

Overview

In Quarter 3/2015, Consolidated financial statement of Phol Dhanya Public Company Limited (the company) shows revenue from sales and services of 227.11 million baht, increasing by 10.68 million baht or 4.93%, compared with 216.43 million baht in the same quarter of previous year, due to the increase from revenue from sales of Occupational Safety, Health and Environment Products and revenue from services of Water Treatment Products were increase, compare with the same quarter of the previous year.

However, the company's gross profit margin was decrease, due to the increase in cost of sales of imported products caused by the depreciation of baht currency. In addition, sale to government sector which have lower margin were increase. The company's selling and administrative expenses were increase, due to the increase in loss on impairment of water treatment project, so the Company's consolidate net profit (attributable to owners of the parent) was 2.61 million baht, decreasing by 10.14 million baht or 75.94%, compared with 12.75 million baht in the same quarter of previous year.

For the nine months period of 2015, The company's consolidated financial statement shows revenue from sales and services of 644.20 million baht, increasing by 43.61 million baht or 7.26%, compared with 600.59 million baht in the same period of previous year. The company's consolidate net profit (attributable to owners of the parent) was 18.10 million baht, decreasing by 12.76 million baht or 41.35%, compared with 30.85 million baht in the same period of previous year.

Operating performance

	Quarter					9 Months		
	3Q2015	3Q2014	% YoY	2Q2015	% QoQ	Y2015	Y2014	% YoY
	Unit : Million baht							
Revenue from sales	222.99	215.16	3.64%	211.39	5.49%	637.13	596.77	6.76%
Revenue from rendering of services	4.12	1.27	224.01%	1.63	152.24%	7.07	3.82	85.26%
Other Revenue	0.48	1.41	-66.12%	1.06	-54.75%	2.37	3.94	-39.84%
Total Revenue	227.59	217.84	4.47%	214.08	6.31%	646.57	604.53	6.95%
Cost of sales	166.74	157.95	5.56%	152.65	9.23%	467.41	435.02	7.45%
Cost of rendering of services	3.66	0.93	291.47%	1.15	219.46%	5.88	2.86	105.67%
Total Costs	170.39	158.89	7.24%	153.80	10.79%	473.29	437.88	8.09%
Gross Profit	56.71	57.54	-1.44%	59.23	-4.24%	170.91	162.71	5.04%
Gross Profit (%)	24.97%	26.59%	-1.62%	27.80%	-2.83%	26.53%	27.09%	-0.56%
Total Selling & Administrative Expenses	52.19	42.32	23.30%	52.20	-0.03%	145.52	126.53	15.01%
EBIT	5.01	16.63	-69.89%	8.08	-38.06%	27.76	40.12	-30.80%
EBIT (%)	2.20%	7.63%	-5.43%	3.78%	-1.58%	4.29%	6.64%	-2.34%
Net Profit	2.61	12.75	-79.54%	4.53	-42.38%	18.10	30.85	-41.35%
Net Profit (%)	1.15%	5.85%	-4.71%	2.11%	-45.80%	2.80%	5.10%	-2.30%
Basic earnings per share (Baht)	0.02	0.08	-79.54%	0.03	-42.38%	0.11	0.19	-41.35%
Weighted average number of ordinary shares (Million shares)	162.00	162.00		162.00		162.00	162.00	

Revenues

Unit : Million Baht

Revenue structure	Quarter									9 Months					
	3Q2015	%	3Q2014*	%	% YoY	2Q2015	%	% QoQ	Y 2015	%	Y 2014	%	% YoY		
Occupational Safety, Health and Environment Products (SAFETY)	184.31	81%	177.54	82%	3.81%	173.26	81%	6.37%	534.34	83%	504.94	84%	5.82%		
Control Environment Products (CE)	30.18	13%	28.79	13%	4.85%	25.63	12%	17.77%	76.81	12%	73.01	12%	5.20%		
Water Treatment Products (WATER)	12.62	6%	10.10	5%	24.89%	14.13	7%	-10.71%	33.06	5%	22.64	4%	46.01%		
Total revenue from sales and services	227.11	100%	216.43	100%	4.93%	213.02	100%	6.61%	644.20	100%	600.59	100%	7.26%		

Note: * The Company had reclassified the type of revenue during SAFETY Products and CE Products, so the revenue structure had changed.

In Quarter 3/2015, the company's sales were 222.99 million baht, increasing by 7.83 million baht or 3.64%, compared with 215.16 million baht in the same quarter of previous year.

