

Overview

Phol Dhanya Public Company Limited (the Company) consolidated financial statement of the first quarter, ending March 31, 2019 reported the total revenue of 242.08 MB, comprise 239.86 MB of revenue from sales and services 0.11 MB of revenue from construction contracts and 2.11 MB of others revenue. Revenue from sales and services increasing by 13 MB or 5.73%, compared to the revenue from sales and services of 226.86 MB in the same quarter of previous year due to the increase of revenue from Occupational Safety, Health and Environment Products or SAFETY and Control Environment Products or CE. In Quarter 1/2019, the Company's gross profit was 62.34 MB, accounted for gross profit margin of 25.98%, gross profit was increase by 5.42 MB or 9.52% according to the increase in revenue from sales, in addition, cost overrun for the community water supply construction projects was decrease, compare with gross profit of 56.92 MB, accounted for gross profit margin of 23.88% in the same quarter of previous year. Selling and administrative expenses were 46.81 MB, similar to the same quarter of previous year. The operating results for Quarter 1/2019, the Company's net profit attributable to equity holders of 12.51 MB, accounted for net profit margin of 5.17%, increasing by 4.05 MB or 47.89% compared to net profit attributable to equity holders of 8.46 MB, accounted for net profit margin of 3.98% in the same quarter of previous year

Operating performance

Unit: MB

	Q1/2019	Q1/2018	Increased (Decreased)	% Changed
Revenue from sales and services	239.86	226.86	13.00	5.73%
Revenue from construction and service contracts	0.11	11.54	(11.43)	-99.09%
Other income	2.11	3.78	(1.66)	-44.04%
Total Revenues	242.08	242.18	(0.10)	-0.04%
Cost of sales and services	176.96	164.18	12.79	7.79%
Cost of construction and service contracts	0.66	17.30	(16.64)	-96.18%
Total Costs	177.62	181.48	(3.85)	-2.12%
Gross Profit	62.34	56.92	5.42	9.52%
Gross Profit Margin (%)	25.98%	23.88%		
Total Selling and Administrative Expenses	46.81	47.29	(0.47)	-1.00%
Profit before finance Costs and income taxes	15.53	9.63	5.89	61.17%
Profit before finance Costs and income taxes (%)	6.41%	3.98%		
Profit attributable to equity holders	12.51	8.46	4.05	47.89%
Net profit margin (%)	5.17%	3.49%		
Basic earnings per share (Baht)	0.06	0.04	0.02	47.89%

Revenue

Revenue by Products	Unit : MB					
	Q1/2019	%	Q1/2018	%	Increased (Decreased)	% Changed
Occupational Safety, Health and Environment Products (SAFETY)	195.82	82%	183.52	77%	12.30	6.70%
Control Environment Products (CE)	40.93	17%	39.70	17%	1.23	3.10%
Water Solution Products (WATER)	3.22	1%	15.18	6%	(11.96)	-78.78%
Total revenue from sales and services	239.97	100%	238.40	100%	1.57	0.66%

In Quarter 1/2019, the Company's revenue from sales and services were 239.97 MB, comprise 236.41 MB of revenue from sales, 3.45 MB of revenue from services and 0.11 MB of revenue from construction contracts. Revenues from sales and services increased slightly to 0.66% compared to the same quarter of previous year. Revenue from Occupational Safety, Health and Environment Products or SAFETY was 195.82 MB, increasing by 12.30 MB or 6.7% compared to the same quarter of previous year, due to increase in revenue from government sector and increased in revenue of masks from bad situation of dust PM 2.5. The revenue from Control Environment Products or CE was 40.93 MB, increasing by 1.23 MB or 3.10% compared to the same quarter of previous year, major customers are in the electronics industry are still continuous orders. Revenue from Water Solution Products or WATER was 3.22 MB, decreasing by 11.96 MB or 78.78% compared to the same quarter of previous year, Major revenue from sales and services in industrial project sector. However, revenue from the community water supply construction projects were decrease due to stop receive new project.

Cost of Sales and Services

The Company's total costs in Quarter 1/2019 were 177.62 MB, comprising of 174.33 MB cost of sales, 2.63 MB cost of services and 0.66 MB cost of construction. Cost of sales increased proportionally with more revenue from sales. Cost of service decrease proportionally with revenue from services and cost of construction decreased proportionally with revenue recognized from construction contracting service.

In quarter 1/2019, costs of sales and services account for 74.02% of revenue from sales and service. Gross profit margin was 25.98% which increase, compare with 23.88% in the same quarter of previous year, due to cost overrun for the construction projects was decrease. In Quarter 1/2019, the Company's gross profit was 62.34 MB, increasing by 5.42 MB or 9.52% compared to gross profit of 56.92 MB in the same quarter of previous year

Selling and Administrative Expenses

In Quarter 1/2019, selling and administrative expenses were 46.81 MB comprised 22.90 MB of selling expenses, 23.55 MB of administrative expenses and 0.37 of penalties arising from delays projects. Total selling and administrative expenses were similar to the same quarter of previous year, which decreased by 0.47 MB or 1% mainly due to the decreased in the legal expenses from previous year.

The company's financial cost was 1.50 MB, decreasing by 1.14 MB or 49.09% compared to financial cost of 2.64 MB in the same quarter of previous year due to the decrease in loan from financial institution.

Net profit

In Quarter 1/2019, the company's consolidate net profit attributable to equity holders was 12.51 MB, accounted for net profit margin 5.17%, increasing by 4.05 MB or 47.89% compared to net profit attributable to equity holders of 8.46 MB in the same quarter of previous year, accounted for net profit margin 3.49%.

Financial Position

Unit : MB

	As of March 31, 2019		As of December 31, 2018		Increased (Decreased)	% Change
	Amount	%	Amount	%		
Current Assets	428.10	69.16%	457.87	70.21%	(29.77)	-6.50%
Non-Current Assets	190.91	30.84%	194.24	29.79%	(3.33)	-1.72%
Total Assets	619.01	100.00%	652.12	100.00%	(33.10)	-5.08%
Current Liabilities	281.88	45.44%	325.30	49.78%	(43.42)	-13.35%
Non-Current Liabilities	51.51	8.30%	53.83	8.24%	(2.33)	-4.32%
Total Liabilities	333.39	53.74%	379.14	58.02%	(45.75)	-12.07%
Shareholder's Equity of the Company	286.93	46.26%	274.28	41.98%	12.65	4.61%

Assets

As of March 31, 2019, the Company's total assets were 619.01 MB, decreasing by 33.10 MB or 5.08% from December 31, 2018. The decreased assets were mainly from current assets, which decreasing from 16.28 MB of cash and cash equivalents, 7.41 MB of unbilled receivables to the subcontractors for the construction, 20.69 MB of net-inventories. While, , trade and other current receivables increase 15.97 MB.

Liabilities

As of March 31, 2019, the Company's total liabilities were 333.39 MB, decreasing by 45.75 MB or 12.07% from December 31, 2018. The decreased liabilities mainly due to the decreased of 21.52 MB in short-term loans from financial institution and 26.02 MB of trade and other payables, 1.26 MB of liabilities under finance lease agreement and 1.79 MB of long-term loan from financial institution. However, accrued income tax was increase 3.88 MB and the recorded provision for expected loss on constructions contracts was increase 0.35 MB.

Shareholder's equity

As of March 31, 2019, Shareholders' equity was 286.93 MB, increased from the resulting from net profit of 12.51 MB.

Cash Flows

Cash Flows	Unit : MB	
	March 31, 2019	March 31, 2018
Cashflow from (used in) operating activities	9.62	36.77
Cashflow from (used in) investing activities	0.04	(0.48)
Cashflow from (used in) financing activities	(26.06)	(31.50)
Net increase (decrease) in cash and cash equivalents	(16.40)	4.80
Cash and cash equivalents at the end of the period	40.93	97.31

The Company's net cash acquired from the operating activities was 9.62 MB, with operating profits prior to changes in the operating assets and liabilities of 24.33 MB and cash flow received from 7.41 MB of unbilled receivables for the construction and net-inventories decreased 19.82 MB. While, cash flow used for trade and other payables of 26.50 MB, cash paid for projects warranty of 0.61 MB and trade and other receivables increased 14.45 MB.

Cash flow acquired from investment activities was 0.04 MB from interest received of 0.12 MB and loan to employees decreased 0.10 MB. While, cash flow used to purchase fix assets of 0.14 MB.

Cash flow utilized in financing activities was 26.06 MB mainly used to repayment of loans from financial institutions of 23.30 MB and repayment of liabilities under lease agreement of 1.51 MB and interest expense of 1.25 MB.