

**JWD InfoLogistics Public Company Limited**  
**Management Discussion and Analysis Q1/2022**

(Unit : MB THB)	Three-month Period		Change +/- (%)
	Q1-2021	Q1-2022	
Total Revenues	1,147.1	1,410.4	23.0%
Revenue from rental and rendering of services	1,049.8	1,364.5	30.0%
Gross Profit	269.5	332.0	23.2%
Gross Margin (%)	25.7%	24.3%	
Gain from remeasurement to fair value of the Group's existing interest	78.6 <sup>[1]</sup>	-	
Interest income, Dividend income and Other income	18.7	45.9	145.5%
Share of profit of investments in associates and joint ventures	17.8	74.1	316.3%
Net profit attributable to owners of the Company	140.8	125.7	(10.7)%
Net Profit Margin (%)*	12.3%	8.9%	
Net profit attributable to owners of the Company (before extra items)	96.8	125.7	29.9%
Net profit Margin (before extra items) (%)*	8.4%	8.9%	

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

<sup>[1]</sup> For the year ended December 31, 2021, the Company had net profit from extra items of Baht 29.8 million. This mainly resulted from the recorded on profit from a fair value of its investment in EMLOG Logistics & Warehousing Pte Ltd ("EMLOG"), which has changed its status from associate to subsidiary amounted to Baht 78.6 million. In this respect, the recognition of deferred tax for fair value measurement of investments in EMLOG Logistics & Warehousing Pte Ltd. ("EMLOG"), the recognition of cancellation losses and recognition of share of losses from the sale of discontinued assets in Laos and allowance for doubtful debts, resulting in a net profit of Baht 44.0 million in March, 2021.

The Thai economy in the first quarter of 2022 improved from the previous quarter. The value of merchandise exports increased in line with the improvement in trading partners' demand. Foreign tourist figures also increased after the relaxation of international travel restrictions. Furthermore, private consumption and private investment indicators continued to expand, but at a slower pace and were affected by the Omicron variant outbreak, higher production costs, and rising living costs. Public spending, excluding transfer payment, expanded compared to the same period last year from capital expenditures. On the stability front, headline inflation increased considerably from rising energy and fresh food prices as well as core inflation, which increased from the prepared food prices due to higher costs of food ingredients. Labor market gradually improved but remained vulnerable. The current account recorded a deficit close to the previous quarter\*.

\*Source Press Release on the Economic and Monetary Conditions for March, Bank of Thailand

The performance for Q1/2022, the Company had total revenues of Baht 1,410.4 million, improved by Baht 263.3 million or 23.0% from the same period of previous year. The Company generated revenue from rental and rendering of services of Baht 1,364.5 million, higher than the same period of previous year by Baht 314.7 million or 30.0%. The increased revenue was mainly due to the higher revenue from warehouse and yard management business, food business, and transportation and distribution business which has increased continuously throughout the past periods.

The Company had gross profit for Q1/2022, the Company had gross profit of Baht 332.0 million and gross profit margin of 24.3% increased by Baht 62.5 million, or 23.2% compared to the same period of previous year, where gross profit was Baht 269.5 million or 25.7%.

#### Net profit attributable to owners of the Company

The Company had net profit attributable to owners of the Company for Q1/2022 of Baht 125.7 million, net profit margin was 8.9% which decreased by Baht 15.1 million, or 10.7% from that of previous year where net profit was Baht 140.8 million and net profit margin was 12.3%.

However, if considering only the net profit from the Company's core businesses, excluding extra items in Q1/2022, The Company had net profit attributable to owners of the Company (before extra items) of Baht 125.7 million net profit margin was 8.9% which increased by Baht 28.9 million, or 29.9% from that of previous year where net profit was Baht 96.8 million, net profit margin (before extra items) was 8.4% showed significantly improved performance than the same period last year.

