

JWD InfoLogistics Public Company Limited

Management Discussion and Analysis for the Year Ended 31 December 2020

(Unit : MM THB)	Quarterly			+/(-)%		Year		+/(-)%
	Q4/2019	Q3/2020	Q4/2020	YoY	QoQ	2019	2020	
Total Revenues	988.7	993.8	1,075.2	8.8%	8.2%	3,660.2	3,922.4	7.2%
Rental income and revenue from rendering of services	970.7	981.2	1,059.8	9.2%	8.0%	3,565.7	3,857.6	8.2%
Gross Profit	280.0	234.5	252.1	-10.0%	7.5%	997.9	959.8	-3.8%
Gross Margin (%)	28.8%	23.9%	23.8%			28.0%	24.9%	
EBITDA	238.2	271.6	318.4			849.8	1,161.0	
Interest income, Dividend income and other income	17.9	12.6	15.5	-13.7%	22.6%	94.5	64.9	-31.4%
Share of profit (loss) of investments in associates and joint ventures	40.8	30.8	29.6	-27.4%	-3.8%	114.7	116.9	1.9%
Net profit (loss) attributable to owners of the Company	118.8	72.5	75.8	-36.2%	4.6%	362.8	290.0	-20.1%
Net profit (loss) Margin (%)	12.0%	7.3%	7.1%			9.9%	7.4%	

* Net Profit (Loss) Margin = Net profit (loss) attributable to owners of the Company / Total revenue

Thai economy in the fourth quarter experienced a continuous recovery except in certain sectors such as tourism, which was affected from the lock down measure from government as well as the new wave of COVID-19 outbreak around the end of December 2020 that had impacted the traveling activities and consumer confidence. Nevertheless, merchandise exports value had expanded following the improving trend of global demand. The export value expanded, for the first time in 10 months, by 4.6 percent from the same period last year. Manufacturing volume has increased in various sectors, e.g., automotive, electrical appliance, electronic parts, etc., in line with the uplifted domestic and global demands.*

The Company achieved a good performance recovery beyond expectation, especially in the fourth quarter, the automotive business and the transportation business related to automotive. The dangerous goods management business also improved considerably. In additions, other business units such as cold storage business and general warehouse business had experienced a continuous improvement in performance this year due to the increased demand from the pandemic new normal. This clearly demonstrated the strength in diversity of the Company, both in terms of its broad service coverage of many logistics segments and wide geographic coverage of logistics operation in the region. This strategy had given the Company a benefit of mitigating business risks that may inherently associated with certain business segments or locations, while, at the same time, opening up an opportunity to attain benefit in such situations.

*Source: The Federation of Thai Industries

The performance for the year ended December 31, 2020, The Company had total revenues of Baht 3,922.4 million, increased by Baht 262.2 million or 7.2% from the same period previous year. The company generated revenue from rental and rendering of services of Baht 3,857.6 million, higher than that of last year by Baht 291.9 million or 8.2%. For Q4/2020, The Company had total revenues of Baht 1,075.2 million, increased by Baht 86.5 million or 8.8% from the same period previous year. The company generated revenue from rental and rendering of services of Baht 1,059.8 million, higher than that of last year by Baht 89.1 million or 9.2%. The increased revenue was mainly due to higher revenue from warehouse and yard management business, food business and logistics Infrastructure business.

The Company had gross profit for the year ended December 31, 2020, of Baht 959.8 million with gross profit margin of 24.9%, decreased by baht 38.1 million or 3.8% from the same period previous year where gross profit was 997.9 and gross profit margin was 28.0%. For Q4/2020, the company had gross profit of Baht 252.1 million and gross profit margin of 23.8% decreased by Baht 27.9 million, or 10.0% compared to the same period of previous year, where gross profit was Baht 280.0 million or 28.8%. This decline in gross profit is directly impacted by the COVID-19 outbreak in Thailand and the region. As a result, revenue from services in some business segments declined while many fixed costs remained the same. However, it should be noted that, the gross profit was increased by Baht 17.6 or 7.5% compared to Q3/2020 where gross profit was 234.5 million. The Company expects that the gross profit will gradually improve and return to normal level by year 2021.

