



**JWD InfoLogistics Public Company Limited**  
**Management Discussion and Analysis Q1/2019**

(Unit : MM THB)	Three-month Period		Change +/- (%)
	Q1-2018	Q1-2019	
Total Revenues	664.9	896.8	34.9
Revenue from rental and rendering of services	654.6	878.5	34.2
Gross Profit	186.0	246.6	32.6
Gross Margin (%)	28.4%	28.1%	(0.3)
Interest income, Dividend income and Other income	10.4	18.3	75.9
Share of profit (loss) of investments in associates and joint ventures	(1.6)	42.6	2,762.5
Net profit attributable to owners of the Company	41.7	89.2	113.9
Net Profit Margin (%)*	6.3%	9.9%	3.6

\* Net Profit Margin = Net profit attributable to owners of the Company / Total revenue

The performance for the three-month period ended March 31, 2019, the company had total revenues for the three-month period ended March 31, 2019, of Baht 896.8 million, improved from Q1/2018 by Baht 231.9 million or 34.9% from the same period previous year. The company generated revenue from rental and rendering of services of Baht 878.5 million, higher than that of last year by Baht 223.9 million or 34.2%. The increased revenue was mainly due to higher revenue from warehouse and yard management business, transportation and distribution business and food service business.

The Company had gross profit for the three-month period ended March 31, 2019, of Baht 246.6 million, gross profit margin for Q1/2019 was 28.1% improved from Q1/2018 by Baht 60.6 million or 32.6%. The increased revenue was mainly due to higher revenue from warehouse and yard management business and transportation and distribution business.

The Company had interest income, dividend income and other income for the three-month period ended March 31, 2019, of Baht 18.3 million, improved from Q1/2018 by Baht 7.9 million or 75.9% compared to the same period previous year which was Baht 10.4 million. This mainly result from investment in AIMIRT (AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust)

The Company had share of profit of investments in associates and joint ventures for the three-month period ended March 31, 2019, of Baht 42.6 million, improved from Q1/2018 by Baht 44.2 million or 2,762.5%. This mainly result from equity income from Phnom Penh SEZ Plc. (PPSP) in Cambodia.



Revenue and gross profit by business can be summarized as follows:

Services	Revenue (MM THB) Three-month Period		% of Total Revenue	Gross Profit (MM THB) Three-month Period		Gross Margin (%) Three-month Period	
	Q1-2018	Q1-2019		Q1-2018	Q1-2019	Q1-2018	Q1-2019
	1. Warehouse and Yard Management	447.0		494.0	56.2	140.4	184.0
2. Transportation and Distribution	110.4	129.2	14.7	18.2	23.1	16.5	17.8
3. Moving Service	66.8	66.2	7.5	15.9	16.4	23.8	24.8
4. Record and Information Management	26.8	27.8	3.2	14.4	12.8	53.7	46.0
5. Food Service	-	151.9	17.3	-	16.3	-	10.7
6. Other Services	3.6	9.4	1.1	(2.9)	(6.0)	(80.6)	(63.8)
<b>Total</b>	<b>654.6</b>	<b>878.5</b>	<b>100.0</b>	<b>186.0</b>	<b>246.6</b>	<b>28.4</b>	<b>28.1</b>

## Financial Performance Analysis

### 1. Warehouse and Yard Management

Product Categories	Revenue (MM THB) Three-month Period		% of Total Revenue	Gross Margin (MM THB) Three-month Period		Gross Margin (%) Three-month Period	
	Q1-2018	Q1-2019		Q1-2018	Q1-2019	Q1-2018	Q1-2019
	General Goods	86.8		82.7	9.4	13.5	17.3
Dangerous Goods	122.5	139.4	15.9	52.6	65.4	42.9	46.9
Automotive	105.6	115.7	13.2	34.1	37.9	32.3	32.8
Cold Storage	132.1	156.1	17.8	40.2	63.3	30.4	40.6
<b>Total</b>	<b>447.0</b>	<b>494.0</b>	<b>56.2</b>	<b>140.4</b>	<b>184.0</b>	<b>31.4</b>	<b>37.2</b>

#### 1.1 General Goods

Revenue of general goods warehouse management service for Q1/2019 was Baht 82.7 million, consisted of revenues from storage Baht 45.4 million, handling service Baht 19.7 million, custom clearance service Baht 5.9 million and other value added services Baht 11.8 million. Total revenue decreased by Baht 4.1 million or 4.7% from the same period last year. This drop was mainly from the expirations of service contract of some customers which have already been partly substituted.