#### Financial Performance Analysis

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

Revenue(MB THB)	Quarterly (Three-month Period)		% of Total Revenue	Gross Profit (MB THB)		Gross Margin (%)	
	Q1-2021	Q1-2022		Three-month Period Q1-2021	Three-month Period Q1-2022	Three-month Period Q1-2021	Three-month Period Q1-2022
1. Logistics and Supply Chain business	789.1	1,058.8	77.6%	255.0	299.6	32.3%	28.3%
2. Food business	257.1	295.9	21.7%	13.2	33.5	5.1%	11.3%
3. Other businesses	3.6	9.8	0.7%	(6.2)	(10.7)	(172.2)%	(109.6)%
<b>Total</b>	<b>1,049.8</b>	<b>1,364.5</b>	<b>100.0%</b>	<b>262.0</b>	<b>322.4</b>	<b>25.0%</b>	<b>23.6%</b>
Adjustment according to TFRS16	-	-	-	7.5	9.6	0.7%	0.7%
<b>Gross profit after adjustment</b>	<b>1,049.8</b>	<b>1,364.5</b>	<b>100.0%</b>	<b>269.5</b>	<b>332.0</b>	<b>25.7%</b>	<b>24.3%</b>

## Financial Performance Analysis

### 1.1 Warehouse and Yard Management

Revenue By Product Categories (MB THB)	Quarterly Three-month Period		% of Total Revenue	Gross Profit (MB THB) Three-month Period		Gross Profit Margin (%) Three-month Period	
	Q1-2021	Q1-2022		Q1-2021	Q1-2022	Q1-2021	Q1-2022
1.1.1 General Goods	100.5	107.5	7.9%	16.0	19.1	15.9%	17.8%
1.1.2 Dangerous Goods	135.3	152.7	11.2%	60.7	67.8	44.9%	44.4%
1.1.3 Automotive	117.4	94.8	6.9%	40.5	29.5	34.5%	31.1%
1.1.4 Cold Storage	193.8	207.7	15.2%	87.1	91.4	45.0%	44.0%
1.1.5 Record and Information Management	29.1	34.1	2.5%	13.3	15.5	45.7%	45.3%
<b>Total</b>	<b>576.1</b>	<b>596.8</b>	<b>43.7%</b>	<b>217.6</b>	<b>217.6</b>	<b>37.8%</b>	<b>37.4%</b>

#### 1.1.1 General Goods

Revenue of general goods warehouse management service for Q1/2021 was Baht 107.5 million, consisted of revenues from storage Baht 54.5 million, handling service Baht 34.0 million, custom clearance service Baht 5.5 million and other value added services Baht 13.5 million. Total revenue increased by Baht 7.0 million or 7.0% from the same period last year.

Gross profit of general goods warehouse management service for Q1/2022 was Baht 19.1 million and gross profit margin was 17.5%, increased by Baht 3.1 million or 19.4% compared to the same period previous year where gross profit was Baht 16.0 million and gross profit margin was 15.9%. The increase in gross profit margin is mainly due to the reduced proportion of cost of outside warehouses and the increased proportion in profitable services.

#### 1.1.2 Dangerous Goods

Revenue of dangerous goods warehouse management service for Q1/2022 was Baht 152.7 million, consisted of revenue from yard management of Baht 148.7 million and from warehouse management of Baht 3.9 million. Total revenue was increased by Baht 17.4 million or 12.9 % from the same period last year. The quantity of dangerous goods throughput for Q1/2022 was 43,241 TEU\*, slightly decrease from the same period year. On the other hand, the increase in revenue was contributed by the storage and handling of dangerous goods containers, especially the outstanding container storage charges in February 2022 as well as the automobile containers for the Motor Show Expo exhibition during March 2022.

Volume	Three-month Period	
	Q1-2021	Q1-2022
Yard (TEU*)	43,263	43,241
Warehouse (Revenue Ton)	4,951	6,071

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

Gross profit of dangerous goods warehouse management service for Q1/2022/ was Baht 67.8 million and gross profit margin was 44.4%, increased by Baht 7.1 million or 11.7% compared to the same period previous year where gross profit was Baht 60.7 million and gross profit margin was 44.9%.

