restructuring costs” during the three months ended February 28, 2022. As of February 28, 2022, there was \$70.4 million of total unamortized share-based compensation expense related to these restricted shares to be recognized over a weighted-average amortization period of 1.5 years.

NOTE 6—BALANCE SHEET COMPONENTS:

Cash, cash equivalents and restricted cash:

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheets that sum to the total of the same amounts shown in the Consolidated Statements of Cash Flows:

	As of	
	February 28, 2022	November 30, 2021
Cash and cash equivalents	\$ 510,207	\$ 993,973
Restricted cash included in other current assets	200	940
Cash, cash equivalents and restricted cash	<u>\$ 510,407</u>	<u>\$ 994,913</u>

Accounts receivable, net:

	As of	
	February 28, 2022	November 30, 2021
Accounts receivable	\$ 8,856,447	\$ 8,424,868
Less: Allowance for doubtful accounts	(124,423)	(114,836)
Accounts receivable, net	<u>\$ 8,732,024</u>	<u>\$ 8,310,032</u>

Receivables from vendors, net:

	As of	
	February 28, 2022	November 30, 2021
Receivables from vendors	\$ 1,118,469	\$ 1,130,091
Less: Allowance for doubtful accounts	(15,481)	(11,128)
Receivables from vendors, net	<u>\$ 1,102,988</u>	<u>\$ 1,118,963</u>

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Allowance for doubtful trade receivables:

Balance at November 30, 2021	\$	114,836
Additions		15,927
Write-offs, reclassifications and foreign exchange translation		(6,340)
Balance at February 28, 2022	\$	<u>124,423</u>

Allowance for receivables from vendors:

Balance at November 30, 2021	\$	11,128
Additions		4,140
Write-offs, reclassifications and foreign exchange translation		213
Balance at February 28, 2022	\$	<u>15,481</u>

Accumulated other comprehensive income (loss):

The components of accumulated other comprehensive loss ("AOCI"), net of taxes, were as follows:

	Unrealized gains (losses) on cash flow hedges, net of taxes	Foreign currency translation adjustment and other, net of taxes	Total
Balance as of November 30, 2021	\$ (48,803)	\$ (287,391)	\$ (336,194)
Other comprehensive income before reclassification	8,902	2,776	11,678
Reclassification of (gains) losses from other comprehensive income (loss)	7,501	—	7,501
Balance as of February 28, 2022	<u>\$ (32,400)</u>	<u>\$ (284,615)</u>	<u>\$ (317,015)</u>

Refer to [Note 7](#) - Derivative Instruments for the location of gains and losses reclassified from other comprehensive income to the Consolidated Statements of Operations.

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NOTE 7—DERIVATIVE INSTRUMENTS:

In the ordinary course of business, the Company is exposed to foreign currency risk, interest rate risk, equity risk, commodity price changes and credit risk. The Company enters into transactions, and owns monetary assets and liabilities, that are denominated in currencies other than the legal entity's functional currency. The Company may enter into forward contracts, option contracts, swaps, or other derivative instruments to offset a portion of the risk on expected future cash flows, earnings, net investments in certain international subsidiaries and certain existing assets and liabilities. However, the Company may choose not to hedge certain exposures for a variety of reasons including, but not limited to, accounting considerations and the prohibitive economic cost of hedging particular exposures. There can be no assurance the hedges will offset more than a portion of the financial impact resulting from movements in foreign currency exchange or interest rates. The Company does not use derivative instruments to cover equity risk and credit risk. The Company's hedging program is not used for trading or speculative purposes.

All derivatives are recognized on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded in the Consolidated Statements of Operations, or as a component of AOCI in the Consolidated Balance Sheets, as discussed below.

Cash Flow Hedges

The Company uses interest rate swap derivative contracts to economically convert a portion of its variable-rate debt to fixed-rate debt. The swaps have maturities at various dates through October 2023. Gains and losses on cash flow hedges are recorded in AOCI until the hedged item is recognized in earnings. Deferred gains and losses associated with cash flow hedges of interest payments are recognized in "Interest expense and finance charges, net" in the same period as the related expense is recognized. Derivative instruments designated as cash flow hedges must be de-designated as hedges when it is probable the forecasted hedged transaction will not occur in the initially identified time period or within a subsequent two-month time period. Deferred gains and losses in AOCI associated with such derivative instruments are reclassified into earnings in the period of de-designation. Any subsequent changes in fair value of such derivative instruments are recorded in earnings unless they are re-designated as hedges of other transactions.

Non-Designated Derivatives

The Company uses short-term forward contracts to offset the foreign exchange risk of assets and liabilities denominated in currencies other than the functional currency of the respective entities. These contracts, which are not designated as hedging instruments, mature or settle within twelve months. Derivatives that are not designated as hedging instruments are adjusted to fair value through earnings in the financial statement line item to which the derivative relates.

Fair Values of Derivative Instruments in the Consolidated Balance Sheets

The fair values of the Company's derivative instruments are disclosed in [Note 8](#) - Fair Value Measurements and summarized in the table below:

Balance Sheet Line Item	Value as of	
	February 28, 2022	November 30, 2021
Derivative instruments not designated as hedging instruments:		
Foreign exchange forward contracts (notional value)	\$ 1,507,805	\$ 1,217,595
Other current assets	8,653	13,764
Other accrued liabilities	6,073	2,992
Derivative instruments designated as cash flow hedges:		
Interest rate swaps (notional value)	\$ 1,100,000	\$ 1,500,000
Other accrued liabilities	19,907	38,670
Other long-term liabilities	7,027	24,151

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The Company terminated interest rate swaps with a notional value of \$400 million in December 2021. Cumulative losses on the terminated interest rate swaps of \$16 million will be reclassified from AOCI to “Interest expense and finance charges, net” over the period through September 2023.

Volume of Activity

The notional amounts of foreign exchange forward contracts represent the gross amounts of foreign currency, including, principally, the Australian dollar, Brazilian real, British pound, Canadian dollar, Chinese yuan, Czech koruna, Danish krone, Euro, Indian rupee, Indonesian rupiah, Japanese yen, Mexican peso, Norwegian krone, Philippine peso, Polish zloty, Singapore dollar, Swedish krona, Swiss franc and Turkish lira that will be bought or sold at maturity. The notional amounts for outstanding derivative instruments provide one measure of the transaction volume outstanding and do not represent the amount of the Company’s exposure to credit or market loss. The Company’s exposure to credit loss and market risk will vary over time as currency and interest rates change.

The Effect of Derivative Instruments on AOCI and the Consolidated Statements of Operations

The following table shows the gains and losses, before taxes, of the Company’s derivative instruments designated as cash flow hedges in Other Comprehensive Income (“OCI”) and not designated as hedging instruments in the Consolidated Statements of Operations for the periods presented:

	Location of Gains (Losses) in Income	Three Months Ended,	
		February 28, 2022	February 28, 2021
Derivative instruments designated as cash flow hedges:			
Gains (losses) recognized in OCI on interest rate swaps		\$ 11,820	\$ 3,055
Gains (losses) on interest rate swaps reclassified from AOCI into income	Interest expense and finance charges, net	\$ (9,960)	\$ (10,326)
Derivative instruments not designated as hedging instruments:			
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Cost of products sold	\$ (9,893)	\$ —
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Other income (expense), net	(210)	(697)
Gains (losses) recognized from interest rate swaps, net	Interest expense and finance charges, net	—	128
Total		\$ (10,103)	\$ (569)

(1) The gains and losses largely offset the currency gains and losses that resulted from changes in the assets and liabilities denominated in nonfunctional currencies.

There were no material gain or loss amounts excluded from the assessment of effectiveness. Existing net losses in AOCI that are expected to be reclassified into earnings in the normal course of business within the next twelve months are \$29 million.

Credit exposure for derivative financial instruments is limited to the amounts, if any, by which the counterparties' obligations under the contracts exceed the Company's obligations to the counterparties. The Company manages the potential risk of credit losses through careful evaluation of counterparty credit standing and selection of counterparties from a limited group of financial institutions.

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NOTE 8—FAIR VALUE MEASUREMENTS:

The Company's fair value measurements are classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following table summarizes the valuation of the Company's investments and financial instruments that are measured at fair value on a recurring basis:

	As of February 28, 2022				As of November 30, 2021			
	Total	Fair value measurement category			Total	Fair value measurement category		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Assets:								
Forward foreign currency exchange contracts	\$ 8,653	\$ —	\$ 8,653	\$ —	\$ 13,764	\$ —	\$ 13,764	\$ —
Liabilities:								
Forward foreign currency exchange contracts	\$ 6,073	\$ —	\$ 6,073	\$ —	\$ 2,992	\$ —	\$ 2,992	\$ —
Interest rate swaps	26,934	—	26,934	—	62,821	—	62,821	—

The fair values of forward exchange contracts are measured based on the foreign currency spot and forward rates quoted by the banks or foreign currency dealers. Fair values of interest rate swaps are measured using standard valuation models using inputs that are readily available in public markets, or can be derived from observable market transactions, including LIBOR spot and forward rates. The effect of nonperformance risk on the fair value of derivative instruments was not material as of February 28, 2022 and November 30, 2021.

The carrying values of accounts receivable, accounts payable and short-term debt approximate fair value due to their short maturities and interest rates which are variable in nature. The carrying value of the Company's term loans approximate their fair value since they bear interest rates that are similar to existing market rates. The estimated fair value of the Senior Notes was approximately \$2.36 billion and \$2.45 billion at February 28, 2022 and November 30, 2021, respectively.

During the three months ended February 28, 2022, there were no transfers between the fair value measurement category levels.

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NOTE 9—BORROWINGS:

Borrowings consist of the following:

	As of	
	February 28, 2022	November 30, 2021
TD SYNnex U.S. Accounts Receivable Securitization Agreement	\$ 749,000	\$ —
Other committed and uncommitted revolving credit facilities and borrowings	287,400	106,256
Current portion of TD SYNnex term loan	75,000	75,000
Borrowings, current	<u>\$ 1,111,400</u>	<u>\$ 181,256</u>
TD SYNnex term loan	\$ 1,406,250	\$ 1,425,000
TD SYNnex Senior Notes	2,500,000	2,500,000
Other credit agreements and long-term debt	69,281	72,258
Long-term borrowings, before unamortized debt discount and issuance costs	<u>\$ 3,975,531</u>	<u>\$ 3,997,258</u>
Less: unamortized debt discount and issuance costs	(40,311)	(42,082)
Long-term borrowings	<u>\$ 3,935,220</u>	<u>\$ 3,955,176</u>

TD SYNnex United States accounts receivable securitization arrangement

In the United States, the Company has an accounts receivable securitization program to provide additional capital for its operations (the “U.S. AR Arrangement”). Under the terms of the U.S. AR Arrangement, as amended in December 2021, the Company and its subsidiaries that are party to the U.S. AR Arrangement can borrow up to a maximum of \$1.5 billion based upon eligible trade accounts receivable. The U.S. AR Arrangement has a maturity date of December 2024. The effective borrowing cost under the U.S. AR Arrangement is a blended rate based upon the composition of the lenders, that includes prevailing dealer commercial paper rates and a rate based upon LIBOR. In addition, a program fee payable on the used portion of the lenders’ commitment accrues at 0.75% per annum. A facility fee is payable on the adjusted commitment of the lenders, to accrue at different tiers ranging between 0.30% per annum and 0.40% per annum depending on the amount of outstanding advances from time to time.

Under the terms of the U.S. AR Arrangement, the Company and certain of its U.S. subsidiaries sell, on a revolving basis, their receivables (other than certain excluded receivables) to a wholly-owned, bankruptcy-remote subsidiary. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by the Company's bankruptcy-remote subsidiary as security. Any amounts received under the U.S. AR Arrangement are recorded as debt on the Company's Consolidated Balance Sheets.

There was \$749.0 million outstanding under the U.S. AR Arrangement at February 28, 2022 at an interest rate of 1.18%. There were no amounts outstanding under the U.S. AR Arrangement at November 30, 2021.

TD SYNnex credit agreement

The Company is party to a credit agreement, dated as of April 16, 2021 (the “TD SYNEX Credit Agreement”) with the lenders party thereto and Citibank, N.A., as agent, pursuant to which the Company received commitments for the extension of a senior unsecured revolving credit facility not to exceed an aggregate principal amount of \$3.5 billion, which revolving credit facility (the “TD SYNEX revolving credit facility”) may, at the request of the Company but subject to the lenders’ discretion, potentially be increased by up to an aggregate amount of \$500.0 million. There were no amounts outstanding under the TD SYNEX revolving credit facility at February 28, 2022 or November 30, 2021. The TD SYNEX Credit Agreement also includes a fully funded senior unsecured term loan (the “TD SYNEX term loan” and, together with the TD SYNEX revolving credit facility, the “TD SYNEX credit facilities”) that had an original aggregate principal amount of \$1.5 billion and has begun amortizing as described below. The borrower under the TD SYNEX credit facilities is the Company. There are no guarantors of the TD SYNEX credit facilities. The maturity of the TD SYNEX credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026,

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subject in the case of the revolving credit facility, to two one-year extensions upon the Company's prior notice to the lenders and the agreement of the lenders to extend such maturity date.

The outstanding principal amount of the TD SYNnex term loan is payable in quarterly installments in an amount equal to 1.25% of the original \$1.5 billion principal balance, with the outstanding principal amount of the term loans due in full on the maturity date. Loans borrowed under the TD SYNnex Credit Agreement bear interest, in the case of LIBOR (or successor) rate loans, at a per annum rate equal to the applicable LIBOR (or successor) rate, plus the applicable margin, which may range from 1.125% to 1.75%, based on the Company's public debt rating (as defined in the TD SYNnex Credit Agreement). The applicable margin on base rate loans is 1.00% less than the corresponding margin on LIBOR (or successor rate) based loans. In addition to these borrowing rates, there is a commitment fee which ranges from 0.125% to 0.300% on any unused commitment under the TD SYNnex revolving credit facility based on the Company's public debt rating. The effective interest rate for the TD SYNnex term loan was 1.59% and 1.49% as of February 28, 2022 and November 30, 2021, respectively.

The TD SYNnex Credit Agreement contains various loan covenants that are customary for similar facilities for similarly rated borrowers that restricts the ability of the Company and its subsidiaries to take certain actions. The TD SYNnex Credit Agreement also contains financial covenants which require compliance with a maximum debt to EBITDA ratio and a minimum interest coverage ratio, in each case tested on the last day of each fiscal quarter commencing with the first full fiscal quarter to occur after the closing date of the TD SYNnex credit facilities. The TD SYNnex Credit Agreement also contains various customary events of default, including with respect to a change of control of the Company.

TD SYNnex Senior Notes

On August 9, 2021, the Company completed its offering of \$2.5 billion aggregate principal amount of senior unsecured notes, consisting of \$700.0 million of 1.25% senior notes due August 9, 2024, \$700.0 million of 1.75% senior notes due August 9, 2026, \$600.0 million of 2.375% senior notes due August 9, 2028, and \$500.0 million of 2.65% senior notes due August 9, 2031 (collectively, the "Senior Notes," and such offering, the "Senior Notes Offering"). The Company incurred \$19.6 million towards issuance costs on the Senior Notes. The Company pays interest semi-annually on the notes on each of February 9 and August 9. The net proceeds from this offering were used to fund a portion of the aggregate cash consideration payable in connection with the Merger, refinance certain of the Company's existing indebtedness and pay related fees and expenses and for general purposes.

The interest rate payable on each series of the Senior Notes will be subject to adjustment from time to time if the credit rating assigned to such series of Senior Notes is downgraded (or downgraded and subsequently upgraded). The Company may redeem the Senior Notes, at any time in whole or from time to time in part, prior to (i) August 9, 2022 (the "2024 Par Call Date") in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the "2026 Par Call Date") in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the "2028 Par Call Date") in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the "2031 Par Call Date" and, together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a "Par Call Date" and together, the "Par Call Dates"), at a redemption price equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present values of the remaining scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the sum of the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes and 2031 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date. The Company may also redeem the Senior Notes of any series at its option, at any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Senior Notes to be redeemed.

Other borrowings and term debt

The Company has various other committed and uncommitted lines of credit with financial institutions, accounts receivable securitization arrangements, factoring of accounts receivable with recourse provisions, finance leases, short-term loans, term loans, credit facilities and book overdraft facilities, totaling approximately \$618.8 million as of February 28, 2022. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market

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conditions. There was \$287.4 million outstanding on these facilities at February 28, 2022, at a weighted average interest rate of 2.98%, and there was \$106.3 million outstanding at November 30, 2021, at a weighted average interest rate of 4.59%. Borrowings under certain of these lines of credit facilities are guaranteed by the Company or secured by eligible accounts receivable.

At February 28, 2022, the Company was also contingently liable for reimbursement obligations with respect to issued standby letters of credit in the aggregate outstanding amount of \$102.0 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at February 28, 2022 exchange rates.

Covenant compliance

The Company's credit facilities have a number of covenants and restrictions that require the Company to maintain specified financial ratios. The covenants also limit the Company's ability to incur additional debt, create liens, enter into agreements with affiliates, modify the nature of the Company's business and merge or consolidate. As of February 28, 2022, the Company was in compliance with all current and material financial covenant requirements for the above arrangements.

NOTE 10—EARNINGS PER COMMON SHARE:

The following table sets forth the computation of basic and diluted earnings per common share for the periods indicated:

	Three Months Ended	
	February 28, 2022	February 28, 2021
Basic earnings per common share:		
Net income attributable to common stockholders ⁽¹⁾	\$ 131,443	\$ 86,933
Weighted-average number of common shares - basic	95,584	51,145
Basic earnings per common share	\$ 1.38	\$ 1.70
Diluted earnings per common share:		
Net income attributable to common stockholders ⁽¹⁾	\$ 131,446	\$ 86,940
Weighted-average number of common shares - basic	95,584	51,145
Effect of dilutive securities:		
Stock options and restricted stock units	308	418
Weighted-average number of common shares - diluted	95,892	51,563
Diluted earnings per common share	\$ 1.37	\$ 1.69
Anti-dilutive shares excluded from diluted earnings per share calculation	245	18

- (1) Restricted stock awards granted by the Company are considered participating securities. Income available to participating securities was immaterial in all periods presented.

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NOTE 11—SEGMENT INFORMATION:

Segment results for all prior periods have been restated for comparability to the Company's current reportable segments (see [Note 1](#)— Organization and Basis of Presentation for further discussion). Summarized financial information related to the Company's reportable business segments for the periods presented is shown below:

	Americas	Europe	APJ	Consolidated
Three Months Ended February 28, 2022				
Revenue	\$ 9,074,273	\$ 5,579,788	\$ 815,916	\$ 15,469,977
Operating income	133,537	65,332	23,571	222,440
Three Months Ended February 28, 2021				
Revenue	\$ 4,307,007	\$ 132,532	\$ 499,475	\$ 4,939,014
Operating income	120,435	6,235	15,078	141,748
	Americas	Europe	APJ	Consolidated
Total Assets				
As of:				
February 28, 2022	\$ 16,498,640	\$ 10,619,007	\$ 1,605,017	\$ 28,722,664
November 30, 2021	15,708,483	10,657,886	1,300,011	27,666,380

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NOTE 12—RELATED PARTY TRANSACTIONS:

The Company has a business relationship with MiTAC Holdings Corporation (“MiTAC Holdings”), a publicly-traded company in Taiwan, which began in 1992 when MiTAC Holdings became one of the Company's primary investors through its affiliates. As of both February 28, 2022 and November 30, 2021, MiTAC Holdings and its affiliates beneficially owned approximately 9.5% of the Company's outstanding common stock. Mr. Matthew Miao, Chairman Emeritus of the Company's Board of Directors and a director, is the Chairman of MiTAC Holdings and a director or officer of MiTAC Holdings' affiliates.

Beneficial ownership of the Company's common stock by MiTAC Holdings

As noted above, MiTAC Holdings and its affiliates in the aggregate beneficially owned approximately 9.5% of the Company's outstanding common stock as of February 28, 2022. These shares are owned by the following entities:

	As of February 28, 2022
MiTAC Holdings ⁽¹⁾	5,300
Synnex Technology International Corp. ⁽²⁾	3,860
Total	<u>9,160</u>

- (1) Shares are held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC Holdings. Excludes 192 shares held directly by Mr. Miao, 217 shares indirectly held by Mr. Miao through a charitable remainder trust, and 190 shares held by his spouse.
- (2) Synnex Technology International Corp. (“Synnex Technology International”) is a separate entity from the Company and is a publicly-traded corporation in Taiwan. Shares are held via Peer Development Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.1% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.7% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

The following table presents the Company's transactions with MiTAC Holdings and its affiliates for the periods indicated:

	Three Months Ended	
	February 28, 2022	February 28, 2021
Purchases of inventories and services	\$ 46,576	\$ 41,157
Sale of products to MiTAC Holdings and affiliates	60	218
Payments made for rent and overhead costs for use of facilities of MiTAC Holdings and affiliates, net	36	32

The following table presents the Company's receivable from and payable to MiTAC Holdings and its affiliates for the periods presented:

	<u>February 28, 2022</u>	<u>November 30, 2021</u>
Receivable from related parties (included in Accounts receivable, net)	\$ 40,197	\$ 21,841
Payable to related parties (included in Accounts payable)	35,825	32,802

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NOTE 13—EQUITY:

Share repurchase program

In June 2020, the Board of Directors authorized a three-year \$400 million share repurchase program, effective July 1, 2020, pursuant to which the Company may repurchase its outstanding common stock from time to time in the open market or through privately negotiated transactions. As of February 28, 2022, the Company had \$376.2 million available for future repurchases of its common stock under the authorized share repurchase program.

The Company's common share repurchase activity for the three months ended February 28, 2022 is summarized as follows:

	Shares	Weighted-average price per share
Treasury stock balance at November 30, 2021	2,633	\$ 76.40
Shares of treasury stock repurchased under share repurchase program	229	103.73
Shares of treasury stock repurchased for tax withholdings on equity awards	53	102.80
Treasury stock balance at February 28, 2022	2,915	\$ 79.03

Dividends

On March 24, 2022, the Company announced that its Board of Directors declared a quarterly cash dividend of \$0.30 per common share payable on April 22, 2022 to stockholders of record as of the close of business on April 8, 2022. Future dividends are subject to continued capital availability and declaration by the Board of Directors that the dividend is in the best interest of the Company's stockholders.

NOTE 14—COMMITMENTS AND CONTINGENCIES:

As is customary in the technology industry, to encourage certain customers to purchase products from us, the Company also has other financing agreements with financial institutions to provide inventory financing facilities to the Company's customers and allow certain customers of the Company to finance their purchases directly with the financial institutions. The Company is contingently liable to repurchase inventory sold under these agreements in the event of any default by its customers under the agreement and such inventory being repossessed by the financial institutions. As the Company does not have access to information regarding the amount of inventory purchased from the Company, still on hand with the customer at any point in time, the Company's repurchase obligations relating to inventory cannot be reasonably estimated. Losses, if any, would be the difference between the repossession cost and the resale value of the inventory. Repurchases under these arrangements have been insignificant to date and the Company is not aware of any pending customer defaults or repossession obligations. The Company believes that, based on historical experience, the likelihood of a material loss pursuant to these inventory repurchase obligations is remote.

The French Autorité de la Concurrence ("Competition Authority") began in 2013 an investigation into the French market for certain products of Apple, Inc. ("Apple") for which the Company is a distributor. In March 2020, the Competition Authority imposed fines on Tech Data, on another distributor, and on Apple, finding that Tech Data entered into an anticompetitive agreement with Apple regarding volume allocations of Apple products. The fine imposed on Tech Data was €76 million (approximately \$85 million as of February 28, 2022). The Company has vigorously contested the arguments of the Competition Authority, and the Company has

appealed its determination to the French courts, seeking to set aside or reduce the fine. Although the Company believes it has strong arguments on appeal, the Company has determined that the best estimate of probable loss related to this matter as of February 28, 2022 is €36 million (approximately \$40 million as of February 28, 2022). Under French law, the pendency of the Company's appeal does not suspend the obligation to pay the fine. Tech Data agreed with the French authorities to make eight equal installment payments in relation to the fine assessed for a total amount of €22.8 million on a quarterly basis from January 2021 through October 2022. As of February 28, 2022, the Company has an accrual established for this matter of €21.8 million (\$24.4 million as of February 28, 2022) that represents the total estimate of probable loss less installment payments made

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to date. If the appeal process is not completed prior to the end of December 2022, the Company may be required to pay further amounts towards the full fine assessed by the Competition Authority before the Company's appeal is finally determined. However, any additional amounts that may need to be paid have not yet been determined. Additionally, the Company has provided a third-party surety bond to the Competition Authority to guarantee the payment of the amount of the fine and interest, if applicable. A civil lawsuit related to this matter, alleging anticompetitive actions in association with the established distribution networks for Apple, Tech Data and another distributor was filed by eBizcuss. The Company is currently evaluating this matter and cannot currently estimate the probability or amount of any potential loss.

From time to time, the Company receives notices from third parties, including customers and suppliers, seeking indemnification, payment of money or other actions in connection with claims made against them. Also, from time to time, the Company has been involved in various bankruptcy preference actions where the Company was a supplier to the companies now in bankruptcy. In addition, the Company is subject to various other claims, both asserted and unasserted, that arise in the ordinary course of business. The Company evaluates these claims and records the related liabilities. It is possible that the ultimate liabilities could differ from the amounts recorded.

Under the Separation and Distribution agreement with Concentrix that was entered into in connection with the Separation, SYNnex agreed to indemnify Concentrix, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among other matters, the liabilities allocated to SYNnex as part of the Separation. Similarly, Concentrix agreed to indemnify SYNnex, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among other matters, the liabilities allocated to Concentrix as part of the Separation. The Company expects Concentrix to fully perform under the terms of the Separation and Distribution agreement.

Under the Separation and Distribution agreement, SYNnex and Concentrix agreed to cooperate with each other in managing litigation related to both companies' businesses. The Separation and Distribution agreement also included provisions that assign to each company responsibility for managing pending and future litigation related to the general corporate matters of SYNnex arising prior to the Separation.

The Company does not believe that the above commitments and contingencies will have a material adverse effect on the Company's results of operations, financial position or cash flows.

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ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the Consolidated Financial Statements and related Notes included elsewhere in this Report. Amounts in certain tables may not add or compute due to rounding.

When used in this Quarterly Report on Form 10-Q, or this “Report”, the words “anticipates,” “believes,” “estimates,” “expects,” “intends,” “allows,” “can,” “may,” “could,” “designed,” “will,” and similar expressions are intended to identify forward-looking statements. These are statements that relate to future periods and include statements about market trends, our business model and our services, our business and market strategy, future growth, including expansion of our product and service lines, our infrastructure, our investment in our information technology, or IT, systems, our employee hiring; and retention, the ownership interest of MiTAC Holdings Corporation or MiTAC Holdings, in us and its impact, the ownership interest of Apollo Global Management, Inc., or Apollo, in us and its impact, the impact of the Merger, our integration plans, our plans with respect to the GBO 2 Program, our revenue, sources of revenue, our gross margins, our operating costs and results, timing of payment, the value of our inventory, our competition, including with Synnex Technology International Corp., our future needs for additional financing, the likely sources for such funding and the impact of such funding, concentration of customers and suppliers, customer and supplier contract terms, customer forecasts and its impact on us, relationships with our suppliers, adequacy of our facilities, ability to obtain comparable leases, ability to manage and communicate with international resources, ability to meet demand, managing inventory and our shipping costs, our legal proceedings, including the investigation by the Competition Authority, our operations and trends related thereto, our international operations, foreign currency exchange rates and hedging activities, expansion of our operations and related effects, our strategic acquisitions including anticipated cost savings and other benefits, divestitures of businesses and assets, revenue, cost of revenue and gross margin, our goodwill, seasonality of sales, changes in share price, adequacy of our cash resources to meet our capital needs, our debt and financing arrangements, including the impact of any change to our credit rating, interest rate risk and impact thereof, cash held by our international subsidiaries and repatriation, changes in fair value of derivative instruments, our tax liabilities, adequacy of our disclosure controls and procedures, dependency on personnel, pricing pressures, cybersecurity and compliance with related rules and regulations, impact of rules and regulations affecting public companies, the replacement of LIBOR, impact of our pricing policies, impact of economic and industry trends, changes to the markets in which we compete, impact of our accounting policies and recently issued accounting pronouncements, our estimates and assumptions, impact of inventory repurchase obligations and commitments and contingencies, our effective tax rates, impact of any impairment of our goodwill and intangible assets, our share repurchase and dividend program, our securitization programs, term loans and revolving credit lines, our investments in working capital, personnel, our succession planning and various environmental, social and governance initiatives and attention, our purchase accounting adjustments, plans with respect to our controls and procedures, and the impact of global economic, political and social conditions. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, those risks discussed herein and risks related to the risk that the legacy SYNEX and legacy Tech Data businesses will not be integrated successfully or realize the anticipated benefits of the combined company, the COVID-19 global pandemic, the ability to retain key personnel, the seasonality of the buying patterns of our customers, concentration of sales to large customers, the loss or consolidation of one or more of our significant original equipment manufacturer, or OEM, suppliers or customers, market acceptance and product life of the products we assemble and distribute, competitive conditions in our industry and their impact on our margins, pricing and other terms with our OEM suppliers, our ability to gain market share, variations in supplier-sponsored programs, changes in our costs and operating expenses, dependence upon and trends in capital spending budgets in the IT industry, fluctuations in general economic conditions including impacts from Russia's invasion of Ukraine, change in the market for our customers' products, employee turnover, changes in tax laws, risks associated with our international operations, uncertainties and variability in demand by our reseller and integration customers, supply shortages or delays, any termination or reduction in our floor plan financing arrangements, changes in value of foreign currencies and interest rates and other risk factors contained in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K for the year ended November 30, 2021

and below under Part II, Item 1A, “Risk Factors.” These forward-looking statements speak only as of the date hereof. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, unless otherwise required by law.

In the Management’s Discussion and Analysis of Financial Condition and Results of Operations, all references to “TD SYNEX,” “we,” “us,” “our” or the “Company” mean TD SYNEX Corporation and its subsidiaries for periods after the acquisition of Tech Data, except where it is made clear that the term means only the parent company or one of its segments while all references to “SYNEX,” “we,” “us,” “our” or the “Company” mean SYNEX Corporation and its subsidiaries for periods prior to the acquisition of Tech Data, except where it is made clear that the term means only the parent company or one of its segments.

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TD SYNnex, the TD SYNnex Logo and all other TD SYNnex company, product and services names and slogans are trademarks or registered trademarks of TD SYNnex Corporation. Other names and marks are the property of their respective owners.

Overview

We are a Fortune 200 corporation and a leading global distributor and solutions aggregator for the information technology ("IT") ecosystem.

On December 1, 2020, we completed the previously announced separation of our customer experience services business (the "Separation"), which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation ("Concentrix"). Our stockholders received one share of Concentrix common stock for every share of our common stock held at the close of business on the record date. Concentrix is now an independent public company trading under the symbol "CNXC" on the Nasdaq Stock Market. After the Separation, we do not beneficially own any shares of Concentrix' common stock and beginning December 1, 2020, we no longer consolidate Concentrix within our financial results or reflect the financial results of Concentrix within our continuing results of operations. We distributed a total of approximately 51.6 million shares of Concentrix common stock to our stockholders. In connection with the Separation, we have entered into a separation and distribution agreement, as well as various other agreements with Concentrix that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix will continue to provide certain limited services to us following the Separation.

On March 22, 2021, SYNnex entered into an agreement and plan of merger (the "Merger Agreement") which provided that legacy SYNnex Corporation would acquire legacy Tech Data Corporation, a Florida corporation ("Tech Data") through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNnex Corporation (collectively, the "Merger"). On September 1, 2021, pursuant to the terms of the Merger Agreement, SYNnex acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation's sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex, valued at approximately \$5.61 billion. See [Note 3](#) – Acquisitions to the Consolidated Financial Statements in Part I, Item 1 of this Report for further information.

We previously had two reportable segments as of November 30, 2020: Technology Solutions and Concentrix. After giving effect to the Separation on December 1, 2020, we operated in a single reportable segment. After completion of the Merger, we reviewed our reportable segments as there was a change in our chief executive officer, who is also our chief operating decision maker. Our chief operating decision maker has a leadership structure aligned with the geographic locations of the Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic locations. As a result, as of September 1, 2021 we began operating in three reportable segments based on our geographic locations: the Americas, Europe and APJ. Segment results for all prior periods have been restated for comparability to the Company's current reportable segments. For financial information by segment, refer to [Note 11](#) – Segment Information, to the Consolidated Financial Statements in Part I, Item 1 of this Report. We have presented limited information by reportable segment within the Management's Discussion and Analysis of Financial Condition and Results of Operations due to the lack of comparability between periods resulting from the Merger on September 1, 2021.

