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

FORM 10-K

(Mark One)

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

For the fiscal year ended November 30, 2020

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

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

Delaware	**94-2703333**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**
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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

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 has filed a report on and attestation to its management's assessment of the e□ectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

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

The aggregate market value of Common Stock held by non-affiliates of the registrant (based upon the closing sale price on the New York Stock Exchange as of May 31, 2020, the last business day of the registrant's most recently completed second fiscal quarter) was $4,401,236,999. Shares held by each executive officer, director and by each person who owns 10% or more of the outstanding Common Stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of January 22, 2021, there were 51,596,838 shares of Common Stock, $0.001 per share par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Items 10 (as to directors and Delinquent Section 16(a) Reports (if any)), 11, 12 (as to Beneficial Ownership), 13 and 14 of Part III incorporate by reference information from the registrant's proxy statement to be filed with the Securities and Exchange Commission in connection with the solicitation of proxies for the registrant's 2021 Annual Meeting of Stockholders to be held on March 16, 2021.

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PART I

When used in this Annual Report on Form 10-K (this "Report"), the words "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, our separation of SYNNEX and Concentrix, 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, 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, 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 and 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, 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, 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, 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, and personnel and our succession planning. 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 separation, the COVID-19 global pandemic, as well as the seasonality of the buying patterns of our customers, concentration of sales to large customers, dependence upon and trends in capital spending budgets in the IT, and consumer electronics, or CE, industries, fluctuations in general economic conditions, change in market for our customers' products, employee turnover, changes in value of foreign currencies and interest rates and other risk factors contained below under Part I, 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.

In the sections of this Report entitled "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," all references to "SYNNEX," "we," "us," "our" or the "Company" mean SYNNEX Corporation and its subsidiaries, except where it is made clear that the term means only the parent company or one of its segments.

SYNNEX, the SYNNEX Logo, and all other SYNNEX company, product and services names and slogans are trademarks or registered trademarks of SYNNEX Corporation. SYNNEX, and the SYNNEX Logo Reg. U.S. Pat. & Tm. Off. Other names and marks are the property of their respective owners.

Item 1. ***Business***

We are a Fortune 200 corporation and a leading provider of a comprehensive range of distribution, systems design and integration solutions for the technology industry. We also provided outsourced services focused on customer experience to a broad range of enterprises.

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") to our stockholders as of the close of business on November 17, 2020, the record date for the distribution. 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 services to us following the Separation.

As of November 30, 2020, we were organized to provide our products and services through two reportable business segments: Technology Solutions and Concentrix. Our Technology Solutions segment distributes peripherals, information technology ("IT") systems including data center server and storage solutions, system components, software, networking, communications and security equipment, consumer electronics ("CE") and complementary products. Within our Technology Solutions segment, we also provide systems design and integration solutions. Our Concentrix segment offered a portfolio of technology-infused strategic solutions and end-to-end business services focused on customer experience, process optimization, technology innovation, front and back-office automation and business transformation to clients in five primary industry verticals.

In our Technology Solutions segment, we distribute more than 40,000 technology products (as measured by active SKUs) from more than 500 IT, CE and original equipment manufacturers ("OEM"), suppliers to more than 25,000 resellers, system integrators, and retailers throughout the United States, Canada, Japan, Mexico and Central and South America. We purchase peripherals, IT systems, system components, software, networking, communications and security equipment, CE 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, and national and regional retailers. 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 print management, renewals, 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.

Our Technology Solutions 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 and CE 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.

In our Technology Solutions segment, we are highly dependent on the end-market demand for IT and CE 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 and CE products and software by OEMs, replacement cycles for existing IT and CE 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 and CE industries and increased price-based competition.

In our Concentrix segment, we provided a comprehensive range of strategic services and solutions to enhance our clients' customer life cycles to acquire, support and renew customer relationships, to automate and optimize processes, to maximize the value of every customer experience and to improve business outcomes. Our portfolio of services included end-to-end process outsourcing to customers in various industry vertical markets delivered through omni-channels that included both voice and non-voice media and in more than 70 languages. Our portfolio of solutions and services supported our clients and their customers globally.

Our Concentrix segment generated revenue from performing services that were generally tied to our clients' products and services and how they are received in the marketplace. Any shift in business or size of the market for our clients' products, any failure of technology or failure of acceptance of our clients' products in the market could impact the Concentrix business. The employee turnover rate in this business and the risk of losing experienced employees is high. Higher turnover rates can increase costs and decrease operating efficiencies and productivity.

We have been in business since 1980 and are headquartered in Fremont, California. We have significant operations in North and South America, Asia-Pacific, Europe and Africa. We were originally incorporated in the State of California as COMPAC Microelectronics, Inc. in November 1980, and we changed our name to SYNNEX Information Technologies, Inc. in February 1994. We later reincorporated in the State of Delaware under the name of SYNNEX Corporation in October 2003. As of November 30, 2020, we had approximately 280,000 full-time and temporary employees worldwide, and on December 1, 2020 following the Separation we had approximately 8,800 full-time and temporary employees worldwide.

Financial information by segment is provided in our Consolidated Financial Statements included elsewhere in this Report.

Our Products and Suppliers

In our Technology Solutions segment, we distribute a broad line of IT products, including peripherals, IT systems, system components, software, security, UCC and networking equipment from more than 500 OEM suppliers, enabling us to offer comprehensive solutions to our reseller and retail customers. Our product offerings also include systems design and full rack integration solutions, build-to-order, and configure-to-order assemblies. Our Technology Solutions segment represented 81%, 80% and 88% of our consolidated revenue in fiscal years 2020, 2019 and 2018, respectively.

For fiscal years 2020, 2019 and 2018, our product mix by category in the Technology Solutions segment was in the following ranges:

Product Category:	
Peripherals	21% - 25%
IT Systems	30% - 35%
System Components and Integration Solutions	9% - 14%
Software	16% - 20%
Networking Equipment	13% - 15%

Our suppliers include leading peripherals, IT systems, system components, software, security, networking equipment, UCC and CE manufacturers. Our primary OEM suppliers are Alphabet Inc. (Google), ASUSTeK Computer Inc., Cisco Systems, Inc., HP Inc. ("HP"), Hewlett-Packard Enterprise Company, Intel Corporation, Lenovo Group Ltd, Microsoft Corporation, and Samsung Semiconductor, Inc.

Our largest OEM supplier is HP. Revenue from the sale of products and services provided by HP represented approximately 12%, 12% and 13% of our consolidated revenue for fiscal years 2020, 2019 and 2018, respectively. As is typical with our OEM supplier agreements, our United States Business Development Partner Agreement with HP is short-term and may be terminated without cause upon short notice. In the event of any breach of the agreement by us, HP may terminate the agreement and we may be required to refund HP any discounts or program payments paid during the period we were in breach of the agreement and reimburse HP for reasonable attorneys' fees. In the event the agreement is terminated for cause or if we fail to perform our obligations under the agreement, our agreement with HP for the resale of products, support and services will automatically terminate upon such default or termination. If either party becomes insolvent or bankrupt, the other party may terminate the agreement without notice and cancel any unfulfilled obligations, except for payment obligations. Some of our subsidiaries also have territorial supplier agreements with subsidiaries of HP located in the respective countries.

We have distribution agreements with most of our suppliers, including HP. These agreements usually provide for nonexclusive distribution rights and pertain to specific geographic territories. The agreements are also generally short-term, subject to periodic renewal, and often contain provisions permitting termination by either our supplier or us without cause upon relatively short notice. An OEM supplier that elects to terminate a distribution agreement will generally repurchase its products carried in our inventory.

Our Technology Solutions business subjects us to the risk that the value of our inventory will be affected adversely by suppliers' price reductions or by technological changes affecting the usefulness or desirability of the products comprising our inventory. Many of our OEM suppliers offer us limited protection from the loss in value of our inventory due to technological change or a supplier's price reduction. Under many of these agreements, we have a limited period of time to return or exchange products or claim price protection credits. We monitor our inventory levels and attempt to time our purchases to maximize our protection under supplier programs.

Our Customers

In our Technology Solutions segment, we distribute IT products to more than 25,000 resellers, system integrators and retailers. Resellers are classified primarily by their end-user customers. End-users include large corporations or enterprises, federal, state and local governments, small/medium sized businesses, or SMBs, and individual consumers. In addition, resellers vary greatly in size and geographic reach. Our reseller customers buy from us and other distributors. Our larger reseller customers also buy certain products directly from OEM suppliers. System integrators offer services in addition to product resale, primarily in systems customization, integration, and deployment. Retailers serve mostly individual end-users and to a small degree, small office/home office customers. We also provide systems design and integration solutions for data center servers built for our customers' data center environments.

In our Concentrix segment, we served over 650 clients in five primary industry verticals: banking, financial services and insurance; communications and media; healthcare; retail, travel and e-commerce; and technology and consumer electronics. We focused on developing long-term, strategic relationships with large companies in these customer-intensive industry verticals to benefit from the complexity of services required, the anticipated growth of their market segments and their increasing need for more cost-effective customer experience services.

One customer accounted for 19% of our consolidated revenue in fiscal years 2020 and 2019 and 17% of our consolidated revenue in fiscal year 2018. We do not believe that the loss of any single customer would have a material adverse effect on us.

Our Services and Solutions

We offer a variety of business process services to our customers. These services can be purchased individually or they can be purchased in combination with others in the form of supply chain solutions and aftermarket product support. The two major categories of services and solutions provided up to November 30, 2020 included Technology Solutions and Concentrix:

Technology Solutions. We have sophisticated pick, pack and ship operations, which allows us to efficiently receive shipments from our OEM suppliers and quickly fill orders for our reseller and retail customers. We generally stock or otherwise have access to the inventory of our OEM suppliers to satisfy the demands of our reseller and retail customers. In addition, we design and integrate energy efficient and cost-effective data center servers which are built specific to the data center environments and actual workloads of our large-scale data center customers.

The above services are complemented by the following:

Systems Design and Integration Solutions. We provide our customers with systems design and full rack integration solutions, build-to-order, and configure-to-order assembly capabilities. In both of these cases, we offer design, integration, test and other production value-added solutions such as thermal testing, power-draw efficiency testing, burn-in, quality and logistics support.

Logistics Services. We provide logistics support to our reseller customers such as outsourced fulfillment, virtual distribution and direct ship to end-users. Other logistics support activities we provide include generation of customized shipping documents, multi-level serial number tracking for customized, configured products and online order and shipment tracking. We also offer full turn-key logistics solutions designed to address the needs of large volume or specialty logistics services. Our full turn-key service offering is modular in nature and is designed to cover all aspects of the logistics life cycle including, transportation management, inventory optimization, complementary product matching, reverse logistics, asset refurbishment and disposal and strategic procurement.

Cloud Services. We provide cloud-based solutions and services to our reseller customers to enable sales of and migration to technologies in a hosted environment to small and medium businesses. Our proprietary cloud platform offers a complete package of cloud-based solutions on a user-friendly platform and allows our reseller customers and OEM vendors to own the complete customer lifecycle through direct billing, provisioning, management, and support. Our solutions cover all end-user customer needs, including, pure public cloud solutions in productivity and collaboration, IaaS, or Infrastructure as a Service, PaaS, or Platform as a Service, SaaS, or Software as a Service, Security, Mobility, IoT, or Internet of Things, and other hybrid solutions. Our dedicated cloud team comprising developers, sales engineers and solutions specialists, supports our reseller customers in the sales of these solutions.

Online Services. We maintain electronic data interchange, or EDI, extensible markup language, or XML, web-based communication links and mobile applications with many of our reseller and retail customers. These links improve the speed and efficiency of our transactions with our customers by enabling them to search for products, check inventory availability and prices, configure systems, place and track orders, receive invoices, review account status and process returns. We also have web-based application software that allows our customers or their end-user customers to order software and take delivery online.

Financing Services. We offer our reseller customers a wide range of financing options, including net terms, third party leasing, floor plan financing and letters-of-credit backed financing and arrangements where we collect payments directly from the end-user. We also lease products to our reseller customers and their end-users and provide device-as-a-service to end-users. The availability and terms of our financing services are subject to our credit policies or those of third-party financing providers to our customers.

Marketing Services. We offer our OEM suppliers a full range of marketing activities targeting resellers, system integrators and retailers including direct mail, external media advertising, reseller product training, targeted telemarketing campaigns, national and regional trade shows, trade groups, database analysis, print on demand services and web-based marketing.

Concentrix. Our Concentrix segment represented 19%, 20% and 12% of our consolidated revenue in fiscal years 2020, 2019 and 2018, respectively. We offered a portfolio of technology-infused comprehensive solutions and end-to-end business outsourcing services to approximately 650 clients around the world in five primary industry verticals.

We operated from over 284 locations in numerous countries throughout the Americas, Asia-Pacific, Europe and Africa. Services were provided from these global locations to clients worldwide in more than 70 languages. Our portfolio of services was sold as integrated solutions to clients which included:

Customer Lifecycle Management. Services provided to our clients' customers across multiple media, such as intelligent self-service, voice, chat, social, messaging, email and knowledge management, supported our client's entire customer care lifecycle. This included services such as welcome and activation calls, billing, payments, product and service inquiries, complaint resolution, customer surveys and emergency response. We also provided back office support for these processes which include document management, claims management, fraud prevention, mortgage document verification, rebate management as a few examples. We also provided services that provide feedback to our clients. This was provided through a dedicated team of professionals to deliver data-driven insights to our clients to improve the customer experience through analytics and consulting, and software solutions, such as, Enterprise Feedback Management/Multi-channel, Voice of Customer Software, Integrated Customer Experience Analytics, Post-Contact Surveys, Relational Loyalty Research, Customer Segmentation and Profiling, Call Elimination Analysis, Analysis of Customer Effort, Digital Channel Optimization, and Integrated Contact Center Analytics.

Marketing Solutions. Our services included data-driven customer acquisition and retention marketing solutions across digital, social, mobile and print channels that helped our clients manage their marketing through a diverse distribution channel enabling each constituent in the channel to participate in targeting end customers with the right brand experience. We also supported our client's loyalty and incentive programs, event administration, point of purchase and targeted lifecycle messaging to customers through services as described in our Customer Lifecycle Management services.

Third Party Administration of Insurance Policies. We were a licensed Third Party Administrator of certain types of insurance policies that were managed through our proprietary insurance management system as well as other third-party systems. The services were provided primarily in the United States.

Enterprise Mobile Development. We provided mobile application development across multiple industries for both IOS and Android devices that are focused on Enterprise deployments. Services within this group included UX/UI designed/development, optimization of applications and movement of on-premise systems to the cloud.

Automation and Process Optimization. We delivered focused front office solutions with workflows and macro/desktop automation that drive improved staff efficiency and implemented cognitive systems/robotic process automation to replace manual touch points. These services used both internal technology assets as well as third party tools.

Technology Assets. We licensed a number of our technology assets without being bundled with services which enabled our clients to be more efficient, drive higher visibility to data and identify valuable customer patterns and insights from enterprise data to design better customer experience strategies. These assets were used within our portfolio of services as well.

Sales and Marketing

In our Technology Solutions segment, we serve our large commercial, government reseller, and retail customers through dedicated sales professionals. We market to smaller resellers and OEMs through dedicated regional sales teams. In addition, we have dedicated product management and business development specialists that focus on the sale and promotion of products and services of selected suppliers or for specific end-market verticals. These specialists are also directly involved in establishing new relationships with leading OEMs to create demand for their products and services and with resellers for their customers' needs. We also have a direct sales approach for our design and integration solutions business. Our sales and marketing professionals are complemented by members of our executive management team who are integral in identifying potential new customer opportunities, promoting sales growth and ensuring customer satisfaction. We have sales and marketing professionals in close geographic proximity to our reseller, retail and OEM customers.

In our Concentrix segment, we marketed our services through a sales force organized by industry vertical and geography. The length of our selling cycle varied depending on the type of engagement. Our efforts could begin in response to our lead generation program, a perceived opportunity, a reference by an existing client, a request for proposal or otherwise. The sales cycle varied depending on the type of services, as well as the existence of established relationships with the client.

We had designated client partners or global relationship managers for each of our strategic relationships. The relationship manager was supported by process improvement, quality, transition, finance, human resources, information technology and industry or subject matter expert teams to ensure the best possible solution is provided to our clients.

We also strived to foster relationships between our senior leadership team and our clients' senior management. These "C-level" relationships ensured that both parties were focused on establishing priorities, aligning objectives and driving client value from the top down. High-level executive relationships were particularly constructive as a means of increasing business from our existing clients. It also provided us with a forum for addressing client concerns. We constantly measured our client satisfaction levels to ensure that we maintained high service levels for each client.

Our Operations

In our Technology Solutions segment, we operate approximately 63 distribution and administrative facilities in the United States, Canada, Japan, Mexico, China, and Central and South America. Our distribution processes are highly automated to reduce errors, ensure timely order fulfillment and enhance the efficiency of our warehouse operations and back office administration. Our distribution facilities are geographically dispersed to be near reseller customers and their end-users. This decentralized, regional strategy enables us to benefit from lower shipping costs and shorter delivery lead times to our customers. Furthermore, we track several performance measurements to continuously improve the efficiency and accuracy of our distribution operations. Our regional locations also enable us to make local deliveries and provide will-call fulfillment to more customers than if our distribution operations were more centralized, resulting in better service to our customers. Our workforce is comprised of permanent and temporary employees, enabling us to respond to short-term changes in order activity.

Our proprietary IT systems and processes enable us to automate many of our distribution operations. We use radio frequency and bar code scanning technologies in all of our warehouse operations to maintain real-time inventory records, facilitate frequent cycle counts and improve the accuracy of order fulfillment.

To enhance the accuracy of our distribution order fulfillment and protect our inventory from shrinkage, our distribution systems also incorporate numerous controls. These controls include order weight checks, bar code scanning, and serial number profile verification. We also use digital video imaging to record our small package shipping activities by order. These images and other warehouse and shipping data are available online to our customer service representatives, enabling us to quickly respond to order inquiries by our customers.

We operate our principal system design and integration solutions facilities in the United States, and we operate integration facilities in the United Kingdom and China. We generally design and integrate IT systems, data center servers and networking solutions and IT appliances, by incorporating system components purchased directly from vendors or obtained from our distribution inventory. Additionally, we perform other production value-added services, including thermal testing, power-draw efficiency testing, burn-in, quality and logistics support. Some of our design and integration solutions facilities are ISO 9001:2015 and ISO 14001:2015 certified.

In our Concentrix segment, we had global delivery capability which allowed us to scale people and other resources from around the world, including foreign language fluency, proximity to clients and time-zone advantages. A critical component of this capability was our over 284 delivery and administrative centers in 40 countries throughout North and South America, Asia-Pacific, Europe and Africa. Our delivery centers improved the efficiency of our engagement teams through the reuse of processes, solution designs and infrastructure by leveraging the experience of delivery center professionals. Services were provided from these global locations to clients worldwide in multiple languages. These services were supported by proprietary technology to enable efficient and secure customer contact through various methods including voice, chat, web, email, social media and digital and mobility competencies by providing improved business intelligence and performance through enabling technologies. All of our delivery centers were PCI DSS (Payment Card Industry Security Standards Council's Data Security Standards) version 3.2.1 certified. All of our delivery centers were certified to ISO standards. Twenty-nine of our delivery centers around the world were certified to COPC (Customer Operation Performance Center) OSP standard.

We operated a distributed data processing environment that could integrate service delivery center data servers and databases with nineteen data centers and point of presence strategically located across the globe. Our technologically-advanced and secured data centers provided availability 24 hours a day, 365 days a year, with redundant power and communication feeds and emergency power back-up, and were designed to withstand most natural disasters.

The capacity of our data center and contact center operations, coupled with the scalability of our customer management solutions, enabled us to meet the changing needs of large-scale and rapidly growing companies and government entities. By employing the scale and efficiencies of common application platforms, we could provide client-specific enhancements and modifications without incurring many of the costs of a full custom application, which positioned us as a value-added provider of customer support products and services.

International Operations

Approximately 34% of our consolidated revenue for fiscal year 2020 was generated by our international operations. Our end market strategy for our Technology Solutions business, while focused on the Americas, is expanding internationally on a selective basis in order to provide our distribution capabilities to OEMs in locations that meet their regional requirements. A key element in our business strategy had been to locate our Concentrix service delivery contact centers in markets that were strategic to our client requirements and cost beneficial. Our Concentrix segment had significant operations in the Philippines and India.

Sales and cost concentrations in foreign jurisdictions subject us to various risks, including the impact of changes in the value of these foreign currencies relative to the US Dollar, which in turn can impact reported sales.

See Note 11 -- Segment Information to the Consolidated Financial Statements included in Item 8 of this Report for additional financial information related to international and domestic operations.

Seasonality

Our operating results in the Technology Solutions segment are affected by the seasonality of the IT and CE products industries. We have historically experienced higher sales in our fourth fiscal quarter due to patterns in capital budgeting, federal government spending and purchasing cycles of our customers and end-users. These patterns may not be repeated in subsequent periods.

Revenue in our Concentrix segment was typically the highest in our fourth fiscal quarter.

Purchasing

In our Technology Solutions segment, product cost represents our single largest expense and IT and CE product inventory is one of our largest working capital investments. Furthermore, product procurement from our OEM suppliers is a highly complex process that involves incentive programs, rebate programs, price protection, volume and early payment discounts and other arrangements. Consequently, efficient and effective purchasing operations are critical to our success.

Our purchasing group works closely with many areas of our organization, especially our product managers who work closely with our OEM suppliers and our sales force, to understand the volume and mix of IT products that should be purchased.

In addition, the purchasing group utilizes an internally developed, proprietary information systems application that further aids in forecasting future product demand based on several factors, including historical sales levels, expected product life cycle and current and projected economic conditions. We may also rely on our receipt of good-faith, non-binding, customer forecasts. We maintain electronic data interchange, or EDI, connection with our OEM suppliers to send purchase orders, receive purchase order status and receive notification once the product has shipped from our supplier. Our information system also tracks warehouse and channel inventory levels and open purchase orders on a real-time basis enabling us to stock inventory at a regional level closer to the customer as well as to actively manage our working capital resources. This level of automation promotes greater efficiencies of inventory management by replenishing and turning inventory, as well as placing purchase orders on a more frequent basis. Furthermore, our system tool also allows for automated checks and controls to prevent the generation of inaccurate orders.

Managing our OEM supplier incentive programs is another critical function of our purchasing and product management teams. We attempt to maximize the benefits of incentives, rebates and volume and early payment discounts that our OEM suppliers offer us from time to time. We carefully evaluate these supplier incentive benefits relative to our product handling and carrying costs so that we do not over-invest in our inventory. We also closely monitor inventory levels on a product-by-product basis and plan purchases to take advantage of OEM supplier provided price protection. By managing inventory levels and monitoring customer purchase patterns at each of our regional distribution facilities, we believe we can minimize our shipping costs by stocking products near our resellers and retailers, and their end-user customers.

Financial Services

In our Technology Solutions segment, we offer various financing options to our customers as well as prepayment, credit card and cash on delivery terms. In providing credit terms to our reseller and retail customers, we closely and regularly monitor their creditworthiness through our information systems, credit ratings information and periodic detailed credit file reviews by our financial services staff. We have also purchased credit insurance in some geographies to further control credit risks. Finally, we establish reserves for estimated credit losses in the normal course of business based on the overall quality and aging of our accounts receivable portfolio, the existence of a limited amount of credit insurance and specifically identified customer risks.

We also sell to certain reseller customers pursuant to third party floor plan financing. The expenses charged by these financing companies are subsidized either by our OEM suppliers or paid by us. We generally receive payment from these financing companies within 15 to 30 days from the date of sale, depending on the specific arrangement.

Information Technology

Within our Technology Solutions segment, our IT systems manage the entire order cycle, including processing customer orders, customer billing and payment tracking. These internally developed IT systems make our operations more efficient and provide visibility into our operations. We believe our IT infrastructure is scalable to support further growth. We continue to enhance and invest in our IT systems to improve product and inventory management, streamline order and fulfillment processes, and increase operational flexibility.

To allow our customers and suppliers to communicate and transact business with us in an efficient and consistent manner, we have implemented a mix of proprietary and off-the-shelf software programs that integrate our IT systems with those of our customers and suppliers. In particular, we maintain EDI, XML, web-based communication links and mobile platform applications with many of our reseller and retail customers to enable them to search for products, check real-time pricing, inventory availability and specifications, place and track orders, receive invoices and process returns.

Within our Concentrix segment, we invested in IT systems, infrastructure, automation and security to enhance workforce management and improve productivity. Our contact centers could employ a broad range of technology, including digital switching, intelligent call routing and tracking, proprietary workforce management systems, case management tools, proprietary software systems, computer telephony integration, interactive voice response, advanced speech recognition, web-based tools and relational database management systems with embedded security. Our innovative use of technology enabled us to improve our voice, chat, web and e-mail handling and personnel scheduling, thereby increasing our efficiency and enhancing the quality of the services we delivered to our clients and their customers. We were able to respond to changes in client call volumes and manage call volume traffic based on agent availability. Additionally, we could use this technology to collect information concerning the contacts, including number, response time, duration and results of the contact and report the information to the client on a periodic basis for purposes of monitoring quality of service and accuracy of billing.

Competition

We operate in a highly competitive global environment. The IT product industry is characterized by intense competition, based primarily on product availability, credit terms, price, speed and accuracy of delivery, effectiveness of sales and marketing programs, ability to tailor specific solutions to customer needs, quality and depth of product lines, pre- and post-sale technical support, flexibility and timely response to design changes, technological capabilities and product quality, service and support. We compete with a variety of regional, national and international IT product distributors and manufacturers.

Our major competitors in our Technology Solutions segment include Arrow Electronics, Inc., Ingram Micro, Inc., ScanSource, Inc., and Tech Data Corporation and, to a lesser extent, regional distributors. We also face competition from our OEM suppliers that sell directly to resellers, retailers and end-users. The distribution industry has historically undergone, and continues to undergo, consolidation. Over the years, a number of providers within the IT distribution industry exited or merged with other providers. For example, during fiscal year 2017, we acquired the Westcon-Comstor Americas distribution business and Tech Data Corporation acquired the Technology Solutions operating group of Avnet Inc. We have participated in this consolidation and expect to continue to assess opportunities.

As we enter new business areas, we may encounter increased competition from our current competitors and/or new competitors. Some of our competitors are substantially larger and may have greater financial, operating, manufacturing and marketing resources than us. Some of our competitors may have broader geographic breadth and range of services than us. Some may have more developed relationships with their existing customers. In the Technology Solutions segment we attempt to offset our comparative scale difference by focusing on a limited number of leading OEMs by running a more efficient and low-cost operation, and by offering a high level of value-added and customer services. In the Concentrix Segment, we attempted to offset our comparative scale difference through efficiency, low-cost operations and by offering a high level of value-added customer services.

In our Concentrix segment, we operated in a highly competitive and rapidly evolving global marketplace. Our competitors were both regional players as well as global companies. Our major competitors included Accenture plc, Genpact Limited, Teleperformance S.A., TTEC Holdings, Inc., Conduent, Inc., Transcosmos Inc., Sykes Enterprises Inc., and Globant S.A.

We constantly seek to expand our business into areas primarily related to our core distribution as well as other support, logistics and related value-added services, both organically and through strategic acquisitions.

Human Capital Resources

As of November 30, 2020, we had approximately 270,000 full-time associates. Approximately 7,500 of those full-time associates worked in our Technology Solutions segment. Given the variability in our business and the quick response time required by customers, it is critical that we are able to rapidly ramp-up and ramp-down our operational capabilities to maximize efficiency. As a result, we use temporary or contract workers, who totaled approximately 7,900, on a full-time equivalent basis, as of November 30, 2020, approximately 1,300 of whom worked in our Technology Solutions segment. Except for a small number of our employees in certain countries, where it is required by local regulations or associates brought in through acquisitions, our employees are not represented by a labor union, nor are they covered by a collective bargaining agreement.

We are committed to fostering a diverse and inclusive workplace that attracts and retains exceptional talent. Through ongoing employee development, comprehensive compensation and benefits, and a focus on health, safety and employee wellbeing, we strive to help our employees in all aspects of their lives so they can do their best work. With the completion of the Separation on December 1, 2020, our discussion about our human capital resources is focused on our Technology Solutions segment.

Diversity, Equity and Inclusion

We are committed to being unconditionally inclusive to capture the ideas and perspectives that fuel innovation and enable our workforce, customers, and communities to succeed in the digital age. We strive to create an inclusive workplace where people can bring their authentic selves to work. Our commitment to diversity and inclusion starts at the top with a highly skilled and diverse board of directors. Women represent 25% of our board of directors and 43% of our associate base. We strive to remain a diverse company. Robert Huang, founder of our company, wanted to ensure we had the best associates regardless of their age, ethnicity, or gender. His legacy and our primary focus is to work hard, do well, and treat others with respect.

Pay Equity or Total Rewards

We believe people should be paid for what they do and how they do it, regardless of their gender, race, or other personal characteristics. To deliver on that commitment, we benchmark and set pay ranges based on market data and consider factors such as an employee's role and experience, the location of their job, and their performance. We also review our compensation practices, both in terms of our overall workforce and individual employees, to ensure our pay is fair and equitable. We have reviewed the compensation of employees to ensure consistent pay practices by conducting a pay equity analysis annually comparing employees in the same role within a country/location.

We require a uniquely talented workforce and are committed to providing total rewards that are market-competitive and performance-based, driving innovation and operational excellence. Our compensation programs, practices, and policies reflect our commitment to reward short- and long-term performance that aligns with, and drives, stockholder value. Total direct compensation is generally positioned within a competitive range of the market median, with differentiation based on tenure, skills, proficiency, and performance to attract and retain key talent.

Employee Engagement

We regularly collect feedback to better understand and improve the employee experience and identify opportunities to continually strengthen our culture. We want to know what is working well, what we can do better and how well our associates understand and are practicing our cultural values. In 2020, nearly 80% of associates participated in our annual employee survey.

Training and Development

Human capital development underpins our efforts to execute our strategy and continue to distribute, design, integrate and market innovative products and services. We continually invest in our employees' career growth and provide employees with a wide range of development opportunities, including face-to-face, virtual, social and self-directed learning, mentoring, coaching, and external development.

Health, Safety and Wellness

The physical health, financial wellbeing, life balance and mental health of our employees is vital to our success. Our environmental, health, and safety leadership team uses our global injury and illness reporting system to assess trends regionally and worldwide as a part of quarterly reviews. Our warehouse and integration facilities continue to represent our most significant health and safety risks. Managing and reducing risks at these facilities remains a focus, and injury rates continue to be low. We also sponsor a wellness program designed to enhance physical, financial, and mental wellbeing for all our employees. Throughout the year, we encourage healthy behaviors through regular communications, educational sessions, voluntary progress tracking, wellness challenges, and other incentives. Since the onset of the COVID-19 pandemic, we have taken an integrated approach to helping our associates manage their work and personal responsibilities, with a strong focus on employee wellbeing, health and safety. We have successfully transitioned most of our workforce in both segments to a remote working environment and implemented a number of safety and social distancing measures within our premises to protect the health and safety of associates who are required to be on-premise to support our business.

Available Information

Our website is http://www.synnex.com. We make available free of charge, on or through our website, our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, if any, or other filings filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after electronically filing or furnishing these reports with the Securities and Exchange Commission, or SEC. Information contained on our website is not a part of this Report. We have adopted a code of ethics applicable to our employees including our principal executive, financial and accounting officers, and it is available free of charge, on our website's investor relations page.

The SEC maintains an Internet site at http://www.sec.gov that contains our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports, if any, or other filings filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, and our proxy and information statements.

Item 1A. *Risk Factors*

The following discussion is divided into five sections. The first section, which begins immediately following this paragraph, discusses some of the risks that may affect our business, results of operations and financial condition. The second section, captioned "Risks Related to Our Relationship with MiTAC Holdings Corporation," discusses risks relating to MiTAC's influence over us. The third section, captioned "Risks Related to our Industry," discusses risk impacting businesses operating in our industry. The fourth section, captioned "Risks Related to the Separation," discusses some of the risks relating to the separation of Concentrix into an independent publicly-traded company. The fifth section, captioned "Risks Related to the Macroeconomic and Regulatory Environment," relates to risks which broadly affect companies operating in regions that we do. With the completion of the Separation on December 1, 2020, our discussion about our risks is focused on our Technology Solutions segment. You should carefully review all of these sections, as well as our consolidated financial statements and notes thereto and the other information appearing in this report, for important information regarding risks that affect us. These risk factors should be considered in connection with evaluating the forward-looking statements contained in this Report because these factors could cause the actual results and conditions to differ materially from those projected in the forward-looking statements. Before you invest in our Company, you should know that making such an investment involves some risks, including the risks described below. The risks that have been highlighted here are not the only ones that we face. If any of the risks actually occur, our business, financial condition and results of operations could be negatively affected. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment.

Risks Related to Our Business and Operations

We anticipate that our revenue and operating results will fluctuate, which could adversely affect the enterprise value of our Company and our securities.

Our operating results have fluctuated and will fluctuate in the future as a result of many factors, including:

- the impact of the business acquisitions and dispositions we make;
- general economic conditions and level of IT and CE spending and outsourced business services;
- the loss or consolidation of one or more of our significant OEM suppliers or customers;
- market acceptance, quality, pricing, availability and useful life of our products and services, as well as the mix of our products and services sold;
- competitive conditions in our industry;
- trends towards cloud based infrastructure and “as-a-Service” type product offerings;
- pricing, margin and other terms with our OEM suppliers;
- decline in inventory value as a result of product obsolescence and market acceptance;
- variations in our levels of excess inventory, vendor reserves and doubtful accounts;
- fluctuations in rates in the currencies in which we transact;
- changes in the terms of OEM supplier-inventory protections, such as price protection and return rights; and
- the expansion of our design and integration solutions sales and operations, globally.

Although we attempt to control our expense levels, these levels are based, in part, on anticipated revenue. Therefore, we may not be able to control spending in a timely manner to compensate for any unexpected revenue shortfall.

Our operating results are affected by the seasonality of the IT and CE products and services industry. We have historically experienced higher sales in our fourth fiscal quarter due to patterns in the capital budgeting, federal government spending and purchasing cycles of end-users. These patterns may not be repeated in subsequent periods. You should not rely on period-to-period comparisons of our operating results as an indication of future performance. In future years, our operating results may be below our expectations or those of our public market analysts or investors, which would likely cause our share price to decline.

We are subject to uncertainties and variability in demand by our customers, which could decrease revenue and adversely affect our operating results, and we have customer contracts with provisions that could cause fluctuations in our revenue.

We sell to our customers on a purchase order basis, rather than pursuant to long-term contracts or contracts with minimum purchase requirements. Consequently, our sales are subject to demand variability by our customers. The level and timing of orders placed by our customers vary for a variety of reasons, including seasonal buying by end-users, the introduction of new hardware and software technologies and general economic conditions. Customers submitting a purchase order may cancel, reduce or delay their orders. If we are unable to anticipate and respond to the demands of our reseller, retail and design and integration solutions customers, we may lose customers because we have an inadequate supply of products, or we may have excess inventory, either of which could harm our business, financial position and operating results.

With regard to our design and integration solutions customers, unique parts are purchased based both on customer purchase orders and forecasted demand. We have limited protection against excess inventory should anticipated demand not materialize.

We depend on a limited number of OEMs to supply the IT and CE products and services that we sell and the loss of, or a material change in, our business relationship with a major OEM supplier could adversely affect our business, financial position and operating results.

Our future success is highly dependent on our relationships with a small number of OEM suppliers. For example, sales of HP products and services comprised approximately 12%, 12% and 13% of our consolidated revenue for fiscal years 2020, 2019 and 2018, respectively. Our OEM supplier agreements typically are short-term and may be terminated without cause upon short notice. The loss or deterioration of our relationship with HP or any other major OEM supplier, the authorization by OEM suppliers of additional distributors, the sale of products by OEM suppliers directly to our reseller and retail customers and end-users, or our failure to establish relationships with new OEM suppliers or to expand the distribution and supply chain services that we provide OEM suppliers could adversely affect our business, financial position and operating results. In addition, OEM suppliers may face liquidity or solvency issues that in turn could negatively affect our business and operating results.

