

Overview

Phol Dhanya Public Company Limited (the Company) consolidated financial statement of the first quarter, ending March 31, 2020 reported the total revenue from sales and services of 273.35 MB, increasing by 33.38 MB or 13.91%, compared to the total revenue from sales and services of 239.97 MB in the same quarter of previous year mainly due to the increase of revenue from sales of Occupational safety, health, personal protective equipment and other related products due to the spread of the COVID-19 virus, resulting in increased demand for such products in many customer groups. As a result, the Company's gross profit was 85.76 MB, accounted for gross profit margin of 31.37% in quarter 1/2020, increasing by 23.43 MB or 37.56% compared to a gross profit of 62.34 MB, accounted for gross profit margin of 25.98% in the same quarter of the previous year. Selling and administrative expenses were 51.09 MB with variable expenses increased according to increase of revenue from sales and services

The operating results for Quarter 1/2020, the Company's net profit attributable to equity holders of 30.36 MB, accounted for net profit margin of 10.96%, increasing by 17.85 MB or 142.67% compared to net profit attributable to equity holders of 12.51 MB, accounted for net profit margin of 5.17% in the same quarter of previous year

Operating performance

	Unit:MB			
	Q1/2020	Q1/2019	Increased (Decreased)	% Change
Revenue from sales and services	273.20	239.86	33.34	13.90%
Revenue from construction and service contracts	0.15	0.11	0.04	42.55%
Total Revenues	273.35	239.97	33.38	13.91%
Cost of sales and services	187.48	176.96	10.52	5.94%
Cost of construction and service contracts	0.11	0.66	(0.55)	-83.52%
Total Costs	187.59	177.62	9.96	5.61%
Gross Profit	85.76	62.34	23.42	37.56%
Gross Profit Margin (%)	<i>31.37%</i>	<i>25.98%</i>		
Other income	3.79	2.11	1.67	79.12%
Total Selling and Administrative Expenses	51.09	46.81	4.28	9.14%
Profit before finance Costs and income taxes	38.45	17.64	20.81	117.96%
Profit before finance Costs and income taxes (%)	<i>13.88%</i>	<i>7.29%</i>		
Profit attributable to equity holders	30.36	12.51	17.85	142.67%
Net profit margin (%)	<i>10.96%</i>	<i>5.17%</i>		
Basic earnings per share (Baht)	0.15	0.06	0.09	142.67%
Weighted average number of ordinary shares (million shares)	202.50	202.50		

Revenue

Revenue by Products	Unit:MB					
	Q1/2020	%	Q1/2019	%	Increased (Decreased)	% Change
Occupational Safety, Health and Environment Products (SAFETY)	213.81	78.22%	195.82	81.60%	17.99	9.19%
Control Environment Products (CE)	53.26	19.48%	40.93	17.06%	12.32	30.11%
Water Solution Products (WATER)	6.29	2.30%	3.22	1.34%	3.06	95.13%
Total revenue from sales and services	273.35	100%	239.97	100%	33.38	13.91%

In Quarter 1/2020, the Company's revenue from sales and services were 273.35 MB, comprise 265.89 MB of revenue from sales, 7.31 MB of revenue from services and 0.15 MB of revenue from construction contracts. Revenues from sales and services increasing by 33.38 MB or 13.91% compared to the total revenue from sales and services of 239.97 MB in the same quarter of previous year.

Revenue from Occupational Safety, Health and Environment Products or SAFETY was 213.81 MB, increasing by 17.99 MB or 9.19% and revenue from Control Environment Products or CE was 53.26 MB, increasing by 12.32 MB or 30.11% compared to the same quarter of previous year, Revenues from the SAFETY Products and CE Products were increases mainly due to the increase of revenue from sales of products for the safety in the spread of the COVID-19 virus, especially personal protective equipment such as protection suits, protection masks, gloves, etc. Furthermore, the Company also sourced other relevant products to sell; temperature measurement tools, disinfectants, and alcohol gel. Regarding to the epidemic of Virus COVID-19, the demand for the above mentioned products has increased in many customer groups, both in hospitals and public health groups, dealers, new customer needs such products to use and to donation for medical staff. In addition, partly of industrial customers required more orders to prevent product shortages. Revenue from Water Solution Products or WATER was 6.29 MB, increasing by 3.06 MB or 95.13% compared to the same quarter of previous year, due to the increase from sales and services in industrial project sector.