We distribute technology products from original equipment manufacturers ("OEM"), as well as suppliers of next-generation technologies and delivery models, to resellers, system integrators, and retailers. We purchase PC systems, mobile phones and accessories, printers, peripherals, IT systems, system components, software, networking, communications and security equipment, consumer electronics and complementary products from our suppliers and sell them to our reseller and retail customers. We perform a similar function for our distribution of licensed software products. Our reseller customers include value-added resellers, corporate resellers, government resellers, system integrators, direct marketers, retailers and managed service providers. We combine our core

strengths in distribution with demand generation, supply chain management and design and integration solutions to help our customers achieve greater efficiencies in time to market, cost minimization, real-time linkages in the supply chain and aftermarket product support. We also provide comprehensive IT solutions in key vertical markets such as government and healthcare and we provide specialized service offerings that increase efficiencies in the areas of global computing components, logistics services and supply chain management. Additionally, we provide our customers with systems design and integration solutions for data center servers and networking solutions built specific to our customers' workloads and data center environments.

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Our business is characterized by low gross profit as a percentage of revenue, or gross margin, and low income from operations as a percentage of revenue, or operating margin. The market for IT products is generally characterized by declining unit prices and short product life cycles. We set our sales price based on the market supply and demand characteristics for each particular product or bundle of products we distribute and services we provide.

We are highly dependent on the end-market demand for IT products, and on our partners' strategic initiatives and business models. This end-market demand is influenced by many factors including the introduction of new IT products and software by OEMs, replacement cycles for existing IT products, trends toward cloud computing, overall economic growth and general business activity. A difficult and challenging economic environment may also lead to consolidation or decline in the IT industries and increased price-based competition.

In December 2019, there was an outbreak of a new strain of coronavirus ("COVID-19"), which was characterized as a pandemic by the World Health Organization in March 2020. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and workforce participation, including our own, and created significant volatility and disruption of financial markets. The disruptions due to COVID-19 have impacted our business including logistics operations. Despite improvements in the global economy since the onset of the pandemic, the emergence of the Delta and Omicron variants and other mutations bring uncertainty to continued economic recovery. As a result, the Company cannot at this time accurately predict what effects these conditions will have on its operations and financial condition, including due to the uncertainties relating to the severity and duration of the pandemic, the effect on its customers and customer demand and the length of the restrictions and closures imposed by various governments, including recent restrictions and closures within the Asia-Pacific region. As a result, many of the estimates and assumptions involved in the preparation of the financial statements included in this report on Form 10-Q, required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve with respect to the pandemic, our estimates may change in future periods.

Critical Accounting Policies and Estimates

During the three months ended February 28, 2022, there were no material changes to our critical accounting policies and estimates previously disclosed in our Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

During the three months ended February 28, 2022, we adopted certain other new accounting pronouncements. The impact of adoption of these pronouncements was not material to our consolidated financial statements. See [Note 2](#) - Summary of Significant Accounting Policies to our Consolidated Financial Statements in Part I, Item 1 of this Report for further information.

Acquisitions

We continually seek to augment organic growth in our business with strategic acquisitions of businesses and assets that complement and expand our existing capabilities. We also divest businesses that we deem no longer strategic to our ongoing operations. We seek to acquire new OEM relationships, enhance our supply chain and integration capabilities, the services we provide to our customers and OEM suppliers, and expand our geographic footprint. We are also strategically focused on further increasing our scale to support our customers.

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Results of Operations

The following table sets forth, for the indicated periods, data as percentages of total revenue:

Statements of Operations Data:	Three months ended	
	February 28, 2022	February 28, 2021
Revenue	100.00 %	100.00 %
Cost of revenue	(93.74)%	(93.83)%
Gross profit	6.26 %	6.17 %
Acquisition, integration and restructuring costs	(0.60)%	— %
Selling, general and administrative expenses	(4.22)%	(3.30)%
Operating income	1.44 %	2.87 %
Interest expense and finance charges, net	(0.27)%	(0.46)%
Other income (expense), net	(0.03)%	(0.03)%
Income before income taxes	1.14 %	2.38 %
Provision for income taxes	(0.28)%	(0.60)%
Net income	0.86 %	1.78 %

Due to the ongoing impact of the COVID-19 pandemic, current results and financial condition discussed herein may not be indicative of future operating results and trends.

Certain non-GAAP financial information

In addition to disclosing financial results that are determined in accordance with GAAP, we also disclose certain non-GAAP financial information, including:

- Non-GAAP operating income, which is operating income, adjusted to exclude acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense and purchase accounting adjustments.
- Non-GAAP operating margin, which is non-GAAP operating income, as defined above, divided by revenue.
- Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) which is net income before interest, taxes, depreciation and amortization, adjusted to exclude other income (expense), net, acquisition, integration and restructuring costs, share-based compensation expense, and purchase accounting adjustments.
- Non-GAAP net income, which is net income, adjusted to exclude acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense, purchase accounting adjustments, income taxes related to the aforementioned items, as well as a capital loss carryback benefit.
- Non-GAAP diluted earnings per common share (“EPS”), which is diluted EPS excluding the per share impact of acquisition, integration and restructuring costs, amortization of intangible assets, share-based compensation expense, purchase accounting adjustments, income taxes related to the aforementioned items, as well as a capital loss carryback benefit.

Acquisition, integration and restructuring costs typically consist of acquisition, integration, restructuring and divestiture related costs and are expensed as incurred. These expenses primarily represent professional services costs for legal, banking, consulting and advisory services, severance and other personnel related costs, share-based compensation expense and debt extinguishment fees. From time to time, this category may also include transaction-related gains/losses on divestitures/spin-off of businesses, costs related to long-lived assets including impairment charges and accelerated depreciation and amortization expense due to changes in asset useful lives, as well as various other costs associated with the acquisition or divestiture.

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Our acquisition activities have resulted in the recognition of finite-lived intangible assets which consist primarily of customer relationships and lists and vendor lists. Finite-lived intangible assets are amortized over their estimated useful lives and are tested for impairment when events indicate that the carrying value may not be recoverable. The amortization of intangible assets is reflected in our statements of operations. Although intangible assets contribute to our revenue generation, the amortization of intangible assets does not directly relate to the sale of our products. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of our acquisition activity. Accordingly, we believe excluding the amortization of intangible assets, along with the other non-GAAP adjustments which neither relate to the ordinary course of our business nor reflect our underlying business performance, enhances our and our investors' ability to compare our past financial performance with our current performance and to analyze underlying business performance and trends. Intangible asset amortization excluded from the related non-GAAP financial measure represents the entire amount recorded within our GAAP financial statements, and the revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. Intangible asset amortization is excluded from the related non-GAAP financial measure because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised.

Share-based compensation expense is a non-cash expense arising from the grant of equity awards to employees based on the estimated fair value of those awards. Although share-based compensation is an important aspect of the compensation of our employees, the fair value of the share-based awards may bear little resemblance to the actual value realized upon the vesting or future exercise of the related share-based awards and the expense can vary significantly between periods as a result of the timing of grants of new stock-based awards, including grants in connection with acquisitions. Given the variety and timing of awards and the subjective assumptions that are necessary when calculating share-based compensation expense, we believe this additional information allows investors to make additional comparisons between our operating results from period to period.

Purchase accounting adjustments are primarily related to the impact of recognizing the acquired vendor and customer liabilities from the Merger at fair value. The Company expects the duration of these adjustments to benefit our non-GAAP operating income through fiscal 2022 and through a portion of fiscal 2023 based on historical settlement patterns with our vendors and in accordance with the timing defined in our policy for releasing vendor and customer liabilities we deem remote to be paid.

We believe that providing this additional information is useful to the reader to better assess and understand our base operating performance, especially when comparing results with previous periods and for planning and forecasting in future periods, primarily because management typically monitors the business adjusted for these items in addition to GAAP results. Management also uses these non-GAAP measures to establish operational goals and, in some cases, for measuring performance for compensation purposes. As these non-GAAP financial measures are not calculated in accordance with GAAP, they may not necessarily be comparable to similarly titled measures employed by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures and should be used as a complement to, and in conjunction with data presented in accordance with GAAP.

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Non-GAAP Financial Information:

The following tables provide the reconciliations of our most comparable GAAP measures to our non-GAAP measures presented:

	Three Months Ended	
	February 28, 2022	February 28, 2021
	(in thousands)	
Operating Income and Operating Margin - Consolidated		
Revenue	\$ 15,469,977	\$ 4,939,014
Operating income	\$ 222,440	\$ 141,747
Acquisition, integration and restructuring costs	93,370	—
Amortization of intangibles	76,136	9,369
Share-based compensation	6,750	4,887
Purchase accounting adjustments	33,161	—
Non-GAAP operating income	\$ 431,857	\$ 156,003
Operating margin	1.44 %	2.87 %
Non-GAAP operating margin	2.79 %	3.16 %

	Three Months Ended	
	February 28, 2022	February 28, 2021
	(in thousands)	
Operating Income and Operating Margin - Americas		
Revenue	\$ 9,074,273	\$ 4,307,007
Operating income	\$ 133,537	\$ 120,435
Acquisition, integration and restructuring costs	51,530	—
Amortization of intangibles	43,528	9,369
Share-based compensation	6,750	4,887
Purchase accounting adjustments	17,738	—
Non-GAAP operating income	\$ 253,083	\$ 134,691
GAAP operating margin	1.47 %	2.80 %
Non-GAAP operating margin	2.79 %	3.13 %

	Three Months Ended	
	February 28, 2022	February 28, 2021
	(in thousands)	
Operating Income and Operating Margin - Europe		
Revenue	\$ 5,579,788	\$ 132,532
Operating income	\$ 65,332	\$ 6,235
Acquisition, integration and restructuring costs	39,729	—
Amortization of intangibles	31,970	—
Purchase accounting adjustments	15,423	—
Non-GAAP operating income	\$ 152,454	\$ 6,235
GAAP operating margin	1.17 %	4.70 %
Non-GAAP operating margin	2.73 %	4.70 %

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	Three Months Ended	
	February 28, 2022	February 28, 2021
Operating Income and Operating Margin - APJ	(in thousands)	
Revenue	\$ 815,916	\$ 499,475
Operating income	\$ 23,571	\$ 15,078
Acquisition, integration and restructuring costs	2,111	—
Amortization of intangibles	638	—
Non-GAAP operating income	\$ 26,320	\$ 15,078
GAAP operating margin	2.89 %	3.02 %
Non-GAAP operating margin	3.23 %	3.02 %

	Three Months Ended	
	February 28, 2022	February 28, 2021
Adjusted EBITDA - Consolidated	(in thousands)	
Net income	\$ 132,324	\$ 87,822
Interest expense and finance charges, net	42,343	22,838
Provision for income taxes	43,505	29,754
Depreciation ⁽¹⁾	79,365	5,499
Amortization of intangibles	76,136	9,369
EBITDA	\$ 373,673	\$ 155,282
Other (income) expense, net	4,268	1,333
Acquisition, integration and restructuring costs	40,499	—
Share-based compensation	6,750	4,887
Purchase accounting adjustments	33,161	—
Adjusted EBITDA	\$ 458,351	\$ 161,502

⁽¹⁾ Includes depreciation recorded in acquisition, integration and restructuring costs.

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	Three Months Ended	
	February 28, 2022	February 28, 2021
Net Income - Consolidated	(in thousands)	
Net income	\$ 132,324	\$ 87,822
Acquisition, integration and restructuring costs	95,202	—
Amortization of intangibles	76,136	9,369
Share-based compensation	6,750	4,887
Purchase accounting adjustments	33,161	—
Income taxes related to the above	(47,883)	(3,525)
Income tax capital loss carryback benefit	(3,246)	—
Non-GAAP net income	\$ 292,444	\$ 98,553

	Three Months Ended	
	February 28, 2022	February 28, 2021
Diluted Earnings per Common Share		
Diluted EPS	\$ 1.37	\$ 1.69
Acquisition, integration and restructuring costs	0.99	—
Amortization of intangibles	0.79	0.18
Share-based compensation	0.07	0.09
Purchase accounting adjustments	0.34	—
Income taxes related to the above	(0.50)	(0.07)
Income tax capital loss carryback benefit	(0.03)	—
Non-GAAP diluted EPS	\$ 3.03	\$ 1.89

Three Months Ended February 28, 2022

Revenue

	Three Months Ended		Percent Change
	February 28, 2022	February 28, 2021	
	(in thousands)		
Revenue	\$ 15,469,977	\$ 4,939,014	213.2 %

We distribute a comprehensive range of products for the technology industry and design and integrate data center equipment. The prices of our products are highly dependent on the volumes purchased within a product category. The products we sell from one period to the next are often not comparable due to changes in product models, features and customer demand requirements.

Revenue increased during the three months ended February 28, 2022, as compared to the prior year period, primarily due to an increase in sales resulting from the impact of the Merger of approximately \$10 billion as well as broad-based demand for technology equipment.

Gross Profit

	Three Months Ended		Percent Change
	February 28, 2022	February 28, 2021	
	(in thousands)		
Gross profit	\$ 968,661	\$ 304,567	218.0 %
Gross margin	6.26 %	6.17 %	

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Our gross margin is affected by a variety of factors, including competition, selling prices, mix of products, product costs along with rebate and discount programs from our suppliers, reserves or settlement adjustments, freight costs, inventory losses and fluctuations in revenue.

Our gross profit increased, during the three months ended February 28, 2022, as compared to the prior year period, primarily due to an increase in sales resulting from the impact of the Merger. The increase in gross margin during the three months ended February 28, 2022, as compared to the prior year period, is primarily due to product mix.

Acquisition, Integration and Restructuring Costs

Acquisition, integration and restructuring costs are primarily comprised of costs related to the Merger and costs related to the Global Business Optimization 2 Program initiated by Tech Data prior to the Merger (the “GBO 2 Program”). There were no acquisition, integration and restructuring costs incurred during the three months ended February 28, 2021.

The Merger

We incurred acquisition, integration and restructuring costs related to the completion of the Merger, including professional services costs, personnel and other costs, long-lived assets charges and stock-based compensation expense. Professional services costs are primarily comprised of legal expenses and tax and other consulting services. Personnel and other costs are primarily comprised of costs related to retention and other bonuses, as well as severance costs. Long-lived assets charges are comprised of accelerated depreciation and amortization expense of \$52.9 million recorded due to changes in asset useful lives in conjunction with the consolidation of certain IT systems. Stock-based compensation expense primarily relates to costs associated with the conversion of certain Tech Data performance-based equity awards issued prior to the Merger into restricted shares of TD SYNEX (refer to [Note 5](#) – Share-Based Compensation to the Consolidated Financial Statements in Part I, Item 1 of this Report for further information) and expenses for certain restricted stock awards issued in conjunction with the Merger.

During the three months ended February 28, 2022, acquisition and integration expenses related to the Merger were composed of the following:

	Three Months Ended
	February 28, 2022
	(in thousands)
Professional services costs	\$ 8,148
Personnel and other costs	10,944
Long-lived assets charges	52,871
Stock-based compensation	13,576
Total	\$ 85,539

GBO 2 Program

Prior to the Merger, Tech Data implemented its GBO 2 Program, that includes investments to optimize and standardize processes and apply data and analytics to be more agile in a rapidly evolving environment, increasing productivity, profitability and optimizing net-working capital. TD SYNEX plans to continue this program in conjunction with the Company’s integration activities. Acquisition, integration and restructuring expenses related to the GBO 2 Program are primarily comprised of restructuring costs and

other professional services costs. Restructuring costs are comprised of severance costs and other associated exit costs, including certain consulting costs. Other professional services

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costs are primarily comprised of professional services fees not related to restructuring activities, including costs related to improving profitability and optimizing net-working capital.

Acquisition, integration and restructuring costs under the GBO 2 Program for the three months ended February 28, 2022 included the following:

	Three Months Ended
	February 28, 2022
	(in thousands)
Restructuring costs	\$ 6,046
Other professional services costs	1,785
Total	\$ 7,831

Restructuring costs under the GBO 2 Program for the three months ended February 28, 2022 were composed of the following:

	Three Months Ended
	February 28, 2022
	(in thousands)
Severance	\$ 359
Other exit costs	5,687
Total	\$ 6,046

During the three months ended February 28, 2022, we recorded restructuring costs related to GBO 2 of \$1.8 million, \$3.9 million and \$0.3 million, for the Americas, Europe and APJ regions, respectively.

Selling, General and Administrative Expenses

	Three Months Ended		Percent
	February 28, 2022	February 28, 2021	Change
	(in thousands)		
Selling, general and administrative expenses	\$ 652,851	\$ 162,820	301.0 %
Percentage of revenue	4.22 %	3.30 %	

Our selling, general and administrative expenses consist primarily of personnel costs such as salaries, commissions, bonuses, share-based compensation and temporary personnel costs. Selling, general and administrative expenses also include cost of warehouses, delivery centers and other non-integration facilities, utility expenses, legal and professional fees, depreciation on certain of our capital equipment, bad debt expense, amortization of our intangible assets, and marketing expenses, offset in part by reimbursements from our OEM suppliers.

During the three months ended February 28, 2022, selling, general and administrative expenses increased, compared to the prior year period, primarily due to an increase in employee related expenses resulting from the Merger and an increase in amortization

of intangible assets acquired in connection with the Merger. Selling, general and administrative expenses increased as a percentage of revenue, compared to the prior year period, primarily due to the impact of the Merger including an increase in amortization of intangible assets.

[Table of contents](#)**Operating Income**

	Three Months Ended		Percent Change
	February 28, 2022	February 28, 2021	
	(in thousands)		
Operating income	\$ 222,440	\$ 141,748	56.9 %
Operating margin	1.44 %	2.87 %	

Operating income increased during the three months ended February 28, 2022 compared to the prior year period, primarily due to increased sales as a result of the Merger, partially offset by an increase in employee related expenses resulting from the Merger, an increase in acquisition, integration and restructuring costs and an increase in amortization of intangible assets acquired in connection with the Merger. Operating margin decreased during the three months ended February 28, 2022, compared to the prior year period, primarily due to an increase in employee related expenses resulting from the Merger, an increase in acquisition, integration and restructuring costs and an increase in amortization of intangible assets acquired in connection with the Merger.

Interest Expense and Finance Charges, Net

	Three Months Ended		Percent Change
	February 28, 2022	February 28, 2021	
	(in thousands)		
Interest expense and finance charges, net	\$ 42,343	\$ 22,838	85.4 %
Percentage of revenue	0.27 %	0.46 %	

Amounts recorded in interest expense and finance charges, net, consist primarily of interest expense paid on our Senior Notes (as defined below), our lines of credit and term loans and fees associated with the sale or pledge of accounts receivable through our securitization facilities, offset by income earned on our cash investments.

The increase in our interest expense and finance charges, net during the three months ended February 28, 2022, compared to the prior year, was due to an increase in interest expense related to the Senior Notes and higher average outstanding borrowings.

Other Income (Expense), Net

	Three Months Ended		Percent Change
	February 28, 2022	February 28, 2021	
	(in thousands)		
Other income (expense), net	\$ (4,268)	\$ (1,333)	220.2 %
Percentage of revenue	(0.03)%	(0.03)%	

Amounts recorded as other income (expense), net include foreign currency transaction gains and losses on certain financing transactions and the related derivative instruments used to hedge such financing transactions, the cost of hedging, investment gains and losses, and other non-operating gains and losses, such as settlements received from class actions lawsuits.

The increase in other income (expense), net during the three months ended February 28, 2022, as compared to the prior year period, was primarily due to higher costs of hedging.

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Provision for Income Taxes

	Three Months Ended		Percent Change
	February 28, 2022	February 28, 2021	
	(in thousands)		
Provision for income taxes	\$ 43,505	\$ 29,754	46.2 %
Percentage of income before income taxes	24.74 %	25.31 %	

Income taxes consist of our current and deferred tax expense resulting from our income earned in domestic and foreign jurisdictions. Income taxes for the interim periods presented have been included in the accompanying Consolidated Financial Statements on the basis of an estimated annual effective tax rate.

During the three months ended February 28, 2022, our income tax expense increased compared to the prior year period, primarily due to higher income during the three months ended February 28, 2022, including the impacts of the Merger. The effective tax rate was slightly lower during the three months ended February 28, 2022 as compared to the three months ended February 28, 2021, primarily due to the relative mix of earnings and losses within the taxing jurisdictions in which we operate.

Liquidity and Capital Resources

Cash Conversion Cycle

Three Months Ended		
February 28, 2022	November 30, 2021	February 28, 2021

(Amounts in thousands)

Days sales outstanding ("DSO")

Revenue	(a)	\$ 15,469,977	\$ 15,611,266	\$ 4,939,014
Accounts receivable, net	(b)	8,732,024	8,310,032	2,381,064
Days sales outstanding	(c) = ((b)/(a))*the number of days during the period	51	48	43

Days inventory outstanding ("DIO")

Cost of revenue	(d)	\$ 14,501,316	\$ 14,668,096	\$ 4,634,447
Inventories	(e)	7,883,265	6,642,915	2,556,716
Days inventory outstanding	(f) = ((e)/(d))*the number of days during the period	49	41	50

Days payable outstanding ("DPO")

Cost of revenue	(g)	\$ 14,501,316	\$ 14,668,096	\$ 4,634,447
Accounts payable	(h)	12,193,263	12,034,946	3,116,095
Days payable outstanding	(i) = ((h)/(g))*the number of days during the period	76	75	61

Cash conversion cycle ("CCC")	(j) = (c)+(f)-(i)	24	14	32
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Cash Flows

Our business is working capital intensive. Our working capital needs are primarily to finance accounts receivable and inventory. We rely heavily on term loans, accounts receivable arrangements, our securitization programs, our revolver programs and trade credit from vendors for our working capital needs. We have financed our growth and cash needs to date primarily through cash generated from operations and financing activities. As a general rule, when sales volumes are increasing, our net investment in working capital dollars typically increases, which generally results in decreased cash flow generated from operating activities. Conversely, when sales volumes decrease, our net investment in working capital dollars typically decreases, which generally results in increases in cash flows generated from operating activities. We calculate CCC as days of the last fiscal quarter's revenue outstanding in accounts receivable plus days of supply on hand in inventory, less days of the last fiscal quarter's cost of revenue outstanding in accounts payable. Our CCC was 24 days and 32 days as of February 28, 2022 and February 28, 2021, respectively. The decrease was primarily due to our DPO, which was impacted by the increase in the payment timing of accounts payable in our business primarily due to the impact of the Merger. Our CCC was 24 days and 14 days as of February 28, 2022 and November 30, 2021, respectively. The increase was primarily due to our DIO, which was impacted by a temporary increase to support revenue growth and strategic inventory purchases that are expected to sell through in the next 3 to 5 months.

To increase our market share and better serve our customers, we may further expand our operations through investments or acquisitions. We expect that any such expansions would require an initial investment in working capital, personnel, facilities and operations. These investments or acquisitions would likely be funded primarily by our existing cash and cash equivalents, additional borrowings, or the issuance of securities.

Operating Activities

Net cash used in operating activities was \$1.3 billion during the three months ended February 28, 2022, primarily due to a temporary increase in net working capital to support revenue growth and strategic inventory purchases that are expected to sell through in the next 3 to 5 months.

Net cash provided by operating activities was \$25.0 million during the three months ended February 28, 2021, primarily due to decreases in accounts receivable and inventories, which were largely offset by a decrease in accounts payable. The decreases in accounts receivable and inventories were primarily due to lower revenue during the three months ended February 28, 2021 compared to a seasonally high fourth quarter of fiscal year 2020. The decrease in accounts payable was primarily due to timing of payments.

Investing Activities

Net cash used in investing activities during the three months ended February 28, 2022 was \$25.2 million, primarily due to capital expenditures related to infrastructure investments to support growth in our business.

Net cash used in investing activities during the three months ended February 28, 2021 was \$4.0 million, primarily due to capital expenditures related to infrastructure investments to support growth in our business.

Financing Activities

Net cash provided by financing activities during the three months ended February 28, 2022 was \$854.5 million, representing primarily short-term borrowings to fund working capital requirements. In addition, we paid stockholders dividends of \$28.8 million and we paid \$23.8 million to repurchase common stock under our share repurchase program.

Net cash used in financing activities during the three months ended February 28, 2021 was \$147.2 million, representing primarily the net transfer of cash and cash equivalents of \$149.9 million to Concentrix in connection with the Separation and a return of

cash to stockholders in the form of dividends of \$10.3 million. This was partially offset by net proceeds of \$13.0 million from our borrowing arrangements in certain international locations to fund working capital requirements.

Capital Resources

Our cash and cash equivalents totaled \$510.2 million and \$994.0 million as of February 28, 2022 and November 30, 2021, respectively. Our cash and cash equivalents held by international subsidiaries are no longer subject to U.S. federal tax on repatriation into the United States. Repatriation of some foreign balances is restricted by local laws. Historically, we have fully utilized and reinvested all foreign cash to fund our foreign operations and expansion. If in the future our intentions change, and we repatriate the cash back to the United States, we will report in our Consolidated

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Financial Statements the impact of state and withholding taxes depending upon the planned timing and manner of such repatriation. Presently, we believe we have sufficient resources, cash flow and liquidity within the United States to fund current and expected future working capital, investment and other general corporate funding requirements.

We believe that our available cash and cash equivalents balances, cash flows from operations and our existing sources of liquidity will be sufficient to satisfy our current and planned working capital and investment needs for the next twelve months in all geographies. We also believe that our longer-term working capital, planned capital expenditures, anticipated stock repurchases, dividend payments and other general corporate funding requirements will be satisfied through cash flows from operations and, to the extent necessary, from our borrowing facilities and future financial market activities.

Historically, we have renewed our accounts receivable securitization program and our parent company credit facilities on, or prior to, their respective expiration dates. We have no reason to believe that these and other arrangements will not be renewed or replaced as we continue to be in good credit standing with the participating financial institutions. We have had similar borrowing arrangements with various financial institutions throughout our years as a public company.

TD SYNEX United States accounts receivable securitization agreement

In the United States, we have an accounts receivable securitization program to provide additional capital for our operations (the “U.S. AR Arrangement”). Under the terms of the U.S. AR Arrangement, as amended in December 2021, we and our subsidiaries that are party to the U.S. AR Arrangement can borrow up to a maximum of \$1.5 billion based upon eligible trade accounts receivable. The U.S. AR Arrangement has a maturity date of December 2024. The effective borrowing cost under the U.S. AR Arrangement is a blended rate based upon the composition of the lenders, that includes prevailing dealer commercial paper rates and a rate based upon LIBOR. In addition, a program fee payable on the used portion of the lenders’ commitment, accrues at 0.75% per annum. A facility fee is payable on the adjusted commitment of the lenders, to accrue at different tiers ranging between 0.30% per annum and 0.40% per annum depending on the amount of outstanding advances from time to time. There was \$749.0 million outstanding under the U.S. AR Arrangement at February 28, 2022 at an interest rate of 1.18%. There were no amounts outstanding under the U.S. AR Arrangement at November 30, 2021.

Under the terms of the U.S. AR Arrangement, we and certain of our U.S. subsidiaries sell, on a revolving basis, our receivables (other than certain excluded receivables) to a wholly-owned, bankruptcy-remote subsidiary. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by our bankruptcy-remote subsidiary as security. Any amounts received under the U.S. AR Arrangement are recorded as debt on our Consolidated Balance Sheets.

TD SYNEX credit agreement

The Company is party to a credit agreement, dated as of April 16, 2021 (the “TD SYNEX Credit Agreement”) with the lenders party thereto and Citibank, N.A., as agent, pursuant to which we received commitments for the extension of a senior unsecured revolving credit facility not to exceed an aggregate principal amount of \$3.5 billion, which revolving credit facility (the “TD SYNEX revolving credit facility”) may, at our request but subject to the lenders’ discretion, potentially be increased by up to an aggregate amount of \$500 million. There were no amounts outstanding under the TD SYNEX revolving credit facility at February 28, 2022 or November 30, 2021. The TD SYNEX Credit Agreement also includes a fully funded senior unsecured term loan (the “TD SYNEX term loan” and, together with the TD SYNEX revolving credit facility, the “TD SYNEX credit facilities”) that had an original aggregate principal amount of \$1.5 billion and has begun amortizing as described below. The borrower under the TD SYNEX credit facilities is the Company. There are no guarantors of the TD SYNEX credit facilities. The maturity of the TD SYNEX credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026, subject in the case of the revolving credit facility, to two one-year extensions upon our prior notice to the lenders and the agreement of the lenders to extend such maturity date.

The outstanding principal amount of the TD SYNEX term loan is payable in quarterly installments in an amount equal to 1.25% of the original \$1.5 billion principal balance, with the outstanding principal amount of the term loans due in full on the maturity date. Loans borrowed under the TD SYNEX Credit Agreement bear interest, in the case of LIBOR (or successor) rate loans, at a per annum rate equal to the applicable LIBOR (or successor) rate, plus the applicable margin, which may range from 1.125% to 1.75%, based on our public debt rating (as defined in the TD SYNEX Credit Agreement). The applicable margin on base rate loans is 1.00% less than the corresponding margin on LIBOR (or successor rate) based loans. In addition to these borrowing rates, there is a commitment fee that ranges from 0.125% to 0.300% on any unused commitment under the TD SYNEX revolving credit facility based on our public debt rating. The

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effective interest rate for the TD SYNEX term loan was 1.59% and 1.49% as of February 28, 2022 and November 30, 2021, respectively.

The TD SYNEX Credit Agreement contains various loan covenants that are customary for similar facilities for similarly rated borrowers that restrict our ability to take certain actions. The TD SYNEX Credit Agreement also contains financial covenants that require compliance with a maximum debt to EBITDA ratio and a minimum interest coverage ratio, in each case tested on the last day of each fiscal quarter commencing with the first full fiscal quarter to occur after the closing date of the TD SYNEX credit facilities. The TD SYNEX Credit Agreement also contains various customary events of default, including with respect to a change of control of the Company.

TD SYNEX Senior Notes

On August 9, 2021, we completed our offering of \$2.5 billion aggregate principal amount of senior unsecured notes, consisting of \$700.0 million of 1.25% senior notes due 2024, \$700.0 million of 1.75% senior notes due 2026, \$600.0 million of 2.375% senior notes due 2028, and \$500.0 million of 2.65% senior notes due 2031 (collectively, the “Senior Notes,” and such offering, the “Senior Notes Offering”). We incurred \$19.6 million towards issuance costs for the Senior Notes. We pay interest semi-annually on the notes on each of February 9 and August 9. The net proceeds from this offering were used to fund a portion of the aggregate cash consideration payable in connection with the Merger, refinance certain of our existing indebtedness and pay related fees and expenses and for general corporate purposes.

The interest rate payable on each series of the Senior Notes will be subject to adjustment from time to time if the credit rating assigned to such series of Senior Notes is downgraded (or downgraded and subsequently upgraded). We may redeem the Senior Notes, at any time in whole or from time to time in part, prior to (i) August 9, 2022 (the “2024 Par Call Date”) in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the “2026 Par Call Date”) in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the “2028 Par Call Date”) in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the “2031 Par Call Date” and, together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a “Par Call Date” and together, the “Par Call Dates”), at a redemption price equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present values of the remaining scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the sum of the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes and 2031 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date. We may also redeem the Senior Notes of any series at our option, at any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Senior Notes to be redeemed.

Other borrowings and term debt

The Company has various other committed and uncommitted lines of credit with financial institutions, accounts receivable securitization arrangements, factoring of accounts receivable with recourse provisions, finance leases, short-term loans, term loans, credit facilities and book overdraft facilities, totaling approximately \$618.8 million as of February 28, 2022. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. There was \$287.4 million outstanding on these facilities at February 28, 2022, at a weighted average interest rate of 2.98%, and there was \$106.3 million outstanding at November 30, 2021, at a weighted average interest rate of 4.59%. Borrowings under certain of these lines of credit facilities are guaranteed by the Company or secured by eligible accounts receivable.

At February 28, 2022, we were also contingently liable for reimbursement obligations with respect to issued standby letters of credit in the aggregate outstanding amount of \$102.0 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specified terms and conditions.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at February 28, 2022 exchange rates.

Accounts Receivable Purchase Agreements

We have uncommitted supply-chain financing programs with global financial institutions under which trade accounts receivable owed by certain customers may be acquired, without recourse, by the financial institutions. Available capacity under these programs is dependent upon the level of our trade accounts receivable eligible to be sold into these programs and the financial institutions' willingness to purchase such receivables. In addition, certain of these programs also require that we continue to service, administer and collect the sold accounts receivable. At February 28, 2022 and November 30, 2021, we had a total of \$966.0 million and \$759.9 million, respectively, of trade accounts receivable sold to

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and held by the financial institutions under these programs. Discount fees for these programs in the three months ended February 28, 2022 and February 28, 2021 totaled \$3.0 million and \$0.6 million, respectively.

Covenant Compliance

Our credit facilities have a number of covenants and restrictions that require us to maintain specified financial ratios. They also limit our ability to incur additional debt, create liens, enter into agreements with affiliates, modify the nature of our business, and merge or consolidate. As of February 28, 2022, we were in compliance with all current and material covenants for the above arrangements.