Net Profit

The Company had net profit attributable to owners of the Company for year ended December 31, 2020, of Baht 290.0 million, net profit margin was 7.4% which decreased by Baht 72.8 million, or 20.1% from that of previous year where net profit was Baht 362.8 million and net profit margin was 9.9%. For Q4/2020 ended December 31, 2020 the company had net profit attributable to owners of the Company of Baht 75.8 million, net profit margin was 7.1% which decreased by Baht 43.0 million, or 36.2% from that of previous year where net profit was Baht 118.8 million and net profit margin was 12.0%. This mainly resulted from the pandemic situation impact as mentioned above.

Development of Business during Year 2020

In January,

The Company dissolved a non-active subsidiary JWD Energy and Resources Co., Ltd. ("JWD Energy"), which the Company indirectly held 99.99% of share through Benjapornland Co., Ltd., which the Company held 99.99 percent of shares, in order to reduce administrative costs. This had no impact to our operations.

In September,

The company dissolved a non-active subsidiary GOGOFRESH Technology Co., Ltd. (“GOGOFRESH”), which carries out in business selling temperature-controlled storage equipment. The Company indirectly held 99.99% of share in GOGOFRESH through Global Foodservice Network Co., Ltd., which the Company held 99.99 percent of shares.

In October,

The Company acquired all of the ordinary shares in Store Guard Co., Ltd. (“My Storage”) by Company’s subsidiary namely JWD Store it Co., Ltd. (“JWDST”) of which the Company held 89.00 percent of shares for the purpose of expanding of the Company’s Self-Storage service to cover rising demand in main business districts and key cities.

The Company established a joint venture company named Pacific M Cold Storage Co., Ltd. (“PACM”), in which Pacific Cold Storage Co., Ltd. (PCS), a subsidiary, together with MMP International Co., Ltd. (“MMP”) had jointly invested to build a new cold storage warehouse for storage of the raw materials and canned seafood products of MMP in Samutsakhon province.

In November,

The company received the Thailand Sustainability Investment Award (THSI Award) for the third consecutive year from the Stock Exchange of Thailand (SET) and received the 5-Star or ‘Excellent’ rating on the Corporate Governance Score from the Thai Institute of Directors (IOD) under the patronage of the Stock Exchange of Thailand (SET). This demonstrated the Company’s strong emphasis on sustainable business development as well as environment, social and corporate governance (ESG).

The company completed the development and start the logistics operation service of a “Built-to-Suit” warehouse for managing chemical and hazardous goods for Crane Worldwide Logistics in Nava Nakhon Industrial Estate, Pathum Thani Province.

Financial Performance Analysis

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

Revenue (MB THB)	Quarterly (MB THB)			% of Total Revenue	Year (MB THB)		% of Total Revenue
	Q4/2019	Q3/2020	Q4/2020		2019	2020	
1. Logistics and Supply Chain business	747.6	707.4	752.1	71.0%	2,912.6	2,840.0	73.6%
2. Food Business	218.0	270.2	303.4	28.6%	628.8	1,001.3	26.0%
3. Other Business	5.1	3.6	4.3	0.4%	24.3	16.3	0.4%
Total	970.7	981.2	1,059.8	100.0%	3,565.7	3,857.6	100.0%

Revenue (MB THB)	Quarterly (MB THB)			Gross Profit Margin (%)	Year (MB THB)		Gross Profit Margin (%)
	Q4/2019	Q3/2020	Q4/2020		2019	2020	
1. Logistics and Supply Chain business	269.4	220.9	230.7	30.7%	964.9	904.6	31.9%
2. Food Business	12.1	14.0	17.0	5.6%	42.7	43.9	4.4%
3. Other Business	(1.5)	(10.0)	(8.4)	(195.3)%	(9.7)	(37.5)	(229.9)%
Total	280.0	224.9	239.3	22.6%	997.9	911.0	23.6%
Adjustment according to TFRS16	-	9.6	12.8	-	-	48.8	-
Gross profit after adjustment	280.0	234.5	252.1	23.8%	997.9	959.8	24.9%