Gross profit of general goods warehouse management service for Q1/2019 was Baht 17.3 million and gross profit margin was 20.9%, slightly increased by Baht 3.8 million or 28.1% from the same period last year which was mainly due to the increase in the volume of storage and value added service, as well as the decrease in external warehouse rental expense.



## 1.2 Dangerous Goods

Revenue of dangerous goods warehouse management service for Q1/2019 was Baht 139.4 million, consisted of revenue from yard management of Baht 136.2 million and from warehouse management of Baht 3.3 million. Total revenue was increased from Q1/2018 by Baht 16.9 million or 13.8 %. The quantity of dangerous goods throughput for the three-month period ended March 31, 2019 was 44,199 TEU\*, slightly increased from that of previous year. This is further complimented by the increase of average storage revenue per TEU\* in the current period.

Volume	Three-month Period	
	Q1-2018	Q1-2019
Yard (TEU*)	42,074	44,199
Warehouse (Revenue Ton)	3,260	4,111

\*TEU (Twenty Equivalent Unit) is 20-foot equivalent containers.

Gross profit of dangerous goods warehouse management service for Q1/2019 was Baht 65.4 million and gross profit margin was 46.9%, increased by Baht 12.8 million or 24.3% compared to the same period previous year.

## 1.3 Automotive

For the three-month period ended March 31, 2019, the Company had revenue from automotive yard management of Baht 115.7 million, consisted of revenue from storage of Baht 60.3 million and revenue from service rendering of Baht 55.4 million. Total revenue slightly increased by Baht 10.1 million, or 9.5% from the same period previous year.

Gross profit for the Q1/2019 was Baht 37.9 million and gross profit margin was 32.8% increased from that of last year by Baht 3.8 million, or 11.1%. Currently the total area of automotive yard was 395,287 sq.m and on-site service area was 204,800 sq.m.

Occupancy rate, excluding on-site service area, for the three-month period ended March 31, 2019 was 87.9%, increased from last year which was 85.0%.

## 1.4 Cold Storage

The Company had revenue from cold storage management for Q1/2019 of Baht 156.1 million, higher than that of previous year by Baht 24.0 million, or 18.2%. The increased revenue was mainly resulted from increased in stock level, especially tuna fish and seafood products as a result of certifications from MSC (Marine Stewardship Council) and ASC (Aquaculture Stewardship Council).

Gross profit from cold storage management for the Q1/2019 was Baht 63.3 million and gross profit margin was 40.6%, increased by Baht 23.1 million or 57.5% compared with Q1/2018.



Average occupancy rate for the three-month period ended March 31, 2019 was 77.7%, same level as previous year which was 79.1%.

## 2. Transportation and Distribution Service

For the three-month period ended March 31, 2019, the Company had revenue from transportation and distribution service of Baht 129.2 million which can be divided by product category as general goods at Baht 21.5 million, dangerous goods at Baht 33.3 million, automotive at Baht 40.5 million, controlled-temperature chilled and freeze product at Baht 12.3 million, cross border at Baht 7.9 million and lift on-lift off activities for rail transportation at Baht 13.7 million. Total revenue increased from Q1/2018 by Baht 18.8 Million or 17.0%. This was mainly due to the increase of transportation volume of automotive, dangerous goods, general goods and lift on – lift off activities for rail transportation.

Gross profit of this service for the three-month period ended March 31, 2019 was Baht 23.1 million and gross profit margin was 17.8%, increased by Baht 4.9 million or 26.9% compare to that of last year, which had gross profit of Baht 18.2 million and gross profit margin of 16.5%

## 3. Moving Services for Domestic and International

For the three-month period ended March 31, 2019, the Company had revenue from domestic and international moving service of Baht 66.2 million which was from household moving service at Baht 29.8 million, office equipment moving service Baht 3.5 million, heavy machinery moving service at Baht 16.7 million, fine arts and exhibition items moving service at Baht 1.6 million and other service Baht 14.6 million. Total revenue slightly decreased by Baht 0.6 million or 0.9% from that of Q1/2018.

Gross profit for the three-month period ended March 31, 2019 was Baht 16.4 million and gross profit margin was 24.8%, increased by Baht 0.5 million or 3.1% from that of previous year which gross profit was Baht 15.9 million and gross profit margin was 23.8%.