Related Party Transactions

We have a business relationship with MiTAC Holdings Corporation ("MiTAC Holdings"), a publicly-traded company in Taiwan, which began in 1992 when MiTAC Holdings became our primary investor through its affiliates. As of both February 28, 2022 and November 30, 2021, MiTAC Holdings and its affiliates beneficially owned approximately 9.5% of our outstanding common stock. Mr. Matthew Miao, the Chairman Emeritus of our Board of Directors and a director, is the Chairman of MiTAC Holdings' and a director or officer of MiTAC Holdings' affiliates.

The shares owned by MiTAC Holdings are held by the following entities:

	As of February 28, 2022
	(in thousands)
MiTAC Holdings ⁽¹⁾	5,300
Synnex Technology International Corp. ⁽²⁾	3,860
Total	9,160

- (1) Shares are held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC Holdings. Excludes 192 thousand shares held directly by Mr. Miao, 217 thousand shares indirectly held by Mr. Miao through a charitable remainder trust, and 190 thousand shares held by his spouse.
- (2) Synnex Technology International Corp. ("Synnex Technology International") is a separate entity from us and is a publicly-traded corporation in Taiwan. Shares are held via Peer Development Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.1% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.7% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

The following table presents the Company's transactions with MiTAC Holdings and its affiliates for the periods indicated:

	Three Months Ended	
	February 28, 2022	February 28, 2021
	(in thousands)	
Purchases of inventories and services	\$ 46,576	\$ 41,157
Sale of products to MiTAC Holdings and affiliates	60	218
Payments made for rent and overhead costs for use of facilities of MiTAC Holdings and affiliates, net	36	32

The following table presents the Company's receivable from and payable to MiTAC Holdings and its affiliates for the periods presented:

	<u>February 28, 2022</u>		<u>November 30, 2021</u>
	(in thousands)		
Receivable from related parties (included in Accounts receivable, net)	\$	40,197	\$ 21,841
Payable to related parties (included in Accounts payable)		35,825	32,802

Recently Issued Accounting Pronouncements

For a summary of recent accounting pronouncements and the anticipated effects on our consolidated financial statements, see [Note 2 - Summary of Significant Accounting Policies to the Consolidated Financial Statements](#), which can be found under Item 1 of this Report.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

For a description of the Company's market risks, see "Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

No material changes have occurred in our market risks since November 30, 2021.

ITEM 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures. We maintain "disclosure controls and procedures," as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures. In designing and evaluating our disclosure controls and procedures, management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our disclosure controls and procedures have been designed to meet reasonable assurance standards. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on their evaluation as of the end of the period covered by this Quarterly Report on Form 10-Q, our Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our principal financial officer) have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

(b) Changes in internal control over financial reporting. Except as described below, there was no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) identified in connection with management's evaluation during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

On September 1, 2021 we completed the Merger. As a result, we are currently integrating legacy Tech Data into our control environment. In executing this integration, we are analyzing, evaluating, and where necessary, making changes in controls and procedures related to the legacy Tech Data business, which is expected to be completed in the fiscal year ended November 30, 2022.

PART II - OTHER INFORMATION

ITEM 1A. Risk Factors

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Part I-Item 1A "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended November 30, 2021. Except as set forth below, there have been no material changes to the risk factors disclosed in our 2021 Annual Report on Form 10-K.

Global health and economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Worldwide economic conditions remain uncertain due to adverse consequences concerning the United States and China trade negotiations, market volatility as a result of political leadership in certain countries and other disruptions to global and regional economies and markets, including increases in inflation. External factors, such as potential terrorist attacks, acts of war, geopolitical and social turmoil or epidemics and other similar outbreaks in many parts of the world, could prevent or hinder our ability to do business, increase our costs and negatively affect our stock price. Russia's recent invasion of Ukraine and the subsequent economic sanctions imposed by the U.S., NATO and other countries may impact the economic conditions in or our ability to sell products to customers in the affected region. In addition, the conflict could have broader implications on economies outside the region, such as the global inflationary impact of a potential boycott of Russian oil and gas by other countries. More generally, these geopolitical, social and economic conditions could result in increased volatility in the United States and the worldwide financial markets and economy. For example, increased instability may enhance volatility in currency exchange rates, cause our customers or potential customers to delay or reduce spending on our products or services, and limit our suppliers' access to credit. It could also adversely impact our ability to obtain adequate insurance at reasonable rates and may require us to incur increased costs for security measures for our domestic and international operations. We are predominantly uninsured for losses and interruptions caused by terrorism, acts of war and similar events. These uncertainties make it difficult for us and our suppliers and customers to accurately plan future business activities.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

In June 2020, our Board of Directors authorized a three-year \$400 million share repurchase program, effective July 1, 2020, pursuant to which we may repurchase our outstanding common stock from time to time in the open market or through privately negotiated transactions.

The following table presents information with respect to purchases of common stock by the Company under the share repurchase program during the quarter ended February 28, 2022:

Period	Issuer Purchases of Equity Securities (amounts in thousands except for per share amounts)			
	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of a publicly announced plan or program	Maximum dollar value of shares that may yet be purchased under the plan or programs
December 1 - December 31, 2021	—	\$ —	—	\$ 400,000
January 1 - January 31, 2022	229	103.73	229	376,243
February 1 - February 28, 2022	—	—	—	376,243
Total	229	\$ 103.73	229	

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ITEM 6. Exhibits

<u>Exhibit Number</u>	<u>Description of Document</u>
2.1+	<u>Agreement and Plan of Merger, dated as of March 22, 2021, by and among SYNEX, Spire Sub I, Inc., Spire Sub II, LLC, and Tiger Parent (AP) Corporation (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on March 22, 2021).</u>
3(i).1	<u>Restated Certificate of Incorporation, as amended.</u>
3(ii).1	<u>Amended and Restated Bylaws (incorporated by reference to Exhibit 3(ii).1 to the Company's Annual Report on Form 10-K filed on January 28, 2022).</u>
10.1	<u>Fifth Amended and Restated Receivables Funding and Administration Agreement, dated as of December 22, 2021, by and among SIT Funding Corporation, TD SYNEX Corporation, the lenders party thereto and The Toronto-Dominion Bank, as agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed December 29, 2021).</u>
10.2	<u>Twentieth Amendment to Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of December 22, 2021, by and among TD SYNEX Corporation, SIT Funding Corporation, Westcon Group North America, Inc., the originators party thereto, the lenders party thereto, and The Toronto-Dominion Bank, as agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed December 29, 2021).</u>
10.3	<u>TD SYNEX Corporation 2020 Stock Incentive Plan</u>
31.1	<u>Rule 13a-14(a) Certification of Chief Executive Officer.</u>
31.2	<u>Rule 13a-14(a) Certification of Chief Financial Officer.</u>
32.1*	<u>Statement of the Chief Executive Officer and Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Form 10-Q and will not be deemed "filed" for purpose

of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

Indicates management contract or compensatory plan or arrangement.

+Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. TD SYNEX hereby undertakes to furnish supplementally a copy of any omitted schedule or exhibit to such agreement to the U.S. Securities and Exchange Commission upon request; provided, however, that TD SYNEX may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedules so furnished.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: April 5, 2022

TD SYNnex CORPORATION

By: _____ /s/ Richard T. Hume

Richard T. Hume

President and Chief Executive Officer

(Duly authorized officer and principal executive officer)

By: _____ /s/ Marshall W. Witt

Marshall W. Witt

Chief Financial Officer

(Duly authorized officer and principal financial officer)

RESTATED CERTIFICATE OF INCORPORATION
OF SYNnex CORPORATION

SYNNEX Corporation, a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

FIRST: The name of the corporation is SYNNEX Corporation.

SECOND: The original Certificate of Incorporation of the corporation was filed with the Secretary of State of the State of Delaware on September 4, 2003 under the name "SYNNEX Corp." A Restated Certificate of Incorporation was filed on October 27, 2003. A certificate of Merger whereby SYNNEX Information Technologies, Inc., a California corporation, was merged with and into the corporation was filed with the Secretary of State of the State of Delaware on October 28, 2003. A certificate of Amendment to the Restated Certificate was filed with the Secretary of State of the State of Delaware on November 12, 2003.

THIRD: Pursuant to Sections 242 and 245 of the General Corporation Law of the State of Delaware, this Restated Certificate of Incorporation restates, integrates and further amends the provisions of the Certificate of Incorporation of the corporation.

FOURTH: The Certificate of Incorporation of the corporation shall be amended and restated to read in full as follows:

ARTICLE I

The name of the corporation is SYNNEX Corporation (the "Corporation").

ARTICLE II

The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporate Trust Company.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of Delaware.

ARTICLE IV

A. Classes of Stock. The total number of shares of all classes of capital stock that the Corporation shall have authority to issue is one hundred five million (105,000,000), of which one hundred million (100,000,000) shares of the par value of \$0.001 each shall be Common Stock (the "Common Stock") and five million (5,000,000)

shares of the par value of \$0.001 each shall be Preferred Stock (the “Preferred Stock”). The number of authorized shares of Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the then outstanding shares of Common Stock, without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such Preferred Stock holders is required pursuant to the provisions established by the Board of Directors of the Corporation (the “Board of Directors”) in the resolution or resolutions providing for the issue of such Preferred Stock, and if such holders of such Preferred Stock are so entitled to vote thereon, then, except as may otherwise be set forth in this Restated Certificate of Incorporation, the only stockholder approval required shall be the

affirmative vote of a majority of the combined voting power of the Common Stock and the Preferred Stock so entitled to vote.

B. Preferred Stock. The Preferred Stock may be issued in any number of series, as determined by the Board of Directors. The Board of Directors is expressly authorized to provide for the issue, in one or more series, of all or any of the remaining shares of Preferred Stock and, in the resolution or resolutions providing for such issue, to establish for each such series the number of its shares, the voting powers, full or limited, of the shares of such series, or that such shares shall have no voting powers, and the designations, preferences and relative, participating, optional or other special rights of the shares of such series, and the qualifications, limitations or restrictions thereof. The Board of Directors is also expressly authorized (unless forbidden in the resolution or resolutions providing for such issue) to increase or decrease (but not below the number of shares of the series then outstanding) the number of shares of any series subsequent to the issuance of shares of that series. In case the number of shares of any such series shall be so decreased, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series.

C. Common Stock.

1. Relative Rights of Preferred Stock and Common Stock. All preferences, voting powers, relative, participating, optional or other special rights and privileges, and qualifications, limitations, or restrictions of the Common Stock are expressly made subject and subordinate to those that may be fixed with respect to any shares of the Preferred Stock.

2. Voting Rights. Except as otherwise required by law or this Restated Certificate of Incorporation, each holder of Common Stock shall have one vote in respect of each share of stock held by such holder of record on the books of the Corporation for the election of directors and on all matters submitted to a vote of stockholders of the Corporation.

3. Dividends. Subject to the preferential rights of the Preferred Stock, the holders of shares of Common Stock shall be entitled to receive, when and if declared by the Board of Directors, out of the assets of the Corporation which are by law available therefor, dividends payable either in cash, in property or in shares of capital stock.

4. Dissolution, Liquidation or Winding Up. In the event of any dissolution, liquidation or winding up of the affairs of the Corporation, after distribution in full of the preferential amounts, if any, to be distributed to the holders of shares of the Preferred Stock, holders of Common Stock shall be entitled, unless otherwise provided by law or this Restated Certificate of Incorporation, to receive all of the remaining assets of the Corporation of whatever kind available for distribution to stockholders ratably in proportion to the number of shares of Common Stock held by them respectively.

ARTICLE V

In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware:

A. Elections of directors need not be by written ballot unless the by-laws of the Corporation shall so provide.

B. The books of the Corporation may be kept at such place within or without the State of Delaware as the by-laws of the Corporation may provide or as may be designated from time to time by the Board of Directors.

ARTICLE VI

A. Power of Stockholder to Act by Written Consent. No action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting and the power of stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

B. Special Meetings of Stockholders. Special meetings of the stockholders of the Corporation may be called for any purpose or purposes, unless otherwise prescribed by statute or by this Restated Certificate of Incorporation, only at the request of the Chairman of the Board or by a resolution duly adopted by the affirmative vote of a majority of the Board of Directors.

C. Cumulative Voting. The stockholders of the Corporation shall not have cumulative voting.

ARTICLE VII

The Corporation elects not to be, and shall not be, governed by Section 203 of the General Corporation Law of the State of Delaware or any of the restrictions contained therein.

ARTICLE VIII

A. Limitation on Liability. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to the Corporation or its stockholders; (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (3) under Section 174 of the Delaware General Corporation Law; or (4) for any transaction from which the director derived an improper personal benefit.

If the Delaware General Corporation Law hereafter is amended to further eliminate or limit the liability of directors, then the liability of a director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended Delaware General Corporation Law.

B. Indemnification. Each person who is or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties

and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in the second paragraph hereof, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding

(or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this section shall be a contract right and shall include the right to be paid by the Corporation for any expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the Delaware General Corporation Law requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this section or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of directors and officers.

If a claim under the first paragraph of this section is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this section shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Restated Certificate of Incorporation, by law, agreement, vote of stockholders or disinterested directors or otherwise.

C. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

D. Repeal and Modification. Any repeal or modification of the foregoing provisions of this Article VIII shall not adversely affect any right or protection of any director, officer, employee or agent of the Corporation existing at the time of such repeal or modification. To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) agents of the Corporation (and any other persons to which Delaware law permits the Corporation to provide indemnification) through bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested

directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the Delaware General Corporation Law, subject only to limits created by applicable Delaware

law (statutory or non-statutory), with respect to actions for breach of duty to the Corporation, its stockholders, and others.

ARTICLE IX

The Board of Directors is expressly empowered to adopt, amend or repeal the by-laws of the Corporation; provided, however, that any adoption, amendment or repeal of the by-laws of the Corporation by the Board of Directors shall require the approval of at least sixty-six and two-thirds percent (66-2/3%) of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any resolution providing for adoption, amendment or repeal is presented to the Board of Directors). The stockholders shall also have the power to adopt, amend or repeal the by-laws of the Corporation, provided, however, that in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of the stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required for such adoption, amendment or repeal by the stockholders of any provisions of the by-laws of the Corporation.

ARTICLE X

Notwithstanding any other provision of this Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of the stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend in any respect or repeal this Article X, or Articles V, VI, VIII and IX.

FIFTH: This Restated Certificate of Incorporation was duly adopted by the Board of Directors of the Corporation.

SIXTH: This Restated Certificate of Incorporation was duly adopted by the stockholders in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware. Written consent of the stockholders has been given with respect to this Restated Certificate of Incorporation in accordance with Section 228 of the General Corporation Law of the State of Delaware, and written notice has been given as provided in Section 228.

IN WITNESS WHEREOF, SYNnex Corporation has caused this certificate to be signed by its President and Secretary this 1st day of December, 2003.

/s/ Robert Huang

Robert Huang
President and Chief
Executive Officer

/s/ Simon Leung

Simon Leung
Secretary

**CERTIFICATE OF AMENDMENT TO
CERTIFICATE OF INCORPORATION OF
SYNNEX CORPORATION**

SYNNEX Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware, hereby certifies as follows:

1: The name of the corporation is SYNNEX Corporation (the “*Company*”). The original Certificate of Incorporation of the Company was filed with the Secretary of State of Delaware on September 4, 2003 under the name SYNNEX Corp.

SECOND: This amendment to the Certificate of Incorporation of the Company as set forth below has been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware by the stockholders and directors of the Company.

THIRD: Article IV(A) of the Certificate of Incorporation as presently in effect is amended to read in its entirety as follows:

“A. Classes of Stock. The total number of shares of all classes of capital stock that the Corporation shall have authority to issue is two hundred five million (205,000,000), of which two hundred million (200,000,000) shares of the par value of \$0.001 each shall be Common Stock (the “Common Stock”) and five million (5,000,000) shares of the par value of \$0.001 each shall be Preferred Stock (the “Preferred Stock”). The number of authorized shares of Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the then outstanding shares of Common Stock, without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such Preferred Stock holders is required pursuant to the provisions established by the Board of Directors of the Corporation (the “Board of Directors”) in the resolution or resolutions providing for the issue of such Preferred Stock, and if such holders of such Preferred Stock are so entitled to vote thereon, then, except as may otherwise be set forth in this Restated Certificate of Incorporation, the only stockholder approval required shall be the affirmative vote of a majority of the combined voting power of the Common Stock and the Preferred Stock so entitled to vote.”

FOURTH: All other provisions of the Certificate of Incorporation remain in full force and effect.



IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment to be signed by its duly authorized officer this 31st day of August, 2021.

SYNNEX CORPORATION

By: /s/ Marshall Witt

Name: Marshall Witt

Title: Chief Financial Officer

**CERTIFICATE OF AMENDMENT OF
RESTATED CERTIFICATE OF INCORPORATION OF
SYNNEX CORPORATION**

SYNNEX Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware (the “**Corporation**”), DOES HEREBY CERTIFY:

FIRST: The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on September 4, 2003.

SECOND: This amendment to the Restated Certificate of Incorporation of the Corporation as set forth below has been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware by the directors of the Corporation.

THIRD: Article I of the Restated Certificate of Incorporation as presently in effect is amended to read in its entirety as follows effective November 3, 2021 at 12:01 am Eastern Time:

“The name of the corporation is TD SYNNEX Corporation (the
“**Corporation**”).”

FOURTH: All other provisions of the Restated Certificate of Incorporation remain in full force and effect.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its Chief Legal Officer and Corporate Secretary this 22nd day of October 2021.

SYNNEX CORPORATION

By /s/ David Vetter

David Vetter
Chief Legal
Officer and
Corporate
Secretary



CERTIFICATE OF AMENDMENT TO
CERTIFICATE OF INCORPORATION OF
TD SYNnex CORPORATION

TD SYNnex Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware, hereby certifies as follows:

FIRST: The name of the corporation is TD SYNnex Corporation (the “*Company*”). The original Certificate of Incorporation of the Company was filed with the Secretary of State of Delaware on September 4, 2003 under the name SYNnex Corp.

SECOND: This amendment to the Certificate of Incorporation of the Company as set forth below has been duly adopted in accordance with the provisions of Sections 242 of the General Corporation Law of the State of Delaware by the stockholders and directors of the Company.

THIRD: A new Article XI of the Certificate of Incorporation is hereby added as follows:

ARTICLE XI

A. Recognition of Corporate Opportunities. In recognition and anticipation that (i) certain directors, officers, principals, partners, members, managers, employees, agents and/or other representatives of the Apollo Entities (as defined below) and their respective Affiliates (as defined below) may serve as directors, officers or agents of the Corporation and its Affiliates, and (ii) the Apollo Entities and their respective Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Corporation and Affiliates, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Corporation and its Affiliates, directly or indirectly, may engage, the provisions of this Article XI are set forth to regulate and define the conduct of certain affairs of the Corporation and its Affiliates with respect to certain classes or categories of business opportunities as they may involve the Apollo Entities and their respective Affiliates and any person or entity who, while a stockholder, director, officer or agent of the Corporation or any of its Affiliates, is a director, officer, principal, partner, member, manager, employee, agent and/or other representative of the Apollo Entities and their respective Affiliates (each, an “Identified Person”), on the one hand, and the powers, rights, duties and liabilities of the Corporation and its Affiliates and its and their respective stockholders, directors, officers, and agents in connection therewith, on the other. To the fullest extent permitted by law (including, without limitation, the Delaware General Corporation Law), each Identified Person (i) shall have the right to, directly or indirectly, engage in and possess interests in other business ventures of every type and description, including those engaged in the same or similar business activities or lines of business as the Corporation or any of its Affiliates or deemed to be competing with the Corporation or any of its Affiliates, whether on its own account or as a partner, equity holder, controlling person, stockholder, director, officer, employee, agent, Affiliate (including any portfolio company), member, financing source, investor, manager, or assignee of any other person or entity, with no obligation to offer to the Corporation or its subsidiaries or other Affiliates the right to participate therein and (ii) shall have the right to invest in, or provide services to, any person that is engaged in the same or similar business activities as the Corporation or its Affiliates or that directly or indirectly competes with the Corporation or any of its Affiliates.

B. Competitive Opportunities. In the event that any Identified Person acquires knowledge of a potential transaction or matter which may be an investment, corporate or business opportunity or prospective economic or competitive advantage in which the Corporation or its Affiliates could have an interest or expectancy (contractual, equitable or otherwise) (a “Competitive Opportunity”) or otherwise is then exploiting any Competitive Opportunity, to the fullest extent permitted under the Delaware

General Corporation Law, the Corporation and its Affiliates will have no interest in, and no expectation that such Competitive Opportunity be offered to it, except as may be otherwise agreed in writing between the Corporation and the Apollo Entities. To the fullest extent permitted by law, any such interest or expectation (contractual, equitable or otherwise) is hereby renounced so that such Identified Person shall (i) have no duty to communicate or present such Competitive Opportunity to the Corporation or its Affiliates, (ii) have the right to either hold any such Competitive Opportunity for such Identified Person's own account and benefit or the account of the Apollo Entities and their respective Affiliates or Identified Person's Affiliates or to direct, recommend, assign or otherwise transfer such Competitive Opportunity to persons or entities other than the Corporation or any of its subsidiaries, Affiliates or direct or indirect equity holders and (iii) notwithstanding any provision in this Restated Certificate of Incorporation, as amended, to the contrary, not be obligated or liable to the Corporation, any stockholder, director or officer of the Corporation or any other person or entity by reason of the fact that such Identified Person, directly or indirectly, took any of the actions noted in the immediately

preceding clause (ii), pursued or acquired such Competitive Opportunity for itself or any other person or entity or failed to communicate or present such Competitive Opportunity to the Corporation or its Affiliates.

C. Acknowledgement. Any person or entity purchasing or otherwise acquiring or holding any interest in any shares of capital stock of the Corporation or any other interest in the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article XI.

D. Interpretation; Duties. In the event of a conflict or other inconsistency between this Article XI and any other Article or provision of this Restated Certificate of Incorporation, as amended, this Article XI shall prevail under all circumstances. Notwithstanding anything to the contrary herein, under no circumstances shall (i) an employee of the Corporation or any of its subsidiaries be deemed to be an “Identified Person”, and (ii) the Corporation be deemed to have waived or renounced any interest or expectancy of the Corporation in, or in being offered any opportunity to participate in, any Competitive Opportunity that is presented to an employee of the Corporation or any of its subsidiaries, irrespective of whether such employee (a) is a director or officer of the Corporation or any of its subsidiaries or their respective affiliates or (b) otherwise would be an Identified Person absent being an employee of the Corporation or any of its subsidiaries.

E. Section 122(17) of the Delaware General Corporation Law. For the avoidance of doubt, subject to paragraph D of this Article XI, this Article XI is intended to constitute, with respect to the Identified Persons, a disclaimer and renunciation, to the fullest extent permitted under Section 122(17) of the Delaware General Corporation Law, of any right of the Corporation or any of its Affiliates with respect to the matters set forth in this Article XI, and this Article XI shall be construed to effect such disclaimer and renunciation to the fullest extent permitted under the Delaware General Corporation Law.

F. Definitions. Solely for purposes of this Article XI, “Affiliate” shall mean (i) with respect to the Apollo Entities, any person or entity that, directly or indirectly, is controlled by an Apollo Entity, controls an Apollo Entity, or is under common control with an Apollo Entity, but excluding (a) the Corporation, and (b) any entity that is controlled by the Corporation (including its direct and indirect subsidiaries), and (ii) in respect of the Corporation, any person or entity that, directly or indirectly, is controlled by the Corporation; and “Apollo Entities” shall mean, collectively, Apollo Global Management, Inc., its subsidiaries (collectively, “Apollo”), and investment funds managed, sponsored or advised by affiliates of Apollo, including Apollo Management IX, L.P.

G. Amendment. Notwithstanding any other provision of this Restated Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of the stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend in any respect or repeal this Article XI.

FOURTH: All other provisions of the Certificate of Incorporation remain in full force and effect.

IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment to be signed by its duly authorized officer this 17th day of March, 2022.

**TD SYNEX
CORPORATION**

By: /s/ David
Vetter

Name: David Vetter

Title: Chief Legal Officer,
Corporate Secretary

TD SYNnex CORPORATION
2020 STOCK INCENTIVE PLAN

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TD SYNnex CORPORATION
2020 STOCK INCENTIVE PLAN

SECTION 1. ESTABLISHMENT AND PURPOSE.

The Plan was adopted by the Board of Directors effective upon approval by the stockholders at the annual meeting on March 17 2020 (the “Effective Date”).

The purpose of the Plan is to promote the long-term success of the Company and the creation of stockholder value by (a) encouraging Employees, Outside Directors and Consultants to focus on critical long-range objectives, (b) encouraging the attraction and retention of Employees, Outside Directors and Consultants with exceptional qualifications and (c) linking Employees, Outside Directors and Consultants directly to stockholder interests through increased stock ownership. The Plan seeks to achieve this purpose by providing for Awards in the form of restricted shares, stock units, options (which may constitute incentive stock options or nonstatutory stock options) or stock appreciation rights.

SECTION 2. DEFINITIONS.

(a) “*Affiliate*” shall mean any entity other than a Subsidiary, if the Company and/or one or more Subsidiaries own not less than 50% of such entity.

(b) “*Award*” shall mean any award of an Option, a SAR, a Restricted Share or a Stock Unit under the Plan.

(c) “*Board of Directors*” shall mean the Board of Directors of the Company, as constituted from time to time.

(d) “*Change in Control*” shall mean the occurrence of any of the following events:

(i) A change in the composition of the Board of Directors occurs, as a result of which fewer than one-half of the incumbent directors are directors who either:

(A) Had been directors of the Company on the “look-back date” (as defined below) (the “original directors”); or

(B) Were elected, or nominated for election, to the Board of Directors with the affirmative votes of at least a majority of the aggregate of the original directors who were still in office at the time of the election or nomination and the directors whose election or nomination was previously so approved (the “continuing directors”); provided, however, that for this purposes, the “original directors” and “continuing directors” shall not include any individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents, by or on behalf of a person other than the Board; or

(ii) Any “person” (as defined below) who by the acquisition or aggregation of securities, is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company’s then outstanding securities ordinarily (and apart from rights accruing under special circumstances) having the right to vote at elections of directors (the “Base Capital Stock”); except that any change in the relative beneficial ownership of the Company’s securities by any person resulting solely from a reduction in the aggregate number of outstanding shares of Base Capital Stock, and any decrease thereafter in such person’s ownership of securities, shall be disregarded until such person increases in any manner, directly or indirectly, such person’s beneficial ownership of any securities of the Company; or

(iii) The consummation of a merger or consolidation of the Company with or into another entity or any other corporate reorganization, if persons who were not stockholders of the Company immediately prior to such merger, consolidation or other reorganization own immediately after such merger, consolidation or other reorganization 50% or more of the voting power of the outstanding securities of each of (A) the continuing or surviving entity and (B) any direct or indirect parent corporation of such continuing or surviving entity; or

(iv) The sale, transfer or other disposition of all or substantially all of the Company’s assets.

For purposes of subsection (d)(i) above, the term “look-back” date shall mean the later of (1) the Effective Date or (2) the date 24 months prior to the date of the event that may constitute a Change in Control.

For purposes of subsection (d)(ii) above, the term “person” shall have the same meaning as when used in Sections 13(d) and 14(d) of the Exchange Act but shall exclude (1) a trustee or other fiduciary holding securities under an employee benefit plan maintained by the Company or a Parent or Subsidiary and (2) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the Stock.

Any other provision of this Section 2(d) notwithstanding, a transaction shall not constitute a Change in Control if its sole purpose is to change the state of the Company’s incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company’s securities immediately before such transaction, and a Change in Control shall not be deemed to occur if the Company files a registration statement with the Securities and Exchange Commission for the offering of securities or debt of the Company to the public.

(e) “Code” shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

(f) “Committee” shall mean the Compensation Committee as designated by the Board of Directors, which is authorized to administer the Plan, as described in Section 3 hereof.

(g) “Company” shall mean TD SYNEX Corporation, a Delaware Corporation.

(h) “Consultant” shall mean an individual who is a consultant or advisor who provides bona fide services to the Company, a Parent, a Subsidiary or an Affiliate as an

independent contractor or a member of the board of directors of a Parent or a Subsidiary who is not an Employee. Service as a Consultant shall be considered Service for all purposes of the Plan.

(i) “*Disability*” shall mean any permanent and total disability as defined by Section 22(e)(3) of the Code.

(j) “*Employee*” shall mean any individual who is a common-law employee of the Company, a Parent, a Subsidiary or an Affiliate.

(k) “*Exchange Act*” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(l) “*Exercise Price*” shall mean, in the case of an Option, the amount for which one Share may be purchased upon exercise of such Option, as specified in the applicable Stock Option Agreement. “*Exercise Price*,” in the case of a SAR, shall mean an amount, as specified in the applicable SAR Agreement, which is subtracted from the Fair Market Value of one Share in determining the amount payable upon exercise of such SAR.

(m) “*Fair Market Value*” with respect to a Share, shall mean the market price of one Share of Stock, determined by the Committee as follows:

(i) If the Stock was traded over-the-counter on the date in question, then the Fair Market Value shall be equal to the last transaction price quoted for such date by the OTC Bulletin Board or, if not so quoted, shall be equal to the mean between the last reported representative bid and asked prices quoted for such date by the principal automated inter-dealer quotation system on which the Stock is quoted or, if the Stock is not quoted on any such system, by the Pink Quote system;

(ii) If the Stock was traded on any established stock exchange (such as the New York Stock Exchange, The Nasdaq Global Market or The Nasdaq Global Select Market) or national market system on the date in question, then the Fair Market Value shall be equal to the closing price reported for such date by the applicable exchange or system; and

(iii) If none of the foregoing provisions is applicable, then the Fair Market Value shall be determined by the Committee in good faith on such basis as it deems appropriate.

In all cases, the determination of Fair Market Value by the Committee shall be conclusive and binding on all persons.

(n) “*ISO*” shall mean an employee incentive stock option described in Section 422 of the Code.

(o) “*Misconduct*” shall mean the commission of any act of fraud, embezzlement or dishonesty by the Participant, any unauthorized use or disclosure by the Participant of confidential information or trade secrets of the Company (or any Parent, Subsidiary or Affiliate), or any other intentional misconduct by the Participant adversely affecting the business or affairs of the Company (or any Parent, Subsidiary or Affiliate) in a material manner. The foregoing definition shall not be deemed to be inclusive of all the acts or omissions which the Company (or

any Parent, Subsidiary or Affiliate) may consider as grounds for the dismissal or discharge of the Participant or any other individual in the Service of the Company (or any Parent, Subsidiary or Affiliate).

(p) “*Nonstatutory Option*” or “*NSO*” shall mean an employee stock option that is not an ISO.

(q) “*Offeree*” shall mean an individual to whom the Committee has offered the right to acquire Shares under the Plan (other than upon exercise of an Option or SAR).

(r) “*Option*” shall mean an ISO or Nonstatutory Option granted under the Plan and entitling the holder to purchase Shares.

(s) “*Optionee*” shall mean the holder of an Option or SAR.

(t) “*Outside Director*” shall mean a member of the Board of Directors who is not a common-law employee of the Company, a Parent, a Subsidiary or an Affiliate. Service as an Outside Director shall be considered Service for all purposes of the Plan.

(u) “*Parent*” shall mean any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be a Parent commencing as of such date.

(v) “*Participant*” shall mean the holder of an Award.

(w) “*Plan*” shall mean this 2020 Stock Incentive Plan of TD SYNEX Corporation, as amended from time to time.

(x) “*Purchase Price*” shall mean the consideration for which one Share may be acquired under the Plan (other than upon exercise of an Option or SAR), as specified by the Committee.

(y) “*Restricted Share*” shall mean a Share awarded under the Plan.

(z) “*Restricted Share Agreement*” shall mean the agreement between the Company and the recipient of a Restricted Share which contains the terms, conditions and restrictions pertaining to such Restricted Shares.

(aa) “*SAR*” shall mean a stock appreciation right granted under the Plan.

(bb) “*SAR Agreement*” shall mean the agreement between the Company and an Optionee which contains the terms, conditions and restrictions pertaining to his or her SAR.

(cc) “*Service*” shall mean service as an Employee, Consultant or Outside Director, subject to such further limitations as may be set forth in the Plan or the applicable Stock Option Agreement, SAR Agreement, Restricted Share Agreement or Stock Unit Agreement, and as determined in the sole discretion of the Committee. Service does not terminate when an

Employee goes on a bona fide leave of absence, that was approved by the Company in writing, if the terms of the leave provide for continued service crediting, or when continued service crediting is required by applicable law. However, for purposes of determining whether an Option is entitled to ISO status, an Employee's Service will be treated as terminating three months after such Employee went on leave, unless such Employee's right to return to active work is guaranteed by law or by a contract. Service terminates in any event when the approved leave ends, unless such Employee immediately returns to active work. The Company determines which leaves count toward Service, and when Service terminates for all purposes under the Plan.