1.1 Warehouse and Yard Management

Revenue By Product Categories	Quarterly (MB THB)			% of Total Revenue	Year (MB THB)		% of Total Revenue
	Q4/2019	Q3/2020	Q4/2020		2019	2020	
1.1.1 General Goods	93.9	89.7	89.9	8.5%	343.4	391.0	10.1%
1.1.2 Dangerous Goods	123.9	108.9	122.2	11.5%	556.8	452.2	11.7%
1.1.3 Automotive	120.2	93.6	109.0	10.3%	464.9	387.8	10.1%
1.1.4 Cold Storage	188.5	194.1	184.1	17.4%	647.3	766.2	19.9%
1.1.5 Record and Information Management	28.7	30.8	29.0	2.7%	112.0	117.2	3.0%
Total	555.2	517.1	534.2	50.4%	2,124.4	2,114.4	54.8%

Gross Profit Margin	Quarterly (MB THB)			Gross Profit Margin (%)	Year (MB THB)		Gross Profit Margin (%)
	Q4/2019	Q3/2020	Q4/2020		2019	2020	
1.1.1 General Goods	17.1	20.6	9.5	10.6%	70.9	101.2	25.9%
1.1.2 Dangerous Goods	58.9	41.4	58.2	47.6%	251.0	181.0	40.0%
1.1.3 Automotive	44.4	22.9	27.8	25.5%	162.1	101.0	26.0%
1.1.4 Cold Storage	89.4	85.5	76.3	41.4%	271.2	332.5	43.4%
1.1.5 Record and Information Management	14.6	15.6	14.2	48.9%	51.6	57.3	48.9%
Total	224.4	186.0	186.0	34.8%	806.8	773.0	36.6%

1.1.1 General Goods

Revenue of general goods warehouse management service for year ended December 31, 2020 was Baht 391.0 million, consisted of revenues from storage Baht 215.3 million, handling service Baht 93.0 million, custom clearance service Baht 21.2 million and other value added services Baht 61.5 million. Total revenue increased by Baht 47.6 million or 13.9% from the same period last year. This mainly resulted from the consistent demand for general warehouse usage. For Q4/2020, the company had revenue from general goods warehouse management service Baht 89.9 million, lower than that of last year by Baht 4.0 million or 4.3%.

Gross profit of general goods warehouse management service for year ended December 31, 2020 was Baht 101.2 million and gross profit margin was 25.9 increased by Baht 30.3 million or 42.7% compared to the same period previous year where gross profit was Baht 70.9 million and gross profit margin was 20.6%. For Q4/2020, the company had gross profit Baht 9.5 million and gross profit margin was 10.6%, decreased by Baht 7.6 million or 44.4% compared to the same period previous year where gross profit was Baht 17.1 million and gross profit margin was 18.2%. The gross profit margin in Q4/2020 is lower than the yearly average due to the commencement of operation of JWD Nava Nakhon project in November 2020, where the Company did not charge service revenue from customer in the initial operation testing phase. The gross profit margin will be improving as normal collections are carried out in year 2021.

1.1.2 Dangerous Goods

Revenue of dangerous goods warehouse management service for year ended December 31, 2020 was Baht 452.2 million, consisted of revenue from yard management of Baht 440.6 million and from warehouse management of Baht 11.6 million. Total revenue was decreased by Baht 104.6 million or 18.8 % from the same period last year. The quantity of dangerous goods throughput for year ended December 31, 2020 was 159,340

TEU*, decreased from the congestion of the supply chain due to the pandemic situation by 9.3% from that of previous year. For Q4/2020, revenue was 122.2 million, lower than that of last year by Baht 1.7 million or 1.4%. However, the revenue was increased by Baht 13.3 million or 12.2% compared to Q3/2020 where revenue was Baht 108.9 million. The situation of dangerous goods was improving in Q4/2020, where the quantity of dangerous goods throughput for three-month period was 41,418 TEU*, increased by 2,538 TEU or 6.5% from the Q3/2020. The supply chain of dangerous goods started to show signs of improvement. The Company expects that the dangerous goods throughput will recover to normal level by year 2021.