Our business is also highly dependent on the terms provided by our OEM suppliers. Generally, each OEM supplier has the ability to change the terms and conditions of its distribution agreements, such as reducing the amount of price protection and return rights or reducing the level of purchase discounts, incentive rebates and marketing programs available to us.

From time to time we may conduct business with a supplier without a formal agreement because the agreement has expired or was otherwise terminated. In such case, we are subject to additional risk with respect to products, warranties and returns, and other terms and conditions. If we are unable to pass the impact of these changes through to our reseller and retail customers, our business, financial position and operating results could be adversely affected.

Our gross margins are low, which magnifies the impact of variations in gross margin, operating costs and our operating results.

As a result of significant price competition in the IT and CE products and services industry, our gross margins are low, and we expect them to continue to be low in the future. Increased competition arising from industry consolidation and low demand for certain IT and CE products and services may hinder our ability to maintain or improve our gross margins. These low gross margins magnify the impact of variations in revenue and operating costs on our operating results. A portion of our operating expense is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand. As a result, we may not be able to reduce our operating expense to sufficiently mitigate any further reductions in gross profit or margin in the future. If we cannot proportionately decrease our cost structure in response to competitive price pressures, our business and operating results could suffer.

We also receive purchase discounts and rebates from OEM suppliers based on various factors, including sales or purchase volume and breadth of customers. A decrease in net sales could negatively affect the level of volume rebates received from our OEM suppliers and thus, our gross margin. Because some rebates from OEM suppliers are based on percentage increases in sales of products, it may become more difficult for us to achieve the percentage growth in sales required for larger discounts due to the current size of our revenue base. A decrease or elimination of purchase discounts and rebates from our OEM suppliers would adversely affect our business and operating results.

We are subject to the risk that our inventory value may decline, and protective terms under our OEM supplier agreements may not adequately cover the decline in value, which in turn may harm our business, financial position and operating results.

The IT and CE products industry is subject to rapid technological change, new and enhanced product specification requirements, and evolving industry standards. These changes may cause inventory on hand to decline substantially in value or to rapidly become obsolete. Most of our OEM suppliers offer limited protection from the loss in value of inventory. For example, we can receive a credit from many OEM suppliers for products held in inventory in the event of a supplier price reduction. In addition, we have a limited right to return a certain percentage of purchases to most OEM suppliers. These policies are often subject to time restrictions and do not protect us in all cases from declines in inventory value. In addition, our OEM suppliers may become unable or unwilling to fulfill their protection obligations to us. The decrease or elimination of price protection, or the inability of our OEM suppliers to fulfill their protection obligations, could lower our gross margins and cause us to record inventory write-downs. If we are unable to manage our inventory with our OEM suppliers with a high degree of precision, we may have insufficient product supplies or we may have excess inventory, resulting in inventory write-downs, either of which could harm our business, financial position and operating results.

We depend on OEM suppliers to maintain an adequate supply of products to fulfill customer orders on a timely basis, and any supply shortages or delays could cause us to be unable to timely fulfill orders, which in turn could harm our business, financial position and operating results.

Our ability to obtain particular products in the required quantities and to fulfill reseller and retail customer orders on a timely basis is critical to our success. In most cases, we have no guaranteed price or delivery agreements with our OEM suppliers. We occasionally experience a supply shortage of certain products as a result of strong demand or problems experienced by our OEM suppliers. If shortages or delays persist, the price of those products may increase, or the products may not be available at all. Such delays could also impact our ability to procure critical components required to complete customer orders. In addition, our OEM suppliers may decide to distribute, or to substantially increase their existing distribution business, through other distributors, their own dealer networks, or directly to resellers, retailers or end-users. Accordingly, if we are not able to secure and maintain an adequate supply of products to fulfill our customer orders on a timely basis, our business, financial position and operating results could be adversely affected.

We experience customer concentration and intense competition which could adversely impact our revenue.

Our business experiences customer concentration from time to time. One customer accounted for 19%, of our consolidated revenue in fiscal years 2020 and 2019 and 17%, in fiscal year 2018. While we do not believe that the loss of any single customer would have a material adverse effect on us, such loss could result in an adverse impact on certain of our businesses. For example, our systems design and integration solutions product line has significant customer concentration, requires investments in working capital and infrastructure, and has customer contracts that often offer limited or no volume guarantees or protection for end-of-life investments. The loss of a customer or reduction in order volumes could adversely impact our revenue, provision for inventory losses, the absorption of fixed overhead costs and our future expansion plans. The systems design and integration solutions business operates in a competitive environment. Volumes can fluctuate based on customer demand, delivery quality and the competitive landscape. Our ability to deliver customized solutions on a timely basis is critical to our success. Any delay could impact our competitive position and result in loss of customer orders, which could impact our financial position and operating results.

The market for CE products that we distribute is characterized by short product life cycles. Increased competition for limited retailer shelf space, decreased promotional support from resellers or retailers or increased popularity of downloadable or online content and services could adversely impact our revenue.

The market for CE products, such as personal computers and tablets, mobile devices, wearable devices, video game titles and hardware, and audio or visual equipment, is characterized by short product life cycles and frequent introductions of new products. The markets in which we compete frequently introduce new products to meet changing consumer preferences and trends. As a result, competition is intense for resellers' and retailers' limited shelf space and promotions. If our vendors' new products are not introduced in a timely manner or do not achieve significant market acceptance, we may not generate sufficient sales or profitability. Further, if we are unable to successfully compete for resellers' or retailers' space and promotional resources, this could negatively impact market acceptance of our products and negatively impact our business and operating results.

We have pursued and intend to continue to pursue strategic acquisitions or investments in new markets and may encounter risks associated with these activities, which could harm our business and operating results.

We have in the past pursued, and in the future expect to pursue, acquisitions of, or investments in, businesses and assets in new markets, either within or outside the IT and CE products and services industries and the customer experience services industry, that complement or expand our existing business. Our acquisition strategy involves a number of risks, including:

- difficulty in successfully integrating acquired operations, IT systems, customers, OEM supplier relationships, products, services and businesses with our operations;
- risk that the acquired businesses will fail to maintain the quality of services that we have historically provided;
- loss of key employees of acquired operations or inability to hire key employees necessary for our expansion;
- diversion of our capital and management attention away from other business issues;
- increase in our expenses and working capital requirements;
- in the case of acquisitions that we may make outside of the United States, difficulty in operating in foreign countries and over significant geographical distances;
- other financial risks, such as potential liabilities of the businesses we acquire; and
- our due diligence process may fail to identify significant issues with the acquired company's product and service quality, financial disclosures, accounting practices or internal control deficiencies.

We may incur additional costs and certain redundant expenses in connection with our acquisitions and investments, which may have an adverse impact on our operating margins. Future acquisitions may result in dilutive issuances of equity securities, the incurrence of additional debt, large write-offs, a decrease in future profitability, or future losses. The incurrence of debt in connection with any future acquisitions could restrict our ability to obtain working capital or other financing necessary to operate our business. Our recent and future acquisitions or investments may not be successful, and if we fail to realize the anticipated benefits of these acquisitions or investments, our business and operating results could be harmed.

Our goodwill and identifiable intangible assets could become impaired, which could have a material non-cash adverse effect on our results of operations.

We recorded substantial goodwill and amortizable intangible assets as a result of our previous acquisitions. We review our goodwill and intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. We assess whether there has been an impairment in the value of goodwill at least annually. Factors that may be considered a change in circumstances indicating that the carrying value of our goodwill or intangible assets may not be recoverable include declines in stock price, market capitalization or cash flows and slower growth rates in our industry. We could be required to record a significant charge to earnings in our financial statements during the period in which any impairment of our goodwill or intangible assets were determined, negatively impacting our results of operations.

Because of the capital-intensive nature of our business, we need continued access to capital, which if not available to us or if not available on favorable terms, could harm our ability to operate or expand our business.

Our business requires significant levels of capital to finance accounts receivable and product inventory that is not financed by trade creditors. If cash from available sources is insufficient, proceeds from our accounts receivable securitization and revolving credit programs are limited or cash is used for unanticipated needs, we may require additional capital sooner than anticipated.

In the event we are required, or elect, to raise additional funds, we may be unable to do so on favorable terms, or at all, and may incur expenses in raising the additional funds. Our current and future indebtedness could adversely affect our operating results and severely limit our ability to plan for, or react to, changes in our business or industry. We could also be limited by financial and other restrictive covenants in securitization or credit arrangements, including limitations on our borrowing of additional funds and issuing dividends. Furthermore, the cost of securitization or debt financing could significantly increase in the future, making it cost prohibitive to securitize our accounts receivable or borrow, which could force us to issue new equity securities. If we issue new equity securities, existing stockholders may experience dilution, or the new equity securities may have rights, preferences or privileges senior to those of existing holders of common stock. If we cannot raise funds on acceptable terms, we may not be able to take advantage of future opportunities or respond to competitive pressures or unanticipated requirements. Any inability to raise additional capital when required could have an adverse effect on our business and operating results.

We have significant credit exposure to our customers, and negative trends in their businesses could cause us significant credit loss and negatively impact our cash flow and liquidity position.

We extend credit to our customers for a significant portion of our sales to them and they have a period of time, generally 30 days after the date of invoice, to make payment. However, in certain cases, for some of our larger customers, we offer longer terms of payment. As a result, we are subject to the risk that our customers will not pay on time or at all. Our credit exposure risk may increase due to financial difficulties or liquidity or solvency issues experienced by our customers, resulting in their inability to repay us. The liquidity or solvency issues may increase as a result of an economic downturn or a decrease in IT or CE spending by end-users. If we are unable to collect payments in a timely manner from our customers due to changes in financial or economic conditions, or for other reasons, and we are unable to collect under our credit insurance policies, we may write-off the amount due from the customers. These write-offs may result in credit insurance being more expensive and on terms that are less favorable to us and may negatively impact our ability to utilize accounts receivable-based financing. In addition, the failure of customers to pay within a specified time period after the date of an invoice could result in defaults under our accounts receivable securitization program. These circumstances could negatively impact our cash flow and liquidity position, or result in the cross-default to our other indebtedness and acceleration of the repayment of our indebtedness. Further, we are exposed to higher collection risk as we continue to expand internationally, where the payment cycles are generally longer and the credit rating process may not be as robust as in the United States, and where our access to accounts receivable financing is more limited.

We are dependent on a variety of IT and telecommunications systems and the Internet, and any failure of these systems could adversely impact our business and operating results.

We depend on IT and telecommunications systems and the Internet for our operations. These systems support a variety of functions including inventory management, order processing, shipping, shipment tracking, and billing.

Failures or significant downtime of our IT or telecommunications systems could prevent us from taking customer orders, printing product pick-lists, shipping products, billing customers and handling call volume. Sales also may be affected if our reseller and retail customers are unable to access our pricing and product availability information. We also rely on the Internet, and in particular EDI and XML, for a large portion of our orders and information exchanges with our OEM suppliers and reseller and retail customers. The Internet and individual websites have experienced a number of disruptions and slowdowns, some of which were caused by organized attacks. In addition, some websites have experienced security breakdowns. If we were to experience a security breakdown, disruption or breach that compromised sensitive information, it could harm our relationship with our OEM suppliers and reseller and retail customers. Disruption of our website or the Internet in general could impair our order processing or more generally prevent our OEM suppliers and reseller and retail customers from accessing information. A significant increase in our IT costs or a temporary or permanent loss of our IT systems could harm our relationships with our customers. The occurrence of any of these events could have an adverse effect on our operations and financial results.

Because of the experience of our key personnel in the IT, CE and the customer experience services industries and their technological and industry expertise, if we were to lose any of our key personnel, it could inhibit our ability to operate and grow our business successfully.

We are dependent in large part on our ability to retain the services of our key senior executives and other technological and industry experts and personnel. Except for Dennis Polk, our President and Chief Executive Officer, we generally do not have employment agreements with our executives or employees. We also do not carry “key person” insurance coverage for any of our key executives. We compete for qualified senior management and technical personnel. The loss of, or inability to hire, key executives or qualified employees could inhibit our ability to operate and grow our business successfully.

We may experience theft of product from our warehouses, water damage to our properties and other casualty events which could harm our operating results.

From time to time, we have experienced incidents of theft at various facilities, water damages to our properties and other casualty events. These types of incidents may make it more difficult or expensive for us to obtain insurance coverage in the future. Also, the same or similar incidents may occur in the future for which we may not have sufficient insurance coverage or policy limits to be fully compensated for the loss, which may have an adverse effect on our business and financial results.

We may become involved in intellectual property or other disputes that could cause us to incur substantial costs, divert the efforts of our management, and require us to pay substantial damages or require us to obtain a license, which may not be available on commercially reasonable terms, if at all.

From time to time, we receive notifications alleging infringements of intellectual property rights allegedly held by others relating to our business or the products we sell or integrate for our OEM suppliers and others. Litigation with respect to patents or other intellectual property matters could result in substantial costs and diversion of management and other resources and could have an adverse effect on our business. Although we generally have various levels of indemnification protection from our OEM suppliers and design and integration solutions customers, in many cases any indemnification to which we may be entitled is subject to maximum limits or other restrictions.

In addition, we have developed proprietary IT systems, mobile applications, and cloud-based technology and acquired technologies that play an important role in our business. If any infringement claim is successful against us and if indemnification is not available or sufficient, we may be required to pay substantial damages or we may need to seek and obtain a license of the other party's intellectual property rights. We may be unable to obtain such a license on commercially reasonable terms, if at all.

We are from time to time involved in other litigation in the ordinary course of business. We may not be successful in defending these or other claims. Regardless of the outcome, litigation could result in substantial expense and could divert the efforts of our management.

We have significant operations concentrated in North and Latin America, Asia-Pacific and Europe and any disruption in the operations of our facilities could harm our business and operating results.

Our worldwide operations could be subject to natural disasters, adverse weather conditions and other business disruptions, which could seriously harm our revenue and financial condition and increase our costs and expenses. We have significant operations in our facilities located in North and Latin America, Asia-Pacific and Europe. As a result, any prolonged disruption in the operations of our facilities, whether due to technical difficulties, power failures, break-ins, destruction or damage to the facilities as a result of a natural disaster, fire or any other reason, could harm our operating results. If there are related disruptions in local or international supply chains, we may experience supply shortages or delays in receiving products from our OEM suppliers or experience other delays in shipping to our customers. If we are unable to fulfill customer requirements in a timely manner, this could harm our operating results. We currently have a disaster recovery plan and business interruption insurance; however, they may not be sufficient to compensate for losses that may occur.

The terms of our debt arrangements impose significant restrictions on our ability to operate which in turn could negatively affect our ability to respond to business and market conditions and therefore could have an adverse effect on our business and operating results.

As of November 30, 2020, we had $2.8 billion, including obligations of Concentrix, in outstanding short and long-term borrowings under term loans, lines of credit, accounts receivable securitization programs and capital leases, excluding trade payables. Subsequent to November 30, 2020, upon completion of the Separation, our outstanding borrowings totaled $1.6 billion. The terms of one or more of the agreements under which this indebtedness was incurred may limit or restrict, among other things, our ability to:

- incur additional indebtedness;
- make investments;
- pay dividends or make certain other restricted payments;
- repurchase common stock;
- consummate certain asset sales or acquisitions;
- enter into certain transactions with affiliates; and
- merge, consolidate or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of our assets.

We are also required to maintain specified financial ratios and satisfy certain financial condition tests under certain of our debt facilities. Our inability to meet these ratios and tests could result in the acceleration of the repayment of the related debt, termination of the applicable facility, an increase in our effective cost of funds or the cross-default of other credit and securitization arrangements. As a result, our ability to operate may be restricted and our ability to respond to business and market conditions may be limited, which could have an adverse effect on our business and operating results.

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations, which could adversely affect our business.

Our ability to make scheduled debt payments or to refinance our debt obligations depends on our financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We cannot be certain that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal and interest on our indebtedness.

If our cash flows and capital resources are insufficient to fund our debt service obligations we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness. We cannot be certain that we would be able to take any of these actions, that these actions would be successful and permit us to meet our scheduled debt service obligations or that these actions would be permitted under the terms of our existing or future debt agreements. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Some of our credit facilities restrict our ability to dispose assets and use the proceeds from such disposition. As such, we may not be able to consummate those dispositions or use any resulting proceeds and, in addition, such proceeds may not be adequate to meet any debt service obligations then due.

If we cannot make scheduled payments on our debt, we will be in default and, as a result:

- our lenders could declare all outstanding principal and interest to be due and payable;
- the lenders under our credit agreements could terminate their commitments to loan us money and, in the case of our secured credit agreements, foreclose against the assets securing their borrowings;
- we could be forced to raise additional capital through the issuance of additional, potentially dilutive securities; and
- we could be forced into bankruptcy or liquidation, which is likely to result in delays in the payment of our indebtedness and in the exercise of enforcement remedies related to our indebtedness.

If the interest rates on our borrowings increase, our access to capital and net income could be adversely affected.

Our borrowings and securitization arrangements are variable-rate obligations and expose us to interest rate risks. If interest rates increase, debt service obligations and our interest expense will increase even though the amount borrowed remains the same. Our net income and cash flows, including cash available for servicing indebtedness, will correspondingly decrease.

An increase in interest rates may increase our future borrowing costs and restrict our access to capital. Additionally, current market conditions, the recovering global economy, and overall credit conditions could limit our availability of capital, which could cause increases in interest margin spreads over underlying indices, effectively increasing the cost of our borrowing. While some of our credit facilities have contractually negotiated spreads, any changes to these spreads in connection with renegotiations of our credit facilities could adversely affect our results of operations.

We have entered into interest rate swaps with financial institutions to effectively convert a portion of our floating rate debt to a fixed interest rate to manage our exposure to fluctuations in interest rates. In the event of the nonperformance by the counterparties, we are exposed to credit losses.

A portion of our revenue is financed by floor plan financing companies and any termination or reduction in these financing arrangements could increase our financing costs and harm our business and operating results.

A portion of our product distribution revenue is financed by floor plan financing companies. Floor plan financing companies are engaged by our customers to finance, or floor, the purchase of products from us. In exchange for a fee, we transfer the risk of loss on the sale of our products to the floor plan companies. We currently receive payment from these financing companies within approximately 15 to 30 days from the date of the sale, which allows our business to operate at much lower relative working capital levels than if such programs were not available. If these floor plan arrangements are terminated or substantially reduced, the need for more working capital and the increased financing cost could harm our business and operating results.

Risks Related to Our Relationship with MiTAC Holdings Corporation

The concentration of ownership of our common stock among our executive officers, directors and principal stockholders could allow them to influence all matters requiring stockholder approval and could delay or prevent a change in control of SYNNEX.

As of November 30, 2020, our executive officers, directors and principal stockholders owned approximately 20% of our outstanding common stock. In particular, MiTAC Holdings Corporation (“MiTAC Holdings”) and its affiliates owned approximately 18% of our common stock. MiTAC Holdings is a publicly-traded company on the Taiwan Stock Exchange. As a result, these stockholders have the potential ability to influence matters requiring stockholder approval, including the election of directors and the approval of mergers and acquisitions, or exert influence on actions of our Board of Directors. This concentration of ownership may have the effect of delaying, preventing or deterring a change of control of our company, could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our company and might ultimately affect the market price of our common stock.

There could be potential conflicts of interest between us and MiTAC Holdings and its affiliates, which could affect our business and operating results.

MiTAC Holdings' and its affiliates' continuing beneficial ownership of our common stock could create conflicts of interest with respect to a variety of matters, such as potential acquisitions, competition, issuance or disposition of securities, election of directors, payment of dividends and other business matters. For example, we currently purchase inventories from MiTAC Holdings. Similar risks could exist as a result of Matthew Miau's positions as our Chairman Emeritus, a member of our Board of Directors, the Chairman of MiTAC Holdings and as a director or officer of MiTAC Holdings' affiliates. For fiscal year 2020, Mr. Miau received the same compensation as our independent directors and during fiscal year 2021 Mr. Miau will receive the same compensation as our independent directors. Mr. Miau's compensation as one of our directors is based upon the approval of the Nominating and Corporate Governance Committee, which is solely composed of independent members of the Board of Directors. We also have adopted a policy requiring material transactions in which any of our directors has a potential conflict of interest to be approved by our Audit Committee, which is also composed of independent members of the Board of Directors.

Synnex Technology International Corp., or Synnex Technology International, a publicly-traded company based in Taiwan and affiliated with MiTAC Holdings, currently provides distribution and fulfillment services to various markets in Asia and Australia, and is also a potential competitor of ours. As of November 30, 2020, MiTAC Incorporated, a privately-held company based in Taiwan and a separate entity from MiTAC Holdings, directly and indirectly owned approximately 15.2% of Synnex Technology International and approximately 8.7% of MiTAC Holdings. As of November 30, 2020, MiTAC Holdings directly and indirectly owned 0.9% of Synnex Technology International. In addition, MiTAC Holdings directly and indirectly owned approximately 8.7% of MiTAC Incorporated and Synnex Technology International directly and indirectly owned approximately 18.4% of MiTAC Incorporated as of November 30, 2020. Synnex Technology International indirectly through its ownership of Peer Developments Limited owned approximately 7.5% of our outstanding common stock as of November 30, 2020. Neither MiTAC Holdings, nor Synnex Technology International is restricted from competing with us. In the future, we may increasingly compete with Synnex Technology International, particularly if our business in Asia expands or Synnex Technology International expands its business into geographies or customers we serve. Although Synnex Technology International is a separate entity from us, it is possible that there will be confusion as a result of the similarity of our names. Moreover, we cannot limit or control the use of the Synnex name by Synnex Technology International in certain geographies and our use of the Synnex name may be restricted as a result of registration of the name by Synnex Technology International or the prior use in jurisdictions where it currently operates.

Risks Related to Our Industry

Volatility in the IT and CE industries could have a material adverse effect on our business and operating results.

We have in the past, experienced decreases in demand and we anticipate that the industries we operate in will be subject to a high degree of cyclicality in the future. Softening demand for our products and services caused by an ongoing economic downturn and over-capacity may impact our revenue, as well the salability of inventory and collection of reseller and retail customer accounts receivable. In addition, if we are not able to adequately adapt to the emergence of new technology or customer demand, such as cloud-based IT infrastructure and software-as-a-service, our future operating results could be adversely affected.

We are subject to intense competition, both in the United States and internationally, and if we fail to compete successfully, we will be unable to gain or retain market share.

We operate in a highly competitive environment, both in the United States and internationally. This competition is based primarily on product and service availability, credit availability, price, speed of delivery, ability to tailor specific solutions to customer needs, quality and depth of product and service lines, pre-sales and post-sales technical support, flexibility and timely response to design changes, and technological capabilities, service and support. We compete with a variety of regional, national and international IT and CE product and service providers and contract manufacturers and assemblers and providers of customer experience services. In some instances, we also compete with our own customers, our own OEM suppliers and MiTAC Holdings and its affiliates.

Our primary competitors are substantially larger and have greater financial, operating, manufacturing and marketing resources than us. Some of our competitors may have broader geographic breadth and range of services than us and may have more developed relationships with their existing customers. We may lose market share in the United States or in international markets, or may be forced in the future to reduce our prices in response to the actions of our competitors and thereby experience a reduction in our gross margins.

We may initiate other business activities, including the broadening of our supply chain capabilities, and may face competition from companies with more experience in those new areas. In addition, as we enter new areas of business, we may also encounter increased competition from current competitors or from new competitors, including some that may once have been our OEM suppliers or reseller and retail customers. Increased competition and negative reaction from our OEM suppliers or reseller and retail customers resulting from our expansion into new business areas could harm our business and operating results.

Our business may be adversely affected by some OEM suppliers' strategies to consolidate business or increase their direct sales, which in turn could cause our business and operating results to suffer.

A determination by any of our primary OEMs to consolidate their business with other distributors or integration service providers could negatively affect our business and operating results. Consolidation of OEM suppliers has resulted in fewer sources for some of the products and services that we distribute. This consolidation has also resulted in larger OEM suppliers that have significant operating and financial resources. Other suppliers may reduce or eliminate promotional activities to reduce their expenses, which could, in turn, result in declined demand from our reseller or retailer customers and end-users.

Some OEM suppliers, including some of the leading OEM suppliers that we service, have been selling products and services directly to reseller and retail customers and end-users, thereby limiting our business opportunities. If large OEM suppliers increasingly sell directly to end-users or our resellers and retailers, rather than use us as the distributor of their products and services, our business and operating results will suffer.

The IT and CE industries are subject to rapidly changing technologies and process developments, and we may not be able to adequately adjust our business to these changes, which in turn would harm our business and operating results.

Dynamic changes in the IT and CE industries, including the consolidation of OEM suppliers and reductions in the number of authorized distributors used by OEM suppliers, have resulted in new and increased responsibilities for management personnel and have placed, and continue to place, a significant strain upon our management, operating and financial systems and other resources. We may be unable to successfully respond to and manage our business in light of industry developments and trends. As end-users migrate to cloud-based IT infrastructure and software-as-a-service, sales of hardware products may be reduced, thereby negatively impacting our operating results. Also crucial to our success in managing our operations is our ability to achieve additional economies of scale. Our failure to achieve these additional economies of scale or to respond to changes in the IT and CE industries could adversely affect our business and operating results.

Risks Related to the Separation

We or Concentrix may fail to perform under the transaction agreements executed as part of the Separation, which in turn may adversely affect our business.

In connection with the Separation, we and Concentrix entered into several agreements, including among others a separation and distribution agreement and an employee matters agreement. The separation and distribution agreement and employee matters agreement determine the allocation of assets and liabilities between the companies following the Separation for those respective areas and include any necessary indemnifications related to liabilities and obligations. Concentrix has spun off and some of its obligations under these and other agreements have transferred to the successor entities. We will rely on Concentrix or its successor entities to satisfy their performance and payment obligations under these agreements. If Concentrix or its successor entities are unable to satisfy their obligations under these agreements, we could incur operational difficulties or losses that could have a material and adverse effect on our business, financial condition and results of operations.

The Separation may not achieve some or all of the anticipated benefits, which may in turn affect our business and stock price.

We may not realize some or all of the anticipated strategic, financial, operational, marketing or other benefits from the Separation, or such benefits may be delayed by a variety of circumstances, which may not be under our control or Concentrix'. As independent publicly-traded companies, we and Concentrix will be smaller, less diversified companies with a narrower business focus and may be more vulnerable to changing market conditions, which could materially and adversely affect our respective business, financial condition and results of operations. Further, there can be no assurance that the combined value of the common stock of the two publicly-traded companies will be equal to or greater than what the value of our common stock would have been had the proposed Separation not occurred.

If the Separation fails to qualify for tax-free treatment, it could result in substantial tax liability for the Company.

We have obtained an opinion that, for U.S. federal income tax purposes, the Separation will qualify as a tax-free reorganization under Sections 368(a)(1)(D) and 355 of the Internal Revenue Code of 1986, as amended, to us and our United States stockholders. The opinion we received will not be binding on the IRS or any court. Accordingly, there can be no assurance that the IRS will not challenge the conclusions reflected in the opinion or that a court would not sustain such a challenge. If the Separation fails to qualify for tax-free treatment, we would be subject to tax as if we had sold the stock of Concentrix in a taxable sale for its fair market value, which would result in substantial tax liability for us, and our stockholders would be subject to tax on the fair market value of the Concentrix stock received in the Separation.

Risks Related to the Macro-Economic and Regulatory Environment

The widespread outbreak of an illness or any other communicable disease, or any other public health crisis, could adversely affect our business, results of operations and financial condition.

We could be negatively impacted by the widespread outbreak of an illness or any other communicable disease, or any other public health crisis that results in economic and trade disruptions, including the disruption of global supply chains. In December 2019, there was an outbreak of a new strain of coronavirus, COVID-19. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and workforce participation due to “shelter-in-place” restrictions by various governments worldwide and created significant volatility and disruption of financial markets. This has adversely impacted our results of operations during fiscal year 2020. The extent of the impact of the COVID-19 pandemic on our future operational and financial performance, including our ability to execute our business strategies and initiatives in the expected time frame, will depend on future developments, including the duration and spread of the pandemic and related restrictions on travel and transports, the effect on our customers and demand for our products and services; our ability to sell and provide our products and services, including as a result of travel restrictions and people working remotely; the ability of our customers to pay for our solutions; and any closures of our or our customers’ offices and facilities all of which are uncertain and cannot be predicted.

An extended period of global supply chain and economic disruption could materially affect our business, our results of operations, our access to sources of liquidity, the carrying value of our goodwill and intangible assets, our financial condition and our stock price.

Changes in foreign currency exchange rates and limitations on the convertibility of foreign currencies could adversely affect our business and operating results.

Approximately 34%, 34% and 28% of our revenues in fiscal years 2020, 2019 and 2018, respectively, were generated outside the United States. Most of our international revenue, cost of revenue and operating expenses are denominated in foreign currencies. In Latin America, our revenue is generally denominated in local currencies while cost of revenue is denominated in U.S. dollars. We presently have currency exposure arising from both sales and purchases denominated in foreign currencies. Changes in exchange rates between foreign currencies and the U.S. dollar may adversely affect our operating margins. For example, if these foreign currencies appreciate against the U.S. dollar, it will be more expensive in terms of U.S. dollars to purchase inventory or pay expenses with foreign currencies. This could have a negative impact on us if revenue related to these purchases is transacted in U.S. dollars. In addition, currency devaluation can result in our products, the majority of which are purchased by us in U.S. dollars, to be relatively more expensive to procure than products manufactured locally. We currently conduct only limited hedging activities, which involve the use of currency forward contracts. Hedging foreign currencies can be risky. Certain of these hedge positions are undesignated hedges of balance sheet exposures, such as intercompany loans, and typically have maturities of less than one year.

There is also additional risk if the currency is not freely or actively traded. Some currencies, such as the Chinese Renminbi are subject to limitations on conversion into other currencies, which can limit our ability to hedge or to otherwise react to rapid foreign currency devaluations. We cannot predict the impact of future exchange rate fluctuations on our business and operating results.

We do not use derivative financial instruments for speculative trading purposes, nor do we hedge our foreign currency exposure in a manner that entirely offsets the effects of changes in foreign exchange rates.

As a general rule, we do not use financial instruments to hedge local currency denominated operating expenses in countries where a natural hedge exists. For example, in many countries, revenue from the local currency services substantially offsets the local currency denominated operating expenses.

We rely on independent shipping companies for delivery of products, and price increases or service interruptions from these carriers could adversely affect our business and operating results.

We rely almost entirely on arrangements with independent shipping companies, such as FedEx and UPS, for the delivery of our products from OEM suppliers and delivery of products to reseller and retail customers. Freight and shipping charges can have a significant impact on our gross margin. As a result, an increase in freight surcharges due to rising fuel cost or general price increases will have an immediate adverse effect on our margins, unless we are able to pass the increased charges to our reseller and retail customers or renegotiate terms with our OEM suppliers. In addition, in the past, carriers have experienced work stoppages due to labor negotiations with management. An increase in freight or shipping charges, the termination of our arrangements with one or more of these independent shipping companies, the failure or inability of one or more of these independent shipping companies to deliver products, or the unavailability of their shipping services, even temporarily, could have an adverse effect on our business and operating results.

Because we conduct substantial operations in China, risks associated with economic, political and social events in China could negatively affect our business and operating results.

A substantial portion of our IT systems operations, including our IT systems support and software development operations, are located in China. In addition, we also conduct general and administrative activities from our facilities in China. Our operations in China are subject to a number of risks relating to China's economic and political systems, including:

- a government controlled foreign exchange rate and limitations on the convertibility of the Chinese Renminbi;
- extensive government regulation;
- changing governmental policies relating to tax benefits available to foreign-owned businesses;
- the telecommunications infrastructure;
- a relatively uncertain legal system; and
- uncertainties related to continued economic and social reform.

Our IT systems are an important part of our global operations. Any significant interruption in service, whether resulting from any of the above uncertainties, natural disasters or otherwise, could result in delays in our inventory purchasing, errors in order fulfillment, reduced levels of customer service and other disruptions in operations, any of which could cause our business and operating results to suffer.

We may have higher than anticipated tax liabilities.

We conduct business globally and file income tax returns in various tax jurisdictions. Our effective tax rate could be adversely affected by several factors, many of which are outside of our control, including:

- changes in income before taxes in various jurisdictions in which we operate that have differing statutory tax rates;
- changing tax laws, regulations, and/or interpretations of such tax laws in multiple jurisdictions;
- effect of tax rate on accounting for acquisitions and dispositions;
- issues arising from tax audit or examinations and any related interest or penalties; and
- uncertainty in obtaining tax holiday extensions or expiration or loss of tax holidays in various jurisdictions.

We report our results of operations based on our determination of the amount of taxes owed in various tax jurisdictions in which we operate. The determination of our worldwide provision for income taxes and other tax liabilities requires estimation, judgment and calculations where the ultimate tax determination may not be certain. Our determination of tax liability is always subject to review or examination by tax authorities in various tax jurisdictions. Any adverse outcome of such review or examination could have a negative impact on our operating results and financial condition. The results from various tax examinations and audits may differ from the liabilities recorded in our financial statements and could adversely affect our financial results and cash flows.

Cyberattacks or the improper disclosure or control of personal information could result in liability and harm our reputation, which could adversely affect our business.

Our business is heavily dependent upon information technology networks and systems. Internal or external attacks on those networks and systems could disrupt our normal operations centers and impede our ability to provide critical products and services to our customers and clients, subjecting us to liability under our contracts and damaging our reputation.

Our business also involves the use, storage and transmission of information about our employees, and customers. If any person, including any of our employees, negligently disregards or intentionally breaches our established controls with respect to such data or otherwise mismanages or misappropriates that data, we could be subject to monetary damages, fines or criminal prosecution.

While we take measures to protect the security of, and prevent unauthorized access to, our systems and personal and proprietary information, the security controls for our systems, as well as other security practices we follow, may not prevent improper access to, or disclosure of, personally identifiable or proprietary information. Furthermore, data privacy is subject to frequently changing rules and regulations, which sometimes conflict among the various jurisdictions and countries in which we provide services. The General Data Protection Regulation in Europe, the California Consumer Privacy Act and other similar laws have resulted, and will continue to result, in increased compliance costs. Our failure to adhere to or successfully implement processes in response to these and other changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition and results of operations. We could also face legal, reputational and financial risks if we fail to protect customer and internal data from security breaches or cyberattacks.

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. 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. More generally, these geopolitical, social and economic conditions could result in increased volatility in the United States and 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.

Part of our business is conducted outside of the United States, exposing us to additional risks that may not exist in the United States, which in turn could cause our business and operating results to suffer.

We have significant international operations and presence which subjects us to risks, including:

- political or economic instability;
- extensive governmental regulation;
- changes in import/export duties;
- fluctuation in foreign currency exchange rates;
- trade restrictions;
- compliance with the Foreign Corrupt Practices Act, U.K. bribery laws and similar laws;
- difficulties and costs of staffing and managing operations in certain foreign countries;
- work stoppages or other changes in labor conditions;
- minimum wage increases;
- difficulties in collecting accounts receivable on a timely basis or at all;
- taxes; and
- seasonal reductions in business activity in some parts of the world.

We may continue to expand internationally to respond to competitive pressure and customer and market requirements. Establishing operations in any foreign country or region presents risks such as those described above as well as risks specific to the particular country or region. In addition, until a payment history is established over time with customers in a new geography or region, the likelihood of collecting accounts receivable generated by such operations could be less than our expectations. As a result, there is a greater risk that reserves set with respect to the collection of such accounts receivable may be inadequate. Furthermore, if our international expansion efforts in any foreign country are unsuccessful, we may decide to cease operations, which would likely cause us to incur additional expense and loss.