Revenue from sales of Occupational Safety, Health and Environment Products were 184.31 million baht, increasing by 6.77 million baht or 3.81%, due to the revenue from sales to government sector customers were increase. However, in general production of each sectors are quite weak in relation to country's economy, so the revenues from each sectors were quite similar to the same quarter of the previous year. However, sales in some sectors were decrease.

Revenue from sales of Control Environment Products was 30.18 million baht, slight increasing by 1.40 million baht or 4.85%

Revenue from Water Treatment Product were 12.62 million baht, increasing by 2.52 million baht or 24.89%, comprised of 8.72 million baht from revenue from sale of Water Treatment systems and equipment and 3.90 million baht from revenue of service, comprised of 1.27 million baht from Waste water recycling system services and 2.63 million baht from partial income realization on the community water supply project.

Cost of Sales and Services

In Quarter 3/2015, the company's cost of sales and services amounted to 170.39 million baht comprising of 166.74 million baht of cost of sales and 3.66 million baht of cost of services. Cost of sales and services increase according to increase of revenue from sales and services. In addition, costs of sales of imported products were increase, due to the depreciation of baht currency. Sales to government sector which have lower margin were also increase. And the community water supply projects have relatively low profit margin, so cost of sales and services was accounted for 75.03% of total sales and services revenue, resulting in 24.97% of gross profit margin.

Selling and Administrative Expenses

In Quarter 3/2015, selling and administrative expenses amounted to 52.19 million baht comprised of selling expenses amounted to 25.95 million baht and administrative expenses amounted to 26.23 million baht. Selling expenses was increase due to the increase from revenue from sales. Administrative expenses amounted to 26.23 million baht comprised of administrative expenses

22.62 million baht and loss on exchange rate 1.03 million baht and loss on impairment of asset 2.58 million baht from the reduction of the size of the water treatment project in Mae Ka.

Net profit

The Company's consolidate net profit (attributable to owners of the parent) was 2.61 million baht, accounted for net profit margin 1.15%.

Financial Position

Consolidated	September 30, 2015		December 31, 2014		Unit : Million baht
	Amount	%	Amount	%	% Change
	Assets	586.02	100.00%	550.37	100.00%
Liabilities	280.26	47.82%	229.69	41.73%	22.02%
Shareholders' equity	305.76	52.18%	320.68	58.27%	-4.65%

Assets

As of September 30, 2015, the company's total assets were 586.02 million baht, which increase by 35.65 million baht or 6.48%, mainly due to the increase in trade account receivable amount to 12.88 million baht and other receivable decrease from the impairment of asset amount to 5.15 million baht, due to the reduction of the size of the water treatment project in Mae ka.

Non-current assets were increase, due to the increase from property, plant and equipment from investment in service center for safety products amount to 14.91 million baht, the building improvements amount to 1.8 million baht and vehicles amount to 2.9 million baht, However, non-current assets were decrease by 8.69 million baht from depreciation and amortization during the period.

Liabilities

The company's total liabilities as of September 30, 2015, were 280.26 million baht which increase by 50.57 million baht or 22.02%, mainly due to the increase in short-term loan from financial institution amount to 67.46 million baht for loan repayment and investment in fixed assets, However, trade payables and other payable were decrease 14.93 million baht and long term loan from financial institutions were decrease 4.5 million baht.

Shareholders' equity

As of September 30, 2015, Shareholders' equity of the company was 305.76 million baht, unappropriated retained earnings was decrease due to the dividend paid amount to 32.40 million baht and the resulting from net profit was 18.10 million baht.

Cash Flow

Unit : Million Baht

Cash Flow	September 30, 2015	September 30, 2014
Cashflow from (used in) operating activities	(4.61)	5.87
Cashflow from (used in) investing activities	(21.15)	(2.26)
Cashflow from (used in) financing activities	28.15	(33.14)
Net increase (decrease) in cash and cash equivalents	2.39	(18.42)
Cash and cash equivalents at the end of the year	33.87	27.64

The Company had net cashflow from operating activities amounted to 4.61 million baht in which the profit from operations before change in operating assets and liabilities amounted to 45.74 million baht. Assets and liabilities from operation were changed mainly due to increase in trade and other receivables amounted to 24.20 million baht, increase in inventories amounted to 1.05 million baht, however, trade and other payable were decrease by 12.45 million baht.

Cashflow used in investment activities amounted to 21.15 million baht which was cash for acquisition of fixed assets and computer software amounted to 20.74 million baht and interest received amount to 0.29 million baht.

Cashflow from financing activities amounted to 28.15 million baht due to short-term loan from financial institution amounted to 67.49 million baht, repayment of long-term loan amounted to 4.5 million baht, interest payment amounted to 2.78 million baht and dividend paid amount to 32.40 million baht.