(dd) "*Share*" shall mean one share of Stock, as adjusted in accordance with Section 11 (if applicable).

(ee) "*Stock*" shall mean the Common Stock of the Company.

(ff) "*Stock Option Agreement*" shall mean the agreement between the Company and an Optionee that contains the terms, conditions and restrictions pertaining to such Option.

(gg) "*Stock Unit*" shall mean a bookkeeping entry representing the Company's obligation to deliver one Share (or distribute cash) on a future date in accordance with the terms, conditions and restrictions of a Stock Unit Agreement.

(hh) "*Stock Unit Agreement*" shall mean the agreement between the Company and the recipient of a Stock Unit which contains the terms, conditions and restrictions pertaining to such Stock Unit.

(ii) "*Subsidiary*" shall mean any corporation, if the Company and/or one or more other Subsidiaries own not less than 50% of the total combined voting power of all classes of outstanding stock of such corporation. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

SECTION 3. ADMINISTRATION.

(a) *Committee Composition.* The Plan shall be administered by the Committee. The Committee shall consist of two or more directors of the Company, who shall be appointed by the Board. In addition, to the extent required by the Board, the composition of the Committee shall satisfy such requirements as the Securities and Exchange Commission may establish for administrators acting under plans intended to qualify for exemption under Rule 16b-3 (or its successor) under the Exchange Act.

(b) *Committee for Non-Officer Grants.* The Board may also appoint one or more separate committees of the Board, each composed of one or more directors of the Company who need not satisfy the requirements of Section 3(a), who may administer the Plan with respect to Employees who are not considered officers or directors of the Company under Section 16 of the Exchange Act, may grant Awards under the Plan to such Employees and may determine all terms of such grants. Within the limitations of the preceding sentence, any reference in the Plan to the Committee shall include such committee or committees appointed pursuant to the preceding sentence. To the extent permitted by applicable laws, the Board of Directors may also authorize one or more officers of the Company to designate Employees, other than officers under Section 16 of the Exchange Act, to receive Awards and/or to determine the number of such Awards to be

received by such persons; provided, however, that the Board of Directors shall specify the total number of Awards that such officers may so award.

(c) *Committee Procedures.* The Board of Directors shall designate one of the members of the Committee as chairman. The Committee may hold meetings at such times and places as it shall determine. The acts of a majority of the Committee members present at meetings at which a quorum exists, or acts reduced to or approved in writing (including via email) by all Committee members, shall be valid acts of the Committee.

(d) *Committee Responsibilities.* Subject to the provisions of the Plan, the Committee shall have full authority and discretion to take the following actions:

- (i) To interpret the Plan and to apply its provisions;
- (ii) To adopt, amend or rescind rules, procedures and forms relating to the Plan;
- (iii) To adopt, amend or terminate sub-plans established for the purpose of satisfying applicable foreign laws including qualifying for preferred tax treatment under applicable foreign laws;
- (iv) To authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;
- (v) To determine when Awards are to be granted under the Plan;
- (vi) To select the Offerees and Optionees;
- (vii) To determine the type of Award and number of Shares or amount of cash to be made subject to each Award;
- (viii) To prescribe the terms and conditions of each Award, including (without limitation) the Exercise Price and Purchase Price, and the vesting or duration of the Award (including accelerating the vesting of Awards, either at the time of the Award or thereafter, without the consent of the Participant), to determine whether an Option is to be classified as an ISO or as a Nonstatutory Option, and to specify the provisions of the agreement relating to such Award;
- (ix) To amend any outstanding Award agreement, subject to applicable legal restrictions and to the consent of the Participant if the Participant's rights or obligations would be materially impaired;
- (x) To prescribe the consideration for the grant of each Award or other right under the Plan and to determine the sufficiency of such consideration;
- (xi) To determine the disposition of each Award or other right under the Plan in the event of a Participant's divorce or dissolution of marriage;

(xii) To determine whether Awards under the Plan will be granted in replacement of other grants under an incentive or other compensation plan of an acquired business;

(xiii) To correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any Award agreement;

(xiv) To establish or verify the extent of satisfaction of any performance goals or other conditions applicable to the grant, issuance, exercisability, vesting and/or ability to retain any Award; and

(xv) To take any other actions deemed necessary or advisable for the administration of the Plan.

Subject to the requirements of applicable law, the Committee may designate persons other than members of the Committee to carry out its responsibilities and may prescribe such conditions and limitations as it may deem appropriate, except that the Committee may not delegate its authority with regard to the selection for participation of or the granting of Options or other rights under the Plan to persons subject to Section 16 of the Exchange Act. All decisions, interpretations and other actions of the Committee shall be final and binding on all Offerees, all Optionees, and all persons deriving their rights from an Offeree or Optionee. No member of the Committee shall be liable for any action that he has taken or has failed to take in good faith with respect to the Plan, any Option, or any right to acquire Shares under the Plan.

(e) *Cancellation and Re-Grant of Stock Awards.* Notwithstanding any contrary provision of the Plan, neither the Board nor any Committee, nor their designees, shall have the authority to: (i) amend the terms of outstanding Options or SARs to reduce the Exercise Price thereof, or (ii) cancel outstanding Options or SARs with an Exercise Price above the current Fair Market Value per Share in exchange for another Option, SAR or other Award, unless the stockholders of the Company have previously approved such an action or such action relates to an adjustment pursuant to Section 11.

SECTION 4. ELIGIBILITY.

(a) *General Rule.* Only common-law employees of the Company, a Parent or a Subsidiary shall be eligible for the grant of ISOs. Only Employees, Consultants and Outside Directors shall be eligible for the grant of Restricted Shares, Stock Units, Nonstatutory Options or SARs.

(b) *Automatic Grants to Outside Directors.*

(i) Each Outside Director who first joins the Board of Directors on or after the date of the Company's 2020 annual meeting, and who was not previously an Employee, shall receive a number of whole Restricted Shares equal to the quotient of (x) \$150,000 prorated for the number of months out of twelve that the Outside Director is expected to serve between the Outside Director's appointment or election to the Board of Directors and the next regular annual meeting of the Company's stockholders, rounded to the nearest month (y) divided by the Fair Market Value of a Share as of the grant date. For purposes of the calculation in the preceding sentence, any fractional Restricted Shares shall be disregarded. The grant date for Restricted

Shares granted pursuant to this Section 4(b)(i) shall be the first trading day after the election of the Outside Director to the Board of Directors; provided if the first trading day after his or her election falls within a trading blackout period, then the grant date for Restricted Shares shall be upon the expiration of the third trading day after the trading black-out period ends.

(ii) On the first trading day following the conclusion of each regular annual meeting of the Company's stockholders after such Outside Director's appointment or election to the Board of Directors, commencing with the first annual meeting occurring on or after the date of the Company's 2020 annual meeting, each Outside Director who will continue serving as a member of the Board of Directors thereafter shall receive a number of whole Restricted Shares equal to \$150,000 divided by the Fair Market Value of a Share as of such grant date, provided if the first trading day following the conclusion of the regular annual meeting of the Company's stockholders after such Outside Director's appointment or election to the Board of Directors falls within a trading black-out period, then the grant date for Restricted Shares granted pursuant to this Section 4(b)(ii) shall be upon the expiration of the third trading day after the trading blackout period ends. For purposes of the calculation in the preceding sentence, any fractional Restricted Shares shall be disregarded.

(iii) The Board or the Committee in its discretion may change or otherwise revise the terms of the Awards granted to Outside Directors under this Section 4(b), including, without limitation, the number of Shares subject thereto and the type of Award to be granted under this Section 4(b), for Awards granted on or after the date the Board or Committee determines to make any such change or revision.

(c) *Ten-Percent Stockholders.* An Employee who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company, a Parent or Subsidiary shall not be eligible for the grant of an ISO unless such grant satisfies the requirements of Section 422(c)(5) of the Code.

(d) *Attribution Rules.* For purposes of Section 4(c) above, in determining stock ownership, an Employee shall be deemed to own the stock owned, directly or indirectly, by or for such Employee's brothers, sisters, spouse, ancestors and lineal descendants. Stock owned, directly or indirectly, by or for a corporation, partnership, estate or trust shall be deemed to be owned proportionately by or for its stockholders, partners or beneficiaries.

(e) *Outstanding Stock.* For purposes of Section 4(c) above, "outstanding stock" shall include all stock actually issued and outstanding immediately after the grant. "Outstanding stock" shall not include shares authorized for issuance under outstanding options held by the Employee or by any other person.

SECTION 5. STOCK SUBJECT TO PLAN.

(a) *Basic Limitation.* Shares offered under the Plan shall be authorized but unissued Shares or treasury Shares. Subject to Section 5(b) below, the maximum aggregate number of Shares authorized for issuance as Awards under the Plan shall not exceed the sum of (i) the number of Shares subject to outstanding awards granted under the Company's 2003 Stock Incentive Plan and the Company's 2013 Stock Incentive Plan (the "Predecessor Plans"), as of the Effective Date, to the extent those awards expire, terminate or are cancelled for any reason

without the issuance or delivery of such Shares, any Shares subject to vesting restrictions under the Predecessor Plans on the Effective Date that are subsequently forfeited, and any reserved Shares not issued or subject to outstanding awards under the Predecessor Plans on the Effective Date, plus (ii) 2,493,196 Shares; provided, however, that such sum shall not exceed 3,950,000 Shares (the “Absolute Share Limit”). The number of Shares that may be delivered in the aggregate pursuant to the exercise of ISOs granted under the Plan shall not exceed the Absolute Share Limit plus, to the extent allowable under Section 422 of the Code and the Treasury Regulations promulgated thereunder, any Shares that become available for issuance under the Plan pursuant to Section 5(b). The limitations of this Section 5(a) shall be subject to adjustment pursuant to Section 11. The number of Shares that are subject to outstanding Awards at any time under the Plan shall not exceed the number of Shares which then remain available for issuance under the Plan. The Company, during the term of the Plan, shall at all times reserve and keep available sufficient Shares to satisfy the requirements of the Plan.

(b) *Additional Shares.* If Restricted Shares or Shares issued upon the exercise of Options are forfeited, then such Shares shall again become available for Awards under the Plan. If Stock Units, Options or SARs are forfeited or terminate for any reason before being exercised or settled, as applicable, or an Award is settled in cash without the delivery of Shares to the holder, then the corresponding Shares shall again become available for Awards under the Plan. If Stock Units are settled, then only the number of Shares (if any) actually issued in settlement of such Stock Units (and not forfeited) shall reduce the number available under Section 5(a) and the balance shall again become available for Awards under the Plan. If SARs are exercised, then only the number of Shares (if any) actually issued in settlement of such SARs (and not forfeited) shall reduce the number available in Section 5(a) and the balance shall again become available for Awards under the Plan. Shares that have actually been issued shall not again become available for Awards under the Plan, except for Shares that are forfeited and do not become vested.

(c) *Substitution and Assumption of Awards.* The Committee may make Awards under the Plan by assumption, substitution or replacement of stock options, stock appreciation rights, stock units or similar awards granted by another entity (including a Parent or Subsidiary), if such assumption, substitution or replacement is in connection with an asset acquisition, stock acquisition, merger, consolidation or similar transaction involving the Company (and/or its Parent or Subsidiary) and such other entity (and/or its affiliate). The terms of such assumed, substituted or replaced Awards shall be as the Committee, in its discretion, determines is appropriate, notwithstanding limitations on Awards in the Plan. Any such substitute or assumed Awards shall not count against the Share limitation set forth in Section 5(a) (nor shall Shares subject to such Awards be added to the Shares available for Awards under the Plan as provided in Section 5(b) above), except that Shares acquired by exercise of substitute ISOs will count against the maximum number of Shares that may be issued pursuant to the exercise of ISOs under the Plan.

SECTION 6. RESTRICTED SHARES

(a) *Restricted Stock Agreement.* Each grant of Restricted Shares under the Plan shall be evidenced by a Restricted Stock Agreement between the recipient and the Company. Such Restricted Shares shall be subject to all applicable terms of the Plan and may be subject to any

other terms that are not inconsistent with the Plan. The provisions of the various Restricted Stock Agreements entered into under the Plan need not be identical.

(b) *Payment for Awards.* Subject to the following sentence, Restricted Shares may be sold or awarded under the Plan for such consideration as the Committee may determine, including (without limitation) cash, cash equivalents, full-recourse promissory notes, past services and future services.

(c) *Vesting.* Each Award of Restricted Shares may or may not be subject to vesting. Vesting shall occur, in full or in installments, upon satisfaction of the conditions specified in the Restricted Stock Agreement. A Restricted Stock Agreement may provide for accelerated vesting in the event of the Participant's death, Disability or retirement or other events. The Committee may determine, at the time of granting Restricted Shares of thereafter, that all or part of such Restricted Shares shall become vested in the event that a Change in Control occurs with respect to the Company.

(d) *Voting and Dividend Rights.* The holders of Restricted Shares awarded under the Plan shall have the same voting, dividend and other rights as the Company's other stockholders. A Restricted Stock Agreement, however, may require that the holders of Restricted Shares invest any cash dividends received in additional Restricted Shares. Such additional Restricted Shares shall be subject to the same conditions and restrictions as the Award with respect to which the dividends were paid.

(e) *Restrictions on Transfer of Shares.* Restricted Shares shall be subject to such rights of repurchase, rights of first refusal or other restrictions as the Committee may determine. Such restrictions shall be set forth in the applicable Restricted Stock Agreement and shall apply in addition to any general restrictions that may apply to all holders of Shares.

SECTION 7. TERMS AND CONDITIONS OF OPTIONS.

(a) *Stock Option Agreement.* Each grant of an Option under the Plan shall be evidenced by a Stock Option Agreement between the Optionee and the Company. Such Option shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions which are not inconsistent with the Plan and which the Committee deems appropriate for inclusion in a Stock Option Agreement. The Stock Option Agreement shall specify whether the Option is an ISO or an NSO. The provisions of the various Stock Option Agreements entered into under the Plan need not be identical. Options may be granted in consideration of a reduction in the Participant's other compensation.

(b) *Number of Shares.* Each Stock Option Agreement shall specify the number of Shares that are subject to the Option and shall provide for the adjustment of such number in accordance with Section 11.

(c) *Exercise Price.* Each Stock Option Agreement shall specify the Exercise Price. The Exercise Price of an ISO shall not be less than 100% of the Fair Market Value of a Share on the date of grant, except as otherwise provided in 4(c), and the Exercise Price of an NSO shall not be less than 100% of the Fair Market Value of a Share on the date of grant.

Notwithstanding the foregoing, Options may be granted with an Exercise Price of less than 100% of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code. Subject to the foregoing in this Section 7(c), the Exercise Price under any Option shall be determined by the Committee in its sole discretion. The Exercise Price shall be payable in one of the forms described in Section 8.

(d) *Withholding Taxes.* As a condition to the exercise of an Option, the Optionee shall make such arrangements as the Committee may require for the satisfaction of any federal, state, local or foreign withholding tax obligations that may arise in connection with such exercise. The Optionee shall also make such arrangements as the Committee may require for the satisfaction of any federal, state, local or foreign withholding tax obligations that may arise in connection with the disposition of Shares acquired by exercising an Option.

(e) *Exercisability and Term.* Each Stock Option Agreement shall specify the date when all or any installment of the Option is to become exercisable. The Stock Option Agreement shall also specify the term of the Option; provided that the term of an ISO shall in no event exceed 10 years from the date of grant (five years for Employees described in Section 4(c)). A Stock Option Agreement may provide for accelerated exercisability in the event of the Optionee's death, Disability, or retirement or other events and may provide for expiration prior to the end of its term in the event of the termination of the Optionee's Service. Options may be awarded in combination with SARs, and such an Award may provide that the Options will not be exercisable unless the related SARs are forfeited.

Subject to the foregoing in this Section 7(e), the Committee at its sole discretion shall determine when all or any installment of an Option is to become exercisable and when an Option is to expire.

(f) *Exercise of Options Upon Termination of Service.* Each Stock Option Agreement shall set forth the extent to which the Optionee shall have the right to exercise the Option following termination of the Optionee's Service with the Company and its Subsidiaries, and the right to exercise the Option of any executors or administrators of the Optionee's estate or any person who has acquired such Option(s) directly from the Optionee by bequest or inheritance. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Options issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination of Service.

(g) *Effect of Change in Control.* The Committee may determine, at the time of granting an Option or thereafter, that such Option shall become exercisable as to all or part of the Shares subject to such Option in the event that a Change in Control occurs with respect to the Company.

(h) *Leaves of Absence.* An Employee's Service shall cease when such Employee ceases to be actively employed by, or a Consultant to, the Company (or any Subsidiary) as determined in the sole discretion of the Board of Directors.

(i) *No Rights as a Stockholder.* An Optionee, or a transferee of an Optionee, shall have no rights as a stockholder with respect to any Shares covered by his Option until the date of

the issuance of a stock certificate for such Shares. No adjustments shall be made, except as provided in Section 11.

(j) *Modification and Extension of Options.* Within the limitations of the Plan, the Committee may modify or extend outstanding Options or may accept the cancellation of outstanding Options (to the extent not previously exercised), whether or not granted hereunder, in return for the grant of new Options for the same or a different number of Shares and at the same or a different Exercise Price, or in return for the grant of a different Award for the same or a different number of Shares, without stockholder approval.

The foregoing notwithstanding, no modification of an Option shall, without the consent of the Optionee, materially impair his or her rights or obligations under such Option.

(k) *Restrictions on Transfer of Shares.* Any Shares issued upon exercise of an Option shall be subject to such special forfeiture conditions, rights of repurchase, rights of first refusal and other transfer restrictions as the Committee may determine. Such restrictions shall be set forth in the applicable Stock Option Agreement and shall apply in addition to any general restrictions that may apply to all holders of Shares.

(l) *Buyout Provisions.* The Committee may at any time (a) offer to buy out for a payment in cash or cash equivalents an Option previously granted or (b) authorize an Optionee to elect to cash out an Option previously granted, in either case provided the Exercise Price of the Option is no greater than the Fair Market Value of a Share as of the date of payment or cash out, the Optionee shall not be entitled to new Options in connection with such buy out or cash out, and otherwise such buy out or cash out shall be at such time and based upon such terms and conditions as the Committee shall establish.

SECTION 8. PAYMENT FOR SHARES.

(a) *General Rule.* The entire Exercise Price or Purchase Price of Shares issued under the Plan shall be payable in lawful money of the United States of America at the time when such Shares are purchased, except as provided in Section 8(b) through 8(g) below.

(b) *Surrender of Stock.* To the extent that a Stock Option Agreement so provides, payment may be made all or in part by surrendering, or attesting to the ownership of, Shares which have already been owned by the Optionee or his representative. Such Shares shall be valued at their Fair Market Value on the date when the new Shares are purchased under the Plan. The Optionee shall not surrender, or attest to the ownership of, Shares in payment of the Exercise Price if such action would cause the Company to recognize compensation expense (or additional compensation expense) with respect to the Option for financial reporting purposes.

(c) *Services Rendered.* At the discretion of the Committee, Shares may be awarded under the Plan in consideration of services rendered to the Company or a Subsidiary prior to the award. If Shares are awarded without the payment of a Purchase Price in cash, the Committee shall make a determination (at the time of the Award) of the value of the services rendered by the Offeree and the sufficiency of the consideration to meet the requirements of Section 6(b).

(d) *Cashless Exercise.* To the extent that a Stock Option Agreement so provides, payment may be made all or in part by delivery (on a form prescribed by the Committee) of an

irrevocable direction to a securities broker to sell Shares and to deliver all or part of the sale proceeds to the Company in payment of the aggregate Exercise Price.

(e) *Exercise/Pledge.* To the extent that a Stock Option Agreement so provides, payment may be made all or in part by delivery (on a form prescribed by the Committee) of an irrevocable direction to a securities broker or lender to pledge Shares, as security for a loan, and to deliver all or part of the loan proceeds to the Company in payment of the aggregate Exercise Price.

(f) *Net Exercise.* To the extent that a Stock Option Agreement so provides, by a “net exercise” arrangement pursuant to which the number of Shares issuable upon exercise of the Option shall be reduced by the largest whole number of Shares having an aggregate Fair Market Value that does not exceed the aggregate Exercise Price (plus tax withholdings, if applicable) and any remaining balance of the aggregate Exercise Price (and/or applicable tax withholdings) not satisfied by such reduction in the number of whole Shares to be issued shall be paid by the Optionee in cash or other form of payment permitted under the Stock Option Agreement.

(g) *Promissory Note.* To the extent that a Stock Option Agreement or Restricted Stock Agreement so provides, payment may be made all or in part by delivering (on a form prescribed by the Company) a full-recourse promissory note.

(h) *Other Forms of Payment.* To the extent that a Stock Option Agreement or Restricted Stock Agreement so provides, payment may be made in any other form that is consistent with applicable laws, regulations and rules.

(i) *Limitations under Applicable Law.* Notwithstanding anything herein or in a Stock Option Agreement or Restricted Stock Agreement to the contrary, payment may not be made in any form that is unlawful, as determined by the Committee in its sole discretion.

SECTION 9. STOCK APPRECIATION RIGHTS.

(a) *SAR Agreement.* Each grant of a SAR under the Plan shall be evidenced by a SAR Agreement between the Optionee and the Company. Such SAR shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan. The provisions of the various SAR Agreements entered into under the Plan need not be identical. SARs may be granted in consideration of a reduction in the Participant’s other compensation.

(b) *Number of Shares.* Each SAR Agreement shall specify the number of Shares to which the SAR pertains and shall provide for the adjustment of such number in accordance with Section 11.

(c) *Exercise Price.* Each SAR Agreement shall specify the Exercise Price. The Exercise Price of a SAR shall not be less than 100% of the Fair Market Value of a Share on the date of grant. Notwithstanding the foregoing, SARs may be granted with an Exercise Price of less than 100% of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Section 424(h) of the Code. Subject to the foregoing in this Section 9(c), the Exercise Price under any SAR shall be determined by the Committee in its sole discretion.

(d) *Exercisability and Term.* Each SAR Agreement shall specify the date when all or any installment of the SAR is to become exercisable. The SAR Agreement shall also specify the term of the SAR. A SAR Agreement may provide for accelerated exercisability in the event of the Optionee's death, Disability or retirement or other events and may provide for expiration prior to the end of its term in the event of the termination of the Optionee's service. SARs may be awarded in combination with Options, and such an Award may provide that the SARs will not be exercisable unless the related Options are forfeited. A SAR may be included in an ISO only at the time of grant but may be included in an NSO at the time of grant or thereafter. A SAR granted under the Plan may provide that it will be exercisable only in the event of a Change in Control.

(e) *Effect of Change in Control.* The Committee may determine, at the time of granting a SAR or thereafter, that such SAR shall become fully exercisable as to all Shares subject to such SAR in the event that a Change in Control occurs with respect to the Company.

(f) *Exercise of SARs.* Upon exercise of a SAR, the Optionee (or any person having the right to exercise the SAR after his or her death) shall receive from the Company (a) Shares, (b) cash or (c) a combination of Shares and cash, as the Committee shall determine. The amount of cash and/or the Fair Market Value of Shares received upon exercise of SARs shall, in the aggregate, be equal to the amount by which the Fair Market Value (on the date of surrender) of the Shares subject to the SARs exceeds the Exercise Price.

(g) *Modification, Extension or Assumption of SARs.* Within the limitations of the Plan, the Committee may modify, extend or assume outstanding SARs or may accept the cancellation of outstanding SARs (whether granted by the Company or by another issuer) in return for the grant of new SARs for the same or a different number of Shares and at the same or a different Exercise Price, or in return for the grant of a different Award for the same or a different number of Shares, without stockholder approval.

The foregoing notwithstanding, no modification of a SAR shall, without the consent of the holder, materially impair his or her rights or obligations under such SAR.

(h) *Buyout Provisions.* The Committee may at any time (a) offer to buy out for a payment in cash or cash equivalents a SAR previously granted or (b) authorize a Participant to elect to cash out a SAR previously granted, in either case at such time and based upon such terms and conditions as the Committee shall establish.

SECTION 10. STOCK UNITS.

(a) *Stock Unit Agreement.* Each grant of Stock Units under the Plan shall be evidenced by a Stock Unit Agreement between the recipient and the Company. Stock Units shall be subject to all applicable terms of the Plan and may be subject to any other terms that are not inconsistent with the Plan. The provisions of the various Stock Unit Agreements entered into under the Plan need not be identical. Stock Units may be granted in consideration of a reduction in the Participant's other compensation.

(b) *Payment for Awards.* To the extent that an Award is granted in the form of Stock Units, no cash consideration shall be required of the Award recipients.

(c) *Vesting Conditions.* Each Award of Stock Units may or may not be subject to vesting. Vesting shall occur, in full or in installments, upon satisfaction of the conditions specified in the Stock Unit Agreement. A Stock Unit Agreement may provide for accelerated vesting in the event of the Participant's death, Disability or retirement or other events. The

Committee may determine, at the time of granting Stock Units or thereafter, that all or part of such Stock Units shall become vested in the event that a Change in Control occurs with respect to the Company.

(d) *Voting and Dividend Rights.* The holders of Stock Units shall have no voting rights. Prior to settlement or forfeiture, any Stock Unit awarded under the Plan may, at the Committee's discretion, carry with it a right to dividend equivalents. Such right entitles the holder to be credited with an amount equal to all cash dividends paid on one Share while the Stock Unit is outstanding. Dividend equivalents may be converted into additional Stock Units. Settlement of dividend equivalents may be made in the form of cash, in the form of Shares, or in a combination of both. Prior to distribution, any dividend equivalents which are not paid shall be subject to the same conditions and restrictions (including without limitation, any forfeiture conditions) as the Stock Units to which they attach.

(e) *Form and Time of Settlement of Stock Units.* Settlement of vested Stock Units may be made in the form of (a) cash, (b) Shares or (c) any combination of both, as determined by the Committee. The actual number of Stock Units eligible for settlement may be larger or smaller than the number included in the original Award, based on predetermined performance factors. Methods of converting Stock Units into cash may include (without limitation) a method based on the average Fair Market Value of Shares over a series of trading days. Vested Stock Units may be settled in a lump sum or in installments. The distribution may occur or commence when all vesting conditions applicable to the Stock Units have been satisfied or have lapsed, or it may be deferred to any later date, subject to compliance with Section 409A of the Code. The amount of a deferred distribution may be increased by an interest factor or by dividend equivalents. Until an Award of Stock Units is settled, the number of such Stock Units shall be subject to adjustment pursuant to Section 11.

(f) *Death of Recipient.* Any Stock Units Award that becomes payable after the recipient's death shall be distributed to the recipient's beneficiary or beneficiaries. Each recipient of a Stock Units Award under the Plan shall designate one or more beneficiaries for this purpose by filing the prescribed form with the Company. A beneficiary designation may be changed by filing the prescribed form with the Company at any time before the Award recipient's death. If no beneficiary was designated or if no designated beneficiary survives the Award recipient, then any Stock Units Award that becomes payable after the recipient's death shall be distributed to the recipient's estate.

(g) *Creditors' Rights.* A holder of Stock Units shall have no rights other than those of a general creditor of the Company. Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Stock Unit Agreement.

SECTION 11. ADJUSTMENT OF SHARES.

(a) *Adjustments.* In the event of a subdivision of the outstanding Stock, a declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the price of Shares, a combination or consolidation of the outstanding Stock (by reclassification or otherwise) into a lesser number of Shares, a recapitalization, a spin-off or a similar occurrence, the Committee shall make appropriate and equitable adjustments, in such manner as it, in its sole discretion, deems appropriate, in one or more of:

- (i) The number of Options, SARs, Restricted Shares and Stock Units available for future Awards under Section 5;
- (ii) The number of Awards to be granted to Outside Directors under Section 4(b);
- (iii) The number of Shares covered by each outstanding Option and SAR;
- (iv) The Exercise Price under each outstanding Option and SAR; or
- (v) The number of Stock Units included in any prior Award which has not yet been settled.

(b) *Dissolution or Liquidation.* To the extent not previously exercised or settled, Options, SARs and Stock Units shall terminate immediately prior to the dissolution or liquidation of the Company.

(c) *Reorganizations.* In the event that the Company is a party to a merger or other reorganization, outstanding Awards shall be subject to the agreement of merger or reorganization. Subject to compliance with Section 409A, such agreement shall provide for:

- (i) The continuation of the outstanding Awards by the Company, if the Company is a surviving corporation;
- (ii) The assumption of the outstanding Awards by the surviving corporation or its parent or subsidiary;
- (iii) The substitution by the surviving corporation or its parent or subsidiary of its own awards for the outstanding Awards;
- (iv) Full exercisability or vesting and accelerated expiration of the outstanding Awards; or
- (v) Settlement of the intrinsic value of the outstanding Awards (whether or not then vested or exercisable) in cash or cash equivalents or equity (including cash or equity subject to deferred vesting and delivery consistent with the vesting restrictions applicable to such Awards or the underlying Shares) followed by the cancellation of such Awards (and for the avoidance of doubt, if as of the date of the occurrence of the transaction the Committee determines in good faith that no amount would have been attained upon the exercise of such

Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment); in each case without the Participant's consent. Any acceleration of payment of an amount that is subject to Section 409A will be delayed, if necessary, until the earliest time that such payment would be permissible under Section 409A without triggering any additional taxes applicable under Section 409A.

The Company will have no obligation to treat all Awards, all Awards held by a Participant, or all Awards of the same type, similarly.

(d) *Reservation of Rights.* Except as provided in this Section 11, a Participant shall have no rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend or any other increase or decrease in the number of shares of stock of any class. Any issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of Shares subject to an Award. The grant of an Award pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

SECTION 12. DEFERRAL OF AWARDS.

(a) *Committee Powers.* Subject to compliance with Section 409A, the Committee (in its sole discretion) may permit or require a Participant to:

(i) Have cash that otherwise would be paid to such Participant as a result of the exercise of a SAR or the settlement of Stock Units credited to a deferred compensation account established for such Participant by the Committee as an entry on the Company's books;

(ii) Have Shares that otherwise would be delivered to such Participant as a result of the exercise of an Option or SAR converted into an equal number of Stock Units; or

(iii) Have Shares that otherwise would be delivered to such Participant as a result of the exercise of an Option or SAR or the settlement of Stock Units converted into amounts credited to a deferred compensation account established for such Participant by the Committee as an entry on the Company's books. Such amounts shall be determined by reference to the Fair Market Value of such Shares as of the date when they otherwise would have been delivered to such Participant.

(b) *General Rules.* A deferred compensation account established under this Section 12 may be credited with interest or other forms of investment return, as determined by the Committee. A Participant for whom such an account is established shall have no rights other than those of a general creditor of the Company. Such an account shall represent an unfunded and unsecured obligation of the Company and shall be subject to the terms and conditions of the applicable agreement between such Participant and the Company. If the deferral or conversion of Awards is permitted or required, the Committee (in its sole discretion) may establish rules, procedures and forms pertaining to such Awards, including (without limitation) the settlement of deferred compensation accounts established under this Section 12.

SECTION 13. AWARDS UNDER OTHER PLANS

The Company may grant awards under other plans or programs. Such awards may be settled in the form of Shares issued under the Plan. Such Shares shall be treated for all purposes under the Plan like Shares issued in settlement of Stock Units and shall, when issued, reduce the number of Shares available under Section 5.

SECTION 14. LEGAL AND REGULATORY REQUIREMENTS.

Shares shall not be issued under the Plan unless the issuance and delivery of such Shares complies with (or is exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations and the regulations of any stock exchange on which the Company's securities may then be listed, and the Company has obtained the approval or favorable ruling from any governmental agency which the Company determines is necessary or advisable. The Company shall not be liable to a Participant or other persons as to: (a) the non-issuance or sale of Shares as to which the Company has not obtained from any regulatory body having jurisdiction the authority deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares under the Plan; and (b) any tax consequences expected, but not realized, by any Participant or other person due to the receipt, exercise or settlement of any Award granted under the Plan.

SECTION 15. WITHHOLDING TAXES.

(a) *General.* To the extent required by applicable federal, state, local or foreign law, a Participant or his or her successor shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise in connection with the Plan. The Company shall not be required to issue any Shares or make any cash payment under the Plan until such obligations are satisfied.

(b) *Share Withholding.* The Committee may permit a Participant to satisfy all or part of his or her withholding or income tax obligations by having the Company withhold all or a portion of any Shares that otherwise would be issued to him or her or by surrendering all or a portion of any Shares that he or she previously acquired. Such Shares shall be valued at their Fair Market Value on the date when taxes otherwise would be withheld in cash. In no event may a Participant have Shares withheld that would otherwise be issued to him or her in excess of the number necessary to satisfy the maximum legally required tax withholding.

SECTION 16. LIMITATION ON PARACHUTE PAYMENTS.