### 1.1.3 Automotive

Revenue of automotive yard management service for Q1/2022 was Baht 94.8 million, consisted of revenue from storage of Baht 43.0 million and revenue from service rendering of Baht 51.8 million, which was decrease by Baht 22.6 million or 19.3% from the same period last year. This mainly resulted from the shortage of semiconductor, which is a key component in automobile production. As a result, auto makers had reduced their production volume during the quarter 1/2022.

Gross profit for the Q1/2022 was Baht 29.5 million and gross profit margin was 31.1% decreased by Baht 11.0 million, or 27.2% from the same period last year, where gross profit was Baht 40.5 million and gross profit margin was 34.5%. Currently the total area of automotive yard was 392,638 sq.m and on-site service area was 658,425 sq.m. Average occupancy rate, excluding on-site service area for Q1/2022 was 50.9%, decreased from that of previous year which was 65.4%, as a result of the reduction in the automobile production volume as mentioned above.

### 1.1.4 Cold Storage

Revenue from cold storage management for Q1/2022 was Baht 207.7 million, higher than that of previous year by Baht 13.9 million, or 7.2%. This mainly resulted from the increase in inventory compared to the same period last year.

Gross profit from cold storage management for the Q1/2022 was Baht 91.4 million and gross profit margin was 44.0%, increased by Baht 4.3 million or 4.9% compared with the same period last year where gross profit was Baht 87.1 million and gross profit margin was 45.0%.

Average occupancy rate for Q1/2022 was 75.5%, increased from that of previous year which was 74.2%. In March 2022, cold chain business increased its capacity by 10,800 sq.m. from the opening of a new cold storage warehouse in Samut Sakhon province, i.e., the PACM cold storage, a joint venture project with a leading processed seafood manufacturer in Thailand. This will increase the long-term revenue generating capabilities of the cold chain business, while supporting the partner's demand as well as the increase in overall market demand. It should be noted that during early Q1/2022, there was a significant volume of seafood and chicken inventory withdrawal from customers in order to stabilize their production costs, as a result of the rising freight, transportation and animal feed price. Consequently, there was a slight decrease in occupancy rate when comparing with the previous quarter. The proportion of inventory deposit has recovered to normal level since March 2022.

#### 1.1.5. Record and Information Management

Revenue from the record and information management service for Q1/2022 was Baht 34.1 million, which consists of storage revenue at Baht 26.0 million, handling service and transportation at Baht 8.1 million. Total revenue increased by Baht 5.0 million or 17.3% compared with the same period last year. This is due to the increase in document storage volume and services, especially the document scanning service where the business successfully won various new projects as shown in following details:

Quantity (Unit)	Quarterly	
	Q1-2021	Q1-2022
Boxes (Average)	1,021,990	1,084,883
Files (Average)	11,878,201	12,539,941
Scan(Total)	760,134	3,987,766

Gross profit for Q1/2022 was Baht 15.5 million and gross profit margin was 45.3%, increased by Baht 2.2 million or 16.5% compared with the same period last year where gross profit was Baht 13.3 million and gross profit margin was 45.7%.

#### 1.2. Transportation and Distribution Service

Revenue from transportation and distribution service for Q1/2022 was Baht 323.4 million which can be divided by product category as general goods at Baht 36.7 million, dangerous goods at Baht 28.3 million, automotive at Baht 194.8 million, controlled-temperature chilled and freeze product at Baht 30.6 million, cross border at Baht 16.4 million, and project cargo at baht 16.5 million. Total revenue increased by Baht 193.3 million or 148.7% from the same period year. This mainly resulted from consolidation of revenue from VNS Transport

Co., Ltd., a new subsidiary which the Company indirectly held 82.8% shares, with its main revenues contributed from the milk run transportation and goods unloading services. In addition, the revenue from other transportation segments also increased significantly, e.g., general goods, automotive, and cold chain, etc.