In addition, changes in policies or laws of the United States or foreign governments resulting in, among other things, higher taxation, currency conversion limitations, restrictions on fund transfers or the expropriation of private enterprises, could reduce the anticipated benefits of our international expansion. Any actions by countries in which we conduct business to reverse policies that encourage foreign trade or investment could adversely affect our business. If we fail to realize the anticipated growth of our future international operations, our business and operating results could suffer.

If we are unable to maintain effective internal control over financial reporting, our ability to report our financial results on a timely and accurate basis may be adversely affected, which in turn could cause the market price of our common stock to decline.

Section 404 of the Sarbanes-Oxley Act of 2002 requires our management to report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal control structure and procedures for financial reporting. We completed an evaluation of the effectiveness of our internal control over financial reporting for fiscal year 2020, and we have an ongoing program to perform the system and process evaluation and testing necessary to continue to comply with these requirements. However, internal control over financial reporting has inherent limitations, including human error, the possibility that controls could be circumvented or become inadequate because of changed conditions, and fraud. Because of the inherent limitations, misstatements due to error or fraud may occur and may not always be prevented or timely detected. We expect to continue to incur significant expense and to devote management resources to Section 404 compliance. In the event that one of our Chief Executive Officer, Chief Financial Officer or independent registered public accounting firm determines that our internal control over financial reporting is not effective as defined under Section 404, investor perceptions and our reputation may be adversely affected, and the market price of our stock could decline.

Changes to financial accounting standards may affect our results of operations and cause us to change our business practices.

We prepare our financial statements to conform to generally accepted accounting principles in the United States ("GAAP"). These accounting principles are subject to interpretation by the Financial Accounting Standards Board, American Institute of Certified Public Accountants, the SEC and various bodies formed to interpret and create appropriate accounting policies. A change in those policies can have a significant effect on our reported results and may affect our reporting of transactions completed before a change is announced. Changes to those rules or the questioning of current practices may adversely affect our reported financial results or the way we conduct our business.

The United Kingdom's withdrawal from the European Union ("EU") could adversely impact our business, results of operations and financial condition.

On January 31, 2020, the United Kingdom left the EU ("Brexit"). The United Kingdom and EU entered into a new trade agreement in December 2020, subject to final approval by the European Parliament. In addition, the United Kingdom is in the process of negotiating trade agreements with the United States and certain other countries The most significant impact of the new agreement between the United Kingdom and the EU are new regulations regarding trade, tax, security and employees, among others, in the United Kingdom. Compliance with such regulations could be costly, negatively impacting our business, results of operations and financial condition.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

Our principal executive offices are located in Fremont, California, and are owned by us. We operate distribution, integration, contact center and administrative facilities in different countries.

Our Technology Solutions segment occupies approximately 63 facilities covering approximately 6.1 million square feet and includes warehouse, logistics and administrative facilities. We own approximately 2.1 million square feet of property and lease the remainder.

Our Concentrix segment occupied approximately 284 facilities comprising service and delivery centers and administrative facilities covering approximately 16.8 million square feet. We owned approximately 1.3 million square feet and leased the remainder.

We have sublet unused portions of some of our facilities. We believe our facilities are well maintained and adequate for current and near future operating needs. Upon the expiration or termination of any of our leased facilities, we believe we could obtain comparable office space.

Item 3. ***Legal Proceedings***

We are from time to time involved in legal proceedings in the ordinary course of business. We do not believe that these proceedings will have a material adverse effect on the results of our operations, our financial position or the cash flows of our business.

In addition, we have been involved in various bankruptcy preference actions where we were a supplier to the companies now in bankruptcy. These preference actions are filed by the bankruptcy trustee on behalf of the bankrupt estate and generally seek to have payments made by the debtor within 90 days prior to the bankruptcy returned to the bankruptcy estate for allocation among all of the bankruptcy estate's creditors. We are not currently involved in any material preference proceedings.

Item 4. ***Mine Safety Disclosures***

Not applicable.

Information About our Executive Officers

The following table sets forth information regarding our executive officers as of November 30, 2020:

Name	Age	Position
Dennis Polk	54	President, Chief Executive Officer and a Director
Michael Urban	56	President, Worldwide Technology Solutions Distribution
Peter Larocque	59	President, North American Technology Solutions
Marshall Witt	55	Chief Financial Officer
Christopher Caldwell	48	Executive Vice President; President, Concentrix Corporation
Simon Leung	55	Senior Vice President; General Counsel and Corporate Secretary

Dennis Polk is our President and Chief Executive Officer and has served in this capacity since March 2018. Mr. Polk is also a Director and has served in this capacity since February 2012. Mr. Polk previously served as our Chief Operating Officer, Chief Financial Officer and Senior Vice President of Corporate Finance since joining us in February 2002. Mr. Polk is also a director on the board of Concentrix Corporation and Terreno Realty Corporation. At Terreno, he is the Chair of the Compensation Committee.

Michael Urban is our President of Worldwide Technology Solutions Distribution and has served in this capacity since February 2019. Prior to joining SYNNEX, Mr. Urban was Corporate Vice President of Strategy, Transformation, and Global Vendor Management of Tech Data Corporation from September 2012 until January 2019. Prior to Tech Data Corporation, Mr. Urban served in progressive leadership roles including Chairman and Chief Executive Officer at Actebis. Mr. Urban received a Bachelor of Science degree in Engineering from Paderborn University in Germany.

Peter Larocque is President, North American Technology Solutions and has served in this capacity since November 2013, having previously served as President of U.S. Distribution since July 2006, Executive Vice President of Distribution since June 2001, and Senior Vice President of Sales and Marketing from September 1997 until June 2001. Mr. Larocque is responsible for SYNNEX' North American Technology Solutions business. He received a Bachelor of Science degree in Economics from the University of Western Ontario, Canada.

Marshall Witt is our Chief Financial Officer and has served in this capacity since April 2013. Prior to joining SYNNEX, Mr. Witt was Senior Vice President of Finance and Controller with FedEx Freight. During his fifteen year tenure with FedEx Corporation, Mr. Witt held progressive financial and operational roles. Prior to FedEx Corporation, he held accounting and finance leadership positions including five years with KPMG LLP as an audit manager for banking and transportation clients. Mr. Witt holds a Bachelor of Business Administration in Finance from Pacific Lutheran University and a Masters in Accounting from Seattle University and is a Certified Public Accountant.

Christopher Caldwell served as Executive Vice President and President of Concentrix Corporation and has served in this capacity from February 2014 to the date of the Separation on December 1, 2020. He previously served as President of Concentrix Corporation from June 2012 to February 2014, Senior Vice President and General Manager of Concentrix Corporation from March 2007 to June 2012, and Senior Vice President, Global Business Development from March 2007 to June 2012. Mr. Caldwell joined SYNNEX in 2004 as Vice President, Emerging Business through the acquisition of EMJ Data Systems Ltd. Effective December 1, 2020, pursuant to the Separation, Mr. Caldwell resigned from SYNNEX.

Simon Leung is our Senior Vice President, General Counsel and Corporate Secretary and has served in this capacity since May 2001. Mr. Leung joined SYNNEX in November 2000 as Corporate Counsel. Prior to SYNNEX, Mr. Leung was an attorney at the law firm of Paul, Hastings, Janofsky & Walker LLP. Mr. Leung received a Bachelor of Arts degree from the University of California, Davis in International Relations and his Juris Doctor degree from the University of Minnesota Law School.

PART II

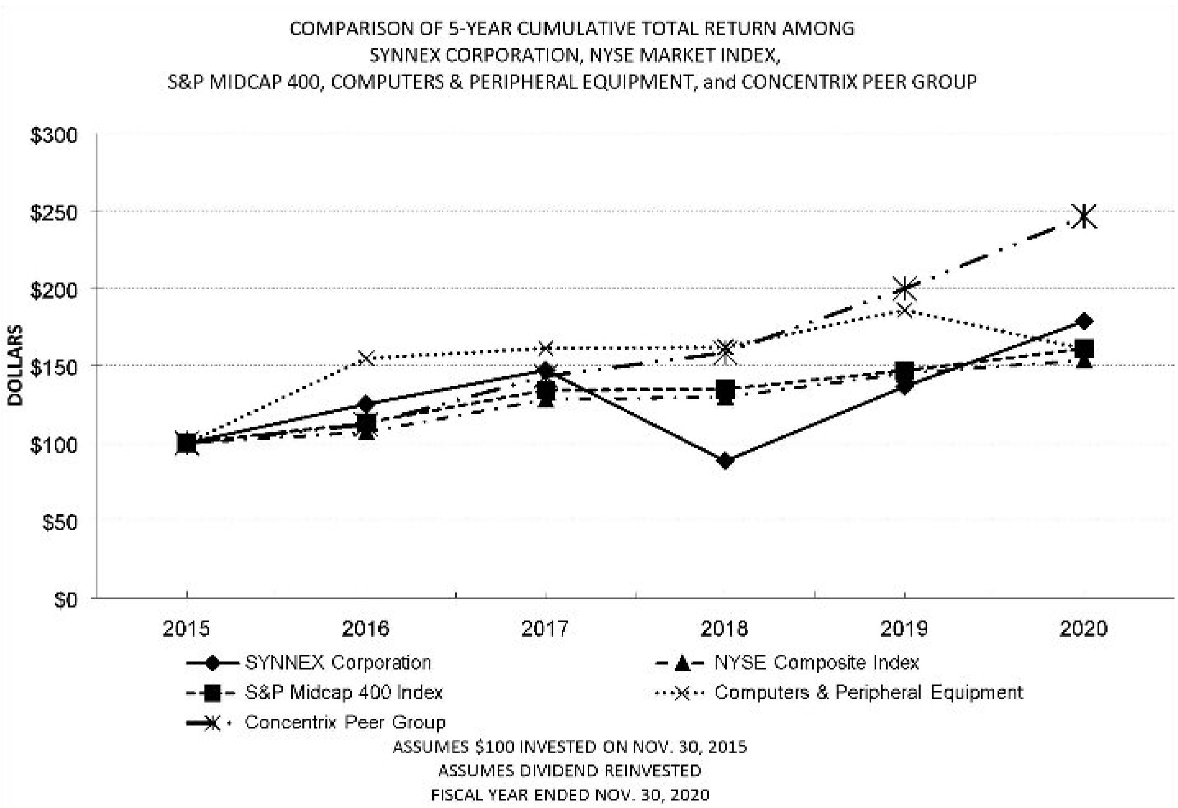
Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*

Our common stock, par value $0.001, is traded on the New York Stock Exchange, or NYSE, under the symbol "SNX."

As of January 22, 2021, our common stock was held by approximately 4,400 stockholders of record. Because many of the shares of our common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of beneficial owners represented by these stockholders of record.

Stock Price Performance Graph

The stock price performance graph below, which assumes a $100 investment on November 30, 2015, compares our cumulative total stockholder return, the NYSE Composite Index, S&P Midcap 400 Index, Computer and Peripheral Equipment index and a peer group of our Concentrix segment for the period beginning November 30, 2015 through November 30, 2020. The Computer and Peripheral Equipment index is based on the Standard Industrial Classification Code 5045—Wholesale Computer and Computer Peripheral Equipment and Software. The companies selected to form the Concentrix peer group index include Accenture plc, Genpact Limited, Teleperformance S.A., TTEC Holdings Inc., Conduent Inc., Transcosmos Inc., Sykes Enterprises, Inc., and Globant S.A. The closing price per share of our common stock was $160.31 on November 30, 2020. The comparisons in the table are required by the SEC and are not intended to forecast or be indicative of possible future performance of our common stock.



	Fiscal Years Ended					
	11/30/2015	11/30/2016	11/30/2017	11/30/2018	11/30/2019	11/30/2020
SYNNEX Corporation	$ 100.00	$ 125.15	$ 147.08	$ 88.42	$ 136.52	$ 178.70
NYSE Composite Index	$ 100.00	$ 107.09	$ 128.06	$ 129.69	$ 144.98	$ 153.61
S&P Midcap 400 Index	$ 100.00	$ 113.23	$ 134.21	$ 134.86	$ 146.80	$ 161.04
Computers and Peripheral Equipment	$ 100.00	$ 154.69	$ 161.26	$ 161.90	$ 185.91	$ 160.85
Concentrix Peer Group	$ 100.00	$ 111.90	$ 143.20	$ 158.34	$ 199.69	$ 246.46

Securities Authorized for Issuance under Equity Compensation Plans

Information regarding the Securities Authorized for Issuance under Equity Compensation Plans can be found under Item 12 of this Report.

Dividends

On September 29, 2014, we announced the initiation of a quarterly cash dividend. Since then, dividends have been declared in January, March, June and September and paid at the end of January, April, July and October. On March 24, 2020, as a result of the unpredictable economic environment due to the impact of the COVID-19 pandemic, we announced the suspension of our quarterly dividend. Dividends declared per share by fiscal quarter in 2020 and 2019 were as follows:

	Fiscal Years Ended	
	2020	2019
First Quarter	$ 0.400	$ 0.375
Second Quarter	$ —	$ 0.375
Third Quarter	$ —	$ 0.375
Fourth Quarter	$ —	$ 0.375

On January 11, 2021, we announced the reinstatement of a quarterly cash dividend of $0.20 per share to stockholders of record as of January 22, 2021, payable on January 29, 2021. Dividends are subject to continued capital availability, compliance with the covenants and conditions in some of our credit facilities and the declaration by our Board of Directors in the best interest of our stockholders.

Purchases of Equity Securities

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. As of November 30, 2020, we had not repurchased any shares under this program.

In June 2017, our Board of Directors authorized a three-year $300 million share repurchase program, effective July 1, 2017, pursuant to which we may repurchase our outstanding common stock from time to time in the open market or through privately negotiated transactions. During the fiscal year 2020, we repurchased shares of our common stock aggregating 35,000 for an aggregate purchase price of $3.4 million under this program. Through the expiration of this program in June 2020, we had repurchased 874,517 shares of our common stock for a total cost of $84.6 million. The share purchases were made on the open market and the shares repurchased by us are held in treasury for general corporate purposes.

Item 6. ***Selected Financial Data***

The following selected consolidated financial data are qualified by reference to, and should be read together with, "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Item 7 of this Report and the Consolidated Financial Statements and related Notes included in Item 8 of this Report. The selected Consolidated Statements of Operations and other data presented below for fiscal years 2020, 2019 and 2018 and the consolidated balance sheet data as of November 30, 2020 and 2019 have been derived from our audited Consolidated Financial Statements included elsewhere in this Report. The Consolidated Statements of Operations and other data for fiscal years 2017 and 2016 and the Consolidated Balance Sheet data as of November 30, 2018, 2017 and 2016 have been derived from our Consolidated Financial Statements that are not included in this Report. The Consolidated Statements of Operations data include the operating results from our acquisitions from the closing date of each acquisition. Historical operating results are not necessarily indicative of the results that may be expected for any future period. Please see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Notes 2 and 3 to our Consolidated Financial Statements included elsewhere in this Report for a discussion of factors, such as business combinations and the adoption of new accounting guidance, that affect the comparability of the following selected consolidated financial data.

	Fiscal Years Ended November 30,				
	2020	2019 (1)	2018	2017	2016
Statements of Operations Data: (in thousands, except per share amounts)					
Revenue	$ 24,675,563	$ 23,757,293	$ 19,767,945	$ 16,771,128	$ 14,061,837
Gross profit	2,847,604	2,897,917	1,926,899	1,549,312	1,282,965
Operating income	830,103	813,761	550,236	507,337	379,596
Net income	529,160	500,712	299,981	300,240	235,005
Earnings per common share:					
Basic:	$ 10.28	$ 9.79	$ 7.21	$ 7.52	$ 5.91
Diluted:	$ 10.21	$ 9.74	$ 7.17	$ 7.48	$ 5.88
Cash dividends declared per share	$ 0.40	$ 1.50	$ 1.40	$ 1.05	$ 0.85

(1) We adopted Accounting Standards Update No. 2014-19, "Revenue from Contracts with Customers (Topic 606)," during fiscal year 2019 on a full retrospective basis from fiscal year 2017. The amounts for fiscal year 2016 has not been adjusted to reflect the adoption of this new revenue standard.

	As of November 30,				
	2020 (1)	2019	2018	2017	2016
Balance Sheet Data: (in thousands)					
Cash and cash equivalents	$ 1,564,672	$ 225,529	$ 454,694	$ 550,688	$ 380,717
Working capital	3,139,035	2,845,870	2,209,190	1,703,249	1,518,498
Total assets	13,468,590	11,697,960	11,543,498	7,756,343	5,215,281
Borrowings, current	158,715	298,969	833,216	805,471	362,889
Long-term borrowings	2,608,061	2,718,267	2,622,782	1,136,089	601,095
Total equity	4,338,860	3,788,450	3,435,054	2,287,297	1,975,798

(1) We adopted Accounting Standards Codification Topic 842, Leases effective December 1, 2019, applying the optional transition method, which allows an entity to apply the new standard at the adoption date with a cumulative effect adjustment to the opening balance of retained earnings in the period of adoption.

	Fiscal Years Ended November 30,				
	2020	2019	2018	2017	2016
Other Data: (in thousands)					
Depreciation and amortization	$ 341,637	$ 372,108	$ 225,287	$ 159,886	$ 121,293

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

For an understanding of SYNNEX and the significant factors that influenced our performance during the past two fiscal years, the following discussion and analysis of our financial condition and results of operations should be read in conjunction with the description of the business appearing in Item 1 of this Report, Selected Consolidated Financial Data and Item 8 Financial Statements and Supplementary Data included elsewhere in this Report. You should carefully review and consider the information regarding our financial condition and results of operations set forth under Part I-Item 7 (Management's Discussion and Analysis of Financial Condition and Results of Operations) in our Annual Report on Form 10-K for the fiscal year ended November 30, 2019, filed with the Securities and Exchange Commission on January 29, 2020, for an understanding of our results of operations and liquidity discussions and analysis comparing fiscal year 2019 to fiscal year 2018. Amounts in certain tables appearing in this Report may not add or compute due to rounding.

When used in this Annual Report on Form 10-K, or this Report, the words "believes," "estimates," "expects," "allows," "can," "may," "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 market strategy, including expansion of our product lines, the separation of SYNNEX and Concentrix, including as to the effect on our results of operations going forward, our infrastructure, our investment in information technology, or IT, systems, our employee hiring, retention and turnover, the ownership interest of MiTAC Holdings Corporation, or MiTAC Holdings, in us and its impact, our revenue, our gross margins, our operating costs and results, the value of our inventory, competition with Synnex Technology International Corp., our future needs for additional financing, the likely sources for such funding and the impact of such funding, market acceptance of our customers' products, concentration of customers, our international operations, foreign currency exchange rates and expected trends related thereto, expansion and scaling of our operations and related effects, our strategic acquisitions and divestitures of businesses and assets, our goodwill, seasonality of sales, adequacy of our capital resources to meet our capital needs, cash held by our international subsidiaries and repatriation, changes in fair value of derivative instruments, adequacy of our disclosure controls and procedures, pricing pressures, competition, impact of economic and industry trends, impact of our accounting policies and recently issued accounting pronouncements, our belief regarding the impact of inventory repurchase obligations and commitments and contingencies, our effective tax rates, our share repurchase and dividend program, our securitization programs and revolving credit lines, our succession planning, our investments in working capital, personnel, facilities and operations. 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, as well as the seasonality of the buying patterns of our customers, concentration of sales to large customers, dependence upon and trends in capital spending budgets in the IT, and consumer electronics, or CE, industries, fluctuations in general economic conditions and other risk factors set forth under Part I, 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.

Revenue and Cost of Revenue

We derive our Technology Solutions revenue primarily through the distribution of peripherals, IT systems, system components, software, networking, communications and security equipment and CE and complementary products, and the delivery of servers and networking solutions for our design and integration solutions customers' data centers. In our Concentrix segment, we provided high value business outsourcing services and solutions to improve customer experience of our clients. Our Concentrix customer contracts typically consisted of a master services agreement or statement of work, which contained the terms and conditions of each program or service we offered. Our agreements could range from less than one year to over five years and were subject to early termination by our customers or us for any reason, typically with 30 to 90 days' notice.

In fiscal years 2020 and 2019, approximately 34% of our consolidated revenue and approximately 24% of our Technology Solutions revenue, was generated from our international operations. As a result, our revenue growth has been impacted by fluctuations in foreign currency exchange rates.

The market for IT products and services is generally characterized by declining unit prices and short product life cycles. Our overall business is also highly competitive on the basis of price. We set our sales price based on the market supply and demand characteristics for each particular product or bundle of products we distribute and solutions we provide. From time to time, we also participate in the incentive and rebate programs of our OEM suppliers. These programs are important determinants of the final sales price we charge to our reseller customers. To mitigate the risk of declining prices and obsolescence of our distribution inventory, our OEM suppliers generally offer us limited price protection and return rights for products that are marked down or discontinued by them. We carefully manage our inventory to maximize the benefit to us of these supplier provided protections.

A significant portion of our Technology Solutions cost of revenue is the purchase price we pay our OEM suppliers for the products we sell, net of any incentives, rebates, price protection and purchase discounts received from our OEM suppliers. Cost of products revenue also consists of provisions for inventory losses and write-downs, freight expenses associated with the receipt in and shipment out of our inventory, and royalties due to OEM vendors. In addition, cost of revenue includes the cost of material, labor and overhead for our systems design and integration solutions. In our Concentrix segment, cost of revenue consists primarily of personnel costs related to contract services delivery.

Revenue and cost of revenue in our Technology Solutions segment relate to products, and revenue and cost of revenue in our Concentrix segment relate to services.

Margins

The Technology Solutions industry in which we operate 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. Our Technology Solutions gross margin has fluctuated annually due to changes in the mix of products we offer, customers we sell to, incentives and rebates received from our OEM suppliers, competition, seasonality, replacement of lower margin business, inventory obsolescence, and lower costs associated with increased efficiencies. Generally, when our revenue becomes more concentrated on limited products or customers, our Technology Solutions gross margin tends to decrease due to increased pricing pressure from OEM suppliers or reseller customers. Concentrix gross margins, which are higher than those in our Technology Solutions segment, can be impacted by the mix of customer contracts, additional lead time for programs to be fully scalable and transition and initial set-up costs. Our operating margin has also fluctuated in the past, based primarily on our ability to achieve economies of scale, the management of our operating expenses, changes in the relative mix of our Technology Solutions and Concentrix revenue, and the timing of our acquisitions and investments.

Economic and Industry Trends

Our Technology Solutions revenue is highly dependent on the end-market demand for IT and CE products. This end-market demand is influenced by many factors including the introduction of new IT and CE products and software by OEMs, replacement cycles for existing IT and CE products, seasonality and overall economic growth and general business activity. A difficult and challenging economic environment may also lead to consolidation or decline in the IT and CE distribution industry and increased price-based competition. Business in our system design and solutions is highly dependent on the demand for cloud infrastructure, and the number of key customers and suppliers in the market. Our Technology Solutions business includes operations in the United States, Canada, Japan and Latin America, so we are affected by demand for our products in those regions and the strengthening or weakening of local currencies relative to the U.S. Dollar.

The customer experience services industry in which our Concentrix segment operated is competitive. Customers' performance measures were based on competitive pricing terms and quality of services. Our Concentrix business was largely concentrated in the United States, the United Kingdom, the Philippines, India, Canada, China and Japan. Accordingly, we were impacted by economic strength or weakness in these geographies and by the strengthening or weakening of local currencies relative to the U.S. Dollar.

In December 2019, there was an outbreak of a new strain of coronavirus ("COVID-19"). In March 2020, the World Health Organization characterized COVID-19 as a pandemic. 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 in our Technology Solutions segment and limited the productive ability of many of our associates who were in our Concentrix segment, particularly during the second quarter of fiscal year 2020. We have successfully transitioned a significant portion of our workforce in both segments to a remote working environment and implemented a number of safety and social distancing measures within our premises to protect the health and safety of associates who are required to be on-premise to support our business. As of November 30, 2020, the majority of our workforce across both segments was productive. During the fiscal year ended November 30, 2020, we incurred net incremental costs associated with COVID-19 of approximately $131 million, of which Concentrix incurred net costs of approximately $86 million and Technology Solutions incurred net costs of approximately $45 million. We are unable to predict how long these conditions will persist, what additional measures may be introduced by governments, vendors or customers and the effect of any such additional measures on our business. As a result, many of the estimates and assumptions involved in the preparation of the financial statements included in this report on Form 10-K, 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 materially change in future periods.

Critical Accounting Policies and Estimates

The discussions and analysis of our consolidated financial condition and results of operations are based on our Consolidated Financial Statements, which have been prepared in conformity with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the financial statement date, and reported amounts of revenue and expenses during the reporting period. On an ongoing basis, we review and evaluate our estimates and assumptions. Our estimates are based on our historical experience and a variety of other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making our judgment about the carrying values of assets and liabilities that are not readily available from other sources. Actual results could differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies involve the more significant judgments, estimates and/or assumptions used in the preparation of our Consolidated Financial Statements.

Revenue Recognition.

We generate revenue primarily from (i) the sale of various IT products through our Technology Solutions business unit and (ii) the provision of business outsourcing services focused on customer experience through our Concentrix business unit.

Revenue from our Technology Solutions segment is categorized as products revenue in our Consolidated Statements of Operations. Revenue from our Concentrix segment is categorized as services revenue in the Consolidated Statements of Operations.

We recognize revenue from the sale of IT hardware and software as control is transferred to customers, which is at the time when the product is shipped or delivered. Products sold by us are delivered via shipment from our facilities, drop-shipment directly from the vendor, or by electronic delivery of software products. We account 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 from customers together with agreement to our terms and conditions of sale by way of an executed agreement or other signed documents are considered to be the contract with a customer. In situations where arrangements include customer acceptance provisions, revenue is recognized when we 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. We generally invoice 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.

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. 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.

We recognize revenue on a net basis on certain contracts, where our 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 we do not assume the risks and rewards of ownership, by recognizing the margins earned in revenue with no associated cost of revenue. Such arrangements, which are not material to our consolidated revenue or our “Products” or “Services” revenue, include supplier service contracts, post-contract software support services and extended warranty contracts.

We consider 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 products sold.

For the Concentrix segment, we recognize revenue from services contracts over time as the promised services are delivered to clients for an amount that reflects the consideration to which we are entitled in exchange for those services. We account 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. Revenue is presented net of taxes collected from customers and remitted to government authorities. We generally invoice a customer after performance of services, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component. Service contracts may be based on a fixed price or on a fixed unit-price per transaction or other objective measure of output. We determine whether the services performed during the initial phases of an arrangement, such as setup activities, are distinct. In most cases, the arrangement is a single performance obligation comprised of a series of distinct services that are substantially the same and that have the same pattern of transfer (i.e., distinct days of service). We record deferred revenue attributable to certain process transition, setup activities where such activities do not represent separate performance obligations. Billings related to such transition activities are classified under contract liabilities and subsequently recognized ratably over the period in which the related services are performed. We apply a measure of progress (typically time-based) to any fixed consideration and allocate variable consideration to the distinct periods of service based on usage. As a result, revenue is generally recognized over the period the services are provided on a usage basis. This results in revenue recognition that corresponds with the benefit to the client of the services transferred to date relative to the remaining services promised. Revenue on fixed price contracts is recognized on a straight-line basis over the term of the contract as services are provided. Revenue on unit-price transactions is recognized using an objective measure of output including staffing hours or the number of transactions processed by service agents. Client contract terms can range from less than one year to more than five years.

Certain client contracts include incentive payments from the client upon achieving certain agreed-upon service levels and performance metrics or service level agreements that could result in credits or refunds to the client. Revenue relating to such arrangements is accounted for as variable consideration when the likely amount of revenue to be recognized can be estimated to the extent that it is probable that a significant reversal of any incremental revenue will not occur.

Business Combinations. We allocate the fair value of purchase consideration to the assets acquired, liabilities assumed, and noncontrolling interests in the acquiree generally based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of these assets acquired, liabilities assumed and noncontrolling interests in the acquiree is recorded as goodwill and may involve engaging independent third-parties to perform an appraisal. When determining the fair values of assets acquired, liabilities assumed, and noncontrolling interests in the acquiree, we make significant estimates and assumptions, especially with respect to intangible assets. Critical estimates in valuing intangible assets include, but are not limited to, expected future cash flows, which includes consideration of future growth rates and margins, attrition rates, and discount rates. Fair value estimates are based on the assumptions we believe a market participant would use in pricing the asset or liability. Amounts recorded in a business combination may change during the measurement period, which is a period not to exceed one year from the date of acquisition, as additional information about conditions existing at the acquisition date becomes available.

Acquisitions

We continually seek to augment organic growth in both our business segments 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. In our Technology Solutions business 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. In our Concentrix segment, prior to the Separation, we sought to enhance our capabilities and domain expertise in key industry verticals, expand our geographic footprint and further expand into higher value service offerings and increase scale.

Results of Operations

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

	Fiscal Years Ended November 30,	
Statements of Operations Data:	**2020**	**2019**
Products revenue	80.96%	80.27%
Services revenue	19.04	19.73
Total revenue	100.00	100.00
Cost of products revenue	(76.12)	(75.40)
Cost of services revenue	(12.34)	(12.40)
Gross profit	11.54	12.20
Selling, general and administrative expenses	(8.18)	(8.77)
Operating income	3.36	3.43
Interest expense and finance charges, net	(0.52)	(0.70)
Other income (expense), net	0.01	0.13
Income before income taxes	2.85	2.86
Provision for income taxes	(0.71)	(0.74)
Net income	2.14%	2.11%

With the completion of the Separation on December 1, 2020, our services revenue and cost of services revenue which represent revenue and cost of revenue of our Concentrix segment will be discontinued. Further, selling, general and administrative expenses, interest expense and finance charges, net, other income (expense), net and provision for income-taxes will decrease by amounts related to the Concentrix segment or impacted by the Separation, with related reductions in gross profit, operating income and net income. Additionally, our gross margin and operating margin will decrease due to the discontinuance of the higher margins earned in the Concentrix segment.

In addition, in the second half of 2021, we expect a decrease in our products revenue of approximately $1.2 billion due to a customer moving to a consignment model where we will provide integration services on an agency basis.

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:

- Revenue in constant currency, which is revenue adjusted for the translation effect of foreign currencies so that certain financial results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of our business performance. Revenue in constant currency is calculated by translating the revenue of fiscal year 2020 in the billing currency using the prior year’s currency conversion rate. Generally, when the dollar either strengthens or weakens against other currencies, the growth at constant currency rates or adjusting for currency will be higher or lower than growth reported at actual exchange rates.

- Non-GAAP operating income, which is operating income, adjusted to exclude transaction-related and integration expenses, restructuring costs and amortization of intangible assets.
- 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 and transaction-related and integration expenses.
- Non-GAAP diluted earnings per common share ("EPS"), which is diluted EPS excluding the per share, tax effected impact of (i) transaction-related and integration expenses, (ii) amortization of intangible assets, (iii) a gain upon the settlement of contingent consideration related to the acquisition of Westcon-Comstor Americas in fiscal year 2017, and (iv) a gain recorded upon realization of a contingent asset related to the Westcon-Comstor Americas acquisition.

Transaction-related expenses typically consist of acquisition, integration, and divestiture related costs and are expensed as incurred. These expenses primarily represent costs for legal, banking, consulting and advisory services, and debt extinguishment fees. From time to time, this category may also include transaction-related gains/losses on divestitures/spin-off of businesses.

Our acquisition activities have resulted in the recognition of intangible assets which consist primarily of customer relationships, vendor lists and technology. Definite-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 within each segment. Although intangible assets contribute to our revenue generation, the amortization of intangible assets does not directly relate to the sale of our products and the services performed for our clients. 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 its 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.

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.

Non-GAAP Financial Information:

	Fiscal Years Ended November 30, 2020	2019
	(in thousands, except per share amounts)	
Consolidated		
Revenue	$ 24,675,563	$ 23,757,293
Foreign currency translation	108,546	
Revenue in constant currency	$ 24,784,109	$ 23,757,293
Operating income	$ 830,103	$ 813,761
Transaction-related and integration expenses	44,879	71,454
Amortization of intangibles	187,431	210,481
Non-GAAP operating income	$ 1,062,413	$ 1,095,696
Operating margin	3.36%	3.43%
Non-GAAP operating margin	4.31%	4.61%
Net Income	$ 529,160	$ 500,712
Interest expense and finance charges, net	127,336	166,421
Provision for income taxes	174,882	176,991
Depreciation (excluding accelerated depreciation included in transaction-related and integration expenses below)	154,048	157,277
Amortization of intangibles	187,431	210,481
EBITDA	$ 1,172,857	$ 1,211,882
Other (income) expense, net (excluding amounts included in transaction-related and integration expenses below)	(1,964)	(30,192)
Transaction-related and integration expenses	47,820	71,283
Adjusted EBITDA	$ 1,218,713	$ 1,252,973
Diluted EPS	$ 10.21	$ 9.74
Transaction-related and integration expenses	0.92	1.39
Amortization of intangibles	3.62	4.09
Contingent consideration	—	(0.37)
Acquisition-related contingent gain	—	(0.22)
Income taxes related to the above [(1)]	(1.08)	(1.38)
Non-GAAP diluted EPS	$ 13.68	$ 13.26
Technology Solutions		
Revenue	$ 19,977,150	$ 19,069,970
Foreign currency translation	87,806	
Revenue in constant currency	$ 20,064,956	$ 19,069,970
Operating income	$ 521,341	$ 519,429
Transaction-related and integration expenses	7,414	981
Amortization of intangibles	40,148	43,875
Non-GAAP operating income	$ 568,903	$ 564,285
Operating margin	2.61%	2.72%
Non-GAAP operating margin	2.85%	2.96%
Net Income	$ 337,526	$ 366,888
Interest expense and finance charges, net	79,023	74,225
Provision for income taxes	98,621	106,399
Depreciation	24,923	22,454
Amortization of intangibles	40,148	43,875
EBITDA	$ 580,241	$ 613,841
Other (income) expense, net	6,172	(28,083)
Transaction-related and integration expenses	9,667	981
Adjusted EBITDA	$ 596,080	$ 586,739

	Fiscal Years Ended November 30, 2020	Fiscal Years Ended November 30, 2019
	(in thousands, except per share amounts)	
Concentrix		
Revenue	$ 4,719,534	$ 4,707,912
Foreign currency translation	20,740	
Revenue in constant currency	$ 4,740,274	$ 4,707,912
Operating income	$ 308,761	$ 294,332
Transaction-related and integration expenses	37,465	70,473
Amortization of intangibles	147,283	166,606
Non-GAAP operating income	$ 493,509	$ 531,411
Operating margin	6.54%	6.25%
Non-GAAP operating margin	10.46%	11.29%
Net Income	$ 191,634	$ 133,824
Interest expense and finance charges, net	48,313	92,196
Provision for income taxes	76,261	70,592
Depreciation (excluding accelerated depreciation included in transaction-related and integration expenses below)	129,125	134,823
Amortization of intangibles	147,283	166,606
EBITDA	$ 592,616	$ 598,041
Other (income) expense, net (excluding amounts included in transaction-related and integration expenses below)	(8,135)	(2,109)
Transaction-related and integration expenses	38,153	70,302
Adjusted EBITDA	$ 622,634	$ 666,234

(1) The tax effect of taxable and deductible non-GAAP adjustments was calculated using the effective tax rate during the respective fiscal years.

Fiscal Years Ended November 30, 2020 and 2019

Revenue

	Fiscal Years Ended November 30, 2020	Fiscal Years Ended November 30, 2019	Percent Change
	(in thousands)		
Revenue	$ 24,675,563	$ 23,757,293	3.9%
Technology Solutions revenue	19,977,150	19,069,970	4.8%
Concentrix revenue	4,719,534	4,707,912	0.2%
Inter-segment elimination	(21,121)	(20,589)	

Our revenue includes sales of products and services. In our Technology Solutions segment, 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. The revenue generated by our Concentrix segment relates to business outsourcing services focused on customer experience, process optimization and back office automation. Inter-segment elimination represents services generated between our reportable segments that are eliminated on consolidation. Substantially all of the inter-segment revenue represents services provided by the Concentrix segment to the Technology Solutions segment.