Volume	Quarterly			Year	
	Q4/2019	Q3/2020	Q4/2020	2019	2020
Yard (TEU*)	42,260	38,880	41,418	175,682	159,340
Warehouse (Revenue Ton)	5,985	4,416	4,709	22,399	19,860

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

Gross profit of dangerous goods warehouse management service for year ended December 31, 2020 was Baht 181.0 million, gross profit margin was 40.0%, decreased by Baht 70.0 million or 27.9% compared to the same period previous year where gross profit was Baht 251.0 million, and gross profit margin was 45.1%. For Q4/2020, gross profit was Baht 58.2 million and gross profit margin was 47.6%, decreased by Baht 0.7 million or 1.2% compared to the same period previous year where gross profit was Baht 58.9 million and gross profit margin was 47.5%.

1.1.3 Automotive

Revenue of automotive yard management service for year ended December 31, 2020 was Baht 387.8 million, consisted of revenue from storage of Baht 167.4 million and revenue from service rendering of Baht 220.4 million, which was decrease by Baht 77.1 million or 16.6%. For Q4/2020, the company had revenue from automotive yard management service Baht 109.0 million, lower than that of last year by Baht 11.2 million or 9.3%. However, the revenue was increased by Baht 15.4 million or 16.5% compared to Q3/2020 where revenue was Baht 93.6 million. This mainly resulted from the fast recovery of automotive industry, enabling the company to resume suspended projects from many customers during this quarter. This will help driving the automotive business for a steady increase in revenue the following quarters.

Gross profit of automotive yard management service for year ended December 31, 2020 was Baht 101.0 million and gross profit margin was 26.0% decreased by Baht 61.1 million, or 37.7% from the same period last year, where gross profit was Baht 162.1 million and gross profit margin was 34.9%. For Q4/2020, gross profit was Baht 27.8 million and gross profit margin was 25.5% decreased from that of last year by Baht 16.6 million, or 37.4%, where gross profit was Baht 44.4 million and gross profit margin was 36.9%.

Currently the total area of automotive yard was 388,000 sq.m and on-site service area was 658,425 sq.m. Average occupancy rate, excluding on-site service area for year ended December 31, 2020 was 83.6%, decreased from that of previous year which was 90.8%.

1.1.4 Cold Storage

Revenue from cold storage management for year ended December 31, 2020, was Baht 766.2 million, higher than that of previous year by Baht 118.9 million, or 18.4%. For Q4/2020, the company had revenue from cold storage management Baht 184.1 million, lower than that of previous year by Baht 4.4 million, or 2.3%. The slight decline in revenue in Q4/2020 was due to the increase of inventory turnover as the economy began to recover after the pandemic. Nevertheless, this increase in product movements also help boosted revenues from Value Added Service activities.

Gross profit from cold storage management for year ended December 31, 2020, was Baht 332.5 million and gross profit margin was 43.4%, increased by Baht 61.3 million or 22.6% compared with the same period last year where gross profit was Baht 271.2 million and gross profit margin was 41.9%. For Q4/2020, gross profit was Baht 76.3 million and gross profit margin was 41.4%, decreased from that of last year by Baht 13.1 million, or 14.7%, where gross profit was Baht 89.4 million and gross profit margin was 47.4%.

Average occupancy rate for year ended December 31, 2020 was 77.8%, decreased from that of previous year which was 79.0%. And the average rate for Q4/2020 was 74.2%, decreased from the same period previous year which was 85.1%. Note that this decrease was partly resulted from the additional capacity from the new cold storage warehouse (Building 8 in Mahachai), which employed the automated system to provide efficient warehouse management services, thereby increasing the revenue generating capability of the business. The introduction of this automated system yielded a better operation efficiency as well as reduced labor and energy costs, which will result in higher profitability in the long run. Following the successful development of automated warehouses (Building 8) the Company proceeded to develop another automated cold storage warehouse, i.e., Building 9, Mahachai, The construction is expected to be completed and operation to be commenced in Q1/2021, further increasing competitive advantage of the Company.