Gross profit of this service for Q1/2022 was Baht 51.5 million and gross profit margin was 15.9%, increased by Baht 32.6 million or 172.5% compared to that of last year, where gross profit was Baht 18.9 million and gross profit margin was 14.5%

### 1.3 Overseas Business

The Company has categorized an additional business segment, i.e., the overseas business segment, as a result of JWD Asia Holding Private Limited ("JWDAH"), the Company's 99.9% subsidiary, had acquired additional shares in EMLOG Logistics & Warehousing Pte Ltd. ("EMLOG") in March 2021, transforming EMLOG into an indirect subsidiary of the Company. At the same time, EMLOG held 100% shares in JWD Asia Logistics (Cambodia) Co., Ltd which operated third party logistics service business in Cambodia, including cold storage warehouse, general warehouse, cross-border land transportation as well as custom clearance service. The Company started consolidating the revenue from Cambodia business in April, 2021. Therefore, it is more apprehensive to categorize overseas business to reflect business expansion. In Q1/2022, the overseas business had revenue of Baht 43.8 million, gross profit of Baht 10.5 million and gross profit margin of 23.9%. With continuous business expansion, the Company is currently capable of providing fully integrated logistics services covering warehousing, inventory management as well as transportation services both in Thailand and overseas.

### 1.4 Relocation Service

Revenue from relocation service for Q1/2022 was Baht 56.3 million consist of revenue from household moving service at Baht 52.5 million, office moving service at Baht 3.1 million and fine arts and exhibition items moving service at Baht 0.7 million. Total revenue increased by Baht 18.0 million or 47.0% from that of the previous year. The relief of concerns over pandemic situation has driven a significant increase in relocation service demand compared to the same period last year.

Gross profit for Q1/2022 was Baht 11.3 million and gross profit margin was 20.1%, increased by Baht 3.0 million or 36.1% compare to that of last year where gross profit was Baht 8.3 million and gross profit margin was 21.7%.

### 1.5 Logistics Infrastructure

Revenue from logistics infrastructure in Q1/2022 was Baht 25.3 million decreased by Baht 7.0 million or 18.3% compared with the same period last year. This mainly resulted from the reduced lifting capacity in Barge Terminal operation, due to defective equipment, which in turn causing the container lifting volume to decrease temporarily.

Gross profit for Q1/2022 was Baht 0.5 million and gross profit margin was 2.2%, decreased by Baht 7.9 million or 94.0% compared with the same period last year where gross profit was Baht 8.4 million and gross profit margin was 25.9%, as a result of the defective equipment mentioned above. However, the performance will be improved in Q2/2022 after the reparation of equipment is completed.

### 1.6 Self-Storage, Safe Deposit, Art Space and Wine Bank

The business unit provides self-storage, safe deposit, art space and wine bank services, where the self-storage service was offered in 6 branches at Sri Kreeta, Siam, Ramintra , Thiam Ruam Mit, Rama9-Ramkhamhang and Phuket branches. The safe deposit, art storage and wine bank storage services were offered at JWD Store it, Siam branch. Revenue for the business unit for Q1/2022 was 13.2 million increased by Baht 0.9 million or 7.3% from that of the previous year.

Gross profit for Q1/2022 was Baht 2.4 million and gross profit margin was 18.0%, increased by Baht 0.6 million or 33.3% compare to that of last year where gross profit was Baht 1.8 million and gross profit margin was 14.6%. 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 unit for Q1/2022 was Baht 295.9 million, increased by Baht 38.8 million or 15.1% from that of the previous year. The increase in revenue was due to the additional sales volume of cut vegetable, an increase in the price of hot pot seasoning products and the sales promotion campaigns.

Gross profit for Q1/2022 was Baht 33.5 million and gross profit margin was 11.3%, increased by Baht 20.3 million or 153.8% compared to that of last year where gross profit was Baht 13.2 million and gross profit margin was 5.1%. It should be noted that the performance of this business has recovered significantly compared to the previous year and expected to maintain good performance throughout this year due to the implementation of a new business plan.