Revenue in our Technology Solutions segment increased in fiscal year 2020 compared to fiscal year 2019 primarily due to a demand for technology equipment as COVID-19 related government mandated shelter-in-place restrictions during the second, third and fourth quarters of fiscal year 2020 led to increased needs for remote work, learn and consume related solutions. On a constant currency basis, revenue in our Technology Solutions segment increased by 5.2% during fiscal year 2020, compared to fiscal year 2019.

Concentrix segment revenue increased slightly in fiscal year 2020, compared to fiscal year 2019, due to growth with technology, retail and ecommerce clients partially offset by lower demand from media, communications, travel, tourism and automotive clients. During fiscal year 2020, Concentrix revenue was impacted by the COVID-19 related government mandated shelter-in-place restrictions in several countries in the world. These restrictions adversely impacted our revenue due to the inability of a significant number of our associates to work despite client demand. This impact was most acute in the second quarter of 2020. Our revenue was also unfavorably impacted by the translation effect of foreign currencies.

Gross Profit

	Fiscal Years Ended November 30,		
	2020	2019	Percent Change
	(in thousands)		
Gross profit	$ 2,847,604	$ 2,897,917	-1.7%
Gross margin	11.54%	12.20%	
Technology Solutions gross profit	$ 1,193,858	$ 1,157,258	3.2%
Technology Solutions gross margin	5.98%	6.07%	
Concentrix gross profit	$ 1,661,525	$ 1,748,448	-5.0%
Concentrix gross margin	35.21%	37.14%	
Inter-segment elimination	(7,779)	(7,789)	

Our Technology Solutions gross margin is affected by a variety of factors, including competition, selling prices, mix of products and services, product costs along with rebate and discount programs from our suppliers, reserves or settlement adjustments, freight costs, inventory losses, acquisition of business units and fluctuations in revenue. Concentrix margins, which are higher than those in our Technology Solutions segment, can be impacted by resource location, client mix and pricing, additional lead time for programs to be fully scalable, and transition and initial set-up costs.

Technology Solutions gross profit increased in fiscal year 2020, as compared to the prior fiscal year, primarily driven by strong demand for technology products as COVID-19 related government mandated shelter-in-place restrictions during the second, third and fourth quarters of fiscal year 2020 led to a greater need for remote work, learn and consume related solutions. This increase was partially offset by lower margins due to product mix from our projects and integration-based server solutions and incremental COVID-19 related costs of approximately $10.4 million.

Our Concentrix segment’s gross profit and margin decreased during fiscal year 2020 as compared to the prior fiscal year, due to the incremental impact of $76.0 million in COVID-19 related non-productive workforce and other costs, which was most acute during the second and third quarters of fiscal year 2020, as we transitioned our workforce to work remotely.

Selling, General and Administrative Expenses

	Fiscal Years Ended November 30,		
	2020	2019	Percent Change
	(in thousands)		
Selling, general and administrative expenses	$ 2,017,502	$ 2,084,156	-3.2%
Percentage of revenue	8.18%	8.77%	
Technology Solutions selling, general and administrative expenses	$ 672,516	$ 637,829	5.4%
Percentage of Technology Solutions revenue	3.37%	3.34%	
Concentrix selling, general and administrative expenses	$ 1,352,764	$ 1,454,116	-7.0%
Percentage of Concentrix revenue	28.66%	30.89%	
Inter-segment elimination	$ (7,779)	$ (7,789)	

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 non-technology related intangible assets, and marketing expenses, offset in part by reimbursements from our OEM suppliers.

Selling, general and administrative expenses in our Technology Solutions segment increased in fiscal year 2020, compared to fiscal year 2019, primarily due to an increase in allowance for doubtful accounts and higher salaries and employee related expenses due to COVID-19. Incremental costs related to COVID-19 were approximately $33 million for fiscal year 2020. In addition, we incurred $7.4 million in transaction costs related to the Separation of Concentrix. These increases were partially offset by a $3.7 million decrease in amortization of intangible assets. Technology Solutions selling, general and administrative expenses as a percentage of revenue in fiscal year 2020, was consistent with the prior fiscal year.

Concentrix selling, general and administrative expenses decreased, in both absolute dollars and as a percentage of revenue, in fiscal year 2020, compared to the prior fiscal year, primarily due to lower facility and employee costs as a result of integration and facility rationalization undertaken in fiscal year 2019 in connection with the acquisition of Convergys Corporation as well as the impact of reduction in variable operating expenses and discretionary spend due to COVID-19 related remote work. The decrease in the current fiscal year was also caused by an $18.9 million reduction in the amortization of intangible assets and a decrease in transaction-related and integration expenses by $33.0 million as compared to the prior year. These decreases were partially offset by incremental technology and health and safety costs of approximately $10.0 million due to COVID-19 related remote work.

Operating Income

	Fiscal Years Ended November 30,		Percent Change
	2020	2019	
	(in thousands)		
Operating income	$ 830,103	$ 813,761	2.0%
Operating margin	3.36%	3.43%	
Technology Solutions operating income	$ 521,341	$ 519,429	0.4%
Technology Solutions operating margin	2.61%	2.72%	
Concentrix operating income	$ 308,761	$ 294,332	4.9%
Concentrix operating margin	6.54%	6.25%	

Operating income in our Technology Solutions segment increased during fiscal year 2020, compared to the prior year, primarily due to broad based growth, decreases in the amortization of intangible assets and transaction-related expenses. These increases were partially offset by the impact of COVID-19 related incremental costs associated with allowances for doubtful accounts and higher salary and employee related costs. Operating margin in our Technology Solutions segment decreased due to product mix.

Operating income and margin in our Concentrix segment increased during fiscal year 2020, compared to the prior year, primarily due to lower transaction-related and integration expenses and lower amortization of intangible assets partially offset by the impact of COVID-19 related incremental costs.

Interest Expense and Finance Charges, Net

	Fiscal Years Ended November 30,		Percent Change
	2020	2019	
	(in thousands)		
Interest expense and finance charges, net	$ 127,336	$ 166,421	-23.5%
Percentage of revenue	0.52%	0.70%	

Amounts recorded in interest expense and finance charges, net, consist primarily of interest expense paid on our lines of credit and term loans, fees associated with third party accounts receivable flooring arrangements and the sale or pledge of accounts receivable through our securitization facilities, offset by income earned on our cash investments.

The decrease in our interest expense and finance charges, net, compared to the prior year, was due to due to lower interest expense as a result of reduction of approximately $700 million in our average borrowings during fiscal year 2020, as compared to the prior year, as well as a lower interest rate environment. $1.6 billion of our outstanding borrowings at November 30, 2020, representing substantially all of our borrowings post the Separation of Concentrix, have been economically converted to fixed-rate debt through interest rate swaps.

Other Income (Expense), Net

	Fiscal Years Ended November 30,		Percent Change
	2020	2019	
	(in thousands)		
Other income (expense), net	$ 1,276	$ 30,363	-96%
Percentage of revenue	0.01%	0.13%	

Amounts recorded as other income (expense), net include foreign currency transaction gains and losses other than on cash flow hedges, investment gains and losses, non-service component of pension costs, debt extinguishment gains and losses and other non-operating gains and losses, such as settlements received from class actions lawsuits and realization of contingent assets.

Other income (expense), net decreased during the fiscal year ended November 30, 2020, compared to the prior year, primarily due to a gain of $19.0 million upon the settlement of contingent consideration related to our acquisition of Westcon-Comstor Americas in an earlier year and a gain of $11.1 million recorded upon realization of contingent sales-tax assets related to the Westcon-Comstor Americas acquisition recorded in fiscal year 2019. In addition, other income (expense), net in fiscal year 2020 decreased compared to the prior year due to the write-off of $2.2 million of deferred financing costs associated with the $1.2 billion partial prepayment of our term loans on November 30, 2020 in preparation of the Separation on December 1, 2020. These decreases were partially offset by a $3.5 million gain recorded in fiscal year 2020 upon reversal of certain tax indemnification provisions set up at the time of disposition of a subsidiary in a prior year.

Provision for Income Taxes

	Fiscal Years Ended November 30,		
	2020	**2019**	**Percent Change**
	(in thousands)		
Provision for income taxes	$ 174,882	$ 176,991	-1.2%
Percentage of income before income taxes	24.84%	26.05%	

Income taxes consist of our current and deferred tax expense resulting from our income earned in domestic and foreign jurisdictions.

Our income tax expense decreased during the fiscal year ended November 30, 2020, as compared to the prior year, due to the decrease in our effective tax rate. The effective tax rate for fiscal year 2020 was lower compared to the prior year, due to the benefit from the exercise of employee stock options and reversal of uncertain tax positions. The comparative decrease in the effective tax rate for fiscal year 2020 was partially offset by the favorable impact of a nontaxable contingent consideration gain recorded in the prior year period related to the fiscal year 2017 Westcon-Comstor Americas acquisition.

See Note 15 of the Consolidated Financial Statements included in Part II, Item 8 of this Annual Report for further details.

Liquidity and Capital Resources

Cash Conversion Cycle

		Three Months Ended	
		November 30, 2020	November 30, 2019
		(Amounts in thousands)	
Days sales outstanding ("DSO")			
Revenue (products and services)	(a)	$ 7,413,944	$ 6,581,293
Accounts receivable, including receivable from related parties	(b)	3,870,789	3,926,709
Days sales outstanding	(c) = (b)/((a)/the number of days during the period)	48	54
Days inventory outstanding ("DIO")			
Cost of revenue (products and services)	(d)	$ 6,590,589	$ 5,786,754
Inventories	(e)	2,684,530	2,547,224
Days inventory outstanding	(f) = (e)/((d)/the number of days during the period)	37	40
Days payable outstanding ("DPO")			
Cost of revenue (products and services)	(g)	$ 6,590,589	$ 5,786,754
Accounts payable, including payable to related parties	(h)	3,891,815	3,149,443
Days payable outstanding	(i) = (h)/((g)/the number of days during the period)	54	50
Cash conversion cycle ("CCC")	(j) = (c)+(f)-(i)	31	44
Technology Solutions			
Days sales outstanding			
Segment revenue	(a)	$ 6,118,836	$ 5,374,241
Accounts receivable, net	(b)	2,808,125	2,995,610
Days sales outstanding	(c) = (b)/((a)/the number of days during the period)	42	51
Days inventory outstanding			
Segment cost of revenue	(d)	$ 5,752,179	$ 5,036,301
Inventories	(e)	2,684,076	2,546,115
Days inventory outstanding	(f) = (e)/((d)/the number of days during the period)	42	46
Days payable outstanding			
Segment cost of revenue	(g)	$ 5,752,179	$ 5,036,301
Accounts payable	(h)	3,753,634	3,104,886
Days payable outstanding	(i) = (h)/((g)/the number of days during the period)	59	56
Cash conversion cycle	(j) = (c)+(f)-(i)	25	41

Cash Flows

Our Technology Solutions 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 and our revolver programs 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 volume decreases, 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 sales outstanding in accounts receivable plus days of supply on hand in inventory, less days of the last fiscal quarter's direct cost outstanding in accounts payable. Our CCC was 31 days and 44 days at the end of fiscal years 2020 and 2019, respectively. CCC of our Technology Solutions segment was 25 days compared to 41 days at the end of fiscal years 2020 and 2019, respectively. The decrease in fiscal year 2020, compared to fiscal year 2019, was primarily due to efficient collections of accounts receivable and faster turnover of our inventories in our Technology Solutions segment. In addition, our DPO was favorably impacted by the timing of payments of accounts payable in both our Technology Solutions and Concentrix reportable segments.

To increase our market share and better serve our customers, we may further expand our operations through investments or acquisitions. We expect that such expansion 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.

Net cash provided by operating activities was $1.834 billion during fiscal year 2020, primarily due to net income of $529.2 million, adjustments for non-cash items of $393.7 million, decreases in accounts receivable of $12.7 million and receivables from vendors of $79.8 million, an increase in accounts payable of $685.0 million and a net change of $262.8 million in other operating assets and liabilities. These cash inflows were partially offset by an increase in inventories of $128.8 million. The decrease in accounts receivable and vendor receivables is primarily due to an improvement in our collections in our Technology Solutions segment. Notwithstanding the current economic uncertainties due to the impact of COVID-19, DSO in our Technology Solutions segment decreased by approximately 9 days from the end of fiscal year 2019. This decrease in accounts receivable was partially offset by longer collection cycles in our Concentrix segment largely due to the impact of COVID-19. The increase in accounts payable and cash inflow from changes in other operating assets and liabilities reflects primarily efficient working capital management in our Technology Solutions segment. Operating liabilities also increased as the payment date for a higher number of days of salary of certain of our associates in the Concentrix segment became due after year end, as compared to the prior fiscal year, favorably impacting our operating cash flows for the year. The increase in inventories was driven by growth in our larger projects and integration-based server solutions. The adjustments for non-cash items consist primarily of amortization and depreciation, provision for doubtful accounts, share-based compensation expense, unrealized foreign exchange losses, amortization of deferred financing costs and a deferred tax benefit. Excluding the impact of intercompany transactions, $1.346 billion of our cash provided by operating activities was generated in our Technology Solutions segment and $488.3 million was generated by our Concentrix segment.

Net cash provided by operating activities was $549.9 million during fiscal year 2019, primarily due to net income of $500.7 million, adjustments for non-cash items of $410.6 million, an increase in accounts payable of $98.4 million, and a net change in other operating assets and liabilities of $46.5 million. These cash inflows were partially offset by an increase in accounts receivable and receivables from vendors of $353.1 million and an increase in inventories of $153.1 million. The increase in accounts receivable, including receivables from vendors, inventories and accounts payable was driven by growth in our Technology Solutions segment. The adjustments for non-cash items consist primarily of amortization and depreciation, provision for doubtful accounts, stock-based compensation expense, a gain recorded upon the settlement of contingent consideration related to our Westcon-Comstor Americas acquisition in fiscal year 2017 and a deferred tax benefit. Excluding the impact of intercompany transactions, $93.1 million of our cash provided by operating activities was generated in our Technology Solutions segment and $456.8 million was generated by our Concentrix segment.

Net cash used in investing activities in fiscal year 2020 was $209.5 million, primarily due to capital expenditures of $198.0 million related to infrastructure investments to support growth in both of our business segments and $5.6 million of cash paid related to the settlement of employee stock-based awards assumed under the Convergys acquisition, being paid in accordance with the original vesting schedule.

Net cash used in investing activities in fiscal year 2019 was $146.8 million, primarily due to capital expenditures of $137.4 million, principally related to infrastructure investments to support the anticipated growth in our Concentrix segment and from $9.4 million of cash paid related to the settlement of employee stock-based awards assumed under the Convergys acquisition.

Net cash used in financing activities in fiscal year 2020 was $291.7 million, primarily due to net repayments of $262.6 million under our borrowing arrangements. Cash generated from our operations was used to pay down revolving lines of credit and scheduled quarterly repayments of our term loans. In addition, at November 30, 2020, in order to complete the Separation, our Concentrix subsidiary borrowed approximately $1.2 billion under credit facilities it had previously entered into and used substantially all of those funds to eliminate non-trade intercompany balances and other indebtedness owed by the Concentrix subsidiary to us. These funds were used by our parent company to pay down $1.2 billion in a partial repayment of its outstanding term loans. Accordingly, Concentrix' borrowings and our term loan repayments had no impact on our net debt at November 30, 2020. Upon completion of the Separation on December 1, 2020, the approximately $1.2 billion borrowed by the Concentrix subsidiary is now debt of the independent Concentrix company. Consequently, our borrowings are lower by that amount post Separation. In addition, we returned cash to stockholders in the form of dividends of $20.8 million and $3.4 million of repurchases of our common stock during the year, prior to suspension of our dividends program and share repurchases due to the COVID-19 related economic uncertainties in March 2020. Effective January 2021, our board of directors has reinstated our quarterly dividends.

Net cash used in financing activities in fiscal year 2019 was $631.7 million, primarily due to net repayments of $521.4 million under our borrowing arrangements. Cash generated from our operations was used to pay down revolving lines of credit. During fiscal year 2019, we drew the last tranche of $250.0 million under a term loan facility obtained in fiscal year 2018 for the Convergys acquisition, which was used for the settlement of the remaining amount of convertible debentures assumed as part of this acquisition, and the remainder used for working capital purposes. We also returned cash to stockholders through $76.6 million of dividend payments and $15.2 million of repurchases of our common stock. $14.0 million in cash was used to pay contingent consideration related to our Westcon-Comstor Americas acquisition.

We believe our current cash balances and credit availability are sufficient to support the operating activities for at least the next twelve months.

Capital Resources

Our cash and cash equivalents totaled $1.565 billion and $225.5 million as of November 30, 2020 and 2019, respectively. Of our total cash and cash equivalents, the cash held by our international subsidiaries was $570.8 million and $219.7 million as of November 30, 2020 and 2019, 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 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, including the impact of the separation of our Concentrix segment.

We believe that our available cash and cash equivalents balances, the cash flows expected to be generated from operations and our existing sources of liquidity, will be sufficient to satisfy our current and planned working capital and investment needs, including the impact of the separation of our Concentrix segment, 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 U.S. credit facility agreement described below 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.

On-Balance Sheet Arrangements

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, which has a maturity date of May 2022, our subsidiary, which is the borrower under this facility, can borrow up to a maximum of $650.0 million based upon eligible trade accounts receivable. The effective borrowing cost under the U.S. AR Arrangement is a blended rate based upon the composition of the lenders that included prevailing dealer commercial paper rates and a rate based upon London Interbank Offered Rate ("LIBOR"). In addition, a program fee is payable on the used portion of the lenders' commitment at 1.25% per annum in the case of lender groups who fund their advances based on prevailing commercial paper rates and 1.30% per annum in the case of lender groups who fund their advances based on LIBOR (subject to a 0.50% per annum floor). The facility fee payable on the adjusted commitment of the lenders accrues at different tiers ranging between 0.35% per annum and 0.45% per annum depending on the amount of outstanding advances from time to time. In addition, the U.S. AR Arrangement includes an accordion feature to allow requests for an increase in the lenders' commitment by an additional $150.0 million.

Under the terms of the U.S. AR Arrangement, we and two of our U.S. subsidiaries sell, on a revolving basis, our 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. As of November 30, 2020, there were no borrowings outstanding under this facility. As of November 30, 2019, $108.0 million was outstanding under the U.S. AR Arrangement.

In Canada, we have an accounts receivable securitization program with a bank to provide additional capital for operations. Under the terms of this program, as renewed in March 2020, SYNNEX Canada Limited ("SYNNEX Canada") can borrow up to CAD100.0 million, or $76.9 million, in exchange for the transfer of eligible trade accounts receivable, on an ongoing revolving basis through May 2023. The program includes an accordion feature that allows us to request an increase in the bank's commitment by an additional CAD50.0 million, or $38.4 million. Any amounts received under this arrangement are recorded as debt on our Consolidated Balance Sheets and are secured by pledging all of the rights, title and interest in the receivables, to the bank. The effective borrowing cost is based on the weighted-average of the Canadian Dollar Offered Rate plus a margin of 1.00% per annum and the prevailing lender commercial paper rates. In addition, SYNNEX Canada is obligated to pay a program fee of 0.75% per annum based on the used portion of the commitment. SYNNEX Canada pays a fee of 0.40% per annum for any unused portion of the commitment up to CAD60.0 million, or $46.1 million, and when the unused portion exceeds CAD60.0 million, or $46.1 million, a fee of 0.55% on the first CAD25.0 million, or $19.2 million, of the unused portion and a fee of 0.55% per annum on the remaining unused commitment. As of both November 30, 2020 and 2019, there was no outstanding balance under this arrangement.

SYNNEX Japan has a credit agreement with a group of banks for a maximum commitment of JPY15.0 billion or $143.8 million. The credit agreement is comprised of a JPY7.0 billion, or $67.1 million, term loan and a JPY8.0 billion, or $76.7 million, revolving credit facility and expires in November 2021. The interest rate for the term loan and revolving credit facility is based on the Tokyo Interbank Offered Rate, plus a margin, which is based on our consolidated leverage ratio, and currently equals 0.70% per annum. The unused line fee on the revolving credit facility is currently 0.10% per annum based on our consolidated current leverage ratio. The term loan can be repaid at any time prior to the expiration date without penalty. We have guaranteed the obligations of SYNNEX Japan under this facility. As of November 30, 2020 and 2019, the balance outstanding under the term loan component of this facility was $67.1 million and $63.9 million, respectively. Balance outstanding under the revolving credit facility was $31.6 million and $5.9 million as of November 30, 2020 and 2019, respectively.

In the United States, we have a senior secured credit agreement (as amended, the U.S. Credit Agreement) with a group of financial institutions. The U.S. Credit Agreement includes a $600.0 million commitment for a revolving credit facility and a term loan in the original principal amount of $1.2 billion. We can request incremental commitments to increase the principal amount of the revolving line of credit or term loan by $500.0 million, plus an additional amount which is dependent upon our pro forma first lien leverage ratio, as calculated under the U.S. Credit Agreement. The U.S. Credit Agreement matures in September 2022. The term loan can be repaid at any time prior to the maturity date without penalty. On November 30, 2020, we partially repaid the term loan with a portion of the funds drawn from the Concentrix borrowing arrangements in the United States described below. The remaining outstanding principal of the term loan is payable on maturity. Interest on borrowings under the U.S. Credit Agreement can be based on LIBOR or a base rate at our option, plus a margin. The margin for LIBOR loans ranges from 1.25% to 2.00% and the margin for base rate loans ranges from 0.25% to 1.00%, provided that LIBOR shall not be less than zero. The base rate is a variable rate which is the highest of (a) the Federal Funds Rate, plus a margin of 0.50%, (b) the rate of interest announced, from time to time, by the agent, Bank of America, N.A., as its "prime rate," and (c) the Eurodollar Rate, plus 1.00%. The unused revolving credit facility commitment fee ranges from 0.175% to 0.30% per annum. The margins above the applicable interest rates and the revolving commitment fee for revolving loans are based on our consolidated leverage ratio, as calculated under the U.S. Credit Agreement. Our obligations under the U.S. Credit Agreement are secured by substantially all of the parent company's and its United States domestic subsidiaries' assets on a pari passu basis with the interests of the lenders under the U.S. Term Loan Credit Agreement (defined below) pursuant to an intercreditor agreement and are guaranteed by certain of our United States domestic subsidiaries. As of November 30, 2020 and 2019, the balance outstanding under the term loan component of the U.S. Credit Agreement was $0.5 billion and $1.1 billion, respectively. There were no borrowings outstanding under the revolving line of credit under the U.S. Credit Agreement as of November 30, 2020. As of November 30, 2019, the balance outstanding under the revolving line of credit component of the U.S. Credit Agreement was $25.8 million.

We have a secured term loan credit agreement (the "U.S. Term Loan Credit Agreement") with a group of financial institutions, in the original principal amount of $1.8 billion. The U.S. Term Loan Credit Agreement matures in October 2023. The term loan can be repaid at any time prior to the maturity date without penalty. On November 30, 2020, we partially repaid the term loan with a portion of the funds drawn from the Concentrix borrowing arrangements in the United States described below. Interest on borrowings under the U.S. Term Loan Credit Agreement can be based on LIBOR or a base rate at our option, plus a margin. The margin for LIBOR loans ranges from 1.25% to 1.75% and the margin for base rate loan ranges from 0.25% to 0.75%, provided that LIBOR shall not be less than zero. The base rate is a variable rate which is the highest of (a) 0.5% plus the greater of (x) the Federal Funds Rate in effect on such day and (y) the overnight bank funding rate in effect on such day, (b) the Eurodollar Rate plus 1.0% per annum, and (c) the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. During the period in which the term loans were available to be drawn, we paid term loan commitment fees. The margins above our applicable interest rates are, and the term loan commitment fee were, based on our consolidated leverage ratio as calculated under the U.S. Term Loan Credit Agreement. Our obligations under the U.S. Term Loan Credit Agreement are secured by substantially all of the parent company and certain of its domestic subsidiaries' assets on a pari passu basis with the interests of the lenders under the existing U.S. Credit Agreement pursuant to an intercreditor agreement, and are guaranteed by certain of our domestic subsidiaries. As of November 30, 2020 and 2019, the balance outstanding under the U.S. Term Loan Credit Agreement was $1.0 billion and $1.7 billion, respectively.

SYNNEX Canada has an uncommitted revolving line of credit with a bank under which it can borrow up to CAD50.0 million, or $38.4 million. Borrowings under the facility are secured by eligible inventory and bear interest at a base rate plus a margin ranging from 0.50% to 2.25% depending on the base rate used. The base rate could be a Banker's Acceptance Rate, a Canadian Prime Rate, LIBOR or U.S. Base Rate. As of both November 30, 2020 and 2019, there were no borrowings outstanding under this credit facility.

Other borrowings and term debt include lines of credit with financial institutions at certain locations outside the United States, factoring of accounts receivable with recourse provisions, capital leases, a building mortgage and book overdrafts. As of November 30, 2020, commitments for these revolving credit facilities aggregated $84.6 million. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. Borrowings under these facilities are guaranteed by us or secured by eligible accounts receivable. As of November 30, 2020 and 2019, the balances outstanding under these revolving credit facilities were $25.8 million and $6.0 million, respectively.

As of November 30, 2020, Concentrix and its subsidiaries had borrowing arrangements with financial institutions credit facility that includes a revolving loan commitment of up to $600.0 million and a fully drawn term loan of $900.0 million, an accounts receivable securitization facility to borrow up to $350.0 million in the United States and revolving credit facilities aggregating $22.0 million with a financial institution in India. Subsequent to November 30, 2020, upon completion of the Separation, these facilities are no longer part of our borrowing arrangements. Refer to Note 9 of Item 8 of this Report for further details about Concentrix' borrowings arrangements.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at November 30, 2020 exchange rates.

Off-Balance Sheet Arrangements

We have financing programs in the United States and Japan under which trade accounts receivable of certain customers may be sold to 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. At November 30, 2020 and 2019, we had a total of $22.5 million and $35.3 million, respectively, of trade accounts receivable sold to and held by the financial institutions under these programs.

Covenant Compliance

Our credit facilities have a number of covenants and restrictions that, among other things, require us to maintain specified financial ratios and satisfy certain financial condition tests. They also limit our ability to incur additional debt, make intercompany loans, pay dividends and make other types of distributions, make certain acquisitions, repurchase our stock, create liens, cancel debt owed to us, enter into agreements with affiliates, modify the nature of our business, enter into sale-leaseback transactions, make certain investments, enter into new real estate leases, transfer and sell assets, cancel or terminate any material contracts and merge or consolidate. As of November 30, 2020, we were in compliance with all material covenants for the above arrangements.

Contractual Obligations

Our contractual obligations consist of future payments due under our loans, payments for our operating lease arrangements and repatriation tax under the Tax Cuts and Jobs Act of 2017 ("TCJA"), which are already recorded on our Consolidated Balance Sheet. In addition, our contractual obligations include interest on our debt and guarantees. The following table summarizes our contractual obligations at November 30, 2020:

	Payments Due by Period				
	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	> 5 Years
			(in thousands)		
Contractual Obligations:					
Principal debt payments under SYNNEX borrowing arrangements	$ 1,625,049	$ 124,964	$ 1,500,085	$ —	$ —
Principal debt payments under Concentrix borrowing arrangements	1,150,000	33,750	340,000	776,250	—
Principal debt payments - Consolidated	2,775,049	158,714	1,840,085	776,250	—
Interest on debt	168,237	67,784	100,453	—	—
Repatriation tax under the TCJA	40,461	—	2,475	37,987	—
Non-cancellable operating leases	694,703	216,224	299,579	138,972	39,928
Total	$ 3,678,450	$ 442,722	$ 2,242,592	$ 953,209	$ 39,928

Principal debt payments assumes the repayment of our revolving lines of credit within a year. Upon completion of Separation, the Concentrix borrowing arrangements are no longer part of our contractual obligations. Interest on debt, in the table above, includes estimated interest on our term loans and revolving credit facilities at rates of interest applicable at the end of our fiscal year, but excludes interest on outstanding balances under the Concentrix borrowing arrangements.

We are contingently liable under agreements, without expiration dates, to repurchase repossessed inventory acquired by flooring companies as a result of default on floor plan financing arrangements by our customers. There have been no repurchases through November 30, 2020 under these agreements and we are not aware of any pending customer defaults or repossession obligations. As we do not have access to information regarding the amount of inventory purchased from us still on hand with the customer at any point in time, our repurchase obligations relating to inventory cannot be reasonably estimated. As of November 30, 2020 and 2019, accounts receivable subject to flooring arrangements were $49.5 million and $69.6 million, respectively. For more information on our third-party revolving short-term financing arrangements, see Note 8 -- Accounts Receivable Arrangements to the Consolidated Financial Statements included in Part II, Item 8 of this Report.

As of November 30, 2020, we have established a reserve of $60.4 million for unrecognized tax benefits.

As we are unable to reasonably predict the timing of settlement of these guarantees and the reserve for unrecognized tax benefits, the table above excludes such liabilities.

Related Party Transactions

We have a business relationship with 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 November 30, 2020 and 2019, MiTAC Holdings and its affiliates beneficially owned approximately 18% of our outstanding common stock. Mr. Matthew Miau, 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 November 30, 2020 (shares 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 190 shares held directly by Mr. Miau, 217 thousand shares indirectly held by Mr. Miau 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 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 8.7% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.2% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miau is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

MiTAC Holdings generally has influence over us regarding matters submitted to stockholders for consideration, including any merger or acquisition of ours. Among other things, this could have the effect of delaying, deterring or preventing a change of control over us.

We purchased inventories and services from MiTAC Holdings and its affiliates totaling $211.9 million and $173.4 million during fiscal years 2020 and 2019, respectively. Our sales to MiTAC Holdings and its affiliates during fiscal years 2020 and 2019 totaled $1.1 million and $0.8 million, respectively. In addition, we made payments of $0.1 million and $41 thousand to MiTAC Holdings and its affiliates for reimbursement of rent and overhead costs for facilities used by us during fiscal year ended November 30, 2020 and 2019, respectively.

Our business relationship with MiTAC Holdings and its affiliates has been informal and is generally not governed by long-term commitments or arrangements with respect to pricing terms, revenue or capacity commitments. We negotiate pricing and other material terms on a case-by-case basis with MiTAC Holdings. We have adopted a policy requiring that material transactions with MiTAC Holdings or its related parties be approved by our Audit Committee, which is composed solely of independent directors. In addition, Mr. Miau's compensation is approved by the Nominating and Corporate Governance Committee, which is also composed solely of independent directors.

Synnex Technology International is a publicly-traded corporation in Taiwan that currently provides distribution and fulfillment services to various markets in Asia and Australia, and is also our potential competitor. MiTAC Holdings and its affiliates are not restricted from competing with us.

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 8 of this Report.

Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*

Foreign Currency Risk

We are exposed to foreign currency risk in the ordinary course of business. We manage cash flow exposures for our major countries and the foreign currency impact of assets and liabilities denominated in non-functional currencies using a combination of forward contracts. Principal currencies hedged are the Philippine Peso, Indian Rupee, Euro, Canadian Dollar, Japanese Yen, British Pound and Chinese Yuan. We do not hold or issue derivative financial instruments for trading purposes.

The following table presents the hypothetical changes in fair values of our outstanding foreign currency derivative instruments as of November 30, 2020 and 2019, arising from an instantaneous strengthening or weakening of the U.S. dollar by 5%, 10% and 15% (in thousands).

	Loss on Derivative Instruments Given a Weakening of U.S. dollar by X Percent			Gain (Loss) Assuming No Change in Exchange Rate	Gain on Derivative Instruments Given a Strengthening of U.S. dollar by X Percent		
	15%	10%	5%		5%	10%	15%
Forward contracts at November 30, 2020	$ 262,969	$ 187,375	$ 119,730	$ 58,842	$ 3,747	$ (46,345)	$ (90,519)
Forward contracts at November 30, 2019	$ 231,880	$ 156,971	$ 89,117	$ 27,256	$ (29,477)	$ (81,785)	$ (129,773)

We applied hedge accounting to our long-term forward contracts which would reduce the variability of cash flows denominated in foreign currencies. We served many of our clients in our Concentrix segment using service delivery centers in other geographies. As a result, the contracts with these clients are typically priced in one currency, while a substantial portion of the costs incurred to deliver services under these contracts are denominated in the local currency of the country where services are provided, which represents a foreign exchange exposure. The change in the value of these forward contracts would be expected to offset a corresponding foreign currency change in forecasted hedged revenues or cost when recognized. All of the long-term forward contracts were related to the Concentrix segment and upon completion of the Separation no longer represent a risk to us.

All other foreign exchange contracts have typical maturities of twelve months or less and are executed to protect us against foreign currency exposure pertaining to receivables, payables and intercompany transactions that are denominated in currencies different from the functional currencies of the respective entities. These contracts are marked-to-market and any material gains and losses on our hedge contracts resulting from a hypothetical, instantaneous change in the strength of the U.S. dollar would be significantly offset by mark-to-market gains and losses on the corresponding assets and liabilities being hedged.

Interest Rate Risk

Our exposure to changes in interest rates relates primarily to our outstanding debt obligations which have floated relative to major interest rate benchmarks in the United States, Canada and Japan. We are most sensitive to fluctuations in U.S. interest rates, changes which affect the costs associated with hedging and interest paid on our debt.

To manage interest rate risk on the U.S. dollar-denominated floating-rate debt, we have entered into interest rate swaps with aggregate notional amounts of $1.6 billion and $2.0 billion as of November 30, 2020 and 2019 respectively, which effectively converted a portion of the floating rate debt to a fixed interest rate. Substantially, all of our interest rate swaps are accounted as cash flow hedges. A 15% variation in our interest rates would not have a material impact on the fair value of our swaps.

The following tables present hypothetical interest expense related to our outstanding borrowings with variable interest rates (after considering the impact of the above mentioned swaps) for the years ended November 30, 2020 and 2019, arising from hypothetical parallel shifts in the respective countries' yield curves, of plus or minus 5%, 10% and 15% (in thousands).

	Interest Expense Given an Interest Rate Decrease by X Percent			Actual Interest Expense Assuming No Change in Interest Rate	Interest Expense Given an Interest Rate Increase by X Percent		
	15%	10%	5%		5%	10%	15%
SYNNEX US	$ 112,255	$ 112,716	$ 113,177	$ 113,638	$ 114,099	$ 114,560	$ 115,021
SYNNEX Canada	812	816	819	823	826	830	834
SYNNEX Japan	1,718	1,721	1,724	1,727	1,730	1,733	1,736
Total for the year ended November 30, 2020	$ 114,785	$ 115,253	$ 115,720	$ 116,188	$ 116,655	$ 117,123	$ 117,591

	Interest Expense Given an Interest Rate Decrease by X Percent			Actual Interest Expense Assuming No Change in Interest Rate	Interest Expense Given an Interest Rate Increase by X Percent		
	15%	10%	5%		5%	10%	15%
SYNNEX US	$ 145,869	$ 149,180	$ 152,490	$ 155,801	$ 159,111	$ 162,422	$ 165,732
SYNNEX Canada	686	690	695	699	703	708	712
SYNNEX Japan	1,125	1,130	1,135	1,141	1,146	1,152	1,157
Total for the year ended November 30, 2019	$ 147,680	$ 151,000	$ 154,320	$ 157,641	$ 160,960	$ 164,282	$ 167,601

Equity Price Risk

The equity price risk associated with our marketable equity securities as of November 30, 2020 and 2019 is not material in relation to our consolidated financial position, results of operations or cash flows. Marketable equity securities include shares of common stock and are recorded at fair market value based on quoted market prices. Gains and losses on marketable equity securities are included in earnings.