1.1.5. Record and Information Management

Revenue from the record and information management service for year ended December 31, 2020, was Baht 117.2 million, which consists of storage revenue at Baht 96.9 million, handling service and transportation at Baht 20.3 million. Total revenue increased by Baht 5.2 million or 4.6% from the same period year. For Q4/2020, revenue was Baht 29.0 million, higher than that of last year by Baht 0.3 million or 1.1%. Due to the increased of boxes and files stock level as follows:

Quantity (Unit)	Quarterly			Year	
	4/2562	3/2563	4/2563	2562	2563
Boxes (Average)	955,455	988,015	1,001,476	927,411	986,217
Files (Average)	11,183,354	11,622,589	11,751,688	10,897,209	11,562,957
Scan(Total)	1,507,702	1,158,967	878,844	5,927,681	4,677,641

Gross profit of the record and information management service for year ended December 31, 2020, of Baht 57.3 million and gross profit margin was 48.9%, increased by Baht 5.7 million or 11.0% from that of previous year where gross profit was Baht 51.6 million and gross profit margin was 46.1%. For Q4/2020, gross profit was Baht 14.2 million and gross profit margin was 48.9%, decreased by Baht 0.4 million or 2.7% from that of previous year, where gross profit was Baht 14.6 million and gross profit margin was 50.9%. In 2020, the Company developed an automated document storage project which is expected be completed and started operation in Q1/2021.

1.2. Transportation and Distribution Service

Revenue from transportation and distribution service for year ended December 31, 2020, was Baht 435.4 million which can be divided by product category as general goods at Baht 74.1 million, dangerous goods at Baht 102.9 million, automotive at Baht 127.2 million, controlled-temperature chilled and freeze product at Baht 71.7 million, cross border at Baht 36.6 million, and project cargo at baht 22.9 million. Total revenue decreased by Baht 25.7 million or 5.6% from the same period year. For Q4/2020, revenue was Baht 121.8 million, increased from that of last year by Baht 8.5 million or 7.5%. However, the revenue was increased by Baht 11.0 or 9.9% compared to Q3/2020 where revenue was Baht 110.8 million. This was mainly due to the increase of transportation volume of car carriers following the recovery of automotive industry as mentioned above. Furthermore, the temperature controlled and cross-border transportation volume were maintained at a satisfactory level.

Gross profit of transportation and distribution service for year ended December 31, 2020, was Baht 70.4 million and gross profit margin was 16.2%, increased by Baht 6.4 million or 10.0% compared to that of last year, where gross profit was Baht 64.0 million and gross profit margin was 13.9%. For Q4/2020, gross profit was Baht 18.3 million and gross profit margin was 15.0%, increased by Baht 0.2 million or 1.2% from the same period year where gross profit was Baht 18.1 million and gross profit margin was 16.0%.

1.3. Relocation Service

Revenue from relocation service for year ended December 31, 2020, was Baht 181.3 million consist of revenue from household moving service at Baht 164.7 million, office moving service at Baht 11.0 million and fine arts and exhibition items moving service at Baht 5.6 million. Total revenue decreased by Baht 88.1 million or 32.7% from that of the previous year. For Q4/2020, revenue was Baht 56.3 million, decreased from that of last year by Baht 7.1 million or 11.2%. This mainly caused by the pandemic situation, resulting in the decreased volume of the relocation activities compared to the previous year.

Gross profit of relocation service for year ended December 31, 2020, was Baht 41.9 million and gross profit margin was 23.1% decreased by Baht 46.8 million or 52.8% compare to that of last year where gross profit was Baht 88.7 million and gross profit margin was 32.9%. For Q4/2020, gross profit was Baht 15.3 million and gross profit margin was 27.2%, decreased from that of last year by Baht 9.9 million, or 39.2%, where gross profit was Baht 25.2 million and gross profit margin was 39.7%.

1.4 Logistics Infrastructure

The Company had been expanding logistics infrastructure business since year 2018, when the Company was awarded by the Port Authority of Thailand to be the sole operator of rail yard management in Laem Chabang Port for three main rail lines, i.e., the South line, Northeast line and from Map Ta Phut line. Recently, by the end of 2019, the company successfully won the bidding from the Port Authority of Thailand to operate the newly opened and only Barge Terminal of Laem Chabang Port, resulting in expected additional revenue from these operations. The company had classified this as a separate business unit in order to clearly identify its revenue contribution. Revenue of the business unit for year ended December 31, 2020, was Baht 76.4 million. The revenue increased by Baht 34.9 million or 84.1% compared with the previous year. For Q4/2020, revenue was Baht 27.7 million, increased from that of last year by Baht 18.6 million or 204.4%. This was mainly due to the rising volume of containers at Barge Terminal, which will be further benefited if the national supply chain system resumes to normal level after the pandemic situation resolved.

