



บริษัท เอ็นเอฟซี จำกัด (มหาชน)
NFC PUBLIC COMPANY LIMITED

เลขที่ 88 อาคาร เอสซี กรุ๊ป ชั้น 3 ถนนเดอ-พาร์คแลนด์ แขวงบางนาเหนือ เขตบางนา กรุงเทพฯ 10260
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ทะเบียนเลขที่ 0107538000495
Registration No. 0107538000495

NFC 072 / 2019

May 13, 2019

Subject: To submit Financial Statements and clarification of the Operating Results changed more than 20% for the 1st quarter ended March 31, 2019.

Attention: Director and Manager
The Stock Exchange of Thailand (“SET”)

Attachment: 1. Copy of interim financial statements for the 1st quarter ended March 31, 2019.
2. Management discussion and analysis for the 1st quarter ended March 31, 2019.

NFC Public Company Limited (“the Company”) would like to submit the interim financial statements the 1st quarter ended March 31, 2019, which had already reviewed from Auditor to SET as Attachment no.1 , and would summarize the operating results which had changed in Management Discussion and Analysis the 1st quarter ended March 31, 2019 as Attachment no.2.

Please be informed accordingly,

Yours sincerely,

(Mrs. Bongkot Rungkornpaisarn)
Executive Vice President (Finance and Administration)
NFC Public Company Limited



Management Discussion and Analysis – For Quarter 1/2019

Operating Performance

- For the quarter ended 31 March 2019, the Company's net profit attributable to equity holders of the Company was 4.41 MB., decreased by 21.79 MB. or 83.17% compared to Quarter 1/2018.
 - Gross Profit decreased by 17.65 MB. or 26.76%
 - Other Income increased by 11.09 MB. or 132.66%
 - Total Expenses increased by 11.50 MB. or 22.78%
 - Financial Cost increased by 3.96 MB. or 2,084.21%
 - Portion of non-controlling interests in subsidiaries increased by 0.01 MB.

Details are as followings:

Revenues from sales and services

- For the quarter ended 31 March 2019, the Company had total revenue from sales and services of 314.11 MB., increased by 13.98 MB. or 4.66% compared to quarter 1/2018 because
 - Revenue from sales of chemical products was 290.26 MB., increased by 14.48 MB. or 5.25%, due to
 - Sales of Sulfuric acid increased by 27.94 MB. or 24.30%. due to the sulfuric acid price increased because supply in the global market is scarce, while sales volume decreased by 19,806 tons or 25.81%.
 - Sales of Ammonia decreased by 15.10 MB. or 9.75%. from sale volume decreased by 621 tons or 8.47%, and the average sale price per ton is slightly decreased as well.
 - Sales of Ammonium Hydroxide increased by 1.64 MB. or 27.42% due to lower average sale price per ton, while the higher sale volume of 535 Tons or 57.58%.
 - Total service income was 23.85 MB., decreased by 0.50 MB. or 2.05% compared to Quarter 1/2018 due to
 - Revenue from warehouse service increased by 0.22 MB. or 2.89% due to expansion of service area and number of customers increased.
 - Revenue from Logistic & Liquid warehouse service decreased by 0.08 MB. or 0.58% due to contract price adjustment with customer
 - Revenue from Port Service decreased by 0.64 MB. or 21.99% due to the declining of company's terminal revenue

Cost of sales and services and gross margin

- For the quarter ended 31 March 2019, the Company's cost of sales and services was 265.80 MB., increased by 31.63 MB. or 13.51% compared to Quarter 1/2018 and gross margin was decreased to 15.38% against quarter 1/2018 at 21.98% due to
 - Cost of chemical products increased by 31.60 MB. or 13.77% from the cost of chemical product increased according to the world market prices.
 - As a result, the gross margin of chemical products decreased by 17.12 MB. or 37.01% affecting to gross margin ratio dropped to 10.05% from the quarter 1/2018 at 16.78% due the higher cost of chemical products in the world market trend.
 - Cost of services decreased by 0.03 MB. or 0.64% compared to Quarter 1/2018

Other income

- For the quarter ended 31 March 2019, the Company had income that not related to the main business of 19.45 MB., increased by 11.09 MB. or 132.66% compared to quarter 1/2018, resulting from
 - Net Gypsum Revenues increased by 11.26 MB. due to the reversal of provisions for clearing gypsum.
 - Interest from Saving Accounts increased by 0.56 MB.
 - Insurance claim compensation increased by 0.04 MB.
 - Provision for outdated inventory decreased by 0.17 MB.
 - Gain/loss sale assets decreased by 0.60 MB.

