

JWD InfoLogistics Public Company Limited
Management Discussion and Analysis Q3/2020

(Unit : MM THB)	Nine-month Period		+/(-)%	Quarterly			+/(-)%	
	2019	2020		3/2019	2/2020	3/2020	YoY	QoQ
Total Revenues	2,671.6	2,847.2	6.6%	905.3	887.3	993.8	9.8%	12.0%
Revenue from rental and rendering of services	2,595.0	2,797.8	7.8%	886.1	873.6	981.2	10.7%	12.3%
Gross Profit	717.9	707.7	(1.4)%	238.8	213.6	234.5	(1.8)%	9.8%
Gross Margin (%)	27.7%	25.3%		27.0%	24.5%	23.9%		
Interest income, Dividend income and Other income	76.6	49.3	(35.5)%	19.2	13.7	12.6	(34.4)%	(8.0)%
Share of profit (loss) of investments in associates and joint ventures	73.9	87.3	18.1%	12.4	31.5	30.8	148.4%	(2.2)%
Net profit attributable to owners of the Company	244.0	214.1	(12.3)%	75.0	48.1	72.5	(3.3)%	50.7%
Net Profit Margin (%)*	9.1%	7.5%		8.3%	5.4%	7.3%		

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

The recovery of Thai economy in the third quarter was a consequence of the successful domestic control of COVID 19, whereas various economic activities such as domestic tourism were being encouraged by government promotion campaigns. The exports of industrial products also increased from their lowest point in the second quarter following the easing up of global lockdown measures. The pandemic situation had raised the demand for food and hygienic products continuously. The meeting of the joint standing committee on commerce, industry and banking (JSCCIB) forecasts that the economic activity in the fourth quarter will experience a stronger recovery if the pandemic situation is under controllable level. Nevertheless, this will require continuous and effective support from the government. As for fiscal year 2020, JSCCIB assesses that Thai economy will be contracting in the range between -10.0% to -8.0%, which improved from the earlier estimation of -12.0% to -10.0% as export volume in the third quarter had less contraction than expected. The general inflation is expected to range between -1.5% to -1.0%*.

In Q3/2020, the Company achieved a good performance recovery beyond expectation, especially in the automotive business and the transportation business related to automotive. The dangerous goods management business also improved moderately. 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.

*Source: The Federation of Thai Industries

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. The Company expects performance to continue to improve in the fourth quarter and continue throughout the year 2021.

The performance for the nine-month period ended September 30, 2020, The Company had total revenues of Baht 2,847.2 million, increased by Baht 175.6 million or 6.6% from the same period previous year. The company generated revenue from rental and rendering of services of Baht 2,797.8 million, higher than that of last year by Baht 202.8 million or 7.8%. For Q3/2020, The Company had total revenues of Baht 993.8 million, increased by Baht 88.5 million or 9.8% from the same period previous year. The company generated revenue from rental and rendering of services of Baht 981.2 million, higher than that of last year by Baht 95.1 million or 10.7%. 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 nine-month period ended September 30, 2020, of Baht 707.7 million with gross profit margin of 25.3%, decreased by baht 10.2 million or 1.4% from the same period previous year where gross profit was 717.9 and gross profit margin was 27.7%. For Q3/2020, the company had gross profit of Baht 234.5 million and gross profit margin of 23.9% decreased by Baht 4.3 million, or 1.8% compared to the same period of previous year, where gross profit was Baht 238.8 million or 27.0%. The comparable level gross profit and gross profit margin against the previous year is a consequence of effective cost and expense control, despite the pressured from the global economic slowdown which impacted certain business units. The company expects that the business will improve and return to normal level by year 2021.

Financial Performance Analysis

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

Services	Revenue (MB THB) Nine-month Period		% of Total Revenue	(MB THB) Three-month Period		% of Total Revenue
	2019	2020		3/2019	3/2020	
1. Logistics and Supply Chain business	2,165.0	2,087.9	74.7%	738.4	707.4	72.1%
2. Food business	410.8	697.9	24.9%	142.8	270.2	27.5%
3. Other businesses	19.2	12.0	0.4%	4.9	3.6	0.4%
Total	2,595.0	2,797.8	100.0%	886.1	981.2	100.0%