Gross profit of logistics infrastructure business for year ended December 31, 2020, was Baht 22.5 million and gross profit margin was 29.5%, increased by Baht 9.7 million or 75.0% compare to that of last year where gross profit was Baht 12.9 million and gross profit margin was 31.1%. For Q4/2020, gross profit was Baht 7.9 million and gross profit margin was 28.5%, increased from that of last year by Baht 5.1 million, or 180.3%, where gross profit was Baht 2.8 million and gross profit margin was 31.0%.

1.5 Self-Storage, Safe Deposit and Art Storage

The business unit provides self-storage, safe deposit and art storage services, where the self-storage service was operating in 6 branches at Sri Kreetta, Siam, Ramintra, Thiam Ruam Mit, Rama9-Ramkhamhang and Phuket branches, and the safe deposit and art storage services are available at Siam branch. Revenue for the business unit for year ended December 31, 2020, was Baht 32.6 million increased by Baht 16.4 million or 101.2% from that of previous year. For Q4/2020, revenue was Baht 12.1 million, increased from that of last year by Baht 5.7 million or 89.1%.

The business had gross loss of these service for year ended December 31, 2020, of Baht 3.1 million and gross loss margin of 9.5%. However for Q4/2020, the business achieved gross profit of Baht 3.2 million and gross profit margin of 26.3%. The business unit started to attain a gradually improved performance, but would need more development time as it is still the startup phase and underwent a continuous expansion.

2. Food Service Business

Revenue from food service business for year ended December 31, 2020, was Baht 1,001.3 million. Total revenue increased by Baht 372.5 million or 59.2% from that of the previous year. For Q4/2020, revenue was Baht 303.4 million, increased from that of last year by Baht 85.4 million or 39.2%. The increase in revenue was due to the new sales volume of cut vegetable and the increased in sales volume of liquid eggs. The food service business was benefited from higher demand caused by the pandemic situation.

Gross profit of food service business for year ended December 31, 2020, was Baht 43.9 million and gross profit margin was 4.4%, increased by Baht 1.2 million or 2.9% compared to that of last year, where gross profit was Baht 42.7 million and gross profit margin was 6.8%. For Q4/2020, gross profit was Baht 17.0 million and gross profit margin was 5.6%, increased from that of last year by Baht 4.9 million, or 40.5%, where gross profit was Baht 12.1 million and gross profit margin was 5.5%. The increase in gross profit was according to higher revenue of food service business.

3. Other Business

The Company had revenue from other businesses for year ended December 31, 2020, was Baht 16.3 million, decreased by Baht 8.0 million, or 32.9% from that of the last year.

Share of profit of investments in associates and joint ventures

The Company had equity income from investment in associates and joint ventures for year ended December 31, 2020, was Baht 116.9 million, increased by Baht 2.2 or 1.9% from that of the last year. For Q4/2020, the company had share of profit of investments in associates and joint ventures of Baht 29.6 million, decreased by Baht 11.2 or 27.4% from the same period previous year. The company currently has following important investments in associates and joint ventures, i.e., Cold and general warehouses in Cambodia, Phnom Penh Special Economic Zone (PPSP) and Bok Seng PPSEZ Dry port in Cambodia, Cold storage Adib Cold Logistics (ACL) in Indonesia which the company jointly acquired with Samudera Group, JWD Bokseng Logistics doing business in project cargo in Thailand and region, CJ JWD Logistics doing business in e-commerce logistics in Thailand and Transimex Corporation (TMS) in Vietnam. During year 2020, the Company received increased amount of equity income from Transimex Corporation (TMS) comparing to the previous year due to the growth of its logistics business in Vietnam. However, the equity income from PPSP industrial estates decreased significantly because of the pandemic lock down condition in Cambodia, causing PPSP unable to sell its land to foreign investors. However, PPSP expects to obtain additional land sales revenue from its backlog in 2021 after Cambodia opens the country after the pandemic unfolds.