Total expenses

- For the quarter ended 31 March 2019, the Company had total expenses of 61.98 MB., increased by 11.50 MB. or 22.78% compared to Quarter 1/2018 due to
 - Selling expenses increased by 1.03 MB. or 8.16%, due to higher cost of transportation affected from oil price increased
 - Administrative expenses increased by 10.47 MB. or 27.65% resulted from written-off the project expenses due to the termination of the agreement for the sale and purchase of entire issued shares of SC Carrier Co., Ltd.

Financial Costs

- For the quarter ended 31 March 2019, the Company had Financial Costs of 4.15 MB., increased by 3.96 MB. or 2,084.21% when compared to Quarter 1/2018 as the Company increased credit facilities utilization with Financial Institutions in order to manage working capital.

Financial Position

From the Company's financial statement for period ended 31 March 2019, the Company had total assets of 1,558.30 MB., total liabilities of 541.31 MB., Non-controlling interests of subsidiaries (1.30) MB. and shareholders' equity of 1,018.29 MB. or book value of 0.94 Baht per share, and the Quarter 1/2018, the Company had total assets of 1,426.58 MB., total liabilities of 415.49 MB., Non-controlling interests of subsidiaries (1.22) MB. and shareholders' equity of 1,021.31 MB. or book value of 0.93 Baht per share.

As at 31 March 2019, the Company had a working capital in the form of cash and short-term investments of 499.74 MB. and 299.70 MB. respectively, with enough for current operation business and able to support the expansion of business in the future. The significant changed for financial position of the Company are as follows.

- As of 31 March 2019, the Company's total assets were 1,558.30 MB., increased by 131.72 MB. or 9.23% compared to the end of year 2018 as per following details
 - Cash and short-term investments of 799.44 MB., increased by 213.23 MB. or 36.37% from the operating cash flow.
 - Trade accounts receivable and other current account receivables were 143.28 MB., decreased by 7.21 MB. or 4.79% from the decrease in trade receivables of Ammonia sales.
 - Short-term loan related 28.50 MB.
 - Inventories were 87.39 MB., increased by 30.45 MB. or 25.84% from Ammonia decreased 31.29 MB.
 - Other current asset of 29.20 MB., decreased by 53.81 MB. or 64.82% from the Deposit as collateral for Trade Credit Facilities with Financial Institutions.
 - Property, plant and equipment (PPE) of 381.85 MB., decreased by 21.13 MB. or 5.24% due to the depreciation of building and building improvements, machinery and office supplies Land improvements and vehicles increased by 26.91 MB., and Purchase of PPE during the year of 5.78 MB.
 - Other non-current asset of Baht 35.33 MB. remained the same as the end of year 2018
- As of 31 March 2019, the Company had total liabilities of 541.31 MB., increased by 125.82 MB. or 30.28% compared to the end of year 2018.
 - Bank overdraft and short-term loan from financial institution of 311.66 MB., increased by 95.20 MB. or 43.98% from incremental usage credit facilities with financial institutions.
 - Trade accounts payable and other current account payable of 195.45 MB., increased by 47.55 MB. or 32.15% this was mainly due to Trade accounts payable increased by 24.47 MB. while other current account payable increased by 23.08 MB. from increase from customer's advance payment for goods increased by 17.25 MB., other accrued expenses increased by 0.01 MB., while liability payable to IEAT increased by 5.82 MB.

- As of 31 March 2019, the Company had shareholders' equity of 1,016.99 MB., increased by 5.90 MB. or 0.58 % compared to the end of year 2018 due to the Company's comprehensive profits of 5.98 MB. and a portion of non-controlling interests in subsidiaries of (0.08) MB. At present, the Company has a paid-up capital 815.88 MB. or ordinary shares 1,087.83 Million shares at par value 0.75 Baht.

Cash flow Statement of the Company

- For the quarter ended 31 March 2019, the Company's net cash flow increased by 211.66 MB., resulting from the operating cash flow of 154.40 MB. resulting from the net profit from operations and effective management of working capital. For cash flow used in investing 34.17 MB., mainly from short-term loan to related company and cash flow from financing activities was 91.43 MB. resulting from increased borrowing from Financial Institutions.