### 3. Other Business

The Company had revenue from other businesses unit for Q1/2022 was Baht 9.8 million, increased by Baht 6.2 million, or 172.2% compared to the previous year

#### Share of profit of investments in associates and joint ventures

The Company had equity income from investment in associates and joint ventures for Q1/2022 of Baht 74.1 million, increased by Baht 56.3 or 316.3% from that of the last year, mainly consisted of equity income from TMS of Baht 56.8 million, from ESCO of Baht 23.7 million. The company currently has following significant 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, Transimex Corporation (TMS) in Vietnam and Eastern Sea Laem Chabang Terminal Co., Ltd. (ESCO), which doing business in container port operations and related services, and the order fulfillment warehouse (MyCloud Fulfillment) and Pacific TUM Cold Storage Co., Ltd. ("PACT") doing business in storage service.

#### Interest income, dividend income and other income

The Company had income from investment and other operation for Q1/2022 of Baht 45.9 million, increased by 27.1 million, or 144.1% from that of the last year. This mainly resulted from Gain from transfer of a land plot in Mahachai complex as an investment in Pacific TUM Cold Storage Co., Ltd. ("PACT") as well as Gain on exchange rate



### Selling and Administrative Expenses

selling and administrative expenses for Q1/2022 of Baht 230.0 million, increased by Baht 59.8 million, or 35.2% from that of the last year. The expense was mainly increased from consolidation of expenses from VNS Transport Co., Ltd., a new subsidiary which the Company acquired business since April 2021. When Compared to Q4/2021, selling and administrative expenses decreased by 47.7 million baht or 17.2% as the Company had relatively high the consultant expenses for business development in Q4/2021.

### Finance Cost

The Company had finance cost for Q1/2022 of Baht 71.4 million, increased by Baht 24.2 million, or 51.3% compared to the same period last year. The increase in financing costs was mainly due to additional borrowings and debentures allocated for investment and business expansion over the past year.

### Statement of Financial Position

Unit: MN THB

	12,604.9	12,604.9	12,568.0	12,568.0	
Current Assets	2,716.1	3,059.1	2,506.1	3,138.6	Current Liabilities
Investment Properties	547.6		592.7		
PPE	3,842.7	3,952.5	3,964.7	3,845.3	Long-Term Loans
		1,614.9		1,569.0	Other Non-Current Liabilities
Other Non-Current Assets	5,498.5	3,978.4	5,504.5	4,015.1	Shareholder's Equity
	As at December 31, 2021		As at March 31, 2022		

## Assets

As at March 31, 2022 the Company had total assets of Baht 12,568.0 million, decreased from December 31, 2021 by Baht 36.9 million, or 0.3% which was mainly resulted from the decrease in cash and cash equivalents.

The Company's assets mainly consist of non-current assets especially property, plant and equipment, investment in associates and joint ventures and right-of-use assets amounted 31.5%, 20.5% and 12.7% of total assets, respectively .

### **Current Assets**

As at March 31, 2022, current asset was Baht 2,506.1 million, decreased from December 31, 2021 by Baht 210.0 million, or 7.7%. This mainly resulted from the decrease in cash and cash equivalents of Baht 383.6 million and the increase in short-term loans to relate of Baht 149.0 million.

### **Non-Current Assets**

As at March 31, 2022, current asset was Baht 10,061.9 million, increased from December 31, 2021 by Baht 173.2 million, or 1.8%. This mainly resulted from the increase of property, plant and equipment by Baht 122.0 as a result of investment in cold storage business and investment in associates and joint venture increased by Baht 92.0 million as a result of additional investments in Pacific TUM Cold Storage Co., Ltd. ("PACT") at 49.99% shares and recognition of profit sharing by Baht 74.1 million, while the right-of-use assets decreased by Baht 32.5 million

## Liabilities

As at March 31, 2022, the Company had total liabilities of Baht 8,552.9 million, decreased from December 31, 2021 by Baht 73.6 million, or 0.9%. This mainly resulted from the decrease of short-term loans borrowings from financial institutions by Bath 582.3 million, while there was an increase in debentures of Baht 494.1 million.

