

Overview

Referring to the operating performance in the consolidated financial statement in the third quarter, ending September 30, 2021, Phol Dhanya PCL (the Company)'s total revenue from sales and services were 329.67 MB, increasing by 58.80 MB or 21.71% YoY at 270.87 MB. Occupational Safety, health and personal protective equipment as well as control environment products with increase continuous purchase orders from electronics industry and foods industry that have continue expanded their production capacity and other major industries, such as automotive, petrochemicals, have increased production compared to the same quarter of previous year. In addition, the situation of the epidemic of COVID-19, there is still the demand for disease prevention items continuously, both for the industrial and medical sectors, leading to increase the revenues from hospital, medical and public health organizations, including more dealer customers. In the third quarter of 2021, the gross profit margin standing at 75.48 MB, or equivalent to 22.90%, the gross profit increased in line with the increase in sales revenue and selling and administrative expenses did not differ much from the same quarter of previous year as the result the Company's net profit for the third quarter of 2021 was 23.70 MB; equivalent to 7.17%, increasing by 11.58 MB or 95.59% compared to net profit attributable to equity holders of 12.12 MB; equivalent to 4.47% in the same quarter of previous year.

For the nine month period, ending September 30, 2021, the Company's total revenue from sales and services were 953.84 MB, increasing by 164.15 MB or 20.79%, compared to the revenue from sales and services of 789.69 MB in the same period of previous year. The Company's net profit for the nine months period of 2021 was 68.89 MB; equivalent to 7.21%, increasing by 8.04 MB or 13.22% compared to net profit attributable to equity holders of 60.84 MB; equivalent to 7.66% in the same period of previous year.

Operating performance

	Q3/2021	Q3/2020	Increased (Decreased)	% YoY	9M/2021	9M/2020	Increased (Decreased)	% YoY
Revenue from sales	324.09	252.03	72.06	28.59%	937.78	760.89	176.88	23.25%
Revenue from services	5.58	18.84	(13.26)	-70.38%	16.06	28.79	(12.74)	-44.23%
Total Revenues	329.67	270.87	58.80	21.71%	953.84	789.69	164.15	20.79%
Cost of sales	(250.15)	(194.41)	55.74	28.67%	(720.05)	(555.23)	164.82	29.69%
Cost of services	(4.03)	(15.64)	(11.60)	-74.20%	(12.22)	(22.40)	(10.18)	-45.45%
Total Costs	(254.19)	(210.05)	44.14	21.01%	(732.27)	(577.63)	154.64	26.77%
Gross Profit	75.48	60.82	14.66	24.11%	221.57	212.06	9.51	4.48%
Gross Profit Margin (%)	22.90%	22.45%			23.23%	26.85%		
Other income	0.92	0.13	0.79	628.96%	1.58	4.79	(3.21)	-66.94%
Total Selling and Administrative Expenses	(45.95)	(46.06)	(0.11)	-0.24%	(139.30)	(140.09)	(0.80)	-0.57%
Profit before finance Costs and income taxes	30.45	14.88	15.57	104.63%	83.86	76.76	7.09	9.24%
Profit before finance Costs and income taxes (%)	9.21%	5.49%			8.78%	9.66%		
Loss from impairment of trade and other receivables	0.00	0.00	0.00	n/a	(0.70)	0.00	0.70	n/a
Financial Cost	(0.86)	(0.68)	0.19	27.47%	(2.02)	(1.81)	0.21	11.77%
Reversal of impairment of trade and other receivables	0.02	0.00	0.02	n/a	5.17	0.00	5.17	n/a
Income tax expenses	(5.90)	(2.09)	3.81	182.90%	(17.42)	(14.11)	3.31	23.44%
Profit attributable to equity holders	23.70	12.12	11.58	95.59%	68.89	60.84	8.04	13.22%
Net profit margin (%)	7.17%	4.47%			7.21%	7.66%		
Basic earnings per share (Baht)	0.12	0.06	0.06	95.59%	0.34	0.30	0.04	13.22%

Unit : MB

Revenue

Revenue Structure	Q3/2021		Q3/2020		Increased (Decreased)		9M/2021		9M/2020		Increased (Decreased)		Unit : MB	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
Occupational Safety, Health and Environment Products (SAFETY)	249.64	75.72%	191.12	70.56%	58.52	30.62%	681.12	71.41%	590.54	74.78%	90.57	15.34%		
Control Environment Products (CE)	69.50	21.08%	53.42	19.72%	16.08	30.10%	251.51	26.37%	159.65	20.22%	91.86	57.54%		
Water Solution Products (WATER)	10.53	3.19%	26.33	9.72%	(15.80)	-60.01%	21.21	2.22%	39.50	5.00%	(18.29)	-46.30%		
Total revenue from sales and services	329.67	100%	270.87	100%	58.80	21.71%	953.84	100%	789.69	100%	164.15	20.79%		

The total revenue from sales and services provision in the third quarter of 2021 were 329.67 MB, with 249.64 MB of Occupational Safety, Health and Environment Products or SAFETY accounting for 75.72%, 69.50 MB of Control Environment Products or CE accounting for 21.08% and 10.53 MB of Water Solution Products or WATER accounting for 3.19%.

The revenue from sales and service provisions from SAFETY products was 249.64 MB, increasing by 58.52 MB or 30.62%, mainly from existing customers and new customers in the foods industry and electronics industry that have continue expanded their production capacity and other major industries, such as automotive, petrochemicals, have increased production compared to the same quarter of previous year. Moreover, the situation of the epidemic of COVID-19, there is still the demand for disease prevention items continuously, leading to increased revenues from hospital, medical and public health organizations and more dealer customers, in addition, there was an increase in the revenue from consumer through online sales channels.