Table of Content

Item 8. ***Financial Statements and Supplementary Data***

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Financial statement schedules not listed above are either omitted because they are not applicable or the required information is shown in the Consolidated Financial Statements or in the Notes thereto.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f). Our internal control over financial reporting is designed 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. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of ours are being made only in accordance with authorizations of management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on this assessment, our management concludes that, as of November 30, 2020, our internal control over financial reporting was effective at the reasonable assurance level based on those criteria.

The effectiveness of our internal control over financial reporting as of November 30, 2020 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report which appears on page 46 of this Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
SYNNEX Corporation:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of SYNNEX Corporation and subsidiaries (the Company) as of November 30, 2020 and 2019, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended November 30, 2020, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of November 30, 2020, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of November 30, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended November 30, 2020, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of November 30, 2020, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company changed its method of accounting for leases as of December 1, 2019 due to the adoption of Financial Accounting Standards Board's Accounting Standards Codification Topic 842, *Leases*.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Sufficiency of audit evidence over revenue

As discussed in Note 11 to the consolidated financial statements, and presented in the consolidated statements of operations, the Company reported revenue of $24,675,563 thousand for the fiscal year ended November 30, 2020.

We identified the evaluation of the sufficiency of audit evidence over revenue as a critical audit matter. The geographical dispersion of distribution and administrative facilities and employees providing revenue generating services required especially subjective auditor judgment in determining the nature and extent of procedures to perform and in evaluating those procedures.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over revenue, including the determination of the locations at which those procedures were to be performed. At each location selected, we performed the following procedures. We evaluated the design and tested the operating effectiveness of certain internal controls related to the recognition of revenue. We tested samples of revenue transactions during the year by comparing the amounts recognized by the Company to relevant underlying documentation such as contracts, shipping documents, or other third-party evidence. We investigated a selection of journal entries that were made by the Company to adjust revenue. We evaluated the sufficiency of the audit evidence obtained over revenue by assessing the results of the procedures performed, including the appropriateness of the determination of locations to perform procedures.

Separation of Concentrix Corporation in a tax-free transaction

As discussed in Note 1 and Note 17 to the consolidated financial statements, the separation of Concentrix Corporation, a wholly-owned subsidiary of the Company, into a separately publicly-traded company was completed in a tax-free transaction on December 1, 2020. The Company received a favorable opinion from a third-party with respect to the tax-free nature of the transaction for federal income tax purposes.

We identified the evaluation of the tax-free status relating to the separation of Concentrix Corporation as a critical audit matter. Complex auditor judgment, including the involvement of tax professionals with specialized skills and knowledge, was required to evaluate the Company’s interpretation and application of tax law.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the determination of the tax-free status of the transaction. This included controls related to the Company’s interpretation and application of relevant tax law and determination of tax-free status. We involved tax professionals with specialized skills and knowledge who assisted in reading the favorable opinion and basis of conclusions received by the Company from a third-party and performing an evaluation of the tax treatment of the transaction to assess the Company’s interpretation and application of relevant tax law.

/s/ KPMG LLP

We have served as the Company’s auditor since 2012.

Santa Clara, California
January 28, 2021

SYNNEX CORPORATION

CONSOLIDATED BALANCE SHEETS
(currency and share amounts in thousands, except par value)

	November 30, 2020	November 30, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,564,672	$ 225,529
Accounts receivable, net	3,870,789	3,926,709
Receivables from vendors, net	286,327	368,505
Inventories	2,684,530	2,547,224
Other current assets	362,808	385,024
Total current assets	8,769,127	7,452,992
Property and equipment, net	609,294	569,899
Goodwill	2,259,935	2,254,402
Intangible assets, net	985,006	1,162,212
Deferred tax assets	87,059	97,539
Other assets, net	758,169	160,917
Total assets	$ 13,468,590	$ 11,697,960
LIABILITIES AND EQUITY		
Current liabilities:		
Borrowings, current	$ 158,715	$ 298,969
Accounts payable	3,891,815	3,149,443
Accrued compensation and benefits	522,790	402,771
Other accrued liabilities	989,684	723,716
Income taxes payable	67,088	32,223
Total current liabilities	5,630,092	4,607,122
Long-term borrowings	2,608,061	2,718,267
Other long-term liabilities	732,182	361,911
Deferred tax liabilities	159,396	222,210
Total liabilities	9,129,731	7,909,510
Commitments and contingencies (Note 16)		
Stockholders' equity:		
Preferred stock, $0.001 par value, 5,000 shares authorized, no shares issued or outstanding	—	—
Common stock, $0.001 par value, 100,000 shares authorized, 53,671 and 53,154 shares issued as of November 30, 2020 and 2019, respectively	54	53
Additional paid-in capital	1,591,536	1,545,421
Treasury stock, 2,538 and 2,399 shares as of November 30, 2020 and 2019, respectively	(191,216)	(172,627)
Accumulated other comprehensive income (loss)	(194,571)	(209,077)
Retained earnings	3,133,058	2,624,680
Total stockholders' equity	4,338,860	3,788,450
Total liabilities and equity	$ 13,468,590	$ 11,697,960

(Amounts may not add due to rounding)

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

SYNNEX CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS
(currency and share amounts in thousands, except per share amounts)

	Fiscal Years Ended November 30,		
	2020	2019	2018
Revenue:			
Products	$ 19,976,885	$ 19,069,966	$ 17,323,078
Services	4,698,678	4,687,327	2,444,867
Total revenue	24,675,563	23,757,293	19,767,945
Cost of revenue:			
Products	(18,783,042)	(17,912,711)	(16,326,576)
Services	(3,044,916)	(2,946,664)	(1,514,470)
Gross profit	2,847,604	2,897,917	1,926,899
Selling, general and administrative expenses	(2,017,502)	(2,084,156)	(1,376,664)
Operating income	830,103	813,761	550,236
Interest expense and finance charges, net	(127,336)	(166,421)	(84,675)
Other income (expense), net	1,276	30,363	(8,984)
Income before income taxes	704,042	677,703	456,577
Provision for income taxes	(174,882)	(176,991)	(156,596)
Net income	$ 529,160	$ 500,712	$ 299,981
Earnings per common share:			
Basic	$ 10.28	$ 9.79	$ 7.21
Diluted	$ 10.21	$ 9.74	$ 7.17
Weighted-average common shares outstanding:			
Basic	50,900	50,669	41,215
Diluted	51,237	50,936	41,451

(Amounts may not add due to rounding)

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

SYNNEX CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(currency in thousands)

	Fiscal Years Ended November 30,		
	2020	2019	2018
Net income	$ 529,160	$ 500,712	$ 299,981
Other comprehensive income (loss):			
Change in unrealized losses of defined benefit plans, net of taxes of $3,749, $5,909 and $0 for fiscal years ended November 30, 2020, 2019 and 2018, respectively.	(8,500)	(27,312)	(2,989)
Reclassification of net (gains) losses to net income, net of tax of $0 for fiscal years ended November 30, 2020, 2019 and 2018.	(300)	1,791	2,039
Total change in unrealized losses of defined benefit plans, net of taxes	(8,800)	(25,521)	(950)
Unrealized gains (losses) on cash flow hedges during the period, net of taxes of $3,981, $15,083 and $(6,532) for fiscal years ended November 30, 2020, 2019 and 2018, respectively.	(16,405)	(52,714)	19,638
Reclassification of net (gains) losses on cash flow hedges to net income, net of tax expense (benefit) of ($880), $3,792 and $1,150 for fiscal years ended November 30, 2020, 2019 and 2018, respectively.	3,190	(11,138)	(3,104)
Total change in unrealized gains (losses) on cash flow hedges, net of taxes	(13,215)	(63,852)	16,534
Foreign currency translation adjustments, net of taxes of $603, $1,767 and $274 for fiscal years ended November 30, 2020, 2019 and 2018, respectively	36,521	8,539	(79,953)
Other comprehensive income (loss)	14,506	(80,834)	(64,369)
Comprehensive income	$ 543,666	$ 419,878	$ 235,612

(Amounts may not add due to rounding)

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

SYNNEX CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(currency and share amounts in thousands)

	Common stock		Additional paid-in	Treasury stock		Accumulated other comprehensive	Retained	Total stockholders
	Shares	Amount	capital	Shares	Amount	income (loss)	earnings	equity
Balances, November 30, 2017	41,092	$ 41	$ 467,948	1,419	$ (77,133)	$ (61,919)	$ 1,958,361	$ 2,287,29
Share-based compensation	—	—	22,678	—	—	—	—	22,67
Issuance of common stock on exercise of options, for employee stock purchase plan and vesting of restricted stock, net of shares withheld for employee taxes	258	—	4,924	68	(6,413)	—	—	(1,48
Repurchases of common stock	—	—	—	680	(65,987)	—	—	(65,98
Cash dividends declared	—	—	—	—	—	—	(59,720)	(59,72
Common stock issued for the acquisition of Convergys, net of stock issuance costs	11,511	12	1,016,652	—	—	—	—	1,016,66
Other comprehensive income (loss)	—	—	—	—	—	(64,369)	—	(64,36
Net income	—	—	—	—	—	—	299,981	299,98
Balances, November 30, 2018	52,861	53	1,512,201	2,167	(149,533)	(126,288)	2,198,621	3,435,05
Share-based compensation	—	—	27,959	—	—	—	—	27,95
Issuance of common stock on exercise of options, for employee stock purchase plan and vesting of restricted stock, net of shares withheld for employee taxes	293	—	5,367	72	(7,911)	—	—	(2,54
Repurchases of common stock	—	—	—	160	(15,184)	—	—	(15,18
Cash dividends declared	—	—	—	—	—	—	(76,607)	(76,60
Other comprehensive income (loss)	—	—	—	—	—	(80,834)	—	(80,83
Cumulative effect of changes in accounting principles	—	—	—	—	—	(1,955)	1,955	—
Stock issuance costs (related to the Convergys acquisition in fiscal year 2018)	—	—	(107)	—	—	—	—	(10
Net income	—	—	—	—	—	—	500,712	500,71
Balances, November 30, 2019	53,154	53	1,545,421	2,399	(172,627)	(209,077)	2,624,680	3,788,45
Share-based compensation	—	—	33,202	—	—	—	—	33,20
Issuance of common stock on exercise of options, for employee stock purchase plan and vesting of restricted stock, net of shares withheld for employee taxes	517	1	12,913	104	(15,184)	—	—	(2,27
Repurchases of common stock	—	—	—	35	(3,405)	—	—	(3,40
Cash dividends declared	—	—	—	—	—	—	(20,782)	(20,78
Other comprehensive income (loss)	—	—	—	—	—	14,506	—	14,50
Net income	—	—	—	—	—	—	529,160	529,16
Balances, November 30, 2020	53,671	$ 54	$ 1,591,536	2,538	$ (191,216)	$ (194,571)	$ 3,133,058	$ 4,338,86

(Amounts may not add due to rounding)

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

SYNNEX CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
(currency in thousands)

	Fiscal Years Ended November 30,		
	2020	2019	2018
Cash flows from operating activities:			
Net income	$ 529,160	$ 500,712	$ 299,981
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	341,637	372,108	225,287
Share-based compensation	33,202	27,959	22,678
Provision for doubtful accounts	49,281	34,911	7,246
Deferred income taxes	(48,992)	(18,189)	(47,072)
Contingent consideration	—	(19,034)	—
Unrealized foreign exchange (gains) losses	6,406	1,521	8,867
Convertible debt conversion option fair value and extinguishment (gains) losses	—	1,559	(9,996)
Other	12,158	9,719	(2,310)
Changes in operating assets and liabilities, net of acquisition of businesses:			
Accounts receivable, net	12,691	(326,681)	(451,188)
Receivables from vendors, net	79,842	(26,389)	(63,831)
Inventories	(128,786)	(153,134)	(366,392)
Accounts payable	685,014	98,392	381,970
Other operating assets and liabilities	262,753	46,465	95,466
Net cash provided by operating activities	1,834,366	549,919	100,706
Cash flows from investing activities:			
Proceeds from maturity of held-to-maturity investments	—	—	5,680
Proceeds from sale of trading investments	—	—	12,893
Purchases of property and equipment	(197,965)	(137,423)	(125,305)
Acquisition of businesses (primarily Convergys), net of cash acquired	(5,560)	(9,427)	(1,069,946)
Other	(5,970)	13	(2,914)
Net cash used in investing activities	(209,495)	(146,837)	(1,179,592)
Cash flows from financing activities:			
Proceeds from borrowings, net of debt discount and issuance costs ($8,521, $22 and $9,187 in fiscal years ended November 30, 2020, 2019 and 2018, respectively)	5,148,636	7,503,576	10,060,449
Repayments of borrowings	(5,411,247)	(8,024,961)	(8,930,165)
Dividends paid	(20,782)	(76,607)	(59,720)
Increase (decrease) in book overdraft	(2,627)	(1,908)	(1,028)
Repurchases of common stock	(3,405)	(15,184)	(65,987)
Proceeds from issuance of common stock	12,913	5,367	4,924
Repurchases of common stock for tax withholdings on equity awards	(15,184)	(7,911)	(6,413)
Settlement of contingent consideration	—	(13,966)	—
Other	—	(107)	(914)
Net cash provided by (used in) financing activities	(291,696)	(631,701)	1,001,146
Effect of exchange rate changes on cash, cash equivalents and restricted cash	4,545	(2,265)	(16,969)
Net increase (decrease) in cash, cash equivalents and restricted cash	1,337,721	(230,884)	(94,709)
Cash, cash equivalents and restricted cash at beginning of year	231,149	462,033	556,742
Cash, cash equivalents and restricted cash at end of year	$ 1,568,870	$ 231,149	$ 462,033
Supplemental disclosures of cash flow information:			
Interest paid on borrowings	$ 120,896	$ 156,261	$ 88,645
Income taxes paid	$ 179,707	$ 236,493	$ 144,705
Supplemental disclosure of non-cash investing activities:			
Fair value of common stock issued for acquisition of Convergys business	$ —	$ —	$ 1,017,329
Accrued costs for property and equipment purchases	$ 9,651	$ 10,117	$ 4,186

(Amounts may not add due to rounding)

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

SYNNEX CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(currency and share amounts in thousands, except per share amounts)

NOTE 1—ORGANIZATION AND BASIS OF PRESENTATION:

SYNNEX Corporation (together with its subsidiaries, herein referred to as "SYNNEX" or the "Company") is a leading provider of a comprehensive range of distribution, systems design and integration solutions for the technology industry, headquartered in Fremont, California and has operations in North and South America, Asia-Pacific, Europe and Africa.

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 per cent of the outstanding common stock of Concentrix Corporation ("Concentrix") to SYNNEX stockholders as of the close of business on November 17, 2020, the record date for the distribution. 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 51,602 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, SYNNEX does not beneficially own any shares of Concentrix' common stock. The historical results of operations and the financial position of Concentrix are included in the consolidated financial statements of SYNNEX for each of the fiscal years included in this report and will be reported as discontinued operations beginning in the first quarter of fiscal year 2021. Beginning December 1, 2020, the Company will no longer be consolidating Concentrix within its financial results or reflect the financial results of Concentrix within its continuing results of operations.

In connection with the Separation, the Company and Concentrix have 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 services to SYNNEX following the Separation.

The Company has two reportable segments: Technology Solutions and Concentrix. The Technology Solutions segment distributes a broad range of information technology ("IT") systems and products and also provides systems design and integration solutions. The Concentrix segment offers a portfolio of technology-infused strategic solutions and end-to-end global business outsourcing services focused on customer experience, process optimization, technology innovation, front and back-office automation and business transformation to clients in five primary industry verticals.

Certain columns and rows may not add due to the use of rounded numbers.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") in the United States 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, the impact of which was most acute during the second quarter of fiscal year 2020. As of November 30, 2020, due to the ongoing impact of the COVID-19 pandemic on the Company's business, 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.

Principles of consolidation

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 Consolidated Financial Statements include 100% of the assets and liabilities of majority-owned subsidiaries. Investments in 20% through 50% owned affiliated companies are accounted under the equity method where the Company exercises significant influence over operating and financial affairs of the investee and is not the primary beneficiary. Investments in less than 20% owned companies, where the Company does not have significant influence, are recorded at cost or fair value based on whether the equity securities have readily determinable fair values.

Segment reporting

Operating segments are based on components of the Company that engage in business activity that earn revenue and incur expenses and (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. The Company has two reportable segments: Technology Solutions and Concentrix. The Technology Solutions segment represents an aggregation of the Technology Solutions United States, Canada, Japan and Latin America operating segments.

The Technology Solutions segment distributes peripherals, IT systems, including data center servers, system components, software, networking, communications and security equipment, consumer electronics ("CE") and complementary products to a variety of customers, including value-added resellers, system integrators and retailers. The segment also designs and integrates data center equipment built specific to the customers' data center environment.

The Concentrix segment offers a range of technology-infused global business outsourcing services focused on customer experience, process optimization and front and back-office automation to clients in five industry verticals. The portfolio of services offered comprises end-to-end process outsourcing services that are delivered through omni-channels including both voice and non-voice.

Cash and cash equivalents

The Company considers all highly liquid debt instruments purchased with an original maturity or remaining maturity at the date of purchase of three months or less to be cash equivalents. Cash equivalents consist principally of money market deposit accounts and money market funds that are stated at cost, which approximates fair value. The Company is exposed to credit risk in the event of default by financial institutions to the extent that cash balances with financial institutions are in excess of amounts that are insured.

Allowance for doubtful accounts

The allowance for doubtful accounts is an estimate to cover the losses resulting from uncertainty regarding collections from customers or original equipment manufacturer ("OEM") vendors to make payments for outstanding balances. In estimating the required allowance, the Company takes into consideration the overall quality and aging of the accounts receivable, credit evaluations of customers' financial condition and existence of credit insurance. The Company also evaluates the collectability of accounts receivable based on specific customer or OEM vendor circumstances, current economic trends, historical experience with collections and any value and adequacy of collateral received from customers.

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 systems design and integration business, and completed systems. Work-in-process inventories are not material to the Consolidated Financial Statements.

Derivative Financial Instruments

The Company accounts for its derivative instruments as either assets or liabilities and carries them at fair value.

For derivative instruments that hedge the exposure to variability in expected future cash flows that are designated as cash flow hedges, the gain or loss on the derivative instrument is reported as a component of "Accumulated other comprehensive income (loss)" in stockholders' equity and reclassified into earnings in the same line associated with the forecasted transactions, in the same period or periods during which the hedged transaction affects earnings. To receive hedge accounting treatment, cash flow hedges must be highly effective in offsetting changes to expected future cash flows on hedged transactions.

For derivative instruments that are not designated as hedges, gains and losses on derivative instruments are reported in the Consolidated Statements of Operations in the current period.

Property and equipment

Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method based upon the shorter of the estimated useful lives of the assets, or the lease term of the respective assets, if applicable. Maintenance and repairs are charged to expense as incurred, and improvements are capitalized. When assets are retired or otherwise disposed of, the cost and accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is reflected in operations in the period realized. The ranges of estimated useful lives for property and equipment categories are as follows:

Equipment and Furniture	3 - 10 years
Software	3 - 7 years
Leasehold improvements	2 - 15 years
Buildings and building improvements	10 - 40 years

Business Combinations

The purchase price is allocated to the assets acquired, liabilities assumed, and noncontrolling interests in the acquired entity generally based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of these assets acquired, liabilities assumed and noncontrolling interests in the acquired entity is recorded as goodwill. The primary items that generate goodwill include the value of the synergies between the acquired entity and the Company and the value of the acquired assembled workforce, neither of which qualify for recognition as an intangible asset. Amounts recorded in a business combination may change during the measurement period, which is a period not to exceed one year from the date of acquisition, as additional information about conditions existing at the acquisition date becomes available. The Company includes the results of operations of the acquired business in the Consolidated Financial Statements prospectively from the date of acquisition. Acquisition-related charges are recognized separately from the business combination and are expensed as incurred. These charges primarily include direct third-party professional and legal fees, and integration-related costs.

Goodwill and intangible assets

The values assigned to intangible assets are based on estimates and judgment regarding expectations for the success and life cycle of products and technologies and length of customer relationships acquired in a business combination. Purchased intangible assets are amortized over the useful lives based on estimates of the use of the economic benefit of the asset or on the straight-line amortization method.

The Company allocates goodwill to reporting units based on the reporting unit expected to benefit from the business combination and tests for impairment annually in the fourth quarter or more frequently if events or changes in circumstances indicate that it may be impaired. Goodwill is tested for impairment at the reporting unit level by first performing a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. The factors that are considered in the qualitative analysis include macroeconomic conditions, industry and market considerations, cost factors such as increases in product cost, labor, or other costs that would have a negative effect on earnings and cash flows; and other relevant entity-specific events and information.

If the reporting unit does not pass the qualitative assessment, then the reporting unit's carrying value is compared to its fair value. The fair values of the reporting units are estimated using market and discounted cash flow approaches. The assumptions used in the market approach are based on the value of a business through an analysis of sales and other multiples of guideline companies and recent sales or offerings of a comparable entity. The assumptions used in the discounted cash flow approach are based on historical and forecasted revenue, operating costs, future economic conditions, and other relevant factors. Goodwill is considered impaired if the carrying value of the reporting unit exceeds its fair value and the excess is recognized as an impairment loss. No goodwill impairment has been identified for any of the years presented.

Intangible assets consist primarily of customer relationships and lists, vendor lists, technology and trade names. Amortization is based on the pattern in which the economic benefits of the intangible assets will be consumed or on a straight line basis when the consumption pattern is not apparent over the following useful lives:

Customer relationships and lists	4 - 15 years
Vendor lists	10 years
Technology	5 years
Other intangible assets	1- 10 years

Impairment of long-lived assets

The Company reviews the recoverability of its long-lived assets, such as intangible assets, property and equipment and certain other assets, when events or changes in circumstances occur that indicate the carrying value of the asset or asset group may not be recoverable. The assessment of possible impairment is based on the Company's ability to recover the carrying value of the asset or asset group from the expected future pre-tax cash flows, undiscounted and without interest charges, of the related operations. If these cash flows are less than the carrying value of such assets, an impairment loss is recognized for the difference between estimated fair value and carrying value.

Leases

The Company enters into leases as a lessee for property and equipment in the ordinary course of business. When procuring goods or services, or upon entering into a contract with its customers and clients, the Company determines whether an arrangement contains a lease at its inception. As part of that evaluation, the Company considers whether there is an implicitly or explicitly identified asset in the arrangement and whether the Company, as the lessee, or the customer, if the Company is the lessor, has the right to control the use of that asset. Effective December 1, 2019, when the Company is the lessee, all leases with a term of more than 12 months are recognized as right-of-use ("ROU") assets and associated lease liabilities in the Consolidated Balance Sheet. Lease liabilities are recorded at the lease commencement date and determined using the present value of the lease payments not yet paid, at the Company's incremental borrowing rate, which approximates the rate at which the Company would borrow on a secured basis in the country where the lease was executed. The interest rate implicit in the lease is generally not determinable in transactions where the Company is the lessee. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid rent and lease incentives. The Company's variable lease payments generally relate to payments tied to various indexes, non-lease components and payments above a contractual minimum fixed amount.

Operating leases are included in other assets, net, other accrued liabilities and other long-term liabilities in the Consolidated Balance Sheet. Finance leases are included in property and equipment, net, borrowings, current and long-term borrowings in the Consolidated Balance Sheet. Substantially all of the Company's leases are classified as operating leases. The lease term includes options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The Company made a policy election to not recognize leases with a lease term of 12 months or less in the Consolidated Balance Sheet. Lease expenses are recorded within selling, general, and administrative expenses in the Consolidated Statements of Operations. Operating lease payments are presented within "Cash flows from operating activities" in the Consolidated Statements of Cash Flows.

For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components (e.g., maintenance services) and account for the combined unit as a single lease component. Variable lease payments are recognized in the period in which the obligation for those payments is incurred.

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 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. Through November 30, 2020, the Company has not experienced any 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 OEM vendors primarily in the technology industry. 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 potential credit losses. In estimating the required allowances, the Company takes into consideration the overall quality and aging of its receivable portfolio, the existence of a limited amount of credit insurance and specifically identified customer and vendor risks. Through November 30, 2020, such losses have been within management's expectations.

One customer accounted for 19% of the Company's consolidated revenue in fiscal years 2020 and 2019 and 17% of the Company's consolidated revenue in fiscal year 2018. Products purchased from the Company's largest OEM supplier, HP Inc., accounted for approximately 12% of the Company's consolidated revenue during fiscal years 2020 and 2019 and approximately 13% of consolidated revenue during fiscal year 2018.

As of November 30, 2020 and 2019, one customer comprised 11% and 19%, respectively, of the consolidated accounts receivable balance.

Book overdrafts

Book overdrafts, representing checks issued in excess of balances on deposit in the applicable bank accounts and which have not been paid by the applicable bank at the balance sheet date are classified as "Borrowings, current" in the Company's Consolidated Balance Sheets. Under the terms of the Company's banking arrangements, the respective financial institutions are not legally obligated to honor the book overdraft balances. The Company's policy is to report the change in book overdrafts as a financing activity in the Consolidated Statements of Cash Flows.

Revenue recognition

The Company generates revenue primarily from (i) the sale of various IT products through its Technology Solutions business unit and (ii) the provision of business outsourcing services focused on customer experience through its Concentrix business unit.

Products revenue represents revenue from the Company's Technology Solutions segment and services revenue represents revenue from the Company's Concentrix segment.

Technology Solutions

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 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.

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, which are not material to the Company's consolidated revenue or its "Products" or "Services" revenue, 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 products sold.

Concentrix

The Company recognizes revenue from services contracts over time as the promised services are delivered to clients for an amount that reflects the consideration to which the Company is entitled in exchange for those services. 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. Revenue is presented net of taxes collected from customers and remitted to government authorities. The Company generally invoices a customer after performance of services or in accordance with specific contractual provisions. Service contracts may be based on a fixed price or on a fixed unit-price per transaction or other objective measure of output. The Company determines whether the services performed during the initial phases of an arrangement, such as setup activities, are distinct. In most cases, the arrangement is a single performance obligation comprised of a series of distinct services that are substantially the same and that have the same pattern of transfer (i.e., distinct days of service). The Company records deferred revenue attributable to certain process transition, setup activities where such activities do not represent separate performance obligations. Billings related to such transition activities are classified under contract liabilities and subsequently recognized ratably over the period in which the related services are performed. The Company applies a measure of progress (typically time-based) to any fixed consideration and allocates variable consideration to the distinct periods of service based on usage. As a result, revenue is generally recognized over the period the services are provided on a usage basis. This results in revenue recognition that corresponds with the benefit to the client of the services transferred to date relative to the remaining services promised. Revenue on fixed price contracts is recognized on a straight-line basis over the term of the contract as services are provided. Revenue on unit-price transactions is recognized using an objective measure of output including staffing hours or the number of transactions processed by service agents. Client contract terms can range from less than one year to more than five years. The Company generally invoices a customer after performance of services, or in accordance with specific contractual provisions. Payments are due as per contract terms and do not contain a significant financing component.

Certain client contracts include incentive payments from the customer upon achieving certain agreed-upon service levels and performance metrics or service level agreements that could result in credits or refunds to the client. Revenue relating to such arrangements is accounted for as variable consideration when the likely amount of revenue to be recognized can be estimated to the extent that it is probable that a significant reversal of any incremental revenue will not occur.

Deferred revenue contract liabilities and deferred costs to obtain or fulfill a contract are not material. Disaggregated revenue disclosure is presented in Note 11.

Cost of Revenue

Cost of products revenue represents cost of the Company's Technology Solutions segment and cost of services revenue represents cost of the Company's Concentrix segment.

Technology Solutions

Cost of revenue includes the product price paid to OEM suppliers, net of any incentives, rebates, price protection and purchase discounts received from the OEM suppliers. Cost of revenue also consists of provisions for inventory losses and write-downs, shipping and handling costs and royalties due to OEM vendors. In addition, cost of revenue includes the cost of materials, labor and overhead and warranty for design and integration activities.

Concentrix

Recurring direct operating costs for services are recognized as incurred. Cost of services revenue consists primarily of personnel costs. Where a contract requires an up-front investment, which typically includes transition and set-up costs related to systems and processes, these amounts are deferred and amortized on a straight-line basis over the expected period of benefit, not to exceed the fixed term of the contract. The Company performs periodic reviews to assess the recoverability of deferred contract transition and setup costs. This review is done by comparing the estimated minimum remaining undiscounted cash flows of a contract to the unamortized contract costs. If such minimum undiscounted cash flows are not sufficient to recover the unamortized costs, an impairment loss is recognized for the difference between the estimated fair value and the carrying value. If a cash flow deficiency remains after reducing the carrying amount of the deferred costs, the Company evaluates any remaining long-lived assets related to that contract for impairment.

Selling, General and Administrative expenses

Selling, general and administrative expenses are charged to income as incurred. Expenses of promoting and selling products and services are classified as selling expense and include such items as compensation, sales commissions and travel. General and administrative expenses include such items as compensation, cost of warehouse, delivery centers and other non-integration facilities, legal and professional costs, office supplies, non-income taxes, insurance and utility expenses. In addition, selling, general and administrative expenses include other operating items such as allowances for credit losses, depreciation and amortization of non-technology related intangible assets.

OEM supplier programs

Funds received from OEM suppliers for volume promotion programs, price protection and product rebates are recorded as adjustments to cost of revenue and/or the carrying value of inventories, as appropriate. Where there is a binding agreement, the Company tracks vendor promotional programs for volume discounts on a program-by-program basis and records them as a reduction to cost of revenue based on a systematic and rational allocation. The Company monitors the balances of vendor receivables on a quarterly basis and adjusts the balances due for differences between expected and actual sales volume. Vendor receivables are generally collected through reductions authorized by the vendor to accounts payable. Funds received for specific marketing and infrastructure reimbursements, net of related costs, are recorded as adjustments to "Selling, general and administrative expenses," and any excess reimbursement amount is recorded as an adjustment to cost of revenue.

Royalties

The Company's software product purchases include products licensed from OEM vendors, which are subsequently distributed to resellers. Royalties to OEM vendors are accrued and recorded in cost of revenue when software products are shipped and revenue is recognized.

Warranties

The Company's OEM suppliers generally warrant the products distributed by the Company and allow returns of defective products. The Company generally does not independently warrant the products it distributes; however, the Company does warrant the following: (1) products that it builds to order from components purchased from other sources; and (2) its services with regard to products that it assembles for its customers. Warranty expense and the accrual for warranty costs were not material to the Company's Consolidated Financial Statements for any of the periods presented.

Advertising

Costs related to advertising and product promotion expenditures are charged to “Selling, general and administrative expenses” as incurred and are primarily offset by OEM marketing reimbursements. Net costs related to advertising and promotion expenditures were not material to the Company’s Consolidated Financial Statements for any of the periods presented.

Income taxes

The asset and liability method is used in accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts in the financial statements using enacted tax rates and laws that will be in effect when the difference is expected to reverse. Tax on global low-taxed intangible income is accounted for as a current expense in the period in which the income is includable in a tax return using the “period cost” method. Valuation allowances are provided against deferred tax assets that are not likely to be realized.

The Company recognizes tax benefits from uncertain tax positions only if that tax position is more likely than not to be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized upon settlement. The Company recognizes interest and penalties related to unrecognized tax benefits in the provision for income taxes.

Foreign currency translations

The financial statements of the Company’s international subsidiaries whose functional currencies are the local currencies are translated into U.S. dollars for consolidation as follows: assets and liabilities at the exchange rate as of the balance sheet date, stockholders’ equity at the historical rates of exchange, and income and expense amounts at the average exchange rate for the month. Translation adjustments resulting from the translation of the subsidiaries’ accounts are included in “Accumulated other comprehensive income (loss)” in stockholders’ equity. Transactions denominated in currencies other than the applicable functional currency are converted to the functional currency at the exchange rate on the transaction date. At period end, monetary assets and liabilities are remeasured to the functional currency using exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are remeasured at historical exchange rates. Gains and losses resulting from foreign currency transactions are included in earnings within “Other income (expense), net.”

Comprehensive income

Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. The primary components of comprehensive income for the Company include net income, foreign currency translation adjustments arising from the consolidation of the Company’s international subsidiaries, unrealized gains and losses on the Company’s available-for-sale debt securities, unrealized gains and losses on cash flow hedges and the changes in unrecognized pension and post-retirement benefits.

Share-based compensation

The Company accounts for share-based payment transactions in which the Company receives services in exchange for equity instruments of the Company. Share-based compensation cost for stock options, restricted stock awards and units, performance-based restricted stock units and employee stock purchase plans is determined based on the fair value at the measurement date. The Company recognizes share-based compensation cost as expense for awards other than its performance-based restricted stock units ratably on a straight-line basis over the requisite service period. The Company recognizes share-based compensation cost associated with its performance-based restricted stock units over the requisite service period if it is probable that the performance conditions will be satisfied. The Company accounts for expense reductions that result from the forfeiture of unvested awards in the period that the forfeitures occur.

Pension and post-retirement benefits

The funded status of the Company’s pension and other postretirement benefit plans is recognized in the Consolidated Balance Sheets. The funded status is measured as the difference between the fair value of plan assets and the benefit obligation at November 30, the measurement date. For defined benefit pension plans, the benefit obligation is the projected benefit obligation ("PBO") and, for the other postretirement benefit plans, the benefit obligation is the accumulated postretirement benefit obligation ("APBO"). The PBO represents the actuarial present value of benefits expected to be paid upon retirement. For active plans, the present value reflects estimated future compensation levels. The APBO represents the actuarial present value of postretirement benefits attributed to employee services already rendered. The fair value of plan assets represents the current market value of assets held by an irrevocable trust fund for the sole benefit of participants. The measurement of the benefit obligation is based on the Company’s estimates and actuarial valuations. These valuations reflect the terms of the plans and use participant-specific information such as compensation, age and years of service, as well as certain key assumptions that require significant judgment, including, but not limited to, estimates of discount rates, expected return on plan assets, inflation, rate of compensation increases, interest crediting rates and mortality rates. The assumptions used are reviewed on an annual basis. The Company records components other than the service cost component in Other income (expense), net in the Consolidated Statements of Operations.

Earnings per common share

Earnings per share is calculated using the two-class method. The two-class method is an earnings allocation proportional to the respective ownership among holders of common stock and participating securities. Basic earnings per common share is computed by dividing net income attributable to the Company's common stockholders by the weighted-average of common shares outstanding during the period. Diluted earnings per common share also considers the dilutive effect of in-the-money stock options and restricted stock units, calculated using the treasury stock method.

Treasury Stock

Repurchases of shares of common stock are accounted for at cost, which includes brokerage fees, and are included as a component of stockholders' equity in the Consolidated Balance Sheets.

Reclassifications

Certain reclassifications have been made to prior period amounts in the Consolidated Statements of Cash Flows to conform to current period presentation. These reclassifications had no effect on cash flows from operating, investing or financing activities as previously reported.

Recently adopted accounting pronouncements

In February 2018, the Financial Accounting Standard Board (the "FASB") issued guidance that permits the Company to reclassify disproportionate tax effects in accumulated other comprehensive income caused by the Tax Cuts and Jobs Act of 2017 (the "TCJA") to retained earnings. The guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018, with early adoption permitted. The adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In February 2016, the FASB issued a new standard which revises various aspects of accounting for leases, with amendments in 2018 and 2019 codified as Accounting Standards Codification Topic 842, Leases. The Company adopted the guidance effective December 1, 2019, applying the optional transition method, which allows an entity to apply the new standard at the adoption date with a cumulative effect adjustment to the opening balance of retained earnings in the period of adoption. In addition, the Company elected the package of practical expedients not to reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs and the lessee practical expedient to combine lease and non-lease components for all asset classes. The Company made a policy election to not recognize ROU assets and lease liabilities for short-term leases for all asset classes. The most significant impact of adoption to the Company's Consolidated Financial Statements relates to the recognition of a right-of-use asset and a lease liability for its leases other than short-term leases. The liability was equal to the present value of lease payments. The asset is based on the liability, and subject to adjustment, such as for initial direct costs. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee depends primarily on its classification. For income statement purposes, operating leases will result in a straight-line expense while finance leases will result in a front-loaded expense pattern. Upon adoption, the Company recorded $591,129 of ROU assets and of $642,567 of liabilities relating to its operating leases on its Consolidated Balance Sheet. The adoption did not have an impact on the Company's retained earnings as of December 1, 2019, its consolidated statements of operations or its consolidated statements of cash flows.