## Current Liabilities

As at December 31, 2022, current liabilities was Baht 3,138.6 million increased from December 31, 2021 by Baht 105.0 million, or 3.5% which was mainly from the increase in current portion of long-term loans from debentures of Baht 598.7 million, which was reclassified from the aging of the debenture with maturity within 1 year, the increase in trade and other current payables of Baht 72.3 million. On the other hand, there were decreases in short-term borrowings from financial institutions of 589.0 million.

## Non-Current Liabilities

As at March 31, 2022, non-current liabilities was Baht 5,414.3 million, decreased from December 31, 2021 by Baht 178.6 million, or 3.2%. This mainly resulted from the decrease in debentures of Baht 104.6 million from the reclassification of current portion of debentures net with the additional debentures issued, and the decrease in finance lease liability according to TFRS16 accounting standard of Baht 76.6 million

## Shareholder's Equity

As at March 31, 2022, shareholder's equity was Baht 4,015.1 million, increased from December 31, 2021 by Baht 36.7 million, or 0.9%, which resulted from recognition of retained earnings, non-controlling interests and other components of shareholders' equity.

## Statement of Cash Flows

(Unit : MB THB)	Quarter	
	2021	2022
Cash and Cash Equivalents at 1 January	815.0	1,421.6
Net Cash from / (used in) Operating Activities	285.4	299.7
Net Cash from / (used in) Investing Activities	(417.2)	(445.1)
Net Cash from / (used in) Financing Activities	628.8	(234.7)
Impact of foreign exchange rates	(3.9)	(3.5)
Net Increase (Decrease) in Cash and Cash Equivalents	493.1	(383.6)
Cash and Cash Equivalents at 31 March	1,308.1	1,038.0

#### Cash flows from operating activities

For the three-month period ended March 31, 2022, the Company had net cash received from operating activities of Baht 299.7 million, increased by Baht 14.2 million or 5.0%, this was partly due to the cash flows received from changes in other non-current payables which increased by Baht 27.6 million.

#### Cash flows from investing activities

For the three-month period ended March 31, 2022, the Company had net cash used in investing activities of Baht 445.1 million, increased by Baht 28.0 million or 6.7% from previous year. This was partly a result of cash paid for short term loans to related parties which increased by Baht 149.0 million. Cash paid for investments of associates and joint ventures which increased by Baht 64.8 million. On the other hand, there was a decrease in net cash paid for temporary investment by Baht 170.0 million.

#### Cash flows from financing activities

For the three-month period ended March 31, 2022, the Company had net cash received from financing activities of Baht 234.7 million, increased by Baht 863.5 million or 137.3% from previous year. This was partly a result of the net cash paid for repayment of bank overdrafts and short-term borrowings from financial institutions which increased by Baht 610.8 million.

#### Key Financial Ratios

	Three-month Period	
	Q1-2021	Q1-2022
Gross Margin (%)	25.7%	24.3%
Net Profit Margin (%)	8.4%	8.9%
Current Ratio (Times)	1.00	0.80
Liability to Equity (Times)	2.00	2.13
Liability to Equity (Times)* * Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements	1.56	1.74
Interest Bearing Debt to Equity (Times)	1.75	1.78
Interest Bearing Debt to Equity (Times)* Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements	1.28	1.39

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 (Times)	= Total Liabilities / Shareholder's Equity
Liability to Equity (Times)	= Total Liabilities excluding TFRS16 / Shareholder's Equity
Interest Bearing Debt to Equity (Times)	= Interest Bearing Debt / Shareholder's Equity
Interest Bearing Debt to Equity (Times)	= Interest Bearing Debt excluding TFRS16 / Shareholder's Equity

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