Gross Profit	(MB THB) Nine-month Period		% of Gross Profit Margin
	2019	2020	
1. Logistics and Supply Chain business	695.5	674.0	32.3%
2. Food business	30.6	26.9	3.9%
3. Other businesses	(8.2)	(29.0)	(240.0)%
Total	717.9	671.9	24.0%
Adjustment according to TFRS16	-	35.8	
Gross profit after adjustment	717.9	707.7	25.3%

(MB THB) Three-month Period		% of Gross Profit Margin
3/2019	3/2020	
231.4	220.9	31.2%
6.3	14.0	5.2%
1.1	(10.0)	(278.5)%
238.8	224.9	22.9%
-	9.6	
238.8	234.5	23.9%

1.1 Warehouse and Yard Management

Revenue By Product Categories	Revenue (MM THB) Nine-month Period		% of Total Revenue
	2019	2020	
1.1.1 General Goods	249.4	301.0	10.8%
1.1.2 Dangerous Goods	432.9	330.0	11.8%
1.1.3 Automotive	344.7	278.8	10.0%
1.1.4 Cold Storage	458.8	582.1	20.8%
1.1.5 Record and Information Management	83.3	88.2	3.2%
Total	1,569.1	1,580.1	56.5%

(MM THB) Three-month Period		(% of Total Revenue Three-month Period	
Q3-2019	Q3-2020	Q3-2019	Q3-2020
79.9	89.7	9.0%	9.1%
148.0	108.9	16.7%	11.1%
114.7	93.6	13.0%	9.5%
154.7	194.1	17.5%	19.8%
28.1	30.8	3.2%	3.1%
525.4	517.1	59.3%	52.7%

Gross Profit	(MM THB) Nine-month Period		% of Gross Profit Margin
	2019	2020	
1.1.1 General Goods	53.7	91.7	30.5%
1.1.2 Dangerous Goods	192.2	122.8	37.2%
1.1.3 Automotive	117.8	73.2	26.3%
1.1.4 Cold Storage	181.8	256.2	44.0%
1.1.5 Record and Information Management	37.0	43.1	48.8%
Total	582.5	587.0	37.1%

(MM THB) Three-month Period		(% of Gross Profit Margin Three-month Period	
Q3-2019	Q3-2020	Q3-2019	Q3-2020
15.5	20.6	19.4%	22.9%
61.7	41.4	41.7%	38.0%
41.2	22.9	35.9%	24.4%
59.0	85.5	38.1%	44.0%
11.9	15.6	42.4%	50.5%
189.3	186.0	36.0%	35.9%

1.1.1 General Goods

Revenue of general goods warehouse management service for the nine-month period ended September 30, 2020 was Baht 301.0 million, consisted of revenues from storage Baht 170.1 million, handling service Baht 69.8 million, custom clearance service Baht 16.1 million and other value added services Baht 45.0 million. Total revenue increased by Baht 51.6 million or 20.7% from the same period last year. For Q3/2020, the company had revenue from general goods warehouse management service Baht 89.7 million, higher than that of last year by Baht 9.8 million or 12.3%. With the consistency demand of customers for general warehouse, the company expected to maintain high level of utilization until the end of the year.

Gross profit of general goods warehouse management service for nine-month period ended September 30, 2020 was Baht 91.7 million and gross profit margin was 30.5 increased by Baht 38.0 million or 70.8% compared to the same period previous year where gross profit was Baht 53.7 million and gross profit margin was 21.5%. For Q3/2020, the company had gross profit Baht 20.6 million and gross profit margin was 22.9%, increased by Baht 5.1 million or 32.9% compared to the same period previous year where gross profit was Baht 15.5 million and gross profit margin was 19.4%.

1.1.2 Dangerous Goods

Revenue of dangerous goods warehouse management service for the nine-month period ended September 30, 2020, was Baht 330.0 million, consisted of revenue from yard management of Baht 321.8 million and from warehouse management of Baht 8.2 million. Total revenue was decreased by Baht 102.9 million or 23.8 % from the same period last year. The quantity of dangerous goods throughput for nine-month period was 117,922 TEU*, decreased by 11.6% from that of previous year. For Q3/2020, revenue was 108.9 million, lower than that of last year by Baht 39.1 million or 26.4%. However, the revenue was increased by Baht 9.9 or 10.0% compared to Q2/2020 where revenue was 99.0 million. The situation of dangerous goods was improving in Q3/2020, where the quantity of dangerous goods throughput for three-month period was 38,880 TEU*, increased by 2,549.0 TEU or 7.0% from the Q2/2020. 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 within year 2021.

Volume	Nine-month Period		Three-month Period	
	2019	2020	3/2562	3/2563
Yard (TEU*)	133,422	117,922	36,331	38,880
Warehouse (Revenue Ton)	16,414	15,151	5,397	4,416

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

Gross profit of dangerous goods warehouse management service for the nine-month period ended September 30, 2020 was Baht 122.8 million, gross profit margin was 37.2%, decreased by Baht 69.4 million or 36.1% compared to the same period previous year where gross profit was Baht 192.2 million, or 44.4 %. For Q3/2020, gross profit was Baht 41.4 million and gross profit margin was 38.0%, decreased by Baht 20.3 million or 32.9% compared to the same period previous year where gross profit was Baht 61.7 million and gross profit margin was 41.7%.

1.1.3 Automotive

Revenue of automotive yard management service for the nine-month period ended September 30, 2020, was Baht 278.8 million, consisted of revenue from storage of Baht 133.7 million and revenue from service rendering of Baht 145.1 million, which was decrease by Baht 65.9 million or 19.1%. For Q3/2020, the company had revenue from automotive yard management service Baht 93.6 million, lower than that of last year by Baht 21.1 million or 18.4%. However, the revenue was increased by Baht 33.2 or 55.0% compared to Q2/2020 where revenue was 60.4 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 the nine-month period ended September 30, 2020 was Baht 73.2 million and gross profit margin was 26.3% decreased by Baht 44.6 million, or 37.9% from the same period last year, where gross profit was Baht 117.8 million and gross profit margin was 34.2%. For Q3/2020, gross profit was Baht 22.9 million and gross profit margin was 24.4% decreased from that of last year by Baht 18.3 million, or 44.4%, where gross profit was Baht 41.2 million and gross profit margin was 35.9%.

Currently the total area of automotive yard was 395,287 sq.m and on-site service area was 658,425 sq.m. Average occupancy rate, excluding on-site service area for the nine-month period ended September 30, 2020 was 87.5%, decreased from that of previous year which was 90.2% and average occupancy rate for the three-month period was 77.4%, decreased from that of previous year which was 92.5%.

1.1.4 Cold Storage

Revenue from cold storage management for the nine-month period ended September 30, 2020, was Baht 582.1 million, higher than that of previous year by Baht 123.3 million, or 26.9%. For Q3/2020, the company had revenue from cold storage management Baht 194.1 million, higher than that of previous year by Baht 39.4 million, or 25.5%. This mainly resulted from the increasing trend of storage and service volume from tuna fish, along with the increase in value added service activities.

Gross profit from cold storage management for the nine-month period ended September 30, 2020 was Baht 256.2 million and gross profit margin was 44.0%, increased by Baht 74.4 million or 40.9% compared with the same period last year where gross profit was Baht 181.8 million and gross profit margin was 39.6%. For Q3/2020, gross profit was Baht 85.5 million and gross profit margin was 44.0%, increased from that of last year by Baht 26.5 million, or 44.9%, where gross profit was Baht 59.0 million and gross profit margin was 38.1%.

Average occupancy rate for the nine-month period ended September 30, 2020 was 79.0%, increased from that of previous year which was 76.5%. And the average rate for Q3/2020 was 79.4%, same as with period previous year which was 73.1%. Note that the Company had additional capacity from the new cold storage (Building 8 in Mahachai), which utilizes the automated system to provide 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. Moreover, this business unit will benefit from the opening of the new automated warehouse (Building 9 in Mahachai), which expected to start operation in Q1/2021.

1.1.5. Record and Information Management

Revenue from the record and information management service for the nine-month period ended September 30, 2020, was Baht 88.2 million, which consists of storage revenue at Baht 72.4 million, handling service and transportation at Baht 15.8 million. Total revenue increased by Baht 4.9 million or 5.9% from the same period year. For Q3/2020, revenue was Baht 30.8 million, higher than that of last year by Baht 2.7 million or 9.6%. Due to the increased of boxes and files stock level as follows:

Quantity (Unit)	Nine-month Period	
	2019	2020
Boxes (Average)	918,063	981,130
Files (Average)	10,801,827	11,500,046
Scan(Total)	4,419,979	3,798,796

Gross profit of the record and information management service for the nine-month period ended September 30, 2020, of Baht 43.1 million and gross profit margin was 48.8%, increased by Baht 6.1 million or 16.5% from that of previous year where gross profit was Baht 37.0 million and gross profit margin was 44.5%. For Q3/2020, gross profit was Baht 15.6 million and gross profit margin was 50.5%, increased by Baht 3.7 million or 31.1% from that of previous year, where gross profit was Baht 11.9 million and gross profit margin was 42.4%.

1.2. Transportation and Distribution Service

Revenue from transportation and distribution service for the nine-month period ended September 30, 2020, was Baht 313.5 million which can be divided by product category as general goods at Baht 72.4 million, dangerous goods at Baht 76.6 million, automotive at Baht 72.2 million, controlled-temperature chilled and freeze product at Baht 51.4 million, cross border at Baht 25.5 million, and project cargo at Baht 15.4 million. Total revenue decreased by Baht 34.3 million or 9.9% from the same period year. For Q3/2020, revenue was Baht 110.8 million, decreased from that of last year by Baht 9.4 million or 7.8%. However, the revenue was increased by Baht 15.5 or 16.3% compared to Q2/2020 where revenue was Baht 95.3 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 in a satisfactory level.

Gross profit of transportation and distribution service for the nine-month period ended September 30, 2020, was Baht 52.1 million and gross profit margin was 16.6%, increased by Baht 6.2 million or 13.5% compared to that of last year, where gross profit was Baht 45.9 million and gross profit margin was 13.2%. For Q3/2020, gross profit was Baht 18.6 million and gross profit margin was 16.8%, same as from that of last year, where gross profit was Baht 18.6 million and gross profit margin was 15.5%

1.3. Relocation Service

Revenue from relocation service for the nine-month period ended September 30, 2020, was Baht 125.0 million consist of revenue from household moving service at Baht 115.0 million, office moving service at Baht 8.1 million and fine arts and exhibition items moving service at Baht 1.9 million. Total revenue decreased by Baht 81.0 million or 39.3% from that of the previous year. For Q3/2020, revenue was Baht 47.3 million, decreased from that of last year by Baht 33.8 million or 41.7%. This mainly resulted from cut of revenue from Ocean Air International Co., Ltd. ("OAI"), which the Company had divested since August 2019.

Gross profit of relocation service for the nine-month period ended September 30, 2020, was Baht 26.6 million and gross profit margin was 21.2% decreased by Baht 37.0 million or 58.2% compare to that of last year where gross profit was Baht 63.6 million and gross profit margin was 30.9%. For Q3/2020, gross profit was Baht 9.3 million and gross profit margin was 19.6%, decreased from that of last year by Baht 14.8 million, or 61.4%, where gross profit was Baht 24.1 million and gross profit margin was 29.7%.

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 the nine-month period ended September 30, 2020, was Baht 48.7 million. The revenue increased by Baht 16.3 million or 50.3% compared with the previous year. For Q3/2020, revenue was Baht 23.9 million, increased from that of last year by Baht 16.4 million or 218.7%. 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 the nine-month period ended September 30, 2020, was Baht 14.6 million and gross profit margin was 30.0%, increased by Baht 4.5 million or 44.6% compare to that of last year where gross profit was Baht 10.1 million and gross profit margin was 31.1%. For Q3/2020, gross profit was Baht 8.8 million and gross profit margin was 37.0%, increased from that of last year by Baht 6.9 million, or 363.2%, where gross profit was Baht 1.9 million and gross profit margin was 25.7%.

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 Kreeeta, 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 the nine-month period ended September 30, 2020, was Baht 20.5 million increased by Baht 10.8 million or 111.3% from that of previous year. For Q3/2020, revenue was Baht 8.2 million, increased from that of last year by Baht 3.9 million or 90.7%.

Gross loss of these service for the nine-month period ended September 30, 2020, was Baht 6.3 million and gross loss margin was 30.6 %. For Q3/2020, gross loss was Baht 1.6 million and gross loss margin was 19.8 %. It should be noted that this business unit was reporting loss as it was in the startup phase and still underwent a continuous expansion.

2. Food Service Business

Revenue from food service business for the nine-month period ended September 30, 2020, was Baht 697.9 million. Total revenue increased by Baht 287.1 million or 69.9% from that of the previous year. For Q3/2020, revenue was Baht 270.2 million, increased from that of last year by Baht 127.4 million or 89.2%. 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 the nine-month period ended September 30, 2020, was Baht 26.9 million and gross profit margin was 3.9%, decreased by Baht 3.7 million or 12.1% compared to that of last year, where gross profit was Baht 30.6 million and gross profit margin was 7.4%. For Q3/2020, gross profit was Baht 14.0 million and gross profit margin was 5.2%, increased from that of last year by Baht 7.7 million, or 122.2%, where gross profit was Baht 6.3 million and gross profit margin was 4.4 %. 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 the nine-month period ended September 30, 2020, of Baht 12.0 million, decreased by Baht 7.2 million, or 37.5% 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 nine-month period ended September 30, 2020 of Baht 87.3 million, increased by Baht 13.4 or 18.1% from that of the last year. For Q3/2020, the company had share of profit of investments in associates and joint ventures of Baht 30.8 million, increased by Baht 18.4 or 148.4% 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 (PPSEZ) 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.

Interest income, dividend income and other income

The Company had income from investment and other operation for nine-month period ended September 30, 2020 of Baht 49.4 million, decreased by Baht 27.2 million, or 35.5% 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 Q3/2020, income from investment and other operation was 12.6 million, lower than that of last year by Baht 6.6 million or 34.4%. This mainly resulted from the decrease of loans to related parties.

Selling and Administrative Expenses

The company had selling and administrative expenses for the nine-month period ended September 30, 2020 of Baht 474.3 million, decreased by Baht 44.3 million, or 8.5% from that of the last year. For Q3/2020, selling and administrative expenses was Baht 160.4 million, decreased from that of previous year by Baht 5.0 million, or 3.0%. The expense reduction is a result of the cost control measure deployed in response to the pandemic of covid-19, such as cancellation of all business trips, utilization of online conference systems and reduction of business development costs in relation to the plan to delay/postpone investments under the uncertain economic situation.

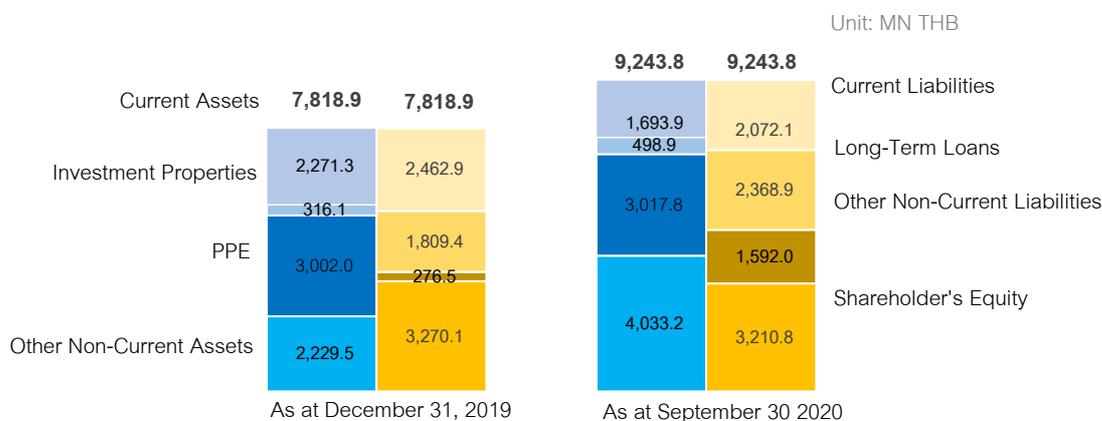
Finance Cost

The Company had finance cost for the nine-month period ended September 30, 2020 of Baht 143.1 million, increased by Baht 62.5 million, or 77.5% compared to the same period last year. For Q3/2020, finance cost was Baht 43.5 million, increased from that of previous year by Baht 15.0 million, or 52.6%. 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 49.3 million.

Net Profit

The Company had net profit attributable to owners of the Company for the nine-month period ended September 30, 2020, of Baht 214.1 million, net profit margin was 7.5% which decreased by Baht 29.9 million, or 12.3% from that of previous year where net profit was Baht 244.0 million and net profit margin was 9.1%. For Q3/2020, the company had net profit attributable to owners of the Company of Baht 72.5 million, net profit margin was 7.3% which decreased by Baht 2.5 million, or 3.3% from that of previous year where net profit was Baht 75.0 million and net profit margin was 8.3%.

Statement of Financial Position



Assets

As at September 30, 2020, the Company had total assets of Baht 9,243.8 million, increased from December 31, 2019 by Baht 1,424.9 million, or 18.2% which was mainly resulted from the deployment of new accounting standard, i.e., TFRS 16 lease agreements, by Baht 1,487.3 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 32.6% 18.8% and 13.4% of total assets, respectively.

Current Assets

As at September 30, 2020, current asset was Baht 1,693.9 million, decreased from December 31, 2019 by Baht 577.4 million, or 25.4%. This mainly resulted from the decrease in Cash and cash equivalents of Baht 232.2 million, decreased in trade and other current receivables of Baht 269.4 million due to receiving quicker payment from customers and the decrease in short-term loans to relate parties of Baht 81.5 million from the receipt of loan repayment. On the other hand, there are increases in the inventory of Baht 88.5 from food service business and art space business.

Non-Current Assets

As at September 30, 2020, non-current assets was Baht 7,550.0 million, increased from December 31, 2019 by Baht 2,002.3 million, or 36.1%. This mainly resulted from the increase of finance lease assets of Baht 1,738.7 million as a result of the deployment of new accounting standard TFRS16 and reclassification of leasehold rights and equipment under hire purchase agreements, increased of investment in associates and subsidiaries of Baht 166.8 million and increased of investment properties from JWD Navanakorn Project and Self-Storage business of Baht 182.8 million

Liabilities

As at September 30, 2020, the Company had total liabilities of Baht 6,033.0 million, increased from December 31, 2019 by Baht 1,484.2 million, or 32.6%. This mainly resulted from the deployment of new accounting standard, resulting in the increase of finance lease liability of Baht 1,564.3 million.

Current Liabilities

As at September 30, 2020, current liabilities was Baht 2,072.1 million decreased from December 31, 2019 by Baht 390.8 million, or 15.9% which was mainly from the decrease in bank overdrafts and short-term borrowings from financial institutions by Baht 627.2 million and the decrease of trade and other current payables of Baht 104.4 million. On the other hand, there are increases in current portion of lease liabilities of Baht 218.2 million and current portion of long-term borrowings from financial institutions of Baht 129.5 million.

Non-Current Liabilities

As at September, 2020, non-current liabilities was Baht 3,960.9 million, increased from December 31, 2019 by Baht 1,875.0 million, or 89.9 %. This mainly caused by the increase of finance lease liability of Baht 1,326.1 million, which mainly resulted from the deployment of new accounting standard, as well as the increase of debentures of Baht 600.0 million.

Shareholder's Equity

As at September 30, 2020, shareholder's equity was Baht 3,210.8 million, decreased from December 31, 2019 by Baht 59.3 million, or 1.8%, 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)	Nine-month Period	
	2019	2020
Cash and Cash Equivalents at 1 January	456.4	885.5
Net Cash from / (used in) Operating Activities	466.6	844.5
Net Cash from / (used in) Investing Activities	(980.8)	(566.8)
Net Cash from / (used in) Financing Activities	439.0	(572.2)
Impact of foreign exchange rates	6.8	62.3
Net Increase (Decrease) in Cash and Cash Equivalents	(68.4)	(232.2)
Cash included in disposal assets group classified as held for sales	2.5	-
Cash and Cash Equivalents at 30 September	390.5	653.3

Cash flows from operating activities

For the nine-month period ended September 30, 2020, the Company had net cash generated from operating activities of Baht 844.5 million, increased from December 31, 2019 by Baht 377.9 million, or 81.0%. 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 the nine-month period ended September 30, 2020, the Company had net cash used in investing activities of Baht 566.8 million, decreased by Baht 414.0 million or 42.2% 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. The Company had only invested on certain committed projects, e.g., new ASRS cold storage in Mahachai, and JWD Navanakorn Project, etc.

Cash flows from financing activities

For the nine-month period ended September 30, 2020, the Company had net cash used in financing activities of Baht 572.2 million, decreased by Baht 1,011.2 million or 230.3% which was mainly resulted from the repayment of long-term borrowings from financial institutions and the interim dividend payment.

Key Financial Ratios

	Nine-month Period	
	2019	2020
Gross Margin (%)	27.6%	25.3%
Net Profit Margin (%)	9.1%	7.5%
Current Ratio (Times)	1.11	0.82
Liability to Equity (Times)	1.23	1.88
Interest Bearing Debt to Equity (Times)	0.94	1.62
Interest Bearing Debt to Equity (Times)* Excluding liabilities from the deployment of accounting standard TFRS16 lease agreements	0.94	1.14

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