Interest income, dividend income and other income

The Company had income from investment and other operation for year ended December 31, 2020, was Baht 64.9 million, decreased by Baht 29.7 million, or 31.4% from that of the last year. This mainly result from dividend on AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust (AIMIRT) and interest received from loans to related parties and other parties. For Q4/2020, income from investment and other operation was 15.5 million, lower than that of last year by Baht 2.5 million or 13.7%. This mainly resulted from the receipt of repayment of loans to related parties and other parties.

Selling and Administrative Expenses

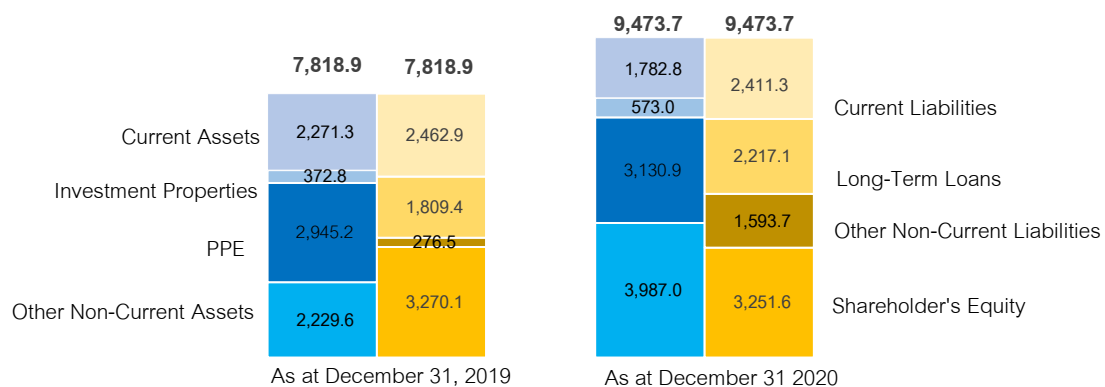
The company had selling and administrative expenses for year ended December 31, 2020, was Baht 643.9 million, decreased by Baht 55.7 million, or 8.0% from that of the last year. For Q4/2020, selling and administrative expenses was Baht 169.6 million, decreased from that of previous year by Baht 11.3 million, or 6.3%. The expense reduction is a result of the cost control measure deployed in response to the pandemic of covid-19, such as cancellation of business trips, utilization of online conference systems and reduction of business development costs in relation to the plan to delayed/postponed investments under the uncertain economic situation.

Finance Cost

The Company had finance cost for year ended December 31, 2020, was Baht 190.9 million, increased by Baht 82.5 million, or 76.0% compared to the same period last year. For Q4/2020, finance cost was Baht 47.8 million, increased from that of previous year by Baht 20.0 million, or 72.0%. This mainly resulted from the deployment of new accounting standard, i.e., TFRS 16 lease agreements, which resulted in the increase of finance cost by Baht 65.8 million.

Statement of Financial Position

Unit: MB THB



Assets

As at December 31, 2020, the Company had total assets of Baht 9,473.7 million, increased from December 31, 2019 by Baht 1,654.8 million, or 21.2% which was mainly resulted from the deployment of new accounting standard, i.e., TFRS 16 lease agreements, by Baht 1,446.5 million.

The Company's assets mainly consist of non-current assets especially property, plant and equipment, Right-of-use assets and investment in associates and joint ventures amounted 33.0% 17.9% and 12.8% of total assets, respectively.

Current Assets

As at December 31, 2020, current asset was Baht 1,782.8 million, decreased from December 31, 2019 by Baht 488.5 million, or 21.5%. This mainly resulted from decreased in trade and other current receivables of Baht 221.0 million due to receiving quicker payment from customers, the decrease in Cash and cash equivalents of Baht 70.6 million, and the decrease in short-term loans to relate parties and other parties and current portion of long-term loans to related parties and other parties of Baht 246.0 million from the receipt of loan repayment. On the other hand, there are increases in the inventory of Baht 52.9 million from food service business and art space business.