The revenue from sales and service provision in CE products was 69.50 MB, increasing by 16.08 MB or 30.10% mainly from customers in the electronics industry that have continued expanded their production capacity and expanded by hiring subcontractors to produce, that's the opportunity for the company to expand sales to their subcontractors, leading to increased revenues from both existing customers and new customers

The revenue from sales and service provision in WATER Products was 10.53 MB, decreasing by 15.80 MB or 60.01% mainly due to the COVID-19 situation has caused certain customers' new projects to delay.

Cost of Sales and Services

The Company's total costs in the third quarter of 2021 was 254.19 MB, comprising of 250.15 MB cost of sales and 4.03 MB cost of services. Cost of sales increased proportionally with more revenue from sales and increased cost of goods in some product categories and from exchange rates. Cost of services decreased in line with lower sales of services compared to the same quarter of the previous year.

In the third quarter of 2021, costs of sales and services accounted for 77.10% of revenue from sales and service. Gross profit was 75.48 MB with gross profit margin 22.90%, gross profit increased 14.66 MB or 24.11% proportionally with more revenue from sales compare to gross profit of 60.82 MB with gross profit margin 22.45% in the same quarter of pervious year.

Selling and Administrative Expenses

In the third quarter of 2021, selling and administrative expenses were 45.95 MB comprised 22.35 MB of selling expenses, 22.30 MB of administrative expenses and 1.30 MB of loss from exchange rates. Total selling and administrative expenses were similar compared to 46.06 MB of selling and administrative expenses in the same quarter of previous year. Mainly from expenses that were variable with revenue from sales and services, such as sales commissions, etc. However, there was the decrease in expenses mainly from lower travelling and expenses for marketing activities and events due to the spread of the COVID-19 virus.

The company's financial cost was 0.86 MB, increasing by 0.19 MB or 27.47% compared to financial cost of 0.68 MB in the same quarter of previous year due to the increase in short term loan from financial institution.

Net Profit

In the third quarter of 2021, the company's consolidate net profit attributable to equity holders was 23.70 MB, accounted for net profit margin 7.17%, an increase of 11.58 MB or 95.59% compared to the same quarter of the previous year with a net profit of 12.12 MB, accounted for net profit margin 4.47%

Financial Position

Unit : MB

	September 30, 2021		December 31, 2020		Increased	%
	Amount	%	Amount	%	(Decreased)	Changed
Current Assets	497.25	74.16%	428.90	70.78%	68.34	15.93%
Non-Current Assets	173.28	25.84%	177.10	29.22%	(3.82)	-2.16%
Total Assets	670.53	100.00%	606.00	100.00%	64.53	10.65%
Current Liabilities	291.03	43.32%	231.44	38.11%	59.59	25.75%
Non-Current Liabilities	44.36	6.60%	47.41	7.81%	(3.05)	-6.43%
Total Liabilities	335.39	49.92%	278.85	45.92%	56.54	20.27%
Shareholder's Equity of the Company	336.45	50.08%	328.45	54.08%	7.99	2.43%

Assets

As of September 30, 2021, the Company's total assets were 670.53 MB, increasing by 64.53 MB or 10.65% from December 31, 2020. The assets increased mainly from current assets, which increased from 70.49 MB of net-inventories, 43.06 MB of trade receivables-net from higher sales revenue. While, cash and cash equivalents decreased by 43.26 MB. And non-current assets decreased mainly from depreciation and amortization.

Liabilities

As of September 30, 2021, the Company's total liabilities were 335.39 MB, increasing by 56.54 MB or 20.27% from December 31, 2020. The Liabilities increased mainly from the increase of 49.85 MB of overdraft and short-term loans from financial institutions, 22.05 MB of trade payables and 0.94 MB of accrued income tax. However, other payables decreased 13.58 MB. Non-current liabilities decreased mainly from 5.36 MB of long-term loans from financial institutions and 0.48 MB of lease liabilities-net while the provision for employee benefit liabilities increasing by 2.22 MB.

Shareholder's equity

As of September 30, 2021, Shareholders' equity of the Company was 336.45 MB, increasing by 7.99 MB or 2.43% from December 31, 2020 from the resulting from net profit of 68.89 MB, while, decreasing by 60.75 MB from dividend payment.

Cash flows

Unit : MB		
Cash flows	September 30, 2021	September 30, 2020
Cash flow from (used in) operating activities	(23.16)	37.48
Cash flow from (used in) investing activities	(1.17)	(4.94)
Cash flow from (used in) financing activities	(18.78)	(52.36)
Net increase (decrease) in cash and cash equivalents	(43.11)	(19.83)
Cash and cash equivalents at the end of the period	49.13	65.72

The Company's net cash used in the operating activities was 23.16 MB, with operating profits prior to changes in the operating assets and liabilities of 96.97 MB. Cash flow used for trade and other receivables increased 35.23 MB and inventories increased 74.19 MB, while cash flow received from net- trade and other payables increased 6.33 MB.

Cash flow used in investment activities was 1.17 MB to purchase 1.73 MB of fix assets and 0.49 MB of intangible assets, while cash flow acquired 0.78 MB from loan to employees and interest received of 0.28 MB.

Cash flow used in financing activities was 18.78 MB mainly used to repayment of loans from financial institutions of 5.36 MB, repayment of liabilities under lease agreement of 0.60 MB, interest expense of 1.94 MB and dividend payment of 60.74 MB. However, cash flow acquired 49.85 MB from overdraft and short-term loans-trust receipt from financial institutions.