Cost of Sales and Services

The Company's total costs in Quarter 1/2020 were 187.59 MB, comprising of 182.65 MB cost of sales, 4.83 MB cost of services and 0.11 MB cost of construction. Cost of sales and services increased proportionally with more revenue from sales and services.

In quarter 1/2020, costs of sales and services account for 68.63% of revenue from sales and service. Gross profit margin was 31.37% which increase, compare with Gross profit margin 25.98% in the same quarter of previous year, due to the proportion of sales of products with high gross profit margins increased including increasing sales of new customers as mentioned above. In Quarter 1/2020, the Company's gross profit was 85.76 MB, increasing by 23.42 MB or 37.56% compared to gross profit of 62.34 MB in the same quarter of previous year.

Selling and Administrative Expenses

In Quarter 1/2020, selling and administrative expenses were 51.09 MB comprised 23.42 MB of selling expenses, 26.52 MB of administrative expenses and 1.15 of loss from exchange rates. Total selling and administrative expenses increased by 4.28 MB or 9.14% compare with selling and administrative expenses of 46.81 MB in the same quarter of previous year mainly from variable expenses which increased according to revenue from sales and services.

The company's financial cost was 0.64 MB, decreasing by 0.86 MB or 57.29% compared to financial cost of 1.50 MB in the same quarter of previous year due to the decrease in loan from financial institution.

Net profit

In Quarter 1/2020, the company's consolidate net profit attributable to equity holders was 30.36 MB, accounted for net profit margin 10.96%, increasing by 17.85 MB or 142.67% compared to net profit attributable to equity holders of 12.51 MB, accounted for net profit margin 3.49% in the same quarter of previous year.

Financial Position

	As of March 31, 2020		As of December 31, 2019		Unit: MB	
	Amount	%	Amount	%	Increased (Decreased)	% Change
	Current Assets	428.11	70.54%	387.59	63.87%	40.52
Non-Current Assets	178.76	29.46%	179.56	29.59%	(0.81)	-0.45%
Total Assets	606.87	100.00%	567.15	93.46%	39.72	7.00%
Current Liabilities	222.75	36.63%	213.39	35.09%	9.36	4.39%
Non-Current Liabilities	49.94	8.21%	52.77	8.68%	(2.84)	-5.38%
Total Liabilities	272.69	44.84%	266.16	43.76%	6.53	2.45%
Shareholder's Equity of the Company	335.48	55.16%	302.29	49.71%	33.19	10.98%

Assets

As of March 31, 2020, the Company's total assets were 606.87 MB, increasing by 39.72 MB or 7% from December 31, 2019. The assets increased mainly from current assets, which increasing from 49.97 MB of trade and other current receivables-net. While, cash and cash equivalents decreased by 7.94 MB and net-inventories decreased 1.36 MB.

Liabilities

As of March 31, 2020, the Company's total liabilities were 272.69 MB, increasing by 6.53 MB or 2.45% from December 31, 2019. The Liabilities increased mainly due to the increase of 25.80 MB of trade and other payables, 7.73 MB of accrued income tax, however, short-term loans from financial institution decreased 24.16 MB. Non-current liabilities decreased mainly from 1.79 MB of long-term loans from financial institutions and 1.90 MB of provision for employee benefit liabilities.

Shareholder's equity

As of March 31, 2020, Shareholders' equity of the Company was 335.48 MB, increased from the resulting from net profit of 30.36 MB.

Cash Flows

	Unit: MB	
Cash flows	March 31, 2020	March 31, 2019
Cash flow from (used in) operating activities	20.55	9.62
Cash flow from (used in) investing activities	(1.58)	0.04
Cash flow from (used in) financing activities	(26.69)	(26.06)
Net increase (decrease) in cash and cash equivalents	(7.71)	(16.40)
Cash and cash equivalents at the end of the period	77.82	40.93

The Company's net cash acquired from the operating activities was 20.55 MB, with operating profits prior to changes in the operating assets and liabilities of 43.48 MB and cash flow received from net-inventories decreased 1.05 MB and trade and other payables increased 25.82 MB. While, cash flow used for trade and other receivables increased 49.34 MB.

Cash flow used in investment activities was 1.58 MB to purchase fix assets and intangible assets of 1.69 MB, while, cash flow acquired from interest received of 0.12 MB.

Cash flow used in financing activities was 26.69 MB mainly used to repayment of loans from financial institutions of 25.94 MB and repayment of liabilities under lease agreement of 0.10 MB and interest expense of 0.64 MB.