## 4. Record and Information Management

For the three-month period ended March 31, 2019, the Company had revenue from the record and information management service of Baht 27.8 million, which consists of storage revenue of Baht 22.5 million, handling service and transportation of Baht 5.3 million. Total revenue increased by Baht 1.0 million or 3.7% from that of Q1/2018. The quantity of boxes and files kept in warehouse are as follows:

Quantity (Unit)	Three-month Period	
	Q1-2018	Q1-2019
Boxes	867,365	890,203
Files	9,497,275	10,595,304
Scan	731,159	2,052,362



Gross profit for the three-month period ended March 31, 2019 was Baht 12.8 million and **gross profit margin was 46.0%**, decreased by Baht 1.6 million or 11.1% from that of previous year which gross profit was Baht 14.4 million and gross profit margin was 53.7%. This mainly resulted from the expansion of additional warehouse space in Laem Chabang and the relocation cost of documents to this new location.

## 5. Food Service Business

The company had invested in food service business in Taiwan since the end of March 2018 and had started consolidating both its revenue and profit in May 2018. Revenue for the Q1/2019 was Baht 151.9 million with gross profit of Baht 16.3 million, and gross profit margin of 10.7%, decreased from Q4/2018 by Baht 39.2 million or 20.5 %, which gross profit was Baht 22.6 million and gross profit margin was 11.8%. This mainly resulted from business seasonality, where its sales enter peak season in the second half of the year. Furthermore, the business is obtaining new customers in 2019 which expects to contribute a further increase its revenue.

## 6. Other Business

For the three-month period ended March 31, 2019, the Company had revenue from other businesses of Baht 9.4 million, increased from that of previous year by Baht 5.8 million or 161.1%.

### Other income

The Company had income from investment and other operation for the three-month period ended March 31, 2019 of Baht 18.3 million, increased by 7.9 million, or 76.3% from that of the last year.

### Share of profit (loss) of investments in associates and joint ventures

The Company had equity income from investment in associates and joint ventures for the three-month period ended March 31, 2019 of Baht 42.6 million, increased by 44.2 or 2,762.5% from that of the last year.

The Company currently has important investments in associates and joint ventures, e.g., cold and general warehouses in Laos and Cambodia, Phnom Penh Special Economic Zone (PPSEZ), Bok Seng PPSEZ Dry port, cold storage Adib Cold Logistics (ACL) in Indonesia which the company jointly acquire with Samudera Group. As well as joint ventures, JWD Bokseng Logistics doing business in project cargo and CJ JWD Logistics doing business in e-commerce logistics.



### Selling and Administrative Expenses

For the three-month period ended March 31, 2019, the company had selling and administrative expenses of Baht 172.6 million, increased by Baht 47.4 million, or 37.9% from that of the last year. This resulted from increases in employee expenses and administrative expense of additional acquisition and new established business.

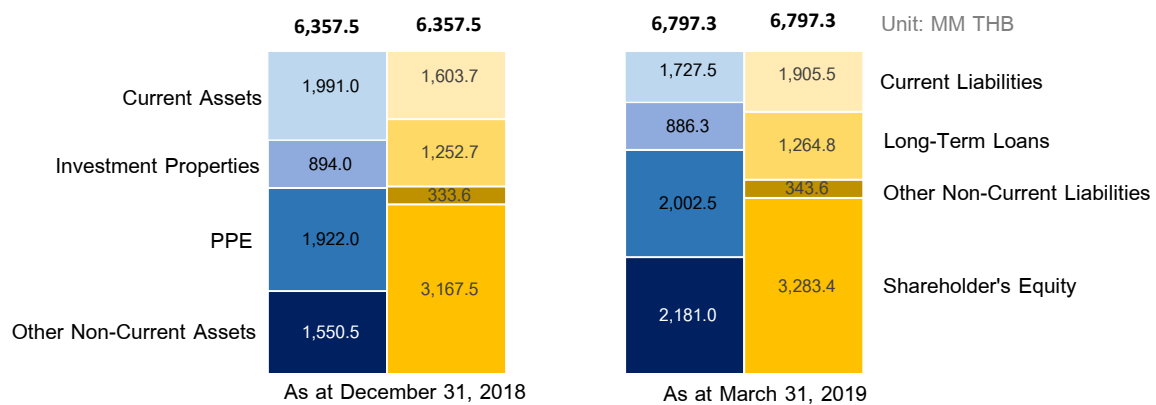
### Finance Cost

For the three-month period ended March 31, 2019, the Company had finance cost of Baht 25.7 million, increased by Baht 8.1 million, or 46.1% compared to the same period last year. This mainly resulted from short-term loans to acquire businesses in Vietnam.