(a) *Scope of Limitation.* This Section 16 shall apply to an Award only if the independent auditors most recently selected by the Board (the "Auditors") determine that the after-tax value of such Award to the Optionee or Offeree, taking into account the effect of all federal, state and local income taxes, employment taxes and excise taxes applicable to the Optionee or Offeree (including the excise tax under section 4999 of the Code), will be greater after the application of this Section 16 than it was before application of this Section 16.

(b) *Basic Rule.* In the event that the Auditors determine that any payment or transfer by the Company under the Plan to or for the benefit of a Participant (a "Payment") would be

nondeductible by the Company for federal income tax purposes because of the provisions concerning “excess parachute payments” in Section 280G of the Code, then the aggregate present value of all Payments shall be reduced (but not below zero) to the Reduced Amount. For purposes of this Section 16, the “Reduced Amount” shall be the amount, expressed as a present value, which maximizes the aggregate present value of the Payments without causing any Payment to be nondeductible by the Company because of Section 280G of the Code.

(c) *Reduction of Payments.* If the Auditors determine that any Payment would be nondeductible by the Company because of Section 280G of the Code, then the Company shall promptly give the Participant notice to that effect and a copy of the detailed calculation thereof and of the Reduced Amount, and the Participant may then elect, in his or her sole discretion, which and how much of the Payments shall be eliminated or reduced (as long as after such election the aggregate present value of the Payments equals the Reduced Amount) and shall advise the Company in writing of his or her election within 10 days of receipt of notice. If no such election is made by the Participant within such 10-day period, then the Company may elect which and how much of the Payments shall be eliminated or reduced (as long as after such election the aggregate present value of the Payments equals the Reduced Amount) and shall notify the Participant promptly of such election. For purposes of this Section 16, present value shall be determined in accordance with Section 280G(d)(4) of the Code. All determinations made by the Auditors under this Section 16 shall be binding upon the Company and the Participant and shall be made within 60 days of the date when a Payment becomes payable or transferable. As promptly as practicable following such determination and the elections hereunder, the Company shall pay or transfer to or for the benefit of the Participant such amounts as are then due to him or her under the Plan and shall promptly pay or transfer to or for the benefit of the Participant in the future such amounts as become due to him or her under the Plan.

(d) *Related Corporations.* For purposes of this Section 16, the term “Company” shall include affiliated corporations to the extent determined by the Auditors in accordance with Section 280G(d)(5) of the Code.

SECTION 17. TRANSFERABILITY.

Unless the agreement evidencing an Award (or an amendment thereto authorized by the Committee) expressly provides otherwise, no Award granted under the Plan, nor any interest in such Award, may be sold, assigned, conveyed, gifted, pledged, hypothecated or otherwise transferred in any manner (prior to the vesting and lapse of any and all restrictions applicable to Shares issued under such Award), other than by will or the laws of descent and distribution; provided, however, that an ISO may be transferred or assigned only to the extent consistent with Section 422 of the Code. Any purported assignment, transfer or encumbrance in violation of this Section 17 shall be void and unenforceable against the Company.

SECTION 18. NO EMPLOYMENT RIGHTS.

No provision of the Plan, nor any Award granted under the Plan, shall be construed to give any person any right to become, to be treated as, or to remain an Employee, Consultant or Outside Director. The Company and its Subsidiaries and Affiliates reserve the right to terminate any person’s Service at any time and for any reason, with or without notice.

SECTION 19. PERFORMANCE BASED AWARDS.

The number of Shares or other benefits granted, issued, retainable and/or vested under an Award may be made subject to the attainment of performance goals. The Committee may utilize any performance criteria selected by it in its sole discretion to establish performance goals.

SECTION 20. SECTION 409A.

The Plan is intended to comply with Section 409A of the Code to the extent subject thereto, and, accordingly, to the maximum extent permitted, the Plan shall be interpreted and administered to be in compliance therewith. Notwithstanding the foregoing, neither the Company nor the Committee shall have any obligation to take any action to prevent the assessment of any additional tax or penalty on any Participant under Section 409A of the Code and neither the Company nor the Committee will have any liability to any Participant for such additional tax or penalty.

Each Award that provides for “nonqualified deferred compensation” within the meaning of Section 409A shall be subject to such additional rules and requirements as specified by the Committee from time to time in order to comply with Section 409A. If any amount under such an Award is payable upon a “separation from service” (within the meaning of Section 409A) to a Participant who is then considered a “specified employee” (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the Participant’s separation from service, or (ii) the Participant’s death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A. In addition, the settlement of any such Award may not be accelerated except to the extent permitted by Section 409A.

SECTION 21. DURATION AND AMENDMENTS.

(a) *Term of the Plan.* The Plan, as set forth herein, shall come into existence on the date of its adoption by the Board of Directors; provided, however, that no Award may be granted hereunder prior to the Effective Date. No ISOs may be granted after the tenth anniversary of the earlier of (i) the date the Plan is adopted by the Board of Directors, or (ii) the date the Plan is approved by the stockholders of the Company.

(b) *Right to Amend or Terminate the Plan.* The Board of Directors may amend or terminate the Plan at any time and from time to time. Rights and obligations under any Award granted before amendment of the Plan shall not be materially impaired by such amendment, except with consent of the Participant. An amendment of the Plan shall be subject to the approval of the Company’s stockholders only to the extent required by applicable laws, regulations or rules.

(c) *Effect of Termination.* No Awards shall be granted under the Plan after the termination thereof. The termination of the Plan shall not affect Awards previously granted under the Plan.

SECTION 22. AWARDS TO NON-U.S. PARTICIPANTS.

Awards may be granted to Participants who are non-United States nationals or employed or providing services outside the United States, or both, on such terms and conditions different from those applicable to Awards to Participants who are employed or providing services in the United States as may, in the judgment of the Committee, be necessary or desirable to recognize differences in local law, tax policy or custom. The Committee also may impose conditions on the exercise, vesting or settlement of Awards in order to minimize the Company's obligation with respect to tax equalization for Participants on assignments outside their home country.

SECTION 23. CANCELLATION OR CLAWBACK OF AWARDS.

The Committee shall have full authority to implement any policies and procedures necessary to comply with Section 10D of the Exchange Act and any other regulatory regimes. Notwithstanding anything to the contrary contained herein, any Awards granted under the Plan (including any amounts or benefits arising from such Awards) shall be subject to any clawback or recoupment arrangements or policies the Company has in place from time to time pursuant to which the Committee may, to the extent permitted by applicable law and the applicable Company arrangement or policy, and shall, to the extent required by applicable law, cancel or require reimbursement of any Awards granted to a Participant or any Shares issued or cash received upon vesting, exercise or settlement of any such Awards or sale of Shares underlying such Awards.

SECTION 24. GOVERNING LAW.

The Plan and each Award agreement shall be governed by the laws of the State of Delaware, without application of the conflicts of law principles thereof.

SECTION 25. EXECUTION.

To record the adoption of the Plan by the Board of Directors on January 7, 2020, the Company has caused its authorized officer to execute the same.

TD SYNnex CORPORATION

By /s/ Simon Leung

Simon Leung
General Counsel and Secretary

**AMENDMENT NO. 1 TO
TD SYNEX CORPORATION
2020 STOCK INCENTIVE PLAN**

In accordance with Section 21(b) of the TD SYNEX Corporation 2020 Stock Incentive Plan (the “Plan”), the Plan is hereby amended as follows, effective as of the effective date of the Plan:

1. Section 7(l) is hereby amended in its entirety as follows: “7(l)

Buyout Provisions.

Except with respect to an Option whose Exercise Price exceeds the Fair Market Value of the Shares subject to the Option, the Committee may at any time (a) offer to buy out for a payment in cash or cash equivalents an Option previously granted or (b) authorize an Optionee to elect to cash out an Option previously granted, in either case at such time and based upon such terms and conditions as the Committee shall establish.”

2. Section 9(h) is hereby amended in its entirety as follows: “9(h)

Buyout Provisions.

Except with respect to a SAR whose Exercise Price exceeds the Fair Market Value of the Shares subject to the SAR, the Committee may at any time (a) offer to buy out for a payment in cash or cash equivalents a SAR previously granted or (b) authorize an Optionee to elect to cash out a SAR previously granted, in either case at such time and based upon such terms and conditions as the Committee shall establish.”

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To record the amendment of the Plan, TD SYNEX Corporation has executed this document this 5th day of March, 2020.

TD SYNEX CORPORATION

By: /s/ Simon Leung

Title: General Counsel and Corporate Secretary

**AMENDMENT NO. 2 TO
TD SYNEX CORPORATION
2020 STOCK INCENTIVE PLAN**

In accordance with Section 21(b) of the TD SYNEX Corporation 2020 Stock Incentive Plan (the “Plan”), the Plan is hereby amended as follows, effective as of March 16, 2021:

1. Section 4(b)(i) is hereby amended to replace \$150,000 with \$165,000 as follows: “4(b)(i)

Automatic Grants to Outside Directors.

Each Outside Director who first joins the Board of Directors on or after the date of the Company’s 2020 annual meeting, and who was not previously an Employee, shall receive a number of whole Restricted Shares equal to the quotient of (x) \$165,000 prorated for the number of months out of twelve that the Outside Director is expected to serve between the Outside Director’s appointment or election to the Board of Directors and the next regular annual meeting of the Company’s stockholders, rounded to the nearest month (y) divided by the Fair Market Value of a Share as of the grant date. For purposes of the calculation in the preceding sentence, any fractional Restricted Shares shall be disregarded. The grant date for Restricted Shares granted pursuant to this Section 4(b)(i) shall be the first trading day after the election of the Outside Director to the Board of Directors; provided if the first trading day after his or her election falls within a trading blackout period, then the grant date for Restricted Shares shall be upon the expiration of the third trading day after the trading black-out period ends.”

2. Section 4(b)(ii) is hereby amended to replace \$150,000 with \$165,000 as follows: “4(b)(ii)

Automatic Grants to Outside Directors.

On the first trading day following the conclusion of each regular annual meeting of the Company's stockholders after such Outside Director's appointment or election to the Board of Directors, commencing with the first annual meeting occurring on or after the date of the Company’s 2020 annual meeting, each Outside Director who will continue serving as a member of the Board of Directors thereafter shall receive a number of whole Restricted Shares equal to \$165,000 divided by the Fair Market Value of a Share as of such grant date, provided if the first trading day following the conclusion of the regular annual meeting of the Company's stockholders after such Outside Director's appointment or election to the Board of Directors falls within a trading black-out period, then the grant date for Restricted Shares granted pursuant to this Section 4(b)(ii) shall be upon the expiration of the third trading day after the trading black-out period ends. For purposes of the calculation in the preceding sentence, any fractional Restricted Shares shall be disregarded.”

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To record the amendment of the Plan, TD SYNnex Corporation has executed this document this 16th day of March, 2021.

TD SYNnex CORPORATION

By: /s/ Simon Y. Leung

Title: SVP, General Counsel and Corporate Secretary

**AMENDMENT NO. 3 TO
TD SYNEX CORPORATION
2020 STOCK INCENTIVE PLAN**

In accordance with Section 21(b) of the TD SYNEX Corporation 2020 Stock Incentive Plan (the “Plan”), the Plan is hereby amended as follows, effective as of March 15, 2022:

1. Section 4(b)(i) is hereby amended to replace \$165,000 with \$185,000 as follows: “4(b)(i)

Automatic Grants to Outside Directors.

Each Outside Director who first joins the Board of Directors on or after the date of the Company’s 2022 annual meeting, and who was not previously an Employee, shall receive a number of whole Restricted Shares equal to the quotient of (x) \$185,000 prorated for the number of months out of twelve that the Outside Director is expected to serve between the Outside Director’s appointment or election to the Board of Directors and the next regular annual meeting of the Company’s stockholders, rounded to the nearest month (y) divided by the Fair Market Value of a Share as of the grant date. For purposes of the calculation in the preceding sentence, any fractional Restricted Shares shall be disregarded. The grant date for Restricted Shares granted pursuant to this Section 4(b)(i) shall be the first trading day after the election of the Outside Director to the Board of Directors; provided if the first trading day after his or her election falls within a trading blackout period, then the grant date for Restricted Shares shall be upon the expiration of the third trading day after the trading black-out period ends.”

2. Section 4(b)(ii) is hereby amended to replace \$165,000 with \$185,000 as follows: “4(b)(ii)

Automatic Grants to Outside Directors.

On the first trading day following the conclusion of each regular annual meeting of the Company's stockholders after such Outside Director's appointment or election to the Board of Directors, commencing with the first annual meeting occurring on or after the date of the Company’s 2022 annual meeting, each Outside Director who will continue serving as a member of the Board of Directors thereafter shall receive a number of whole Restricted Shares equal to \$185,000 divided by the Fair Market Value of a Share as of such grant date, provided if the first trading day following the conclusion of the regular annual meeting of the Company's stockholders after such Outside Director's appointment or election to the Board of Directors falls within a trading black-out period, then the grant date for Restricted Shares granted pursuant to this Section 4(b)(ii) shall be upon the expiration of the third trading day after the trading black-out period ends. For purposes of the calculation in the preceding sentence, any fractional Restricted Shares shall be disregarded.”

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To record the amendment of the Plan, TD SYNEX Corporation has executed this document this 15th day of March 2022.

TD SYNEX CORPORATION

By: /s/ David Vetter

Title: Chief Legal Officer and Corporate Secretary

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, Richard Hume, certify that:

1. I have reviewed this Form 10-Q of TD SYNEX Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 5, 2022

/s/ Richard T. Hume

Richard T. Hume
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, Marshall Witt, certify that:

1. I have reviewed this Form 10-Q of TD SYNEX Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 5, 2022

/s/ Marshall W. Witt

Marshall W. Witt
Chief Financial Officer
(Principal Financial Officer)

**STATEMENT OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
UNDER 18 U.S.C. § 1350**

We, Richard Hume, the president and chief executive officer of TD SYNEX Corporation (the “Company”), and Marshall Witt, the chief financial officer of the Company, certify for the purposes of section 1350 of chapter 63 of title 18 of the United States Code that, to the best of our knowledge,

- (i) the Quarterly Report of the Company on Form 10-Q for the period ended February 28, 2022 (the “Report”), fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934, and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 5, 2022

/s/ Richard T. Hume

Richard T. Hume
(Principal Executive Officer)

/s/ Marshall W. Witt

Marshall W. Witt
(Principal Financial Officer)

Cover - shares

3 Months Ended
Feb. 28, 2022

Mar. 30, 2022

[Cover \[Abstract\]](#)

Document Type	10-Q	
Document Quarterly Report	true	
Document Period End Date	Feb. 28, 2022	
Document Transition Report	false	
Entity File Number	001-31892	
Entity Registrant Name	TD SYNnex CORPORATION	
Entity Incorporation, State or Country Code	DE	
Entity Tax Identification Number	94-2703333	
Entity Address, Address Line One	44201 Nobel Drive	
Entity Address, City or Town	Fremont	
Entity Address, State or Province	CA	
Entity Address, Postal Zip Code	94538	
City Area Code	510	
Local Phone Number	656-3333	
Title of 12(b) Security	Common Stock, par value \$0.001 per share	
Trading Symbol	SNX	
Security Exchange Name	NYSE	
Entity Current Reporting Status	Yes	
Entity Interactive Data Current	Yes	
Entity Filer Category	Large Accelerated Filer	
Entity Small Business	false	
Entity Emerging Growth Company	false	
Entity Shell Company	false	
Entity Common Stock, Shares Outstanding		96,103,902
Entity Central Index Key	0001177394	
Current Fiscal Year End Date	--11-30	
Document Fiscal Year Focus	2022	
Document Fiscal Period Focus	Q1	
Amendment Flag	false	

**CONSOLIDATED
BALANCE SHEETS - USD
(\$)
\$ in Thousands**

	Feb. 28, 2022	Nov. 30, 2021
<u>Current assets:</u>		
<u>Cash and cash equivalents</u>	\$ 510,207	\$ 993,973
<u>Accounts receivable, net</u>	8,732,024	8,310,032
<u>Receivables from vendors, net</u>	1,102,988	1,118,963
<u>Inventories</u>	7,883,265	6,642,915
<u>Other current assets</u>	720,383	668,261
<u>Total current assets</u>	18,948,867	17,734,144
<u>Property and equipment, net</u>	429,765	483,443
<u>Goodwill</u>	3,911,973	3,917,276
<u>Intangible assets, net</u>	4,832,795	4,913,124
<u>Other assets, net</u>	599,264	618,393
<u>Total assets</u>	28,722,664	27,666,380
<u>Current liabilities:</u>		
<u>Borrowings, current</u>	1,111,400	181,256
<u>Accounts payable</u>	12,193,263	12,034,946
<u>Other accrued liabilities</u>	1,902,311	2,017,253
<u>Total current liabilities</u>	15,206,974	14,233,455
<u>Long-term borrowings</u>	3,935,220	3,955,176
<u>Other long-term liabilities</u>	514,936	556,134
<u>Deferred tax liabilities</u>	1,043,677	1,015,640
<u>Total liabilities</u>	20,700,807	19,760,405
<u>Commitments and contingencies (Note 14)</u>		
<u>Stockholders' equity:</u>		
<u>Preferred stock, \$0.001 par value, 5,000 shares authorized, no shares issued or outstanding</u>	0	0
<u>Common stock, \$0.001 par value, 200,000 shares authorized, 98,386 and 98,204 shares issued as of February 28, 2022 and November 30, 2021, respectively</u>	98	98
<u>Additional paid-in capital</u>	7,293,780	7,271,337
<u>Treasury stock, 2,915 and 2,633 shares as of February 28, 2022 and November 30, 2021, respectively</u>	(230,374)	(201,139)
<u>Accumulated other comprehensive loss</u>	(317,015)	(336,194)
<u>Retained earnings</u>	1,275,368	1,171,873
<u>Total stockholders' equity</u>	8,021,857	7,905,975
<u>Total liabilities and equity</u>	\$ 28,722,664	\$ 27,666,380

**CONSOLIDATED
BALANCE SHEETS**
(Parenthetical) - \$ / shares

Feb. 28, 2022 Nov. 30, 2021

Statement of Financial Position [Abstract]

<u>Preferred stock, par value, per share (in USD per share)</u>	\$ 0.001	\$ 0.001
<u>Preferred stock, shares authorized (in shares)</u>	5,000,000	5,000,000
<u>Preferred stock, shares issued (in shares)</u>	0	0
<u>Preferred stock, shares outstanding (in shares)</u>	0	0
<u>Common stock, par value, per share (in USD per share)</u>	\$ 0.001	\$ 0.001
<u>Common stock, shares authorized (in shares)</u>	200,000,000	200,000,000
<u>Common stock, shares, issued (in shares)</u>	98,386,000	98,204,000
<u>Treasury stock, shares (in shares)</u>	2,915,000	2,633,000

**CONSOLIDATED
STATEMENTS OF
OPERATIONS - USD (\$)
shares in Thousands, \$ in
Thousands**

3 Months Ended

Feb. 28, 2022 Feb. 28, 2021

Income Statement [Abstract]

<u>Revenue</u>	\$ 15,469,977	\$ 4,939,014
<u>Cost of revenue</u>	(14,501,316)	(4,634,447)
<u>Gross profit</u>	968,661	304,567
<u>Acquisition, integration and restructuring costs</u>	(93,370)	0
<u>Selling, general and administrative expenses</u>	(652,851)	(162,820)
<u>Operating income</u>	222,440	141,748
<u>Interest expense and finance charges, net</u>	(42,343)	(22,838)
<u>Other expense, net</u>	(4,268)	(1,333)
<u>Income before income taxes</u>	175,829	117,575
<u>Provision for income taxes</u>	(43,505)	(29,754)
<u>Net income</u>	\$ 132,324	\$ 87,822
<u>Earnings per common share:</u>		
<u>Basic (in USD per share)</u>	\$ 1.38	\$ 1.70
<u>Diluted (in USD per share)</u>	\$ 1.37	\$ 1.69
<u>Weighted-average common shares outstanding:</u>		
<u>Weighted-average common shares - basic (in shares)</u>	95,584	51,145
<u>Diluted (in shares)</u>	95,892	51,563

**CONSOLIDATED
STATEMENTS OF
COMPREHENSIVE
INCOME - USD (\$)
\$ in Thousands**

**3 Months
Ended
Feb. Feb.
28, 28,
2022 2021**

Statement of Comprehensive Income [Abstract]

<u>Net income</u>	\$	\$
	132,324	87,822
<u>Other comprehensive income (loss):</u>		
<u>Unrealized gains on cash flow hedges during the period, net of tax (expense) of (\$2,918) for the three months ended February 28, 2022 and (\$38) for the three months ended February 28, 2021, respectively</u>	8,902	3,017
<u>Reclassification of net losses on cash flow hedges to net income, net of tax (benefit) of (\$2,459) for the three months ended February 28, 2022 and (\$2,539) for the three months ended February 28, 2021, respectively</u>	7,501	7,788
<u>Total change in unrealized gains on cash flow hedges, net of taxes</u>	16,403	10,805
<u>Foreign currency translation adjustments, net of tax (expense) of (\$75) for the three months ended February 28, 2022 and (\$844) for the three months ended February 28, 2021, respectively</u>	2,776	(20)
<u>Other comprehensive income</u>	19,179	10,785
<u>Comprehensive income</u>	\$	\$
	151,503	98,607

**CONSOLIDATED
STATEMENTS OF
COMPREHENSIVE
INCOME
(PARENTHETICAL) - USD
(\$)
\$ in Thousands**

3 Months Ended

Feb. 28, 2022 Feb. 28, 2021

Statement of Comprehensive Income [Abstract]

<u>Tax expense (benefit) on unrealized gains (losses) on cash flow hedges</u>	\$ (2,918)	\$ (38)
<u>Tax on reclassification of cash flow hedges to earnings</u>	(2,459)	(2,539)
<u>Tax expense (benefit) on foreign currency translation adjustment</u>	\$ (75)	\$ (844)

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY - USD (\$) \$ in Thousands	Total	Common stock and additional paid-in capital:	Treasury stock:	Retained earnings:	Accumulated other comprehensive loss:
<u>Beginning balance at Nov. 30, 2020</u>	\$ 4,338,860	\$ 1,591,590	\$ (191,216)	\$ 3,133,058	\$ (194,572)
<u>Share-based compensation</u>		4,887			
<u>Common stock issued for employee benefit plans</u>		174			
<u>Repurchases of common stock for tax withholdings on equity awards</u>			(794)		
<u>Repurchases of common stock</u>			0		
<u>Separation of Concentrix</u>				(2,305,982)	3,813
<u>Net income</u>	87,822			87,822	
<u>Cash dividends declared</u>				(10,269)	
<u>Other comprehensive income</u>	10,785				10,785
<u>Ending balance at Feb. 28, 2021</u>	\$ 2,129,298	1,596,652	(192,010)	904,629	(179,973)
<u>Cash dividends declared per share (in shares)</u>	\$ 0.20				
<u>Beginning balance at Nov. 30, 2021</u>	\$ 7,905,975	7,271,435	(201,139)	1,171,873	(336,194)
<u>Share-based compensation</u>		20,327			
<u>Common stock issued for employee benefit plans</u>		2,116			
<u>Repurchases of common stock for tax withholdings on equity awards</u>			(5,478)		
<u>Repurchases of common stock</u>			(23,757)		
<u>Separation of Concentrix</u>				0	0
<u>Net income</u>	132,324			132,324	
<u>Cash dividends declared</u>				(28,829)	
<u>Other comprehensive income</u>	19,179				19,179
<u>Ending balance at Feb. 28, 2022</u>	\$ 8,021,857	\$ 7,293,878	\$ (230,374)	\$ 1,275,368	\$ (317,015)
<u>Cash dividends declared per share (in shares)</u>	\$ 0.30				

**CONSOLIDATED
STATEMENTS OF CASH
FLOWS - USD (\$)
\$ in Thousands**

3 Months Ended

**Feb. 28,
2022 Feb. 28,
2021**

Cash flows from operating activities:

Net income \$ 132,324 \$ 87,822

Adjustments to reconcile net income to net cash (used in) provided by operating activities:

Depreciation and amortization 155,501 15,614

Share-based compensation 20,327 4,887

Provision for doubtful accounts 15,927 901

Other 3,424 3,947

Changes in operating assets and liabilities, net of the impact of Concentrix separation:

Accounts receivable, net (420,981) 427,052

Receivables from vendors, net 14,721 17,136

Inventories (1,243,348) 126,927

Accounts payable 149,738 (636,045)

Other operating assets and liabilities (148,081) (23,264)

Net cash (used in) provided by operating activities (1,320,448) 24,977

Cash flows from investing activities:

Purchases of property and equipment (25,217) (4,253)

Other 0 211

Net cash used in investing activities (25,217) (4,041)

Cash flows from financing activities:

Dividends paid (28,829) (10,269)

Repurchases of common stock (23,757) 0

Net borrowings on revolving credit loans 930,844 13,022

Principal payments on long term debt (20,400) 0

Proceeds from issuance of common stock 2,116 174

Repurchases of common stock for tax withholdings on equity awards (5,478) (794)

Other 0 596

Net transfer of cash and cash equivalents to Concentrix 0 (149,948)

Net cash provided by (used in) financing activities 854,496 (147,219)

Effect of exchange rate changes on cash, cash equivalents and restricted cash 6,663 1,640

Net decrease in cash, cash equivalents and restricted cash (484,506) (124,645)

Cash, cash equivalents and restricted cash at beginning of period 994,913 1,568,870

Cash, cash equivalents and restricted cash at end of period 510,407 1,444,225

Supplemental disclosure of non-cash financing activities:

Net assets transferred to Concentrix \$ 0 \$ 2,322,598

**Organization and Basis of
Presentation**

**3 Months Ended
Feb. 28, 2022**

**Organization, Consolidation
and Presentation of
Financial Statements**
[Abstract]

**ORGANIZATION AND
BASIS OF PRESENTATION**

NOTE 1—ORGANIZATION AND BASIS OF PRESENTATION:

TD SYNnex Corporation (together with its subsidiaries, herein referred to as “SYNNEX”, “TD SYNnex” or the “Company”) is a leading global distributor and solutions aggregator for the information technology (“IT”) ecosystem, headquartered in Fremont, California and Clearwater, Florida and has operations in North and South America, Europe and Asia-Pacific and Japan.

On December 1, 2020, the Company completed the previously announced separation of its customer experience services business (the “Separation”), in a tax-free transaction for federal income tax purposes, which was accomplished by the distribution of one hundred percent of the outstanding common stock of Concentrix Corporation (“Concentrix”). SYNnex stockholders received one share of Concentrix common stock for every share of SYNnex common stock held at the close of business on the record date. The Company distributed 51.6 million shares of Concentrix common stock to its stockholders. Concentrix is now an independent public company trading under the symbol “CNXC” on the Nasdaq Stock Market. After the Separation, the Company does not beneficially own any shares of Concentrix’ common stock. Beginning December 1, 2020, the Company no longer consolidates Concentrix within its financial results or reflects the financial results of Concentrix within its continuing results of operations.

In connection with the Separation, the Company and Concentrix entered into a separation and distribution agreement as well as various other agreements that provide a framework for the relationships between the parties going forward, including among others an employee matters agreement, a tax matters agreement, and a commercial agreement, pursuant to which Concentrix will continue to provide certain limited services to the Company following the Separation.

On March 22, 2021, SYNnex entered into an agreement and plan of merger (the “Merger Agreement”) which provided that legacy SYNnex Corporation would acquire legacy Tech Data Corporation, a Florida corporation (“Tech Data”) through a series of mergers, which would result in Tech Data becoming an indirect subsidiary of TD SYNnex Corporation (collectively, the “Merger”). On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tiger Parent (AP) Corporation, the parent corporation of Tech Data, for consideration of \$1.61 billion in cash (\$1.11 billion in cash after giving effect to a \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation's sole stockholder and an affiliate of Apollo Global Management, Inc., to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNnex valued at approximately \$5.61 billion. The combined company is referred to as TD SYNnex. References to the “Company” indicate TD SYNnex for periods after the Merger and SYNnex for periods prior to the Merger.

The Consolidated Financial Statements include the accounts of the Company, its wholly-owned subsidiaries, majority-owned subsidiaries in which no substantive participating rights are held by minority stockholders and variable interest entities if the Company is the primary beneficiary. All intercompany accounts and transactions have been eliminated. The Company operates on a fiscal year that ends on November 30.

The accompanying interim unaudited Consolidated Financial Statements as of February 28, 2022 and for the three months ended February 28, 2022 and 2021 have been prepared by the Company, without audit, in accordance with the rules and regulations of the United States ("U.S.") Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles ("GAAP") in the United States have been condensed or omitted in accordance with such rules and regulations. In the opinion of management, the accompanying unaudited Consolidated Financial Statements reflect all adjustments, consisting only of normal recurring adjustments, necessary to state fairly the financial position of the Company and its results of operations and cash flows as of and for the periods presented. These financial statements should be read in conjunction with the annual audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2021.

Interim results of operations are not necessarily indicative of financial results for a full year, and the Company makes no representations related thereto. Certain columns and rows may not add due to the use of rounded numbers.

Summary of Significant
Accounting Policies
[Organization, Consolidation
and Presentation of
Financial Statements](#)
[\[Abstract\]](#)
[SUMMARY OF
SIGNIFICANT
ACCOUNTING POLICIES](#)

3 Months Ended
Feb. 28, 2022

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

For a discussion of the Company's significant accounting policies, refer to the discussion in the Company's Annual Report on Form 10-K dated November 30, 2021. Accounting pronouncements adopted during the three months ended February 28, 2022 are discussed below.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The Company evaluates these estimates on a regular basis and bases them on historical experience and on various assumptions that are reasonable.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and work force participation and caused a significant disruption of financial markets. Despite improvements in the global economy since the onset of the pandemic, the emergence of the Delta and Omicron mutations bring uncertainty to continued economic recovery. As a result, the Company cannot at this time accurately predict what effects these conditions will have on its operations and financial condition, including due to the uncertainties relating to the severity and duration of the pandemic, the effect on its customers and the length of the restrictions and closures imposed by various governments, including recent restrictions and closures within the Asia-Pacific region. Many of the estimates and assumptions required increased judgment and carry a higher degree of variability and volatility. As events continue to unfold, more information becomes available, these estimates may change in future periods. Actual results could differ from the estimates.

Concentration of credit risk

Financial instruments that potentially subject the Company to significant concentration of credit risk consist principally of cash and cash equivalents, receivable, receivables from vendors and derivative instruments.

The Company's cash and cash equivalents and derivative instruments are transacted and maintained with financial institutions with high credit ratings. The compositions and maturities are regularly monitored by management. The Company has not experienced any material credit losses on such deposits and derivative instruments.

Accounts receivable include amounts due from customers, including related party customers. Receivables from vendors, net, includes amounts due from equipment manufacturer ("OEM") vendors. The Company performs ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary, but generally requires no collateral. The Company also maintains allowances for expected credit losses. In estimating the amount of credit loss, the Company takes into consideration the overall quality and aging of its receivable portfolio, the existence of credit insurance and specifically identified concentrations of credit risks. The Company also considers risks attributed to COVID-19 in establishing the required allowances.

The following table provides revenue generated from products purchased from vendors that exceeded 10% of our consolidated revenue for the three months ended February 28, 2022 (as a percent of consolidated revenue):

	Three Months Ended February 28, 2022
Apple, Inc. ⁽¹⁾	13 %
HP Inc.	10 %

⁽¹⁾ Revenue generated from products purchased from this vendor was less than 10% of consolidated revenue during the period presented.

No single customer accounted for more than 10% of the Company's total revenue during the three months ended February 28, 2022. One customer accounted for 18% of the Company's total revenue during the three months ended February 28, 2021. As of February 28, 2022 and November 30, 2021, no single customer accounted for more than 10% of the consolidated accounts receivable balance.

Accounts receivable

The Company maintains an allowance for doubtful accounts as an estimate to cover the future expected credit losses resulting from uncollectible accounts from collections from customers or OEM vendors to make payments for outstanding balances. In estimating the required allowance, the Company takes into consideration historical credit losses, current conditions and reasonable and supportable forecasts. Adjustments to historical loss information are made for differences in loss experience as well as changes in forecasted macroeconomic conditions, such as changes in unemployment rates or gross domestic product growth. Expected credit losses are estimated on a pool basis when similar risk characteristics exist using an age-based reserve model. Receivables that do not share risk characteristics are evaluated on an individual basis.

The Company has uncommitted supply-chain financing programs with global financial institutions under which trade accounts receivable of their affiliates may be acquired, without recourse, by the financial institutions. Available capacity under these programs is dependent on the level of accounts receivable with these customers and the financial institutions' willingness to purchase such receivables. In addition, certain of these programs are managed by the Company continue to service, administer and collect the sold accounts receivable. As of February 28, 2022 and November 30, 2021, accounts receivable sold to the financial institutions under these programs were \$966.0 million and \$759.9 million, respectively. Discount fees related to the sale of trade accounts receivable through these facilities are included in "Interest expense and finance charges, net" in the Consolidated Statements of Operations. Discount fees for these programs for the months ended February 28, 2022 and February 28, 2021 totaled \$3.0 million and \$0.6 million, respectively.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is computed based on the weighted-average method. Inventories include raw materials, goods and work-in-process. Finished goods include products purchased for resale, system components purchased for both resale and for use in the Company's integration-based completed systems. Work-in-process inventories are not material to the Consolidated Financial Statements.

Segments

Operating segments are based on components of the Company that engage in business activities that earn revenues and incur expenses (a) that are regularly reviewed by the Company's chief operating decision maker to make decisions about resource allocation and performance and (b) for which financial information is available.

Prior to the Separation, the Company had two reportable segments: Technology Solutions and Concentrix. After giving effect to the Separation, the Company operated with one reportable segment: Technology Solutions. After completion of the Merger, the Company reviewed its reportable segments. There was a change in its chief executive officer, who is also the Company's chief operating decision maker. The Company's chief operating decision maker's organizational structure aligned with the geographic locations of the Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic locations. As a result, as of September 1, 2021 the Company began operating in three reportable segments based on its geographic locations: the Americas, Europe and Asia-Pacific and Japan.

Seasonality

The Company's operating results are affected by the seasonality of the IT products industry. The Company has historically experienced higher revenues in the fourth fiscal quarters due to patterns in capital budgeting, government spending and purchasing cycles of its customers and end-users. These historical patterns have been repeated in subsequent periods.

Revenue Recognition

The Company generates revenue primarily from the sale of various IT products.

The Company recognizes revenues from the sale of IT hardware and software as control is transferred to customers, which is at the point when the product is shipped or delivered. The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the customer and the payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Binding purchase orders

are received from customers together with agreement to the Company's terms and conditions of sale by way of an executed agreement or other signed document constitute a contract with a customer. Products sold by the Company are delivered via shipment from the Company's facilities, drop-shipment directly from the manufacturer or the delivery of software products. In situations where arrangements include customer acceptance provisions, revenue is recognized when the Company determines that the products comply with specifications underlying acceptance and the customer has control of the products. Revenue is presented net of taxes collected and remitted to government authorities. The Company generally invoices a customer upon shipment, or in accordance with specific contractual provisions. All contracts are per contract terms and do not contain a significant financing component. Service revenues represents less than 10% of the total revenue for the period.

Provisions for sales returns and allowances are estimated based on historical data and are recorded concurrently with the recognition of revenue. Provisions are recorded at the time of sale for estimated product returns based upon historical experience and an asset is recognized for the amount expected to be returned upon product return. These provisions are reviewed and adjusted periodically by the Company. Revenue is reduced for early payment discounts and rebates offered to customers, which are considered variable consideration, at the time of sale based on an evaluation of the contract terms and historical experience.

The Company recognizes revenue on a net basis on certain contracts, where the Company's performance obligation is to arrange for the transportation of goods provided by another party or the rendering of logistics services for the delivery of inventory for which the Company does not assume the risks and costs of ownership, recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, post-contract support and extended warranty contracts.

The Company considers shipping and handling activities as costs to fulfill the sale of products. Shipping revenue is included in revenue when control is transferred to the customer, and the related shipping and handling costs are included in cost of revenue.

Reclassifications

Certain reclassifications have been made to prior period amounts in the Consolidated Financial Statements to conform to the current period presentation. These reclassifications did not have a material impact on previously reported amounts.

Recently adopted accounting pronouncements

In December 2019, the Financial Accounting Standards Board ("FASB") issued new guidance that simplifies the accounting for income effective for annual reporting periods beginning after December 15, 2020, and interim periods within those reporting periods. Certain amendments prospectively, while other amendments should be applied retrospectively to all periods presented. The adoption of this new guidance did not have any impact on the Company's Consolidated Financial Statements.

In October 2021, the FASB issued new guidance which requires contract assets and contract liabilities acquired in a business combination to be measured by the acquirer on the acquisition date in accordance with Accounting Standards Codification ("ASC") 606, "Revenue from Contracts with Customers." Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquirer. Amounts were recognized by the acquirer at fair value in acquisition accounting. The guidance is effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years (the fiscal quarter ending February 28, 2023 for the Company), and should be applied prospectively to acquisitions after the effective date. Early adoption is permitted. The Company adopted this standard during the fiscal quarter ended February 28, 2022 and will apply it prospectively to future acquisitions.

Recently issued accounting pronouncementsIn March 2020, the FASB issued optional guidance for a limited time to ease the transition in accounting for or recognizing the effects of reference rate reform, particularly, the risk of cessation of the London Interbank Offered Rate ("LIBOR") on financial reporting. The guidance provides optional expedients and exceptions for applying GAAP to contracts, relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments are effective upon issuance for all entities through December 31, 2022. The Company does not currently expect any material impacts from the adoption of this new guidance.

Acquisitions

3 Months Ended
Feb. 28, 2022

[Business Combination and Asset Acquisition \[Abstract\]](#) [ACQUISITIONS](#)

ACQUISITIONS:

Tech Data Merger

On September 1, 2021, pursuant to the terms of the Merger Agreement, the Company acquired all the outstanding shares of common stock of Tech Data Corporation, the parent corporation of Tech Data, for an aggregate purchase price of \$7.22 billion, comprised of \$1.61 billion in cash (\$1.11 billion in cash and \$500 million equity contribution by Tiger Parent Holdings, L.P., Tiger Parent (AP) Corporation's sole stockholder and an affiliate of AP Corporation, to Tiger Parent (AP) Corporation prior to the effective time of the Merger) and 44 million shares of common stock of SYNEX, valued at approximately \$1.1 billion based on the closing price of the Company's common stock on September 1, 2021. The Merger created a leading global distributor and solutions provider ecosystem. The Company used the net proceeds from the issuance of new Senior Notes, borrowings under its new credit agreement and cash on hand to fund the payments. Additionally, the Company repaid the majority of Tech Data's outstanding debt after the Merger, including approximately \$2.4 billion of Tech Data's existing Asset-Based Credit Agreement and approximately \$0.2 billion of outstanding Tech Data Senior Notes.

The Company has accounted for the Merger as a business combination and allocated the purchase price to the estimated fair values of Tech Data Corporation's assets acquired and liabilities assumed. The Company has not yet completed its evaluation and determination of certain assets acquired and liabilities assumed, primarily (i) the final assessment and valuation of certain assets acquired and liabilities assumed, including accounts receivable, receivables from vendors, inventory, accrued expenses and other liabilities and (ii) the final assessment and valuation of certain income tax amounts. Therefore, the final fair value of assets and liabilities may vary from the Company's preliminary estimates. No material adjustments to the preliminary allocation of the purchase price were made in the three months ended February 28, 2022.

The preliminary allocation of the purchase price is as follows:

Cash and cash equivalents
Accounts receivable, net
Receivables from vendors, net
Inventories
Other current assets
Property and equipment
Goodwill
Intangible assets
Other assets
Total assets
Borrowings, current
Accounts payable
Other accrued liabilities
Long-term borrowings
Other long-term liabilities
Deferred tax liabilities
Total liabilities
Purchase consideration

The allocation of the value of identifiable intangible assets is as follows:

	Fair value
Customer relationships	\$ 3,860,200
Trade name	1,073,700
Total intangibles acquired	<u>\$ 4,933,900</u>

Goodwill is the excess of the consideration transferred over the net assets recognized and primarily represents future economic benefits that are not individually identified and separately recognized, including synergies inherent in the acquired business, of which approximately \$500 million is not deductible for tax purposes.

Included within the Company's Consolidated Statement of Operations are revenues for the three months ended February 28, 2022, of approximately \$1.2 million from Tech Data. As the Company began integrating certain sales and other functions after the closing of the acquisition, these amounts represent a portion of Tech Data revenues for the three months ended February 28, 2022. It is not necessarily indicative of how the Tech Data operations would have performed had the acquisition occurred on the date of acquisition. As a result of certain integration activities subsequent to the date of acquisition, it is impracticable to disclose net income from Tech Data for the three months ended February 28, 2022, as of the acquisition date.

The following table presents unaudited supplemental pro forma information as if the Merger had occurred at the beginning of fiscal 2022, after giving effect to certain adjustments related to the transaction. The pro forma results exclude any benefits that may result from potential cost savings and certain non-recurring items. As a result, the pro forma

information below does not purport to present what actual results would have been had the Merger been consummated on the date indicated and is not indicative of the results of operations that may result in the future.

Revenue

Net income

Adjustments reflected in the pro forma results include the following:

- Amortization of acquired intangible assets
- Interest costs associated with the Merger
- Tax effects of adjustments based on an estimated statutory tax rate

**Acquisition, Integration and
Restructuring Expenses**

**[Restructuring and Related
Activities \[Abstract\]](#)**

**[ACQUISITION,
INTEGRATION AND
RESTRUCTURING COSTS](#)**

**3 Months Ended
Feb. 28, 2022**

ACQUISITION, INTEGRATION AND RESTRUCTURING COSTS:

Acquisition, integration and restructuring costs are primarily comprised of costs related to the Merger and costs related to the Global Business Program initiated by Tech Data prior to the Merger (the "GBO 2 Program"). There were no acquisition, integration and restructuring costs incurred ended February 28, 2021.

The Merger

The Company incurred acquisition, integration and restructuring costs related to the completion of the Merger, including professional services, other costs, long-lived assets charges and stock-based compensation expense. Professional services costs are primarily comprised of legal expenses and consulting services. Personnel and other costs are primarily comprised of costs related to retention and other bonuses, as well as severance costs. Long-lived assets are comprised of accelerated depreciation and amortization expense of \$52.9 million recorded due to changes in asset useful lives in conjunction with certain IT systems. Stock-based compensation expense primarily relates to costs associated with the conversion of certain Tech Data performance shares issued prior to the Merger into restricted shares of TD SYNEX (refer to [Note 5](#) - Share-Based Compensation for further information) and expenses related to stock awards issued in conjunction with the Merger.

During the three months ended February 28, 2022, acquisition and integration expenses related to the Merger were composed of the following:

Professional services costs
Personnel and other costs
Long-lived assets charges
Stock-based compensation
Total

GBO 2 Program

Prior to the Merger, Tech Data implemented its GBO 2 Program that includes investments to optimize and standardize processes and applications to become more agile in a rapidly evolving environment, increasing productivity, profitability and optimizing net-working capital. TD SYNEX plans to continue to invest in conjunction with the Company's integration activities. Acquisition, integration and restructuring expenses related to the GBO 2 Program are primarily comprised of restructuring costs and other professional services costs. Restructuring costs are comprised of severance costs and other associated exit costs, including costs. Other professional services

costs are primarily comprised of professional services fees not related to restructuring activities, including costs related to improving profitability and working capital.

Acquisition, integration and restructuring costs under the GBO 2 Program for fiscal 2022 included the following:

Restructuring costs
Other professional services costs
Total

Restructuring costs under the GBO 2 Program for fiscal 2022 were composed of the following:

Severance
Other exit costs
Total

During the three months ended February 28, 2022, the Company recorded restructuring costs related to GBO 2 of \$1.8 million, \$3.9 million and \$0.3 million in the Americas, Europe and APJ regions, respectively.

Restructuring activity during the three months ended February 28, 2022 related to the GBO 2 Program is as follows:

	Severance and Benefits	Other Exit Costs
Accrued balance as of November 30, 2021	\$ 4,918	\$ 1,591
Expenses	359	5,687
Cash payments	(3,104)	(6,755)
Foreign currency translation	(2)	(66)
Accrued balance as of February 28, 2022	\$ 2,171	\$ 457

Share-Based Compensation

3 Months Ended

Feb. 28, 2022

[Share-based Payment Arrangement \[Abstract\]](#)
[SHARE-BASED COMPENSATION](#)

NOTE 5—SHARE-BASED COMPENSATION:

Overview of TD SYNEX stock incentive plans

The Company recognizes share-based compensation expense for all share-based awards made to employees and directors, including employee restricted stock awards, restricted stock units, performance-based restricted stock units and employee stock purchases, based on estimated fair value.

The following tables summarize the Company's share-based awards activity for TD SYNEX stock incentive plans during the three months ended February 28, 2022.

A summary of the changes in the Company's stock options is set forth below:

Balances, November 30, 2021

Granted

Exercised

Balances, February 28, 2022

A summary of the changes in the Company's non-vested restricted stock awards and stock units is presented below:

Nonvested at November 30, 2021

Granted

Vested

Canceled

Nonvested at February 28, 2022

The Company recorded \$8.7 million and \$4.9 million of share-based compensation expense in the Consolidated Statements of Operations for the three months ended February 28, 2022 and 2021, respectively, including \$1.9 million recorded in "Acquisition, integration, and restructuring costs" during the three months ended February 28, 2022 for share-based awards issued in conjunction with the Merger.

Tech Data Equity Awards

Prior to the Merger, certain of Tech Data's employees were granted performance-based equity awards in Tiger Parent Holdings L.P., a partnership of the parent company of Tiger Parent (AP) Corporation and Tech Data, that were unvested at the time of the closing of the Merger. Upon closing of the Merger, performance-based equity awards were converted into restricted shares of TD SYNEX that vest over two years.

The following table summarizes the activity related to these restricted shares during the three months ended February 28, 2022:

Nonvested at November 30, 2021

Vested

Canceled

Nonvested at February 28, 2022

The restricted shares had a fair value of \$127.60 per share upon closing of the Merger which will be recorded as share-based compensation expense on a straight-line basis over the vesting period in "Acquisition, integration, and restructuring costs" in the Consolidated Statements of Operations. The Company recorded \$11.7 million of share-based compensation expense related to these restricted shares during the three months ended February 28, 2022. As of February 28, 2022, there was a total unamortized share-based compensation expense related to these restricted shares to be recognized over a weighted-average period of 1.5 years.

Balance Sheet Components

3 Months Ended
Feb. 28, 2022

[Organization, Consolidation
and Presentation of
Financial Statements
\[Abstract\]](#)

[BALANCE SHEET
COMPONENTS](#)

NOTE 6—BALANCE SHEET COMPONENTS:

Cash, cash equivalents and restricted cash:

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheet to the same amounts shown in the Consolidated Statements of Cash Flows:

	A
	February 28, 2022
Cash and cash equivalents	\$ 510,207
Restricted cash included in other current assets	200
Cash, cash equivalents and restricted cash	\$ 510,407

Accounts receivable, net:

	A
	February 28, 2022
Accounts receivable	\$ 8,856,447
Less: Allowance for doubtful accounts	(124,423)
Accounts receivable, net	\$ 8,732,024

Receivables from vendors, net:

	A
	February 28, 2022
Receivables from vendors	\$ 1,118,469
Less: Allowance for doubtful accounts	(15,481)
Receivables from vendors, net	\$ 1,102,988

Allowance for doubtful trade receivables:

Balance at November 30, 2021
Additions
Write-offs, reclassifications and foreign exchange translation
Balance at February 28, 2022

Allowance for receivables from vendors:

Balance at November 30, 2021
Additions
Write-offs, reclassifications and foreign exchange translation
Balance at February 28, 2022

Accumulated other comprehensive income (loss):

The components of accumulated other comprehensive loss ("AOCI"), net of taxes, were as follows:

	Unrealized gains (losses) on cash flow hedges, net of taxes	Foreign currency translation adjustment and net of taxes
Balance as of November 30, 2021	\$ (48,803)	\$ (287)
Other comprehensive income before reclassification	8,902	2
Reclassification of (gains) losses from other comprehensive income (loss)	7,501	
Balance as of February 28, 2022	<u>\$ (32,400)</u>	<u>\$ (284)</u>

Refer to [Note 7](#) - Derivative Instruments for the location of gains and losses reclassified from other comprehensive income to the Consolidated Operations.

Derivative Instruments

3 Months Ended
Feb. 28, 2022

[Derivative Instruments and Hedging Activities Disclosure \[Abstract\]](#)
[DERIVATIVE INSTRUMENTS](#)

NOTE 7—DERIVATIVE INSTRUMENTS:

In the ordinary course of business, the Company is exposed to foreign currency risk, interest rate risk, equity risk, commodity price change risk, and credit risk. The Company enters into transactions, and owns monetary assets and liabilities, that are denominated in currencies other than the legal entity's functional currency. The Company may enter into forward contracts, option contracts, swaps, or other derivative instruments to offset a portion of the risk on expected future cash flows, net investments in certain international subsidiaries and certain existing assets and liabilities. However, the Company may choose not to hedge certain exposures for a variety of reasons including, but not limited to, accounting considerations and the prohibitive economic cost of hedging particular exposures. The Company's hedges will offset more than a portion of the financial impact resulting from movements in foreign currency exchange or interest rates. The Company uses derivative instruments to cover equity risk and credit risk. The Company's hedging program is not used for trading or speculative purposes.

All derivatives are recognized on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded in the Consolidated Statements of Operations, or as a component of AOCI in the Consolidated Balance Sheets, as discussed below.

Cash Flow Hedges

The Company uses interest rate swap derivative contracts to economically convert a portion of its variable-rate debt to fixed-rate debt. The Company has used cash flow hedges on various dates through October 2023. Gains and losses on cash flow hedges are recorded in AOCI until the hedged item is recognized in earnings. Gains and losses associated with cash flow hedges of interest payments are recognized in "Interest expense and finance charges, net" in the same period as the related interest expense. Derivative instruments designated as cash flow hedges must be de-designated as hedges when it is probable the forecasted hedged transaction will not occur in the identified time period or within a subsequent two-month time period. Deferred gains and losses in AOCI associated with such derivative instruments are recognized in earnings in the period of de-designation. Any subsequent changes in fair value of such derivative instruments are recorded in earnings unless they are offset by gains or losses on hedges of other transactions.

Non-Designated Derivatives

The Company uses short-term forward contracts to offset the foreign exchange risk of assets and liabilities denominated in currencies other than the functional currency of the respective entities. These contracts, which are not designated as hedging instruments, mature or settle within twelve months. Derivatives not designated as hedging instruments are adjusted to fair value through earnings in the financial statement line item to which the derivative relates.

Fair Values of Derivative Instruments in the Consolidated Balance Sheets

The fair values of the Company's derivative instruments are disclosed in [Note 8 - Fair Value Measurements](#) and summarized in the table below.

Balance Sheet Line Item	Fair Value	
	February 28, 2022	
Derivative instruments not designated as hedging instruments:		
Foreign exchange forward contracts (notional value)	\$	1,507,805
Other current assets		8,653
Other accrued liabilities		6,073
Derivative instruments designated as cash flow hedges:		
Interest rate swaps (notional value)	\$	1,100,000
Other accrued liabilities		19,907
Other long-term liabilities		7,027

The Company terminated interest rate swaps with a notional value of \$400 million in December 2021. Cumulative losses on the terminated swaps of \$16 million will be reclassified from AOCI to "Interest expense and finance charges, net" over the period through September 2023.

Volume of Activity

The notional amounts of foreign exchange forward contracts represent the gross amounts of foreign currency, including, principally, the U.S. dollar, British pound, Canadian dollar, Chinese yuan, Czech koruna, Danish krone, Euro, Indian rupee, Indonesian rupiah, Japanese yen, Mexican peso, Philippine peso, Polish zloty, Singapore dollar, Swedish krona, Swiss franc and Turkish lira that will be bought or sold at maturity. The notional amounts of derivative instruments provide one measure of the transaction volume outstanding and do not represent the amount of the Company's exposure to foreign exchange risk. The Company's exposure to credit loss and market risk will vary over time as currency and interest rates change.

The Effect of Derivative Instruments on AOCI and the Consolidated Statements of Operations

The following table shows the gains and losses, before taxes, of the Company's derivative instruments designated as cash flow hedges in Income ("OCI") and not designated as hedging instruments in the Consolidated Statements of Operations for the periods presented:

	Location of Gains (Losses) in Income	Three February 28, 2022
Derivative instruments designated as cash flow hedges:		
Gains (losses) recognized in OCI on interest rate swaps		\$ 11,8
Gains (losses) on interest rate swaps reclassified from AOCI into income	Interest expense and finance charges, net	\$ (9,9)
Derivative instruments not designated as hedging instruments:		
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Cost of products sold	\$ (9,8)
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Other income (expense), net	(2)
Gains (losses) recognized from interest rate swaps, net	Interest expense and finance charges, net	
Total		\$ (10,1)

(1) The gains and losses largely offset the currency gains and losses that resulted from changes in the assets and liabilities denominated in nonfunctional currencies.

There were no material gain or loss amounts excluded from the assessment of effectiveness. Existing net losses in AOCI that are expected to be realized in the normal course of business within the next twelve months are \$29 million.

Credit exposure for derivative financial instruments is limited to the amounts, if any, by which the counterparties' obligations under the Company's obligations to the counterparties. The Company manages the potential risk of credit losses through careful evaluation of counterparty selection of counterparties from a limited group of financial institutions.

Fair Value Measurements

3 Months Ended
Feb. 28, 2022

[Fair Value Disclosures](#)
[\[Abstract\]](#)
[FAIR VALUE](#)
[MEASUREMENTS](#)

NOTE 8—FAIR VALUE MEASUREMENTS:

The Company's fair value measurements are classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., no market activity).

The following table summarizes the valuation of the Company's investments and financial instruments that are measured at fair value on

	As of February 28, 2022				As of November 30, 2021		
	Total	Fair value measurement category			Total	Fair value measurement category	
		Level 1	Level 2	Level 3		Level 1	Level 2
Assets:							
Forward foreign currency exchange contracts	\$ 8,653	\$ —	\$ 8,653	\$ —	\$ 13,764	\$ —	\$ —
Liabilities:							
Forward foreign currency exchange contracts	\$ 6,073	\$ —	\$ 6,073	\$ —	\$ 2,992	\$ —	\$ —
Interest rate swaps	26,934	—	26,934	—	62,821	—	—

The fair values of forward exchange contracts are measured based on the foreign currency spot and forward rates quoted by the banks or other market participants. Fair values of interest rate swaps are measured using standard valuation models using inputs that are readily available in public markets, or can be determined from market transactions, including LIBOR spot and forward rates. The effect of nonperformance risk on the fair value of derivative instruments was not significant at February 28, 2022 and November 30, 2021.

The carrying values of accounts receivable, accounts payable and short-term debt approximate fair value due to their short maturities and interest rates that are variable in nature. The carrying value of the Company's term loans approximate their fair value since they bear interest rates that are similar to existing market rates. The estimated fair value of the Senior Notes was approximately \$2.36 billion and \$2.45 billion at February 28, 2022 and November 30, 2021, respectively.

During the three months ended February 28, 2022, there were no transfers between the fair value measurement category levels.

Borrowings

3 Months Ended
Feb. 28, 2022

[Debt Disclosure \[Abstract\]](#)
[BORROWINGS](#)

NOTE 9—BORROWINGS:

Borrowings consist of the following:

	February 28, 2022
TD SYNEX U.S. Accounts Receivable Securitization Agreement	\$ 749,000
Other committed and uncommitted revolving credit facilities and borrowings	287,400
Current portion of TD SYNEX term loan	75,000
Borrowings, current	\$ 1,111,400
TD SYNEX term loan	\$ 1,406,250
TD SYNEX Senior Notes	2,500,000
Other credit agreements and long-term debt	69,281
Long-term borrowings, before unamortized debt discount and issuance costs	\$ 3,975,531
Less: unamortized debt discount and issuance costs	(40,311)
Long-term borrowings	\$ 3,935,220

TD SYNEX United States accounts receivable securitization arrangement

In the United States, the Company has an accounts receivable securitization program to provide additional capital for its operations (the "U.S. AR Arrangement"). Under the terms of the U.S. AR Arrangement, as amended in December 2021, the Company and its subsidiaries that are party to the U.S. AR Arrangement have a maximum of \$1.5 billion based upon eligible trade accounts receivable. The U.S. AR Arrangement has a maturity date of December 2024. The interest rate under the U.S. AR Arrangement is a blended rate based upon the composition of the lenders, that includes prevailing dealer commercial paper rate plus 0.75% over LIBOR. In addition, a program fee payable on the used portion of the lenders' commitment accrues at 0.75% per annum. A facility fee is payable on the unused commitment of the lenders, to accrue at different tiers ranging between 0.30% per annum and 0.40% per annum depending on the amount of outstanding receivables at any time to time.

Under the terms of the U.S. AR Arrangement, the Company and certain of its U.S. subsidiaries sell, on a revolving basis, their receivables (including excluded receivables) to a wholly-owned, bankruptcy-remote subsidiary. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by the Company's bankruptcy-remote subsidiary as security. Any amounts received under the U.S. AR Arrangement are recorded as debt on the Company's Consolidated Balance Sheets.

There was \$749.0 million outstanding under the U.S. AR Arrangement at February 28, 2022 at an interest rate of 1.18%. There were no amounts outstanding under the U.S. AR Arrangement at November 30, 2021.

TD SYNEX credit agreement

The Company is party to a credit agreement, dated as of April 16, 2021 (the "TD SYNEX Credit Agreement") with the lenders party to the agreement, as agent, pursuant to which the Company received commitments for the extension of a senior unsecured revolving credit facility not to exceed an aggregate amount of \$3.5 billion, which revolving credit facility (the "TD SYNEX revolving credit facility") may, at the request of the Company but subject to the discretion of the lenders, potentially be increased by up to an aggregate amount of \$500.0 million. There were no amounts outstanding under the TD SYNEX revolving credit facility as of February 28, 2022 or November 30, 2021. The TD SYNEX Credit Agreement also includes a fully funded senior unsecured term loan (the "TD SYNEX term loan") together with the TD SYNEX revolving credit facility, the "TD SYNEX credit facilities") that had an original aggregate principal amount of \$1.5 billion, amortizing as described below. The borrower under the TD SYNEX credit facilities is the Company. There are no guarantors of the TD SYNEX credit facilities. The maturity of the TD SYNEX credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026,

subject in the case of the revolving credit facility, to two one-year extensions upon the Company's prior notice to the lenders and the agreement of the lenders on the maturity date.

The outstanding principal amount of the TD SYNEX term loan is payable in quarterly installments in an amount equal to 1.25% of the principal balance, with the outstanding principal amount of the term loans due in full on the maturity date. Loans borrowed under the TD SYNEX credit facilities bear interest, in the case of LIBOR (or successor) rate loans, at a per annum rate equal to the applicable LIBOR (or successor) rate, plus the applicable margin of 1.125% to 1.75%, based on the Company's public debt rating (as defined in the TD SYNEX Credit Agreement). The applicable margin on the TD SYNEX term loan is less than the corresponding margin on LIBOR (or successor rate) based loans. In addition to these borrowing rates, there is a commitment fee which accrues at 0.300% on any unused commitment under the TD SYNEX revolving credit facility based on the Company's public debt rating. The effective interest rate on the TD SYNEX term loan was 1.59% and 1.49% as of February 28, 2022 and November 30, 2021, respectively.

The TD SYNEX Credit Agreement contains various loan covenants that are customary for similar facilities for similarly rated borrowers of the Company and its subsidiaries to take certain actions. The TD SYNEX Credit Agreement also contains financial covenants which require a maximum debt to EBITDA ratio and a minimum interest coverage ratio, in each case tested on the last day of each fiscal quarter commencing with the quarter to occur after the closing date of the TD SYNEX credit facilities. The TD SYNEX Credit Agreement also contains various customary provisions with respect to a change of control of the Company.

TD SYNEX Senior Notes

On August 9, 2021, the Company completed its offering of \$2.5 billion aggregate principal amount of senior unsecured notes, consisting of \$1.25 billion of 1.25% senior notes due August 9, 2024, \$700.0 million of 1.75% senior notes due August 9, 2026, \$600.0 million of 2.375% senior notes due August 9, 2031 and \$500.0 million of 2.65% senior notes due August 9, 2031 (collectively, the “Senior Notes,” and such offering, the “Senior Notes Offering”). The Company paid the net proceeds towards issuance costs on the Senior Notes. The Company pays interest semi-annually on the notes on each of February 9 and August 9. The net proceeds were used to fund a portion of the aggregate cash consideration payable in connection with the Merger, refinance certain of the Company's existing debt, pay related fees and expenses and for general purposes.

The interest rate payable on each series of the Senior Notes will be subject to adjustment from time to time if the credit rating assigned to the Senior Notes is downgraded (or downgraded and subsequently upgraded). The Company may redeem the Senior Notes, at any time in whole or from time to time, (i) August 9, 2022 (the “2024 Par Call Date”) in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the “2026 Par Call Date”) in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the “2028 Par Call Date”) in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the “2031 Par Call Date”). Together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a “Par Call Date” and together, the “Par Call Dates.” The redemption price will be equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present value of the scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date. The Company may also redeem the Senior Notes of any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount to be redeemed.

Other borrowings and term debt

The Company has various other committed and uncommitted lines of credit with financial institutions, accounts receivable securitization facilities, accounts receivable with recourse provisions, finance leases, short-term loans, term loans, credit facilities and book overdraft facilities, totaling approximately \$1.2 billion as of February 28, 2022. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. There was \$287.4 million outstanding on these facilities at February 28, 2022, at a weighted average interest rate of 2.98%, and there was \$1.0 billion outstanding at November 30, 2021, at a weighted average interest rate of 4.59%. Borrowings under certain of these lines of credit facilities are guaranteed or secured by eligible accounts receivable.

At February 28, 2022, the Company was also contingently liable for reimbursement obligations with respect to issued standby letters of credit with an outstanding amount of \$102.0 million. These letters of credit typically act as a guarantee of payment to certain third parties in accordance with specific conditions.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at February 28, 2022.

Covenant compliance

The Company's credit facilities have a number of covenants and restrictions that require the Company to maintain specified financial ratios and may limit the Company's ability to incur additional debt, create liens, enter into agreements with affiliates, modify the nature of the Company's business operations, or consolidate. As of February 28, 2022, the Company was in compliance with all current and material financial covenant requirements for the above-

**Earnings Per Common
Share**

**3 Months Ended
Feb. 28, 2022**

[Earnings Per Share
\[Abstract\]](#)

[EARNINGS PER COMMON
SHARE](#)

NOTE 10—EARNINGS PER COMMON SHARE:

The following table sets forth the computation of basic and diluted earnings per common share for the periods indicated:

	Three February 28, 2022
Basic earnings per common share:	
Net income attributable to common stockholders ⁽¹⁾	\$ 131,4
Weighted-average number of common shares - basic	95,5
Basic earnings per common share	\$ 1.
Diluted earnings per common share:	
Net income attributable to common stockholders ⁽¹⁾	\$ 131,4
Weighted-average number of common shares - basic	95,5
Effect of dilutive securities:	
Stock options and restricted stock units	3
Weighted-average number of common shares - diluted	95,8
Diluted earnings per common share	\$ 1.
Anti-dilutive shares excluded from diluted earnings per share calculation	2

(1) Restricted stock awards granted by the Company are considered participating securities. Income available to participating securities was immaterial in all periods presented.

Geographic Information

3 Months Ended
Feb. 28, 2022

[Segment Reporting](#)

[\[Abstract\]](#)

[SEGMENT INFORMATION](#)

NOTE 11—SEGMENT INFORMATION:

Segment results for all prior periods have been restated for comparability to the Company's current reportable segments (see [Note 1](#)— Operating Presentation for further discussion). Summarized financial information related to the Company's reportable business segments for the periods presented is as follows:

	Americas	Europe	APJ
Three Months Ended February 28, 2022			
Revenue	\$ 9,074,273	\$ 5,579,788	\$ 815,900
Operating income	133,537	65,332	23,500
Three Months Ended February 28, 2021			
Revenue	\$ 4,307,007	\$ 132,532	\$ 499,400
Operating income	120,435	6,235	15,000
Total Assets			
As of:			
February 28, 2022	\$ 16,498,640	\$ 10,619,007	\$ 1,605,000
November 30, 2021	15,708,483	10,657,886	1,300,000

Related Party Transactions

3 Months Ended

Feb. 28, 2022

[Related Party Transactions](#)

[\[Abstract\]](#)

[RELATED PARTY TRANSACTIONS](#)

NOTE 12—RELATED PARTY TRANSACTIONS:

The Company has a business relationship with MiTAC Holdings Corporation (“MiTAC Holdings”), a publicly-traded company in Taiwan when MiTAC Holdings became one of the Company's primary investors through its affiliates. As of both February 28, 2022 and November 30, 2021, its affiliates beneficially owned approximately 9.5% of the Company's outstanding common stock. Mr. Matthew Miao, Chairman Emeritus of the Board of Directors and a director, is the Chairman of MiTAC Holdings and a director or officer of MiTAC Holdings' affiliates.

Beneficial ownership of the Company's common stock by MiTAC Holdings

As noted above, MiTAC Holdings and its affiliates in the aggregate beneficially owned approximately 9.5% of the Company's outstanding common stock as of February 28, 2022. These shares are owned by the following entities:

MiTAC Holdings ⁽¹⁾	
Synnex Technology International Corp. ⁽²⁾	
Total	

- (1) Shares are held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC Holdings. Excludes 192 shares held directly by Mr. Miao, 217 shares held through a charitable remainder trust, and 190 shares held by his spouse.
- (2) Synnex Technology International Corp. (“Synnex Technology International”) is a separate entity from the Company and is a publicly-traded corporation in Taiwan. Synnex Technology International Development Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.1% in MiTAC Incorporated, a Taiwanese company, which in turn holds a noncontrolling interest of 15.7% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is an affiliate of Synnex Technology International. Entities that hold a majority interest in MiTAC Incorporated.

The following table presents the Company's transactions with MiTAC Holdings and its affiliates for the periods indicated:

	Three Months Ended February 28, 2022
Purchases of inventories and services	\$ 46,500
Sale of products to MiTAC Holdings and affiliates	\$ 1,000
Payments made for rent and overhead costs for use of facilities of MiTAC Holdings and affiliates, net	\$ 1,000

The following table presents the Company's receivable from and payable to MiTAC Holdings and its affiliates for the periods presented:

	February 28, 2022
Receivable from related parties (included in Accounts receivable, net)	\$ 40,100
Payable to related parties (included in Accounts payable)	\$ 35,800

Equity

[Equity \[Abstract\]](#)
[EQUITY](#)

3 Months Ended
Feb. 28, 2022

NOTE 13—EQUITY:

Share repurchase program

In June 2020, the Board of Directors authorized a three-year \$400 million share repurchase program, effective July 1, 2020, pursuant to which the Company may repurchase its outstanding common stock from time to time in the open market or through privately negotiated transactions. As of February 28, 2022, \$376.2 million is available for future repurchases of its common stock under the authorized share repurchase program.

The Company's common share repurchase activity for the three months ended February 28, 2022 is summarized as follows:

	Shares
Treasury stock balance at November 30, 2021	2,633
Shares of treasury stock repurchased under share repurchase program	229
Shares of treasury stock repurchased for tax withholdings on equity awards	53
Treasury stock balance at February 28, 2022	2,915

Dividends

On March 24, 2022, the Company announced that its Board of Directors declared a quarterly cash dividend of \$0.30 per common share payable to stockholders of record as of the close of business on April 8, 2022. Future dividends are subject to continued capital availability and declaration by the Board of Directors, and the Company's determination that the dividend is in the best interest of the Company's stockholders.

Commitments and Contingencies

**3 Months Ended
Feb. 28, 2022**

[Commitments and Contingencies Disclosure](#)

[\[Abstract\]](#)

[COMMITMENTS AND CONTINGENCIES](#)

NOTE 14—COMMITMENTS AND CONTINGENCIES:

As is customary in the technology industry, to encourage certain customers to purchase products from us, the Company also has other financing agreements with financial institutions to provide inventory financing facilities to the Company's customers and allow certain customers of the Company to finance their purchases directly with the financial institutions. The Company is contingently liable to repurchase inventory sold under these agreements in the event of any default by its customers under the agreement and such inventory being repossessed by the financial institutions. As the Company does not have access to information regarding the amount of inventory purchased from the Company, still on hand with the customer at any point in time, the Company's repurchase obligations relating to inventory cannot be reasonably estimated. Losses, if any, would be the difference between the repossession cost and the resale value of the inventory. Repurchases under these arrangements have been insignificant to date and the Company is not aware of any pending customer defaults or repossession obligations. The Company believes that, based on historical experience, the likelihood of a material loss pursuant to these inventory repurchase obligations is remote.

The French Autorité de la Concurrence ("Competition Authority") began in 2013 an investigation into the French market for certain products of Apple, Inc. ("Apple") for which the Company is a distributor. In March 2020, the Competition Authority imposed fines on Tech Data, on another distributor, and on Apple, finding that Tech Data entered into an anticompetitive agreement with Apple regarding volume allocations of Apple products. The fine imposed on Tech Data was €76 million (approximately \$85 million as of February 28, 2022). The Company has vigorously contested the arguments of the Competition Authority, and the Company has appealed its determination to the French courts, seeking to set aside or reduce the fine. Although the Company believes it has strong arguments on appeal, the Company has determined that the best estimate of probable loss related to this matter as of February 28, 2022 is €36 million (approximately \$40 million as of February 28, 2022). Under French law, the pendency of the Company's appeal does not suspend the obligation to pay the fine. Tech Data agreed with the French authorities to make eight equal installment payments in relation to the fine assessed for a total amount of €22.8 million on a quarterly basis from January 2021 through October 2022. As of February 28, 2022, the Company has an accrual established for this matter of €21.8 million (\$24.4 million as of February 28, 2022) that represents the total estimate of probable loss less installment payments made

to date. If the appeal process is not completed prior to the end of December 2022, the Company may be required to pay further amounts towards the full fine assessed by the Competition Authority before the Company's appeal is finally determined. However, any additional amounts that may need to be paid have not yet been determined. Additionally, the Company has provided a third-party surety bond to the Competition Authority to guarantee the payment of the amount of the fine and interest, if applicable. A civil lawsuit related to this matter, alleging anticompetitive actions in association with the established distribution networks for Apple, Tech Data and another

distributor was filed by eBizcuss. The Company is currently evaluating this matter and cannot currently estimate the probability or amount of any potential loss.

From time to time, the Company receives notices from third parties, including customers and suppliers, seeking indemnification, payment of money or other actions in connection with claims made against them. Also, from time to time, the Company has been involved in various bankruptcy preference actions where the Company was a supplier to the companies now in bankruptcy. In addition, the Company is subject to various other claims, both asserted and unasserted, that arise in the ordinary course of business. The Company evaluates these claims and records the related liabilities. It is possible that the ultimate liabilities could differ from the amounts recorded.

Under the Separation and Distribution agreement with Concentrix that was entered into in connection with the Separation, SYNEX agreed to indemnify Concentrix, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among other matters, the liabilities allocated to SYNEX as part of the Separation. Similarly, Concentrix agreed to indemnify SYNEX, each of its subsidiaries and each of their respective directors, officers and employees from and against all liabilities relating to, arising out of or resulting from, among other matters, the liabilities allocated to Concentrix as part of the Separation. The Company expects Concentrix to fully perform under the terms of the Separation and Distribution agreement.

Under the Separation and Distribution agreement, SYNEX and Concentrix agreed to cooperate with each other in managing litigation related to both companies' businesses. The Separation and Distribution agreement also included provisions that assign to each company responsibility for managing pending and future litigation related to the general corporate matters of SYNEX arising prior to the Separation.

The Company does not believe that the above commitments and contingencies will have a material adverse effect on the Company's results of operations, financial position or cash flows.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Estimates and assumptions are used for the recognition, measurement, and disclosure of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The Company evaluates these estimates on a regular basis and bases them on historical experience and on various assumptions that are reasonable.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and work force participation and caused a disruption of financial markets. Despite improvements in the global economy since the onset of the pandemic, the emergence of the Delta and Omicron mutations bring uncertainty to continued economic recovery. As a result, the Company cannot at this time accurately predict what effects these conditions will have on its operations and financial condition, including due to the uncertainties relating to the severity and duration of the pandemic, the effect on its customers and the length of the restrictions and closures imposed by various governments, including recent restrictions and closures within the Asia-Pacific region. Many of the estimates and assumptions required increased judgment and carry a higher degree of variability and volatility. As events continue to unfold and more information becomes available, these estimates may change in future periods. Actual results could differ from the estimates.

[Concentration of credit risk](#)

Concentration of credit risk

Financial instruments that potentially subject the Company to significant concentration of credit risk consist principally of cash and cash equivalents, receivable, receivables from vendors and derivative instruments.

The Company's cash and cash equivalents and derivative instruments are transacted and maintained with financial institutions with high credit ratings. The compositions and maturities are regularly monitored by management. The Company has not experienced any material credit losses on such deposits and derivative instruments.

Accounts receivable include amounts due from customers, including related party customers. Receivables from vendors, net, includes amounts due from an equipment manufacturer ("OEM") vendors. The Company performs ongoing credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary, but generally requires no collateral. The Company also maintains allowances for expected credit losses. In estimating the amount of credit loss, the Company takes into consideration the overall quality and aging of its receivable portfolio, the existence of credit insurance and specifically identified risks. The Company also considers risks attributed to COVID-19 in establishing the required allowances.

The following table provides revenue generated from products purchased from vendors that exceeded 10% of our consolidated revenue for the three months ended February 28, 2022 (as a percent of consolidated revenue):

	Three Months Ended February 28, 2022
Apple, Inc. ⁽¹⁾	13 %
HP Inc.	10 %

⁽¹⁾ Revenue generated from products purchased from this vendor was less than 10% of consolidated revenue during the period presented.

No single customer accounted for more than 10% of the Company's total revenue during the three months ended February 28, 2022. One customer accounted for 18% of the Company's total revenue during the three months ended February 28, 2021. As of February 28, 2022 and November 30, 2021, no single vendor accounted for more than 10% of the consolidated accounts receivable balance.

Accounts receivable

The Company maintains an allowance for doubtful accounts as an estimate to cover the future expected credit losses resulting from uncollectible accounts from customers or OEM vendors to make payments for outstanding balances. In estimating the required allowance, the Company takes into consideration historical credit losses, current conditions and reasonable and supportable forecasts. Adjustments to historical loss information are made for differences in accounting, as well as changes in forecasted macroeconomic conditions, such as changes in unemployment rates or gross domestic product growth. Expected credit losses are estimated on a pool basis when similar risk characteristics exist using an age-based reserve model. Receivables that do not share risk characteristics are evaluated on an individual basis.

The Company has uncommitted supply-chain financing programs with global financial institutions under which trade accounts receivable from their affiliates may be acquired, without recourse, by the financial institutions. Available capacity under these programs is dependent on the level of accounts receivable with these customers and the financial institutions' willingness to purchase such receivables. In addition, certain of these programs may be terminated if the Company continue to service, administer and collect the sold accounts receivable. As of February 28, 2022 and November 30, 2021, accounts receivable

the financial institutions under these programs were \$966.0 million and \$759.9 million, respectively. Discount fees related to the sale of trade accounts receivable facilities are included in "Interest expense and finance charges, net" in the Consolidated Statements of Operations. Discount fees for these programs for the three months ended February 28, 2022 and February 28, 2021 totaled \$3.0 million and \$0.6 million, respectively.

[Inventories](#)

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is computed based on the weighted-average method. Inventories include raw materials, finished goods and work-in-process. Finished goods include products purchased for resale, system components purchased for both resale and for use in the Company's integration-based completed systems. Work-in-process inventories are not material to the Consolidated Financial Statements.

[Segment](#)

Segments

Operating segments are based on components of the Company that engage in business activities that earn revenues and incur expenses (a) that are regularly reviewed by the Company's chief operating decision maker to make decisions about resource allocation and performance and (b) for which discrete financial information is available.

Prior to the Separation, the Company had two reportable segments: Technology Solutions and Concentrix. After giving effect to the completion of the Concentrix segment, the Company operated with one reportable segment: Technology Solutions. After completion of the Separation, the Company reviewed its reportable segments as there was a change in its chief executive officer, who is also the Company's chief operating decision maker. The Company's chief operating decision maker has a leadership structure aligned with the geographic locations: Americas, Europe and Asia-Pacific and Japan ("APJ") and reviews and allocates resources based on these geographic locations. Effective as of September 1, 2021 the Company began operating in three reportable segments based on its geographic locations: the Americas, Europe and APJ.

[Revenue Recognition](#)

Revenue Recognition

The Company generates revenue primarily from the sale of various IT products.

The Company recognizes revenues from the sale of IT hardware and software as control is transferred to customers, which is at the point in time when the product is shipped or delivered. The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the customer, the payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Binding purchase orders

from customers together with agreement to the Company's terms and conditions of sale by way of an executed agreement or other signed document constitute a contract with a customer. Products sold by the Company are delivered via shipment from the Company's facilities, drop-shipment directly from the manufacturer or the delivery of software products. In situations where arrangements include customer acceptance provisions, revenue is recognized when the Company determines that the products comply with specifications underlying acceptance and the customer has control of the products. Revenue is presented net of taxes collected on behalf of and remitted to government authorities. The Company generally invoices a customer upon shipment, or in accordance with specific contractual provisions. Shipping and handling costs per contract terms and do not contain a significant financing component. Service revenues represents less than 10% of the total revenue for the period.

Provisions for sales returns and allowances are estimated based on historical data and are recorded concurrently with the recognition of revenue. Provisions are recorded at the time of sale for estimated product returns based upon historical experience and an asset is recognized for the amount expected to be recovered upon product return. These provisions are reviewed and adjusted periodically by the Company. Revenue is reduced for early payment discounts and rebates offered to customers, which are considered variable consideration, at the time of sale based on an evaluation of the contract terms and historical experience.

The Company recognizes revenue on a net basis on certain contracts, where the Company's performance obligation is to arrange for the delivery of products provided by another party or the rendering of logistics services for the delivery of inventory for which the Company does not assume the risks and rewards of ownership, recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements include supplier service contracts, post-contract support and extended warranty contracts.

The Company considers shipping and handling activities as costs to fulfill the sale of products. Shipping revenue is included in revenue when control is transferred to the customer, and the related shipping and handling costs are included in cost of revenue.

[Reclassifications](#)

Reclassifications

Certain reclassifications have been made to prior period amounts in the Consolidated Financial Statements to conform to the current period presentation. These reclassifications did not have a material impact on previously reported amounts.

[Recently adopted and issued accounting pronouncements](#)

Recently adopted accounting pronouncements

In December 2019, the Financial Accounting Standards Board ("FASB") issued new guidance that simplifies the accounting for income taxes and is effective for annual reporting periods beginning after December 15, 2020, and interim periods within those reporting periods. Certain amendments are applied prospectively, while other amendments should be applied retrospectively to all periods presented. The adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In October 2021, the FASB issued new guidance which requires contract assets and contract liabilities acquired in a business combination to be measured by the acquirer on the acquisition date in accordance with Accounting Standards Codification ("ASC") 606, "Revenue from Contracts with Customers." Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquirer. The amounts were recognized by the acquirer at fair value in acquisition accounting. The guidance is effective for fiscal years beginning after December 15, 2021.

interim periods within those fiscal years (the fiscal quarter ending February 28, 2023 for the Company), and should be applied prospectively to ac after the effective date. Early adoption is permitted. The Company adopted this standard during the fiscal quarter ended February 28, 2022 and wi prospectively to future acquisitions.

Recently issued accounting pronouncements In March 2020, the FASB issued optional guidance for a limited time to ease in accounting for or recognizing the effects of reference rate reform, particularly, the risk of cessation of the London Inter (“LIBOR”) on financial reporting. The guidance provides optional expedients and exceptions for applying GAAP to cont relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments are elec upon issuance for all entities through December 31, 2022. The Company does not currently expect any material impacts f this new guidance.

**Summary of Significant
Accounting Policies (Tables)**
[Organization, Consolidation
and Presentation of
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[Schedule of Concentration of
Risk](#)

**3 Months Ended
Feb. 28, 2022**

The following table provides revenue generated from products purchased from vendors that exceeded 10% of our consolidated revenue for the three months ended February 28, 2022 (as a percent of consolidated revenue):

	Three Months Ended
	February 28, 2022
Apple, Inc. ⁽¹⁾	13 %
HP Inc.	10 %

Acquisitions - (Tables)

3 Months Ended
Feb. 28, 2022

[Business Combination and Asset Acquisition \[Abstract\] Schedule of Recognized Identified Assets Acquired and Liabilities Assumed](#)

The preliminary allocation of the purchase price is as follows:

Cash and cash equivalents
Accounts receivable, net
Receivables from vendors, net
Inventories
Other current assets
Property and equipment
Goodwill
Intangible assets
Other assets
Total assets
Borrowings, current
Accounts payable
Other accrued liabilities
Long-term borrowings
Other long-term liabilities
Deferred tax liabilities
Total liabilities
Purchase consideration

[Finite-Lived and Indefinite-Lived Intangible Assets Acquired](#)

The allocation of the value of identifiable intangible assets is as follows:

	Fair value
Customer relationships	\$ 3,860,200
Trade name	1,073,700
Total intangibles acquired	<u>\$ 4,933,900</u>

[Business Acquisition, Pro Forma Information](#)

As a result, the pro forma

information below does not purport to present what actual results would have been had the Merger been consummated on the date indicated and is indicative of the results of operations that may result in the future.

Revenue
Net income

**Acquisition, Integration and
Restructuring Expenses
(Tables)**

[Restructuring and Related
Activities \[Abstract\]](#)

[Restructuring and Related
Costs](#)

3 Months Ended

Feb. 28, 2022

During the three months ended February 28, 2022, acquisition and integration expenses related to the Merger were composed of the following:

Professional services costs
Personnel and other costs
Long-lived assets charges
Stock-based compensation
Total

Acquisition, integration and restructuring costs under the GBO 2 Program for fiscal 2022 included the following:

Restructuring costs
Other professional services costs
Total

[Schedule of Restructuring
Costs](#)

Restructuring costs under the GBO 2 Program for fiscal 2022 were composed of the following:

Severance
Other exit costs
Total

[Schedule of Restructuring
Reserve by Type of Cost](#)

Restructuring activity during the three months ended February 28, 2022 related to the GBO 2 Program is as follows:

	<u>Severance and Benefits</u>	<u>Other Exit Costs</u>
Accrued balance as of November 30, 2021	\$ 4,918	\$ 1,591
Expenses	359	5,687
Cash payments	(3,104)	(6,755)
Foreign currency translation	(2)	(66)
Accrued balance as of February 28, 2022	<u>\$ 2,171</u>	<u>\$ 457</u>

**Share-Based Compensation
(Tables)**

**3 Months Ended
Feb. 28, 2022**

[Share-based Payment
Arrangement \[Abstract\]
Schedule of Share Based
Awards Granted](#)

The following tables summarize the Company's share-based awards activity for TD SYNEX stock incentive plans during the three months ended 2022.

A summary of the changes in the Company's stock options is set forth below:

Balances, November 30, 2021

Granted

Exercised

Balances, February 28, 2022

A summary of the changes in the Company's non-vested restricted stock awards and stock units is presented below:

Nonvested at November 30, 2021

Granted

Vested

Canceled

Nonvested at February 28, 2022

[Schedule of Restricted Stock
Unit Activity](#)

The following table summarizes the activity related to these restricted shares during the three months ended February 28, 2022:

Nonvested at November 30, 2021

Vested

Canceled

Nonvested at February 28, 2022

**Balance Sheet Components
(Tables)**

**3 Months Ended
Feb. 28, 2022**

[Organization, Consolidation
and Presentation of
Financial Statements
\[Abstract\]](#)

[Cash, Cash Equivalents and
Restricted Cash](#)

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheet to the same amounts shown in the Consolidated Statements of Cash Flows:

	A
	February 28, 2022
Cash and cash equivalents	\$ 510,207
Restricted cash included in other current assets	200
Cash, cash equivalents and restricted cash	\$ 510,407

[Accounts Receivable, Net](#)

Accounts receivable, net:

	A
	February 28, 2022
Accounts receivable	\$ 8,856,447
Less: Allowance for doubtful accounts	(124,423)
Accounts receivable, net	\$ 8,732,024

[Receivables from Vendors, Net](#)

Receivables from vendors, net:

	A
	February 28, 2022
Receivables from vendors	\$ 1,118,469
Less: Allowance for doubtful accounts	(15,481)
Receivables from vendors, net	\$ 1,102,988

[Allowance for Doubtful Trade
Receivables](#)

Allowance for doubtful trade receivables:

Balance at November 30, 2021
Additions
Write-offs, reclassifications and foreign exchange translation
Balance at February 28, 2022

Allowance for receivables from vendors:

Balance at November 30, 2021
Additions
Write-offs, reclassifications and foreign exchange translation
Balance at February 28, 2022

[Accumulated Other
Comprehensive Income \(Loss\)
\("AOCI"\)](#)

The components of accumulated other comprehensive loss ("AOCI"), net of taxes, were as follows:

	Unrealized gains (losses) on cash flow hedges, net of taxes	Foreign currency translation adjustment and net of taxes
Balance as of November 30, 2021	\$ (48,803)	\$ (287)
Other comprehensive income before reclassification	8,902	2
Reclassification of (gains) losses from other comprehensive income (loss)	7,501	
Balance as of February 28, 2022	<u>\$ (32,400)</u>	<u>\$ (284)</u>

**Derivative Instruments
(Tables)**

**3 Months Ended
Feb. 28, 2022**

[Derivative Instruments and Hedging Activities Disclosure \[Abstract\] Summary of Fair Values of Derivative Instruments](#)

The fair values of the Company's derivative instruments are disclosed in [Note 8](#) - Fair Value Measurements and summarized in the table

Balance Sheet Line Item	Valu	
	February 28, 2022	
Derivative instruments not designated as hedging instruments:		
Foreign exchange forward contracts (notional value)	\$	1,507,805
Other current assets		8,653
Other accrued liabilities		6,073
Derivative instruments designated as cash flow hedges:		
Interest rate swaps (notional value)	\$	1,100,000
Other accrued liabilities		19,907
Other long-term liabilities		7,027

[Effect of Derivative Instruments on AOCI and Consolidated Statements of Earnings](#)

The following table shows the gains and losses, before taxes, of the Company's derivative instruments designated as cash flow hedges in Income ("OCI") and not designated as hedging instruments in the Consolidated Statements of Operations for the periods presented:

	Location of Gains (Losses) in Income	Three	
		February 28, 2022	
Derivative instruments designated as cash flow hedges:			
Gains (losses) recognized in OCI on interest rate swaps		\$	11,8
Gains (losses) on interest rate swaps reclassified from AOCI into income	Interest expense and finance charges, net	\$	(9,9
Derivative instruments not designated as hedging instruments:			
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Cost of products sold	\$	(9,8
Gains (losses) recognized from foreign exchange forward contracts, net ⁽¹⁾	Other income (expense), net		(2
Gains (losses) recognized from interest rate swaps, net	Interest expense and finance charges, net		
Total		\$	(10,1

(1) The gains and losses largely offset the currency gains and losses that resulted from changes in the assets and liabilities denominated in nonfunctional currencies.

**Fair Value Measurements
(Tables)**

**3 Months Ended
Feb. 28, 2022**

[Fair Value Disclosures
\[Abstract\]](#)
[Schedule of Valuation of
Investments and Financial
Instruments Measured at Fair
Value on Recurring Basis](#)

The following table summarizes the valuation of the Company's investments and financial instruments that are measured at fair value on

	As of February 28, 2022				As of November 30, 2021		
	Total	Fair value measurement category			Total	Fair value measurement category	
		Level 1	Level 2	Level 3		Level 1	Level 2
Assets:							
Forward foreign currency exchange contracts	\$ 8,653	\$ —	\$ 8,653	\$ —	\$ 13,764	\$ —	\$ —
Liabilities:							
Forward foreign currency exchange contracts	\$ 6,073	\$ —	\$ 6,073	\$ —	\$ 2,992	\$ —	\$ —
Interest rate swaps	26,934	—	26,934	—	62,821	—	—

Borrowings (Tables)**3 Months Ended
Feb. 28, 2022**[Debt Disclosure \[Abstract\]](#)
[Schedule of Borrowings](#)

Borrowings consist of the following:

	A
	<u>February 28, 2022</u>
TD SYNEX U.S. Accounts Receivable Securitization Agreement	\$ 749,000
Other committed and uncommitted revolving credit facilities and borrowings	287,400
Current portion of TD SYNEX term loan	75,000
Borrowings, current	<u>\$ 1,111,400</u>
TD SYNEX term loan	\$ 1,406,250
TD SYNEX Senior Notes	2,500,000
Other credit agreements and long-term debt	69,281
Long-term borrowings, before unamortized debt discount and issuance costs	<u>\$ 3,975,531</u>
Less: unamortized debt discount and issuance costs	(40,311)
Long-term borrowings	<u>\$ 3,935,220</u>

**Earnings Per Common
Share (Tables)**

**3 Months Ended
Feb. 28, 2022**

[Earnings Per Share
\[Abstract\]](#)

[Schedule of Basic and Diluted
Earnings Per Common Share](#)

The following table sets forth the computation of basic and diluted earnings per common share for the periods indicated:

	Three February 28, 2022
Basic earnings per common share:	
Net income attributable to common stockholders ⁽¹⁾	\$ 131,4
Weighted-average number of common shares - basic	95,5
Basic earnings per common share	\$ 1.
Diluted earnings per common share:	
Net income attributable to common stockholders ⁽¹⁾	\$ 131,4
Weighted-average number of common shares - basic	95,5
Effect of dilutive securities:	
Stock options and restricted stock units	3
Weighted-average number of common shares - diluted	95,8
Diluted earnings per common share	\$ 1.
Anti-dilutive shares excluded from diluted earnings per share calculation	2

(1) Restricted stock awards granted by the Company are considered participating securities. Income available to participating securities was immaterial in all periods presented.

**Geographic Information
(Tables)**

[Segment Reporting
\[Abstract\]](#)
[Schedule of Segment
Reporting Information, by
Segment](#)

**3 Months Ended
Feb. 28, 2022**

Summarized financial information related to the Company's reportable business segments for the periods presented is shown below.

	<u>Americas</u>	<u>Europe</u>	<u>APJ</u>
Three Months Ended February 28, 2022			
Revenue	\$ 9,074,273	\$ 5,579,788	\$ 815,900
Operating income	133,537	65,332	23,500
Three Months Ended February 28, 2021			
Revenue	\$ 4,307,007	\$ 132,532	\$ 499,400
Operating income	120,435	6,235	15,000
Total Assets			
As of:			
February 28, 2022	\$ 16,498,640	\$ 10,619,007	\$ 1,605,000
November 30, 2021	15,708,483	10,657,886	1,300,000

Equity (Tables)

3 Months Ended
Feb. 28, 2022

[Equity \[Abstract\]](#)
[Schedule of Share](#)
[Repurchases](#)

The Company's common share repurchase activity for the three months ended February 28, 2022 is summarized as follows:

	Shares
Treasury stock balance at November 30, 2021	2,633
Shares of treasury stock repurchased under share repurchase program	229
Shares of treasury stock repurchased for tax withholdings on equity awards	53
Treasury stock balance at February 28, 2022	2,915

**Organization and Basis of
Presentation - Additional
Information (Details) - USD
(\$)**

Sep. 01, 2021 Dec. 01, 2020

\$ in Millions

[Tiger Parent \(AP\) Corporation | Merger Agreement](#)

[Segment Reporting Information \[Line Items\]](#)

Cash consideration to acquire businesses	\$ 1,610
Cash acquired from acquisition	1,110
Equity contribution	\$ 500
Number of shares, consideration (in shares)	44,000,000
Value assigned for shares, consideration	\$ 5,610

[Concentrix | Separation of Customer Experience Services Business](#)

[Segment Reporting Information \[Line Items\]](#)

Percentage of outstanding common stock distributed	100.00%
Stockholders of parent received share of common stock for every share converted	1
Shares distributed (in shares)	51,600,000

Summary of Significant Accounting Policies - Additional Information (Details) \$ in Millions	3 Months Ended			6 Months Ended	9 Months Ended	
	Nov. 30, 2020 segment	Feb. 28, 2022 USD (\$)	Feb. 28, 2021 USD (\$)	Feb. 28, 2022 USD (\$) segment	Aug. 31, 2021 segment	Nov. 30, 2021 USD (\$)
Recently Adopted Accounting Pronouncements [Line Items]						
Number of reportable segments segment Maximum	2			3	1	
Recently Adopted Accounting Pronouncements [Line Items]						
Services revenue as a percentage of total revenue (less than)		10.00%				
Supply-chain Financing Program						
Recently Adopted Accounting Pronouncements [Line Items]						
Accounts receivable sold to and held by financial institution		\$ 966.0		\$ 966.0		\$ 759.9
Discount fees		\$ 3.0	\$ 0.6			
Sales Revenue, Net Supplier Concentration Risk HP Inc						
Recently Adopted Accounting Pronouncements [Line Items]						
Concentration risk, percentage Sales Revenue, Net Supplier Concentration Risk Apple, Inc.		10.00%	14.00%			
Recently Adopted Accounting Pronouncements [Line Items]						
Concentration risk, percentage Customer1 Sales Revenue, Net Customer Concentration Risk		13.00%				
Recently Adopted Accounting Pronouncements [Line Items]						
Concentration risk, percentage			18.00%			

**Acquisitions- Additional
Information (Details) -
Merger Agreement - USD (\$)
\$ in Millions**

**3 Months
Ended
Feb. 28, 2022**

**Sep. 01,
2021**

Tiger Parent (AP) Corporation

Business Acquisition [Line Items]

Business Combination, Consideration Transferred

\$ 7,220

Cash consideration to acquire businesses

1,610

Cash acquired from acquisition

1,110

Equity contribution

\$ 500

Number of shares, consideration (in shares)

44,000,000

Value assigned for shares, consideration

\$ 5,610

Business Acquisition, Goodwill, Expected Tax Deductible Amount

500

Tech Data Corporation

Business Acquisition [Line Items]

Business Combination, Pro Forma Information, Revenue of Acquiree since
Acquisition Date, Actual

\$ 10,000

Tech Data Corporation | Senior Notes

Business Acquisition [Line Items]

Repayments of debt

200

Tech Data Corporation | Asset Based Credit Agreement

Business Acquisition [Line Items]

Repayments of debt

\$ 2,400

**Acquisitions- Schedule of
Recognized Identified Assets
Acquired and Liabilities
Assumed (Details) - USD (\$)**

**Feb. 28, 2022 Nov. 30, 2021 Sep. 01,
2021**

Business Acquisition [Line Items]

Goodwill

\$ \$
3,911,973,000 3,917,276,000

Tiger Parent (AP) Corporation | Merger Agreement

Business Acquisition [Line Items]

Cash and cash equivalents

\$ 702,907

Inventories

2,994,842

Other current assets

395,984

Property and equipment

347,532

Goodwill

3,543,426

Intangible assets

4,933,900

Other assets

474,000

Total assets

19,273,747

Borrowings, current

493,076

Accounts payable

6,613,031

Other accrued liabilities

1,246,962

Long-term borrowings

2,218,672

Other long-term liabilities

416,587

Deferred tax liabilities

1,061,019

Total liabilities

12,049,347

Purchase consideration

7,224,400

Tiger Parent (AP) Corporation | Merger Agreement | Trade Accounts

Receivable

Business Acquisition [Line Items]

Accounts receivable, net

5,150,725

Receivables from vendors, net

5,150,725

Tiger Parent (AP) Corporation | Merger Agreement | Loans and

Finance Receivables

Business Acquisition [Line Items]

Accounts receivable, net

730,431

Receivables from vendors, net

\$ 730,431

**Acquisitions - Finite-Lived
and Indefinite-Lived
Intangible Assets Acquired
(Details) - Tiger Parent (AP)
Corporation - Merger
Agreement**

**Sep. 01, 2021
USD (\$)**

Business Acquisition [Line Items]

Total intangibles acquired \$ 4,933,900

Trade name

Business Acquisition [Line Items]

Trade name 1,073,700

Customer relationships

Business Acquisition [Line Items]

Customer relationships \$ 3,860,200

Weighted average useful life - finite lived assets (in years) 14 years

Acquisitions - Business Acquisition, Pro Forma Information (Details) - Tiger Parent (AP) Corporation - Merger Agreement **3 Months Ended Feb. 28, 2021**
USD (\$)

Business Acquisition [Line Items]

<u>Revenue</u>	\$ 15,245,644
<u>Net income</u>	\$ 136,324

**Acquisition, Integration and
Restructuring Expenses -
Additional Information
(Details)
\$ in Thousands**

**3 Months Ended
Feb. 28, 2022
USD (\$)**

<u>Restructuring and Related Activities [Abstract]</u>	
<u>Total</u>	\$ 6,046
<u>Restructuring Cost and Reserve [Line Items]</u>	
<u>Restructuring costs</u>	6,046
<u>Global Business Optimization 2 Program</u>	
<u>Restructuring and Related Activities [Abstract]</u>	
<u>Total</u>	6,046
<u>Restructuring Cost and Reserve [Line Items]</u>	
<u>Restructuring costs</u>	6,046
<u>Asia Pacific Global Business Optimization 2 Program</u>	
<u>Restructuring and Related Activities [Abstract]</u>	
<u>Total</u>	300
<u>Restructuring Cost and Reserve [Line Items]</u>	
<u>Restructuring costs</u>	300
<u>United States Global Business Optimization 2 Program</u>	
<u>Restructuring and Related Activities [Abstract]</u>	
<u>Total</u>	1,800
<u>Restructuring Cost and Reserve [Line Items]</u>	
<u>Restructuring costs</u>	1,800
<u>Europe Global Business Optimization 2 Program</u>	
<u>Restructuring and Related Activities [Abstract]</u>	
<u>Total</u>	3,900
<u>Restructuring Cost and Reserve [Line Items]</u>	
<u>Restructuring costs</u>	\$ 3,900

**Acquisition, Integration and
Restructuring Expenses -
Restructuring and Related
Costs (The Merger) -
(Details) - USD (\$)
\$ in Thousands**

3 Months Ended

Feb. 28, 2022 Feb. 28, 2021

Restructuring Cost and Reserve [Line Items]

<u>Stock-based compensation</u>	\$ 8,700	\$ 4,900
<u>Total</u>	93,370	\$ 0

Tech Data Corporation

Restructuring Cost and Reserve [Line Items]

<u>Professional services costs</u>	8,148
<u>Personnel and other costs</u>	10,944
<u>Restructuring and Related Cost, Accelerated Depreciation</u>	52,871
<u>Stock-based compensation</u>	13,576
<u>Total</u>	\$ 85,539

**Acquisition, Integration and
Restructuring Expenses -
Restructuring and Related
Costs (GBO 2 Program) -
(Details) - USD (\$)
\$ in Thousands**

3 Months Ended

Feb. 28, 2022 Feb. 28, 2021

Restructuring Cost and Reserve [Line Items]

<u>Restructuring costs</u>	\$ 6,046	
<u>Total</u>	93,370	\$ 0

Global Business Optimization 2 Program

Restructuring Cost and Reserve [Line Items]

<u>Restructuring costs</u>	6,046	
<u>Other professional services costs</u>	1,785	
<u>Total</u>	\$ 7,831	

**Acquisition, Integration and
Restructuring Expenses -
Schedule of Restructuring
Costs (GBO 2 Program)
(Details)
\$ in Thousands**

3 Months Ended

**Feb. 28, 2022
USD (\$)**

Restructuring Cost and Reserve [Line Items]

Total \$ 6,046

Global Business Optimization 2 Program

Restructuring Cost and Reserve [Line Items]

Severance 359

Other exit costs 5,687

Total \$ 6,046

**Acquisition, Integration and
Restructuring Expenses -
Schedule of Restructuring
Reserve by Type of Cost
(Details)
\$ in Thousands**

3 Months Ended

**Feb. 28, 2022
USD (\$)**

Restructuring Cost and Reserve [Line Items]

<u>Accrued balance as of November 30, 2021</u>	\$ 6,509
<u>Total</u>	6,046
<u>Cash payments</u>	(9,859)
<u>Foreign currency translation</u>	(68)
<u>Accrued balance as of February 28, 2022</u>	2,628

Severance and Benefits

Restructuring Cost and Reserve [Line Items]

<u>Accrued balance as of November 30, 2021</u>	4,918
<u>Total</u>	359
<u>Cash payments</u>	(3,104)
<u>Foreign currency translation</u>	(2)
<u>Accrued balance as of February 28, 2022</u>	2,171

Other Exit Costs

Restructuring Cost and Reserve [Line Items]

<u>Accrued balance as of November 30, 2021</u>	1,591
<u>Total</u>	5,687
<u>Cash payments</u>	(6,755)
<u>Foreign currency translation</u>	(66)
<u>Accrued balance as of February 28, 2022</u>	\$ 457

**Share-Based Compensation -
Schedule of Share Based
Awards Granted (Details)
shares in Thousands**

**3 Months Ended
Feb. 28, 2022
shares**

Stock options

Stock options, beginning (in shares) 689

Granted (in shares) 9

Exercised (in shares) (17)

Stock options, ending (in shares) 681

Restricted stock awards and Restricted stock units

Restricted stock awards and Restricted stock units

Restricted stock, beginning (in shares) 1,066

Granted (in shares) 25

Vested (in shares) (150)

Canceled (in shares) (36)

Restricted stock, ending (in shares) 905

Share-Based Compensation - 3 Months Ended
Schedule of Restricted Stock Feb. 28, 2022
Unit Activity (Details) - shares
Restricted shares

Restricted shares

<u>Restricted stock, beginning (in shares)</u>	751,000
<u>Vested (in shares)</u>	1,000
<u>Canceled (in shares)</u>	(15,000)
<u>Restricted stock, ending (in shares)</u>	735,000

**Share-Based Compensation -
Schedule of Share-Based
Compensation Expense
(Details) - USD (\$)**

3 Months Ended
Feb. 28, Feb. 28,
2022 2021

Employee Service Share Based Compensation Allocation Of Recognized Period Costs [Line Items]

<u>Stock-based compensation</u>	\$ 8,700,000	\$ 4,900,000
---------------------------------	--------------	--------------

Acquisition, Integration, and Restructuring Costs

Employee Service Share Based Compensation Allocation Of Recognized Period Costs [Line Items]

<u>Stock-based compensation</u>	1,900,000	
---------------------------------	-----------	--

Restricted stock awards and Restricted stock units | TD SYNEX

Employee Service Share Based Compensation Allocation Of Recognized Period Costs [Line Items]

<u>Stock-based compensation</u>	\$ 11,700,000	
---------------------------------	---------------	--

<u>Award vesting period (in years)</u>	2 years	
--	---------	--

<u>Weighted average grant date fair value (in usd per share)</u>	\$ 127.60	
--	-----------	--

<u>Unamortized share-based compensation related to non-vested share-based awards</u>	\$ 70,400,000	
--	---------------	--

<u>Weighted-average amortization period (in years)</u>	1 year 6 months	
--	-----------------	--

**Balance Sheet Components -
Cash, Cash Equivalents and
Restricted Cash (Details) -
USD (\$)**

**Feb. 28,
2022**

**Nov. 30,
2021**

\$ in Thousands

Organization, Consolidation and Presentation of Financial Statements

[Abstract]

Cash and cash equivalents

\$ 510,207 \$ 993,973

Restricted cash included in other current assets

200 940

Cash, cash equivalents and restricted cash

\$ 510,407 \$ 994,913

**Balance Sheet Components -
Accounts Receivable, Net
(Details) - USD (\$)
\$ in Thousands**

**Feb. 28,
2022** **Nov. 30,
2021**

Organization, Consolidation and Presentation of Financial Statements

[Abstract]

Accounts receivable

\$ 8,856,447 \$ 8,424,868

Less: Allowance for doubtful accounts

(124,423) (114,836)

Accounts receivable, net

\$ 8,732,024 \$ 8,310,032

**Balance Sheet Components -
Receivables from Vendors,
Net (Details) - USD (\$)
\$ in Thousands**

**Feb. 28,
2022** **Nov. 30,
2021**

Organization, Consolidation and Presentation of Financial Statements

[Abstract]

Receivables from vendors

\$ 1,118,469 \$ 1,130,091

Less: Allowance for doubtful accounts

(15,481) (11,128)

Receivables from vendors, net

\$ 1,102,988 \$ 1,118,963

**Balance Sheet Components -
Allowance for Doubtful
Trade Receivables (Details)
\$ in Thousands**

**3 Months Ended
Feb. 28, 2022
USD (\$)**

Financing Receivable, Allowance for Credit Loss [Line Items]

Beginning balance \$ 114,836

Ending balance 124,423

Allowance For Doubtful Trade Receivables

Financing Receivable, Allowance for Credit Loss [Line Items]

Beginning balance 114,836

Additions 15,927

Write-offs, reclassifications and foreign exchange translation (6,340)

Ending balance 124,423

Allowance For Receivables From Vendors

Financing Receivable, Allowance for Credit Loss [Line Items]

Beginning balance 11,128

Additions 4,140

Write-offs, reclassifications and foreign exchange translation (213)

Ending balance \$ 15,481

**Balance Sheet Components -
Summary of Accumulated
Other Comprehensive
Income (Loss) ("AOCI")
(Details)
\$ in Thousands**

3 Months Ended

**Feb. 28, 2022
USD (\$)**

Accumulated Other Comprehensive Income (Loss), net of taxes

Accumulated other comprehensive income (loss), beginning balance \$ (336,194)

Other comprehensive income before reclassification 11,678

Reclassification of (gains) losses from other comprehensive income (loss) 7,501

Accumulated other comprehensive income (loss), ending balance (317,015)

Unrealized gains (losses) on cash flow hedges, net of taxes

Accumulated Other Comprehensive Income (Loss), net of taxes

Accumulated other comprehensive income (loss), beginning balance (48,803)

Other comprehensive income before reclassification 8,902

Reclassification of (gains) losses from other comprehensive income (loss) 7,501

Accumulated other comprehensive income (loss), ending balance (32,400)

Foreign currency translation adjustment and other, net of taxes

Accumulated Other Comprehensive Income (Loss), net of taxes

Accumulated other comprehensive income (loss), beginning balance (287,391)

Other comprehensive income before reclassification 2,776

Reclassification of (gains) losses from other comprehensive income (loss) 0

Accumulated other comprehensive income (loss), ending balance \$ (284,615)

**Derivative Instruments -
Additional Information
(Details) - USD (\$)
\$ in Millions**

**3 Months
Ended
Feb. 28,
2022 Dec. 31,
2021**

Derivative [Line Items]

Existing net losses in accumulated other comprehensive loss expected to be reclassified to earnings \$ 29

Cash Flow Hedging | Interest Rate Swap

Derivative [Line Items]

Terminated interest rate swaps with notional value \$ 400

Terminated Interest Rate Swaps, Cumulative Losses \$ 16

Maximum | Foreign Exchange Forward Contracts | Derivative instruments not designated as hedging instruments:

Derivative [Line Items]

Foreign exchange forward contracts, maturity 12 months

Maximum | Cash Flow Hedging | Interest Rate Swap

Derivative [Line Items]

Derivative maturity date 2023-10

**Derivative Instruments -
Summary of Fair Values of
Derivative Instruments
(Details) - USD (\$)
\$ in Thousands**

Feb. 28, 2022 Nov. 30, 2021

Derivative instruments not designated as hedging instruments: | Foreign Exchange Forward Contracts

Derivative [Line Items]

Notional value

\$ \$
1,507,805 1,217,595

Derivative instruments not designated as hedging instruments: | Foreign Exchange Forward Contracts | Other current assets

Derivative [Line Items]

Other current assets

8,653 13,764

Derivative instruments not designated as hedging instruments: | Foreign Exchange Forward Contracts | Other accrued liabilities

Derivative [Line Items]

Other accrued liabilities

6,073 2,992

Derivative instruments designated as cash flow hedges: | Interest Rate Swap | Derivative instruments designated as cash flow hedges:

Derivative [Line Items]

Notional value

1,100,000 1,500,000

Derivative instruments designated as cash flow hedges: | Interest Rate Swap | Derivative instruments designated as cash flow hedges: | Other accrued liabilities

Derivative [Line Items]

Liabilities

19,907 38,670

Derivative instruments designated as cash flow hedges: | Interest Rate Swap | Derivative instruments designated as cash flow hedges: | Other long-term liabilities

Derivative [Line Items]

Liabilities

\$ 7,027 \$ 24,151

**Derivative Instruments -
Effect of Derivative
Instruments on AOCI and
Consolidated Statements of
Operations (Details) - USD
(\$)
\$ in Thousands**

**3 Months
Ended**

**Feb. 28, Feb. 28,
2022 2021**

Derivative Instruments Gain Loss [Line Items]

<u>Gains (losses) on interest rate swaps reclassified from AOCI into income</u>	\$	\$
	(7,501)	(7,788)

Derivative instruments designated as cash flow hedges: | Interest Rate Swap

Derivative Instruments Gain Loss [Line Items]

<u>Gains (losses) recognized in OCI on interest rate swaps</u>	11,820	3,055
--	--------	-------

Derivative instruments designated as cash flow hedges: | Interest Rate Swap | Interest expense and finance charges, net | Derivative instruments designated as cash flow hedges:

Derivative Instruments Gain Loss [Line Items]

<u>Gains (losses) on interest rate swaps reclassified from AOCI into income</u>	(9,960)	(10,326)
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Derivative instruments not designated as hedging instruments:

Derivative Instruments Gain Loss [Line Items]

<u>Total</u>	(10,103)	(569)
--------------	----------	-------

Derivative instruments not designated as hedging instruments: | Other income (expense), net

Derivative Instruments Gain Loss [Line Items]

<u>Gains (losses) recognized from foreign exchange forward contracts</u>	[1](210)	(697)
--	----------	-------

Derivative instruments not designated as hedging instruments: | Interest expense and finance charges, net

Derivative Instruments Gain Loss [Line Items]

<u>Gains (losses) recognized from interest rate swaps, net</u>	0	128
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Derivative instruments not designated as hedging instruments: | Cost of Sales

Derivative Instruments Gain Loss [Line Items]

<u>Gains (losses) recognized from foreign exchange forward contracts</u>	\$	\$ 0
	(9,893)	

[1] The gains and losses largely offset the currency gains and losses that resulted from changes in the assets and liabilities denominated in nonfunctional currencies.

**Fair Value Measurements -
Schedule of Valuation of
Investments and Financial
Instruments Measured at
Fair Value on Recurring
Basis (Details) - Fair Value,
Recurring - USD (\$)
\$ in Thousands**

Feb. 28, 2022 Nov. 30, 2021

Assets:

Forward foreign currency exchange contracts \$ 8,653 \$ 13,764

Liabilities:

Forward foreign currency exchange contracts 6,073 2,992

Interest rate swaps 26,934 62,821

Level 1

Assets:

Forward foreign currency exchange contracts 0 0

Liabilities:

Forward foreign currency exchange contracts 0 0

Interest rate swaps 0 0

Level 2

Assets:

Forward foreign currency exchange contracts 8,653 13,764

Liabilities:

Forward foreign currency exchange contracts 6,073 2,992

Interest rate swaps 26,934 62,821

Level 3

Assets:

Forward foreign currency exchange contracts 0 0

Liabilities:

Forward foreign currency exchange contracts 0 0

Interest rate swaps \$ 0 \$ 0

**Fair Value Measurements -
Additional Information
(Details) - USD (\$)**

Feb. 28, 2022 Nov. 30, 2021

**Fair Value Assets And Liabilities Measured On Recurring And Nonrecurring
Basis [Line Items]**

Transfers between fair value measurement category levels

\$ 0

Senior Notes

**Fair Value Assets And Liabilities Measured On Recurring And Nonrecurring
Basis [Line Items]**

Estimated fair value

\$ \$
2,360,000,000 2,450,000,000

**Borrowings - Schedule of
Borrowings (Details) - USD
(\$)
\$ in Thousands**

Feb. 28, 2022 Nov. 30, 2021

Debt Instrument [Line Items]

<u>Borrowings, current</u>	\$ 1,111,400	\$ 181,256
<u>Long-term borrowings, before unamortized debt discount and issuance costs</u>	3,975,531	3,997,258
<u>Less: unamortized debt discount and issuance costs</u>	(40,311)	(42,082)
<u>Long-term borrowings</u>	3,935,220	3,955,176

Accounts Receivable Securitization Agreement | Other Entities

Debt Instrument [Line Items]

<u>Borrowings, current</u>	749,000	0
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Line of Credit | TD SYNEX

Debt Instrument [Line Items]

<u>Borrowings, current</u>	287,400	106,256
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Other long-term liabilities

Debt Instrument [Line Items]

<u>Borrowings, current</u>	75,000	75,000
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Credit Agreement | TD SYNEX

Debt Instrument [Line Items]

<u>Long-term borrowings, before unamortized debt discount and issuance costs</u>	1,406,250	1,425,000
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Senior Notes | TD SYNEX

Debt Instrument [Line Items]

<u>Long-term borrowings, before unamortized debt discount and issuance costs</u>	2,500,000	2,500,000
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Term Loan | Other Entities

Debt Instrument [Line Items]

<u>Long-term borrowings, before unamortized debt discount and issuance costs</u>	\$ 69,281	\$ 72,258
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**Borrowings - TD SYNEX
United States Receivable
Securitization Arrangement
(Details) - AR Arrangement -
TD SYNEX US - USD (\$)
\$ in Thousands**

3 Months Ended

Dec. 22, 2021 Feb. 28, 2022 Nov. 30, 2021

Trade Accounts Receivable

Debt Instrument [Line Items]

Line of credit facility, accordion feature amount

\$ 1,500,000

Interest rate, basis spread on variable rate, commercial paper rates 750.00%

1.18%

Credit facility, outstanding borrowings

\$ 749,000

\$ 0

Minimum | Trade Accounts Receivable

Debt Instrument [Line Items]

Unused line fees or commitment fees

300.00%

Maximum | Trade Accounts Receivable

Debt Instrument [Line Items]

Unused line fees or commitment fees

400.00%

Trade Accounts Receivable | Maximum

Debt Instrument [Line Items]

Unused line fees or commitment fees

**Borrowings - TD SYNEX
Credit Agreement (Details) -
Tech Data Corporation** **Apr. 16, 2021
USD (\$)
extension**

3 Months Ended

Feb. 28, 2022

**Nov.
30,
2021**

[New Credit Agreement](#)

[Line of Credit Facility \[Line
Items\]](#)

[Line of credit facility,
maximum borrowing capacity](#) \$ 3,500,000,000

[New credit facilities
termination description](#)

The maturity of the TD SYNEX credit facilities is on the fifth anniversary of the September 2021 closing date, to occur in September 2026, subject in the case of the revolving credit facility, to two one-year extensions upon the Company's prior notice to the lenders and the agreement of the lenders to extend such maturity date.

[Line of credit facility period
payment, percentage of
principal balance](#) 1.25%

[Line of credit facility,
frequency of payments and
terms](#)

The outstanding principal amount of the TD SYNEX term loan is payable in quarterly installments in an amount equal to 1.25% of the original \$1.5 billion principal balance, with the outstanding principal amount of the term loans due in full on the maturity date.

[New Credit Agreement |
Maximum](#)

[Line of Credit Facility \[Line
Items\]](#)

[Line of credit facility, potential
increase in borrowing capacity
amount](#) \$ 500,000,000

[Commitment fee](#) 0.30%

[New Credit Agreement |
Maximum | London Interbank
Offered Rate \(LIBOR\)](#)

[Line of Credit Facility \[Line
Items\]](#)

[Interest rate](#) 1.75%

[New Credit Agreement |
Maximum | Base Rate](#)

[Line of Credit Facility \[Line
Items\]](#)

[Interest rate](#) 1.00%

[New Credit Agreement |
Minimum](#)

[Line of Credit Facility \[Line
Items\]](#)

<u>Commitment fee</u>	0.125%		
<u>New Credit Agreement Minimum London Interbank Offered Rate (LIBOR)</u>			
<u>Line of Credit Facility [Line Items]</u>			
<u>Interest rate</u>	1.125%		
<u>New Credit Agreement Senior Unsecured Term Loan</u>			
<u>Line of Credit Facility [Line Items]</u>			
<u>Line of credit facility, maximum borrowing capacity</u>	\$	1,500,000,000	
<u>Line of credit facility, number of extensions extension</u>		2	
<u>Line of credit facility, extension period</u>		1 year	
<u>TD SYNEX Credit Agreement</u>			
<u>Line of Credit Facility [Line Items]</u>			
<u>Effective interest rate, term loan</u>		1.59%	1.49%

Borrowings - TD SYNEX
Senior Notes (Details) -
Senior Notes - USD (\$)
\$ in Millions

3 Months Ended

Aug. 09,
2021

Feb. 28, 2022

Line of Credit Facility [Line Items]

Aggregate principal amount \$ 2,500.0

Debt issuance cost \$ 19.6

Debt instrument, redemption, description

The Company may redeem the Senior Notes, at any time in whole or from time to time in part, prior to (i) August 9, 2022 (the “2024 Par Call Date”) in the case of the 2024 Senior Notes, (ii) July 9, 2026 (the “2026 Par Call Date”) in the case of the 2026 Senior Notes, (iii) June 9, 2028 (the “2028 Par Call Date”) in the case of the 2028 Senior Notes, and (iv) May 9, 2031 in the case of the 2031 Senior Notes (the “2031 Par Call Date” and, together with the 2024 Par Call Date, the 2026 Par Call Date and the 2028 Par Call Date, each, a “Par Call Date” and together, the “Par Call Dates”), at a redemption price equal to the greater of (x) 100% of the aggregate principal amount of the applicable Senior Notes to be redeemed and (y) the sum of the present values of the remaining scheduled payments of the principal and interest on the Senior Notes, discounted to the date of redemption on a semi-annual basis at a rate equal to the sum of the applicable treasury rate plus 15 basis points for the 2024 Senior Notes, 20 basis points for the 2026 Senior Notes and 25 basis points for the 2028 Senior Notes and 2031 Senior Notes, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date. The Company may also redeem the Senior Notes of any series at its option, at any time in whole or from time to time in part, on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Senior Notes to be redeemed.

Minimum

Line of Credit Facility [Line Items]

Debt Instrument, redemption price, percentage of principal amount redeemed (100.00%)(100.00%)

1.25% Senior Notes due 2024

Line of Credit Facility [Line Items]

Aggregate principal amount \$ 700.0

Interest rate 1.25%

Maturity date Aug. 09, 2024

Debt Instrument, redemption discount rate basis spread on treasury rate 1500.00%

1.25% Senior Notes due 2024 |

Maximum

**Line of Credit Facility [Line
Items]**

Debt instrument redemption Aug. 09,
par call date 2022

1.75% Senior Notes due 2026

**Line of Credit Facility [Line
Items]**

Aggregate principal amount \$ 700.0
Interest rate 1.75%
Maturity date Aug. 09,
2026

Debt Instrument, redemption
discount rate basis spread on 2000.00%
treasury rate

1.75% Senior Notes due 2026 |

Maximum

**Line of Credit Facility [Line
Items]**

Debt instrument redemption Jul. 09,
par call date 2026

2.375% Senior Notes due 2028

**Line of Credit Facility [Line
Items]**

Aggregate principal amount \$ 600.0
Interest rate 2.375%
Maturity date Aug. 09,
2028

Debt Instrument, redemption
discount rate basis spread on 2500.00%
treasury rate

2.375% Senior Notes due 2028

|Maximum

**Line of Credit Facility [Line
Items]**

Debt instrument redemption Jun. 09,
par call date 2028

2.65% Senior Notes due 2031

**Line of Credit Facility [Line
Items]**

Aggregate principal amount \$ 500.0
Interest rate 2.65%
Maturity date Aug. 09,
2031

Debt Instrument, redemption
discount rate basis spread on 2500.00%
treasury rate

2.65% Senior Notes due 2031 |
Maximum

Line of Credit Facility [Line
Items]

Debt instrument redemption May 09,
par call date 2031

**Borrowings - Additional
Information (Details) - USD**

(\$)

\$ in Thousands

Feb. 28, 2022 Nov. 30, 2021

Debt Instrument [Line Items]

Borrowings, current

\$ 1,111,400 \$ 181,256

Other Entities | Line of Credit

Debt Instrument [Line Items]

Line of credit facility, maximum borrowing capacity

\$ 618,800

Debt, weighted average interest rate

2.98% 4.59%

Other Entities | Line of Credit | Financial Standby Letter of Credit

Debt Instrument [Line Items]

Guarantor obligations, current carrying value

\$ 102,000

TD SYNEX | Line of Credit

Debt Instrument [Line Items]

Borrowings, current

\$ 287,400 \$ 106,256

**Earnings Per Common
Share - Schedule of Basic
and Diluted Earnings Per
Common Share (Details) -
USD (\$)
\$ / shares in Units, shares in
Thousands, \$ in Thousands**

3 Months Ended

**Feb. 28, 2022 Feb.
28,
2021**

Basic earnings per common share:

<u>Net income attributable to common stockholders</u>	[1] \$ 131,443	\$ 86,933
<u>Weighted-average common shares - basic (in shares)</u>	95,584	51,145
<u>Basic (in USD per share)</u>	\$ 1.38	\$ 1.70

Diluted earnings per common share:

<u>Net income attributable to common stockholders</u>	[1] \$ 131,446	\$ 86,940
<u>Weighted-average common shares - basic (in shares)</u>	95,584	51,145
<u>Stock options and restricted stock units (shares)</u>	308	418
<u>Weighted-average number of common shares - diluted (in shares)</u>	95,892	51,563
<u>Diluted earnings per common share (in USD per share)</u>	\$ 1.37	\$ 1.69
<u>Anti-dilutive shares excluded from diluted earnings per share calculation (in shares)</u>	245	18

[1] Restricted stock awards granted by the Company are considered participating securities. Income available to participating securities was immaterial in all periods presented.

**Segment Information -
Schedule of Segment
Reporting Information, by
Segment (Details) - USD (\$)
\$ in Thousands**

3 Months Ended

**Feb. 28, Feb. 28, Nov. 30,
2022 2021 2021**

**Revenues From External Customers And Long Lived Assets [Line
Items]**

<u>Revenue</u>	\$			
		15,469,977	\$ 4,939,014	
<u>Operating income</u>		222,440	141,748	
<u>Total Assets</u>		28,722,664	27,666,380	\$ 27,666,380

Americas

**Revenues From External Customers And Long Lived Assets [Line
Items]**

<u>Revenue</u>	9,074,273	4,307,007	
<u>Operating income</u>	133,537	120,435	
<u>Total Assets</u>	16,498,640	15,708,483	

Europe

**Revenues From External Customers And Long Lived Assets [Line
Items]**

<u>Revenue</u>	5,579,788	132,532	
<u>Operating income</u>	65,332	6,235	
<u>Total Assets</u>	10,619,007	10,657,886	

APJ

**Revenues From External Customers And Long Lived Assets [Line
Items]**

<u>Revenue</u>	815,916	499,475	
<u>Operating income</u>	23,571	15,078	
<u>Total Assets</u>	\$ 1,605,017	\$ 1,300,011	

**Related Party Transactions -
Additional Information
(Details)**

Feb. 28, 2022 Nov. 30, 2021

[MiTAC Holdings | Chairman Emeritus, Board of Directors](#)

[Related Party Transaction \[Line Items\]](#)

Ownership percentage of company's common stock	9.50%	9.50%
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**Related Party Transactions -
Schedule of Beneficial
Ownership of Company's
Common Stock by Related
Party (Details)
shares in Thousands**

**Feb. 28, 2022
shares**

<u>Related Party Transaction [Line Items]</u>		
<u>Beneficial ownership of company's common stock (in shares)</u>	9,160	
<u>MiTAC Incorporated MiTAC Holdings</u>		
<u>Related Party Transaction [Line Items]</u>		
<u>MiTAC ownership</u>	14.10%	
<u>Synnex Technology International Corp. MiTAC Incorporated</u>		
<u>Related Party Transaction [Line Items]</u>		
<u>MiTAC ownership</u>	15.70%	
<u>MiTAC Holdings</u>		
<u>Related Party Transaction [Line Items]</u>		
<u>Beneficial ownership of company's common stock (in shares)</u>	5,300	[1]
<u>Synnex Technology International Corp.</u>		
<u>Related Party Transaction [Line Items]</u>		
<u>Beneficial ownership of company's common stock (in shares)</u>	3,860	[2]
<u>Chairman Emeritus, Board of Directors</u>		
<u>Related Party Transaction [Line Items]</u>		
<u>Beneficial ownership of company's common stock (in shares)</u>	192	
<u>Chairman Emeritus through Charitable Remainder Trust</u>		
<u>Related Party Transaction [Line Items]</u>		
<u>Beneficial ownership of company's common stock (in shares)</u>	217	
<u>Shares held by Matthew Miao's Spouse</u>		
<u>Related Party Transaction [Line Items]</u>		
<u>Beneficial ownership of company's common stock (in shares)</u>	190	

- [1] Shares are held via Silver Star Developments Ltd., a wholly-owned subsidiary of MiTAC Holdings. Excludes 192 shares held directly by Mr. Miao, 217 shares indirectly held by Mr. Miao through a charitable remainder trust, and 190 shares held by his spouse.
- [2] Synnex Technology International Corp. (“Synnex Technology International”) is a separate entity from the Company and is a publicly-traded corporation in Taiwan. Shares are held via Peer Development Ltd., a wholly-owned subsidiary of Synnex Technology International. MiTAC Holdings owns a noncontrolling interest of 14.1% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.7% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miao is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

**Related Party Transactions -
Schedule of Related Party
Transactions (Details) -
MiTAC Incorporated - USD
(\$)
\$ in Thousands**

3 Months Ended

	Feb. 28, 2022	Feb. 28, 2021	Nov. 30, 2021
<u>Related Party Transaction [Line Items]</u>			
<u>Purchases of inventories and services</u>	\$ 46,576	\$ 41,157	
<u>Sale of products to MiTAC Holdings and affiliates</u>	60	218	
<u>Payments made for rent and overhead costs for use of facilities of MiTAC Holdings and affiliates, net</u>	36	\$ 32	
<u>Receivable from related parties (included in Accounts receivable, net)</u>	40,197		\$ 21,841
<u>Payable to related parties (included in Accounts payable)</u>	\$ 35,825		\$ 32,802

**Equity - Share Repurchase
 Program - Additional
 Information (Details) - 2020
 Share Repurchase Program -
 USD (\$)
 \$ in Millions**

1 Months Ended 3 Months Ended

Jun. 30, 2020 Feb. 28, 2022

Equity Class Of Treasury Stock [Line Items]

<u>Stock repurchase program, period in force (in years)</u>	3 years	
<u>Stock repurchase program, authorized amount</u>	\$ 400.0	
<u>Stock repurchase program, remaining authorized repurchase amount</u>		\$ 376.2
<u>Stock repurchase program, shares repurchased (in shares)</u>		229,000

**Equity - Schedule of Share
Repurchases (Details) - 2020
Share Repurchase Program**

**3 Months Ended
Feb. 28, 2022
\$ / shares
shares**

Equity Class Of Treasury Stock [Line Items]

<u>Treasury stock, beginning balance (in shares) shares</u>	2,633,000
<u>Stock repurchase program, shares repurchased (in shares) shares</u>	229,000
<u>Stock repurchase program, shares reissued for equity incentive plans (in shares) shares</u>	53,000
<u>Treasury stock, ending balance (in shares) shares</u>	2,915,000
<u>Weighted-average price per share, beginning balance (in USD per share) \$ / shares</u>	\$ 76.40
<u>Weighted-average price per share (in USD per share) \$ / shares</u>	103.73
<u>Weighted-average price per share, reissued (in USD per share) \$ / shares</u>	102.80
<u>Weighted-average price per share, ending balance (in USD per share) \$ / shares</u>	\$ 79.03

Equity - Dividends - Additional Information (Details) - \$ / shares	Apr. 29, 2022	Apr. 15, 2022	Mar. 24, 2022	3 Months Ended	
				Feb. 28, 2022	Feb. 28, 2021
Dividends [Line Items]					
Cash dividends declared per share (in shares)				\$ 0.30	\$ 0.20
Subsequent Event					
Dividends [Line Items]					
Cash dividends declared per share (in shares)			\$ 0.30		
Dividends declared date			Mar. 24, 2022		
Dividends record date		Apr. 08, 2022			
Dividends payable date	Apr. 22, 2022				

**Commitments and
Contingencies (Details) -
Tech Data Corporation
€ in Millions, \$ in Millions**

3 Months Ended

	Feb. 28, 2022 USD (\$)	Feb. 28, 2022 EUR (€) installment	Feb. 28, 2022 USD (\$) installment
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Loss Contingencies [Line Items]

<u>Loss contingency fine imposed</u>		€ 76.0	\$ 85.0
<u>Loss contingency, estimate of possible loss</u>		€ 36.0	\$ 40.0
<u>Number of installment payments installment</u>		8	8
<u>Fine assessed for total amount on quarterly payments \$</u>	\$ 22.8		
<u>Fine assessed, total amount quarterly payments, start period</u>		2021-01	2021-01
<u>Fine assessed, total amount quarterly payments, end period</u>		2022-10	2022-10
<u>Loss contingency accrual</u>		€ 21.8	\$ 24.4

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes the need for transparency and accountability in financial reporting.

2. The second part of the document outlines the various methods and techniques used to collect and analyze data. It includes a detailed description of the experimental procedures and the statistical tools employed.

3. The third part of the document presents the results of the study, showing the trends and patterns observed in the data. It includes several tables and graphs to illustrate the findings.

4. The fourth part of the document discusses the implications of the results and the potential applications of the findings. It also addresses the limitations of the study and suggests areas for future research.

5. The fifth part of the document provides a conclusion and summarizes the key points of the study. It also includes a list of references and a bibliography.

1. Introduction
2. Background
3. Methodology
4. Results
5. Discussion
6. Conclusion
7. References
8. Appendix
9. Glossary
10. Acknowledgments
11. Author Biographies
12. Contact Information
13. Declaration of Interest
14. Funding Sources
15. Data Availability Statement
16. Ethics Approval
17. Informed Consent
18. Conflicts of Interest
19. Supplementary Materials
20. Correspondence

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1. The first part of the document is a list of names and titles, including "The Hon. Mr. Justice" and "The Hon. Mr. Justice".

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3. The third part of the document presents the results of the study, including a comparison of the different methods and a discussion of the implications of the findings. It also includes a section on the limitations of the study and suggestions for future research.

4. The final part of the document provides a conclusion and a summary of the key points. It reiterates the importance of the research and the need for continued efforts in this field.