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 is currently evaluating the impact of the new guidance.

In December 2019, the 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 Company is currently evaluating the impact of the new guidance.

In August 2018, the FASB issued new guidance to add, remove, and clarify disclosure requirements related to defined benefit pension and other postretirement plans. The amendment requires the Company to disclose the weighted-average interest crediting rates used in cash balance pension plans. It also requires the Company to disclose the reasons for significant changes in the benefit obligation or plan assets including significant gains and losses affecting the benefit obligation for the period. This standard is effective for fiscal years ending after December 15, 2020 and early adoption is permitted. The adoption is not expected to have a material impact on the Company's Consolidated Financial Statements.

In August 2018, the FASB issued guidance to improve the effectiveness of fair value measurement disclosures by removing or modifying certain disclosure requirements and adding other requirements. Certain amendments should be applied prospectively, while all other amendments should be applied retrospectively to all periods presented. This guidance is applicable to the Company at the beginning of fiscal year 2021 and its adoption is not expected to have a material impact on the Company's Consolidated Financial Statements.

In June 2016, the FASB issued a new credit loss standard that replaces the incurred loss impairment methodology in current GAAP. The new impairment model requires immediate recognition of estimated credit losses expected to occur for most financial assets and certain other instruments. This new standard is to be adopted by way of a cumulative-effect adjustment to retained earnings as of the beginning of the first effective reporting period. This guidance is applicable to the Company at the beginning of fiscal year 2021 and its adoption is not expected to have a material impact on the Company's Consolidated Financial Statements.

NOTE 3—STOCKHOLDERS' EQUITY:

Stock incentive plans

The Company's stock incentive plans include plans adopted in 2020, 2013 and 2003 (the SYNNEX Plan(s)"). The SYNNEX Plans, as amended, provide for the direct award or sale of shares of common stock, restricted stock awards, and restricted stock units, the grant of options to purchase shares of common stock and the award of stock appreciation rights to employees and non-employee directors and consultants.

The number of authorized shares under the 2020 SYNNEX Plan will not exceed the sum of 2,493 shares of common stock, plus any shares under the amended and restated 2013 and 2003 SYNNEX Plans that are subject to outstanding awards granted to the extent those awards expire, terminate or are canceled for any reason prior to exercise without the issuance or delivery of such shares, any shares subject to vesting restrictions that are subsequently forfeited, and any reserved shares not issued or subject to outstanding awards, up to 3,950 shares. No further grants may be made under the 2013 or 2003 SYNNEX Plans and all outstanding awards under the 2013 and 2003 Plans continue to be governed by their existing terms.

Under the Plans, qualified employees are eligible for the grant of incentive stock options to purchase shares of common stock. Qualified employees and outside directors and consultants are eligible for the grant of non-qualified stock options, stock appreciation rights, restricted stock grants and restricted stock units. The outstanding restricted stock awards and units generally vest one fifth ratably over a five-year period. Certain restricted stock awards granted to employees vest at the end of a three year period and certain restricted stock awards and units granted to employees vest over a four year period with 67% of the award scheduled to vest on the third anniversary and remaining 33% scheduled to vest on the fourth anniversary. Certain restricted stock units could vest subject to the achievement of individual, divisional or company-wide performance goals. The majority of the performance-based restricted stock units vest at the end of three-year requisite service periods, subject to the achievement of company-wide financial performance goals approved by the Compensation Committee. The exercise price for incentive stock options will not be less than 100% of the fair market value of the stock on the date of grant and the stock options have a contractual term of ten years. The outstanding stock options vest as to one fifth of the stock underlying the stock options on the first anniversary date of the grant and the remaining vest monthly over a four-year period starting one month after the first anniversary of the date of grant. Stock options granted to qualified non-employee directors vest as to one third of the stock underlying the stock options on the first anniversary date of the grant and the remaining vest monthly over a two-year period starting one month after the first anniversary of the date of grant. Restricted stock granted to qualified non-employee directors vests one fourth on a quarterly basis over a one-year period. The holders of restricted stock awards are entitled to the same voting, dividend and other rights as the Company's common stockholders.

Unless terminated sooner, the 2020 SYNNEX Plan will terminate on March 17, 2030.

Concentrix Stock Incentive Plan

In November 2020, in connection with the Separation, the Concentrix Stock Incentive Plan (the "Concentrix Incentive Plan"), was approved by SYNNEX as the sole stockholder of Concentrix to be effective upon completion of the Separation. The number of authorized shares of Concentrix under the Concentrix Incentive Plan are 4,000 shares of Concentrix' common stock.

2014 Employee Stock Purchase Plan

On January 6, 2014, the Board of Directors approved the adoption of the 2014 Employee Stock Purchase Plan ("2014 ESPP") to succeed the Company's 2003 Employee Stock Purchase Plan. The 2014 ESPP, as amended, commenced on January 1, 2015 with 750 authorized shares. Under the 2014 ESPP, there are four offering periods of three months each in a calendar year. Eligible employees in the United States can choose to have a fixed percentage deducted from their bi-weekly compensation to purchase the Company's common stock at a discount of 5%. The maximum number of shares a participant may purchase is 0.625 during a single accumulation period subject to a maximum purchase limit of $10 in a calendar year. Employees at associate vice president level and above are not eligible to participate in the plan.

Share-based compensation expense related to the 2014 ESPP was immaterial during fiscal years 2020, 2019 and 2018.

Share Repurchase Programs

In June 2020, the Board of Directors authorized a three-year $400,000 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 November 30, 2020, the Company had not repurchased any shares under this program.

In June 2017, the Board of Directors authorized a three-year $300,000 share repurchase program pursuant to which the Company could repurchase its outstanding common stock from time to time in the open market or through privately negotiated transactions. Through the expiration of this program in June 2020, the Company had purchased 875 shares at a total cost of $84,577. The share purchases were made on the open market and the shares repurchased by the Company are held in treasury for general corporate purposes.

Dividends

The Company declared cumulative cash dividends of $0.40, $1.50 and $1.40 per share during the years ended November 30, 2020, 2019 and 2018, respectively. On March 24, 2020, as a result of the unpredictable economic environment due to the impact of the COVID-19 pandemic, the Company announced the suspension of its quarterly dividend.

On January 11, 2021, the Company announced the reinstatement of a quarterly cash dividend of $0.20 per share to stockholders of record as of January 22, 2021, payable January 29, 2021. Dividends are subject to continued capital availability, compliance with the covenants and conditions in some of the Company's credit facilities and the declaration by the Board of Directors in the best interest of the Company’s stockholders.

NOTE 4—SHARE-BASED COMPENSATION:

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 purchase rights, based on estimated fair values.

The Company recorded share-based compensation expense in the Consolidated Statements of Operations for fiscal years 2020, 2019 and 2018 as follows:

	Fiscal Years Ended November 30,		
	2020	2019	2018
Total share-based compensation	$ 33,543	$ 28,162	$ 22,767
Tax benefit recorded in the provision for income taxes	(8,211)	(6,990)	(6,156)
Effect on net income	$ 25,332	$ 21,172	$ 16,611

Substantially all of the share-based compensation expense was recorded in “Selling, general and administrative expenses” in the Consolidated Statements of Operations.

Valuation Assumptions

The Company estimates the fair value of share-based payment awards on the measurement date and recognizes as expense over the requisite service period in the Company’s consolidated financial statements.

The Company uses the Black-Scholes valuation model to estimate the fair value of stock options. The Black-Scholes option-pricing model was developed for use in estimating the fair value of short-lived exchange traded options that have no vesting restrictions and are fully transferable. In addition, option-pricing models require the input of highly subjective assumptions, including the option’s expected life and the price volatility of the underlying stock. The expected stock price volatility assumption was determined using historical volatility of the Company’s common stock.

The fair value of stock awards is determined based on the stock price at the date of grant. For grants that do not accrue dividends or dividend equivalents, the fair value is the stock price reduced by the present value of estimated dividends over the vesting period. For performance-based restricted stock units, the grant-date fair value assumes that the targeted performance goals will be achieved. Over the performance period, the number of awards will be adjusted higher or lower based on the probability of achievement of performance goals.

The Company accounts for expense reductions that result from the forfeiture of unvested awards in the period that the forfeitures occur.

The following assumptions were used in the Black-Scholes valuation model in fiscal years 2019 and 2018:

	Fiscal Years Ended November 30,	
	2019	2018
Stock option plan:		
Expected life (years)	6.0 - 6.1	6.0
Risk free interest rate	1.59% - 2.62%	3.09%
Expected volatility	32.33% - 33.69%	30.85%
Dividend yield	1.36% - 1.54%	1.84%

The Company did not grant any options during the fiscal year 2020.

A summary of the activities under the SYNNEX Plans is set forth below:

	Shares available for grant	Options Outstanding: Number of shares	Options Outstanding: Weighted-average exercise price per share
Balances, November 30, 2019	262	866	$ 83.10
Restricted stock awards granted	(60)	—	—
Restricted stock units granted	(3)	—	—
Restricted stock cancelled/forfeited(1)	54	—	—
Options exercised	—	(182)	$ 49.55
Balances, November 30, 2020	252	684	$ 92.04

(1) For performance-based restricted stock units, the difference between maximum awards and the actual number of shares issued upon full vesting is included.

Employee Stock Options

The weighted-average grant-date fair values of the stock options granted during fiscal years 2019 and 2018 were $32.76, and $22.96, respectively. As of November 30, 2020, 684 options were outstanding with a weighted-average life of 6.50 years, a weighted-average exercise price of $92.04 per option and an aggregate pre-tax intrinsic value of $46,669. As of November 30, 2020, 418 options were vested and exercisable with a weighted-average life of 3.42 years, a weighted-average exercise price of $53.41 per share and an aggregate pre-tax intrinsic value of $30,514.

The cash received from the exercise of options and the intrinsic values of options exercised during fiscal years 2020, 2019 and 2018 were as follows:

	Fiscal Years Ended November 30, 2020	2019	2018
Intrinsic value of options exercised	$ 15,746	$ 3,782	$ 2,465
Cash received from exercise of options	$ 9,018	$ 1,908	$ 1,561

The Company settles employee stock option exercises with newly issued common shares.

As of November 30, 2020, the unamortized share-based compensation expense related to unvested stock options under the SYNNEX Plans was $7,521 which will be recognized over an estimated weighted-average amortization period of 2.91 years.

Restricted Stock Awards and Restricted Stock Units

A summary of the changes in the Company's non-vested restricted stock awards and stock units during fiscal year 2020 is presented below:

	Number of shares	Weighted-average, grant-date fair value per share
Non-vested as of November 30, 2019	1,051	$ 103.51
Awards granted	60	97.40
Units granted	3	110.58
Awards and units vested	(291)	104.63
Awards and units cancelled/forfeited(1)	(54)	77.59
Non-vested as of November 30, 2020	768	$ 102.60

(1) For performance-based restricted stock units, the difference between maximum awards and the actual number of shares issued upon full vesting is included.

As of November 30, 2020, there was $54,514 of total unamortized share-based compensation expense related to non-vested restricted stock awards and stock units granted under the SYNNEX Plans. That cost is expected to be recognized over an estimated weighted-average amortization period of 2.94 years.

In connection with its annual employee stock awards for fiscal year 2020, the Company has reserved approximately $9,500 under the SYNNEX Plan to be granted subsequent to completion of the Separation. Similarly, approximately $44,000 was reserved for grants to be made subsequent to completion of the Separation under the Concentrix Incentive Plan.

In connection with the Separation, as required by the SYNNEX Plans, the Company will make certain adjustments to outstanding employee equity awards with the intention of preserving the intrinsic value of the awards prior to the Separation. In accordance with the employee matters agreement each exercisable and non-exercisable stock option and unvested restricted stock award will be converted into similar awards of both SYNNEX and Concentrix and the exercise price of outstanding stock options will be adjusted to preserve the intrinsic value of the awards. Certain restricted stock units and performance-contingent awards will be adjusted to provide holders restricted stock units and performance contingent awards in the company that employs such employee following the Separation.

NOTE 5—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 November 30,	
	2020	2019
Cash and cash equivalents	$ 1,564,672	$ 225,529
Restricted cash included in other current assets	4,198	5,620
Cash, cash equivalents and restricted cash	$ 1,568,870	$ 231,149

Accounts receivable, net:

	As of November 30,	
	2020	2019
Accounts receivable	$ 3,947,113	$ 3,956,629
Less: Allowance for doubtful accounts	(76,324)	(29,920)
Accounts receivable, net	$ 3,870,789	$ 3,926,709

Receivables from vendors, net:

	As of November 30,	
	2020	2019
Receivables from vendors	$ 291,453	$ 373,986
Less: Allowance for doubtful accounts	(5,126)	(5,481)
Receivables from vendors, net	$ 286,327	$ 368,505

Allowance for doubtful trade receivables:

Balance at November 30, 2017	$ 16,570
Additions	3,055
Write-offs and reclassifications	(11,148)
Balance at November 30, 2018	8,477
Additions	31,236
Write-offs and reclassifications	(9,793)
Balance at November 30, 2019	29,920
Additions	49,785
Write-offs and reclassifications	(3,380)
Balance at November 30, 2020	$ 76,324

Allowance for receivables from vendors:

Balance at November 30, 2017	$ 2,623
Additions	4,191
Write-offs and reclassifications	(626)
Balance at November 30, 2018	6,188
Additions	3,675
Write-offs and reclassifications	(4,382)
Balance at November 30, 2019	5,481
Additions	—
Write-offs and reclassifications	(354)
Balance at November 30, 2020	$ 5,126

Property and equipment, net:

	As of November 30,	
	2020	2019
Land	$ 47,400	$ 47,494
Equipment, computers and software	620,445	503,240
Furniture and fixtures	121,299	111,408
Buildings, building improvements and leasehold improvements	483,613	428,180
Construction-in-progress	11,847	12,379
Total property and equipment, gross	$ 1,284,605	1,102,702
Less: Accumulated depreciation	(675,311)	(532,803)
Property and equipment, net	$ 609,294	$ 569,899

Depreciation expense for fiscal years 2020, 2019 and 2018, was $154,206, $161,627 and $100,955, respectively.

Goodwill:

	Fiscal Year Ended November 30, 2020			Fiscal Year Ended November 30, 2019		
	Technology Solutions	Concentrix	Total	Technology Solutions	Concentrix	Total
Balance, beginning of year	$ 425,076	$ 1,829,326	$ 2,254,402	$ 427,775	$ 1,775,541	$ 2,203,316
Additions from acquisitions	—	—	—	—	34,797	34,797
Foreign exchange translation	(1,190)	6,723	5,533	(2,699)	18,989	16,290
Balance, end of year	$ 423,886	$ 1,836,049	$ 2,259,935	$ 425,076	$ 1,829,326	$ 2,254,402

Intangible assets, net:

	As of November 30, 2020			As of November 30, 2019		
	Gross Amounts	Accumulated Amortization	Net Amounts	Gross Amounts	Accumulated Amortization	Net Amounts
Customer relationships and lists	$ 1,565,825	$ (696,127)	$ 869,698	$ 1,546,349	$ (522,083)	$ 1,024,266
Vendor lists	177,555	(82,187)	95,368	178,444	(66,954)	111,490
Technology	14,829	(11,034)	3,795	14,720	(8,998)	5,721
Other intangible assets	34,522	(18,377)	16,145	35,267	(14,532)	20,735
	$ 1,792,731	$ (807,725)	$ 985,006	$ 1,774,780	$ (612,567)	$ 1,162,212

Amortization expense for fiscal years 2020, 2019 and 2018, was $187,431, $210,481 and $124,332, respectively.

Estimated future amortization expense of the Company’s intangible assets is as follows:

Fiscal years ending November 30,	
2021	$ 174,291
2022	150,875
2023	132,746
2024	110,166
2025	96,688
Thereafter	320,240
Total	$ 985,006

Subsequent to November 30, 2020, $798,960 of intangibles assets, net related to the Concentrix segment are no longer the Company’s assets pursuant to the completion of the Separation.

Accumulated other comprehensive income (loss)

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

	Unrecognized gains (losses) on defined benefit plan, net of taxes	Unrealized gains (losses) on cash flow hedges, net of taxes	Foreign currency translation adjustment and other, net of taxes	Total
Balance, beginning of year	$ (28,784)	$ (46,932)	$ (133,361)	$ (209,077)
Other comprehensive income (loss) before reclassification	(8,500)	(16,405)	36,521	11,616
Reclassification of (gains) losses from Other comprehensive income (loss)	(300)	3,190	—	2,890
Balance, end of year	$ (37,584)	$ (60,147)	$ (96,840)	$ (194,571)

Refer to Note 6 for the location of gains and losses reclassified from other comprehensive income (loss) to the Consolidated Statements of Operations. Reclassifications of amortization of actuarial (gains) losses of defined benefits plans is recorded in "Other income (expense), net" in the combined statement of operations.

Foreign currency translation adjustment and other, net of taxes, is comprised of the foreign currency translation adjustment and unrealized gains and losses on available-for-sale debt securities. Substantially, all of the balance at both November 30, 2019 and 2020 represents foreign currency translation adjustment.

NOTE 6—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. Generally, 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

To protect gross margins from fluctuations in foreign currency exchange rates, certain of the Company's subsidiaries with functional currencies that are not in U.S. dollars may hedge a portion of forecasted revenue or costs not denominated in the subsidiaries' functional currencies. These instruments mature at various dates through November 2022. The Company also 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 foreign currency revenue are recognized as a component of Revenue from Services in the same period as the related revenue is recognized, and deferred gains and losses related to cash flow hedges of costs are recognized as a component of Cost of revenue for services and/or Selling, general and administrative expenses in the same period as the related costs are recognized. 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 7-- Fair Value Measurements and summarized in the table below:

	Value as of	
Balance Sheet Line Item	**November 30, 2020**	**November 30, 2019**
Derivative instruments not designated as hedging instruments:		
Foreign exchange forward contracts (notional value)	$ 1,421,764	$ 1,192,964
Other current assets	15,875	11,757
Other accrued liabilities	9,447	2,637
Interest rate swap (notional value)	$ 100,000	$ 100,000
Other assets, net	—	515
Other accrued liabilities	128	—
Derivative instruments designated as cash flow hedges:		
Foreign exchange forward contracts (notional value)	$ 825,700	$ 563,654
Other current assets and other assets, net	38,212	14,523
Other accrued liabilities and other long-term liabilities	309	1,633
Interest rate swaps (notional value)	$ 1,500,000	$ 1,900,000
Other accrued liabilities	$ 115,598	$ 83,428

Volume of activity

The notional amounts of foreign exchange forward contracts represent the gross amounts of foreign currency, including, principally, the Philippine Peso, Indian Rupee, the Euro, the Canadian Dollar, the Japanese Yen, the British Pound, the Brazilian Real and the Chinese Yuan that will be bought or sold at maturity. The term and notional amount of interest rate swaps are determined based on management's assessment of future interest rates and other factors such as debt maturities. 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 and not designated as hedging instruments in Other Comprehensive Income ("OCI"), and the Consolidated Statements of Operations for the periods presented:

	Location of Gains (losses) in Income	For the fiscal years ended November 30, 2020	2019	2018
Revenue for services		$ 4,698,678	$ 4,687,327	$ 2,444,867
Cost of revenue for services		(3,044,916)	(2,946,664)	(1,514,470)
Selling, general and administrative expenses		(2,017,502)	(2,084,156)	(1,376,664)
Interest expense and finance charges, net		(127,336)	(166,421)	(84,675)
Other income (expense), net		1,276	30,363	(8,984)
Derivative instruments designated as cash flow hedges:				
Gains (losses) recognized in OCI:				
Foreign exchange forward contracts		$ 45,986	$ 20,772	$ 27,426
Interest rate swaps		(66,372)	(88,569)	(1,256)
Total		$ (20,386)	$ (67,797)	$ 26,170
Gains (losses) reclassified from AOCI into income:				
Foreign exchange forward contracts				
Gains (losses) reclassified from AOCI into income	Revenue for services	$ —	$ 127	$ —
Gains (losses) reclassified from AOCI into income	Cost of revenue for services	21,532	16,454	1,021
Gains (losses) reclassified from AOCI into income	Selling, general and administrative expenses	8,841	6,767	441
Gains (losses) reclassified from AOCI into income	Other income (expense), net	—	36	—
Interest rate swaps				
Gains (losses) reclassified from AOCI into income	Interest expense and finance charges, net	(34,443)	(8,455)	2,792
Total		$ (4,070)	$ 14,929	$ 4,254
Derivative instruments not designated as hedging instruments:				
Gains (losses) recognized from Foreign exchange forward contracts, net(1)	Cost of revenue for services and Selling, general and administrative expenses	$ —	$ —	$ 3,378
Gains (losses) recognized from foreign exchange forward contracts, net(1)	Other income (expense), net	33,994	20,246	(6,126)
Gains (losses) recognized from interest rate swaps, net	Interest expense and finance charges, net	(643)	(3,004)	(318)
Total		$ 33,351	$ 17,242	$ (3,066)

(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 $8,054. Included in this amount are net gains of $32,142 of foreign exchange forward contracts related to the Concentrix segment, which following the completion of the Separation will no longer be reclassified into the Company's earnings.

Offsetting of Derivatives

The Company's derivative instruments are generally governed by standard International Swaps and Derivatives Association, Inc. master agreements, which generally do not require the Company to post any collateral, and specify netting rights, and other customary provisions including events of defaults and termination rights.

In the Consolidated Balance Sheets, the Company does not offset derivative assets against liabilities in master netting arrangements. If derivative exposures covered by a qualifying master netting agreement had been netted in the Consolidated Balance Sheet, the total derivative asset and liability positions would have been reduced by $6,659 each as of November 30, 2020 and $6,003 each as of November 30, 2019.

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.

NOTE 7—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 November 30, 2020				As of November 30, 2019			
		Fair value measurement category				Fair value measurement category		
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets:								
Cash equivalents	$ 68,157	$ 68,157	$ —	$ —	$ 37,760	$ 37,760	$ —	$ —
Marketable equity securities	3,050	3,050	—	—	2,834	2,834	—	—
Foreign government bond	1,355	1,355	—	—	1,228	1,228	—	—
Forward foreign currency exchange contracts	54,087	—	54,087	—	26,280	—	26,280	—
Interest rate swaps	—	—	—	—	515	—	515	—
Liabilities:								
Forward foreign currency exchange contracts	$ 9,756	$ —	$ 9,756	$ —	$ 4,270	$ —	$ 4,270	$ —
Interest rate swaps	115,726	—	115,726	—	83,428	—	83,428	—

The Company's cash equivalents consist primarily of highly liquid investments in money market funds and term deposits with maturity periods of three months or less. The carrying values of cash equivalents approximate fair value since they are near their maturity. Investments in marketable equity securities, primarily comprising investments in other companies' equity securities as per local customary business practice, are recorded at fair value based on quoted market prices. Investment in foreign government bond classified as available-for-sale debt security is recorded at fair value based on quoted market prices. 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 long-term foreign currency exchange contracts are measured using valuations based upon quoted prices for similar assets and liabilities in active markets and are valued by reference to similar financial instruments, adjusted for terms specific to the contracts. 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 November 30, 2020 and 2019.

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.

During fiscal years 2020, 2019 and 2018, there were no transfers between the fair value measurement category levels.

NOTE 8—ACCOUNTS RECEIVABLE ARRANGEMENTS:

The Company has an uncommitted supply-chain financing program with a global financial institution under which trade accounts receivable of certain customers and their affiliates may be acquired, without recourse, by the financial institution. Available capacity under this program is dependent on the level of the Company's trade accounts receivable with these customers and the financial institution's willingness to purchase such receivables. As of November 30, 2020 and 2019, accounts receivable sold to and held by the financial institution under this program were $16,735 and $32,472, respectively. Discount fees related to the sale of trade accounts receivable under this facility are included in "Interest expense and finance charges, net" in the Consolidated Statements of Operations. During the fiscal years ended November 30, 2020, 2019 and 2018, discount fees were $3,186, $2,281 and $1,621, respectively.

SYNNEX Japan, the Company's Japanese Technology Solutions subsidiary, has arrangements with financial institutions for the sale and financing of approved accounts receivable and notes receivable. The amounts outstanding under these arrangements that were sold, but not collected, as of November 30, 2020 and 2019 were $5,798 and $2,856, respectively.

The Company also has other financing agreements in North America with financial institutions ("Flooring Companies") to allow certain customers of the Company to finance their purchases directly with the Flooring Companies. Under these agreements, the Flooring Companies pay to the Company the selling price of products sold to various customers, less a discount, within approximately 15 to 30 days from the date of sale. The Company is contingently liable to repurchase inventory sold under flooring agreements in the event of any default by its customers under the agreement and such inventory being repossessed by the Flooring Companies. See Note 16 — Commitments and Contingencies for further information.

The following table summarizes the net sales financed through flooring agreements and the flooring fees incurred:

	Fiscal Years Ended November 30,		
	2020	2019	2018
Net sales financed	$ 2,092,218	$ 1,961,379	$ 1,734,860
Flooring fees(1)	13,277	13,130	10,698

(1) Flooring fees are included within "Interest expense and finance charges, net."

As of November 30, 2020 and 2019, accounts receivable subject to flooring agreements were $49,461 and $69,637, respectively.

NOTE 9—BORROWINGS:

Borrowings consist of the following:

	As of November 30,	
	2020	2019
SYNNEX United States accounts receivable securitization arrangement	$ —	$ 108,000
SYNNEX Japan credit facility - revolving line of credit component	31,627	5,936
SYNNEX United States credit agreement - revolving line of credit component	—	25,800
SYNNEX United States credit agreement - current portion of term loan component	—	60,000
SYNNEX United States term loan credit agreement - current portion	—	90,000
SYNNEX Japan credit facility - current portion of term loan component	67,088	—
Concentrix credit agreement - current portion of term loan component	33,750	—
Other borrowings	26,249	9,233
Borrowings, current	$ 158,715	$ 298,969
SYNNEX Japan credit facility - term loan component	$ —	$ 63,921
SYNNEX United States credit agreement - term loan component	500,000	1,020,000
SYNNEX United States term loan credit agreement	1,000,000	1,642,500
Concentrix credit agreement - term loan component	866,250	—
Concentrix accounts receivable securitization arrangement	250,000	—
Other term debt	85	298
Long-term borrowings, before unamortized debt discount and issuance costs	$ 2,616,335	$ 2,726,719
Less: unamortized debt discount and issuance costs	(8,273)	(8,452)
Long-term borrowings	$ 2,608,061	$ 2,718,267

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"). Prior to the amendment in May 2020 that is described in this paragraph, under the terms of the U.S. AR Arrangement, the Company's subsidiary that is the borrower under this facility could borrow up to a maximum of $850,000 based upon eligible trade accounts receivable. 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, prior to the May 2020 amendment, a program fee of 0.75% per annum based on the used portion of the commitment, and a facility fee of 0.35% per annum, was payable on the adjusted commitment of the lenders. In May 2020, the U.S. AR Arrangement was amended to revise the maximum borrowing amount to $650,000 and to extend the maturity date of the U.S. AR Arrangement to May 2022. The program fee payable on the used portion of the lenders' commitment, was modified to accrue at 1.25% per annum in the case of lender groups who fund their advances based on prevailing commercial paper rates, and 1.30% per annum in the case of lender groups who fund their advances based on LIBOR (subject to a 0.50% per annum floor). The amendment also modified the facility fee payable on the adjusted commitment of the lenders, to accrue at different tiers ranging between 0.35% per annum and 0.45% per annum depending on the amount of outstanding advances from time to time. In addition, the U.S. AR Arrangement includes an accordion feature to allow requests for an increase in the lenders' commitment by an additional $150,000.

Under the terms of the U.S. Arrangement, the Company and two of its U.S. subsidiaries sell, on a revolving basis, their 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.

SYNNEX Canada accounts receivable securitization arrangement

SYNNEX Canada Limited ("SYNNEX Canada"), the Company's Technology Solutions subsidiary in Canada, has an accounts receivable securitization program with a bank to provide additional capital for its operations. In March 2020, SYNNEX Canada renewed this agreement to mature in May 2023. Under the terms of this program, SYNNEX Canada can borrow up to CAD100,000, or $76,864, in exchange for the transfer of eligible trade accounts receivable, on an ongoing revolving basis. The program includes an accordion feature that allows SYNNEX Canada to request an increase in the bank's commitment up to an additional CAD50,000, or $38,432. Any amounts received under this arrangement are recorded as debt on the Company's Consolidated Balance Sheets and are secured by pledging all of the rights, title and interest in the receivables to the bank. The effective borrowing cost is based on the weighted-average of the Canadian Dollar Offered Rate plus a margin of 1.00% per annum and the prevailing lender commercial paper rates. In addition, prior to an event of termination, SYNNEX Canada is obligated to pay a program fee of 0.75% per annum based on the used portion of the commitment. After an event of termination, the program fee shall be the sum of the base rate and 2.50% per annum, based on the used portion of the commitment. SYNNEX Canada pays a fee of 0.40% per annum for any unused portion of the commitment up to CAD60,000, or $46,118, and when the unused portion exceeds CAD60,000, or $46,118, a fee of 0.55% per annum of the unused portion of the commitment. As of both November 30, 2020 and 2019, there was no outstanding balance under this arrangement.

The Company has guaranteed the performance obligations of SYNNEX Canada under this facility.

SYNNEX Japan credit facility

SYNNEX Japan has a credit agreement with a group of banks for a maximum commitment of JPY15,000,000 or $143,761. The credit agreement is comprised of a JPY7,000,000, or $67,088, term loan and a JPY 8,000,000, or $76,672, revolving credit facility and expires in November 2021. The interest rate for the term loan and revolving credit facility is based on the Tokyo Interbank Offered Rate, plus a margin, which is based on the Company’s consolidated leverage ratio, and currently equals 0.70% per annum. The unused line fee on the revolving credit facility is currently 0.10% per annum based on the Company's consolidated current leverage ratio. The term loan can be repaid at any time prior to the expiration date without penalty. The Company has guaranteed the obligations of SYNNEX Japan under this facility.

Concentrix India revolving lines of credit facilities

Concentrix' Indian subsidiaries have credit facilities with a financial institution to borrow up to an aggregate amount of $22,000. The interest rate under these facilities is the higher of the bank's minimum lending rate or LIBOR, plus a margin of 0.9% per annum. The Company guarantees the obligations under these credit facilities. These credit facilities can be terminated at any time by the Company’s Indian subsidiaries or the financial institution. There were no borrowings outstanding under these credit facilities as of either November 30, 2020 or 2019. Subsequent to November 30, 2020, with the completion of the Separation, these facilities are no longer part of the Company’s lines of credit.

SYNNEX United States credit agreement

In the United States, the Company has a senior secured credit agreement (as amended, the "U.S. Credit Agreement") with a group of financial institutions. The U.S. Credit Agreement includes a $600,000 commitment for a revolving credit facility and a term loan in the original principal amount of $1,200,000. The Company may request incremental commitments to increase the principal amount of the revolving line of credit or term loan by $500,000, plus an additional amount which is dependent upon the Company's pro forma first lien leverage ratio, as calculated under the U.S. Credit Agreement. The U.S. Credit Agreement matures in September 2022. The outstanding principal amount of the term loan was repayable in quarterly installments of $15,000, with the unpaid balance due in full on the September 2022 maturity date. The term loan can be repaid at any time prior to the maturity date without penalty. At November 30, 2020, in connection with the Separation, the Company partially repaid the term loan using a portion of the funds drawn under the Concentrix United States Credit Agreement and the Concentrix accounts receivable securitization arrangement. The remaining outstanding principal of the term loan is payable on maturity. Interest on borrowings under the U.S. Credit Agreement can be based on LIBOR or a base rate at the Company's option, plus a margin. The margin for LIBOR loans ranges from 1.25% to 2.00% and the margin for base rate loans ranges from 0.25% to 1.00%, provided that LIBOR shall not be less than zero. The base rate is a variable rate which is the highest of (a) the Federal Funds Rate, plus a margin of 0.5%, (b) the rate of interest announced, from time to time, by the agent, Bank of America, N.A., as its “prime rate,” and (c) the Eurodollar Rate, plus 1.0%. The unused revolving credit facility commitment fee ranges from 0.175% to 0.30% per annum. The margins above the applicable interest rates and the revolving commitment fee for revolving loans are based on the Company’s consolidated leverage ratio, as calculated under the U.S. Credit Agreement. The Company’s obligations under the U.S. Credit Agreement are secured by substantially all of the parent company’s and its United States domestic subsidiaries’ assets on a pari passu basis with the interests of the lenders under the U.S. Term Loan Credit Agreement (defined below) pursuant to an intercreditor agreement and are guaranteed by certain of the Company's United States domestic subsidiaries.

SYNNEX United States term loan credit agreement

The Company has a secured term loan credit agreement (the “U.S. Term Loan Credit Agreement”) with a group of financial institutions in the original principal amount of $1,800,000. The U.S. Term Loan Credit Agreement matures in October 2023. The outstanding principal amount of the term loans was payable in quarterly installments of $22,500, with the unpaid balance due in full on the maturity date. The term loan can be repaid at any time prior to the expiration date without penalty. At November 30, 2020, in connection with Separation, the Company partially repaid the term loan using a portion of the funds drawn under the Concentrix United States Credit Agreement and the Concentrix accounts receivable securitization arrangement. The remaining outstanding principal is payable on maturity. Interest on borrowings under the U.S. Term Loan Credit Agreement can be based on LIBOR or a base rate at the Company’s option, plus a margin. The margin for LIBOR loans ranges from 1.25% to 1.75% and the margin for base rate loans ranges from 0.25% to 0.75%, provided that LIBOR shall not be less than zero. The base rate is a variable rate which is the highest of (a) 0.5% plus the greater of (x) the Federal Funds Rate in effect on such day and (y) the overnight bank funding rate in effect on such day, (b) the Eurodollar Rate plus 1.0% per annum, and (c) the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. During the period in which the term loans were available to be drawn, the Company paid term loan commitment fees. The margins above the Company's applicable interest rates are, and the term loan commitment fee were, based on the Company's consolidated leverage ratio as calculated under the U.S. Term Loan Credit Agreement. The Company's obligations under the U.S. Term Loan Credit Agreement are secured by substantially all of the Company's and certain of its domestic subsidiaries' assets on a pari passu basis with the interests of the lenders under the existing U.S. Credit Agreement pursuant to an intercreditor agreement, and are guaranteed by certain of its domestic subsidiaries.