Non-Current Assets

As at December 31, 2020, non-current assets was Baht 7,690.9 million, increased from December 31, 2019 by Baht 2,143.2 million, or 38.6%. This mainly resulted from the increase of finance lease assets of Baht 1,696.5 million as a result of the deployment of new accounting standard TFRS16, increased of property plant and equipment of Baht 185.6 million, increased of investment in associates and subsidiaries of Baht 141.2 million and increased of investment properties from JWD Navanakorn Project and Self-Storage business of Baht 200.2 million

Liabilities

As at December 31, 2020, the Company had total liabilities of Baht 6,222.1 million, increased from December 31, 2019 by Baht 1,673.3 million, or 36.8%. This mainly resulted from the deployment of new accounting standard, resulting in the increase of lease liability of Baht 1,527.1 million.

Current Liabilities

As at December 31, 2020, current liabilities was Baht 2,411.3 million decreased from December 31, 2019 by Baht 51.6 million, or 2.1% which was mainly from the decrease in bank overdrafts and short-term borrowings from financial institutions by Baht 572.5 million and the decrease of trade and other current payables of Baht 106.7 million. On the other hand, there are increases in current portion of lease liabilities of Baht 264.6

million, increased in current portion of lease liabilities of Baht 225.1 million and increased in current portion of debentures of Baht 126.7 million.

Non-Current Liabilities

As at December 31, 2020, non-current liabilities was Baht 3,810.8 million, increased from December 31, 2019 by Baht 1,724.9 million, or 82.7%. This mainly caused by the increase of lease liability of Baht 1,293.1 million, which mainly resulted from the deployment of new accounting standard, as well as the increase of long-term borrowings from financial institutions of Baht 323.9 million.

Shareholder's Equity

As at December 31, 2020, shareholder's equity was Baht 3,251.6 million, increased from December 31, 2019 by Baht 18.5 million, or 0.6 %, which resulted from recognition of retained earnings of the Company and equity income from joint ventures netted with the interim dividend payment.

The Company paid cash dividend in May 2020 in the rate of Baht 0.25 per share or in amount of Baht 255.0 million.

Statement of Cash Flows

(Unit : MB THB)	Year	
	2019	2020
Cash and Cash Equivalents at 1 January	456.4	885.6
Net Cash from / (used in) Operating Activities	452.1	1,188.1
Net Cash from / (used in) Investing Activities	(1,022.3)	(710.4)
Net Cash from / (used in) Financing Activities	989.6	(553.3)
Impact of foreign exchange rates	7.2	4.9
Net Increase (Decrease) in Cash and Cash Equivalents	426.6	(70.7)
Cash included in disposal assets group classified as held for sales	2.6	-
Cash and Cash Equivalents at 31 December	885.6	814.9

Cash flows from operating activities

For year ended December 31, 2020, the Company had net cash generated from operating activities of Baht 1,188.1 million, increased from December 31, 2019 by Baht 736.0 million, or 162.8%. This is partly

resulted from the increase revenue from various new businesses, the cost and expense control measures, as well as the quicker payment received from customers.

Cash flows from investing activities

For year ended December 31, 2020, the Company had net cash used in investing activities of Baht 710.4 million, decreased by Baht 311.9 million or 30.5% from previous year. The net cash used in investing activities had significantly reduced as a result of the delay and postponement of investments under the uncertain economic situation.

Cash flows from financing activities

For year ended December 31, 2020, the Company had net cash used in financing activities of Baht 553.3 million, decreased by Baht 1,542.9 million or 155.9% which was mainly resulted from the repayment of long-term borrowings from financial institutions and the interim dividend payment.

Key Financial Ratios

	Year	
	2019	2020
Gross Margin (%)	28.0%	24.9%
Net Profit Margin (%)	9.9%	7.4%
Current Ratio (Times)	0.92	0.74
Liability to Equity (Times)	1.39	1.91
Interest Bearing Debt to Equity (Times)	1.10	1.64
Interest Bearing Debt to Equity (Times)* Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements	1.10	1.13

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 (Times) = Interest Bearing Debt / Shareholder's Equity

Interest Bearing Debt to Equity (Times) = Interest Bearing Debt not including TFRS16 / Shareholder's Equity

* Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements