

JWD Infologistics Pcl (JWD TB) - BUY, Price Bt18.20, TP Bt22.00**Results Comment**

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Good 4Q21 profit, in-line

- JWD reported net profit of Bt176m in 4Q21. Excluding extra items, we estimate norm profit of Bt149m, up 97% y-y from low-base and 7% q-q. This was in-line our expectation with 2021 profit at 100% of our projections.
- Logistics and supply chain businesses (74% of revenue) i.e. cold storage, dangerous goods, auto yard management, transportation and distribution: revenue grew 44% y-y and 6% q-q. Besides improving operation from COVID-impact period, the strong growth y-y was also contributed to new cold storage operating since 1Q21 and additional revenue from newly acquired transport company in 2Q21. Gross margin was 30.3% in 4Q21 vs. 30.8/29.9% in 4Q20 and 3Q21.
- Food business (26% of revenue): revenue grew 22% y-y and 5% q-q to Bt369m. But due to higher cost of raw material, gross margin turned to -4.4% in 4Q21 vs. 17/18% in 4Q20 and 3Q21
- Note, for q-q, while core operation in Thailand was dragged by rising SG&A cost on M&A-related expense, the earnings growth q-q was driven by additional contribution from new businesses acquired in 4Q21, resulting in a strong jump in equity income.

Income Statement						Income Statement					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q20	1Q21	2Q21	3Q21	4Q21	(Bt m)	q-q%	y-y%	% 2021F	2021A	2022F
Revenue	1,060	1,050	1,253	1,357	1,440	Revenue	6	36	100	5,101	6,003
Gross profit	252	270	313	323	315	Gross profit	(2)	25	98	1,220	1,481
SG&A	170	162	177	189	263	SG&A	39	55	106	814	888
Operating profit	83	108	136	134	52	Operating profit	(61)	(37)	85	406	593
EBITDA	273	352	230	329	225	EBITDA	(32)	(18)	94	1,112	1,386
Other income	9	14	14	25	7	Other income	(71)	(18)	90	52	78
Other expense	0	0	0	0	0	Other expense					
Interest expense	48	47	52	54	65	Interest expense	20	36	107	218	220
Profit before tax	44	74	98	104	(6)	Profit before tax	na	na	74	239	452
Income tax	4	12	13	13	(10)	Income tax	na	na	46	45	72
Equity & invest. income	36	34	20	47	132	Equity & invest. income	181	266	129	245	305
Minority interests	0	1	2	0	12	Minority interests	8,695	6,488	754	15	(23)
Extraordinary items	0	44	9	0	27	Extraordinary items					
Net profit	76	141	116	139	176	Net profit	27	132	104	572	661
Normalized profit	76	97	107	139	149	Normalized profit	7	97	100	454	661
EPS (Bt)	0.07	0.14	0.11	0.14	0.17	EPS (Bt)	27	132	104	0.56	0.65
Normalized EPS (Bt)	0.07	0.09	0.10	0.14	0.15	Normalized EPS (Bt)	7	97	100	0.45	0.65
Balance Sheet						Financial Ratios					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q20	1Q21	2Q21	3Q21	4Q21	(%)	4Q20	1Q21	2Q21	3Q21	4Q21
Cash & ST investment	815	1,308	1,021	1,031	1,422	Sales growth	9.2	11.3	43.5	38.3	35.9
A/C receivable	731	774	942	943	1,052	Operating profit growth	(16.9)	(1.4)	172.1	80.1	(37.2)
Inventory	113	99	99	165	126	EBITDA growth	107.6	32.0	8.7	44.3	(17.7)
Other current assets	123	362	233	190	117	Norm profit growth	(16.8)	3.7	121.3	91.7	96.9
Investment	1,516	1,452	1,674	1,919	2,913	Norm EPS growth	(16.8)	3.7	121.3	91.7	96.9
Fixed assets	3,704	3,895	4,163	4,218	4,390	Gross margin	23.8	25.7	25.0	23.8	21.9
Other assets	2,471	2,528	2,558	2,534	2,585	Operating margin	7.8	10.3	10.9	9.8	3.6
Total assets	9,474	10,417	10,689	11,001	12,605	EBITDA margin	25.8	33.5	18.3	24.3	15.6
S-T debt	1,464	1,532	1,560	1,674	1,755	Norm net margin	7.2	9.2	8.5	10.2	10.4
A/C payable	589	642	757	841	868	D/E (x)	1.1	1.3	1.3	1.2	1.4
Other current liabilities	358	364	397	392	436	Net D/E (x)	0.9	0.9	1.0	0.9	1.1
L-T debt	2,236	2,912	2,938	2,849	4,012	Interest coverage (x)	5.7	7.5	4.4	6.1	3.5
Other liabilities	1,575	1,528	1,553	1,543	1,556	Interest rate	5.3	4.6	4.7	4.8	5.0
Minority interest	133	187	229	231	241	Effective tax rate	9.4	16.2	13.3	12.0	180.4
Shareholders' equity	3,118	3,253	3,256	3,471	3,738	ROA	3.2	3.9	4.0	5.1	5.1
Working capital	255	231	285	268	310	ROE	9.8	12.2	13.1	16.5	16.6
Total debt	3,700	4,443	4,498	4,523	5,766						
Net debt	2,885	3,135	3,478	3,492	4,345						

Sources: Company data, Thanachart estimates

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