Concentrix United States credit agreement

In October 2020, in preparation for the Separation, Concentrix, which was a subsidiary of the Company at the time, entered into a secured credit agreement (the "Concentrix Credit Agreement") with a group of financial institutions. The Concentrix Credit Agreement includes a $600,000 revolving credit facility and a $900,000 term loan. On November 30, 2020, the full amount of the term loan was drawn. Concentrix may request incremental commitments to increase the principal amount of the revolving line of credit or term loan by $450,000, plus an additional amount which is dependent upon the Concentrix' post Separation pro forma first lien leverage ratio, as calculated under the Concentrix Credit Agreement. The outstanding principal amount of the term loan is repayable in quarterly installments of $11,250 commencing on May 31, 2021, with the unpaid balance due in full on the November 2025 maturity date. The term loan can be repaid at any time prior to the maturity date without penalty. Interest on borrowings under the Concentrix Credit Agreement can be based on LIBOR or a base rate at the Company's option, plus a margin. The margin for LIBOR loans ranges from 1.25% to 2.25% and the margin for base rate loans ranges from 0.25% to 1.25%, provided that LIBOR shall not be less than 0.25%. The base rate is a variable rate which is the highest of (a) the Federal Funds Rate, plus a margin of 0.5%, (b) the rate of interest announced, from time to time, by the agent, Bank of America, N.A., as its "prime rate," and (c) the Eurodollar Rate (subject to a minimum of 0.25%), plus 1.0% per annum. The unused revolving credit facility commitment fee ranges from 0.175% to 0.30% per annum. The margins above the applicable interest rates and the revolving commitment fee for revolving loans are based on Concentrix' post Separation consolidated leverage ratio, as calculated under the Concentrix Credit Agreement. The obligations under the Concentrix Credit Agreement are secured by substantially all of Concentrix and its United States domestic subsidiaries' assets and are guaranteed by certain of Concentrix' United States domestic subsidiaries. The funds borrowed under this facility were utilized to partially repay the Company's outstanding term loans in the United States described earlier in this note. Subsequent to November 30, 2020, with the completion of the Separation, the Concentrix Credit Agreement is no longer recorded as borrowings on the Company's consolidated balance sheet. At November 30, 2020, no amount was outstanding under the revolving line of credit.

Concentrix accounts receivable securitization arrangement

In October 2020, in anticipation of the Separation, Concentrix and certain of its subsidiaries, entered into a $350,000 accounts receivable securitization program (the "Concentrix AR Arrangement) with a maturity date of October 2022. Under the terms of the Concentrix AR Arrangement, Concentrix and certain of its U.S. subsidiaries sell, on a revolving basis, their receivables to a wholly-owned, bankruptcy-remote subsidiary of Concentrix, which is the borrower under this facility. The amount received under the Concentrix AR Arrangement is recorded as debt on the Company's Consolidated Balance Sheet. Borrowings under this facility will bear interest with respect to loans that lenders fund through the issuance of commercial paper at the applicable commercial paper rate plus a spread of 1.05% per annum and, otherwise, at a per annum rate equal to the applicable LIBOR rate plus a spread of 1.15%. In addition, the borrower is obligated to pay a monthly undrawn fee from the initial funding date that will range from 0.30% per annum to 0.38% per annum depending on the amount of outstanding advances from time to time. The borrowings are funded by pledging all of the rights, title and interest in the receivables acquired by Concentrix' bankruptcy-remote subsidiary as security. The funds borrowed under this facility were utilized to partially repay the Company's outstanding term loans in the United States described later in this note. Subsequent to November 30, 2020, with the completion of the Separation, the Concentrix AR Arrangement is no longer recorded as borrowings on the Company's consolidated balance sheet.

SYNNEX Canada revolving line of credit

SYNNEX Canada has an uncommitted revolving line of credit with a bank under which it can borrow up to CAD50,000, or $38,432. Borrowings under the facility are secured by eligible inventory and bear interest at a base rate plus a margin ranging from 0.50% to 2.25% depending on the base rate used. The base rate could be a Banker's Acceptance Rate, a Canadian Prime Rate, LIBOR or U.S. Base Rate. As of both November 30, 2020 and 2019, there were no borrowings outstanding under this credit facility.

Other borrowings and term debt

Other borrowings and term debt include lines of credit with financial institutions at certain locations outside the United States, factoring of accounts receivable with recourse provisions, capital leases, a building mortgage and book overdrafts. As of November 30, 2020, commitments for these revolving credit facilities aggregated $47,920. Interest rates and other terms of borrowing under these lines of credit vary by country, depending on local market conditions. Borrowings under these lines of credit facilities are guaranteed by the Company or secured by eligible accounts receivable.

The maximum commitment amounts for local currency credit facilities have been translated into United States Dollars at November 30, 2020 exchange rates.

Future principal payments

As of November 30, 2020, future principal payments under the above loans are as follows:

Fiscal Years Ending November 30,		
2021	$	158,714
2022		795,085
2023		1,045,000
2024		45,000
2025		731,250
	$	2,775,049

Subsequent to November 30, 2020, upon completion of the Separation, outstanding borrowings aggregating $1,145,118, net of unamortized debt discount and issuance costs, which were part of the arrangements entered into by Concentrix and its subsidiaries, are no longer recorded as borrowings on the Company's consolidated balance sheet.

Interest expense and finance charges

The total interest expense and finance charges for the Company's borrowings were $132,954, $172,777 and $92,899 for fiscal years 2020, 2019 and 2018, respectively. The variable interest rates ranged between 0.74% and 8.41%, between 0.70% and 11.38% and between 0.58% and 12.74% in fiscal years 2020, 2019 and 2018, respectively.

Covenant compliance

The Company's credit facilities have a number of covenants and restrictions that, among other things, require the Company to maintain specified financial ratios and satisfy certain financial condition tests. The covenants also limit the Company's ability to incur additional debt, make or forgive intercompany loans, pay dividends and make other types of distributions, make certain acquisitions, repurchase the Company's stock, create liens, cancel debt owed to the Company, enter into agreements with affiliates, modify the nature of the Company's business, enter into sale-leaseback transactions, make certain investments, transfer and sell assets, cancel or terminate any material contracts and merge or consolidate. As of November 30, 2020, the Company was in compliance with all material covenants 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:

	Fiscal Years Ended November 30,					
		2020		2019		2018
Basic earnings per common share:						
Net income	$	529,160	$	500,712	$	299,981
Less: net income allocated to participating securities(1)		(5,884)		(4,593)		(2,728)
Net income attributable to common stockholders	$	523,276	$	496,119	$	297,253
Weighted-average number of common shares - basic		50,900		50,669		41,215
Basic earnings per common share	$	10.28	$	9.79	$	7.21
Diluted earnings per common share:						
Net income	$	529,160	$	500,712	$	299,981
Less: net income allocated to participating securities(1)		(5,847)		(4,573)		(2,716)
Net income attributable to common stockholders	$	523,313	$	496,139	$	297,265
Weighted-average number of common shares - basic		50,900		50,669		41,215
Effect of dilutive securities:						
Stock options and restricted stock units		337		267		236
Weighted-average number of common shares - diluted		51,237		50,936		41,451
Diluted earnings per common share	$	10.21	$	9.74	$	7.17
Anti-dilutive shares excluded from diluted earnings per share calculation		63		108		97

(1) Restricted stock awards granted by the Company are considered participating securities.

NOTE 11—SEGMENT INFORMATION:

Summarized financial information related to the Company's reportable business segments for the periods presented is shown below:

	Technology Solutions	Concentrix	Inter-Segment Elimination	Consolidated
Fiscal Year ended November 30, 2020				
Revenue	$ 19,977,150	$ 4,719,534	$ (21,121)	$ 24,675,563
External revenue	19,976,885	4,698,678		24,675,563
Operating income	521,341	308,761	—	830,103
Depreciation and amortization expense	65,071	276,566	—	341,637
Total assets	9,993,448	5,177,556	(1,702,414)	13,468,590
Fiscal Year ended November 30, 2019	.			
Revenue	$ 19,069,970	$ 4,707,912	$ (20,589)	$ 23,757,293
External revenue	19,069,966	4,687,327		23,757,293
Operating income	519,429	294,332	—	813,761
Depreciation and amortization expense	66,329	305,779	—	372,108
Total assets	10,312,512	4,645,475	(3,260,027)	11,697,960
Fiscal Year ended November 30, 2018				
Revenue	$ 17,323,163	$ 2,463,151	$ (18,369)	$ 19,767,945
External revenue	17,323,078	2,444,867		19,767,945
Operating income	405,475	144,761	—	550,236
Depreciation and amortization expense	70,688	154,599	—	225,287
Total assets	10,207,964	4,776,313	(3,440,779)	11,543,498

Inter-segment elimination represents services and other transactions, principally intercompany investments and loans, between the Company's reportable segments that are eliminated on consolidation. In preparation of the Separation, SYNNEX entered into a Commercial Agreement with Concentrix effective on December 1, 2020 that governs the provision of ongoing services and other items between SYNNEX and Concentrix.

Geographic information

The Company attributes revenues from external customers to the country from where Technology Solutions products are delivered and the country of domicile of the Concentrix legal entity that is party to the client contract. Shown below are the countries that accounted for 10% or more of the Company's revenue and property and equipment, net, for the periods presented:

	Fiscal Years Ended November 30,		
	2020	2019	2018
Revenue:			
United States	$ 16,283,951	$ 15,760,749	$ 14,169,619
Others	8,391,612	7,996,544	5,598,326
Total	$ 24,675,563	$ 23,757,293	$ 19,767,945

	As of November 30,	
	2020	2019
Property and equipment, net:		
United States	$ 276,063	$ 287,679
Philippines	87,686	63,421
Others	245,545	218,799
Total	$ 609,294	$ 569,899

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 the Company's primary investor through its affiliates. As of both November 30, 2020 and 2019, MiTAC Holdings and its affiliates beneficially owned approximately 18% of the Company's outstanding common stock. Mr. Matthew Miau, 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 18% of the Company's outstanding common stock as of November 30, 2020. These shares are owned by the following entities:

	As of November 30, 2020
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 190 shares held directly by Mr. Miau and 217 shares indirectly held by Mr. Miau 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 8.7% in MiTAC Incorporated, a privately-held Taiwanese company, which in turn holds a noncontrolling interest of 15.2% in Synnex Technology International. Neither MiTAC Holdings nor Mr. Miau is affiliated with any person(s), entity, or entities that hold a majority interest in MiTAC Incorporated.

MiTAC Holdings generally has influence over the Company regarding matters submitted to stockholders for consideration, including any merger or acquisition of the Company. Among other things, this could have the effect of delaying, deterring or preventing a change of control over the Company.

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

	Fiscal Years Ended November 30,		
	2020	2019	2018
Purchases of inventories and services	$ 211,858	$ 173,390	$ 217,430
Sale of products to MiTAC Holdings and affiliates	1,071	761	2,422
Reimbursements received (payments made) for rent and overhead costs for use of facilities by MiTAC Holdings and affiliates, net	(129)	(41)	71

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

	As of November 30,	
	2020	2019
Receivable from related parties (included in Accounts receivable, net)	$ 26,154	$ 4,405
Payable to related parties (included in Accounts payable)	49,603	23,179

The Company's business relationship with MiTAC Holdings and its affiliates has been informal and is generally not governed by long-term commitments or arrangements with respect to pricing terms, revenue or capacity commitments. The Company negotiates pricing and other material terms on a case-by-case basis with MiTAC Holdings and affiliates. The Company has adopted a policy requiring that material transactions with MiTAC Holdings or its related parties be approved by its Audit Committee, which is composed solely of independent directors. In addition, Mr. Miau's compensation is approved by the Nominating and Corporate Governance Committee, which is also composed solely of independent directors.

Synnex Technology International is a publicly-traded corporation in Taiwan that currently provides distribution and fulfillment services to various markets in Asia and Australia, and is also a potential competitor of the Company. Neither MiTAC Holdings nor Synnex Technology International is restricted from competing with the Company.

NOTE 13—PENSION AND EMPLOYEE BENEFITS PLANS:

The Company has 401(k) plans in the United States under which eligible employees may contribute up to the maximum amount as provided by law. Employees become eligible to participate in these plans on the first day of the month after their employment date. The Company may make discretionary contributions under the plans. Employees in most of the Company's international subsidiaries are covered by government mandated defined contribution plans. During fiscal years 2020, 2019 and 2018, the Company contributed $67,772, $47,441 and $38,531, respectively, to defined contribution plans.

The Company has a deferred compensation plan for certain directors and officers. Distributions under the plan are subject to Section 409A of the United States Tax Code. The Company may invest balances in the plan in trading securities reported on recognized exchanges. As of November 30, 2020 and 2019, the deferred compensation liability balance was $4,628 and $5,389, respectively.

Defined Benefit Plans

The Company has defined benefit pension or retirement plans for eligible employees in certain international subsidiaries. Benefits under these plans are primarily based on years of service and compensation during the years immediately preceding retirement or termination of participation in the plans. In addition, as part of a prior acquisition, the Company acquired a frozen defined benefit pension plan, which includes both a qualified and non-qualified portion, for all eligible employees in the U.S. ("the cash balance plan") and unfunded defined benefit plans for certain eligible employees in the Philippines, Malaysia and France. The pension benefit formula for the cash balance plan is determined by a combination of compensation, age-based credits and annual guaranteed interest credits. The qualified portion of the cash balance plan has been funded through contributions made to a trust fund. The plan assumptions are evaluated annually and are updated as deemed necessary. Net benefit costs were $13,823, $10,308 and $3,960, during fiscal years 2020, 2019 and 2018, respectively.

The Company's measurement date for all defined benefit plans and other postretirement benefits is November 30 and the plan assumptions are evaluated annually and are updated as deemed necessary.

The status of employee defined benefit plans is summarized below:

	Year Ended November 30,	
	2020	2019
Change in Benefit Obligation:		
Benefit obligation at beginning of year	$ 268,537	$ 247,697
Service cost	7,886	6,439
Interest cost	8,404	10,291
Actuarial (gain) loss	24,112	32,584
Benefits paid	(13,656)	(16,274)
Settlements	(7,579)	(13,140)
Foreign currency adjustments	1,795	940
Projected obligation at end of year	$ 289,499	$ 268,537
Change in Plan Assets:		
Fair value of plan assets at beginning of year	$ 151,862	$ 164,693
Actual return on assets	13,780	5,438
Settlement	(7,579)	(13,140)
Employer contributions	3,156	1,872
Employee contributions	813	723
Benefit paid	(7,918)	(7,728)
Foreign currency adjustments	79	4
Fair value of plan assets at end of year	$ 154,192	$ 151,862
Funded Status of Plans:		
Unfunded status	$ 135,307	$ 116,675

Amounts recognized in the Consolidated Balance Sheet as of November 30, 2020 and 2019 consist of:

	As of November 30,	
	2020	2019
Current liability	$ 10,206	$ 9,189
Non-current liability	$ 125,101	$ 107,486

The following weighted-average rates were used in determining the benefit obligations at November 30, 2020 and 2019.

	2020	2019
Discount rate	0.2% - 4.7%	0.2% - 7.4%
Expected long-term rate of return on plan assets	1.5% - 7.5%	1.5% - 7.5%
Expected rate of future compensation growth	1.75% - 8.5%	1.8% - 10.0%

The following weighted-average rates were used in determining the pension costs during fiscal years ended November 30, 2020, 2019 and 2018:

	2020	2019	2018
Discount rate	0.2% - 6.0%	0.3% - 7.6%	0.3% - 8.1%
Expected long-term rate of return on plan assets	1.5% - 7.5%	1.5% - 7.5%	1.5% - 7.5%
Expected rate of future compensation growth	1.75% - 8.5%	1.8% - 10.0%	1.8% - 10.0%

The range of discount rates utilized in determining the pension cost and projected benefit obligation of the Company's defined benefit plans reflects a lower prevalent rate applicable to the frozen cash balance plan for eligible employees in the U.S. and a higher applicable rate for the unfunded defined benefit plan for certain eligible employees in the Philippines, France, India, Japan and Malaysia. The plans outside the U.S. represented approximately 26% and 24%, respectively, of the Company's total projected benefit obligation for all plans as of November 30, 2020 and 2019**.**

Plan Assets

As of November 30, 2020 and 2019, plan assets for the cash balance plan consisted of common/collective trusts (of which approximately 60% are invested in equity backed funds and approximately 40% are invested in funds in fixed income instruments) and a private equity fund. The Company's targeted allocation was 60% equity and 40% fixed income. The investment objectives for the plan assets are to generate returns that will enable the plan to meet its future obligations. The Company’s expected long-term rate of return was determined based on the asset mix of the plan, projected returns, past performance and other factors. The Company has satisfied its ERISA funding requirements through 2020. The following table sets forth the fair value of those plan assets as of November 30, 2020 and 2019:

	As of November 30,	
	2020	2019
Asset Category:		
Cash and cash equivalents	$ 3,787	$ 3,474
Fixed income	58,943	61,005
Equity securities:		
U.S. large cap	43,020	48,293
U.S. small cap	9,662	9,025
International equity	38,097	29,271
Investment funds	416	374
Limited partnership	267	420
Total investments	$ 154,192	$ 151,862

The cash balance plan holds level 2 investments in common/collective trust funds that are public investment vehicles valued using a net asset value provided by the manager of each fund based on the underlying net assets owned by the fund, divided by the number of shares outstanding. The Company’s cash balance plan holds Level 3 investments within equity funds that primarily invest in domestic early stage capital funds.

Benefit Payments

The following table details expected benefit payments for the assumed cash balance plan:

Fiscal Years Ending November 30,	
2021	$ 28,415
2022	26,364
2023	25,311
2024	24,501
2025	23,958
Thereafter (2026-2030)	101,065
	$ 229,614

No plan assets are expected to be returned to the Company during fiscal year 2021. The Company expects to make approximately $8,319 in contributions during fiscal year 2021.

The Company also expects approximately $4,652 of actuarial loss included in AOCI will be recognized during fiscal year 2021.

Substantially all of the defined benefit plans are related to the Concentrix segment. Subsequent to November 30, 2020, upon completion of the Separation, the Company no longer has any obligation under the plans related to the Concentrix segment.

NOTE 14—LEASES:

The Company leases certain of its facilities and equipment under operating lease agreements, which expire in various periods through 2034. The Company’s finance leases are not material.

The following table presents the various components of lease costs.

	Fiscal Year Ended November 30, 2020
Operating lease cost	$ 248,740
Short-term lease cost	11,229
Variable lease cost	43,954
Sublease income	(1,675)
Total operating lease cost	$ 302,248

The following table presents a maturity analysis of expected undiscounted cash flows for operating leases on an annual basis for the next five years and thereafter as of November 30, 2020:

Fiscal Years Ending November 30,	
2021	$ 216,224
2022	174,190
2023	125,389
2024	88,121
2025	50,851
Thereafter	39,928
Total payments	$ 694,703
Less: imputed interest*	84,749
Total present value of lease payments	$ 609,954

*Imputed interest represents the difference between undiscounted cash flows and discounted cash flows.

Subsequent to November 30, 2020, upon completion of the Separation, undiscounted future cash flows of $611,568 which were part of lease agreements entered into by Concentrix are no longer the Company’s obligation.

During the fiscal years ended November 30, 2019 and 2018, rent expense was $257,809 and $136,870, respectively. Sublease income was immaterial for both these years.

The following amounts were recorded in the Company's Consolidated Balance Sheet as of November 30, 2020:

Operating leases	Balance sheet location	November 30, 2020
Operating lease ROU assets	Other assets, net	$ 576,943
Current operating lease liabilities	Other accrued liabilities	183,180
Non-current operating lease liabilities	Other long-term liabilities	426,774

The following table presents supplemental cash flow information related to the Company's operating leases for fiscal year ended November 30, 2020. Cash payments related to variable lease costs and short-term leases are not included in the measurement of operating lease liabilities, and, as such, are excluded from the amounts below:

Cash flow information	Fiscal Year Ended November 30, 2020
Cash paid for amounts included in the measurement of lease liabilities	$ 228,616
Non-cash ROU assets obtained in exchange for lease liabilities (subsequent to initial adoption)	149,546

The weighted-average remaining lease term and discount rate as of November 30, 2020 were as follows:

Operating lease term and discount rate	Operating Leases
Weighted-average remaining lease term (years)	4.04
Weighted-average discount rate	6.74%

Future minimum contractually required cash payment obligations under non-cancellable lease agreements as of November 30, 2019 were as follows:

Fiscal Years Ending November 30,		
2020	$	213,649
2021		174,611
2022		132,778
2023		96,084
2024		66,753
Thereafter		71,351
Total minimum lease payments	$	755,226

NOTE 15—INCOME TAXES:

The sources of income before the provision for income taxes are as follows:

	Fiscal Years Ended November 30,					
	2020		2019		2018	
United States	$	211,746	$	204,651	$	195,058
Foreign		492,296		473,052		261,519
	$	704,042	$	677,703	$	456,577

Provision for income taxes consists of the following:

	Fiscal Years Ended November 30,					
	2020		2019		2018	
Current tax provision:						
Federal	$	61,488	$	71,376	$	113,243
State		19,547		14,421		20,263
Foreign		142,839		109,383		70,162
	$	223,874	$	195,180	$	203,668
Deferred tax provision (benefit):						
Federal	$	(23,020)	$	(20,166)	$	(30,334)
State		(4,326)		(1,389)		(4,836)
Foreign		(21,646)		3,366		(11,902)
	$	(48,992)	$	(18,189)	$	(47,072)
Total tax provision	$	174,882	$	176,991	$	156,596

On December 22, 2017, the TCJA was enacted into law. The TCJA provided for significant changes to the U.S. Internal Revenue Code of 1986, as amended, that impacted corporate taxation requirements. The TCJA significantly revised the ongoing U.S. corporate income tax law by lowering the U.S. federal corporate income tax rate from 35% to 21%, implementing a territorial tax system, imposing a one-time tax on foreign unremitted earnings and setting limitations on deductibility of certain costs (e.g., interest expense), among other things. During fiscal year 2018, the Company accounted for the impact of the TCJA resulting in additional income tax expense of $33,109. The significant components of this expense were (i) the one-time deemed repatriation tax on unremitted non-U.S. earnings and profits that were previously tax deferred and other tax impacts of the TCJA, which resulted in an increase in income tax expense, net of deductions and credits, of $59,823 and (ii) the remeasurement of net deferred tax liabilities at the lower enacted U.S. federal corporate tax rate, which resulted in a decrease of $26,714 in income tax expense.

The following presents the breakdown of net deferred tax liabilities:

	As of November 30,			
	2020		2019	
Deferred tax assets	$	87,059	$	97,539
Deferred tax liabilities		(159,396)		(222,210)
Total net deferred tax liabilities	$	(72,337)	$	(124,671)

Net deferred tax liabilities consist of the following:

	As of November 30,	
	2020	2019
Assets:		
Operating lease liability	$ 117,318	$ —
Net operating losses	75,965	68,582
Accruals and other reserves	52,879	71,513
Unrealized losses on cash flow hedges	31,810	17,870
Allowance for doubtful accounts and sales return reserves	29,029	11,759
Inventory reserves	13,852	17,404
Share-based compensation expense	9,717	11,856
Foreign tax credit	5,829	296
Deferred revenue	5,418	5,625
Tax credits	5,302	6,810
Deferred and prepaid compensation	4,762	2,110
Property, Equipment and Intangible assets	185	12,579
Other	14,524	4,953
Gross deferred tax assets	366,589	231,357
Valuation allowance	(50,518)	(51,118)
Total deferred tax assets	$ 316,070	$ 180,239
Liabilities:		
Intangible assets	$ (245,116)	$ (277,147)
ROU assets	(111,466)	—
Unremitted non-U.S. earnings	(28,882)	(27,771)
Other	(2,944)	8
Total deferred tax liabilities	$ (388,408)	$ (304,910)
Net deferred tax liabilities	$ (72,337)	$ (124,671)

The valuation allowance relates primarily to certain state and foreign net operating loss carry forward, foreign deferred items and state credits. The Company's assessment is that it is not more likely than not that these deferred tax assets will be realized.

A reconciliation of the statutory United States federal income tax rate to the Company's effective income tax rate is as follows:

	Fiscal Years Ended November 30,		
	2020	2019	2018
Federal statutory income tax rate	21.0%	21.0%	22.2%
State taxes, net of federal income tax benefit	1.4	1.5	2.4
Global intangible low taxed income	1.0	1.6	—
Foreign taxes	0.3	(2.3)	0.6
Tax on anticipated distributions from subsidiaries	0.2	1.0	—
Adjustments related to the TCJA	—	—	7.2
Uncertain tax benefits	(0.8)	2.6	—
Other	1.7	0.7	1.9
Effective income tax rate	24.8%	26.1%	34.3%

The Company's United States business has sufficient cash flow and liquidity to fund its operating requirements and the Company expects and intends that profits earned outside the United States will be fully utilized and reinvested outside of the United States with the exception for earnings of certain previously acquired foreign entities. The Company recorded deferred tax liabilities related to non-U.S. withholding taxes related to the earnings likely to be repatriated in the future.

As of November 30, 2020, the Company had approximately $1,814,000 of undistributed earnings of its non-U.S. subsidiaries for which it has not provided for non-U.S. withholding taxes and state taxes because such earnings are intended to be reinvested indefinitely in international operations. It is not practicable to determine the amount of applicable taxes that would be due if such earnings were distributed. Accordingly, the Company has not provisioned United States state taxes and foreign withholding taxes on non-U.S. subsidiaries for which the earnings are permanently reinvested.

As of November 30, 2020, the Company had net operating loss carry forward of approximately $41,700 and $36,590 for federal and state purposes, respectively. The federal net operating loss carry forward will start expiring in fiscal year ending November 30, 2021, if not used, and the state net operating loss carry forward will start expiring in fiscal year ending November 30, 2021, if not used. The Company also had approximately $161,150 of foreign net operating loss carry forward that will also start expiring in fiscal year ending November 30, 2021 if not used. In addition, the Company had approximately $7,600 of various federal and state income tax credit carry forwards that if not used, will begin expiring in fiscal year ending November 30, 2021. Utilization of the acquired loss carry forwards may be limited pursuant to Section 382 of the Internal Revenue Code of 1986.

The Company enjoys tax holidays in certain jurisdictions, primarily, China, Costa Rica, Nicaragua and the Philippines. The tax holidays provide for lower or zero rates of taxation and require various thresholds of investment and business activities in those jurisdictions. Certain tax holidays begin to expire in fiscal year 2021. The estimated range of tax benefits from the above tax holidays on diluted earnings per share for fiscal years 2020, 2019 and 2018 were approximately $0.25 to $0.29, $0.06 to $0.07 and $0.10 to $0.12, respectively.

The aggregate changes in the balances of gross unrecognized tax benefits, excluding accrued interest and penalties, during fiscal years 2020, 2019 and 2018 were as follows:

Balance as of November 30, 2017	$	38,282
Additions based on tax positions related to the current year		8,173
Additions for tax positions of prior years and acquisition		10,763
Lapse of statute of limitations		(3,641)
Changes due to translation of foreign currencies		398
Balance as of November 30, 2018		53,975
Additions based on tax positions related to the current year		15,569
Additions for tax positions of prior years and acquisition		9,067
Lapse of statute of limitations		(7,234)
Changes due to translation of foreign currencies		(15)
Balance as of November 30, 2019		71,362
Additions based on tax positions related to the current year		7,080
Additions for tax positions of prior years and acquisition		3,228
Reductions for tax positions of prior years		(3,097)
Settlements		(144)
Lapse of statute of limitations		(17,547)
Changes due to translation of foreign currencies		(467)
Balance as of November 30, 2020	$	60,416

The Company conducts business globally and files income tax returns in various U.S. and foreign tax jurisdictions. The Company is subject to continuous examination and audits by various tax authorities. Significant audits are underway in the United States, Canada and India. The Company is not aware of any material exposures arising from these tax audits or in other jurisdictions not already provided for.

Although timing of the resolution of audits and/or appeals is highly uncertain, the Company believes it is reasonably possible that the total amount of unrecognized tax benefits as of November 30, 2020 will not materially change in the next twelve months. The Company is no longer subject to U.S. federal income tax audit for returns covering years through fiscal 2015. The Company is no longer subject to foreign or state income tax audits for returns covering years through 2003, and fiscal year 2002, respectively.

As of November 30, 2020, $60,416 of the total unrecognized tax benefits, net of federal benefit, would affect the effective tax rate, if realized. The Company's policy is to include interest and penalties related to income taxes, including unrecognized tax benefits, within the provision for income taxes. As of November 30, 2020 and 2019, the Company had accrued $15,686 and $15,627, respectively, in income taxes payable related to accrued interest and penalties.

In preparation of the Separation, SYNNEX entered into a Tax Matters Agreement with Concentrix effective on December 1, 2020 that governs the rights and obligations of SYNNEX and Concentrix for certain pre-Separation tax liabilities. The Tax Matters Agreement provides that SYNNEX and Concentrix will share certain pre-Separation income tax liabilities that arise from adjustments made by tax authorities to SYNNEX and Concentrix' U.S. and certain non-U.S. income tax returns. In certain jurisdictions SYNNEX and Concentrix have joint and several liability for past income tax liabilities and accordingly, SYNNEX could be legally liable under applicable tax law for such liabilities and required to make additional tax payments.

In addition, if the distribution of Concentrix' common shares to the SYNNEX stockholders is determined to be taxable, Concentrix and SYNNEX would share the tax liability equally, unless the taxability of the distribution is the direct result of action taken by either Concentrix or SYNNEX subsequent to the distribution in which case the party causing the distribution to be taxable would be responsible for any taxes imposed on the distribution.

NOTE 16—COMMITMENTS AND CONTINGENCIES:

The Company was contingently liable as of November 30, 2020 under agreements to repurchase repossessed inventory acquired by flooring companies as a result of default on floor plan financing arrangements by the Company's customers. These arrangements are described in Note 8 and do not have expiration dates. 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. There have been no repurchases through November 30, 2020 under these agreements 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.

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, 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. SYNNEX 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.

NOTE 17—SUBSEQUENT EVENTS:

As described in Note 1, on December 1, 2020, the Company completed the previously announced separation of Concentrix, its customer experience services businesses, into an independent public company in a tax-free transaction for federal income tax purposes. In order to present the impact of the Separation, the Company has prepared the following unaudited pro forma condensed consolidated balance sheet as if the Separation occurred on November 30, 2020. The unaudited pro forma condensed consolidated balance sheet has been prepared for illustrative and informational purposes only and does not purport to project the future financial position of SYNNEX following the completion of the Separation. The pro forma adjustments include classification of intercompany balances as third party balances and a charge to SYNNEX' consolidated retained earnings to reflect the distribution of Concentrix stock to its stockholders.

		Pro forma SYNNEX
ASSETS		
Current assets:		
Cash and cash equivalents	$	1,412,016
Accounts receivable, net		2,808,125
Receivable from vendors, net		286,327
Inventories		2,684,076
Other current assets		180,343
Total current assets		7,370,887
Property and equipment, net		157,645
Goodwill		423,885
Intangible assets, net		186,047
Deferred tax assets		39,636
Other assets		138,069
Total assets	$	8,316,169
LIABILITIES AND EQUITY		
Current liabilities:		
Borrowings, current	$	124,958
Accounts payable		3,753,634
Accrued compensation and benefits		103,075
Other accrued liabilities		618,616
Income taxes payable		46,363
Total current liabilities		4,646,647
Long-term borrowings		1,496,700
Other long-term liabilities		130,296
Deferred tax liabilities		5,836
Total liabilities		6,279,478
Stockholders' equity		2,036,692
Total liabilities and equity	$	8,316,169

As described in Note 3, on January 11, 2021, the Company declared the reinstatement of a quarterly cash dividend.

SELECTED QUARTERLY CONSOLIDATED FINANCIAL DATA (Unaudited)

The following table presents selected unaudited consolidated financial results for each of the eight quarters in the two-year period ended November 30, 2020. In the Company's opinion, this unaudited information has been prepared on the same basis as the audited information and includes all adjustments (consisting of only normal recurring adjustments) necessary to fairly state the financial information for the periods presented.

	Fiscal Year 2020 Three Months Ended				Fiscal Year 2019 Three Months Ended			
Statements of Operations Data: (currency and share amounts in thousands, except per share amounts)	**Feb. 29, 2020**	**May 31, 2020**	**Aug. 31, 2020**	**Nov. 30, 2020**	**Feb. 28, 2019**	**May 31, 2019**	**Aug. 31, 2019**	**Nov. 30, 2019**
(Amounts may not add due to rounding)								
Revenue:								
Products	$ 4,081,024	$ 4,470,928	$ 5,306,361	$ 6,118,571	$ 4,080,684	$ 4,567,072	$ 5,047,968	$ 5,374,241
Services	1,183,173	1,061,711	1,158,421	1,295,373	1,168,769	1,155,816	1,155,690	1,207,052
Total revenue	5,264,198	5,532,639	6,464,782	7,413,944	5,249,453	5,722,889	6,203,659	6,581,293
Cost of revenue:								
Products	(3,825,920)	(4,196,312)	(5,008,881)	(5,751,929)	(3,833,117)	(4,297,096)	(4,746,197)	(5,036,301)
Services	(739,934)	(718,514)	(747,809)	(838,660)	(737,415)	(727,324)	(731,472)	(750,453)
Gross profit	698,345	617,812	708,092	823,355	678,921	698,468	725,990	794,539
Selling, general and administrative expenses	(509,690)	(506,088)	(498,956)	(502,768)	(516,958)	(523,813)	(517,135)	(526,251)
Operating income	188,655	111,724	209,136	320,588	161,963	174,655	208,855	268,288
Interest expense and finance charges, net	(36,376)	(33,921)	(28,749)	(28,290)	(41,606)	(43,144)	(42,945)	(38,726)
Other income (expense), net	2,380	1,466	(567)	(2,004)	(695)	21,546	(1,087)	10,599
Income before income taxes	154,659	79,270	179,819	290,294	119,662	153,057	164,823	240,161
Provision for income taxes	(32,075)	(22,310)	(45,356)	(75,142)	(32,556)	(38,584)	(41,691)	(64,160)
Net income	$ 122,584	$ 56,960	$ 134,464	$ 215,152	$ 87,106	$ 114,473	$ 123,132	$ 176,001
Earnings per common share:								
Basic	$ 2.38	$ 1.11	$ 2.61	$ 4.17	$ 1.70	$ 2.24	$ 2.41	$ 3.44
Diluted	$ 2.36	$ 1.10	$ 2.60	$ 4.14	$ 1.69	$ 2.23	$ 2.40	$ 3.41
Weighted-average common shares outstanding - basic	50,815	50,849	50,890	51,048	50,706	50,675	50,601	50,693
Weighted-average common shares outstanding - diluted	51,232	51,047	51,241	51,432	50,927	50,939	50,845	51,032
Cash dividends declared per share	$ 0.400	$ —	$ —	$ —	$ 0.375	$ 0.375	$ 0.375	$ 0.375

EPS for each quarter is computed using the weighted-average number of shares outstanding during that quarter, while EPS for the fiscal year is computed using the weighted-average number of shares outstanding during the fiscal year. The sum of EPS for each of the four quarters may not equal EPS for the fiscal year.

SYNNEX CORPORATION

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS
For the Fiscal Years Ended November 30, 2020, 2019 and 2018
(in thousands)
(Amounts may not add due to rounding)

	Balances at Beginning of Fiscal Year	Additions/Deductions Charged to Revenue and Expense, net	Additions from Acquisitions	Reclassifications and Write-offs	Balances at End of Fiscal Year
Fiscal Year Ended November 30, 2018					
Allowance for sales returns-gross	$ 53,139	$ 7,917	$ —	$ (1,869)	$ 59,186
Allowance for deferred tax assets	18,604	(2,555)	45,791	—	61,840
Fiscal Year Ended November 30, 2019					
Allowance for sales returns-gross	$ 59,186	$ 20,875	—	$ (4)	$ 80,057
Allowance for deferred tax assets	61,840	5,361	—	(16,083)	51,118
Fiscal Year Ended November 30, 2020					
Allowance for sales returns-gross	$ 80,057	$ 17,385	$ —	$ 183	$ 97,625
Allowance for deferred tax assets	51,118	639	—	(261)	51,496

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

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 Report, 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.

Management's Report on internal control over financial reporting

Management's Report on internal control over financial reporting on page 45 is incorporated herein by reference.

Changes in internal control over financial reporting

The COVID-19 pandemic driven remote working arrangement did not have any material impact on our internal controls over financial reporting. There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the last fiscal year covered by this report that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. ***Other Information***

None.