### Net Profit

The Company had net profit attributable to owners of the Company for the three-month period ended March 31, 2019, of Baht 89.2 million, higher than the previous by Baht 47.5 million, or 113.9%.

### Statement of Financial Position



### Assets

As at March 31, 2019, the Company had total assets of Baht 6,797.3 million, increased by Baht 439.8 million compared to December 31, 2018.

The Company's assets mainly consist of non-current assets especially property, plant and equipment and investment properties amounted 29.5% and 14.7% of total assets, respectively.

**Current Assets**

As at March 31, 2019, current asset was Baht 1,727.5 million, decreased by Baht 263.5 million, or 13.2%. The decreased current assets was mainly resulted from decrease of trade receivables by Baht 84.7 million, short-term loans to related parties by Baht 100.0 million, short-term loans to unrelated parties by Baht 69.2 million and assets held for sale by Baht 47.3 million. On the other hand, there is an increase on other current receivables by Baht 73.5 million and current portion of long-term loans to related parties by Baht 18.8 million.

**Non-Current Assets**

As at March 31, 2019, non-current assets amounted Baht 5,069.8 million, increased by Baht 703.3 million, or 16.1% from December 31, 2018, mainly resulted from the investment in joint venture and setting up a new subsidiary, long-term investment, long-term loans to related parties and plant property and equipment (PPE).

**Liabilities**

As at March 31, 2019, the Company had total liabilities Baht 3,513.8 million, increased from December 31, 2018 by Baht 323.9 million, or 10.2% mainly from current liabilities.

**Current Liabilities**

As at March 31, 2019, current liabilities was Baht 1,905.5 million, increased by Baht 301.9 million compared to December 31, 2018 mainly from the increase of short-term borrowings from financial institutions.

**Non-Current Liabilities**

As at March 31, 2019, non-current liabilities was Baht 1,608.3 million, increased by Baht 22.0 million, or 1.4 % compared to December 31, 2018 ,which was mainly from long-term loans.

**Shareholder's Equity**

As at March 31, 2019, shareholder's equity is Baht 3,283.4 million, increased by Baht 115.8 million, or 3.7 % from December 31, 2018, which resulted from Increased retained earnings of the business and joint venture (JV)



## Statement of Cash Flows

(Unit : MM THB)	2018	2019
Cash and Cash Equivalents at 1 January	1,218.8	456.4
Net Cash from Operating Activities	(49.5)	171.5
Net Cash Used in Investing Activities	(503.9)	(617.9)
Net Cash from Financing Activities	123.2	407.9
Net Increase (Decrease) in Cash and Cash Equivalents	(430.2)	(38.5)
Impact of foreign exchange rates	-	2.9
Cash included disposal assets group classified as held for sales	(1.5)	2.6
Cash and Cash Equivalents at 31 March	787.1	423.4

### Cash flows from operating activities

For the three-month period ended March 31, 2019, the Company had net cash used in operating activities of Baht 171.5 million which was mainly from an increase in profit from operation as well as a decrease in working capital level.

### Cash flows from investing activities

For the three-month period ended March 31, 2019, the Company had net cash used in investing activities of Baht 617.9 million which was mainly from invested in associate company and joint venture.

### Cash flows from financing activities

For the three-month period ended March 31, 2019, the Company had net cash received in financing activities of Baht 407.9 million which mainly from short-term loan.

## Key Financial Ratios

	Three-month Period	
	Q1-2018	Q1-2019
Gross Margin (%)	28.4%	28.1%
Net Profit Margin (%)	6.3%	9.9%
Current Ratio (Times)	1.27	0.91
Liability to Equity (Times)	0.91	1.07
Interest Bearing Debt to Equity (Times)	0.65	0.52





Note:

Gross Margin	= Gross Profit / Rental income and revenue from rendering of services
Net Profit Margin	= Net profit attributable to owners of the Company / Total revenue
Current Ratio	= Current Asset / Current Liabilities
Liability to Equity	= Total Liabilities / Shareholder's Equity
Interest Bearing Debt to Equity	= Interest Bearing Debt / Shareholder's Equity