PART III

Item 10. *Directors, Executive Officers and Corporate Governance*

The information required by this item (with respect to Directors) is incorporated by reference from the information under the caption "Election of Directors" "Corporate Governance -- Organization of the Board of Directors" contained in our Proxy Statement to be filed with the Securities and Exchange Commission in connection with the solicitation of proxies for our 2021 Annual Meeting of Stockholders to be held on March 16, 2021 (the "Proxy Statement"). Certain information required by this item concerning executive officers is set forth in Part I of this Report under the caption "Information About Our Executive Officers."

Item 405 of Regulation S-K calls for disclosure of any known late filing or failure by an insider to file a report required by Section 16(a) of the Exchange Act. To the extent disclosure for delinquent reports is being made, it can be found under the caption "Delinquent Section 16(a) Reports" in the Proxy Statement and is incorporated herein by reference.

We have adopted a code of ethics that applies to all of our employees, including our principal executive officer, our principal financial and accounting officer, our controllers and persons performing similar functions. This code of ethics, called a Code of Ethical Business Conduct, is available free of charge on our public website (www.synnex.com) on the investor relations webpage. Future amendments or waivers relating to the code of ethics will be disclosed on the webpage referenced in this paragraph within five (5) business days following the date of such amendment or waiver.

Item 11. *Executive Compensation*

The information required by this item is incorporated by reference from the information under the captions "Corporate Governance -- 2020 Directors Compensation Table," "Corporate Governance -- Narrative to Directors Compensation Table," "Executive Compensation," and "Corporate Governance -- Compensation Committee Interlocks and Insider Participation" contained in the Proxy Statement.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information required by this item with respect to security ownership of certain beneficial owners and management is incorporated by reference from the information under the caption "Security Ownership of Certain Beneficial Owners and Management" contained in the Proxy Statement.

Equity Compensation Plan Information

The following table sets forth certain information regarding our equity compensation plans as of November 30, 2020:

Plan Category		Number of securities to be issued upon exercise of outstanding options (a)		Weighted-average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)	
Equity compensation plan approved by security holders	-	683,544	(1) $	92.04	3,307,446	(2)(3)

(1) Includes the number of shares to be issued under our 2003 and 2013 Plans. Please see Note 3 - Stockholders' Equity of the Notes to the Consolidated Financial Statements for further information regarding the plans.

(2) Includes the number of shares reserved for issuance under our 2020 Plan. The number of shares authorized for issuance under our 2020 Plan will not exceed the sum of (i) 2,493,196 shares of common stock plus (ii) any shares under the 2013 Plan that that are subject to outstanding awards to the extent those awards expire, terminate or are canceled for any reason prior to exercise without the issuance or delivery of such shares, any shares subject to vesting restrictions that are subsequently forfeited, and any reserved shares not issued or subject to outstanding awards and (iii) any shares that are subject to outstanding options under the 2003 Plan to the extent those options expire, terminate, or are canceled for any reason prior to exercise without the issuance or delivery of such shares, up to a maximum of 1,443,193 shares. Please see Note 3 - Stockholders' Equity of the Notes to the Consolidated Financial Statements for further information regarding the SYNNEX Plans.

(3) Includes 562,516 shares available-for-sale pursuant to our 2014 Employee Stock Purchase Plan. Shares of common stock will be purchased at a price equal to 95% of the fair market value per share of common stock on either the first trading day of the offering period or on the last trading day of the accumulation period, whichever is lower. See Note 3 - Stockholders' Equity of the Notes to the Consolidated Financial Statements for further information regarding the 2014 Employee Stock Purchase Plan.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

The information required by this item is incorporated by reference from the information contained under the caption "Certain Relationships and Related Party Transactions" and "Election of Directors" contained in the Proxy Statement.

Item 14. ***Principal Accounting Fees and Services***

The information required by this item is incorporated by reference from the information contained under the caption "Ratification of the Appointment of Independent Registered Public Accountants" contained in the Proxy Statement.

PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) Documents filed as part of this report:

(1) Financial Statements

See Index under Item 8.

(2) Financial Statements Schedule

See Index under Item 8.

(3) Exhibits

See Item 15(b) below. Each compensatory plan required to be filed has been identified.

(b) Exhibits.

Exhibit Number	Description of Document
2.1+	Agreement and Plan of Merger, dated as of June 28, 2018, by and among the Company, Delta Merger Sub I, Inc., Delta Merger Sub II, LLC, and Convergys Corporation (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on July 2, 2018).
2.2	Amendment No. 1 to the Agreement and Plan of Merger, dated as of August 22, 2018, by and among the Company, Delta Merger Sub I, Inc., Delta Merger Sub II, LLC, and Convergys Corporation (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed on October 5, 2018).
3(i).1	Restated Certificate of Incorporation (incorporated by reference to Exhibit 3(i).3 to Amendment No. 1 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).
3(ii).2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3(ii).1 to the Company's Current Report on Form 8-K filed on April 2, 2008).
4.1	Form of Common Stock Certificate (incorporated by reference to the exhibit of the same number to Amendment No. 2 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).
4.2	Description of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.2 to the Company's Annual Report in Form 10-K for the year ended November 30, 2019).
10.1#	Amended and Restated 2003 Stock Incentive Plan and form of agreements thereunder (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2008).
10.2#	Amended and Restated 2003 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2008).
10.3#	Amendment to Amended and Restated 2003 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2008).
10.4	Form of Indemnification Agreement between the Company and its officers and directors (incorporated by reference to Exhibit 10.6 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).
10.5#	Form of Change of Control Severance Plan (incorporated by reference to Exhibit 10.13 to Amendment No. 1 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).
10.6	Joint Sales and Marketing Agreement, dated as of May 6, 2002, by and between the Company and MiTAC International Corporation (incorporated by reference to Exhibit 10.16 to Amendment No. 2 to the Company's Registration Statement on Form S-1 (File No. 333-108543)).
10.7	Credit Agreement, dated as of November 27, 2013, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and Bank of America, N.A. (incorporated by reference to Exhibit 10.1 to the Company's Current Report in Form 8-K filed on November 27, 2013).
10.8	Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of January 23, 2009, by and among the Originator, the Servicer and SIT Funding Corporation (incorporated by reference to Exhibit 10.34 to the Company's Annual Report in Form 10-K for the year ended November 30, 2008).

Exhibit Number	Description of Document
10.9	Fourth Amended and Restated Receivables Funding and Administration Agreement, dated as of November 12, 2010, by and among SIT Funding Corporation, the lenders party thereto and The Bank of Nova Scotia (incorporated by reference to Exhibit 10.3 to the Company's Current Report in Form 8-K filed on November 18, 2010).
10.10#	Amendment to SYNNEX Corporation Change of Control Severance Plan (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2007).
10.11#	SYNNEX Corporation Deferred Compensation Plan, as amended and restated effective January 1, 2005 (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2007).
10.12#	Offer Letter, dated as of March 27, 2008, by and between the Company and Kevin Murai (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 2, 2008).
10.13#	Offer Letter, dated as of April 1, 2013, by and between the Company and Marshall Witt (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 3, 2013).
10.14#	Amendment to the Amended and Restated 2003 Stock Incentive Plan, dated November 21, 2008 (incorporated by reference to Exhibit 10.32 to the Company's Annual Report on Form 10-K for the year ended November 30, 2008).
10.15#	Form of Notice of Stock Option Grant (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2009).
10.16#	Amendment to Amended and Restated 2003 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2009).
10.17#	2009 Executive Profit Sharing Plan (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2009).
10.18#	Form of Restricted Stock Award (Directors) (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2009).
10.19#	Form of Notice of Restricted Stock Unit Award (Performance Vesting) (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 4, 2010).
10.20	Fourth Omnibus Amendment, dated as of January 11, 2010 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 15, 2010).
10.21#	Amendment to Amended and Restated 2003 Stock Incentive Plan (incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K for the year ended November 30, 2011).
10.22#	Amendment to SYNNEX Corporation Deferred Compensation Plan (incorporated by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K for the year ended November 30, 2011).
10.23#	Amendment to SYNNEX Corporation 2009 Executive Profit Sharing Plan (incorporated by reference to Exhibit 10.26 to the Company's Annual Report on Form 10-K for the year ended November 30, 2011).
10.24	Master HP Partner Agreement, dated as of March 1, 2011, by and between the Company and Hewlett-Packard Company (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 7, 2011).
10.25#	SYNNEX Corporation 2013 Stock Incentive Plan (incorporated by reference to the Company's 2013 Proxy Statement on Schedule 14A (File No. 001-31892) filed on February 22, 2013).
10.26	Amendment to Amended and Restated 2003 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2013).
10.27#	Promotion Letter to Christopher Caldwell, dated as of February 1, 2014 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2014).
10.28#	Form of incentive award agreements related to the SYNNEX Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2014).
10.29	First Amendment to Credit Agreement, dated as of May 28, 2014, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and Bank of America, N.A. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2014).
10.30#	SYNNEX Corporation 2014 Employee Stock Purchase Plan (incorporated by reference to the Company's 2014 Proxy Statement on Schedule 14A (File No. 001-31892) filed on March 3, 2014).

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Exhibit Number	Description of Document
10.31#	Amendment No. 1 to SYNNEX Corporation 2014 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2014).
10.32#	Amendment No. 2 to the SYNNEX Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2014).
10.33	Joinder Agreement, dated as of November 29, 2014, by Hyve Solutions Corporation (incorporated by reference to Exhibit 10.46 to the Company's Annual Report on Form 10-K for the year ended November 30, 2014).
10.34	Second Amendment to Credit Agreement, dated as of May 21, 2015, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and Bank of America, N.A., as agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 22, 2015).
10.35	Third Amendment to Credit Agreement, dated as of January 12, 2016, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and Bank of America, N.A. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 29, 2016).
10.36†	Seventh Omnibus Amendment to Fourth Amended and Restated Receivables Funding and Administration Agreement and Third Amended and Restated Receivables Sane and Servicing Agreement, dated as of November 3, 2016, by and among SIT Funding Corporation, the Company, Hyve Solutions Corporation, the lenders party thereto and The Bank of Nova Scotia (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 9, 2016).
10.37	Amendment Agreement, dated as of August 26, 2016, by and among SYNNEX Infotec Corporation, the Company, the financial institutions party thereto, and The Bank of Tokyo-Mitsubishi, UFJ, Ltd, as agent (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2016).
10.38#	Amendment to Offer Letter, dated as of September 26, 2016, by and between the Company and Kevin Murai (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 26, 2016).
10.39#	Amendment No. 3 to SYNNEX Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.53 to the Company's Annual Report on Form 10-K for the year ended November 30, 2016).
10.40#	Amendment No. 4 to SYNNEX Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2017).
10.41#	Amendment No. 5 to SYNNEX Corporation 2013 Stock Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2018).
10.42	Fourth Amendment to Credit Agreement, dated as of May 5, 2017, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto, and Bank of America, N.A., in its capacity as Administrative Agent and L/C Issuer (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2017).
10.43	Fifth Amendment to Credit Agreement, dated as of July 7, 2017, by and among the Company, the guarantors party thereto, the lenders party thereto and Bank of America, N.A., in its capacity as Administrative Agent, an L/C Issuer and the Swing Line Lender (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2017).
10.44	Sixth Amendment to Credit Agreement, dated as of September 1, 2017, by and among the Company, the guarantors party thereto, the lenders party thereto and Bank of America, N.A., in its capacity as Administrative Agent, an L/C Issuer and the Swing Line Lender (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on September 7, 2017).
10.45	Seventh Amendment to Credit Agreement, dated as of October 3, 2017, by and among the Company, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., in its capacity as Administrative Agent, an L/C Issuer and the Swing Line Lender (incorporated by reference to Exhibit 10.46 to the Company's Annual Report on Form 10-K for the year ended November 30, 2017).
10.46	Eighth Amendment to Credit Agreement, dated as of January 19, 2018, by and among the Company, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., in its capacity as Administrative Agent, an L/C Issuer and the Swing Line Lender (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2018).

Exhibit Number	Description of Document
10.47	Ninth Amendment to Credit Agreement, dated as of May 7, 2018, by and among the Company, the guarantors party thereto, the lenders party thereto and Bank of America, N.A., in its capacity as Administrative Agent, an L/C Issuer and the Swing Line Lender (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2018).
10.48	Tenth Amendment to Credit Agreement, dated as of August 7, 2018, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 7, 2018).
10.49	Eleventh Amendment to Credit Agreement, dated as of October 16, 2018, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.49 to the Company's Annual Report on Form 10-K filed on January 28, 2019).
10.50	Seventh Amendment to Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of September 1, 2017, by and among the Company, SIT Funding Corporation, Hyve Solutions Corporation, the lenders party thereto and The Bank of Tokyo-Mitsubishi UFJ, Ltd. (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2017).
10.51†	Eighth Omnibus Amendment to Fourth Amended and Restated Receivables Funding and Administration Agreement and Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of May 7, 2018, by and among SIT Funding Corporation, the Company, the lenders party thereto and The Bank of Tokyo-Mitsubishi UFJ, LTD, as agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 11, 2018).
10.52	Ninth Omnibus Amendment to Fourth Amended and Restated Receivables Funding and Administration Agreement and Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of September 21, 2018, by and among SIT Funding Corporation, the Company, the lenders party thereto and The Bank of Tokyo-Mitsubishi UFJ, LTD, as agent (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 31, 2018).
10.53	Credit Agreement, dated as of August 9, 2018, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and JPMorgan Chase Bank., N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 10, 2018).
10.54	First Amendment to Credit Agreement, dated as of October 16, 2018, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.54 to the Company's Annual Report on Form 10-K filed on January 28, 2019).
10.55#	Employment Agreement, dated as of January 4, 2018, by and between the Company and Dennis Polk (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 9, 2018).
10.56#	Employment Agreement, dated as of March 1, 2018, by and between the Company and Kevin Murai (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2018).
10.57**	Commitment Letter, dated as of June 28, 2018, by and among SYNNEX, JPMorgan Chase Bank, N.A., Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on June 29, 2018.)
10.58	Consent Letter, dated October 10, 2019, by and among SIT Funding Corporation, the lenders party thereto, and MUFG Bank, Ltd. f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., in connection with that certain Fourth Amended and Restated Receivables Funding and Administration Agreement, dated as of November 12, 2010, by and among SIT Funding Corporation, the lenders party thereto and The Bank of Nova Scotia (incorporated by reference to Exhibit 10.58 to the Company's Annual Report on Form 10-K for the year ended November 30, 2019).
10.59#	Offer Letter, dated as of January 1, 2019, by and between the Company and Michael Urban (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on April 9, 2019).
10.60#	Amendment No. 1 to SYNNEX Corporation's 2020 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on April 7, 2020).

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Exhibit Number	Description of Document
10.61	Seventeenth Amendment to Fourth Amended and Restated Receivables Funding and Administration Agreement (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on April 7, 2020).
10.62	Tenth Omnibus Amendment to Fourth Amended and Restated Receivables Funding and Administration Agreement and Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of April 10, 2020, by and among SIT Funding Corporation, SYNNEX Corporation, the lenders party thereto and The Bank of Tokyo-Mitsubishi UFJ, LTD, as agent (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on April 16, 2020).
10.63	Eleventh Omnibus Amendment to Fourth Amended and Restated Receivables Funding and Administration Agreement and Third Amended and Restated Receivables Sale and Servicing Agreement, dated as of May 26, 2020, by and among SIT Funding Corporation, SYNNEX Corporation, the lenders party thereto and The Bank of Tokyo-Mitsubishi UFJ, LTD, as agent (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on May 28, 2020).
10.64	Forms of incentive award agreements related to the 2020 SYNNEX Corporation Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on October 9, 2020).
10.65	Credit Agreement, dated as of October 16, 2020, by and among Concentrix, the subsidiaries of Concentrix named therein, the lenders signatories thereto from time to time, and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on October 22, 2020).
10.66	Twelfth Amendment to Credit Agreement dated as of October 16, 2020, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto from time to time, and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on October 22, 2020).
10.67	Second Amendment to Credit Agreement dated as of October 16, 2020, by and among the Company, the subsidiaries of the Company named therein, the lenders signatories thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on October 22, 2020).
10.68	Receivables Financing Agreement, dated as of October 30, 2020, by and among Concentrix Receivables, Inc., as borrower, Concentrix Corporation, as initial servicer, the lenders party thereto, and PNC Bank, National Association, as administrative agent (incorporated by reference to Exhibit 10.7 to Amendment No. 2 to the Concentrix Corporation Registration Statement on Form 10 filed on October 30, 2020 (File No. 001-39494)).
10.69	Receivables Purchase Agreement, dated as of October 30, 2020, by and among Concentrix Receivables, Inc., Concentrix Corporation, as servicer, and the subsidiaries of Concentrix Corporation named therein, as originators (incorporated by reference to Exhibit 10.8 to Amendment No. 2 to the Concentrix Corporation Registration Statement on Form 10 filed on October 30, 2020 (File No. 001-39494)).
10.70#	Offer Letter signed November 24, 2020 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on November 25, 2020).
10.71	Separation and Distribution Agreement between SYNNEX Corporation and Concentrix Corporation, dated as of November 30, 2020 (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 2, 2020).+
10.72	Employee Matters Agreement between SYNNEX Corporation and Concentrix Corporation, dated as of November 30, 2020 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on December 2, 2020).
10.73	Tax Matters Agreement between SYNNEX Corporation and Concentrix Corporation, dated as of November 30, 2020 (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on December 2, 2020).
10.74	Master Commercial Agreement between SYNNEX Corporation and Concentrix Corporation, dated as of December 1, 2020 (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on December 2, 2020).
21.1	Subsidiaries of the Company.
23.1	Consent of KPMG LLP, Independent Registered Public Accounting Firm.
24.1	Power of Attorney (see the signature page of this Report).
31.1	Rule 13a-14(a) Certification of Chief Executive Officer.

Exhibit Number	Description of Document
31.2	Rule 13a-14(a) Certification of Chief Financial Officer.
32.1*	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).
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)

\# Indicates management contract or compensatory plan or arrangement.

* 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-K 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.

† Portions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.

\+ The schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the Securities and Exchange Commission upon request.

** On August 9, 2018, the $1.80 billion commitment with respect to "Tranche A of the Bridge Facility" under the Commitment Letter was reduced to zero and the Commitment Letter terminated in its entirety as a result of the Company entering into a new Credit Agreement, dated August 9, 2018, by and among SYNNEX, the subsidiaries of SYNNEX named therein, the lenders signatories thereto from time to time, and JP Morgan Chase Bank., N.A., as administrative agent.

(c) Financial Statement Schedules.

See Index under Item 8.

Item 16. ***Form 10-K Summary***

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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: January 28, 2021

SYNNEX CORPORATION

By: /s/ Dennis Polk

Dennis Polk
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Dennis Polk and Marshall W. Witt, and each of them, his true and lawful attorneys-in-fact, each with full power of substitution, for him or her in any and all capacities, to sign any amendments to this report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact or their substitute or substitutes may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ Dennis Polk **Dennis Polk**	President and Chief Executive Officer (Principal Executive Officer) and Director	January 28, 2021
/s/ Marshall W. Witt **Marshall W. Witt**	Chief Financial Officer (Principal Financial and Principal Accounting Officer)	January 28, 2021
/s/ Kevin Murai **Kevin Murai**	Chairman of the Board	January 28, 2021
/s/ Dwight A. Steffensen **Dwight A. Steffensen**	Lead Independent Director	January 28, 2021
/s/ Matthew F.C. Miau **Matthew F.C. Miau**	Chairman Emeritus of the Board	January 28, 2021
/s/ Fred A. Breidenbach **Fred A. Breidenbach**	Director	January 28, 2021
/s/ Hau Lee **Hau Lee**	Director	January 28, 2021
/s/ Gregory L. Quesnel **Gregory L. Quesnel**	Director	January 28, 2021
/s/ Thomas S. Wurster **Thomas S. Wurster**	Director	January 28, 2021
/s/ Duane E. Zitzner **Duane E. Zitzner**	Director	January 28, 2021
/s/ Andrea M. Zulberti **Andrea M. Zulberti**	Director	January 28, 2021
/s/ Ann F. Vezina **Ann F. Vezina**	Director	January 28, 2021
/s/ Laurie S. Hodrick **Laurie S. Hodrick**	Director	January 28, 2021

Exhibit 21.1

SUBSIDIARIES OF THE COMPANY
As of November 30, 2020

Name of the Subsidiary	State or Country in Which Organized
2117974 Ontario Inc.	Canada
Afina Peru, S.A.C.	Peru
Afina Sistemas Informaticos Limitada	Chile
Afina Sistemas Informaticos, S.L	Spain
Afina Sistemas, Sociedade Ltda.	Brazil
Afina Venezuela, C.A.	Venezuela
Afina, S.R.L.	Argentina
Afinasis, S.A. de C.V.	Mexico
Asset Ohio Fourth Street LLC	Ohio, U.S.A.
Beijing Jumeng Technology Development Ltd.	China
BPO Holdco Coöperatief U.A.	Netherlands
Brazil HoldCo Limited	United Kingdom
Chongqing Jumeng Technologies Development Ltd.	China
CNX Services Jamaica Limited	Jamaica
ComputerLand Corporation	California, U.S.A.
Comstor Colombia S.A.S.	Colombia
Concentrix (Canada) Limited	Canada
Concentrix (Suzhou) Information Consulting Co., Limited	China
Concentrix Beteiligungen GmbH	Germany
Concentrix Brazil Outsourcing of Processes, Administrative Services and Technologies to Enterprises Ltda.	Brazil
Concentrix Business Services UK Limited	United Kingdom
Concentrix CMG Canada ULC	Canada
Concentrix Corporation	Delaware, U.S.A.
Concentrix Costa Rica, S.A.	Costa Rica
Concentrix CRM Services Germany GmbH	Germany
Concentrix CRM Services Hungary Kft	Hungary
Concentrix CRM Services RO S.R.L.	Romania
Concentrix CRM Services UK Limited	United Kingdom
Concentrix CVG (Mauritius) Ltd	Mauritius
Concentrix CVG Brite Voice Systems, LLC	Kansas, U.S.A.
Concentrix CVG CMG Insurance Services LLC	Ohio, U.S.A.
Concentrix CVG CMG UK Limited	United Kingdom
Concentrix CVG Contact Tunisie S.A.R.L.	Tunisia
Concentrix CVG Corporation	Delaware, U.S.A.

Concentrix CVG Customer Management Australia Pty. Ltd.	Australia
Concentrix CVG Customer Management Colombia S.A.S.	Columbia
Concentrix CVG Customer Management Delaware LLC	Delaware, U.S.A.
Concentrix CVG Customer Management Group Inc.	Ohio, U.S.A.
Concentrix CVG Delaware Inc.	Delaware, U.S.A.
Concentrix CVG Delaware International Inc.	Delaware, U.S.A.
Concentrix CVG Egypt Limited Liability Company	Egypt
Concentrix CVG France S.A.R.L.	France
Concentrix CVG Funding Inc.	Kentucky, U.S.A.
Concentrix CVG Global Services AZ, Inc.	Arizona, U.S.A.
Concentrix CVG Global Services El Salvador, S.A. de C.V.	El Salvador
Concentrix CVG Global Services Honduras, S.A.	Honduras
Concentrix CVG Global Services Hong Kong Limited	Hong Kong, China
Concentrix CVG Government Solutions LLC	Ohio, U.S.A.
Concentrix CVG Group Limited	United Kingdom
Concentrix CVG Holding LLC	Delaware, U.S.A.
Concentrix CVG Intelligent Contact Limited	United Kingdom
Concentrix CVG International Bulgaria EOOD	Bulgaria
Concentrix CVG International Holding Ltd.	Bermuda
Concentrix CVG International Sp. Z.o.o.	Poland
Concentrix CVG Ireland Contact Services Limited	Ireland
Concentrix CVG Ireland Limited	Ireland
Concentrix CVG Italy S.R.L.	Italy
Concentrix CVG Learning Solutions LLC	Delaware, U.S.A.
Concentrix CVG LLC	Texas, U.S.A.
Concentrix CVG Malaysia (Phillipines) Sdn. Bhd.	Malaysia
Concentrix CVG Malaysia Sdn. Bhd.	Malaysia
Concentrix CVG Philippines, Inc.	Philippines
Concentrix CVG Pte. Ltd.	Singapore
Concentrix CVG Services Singapore Pte. Ltd.	Singapore
Concentrix CVG Servicios Informáticos, S.L	Spain
Concentrix CVG Singapore Holdings Pte. Ltd.	Singapore
Concentrix CVG Tunisie BPO S.A.R.L.	Tunisia
Concentrix CVG Tunisie S.A.R.L.	Tunisia
Concentrix Daksh Services India Private Limited	India
Concentrix Daksh Services Philippines Corporation	Philippines
Concentrix Digital Services Limited	United Kingdom
Concentrix Duisburg GmbH	Germany
Concentrix Düsseldorf GmbH	Germany
Concentrix Europe Limited	United Kingdom

Concentrix Frankfurt a. M. GmbH	Germany
Concentrix Free Trade Zone, S.A.	Costa Rica
Concentrix Gera GmbH	Germany
Concentrix Global Services GmbH	Germany
Concentrix Gmbh	Austria
Concentrix Halle GmbH	Germany
Concentrix HK Limited	Hong Kong, China
Concentrix Insurance Administration Solutions Corporation	South Carolina, U.S.A.
Concentrix International Europe B.V.	Netherlands
Concentrix International GmbH	Germany
Concentrix International Services Europe B.V.	Netherlands
Concentrix Investment Holdings Corporation	British Virgin Islands
Concentrix Investment Holdings Singapore 1 Pte. Ltd	Singapore
Concentrix Investment Holdings Singapore 2 Pte. Ltd	Singapore
Concentrix Investment Holdings Singapore 3 Pte. Ltd	Singapore
Concentrix Investments Europe B.V.	Netherlands
Concentrix Legal Services Company Limited	Vietnam
Concentrix Leipzig GmbH	Germany
Concentrix Logistics Corporation	British Virgin Islands
Concentrix Management Holding GmbH & Co. KG	Germany
Concentrix México, S. de R.L. de C.V	Mexico
Concentrix Münster GmbH	Germany
Concentrix New (BVI) Corporation	British Virgin Islands
Concentrix NewHK Limited	Hong Kong, China
Concentrix Nicaragua S.A.	Nicaragua
Concentrix Osnabrück GmbH	Germany
Concentrix Receivables, Inc	Delaware, USA
Concentrix Rechenzentrum GmbH	Germany
Concentrix Romania S.R.L.	Romania
Concentrix Schwerin GmbH	Germany
Concentrix Services (Colombia) S.A.S.	Colombia
Concentrix Services (Dalian) Co., Ltd.	China
Concentrix Services (Germany) GmbH	Germany
Concentrix Services (Ireland) Limited	Ireland
Concentrix Services (Netherlands) B.V.	Netherlands
Concentrix Services (New Zealand) Limited	New Zealand
Concentrix Services (Poland) spólka z o.o.	Poland
Concentrix Services (Saudi Arabia) Corporation LLC	Saudi Arabia
Concentrix Services (Singapore) Pte. Ltd.	Singapore
Concentrix Services (Thailand) Co., Ltd	Thailand
Concentrix Services (Uruguay) S.A.	Uruguay

Concentrix Services Bulgaria EOOD	Bulgaria
Concentrix Services Corporation	British Virgin Islands
Concentrix Services GmbH	Germany
Concentrix Services Holdco (Netherlands) B.V.	Netherlands
Concentrix Services Hungary KFT	Hungary
Concentrix Services India Private Limited	India
Concentrix Services Korea Limited	South Korea
Concentrix Services Mexico, S.A. de C.V.	Mexico
Concentrix Services Philippines, Inc.	Philippines
Concentrix Services Portugal, Sociedade Unipessoal, LDA	Portugal
Concentrix Services Pty Ltd	Australia
Concentrix Services Slovakia s.r.o.	Slovakia
Concentrix Services Spain, S.L.U.	Spain
Concentrix Services UK Limited	United Kingdom
Concentrix Services US, Inc.	Delaware, U.S.A.
Concentrix Software Technologies (HK) Limited	Hong Kong, China
Concentrix Solutions Corporation	New York, USA
Concentrix Technologies (India) Private Limited	India
Concentrix Technologies Limited	United Kingdom
Concentrix Technologies Services (Canada) Limited	Canada
Concentrix Tigerspike Technology FZ-LLC	United Arab Emirates
Concentrix Verwaltungs GmbH	Austria
Concentrix VN Technologies Services Company Limited	Vietnam
Concentrix Wismar GmbH	Germany
Concentrix Wuppertal GmbH	Germany
Convergys Customer Management Group Canada Holding Inc.	Delaware, U.S.A.
Convergys Customer Management International Inc.	Ohio, U.S.A.
Convergys Customer Management Mexico S. de R.L. de C.V.	Mexico
Convergys Holdings (GB) Limited	United Kingdom
Convergys Holdings (UK) Limited	United Kingdom
Convergys India Services Private Limited	India
Convergys International Inc.	Delaware, U.S.A.
Convergys International Nordic AB	Sweden
Convergys Services Denmark ApS	Denmark
Convergys South Africa (Pty) Ltd.	South Africa
CyberLogistics Corporation	Japan
Dalian Jumeng Information Services Ltd.	China
Dalian Jumeng Technology Development Ltd.	China
EMJ America, Inc.	North Carolina, U.S.A.
Encore Receivable Management, Inc.	Kansas, U.S.A.

eTelecare Philippines, Inc.	Philippines
Foshan Jumeng Information Technology Service Co., Ltd	China
GLS Software S. de R.L.	Panama
Guiyang Jumeng Technology Development Ltd.	China
Hyve Design Solutions (Taiwan) Corporation	Taiwan
Hyve Design Solutions Corporation	Delaware, USA
Hyve IT Solutions Israel Ltd	Israel
Hyve IT Solutions South Africa (PTY) Ltd.	South Africa
Hyve SNX Solutions Ireland Limited	Ireland
Hyve Solutions (Taiwan) Corporation	Taiwan
Hyve Solutions Canada Limited	Canada
Hyve Solutions China Limited	China
Hyve Solutions Corporation	California, U.S.A.
Hyve Solutions Europe Limited	United Kingdom
Hyve Solutions HK Limited	Hong Kong, China
Hyve Solutions Holding Company Limited	United Kingdom
Hyve Solutions India Private Limited	India
Hyve Solutions Japan K.K.	Japan
Hyve Solutions Korea Limited	South Korea
Hyve Solutions Malaysia SDN.BHD.	Malaysia
Hyve Solutions New Zealand Limited	New Zealand
Hyve Solutions Singapore Pte. Ltd	Singapore
Hyve Solutions US Global Holding Corporation	Delaware, U.S.A.
Intervoice Acquisition Subsidiary, Inc.	Nevada, U.S.A.
Intervoice Colombia Ltda.	Colombia
Intervoice do Brasil Comércio Serviços e Participações Ltda.	Brazil
Intervoice GmbH	Germany
Intervoice GP, Inc.	Nevada, U.S.A.
Intervoice Limited	United Kingdom
Intervoice Limited Partnership	Nevada, U.S.A.
Intervoice LP, Inc.	Nevada, U.S.A.
Japan Concentrix KK	Japan
Lasting Holdings Corporation	California, U.S.A.
LATAM HoldCo Limited	United Kingdom
License Online, Inc	California, U.S.A.
Minacs Mexico S. de R.L. de C.V.	Mexico
Pegasus Telecom LLC	Delaware, U.S.A.
PT Concentrix Services Indonesia	Indonesia
PT Convergys Customer Management Indonesia	Indonesia
SCGS (Malaysia) SDN. BHD.	Malaysia
Sennex Enterprises Limited	Hong Kong, China

Servicios Afinasis S.A. de C.V.	Mexico
SGS Holdings, Inc.	Delaware, U.S.A.
Shenzhen Shunrong Telecommunication Technologies Ltd.	China
Sichuan 86Bridge Information Technology Ltd.	China
SIT Funding Corporation	Delaware, U.S.A.
Stream Business Process Outsourcing South Africa (Proprietary) Ltd.	South Africa
Stream Florida Inc.	Delaware, U.S.A.
Stream Global Services - US, Inc.	Delaware, U.S.A.
Stream Global Services, Inc.	Delaware, U.S.A.
Stream Holdings Corporation	Delaware, U.S.A.
Suzhou Ke Wei Xun Information Services Co. Ltd.	China
SYNNEX Canada Limited	Canada
SYNNEX de México, S.A. de C.V.	Mexico
SYNNEX Finance Hybrid II, LLC	California, U.S.A.
SYNNEX Holdco Inc.	Delaware, USA
SYNNEX Information Technologies (Beijing) Ltd.	China
SYNNEX Information Technologies (Chengdu) Ltd.	China
SYNNEX Information Technologies (China) Ltd.	China
SYNNEX Japan Corporation	Japan
SYNNEX Japan Holdings K.K.	Japan
SYNNEX Servicios, S.A. de C.V.	Mexico
SYNNEX-Concentrix UK Limited	United Kingdom
The Global Email Trustee Limited	United Kingdom
Tigerspike Co., Ltd	Japan
Tigerspike FZ-LLC	United Arab Emirates
Tigerspike Holdings Pty Ltd	Australia
Tigerspike Ltd	United Kingdom
Tigerspike Products Pte. Ltd.	Singapore
Tigerspike Pte. Ltd.	Singapore
Tigerspike Pty Ltd	Australia
Tigerspike, Inc.	Delaware, U.S.A.
Velami Holdings Corporation	Philippines
Vietnam Concentrix Services Company Limited	Vietnam
Westcon Brasil, Ltda.	Brazil
Westcon CALA, Inc.	Delaware, U.S.A.
Westcon Canada Systems (WCSI) Inc.	Canada
Westcon Corporation Ecuador WCE Cia. Ltda	Ecuador
Westcon GDS, LLC	Delaware, USA
Westcon Group Colombia Limitada	Colombia
Westcon Group Costa Rica S.A.	Costa Rica
Westcon Group Inc.	Delaware, U.S.A.

Westcon Group North America, Inc.	New York, U.S.A.
Westcon Group Panama S.A.	Panama
Westcon Mexico, S.A. de C.V.	Mexico
WG-UK Holding Company Limited	United Kingdom
WG-US HoldCo Inc	Delaware, U.S.A.
Xi'an Jumeng Technologies Development Ltd	China

EXHIBIT 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
SYNNEX Corporation:

We consent to the incorporation by reference in the registration statements (Nos. 333-111799, 333-158571, 333-191442, 333-201755 and 333-237635) on Form S-8 of SYNNEX Corporation of our report dated January 28, 2021, with respect to the consolidated balance sheets of SYNNEX Corporation as of November 30, 2020 and 2019, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended November 30, 2020, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements), and the effectiveness of internal control over financial reporting as of November 30, 2020, which report appears in the November 30, 2020 annual report on Form 10-K of SYNNEX Corporation.

Our report on the consolidated financial statements refers to the adoption of Financial Accounting Standards Board's Accounting Standards Codification Topic 842, *Leases*, as of December 1, 2019.

/s/ KPMG LLP

Santa Clara, California
January 28, 2021

EXHIBIT 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, Dennis Polk, certify that:

1. I have reviewed this Form 10-K of SYNNEX 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: January 28, 2021

/s/ Dennis Polk

Dennis Polk
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, Marshall W. Witt, certify that:

1. I have reviewed this Form 10-K of SYNNEX 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: January 28, 2021

/s/ Marshall W. Witt

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

EXHIBIT 32.1

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

We, Dennis Polk, the president and chief executive officer of SYNNEX Corporation (the "Company"), and Marshall W. 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 Annual Report of the Company on Form 10-K for the period ended November 30, 2020 (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.

Date: January 28, 2021

/s/ Dennis Polk
Dennis Polk
(Principal Executive Officer)

/s/ Marshall W. Witt
Marshall W. Witt
(Principal Financial Officer)