

Operating Performance Overview

Unit:MB

	Q3/2023	Q3/2022	Increased (Decreased)	% YoY	9M/2023	9M/2022	Increased (Decreased)	% YoY
Revenue from sales	243.06	249.95	(6.89)	-2.75%	713.57	758.12	(44.55)	-5.88%
Revenue from rendering of services	7.57	3.14	4.44	141.29%	16.68	12.26	4.41	35.97%
Revenue of water treatment system installation	-	-	-		0.32	-	0.32	
Total Revenues	250.64	253.09	(2.45)	-0.97%	730.57	770.38	(39.81)	-5.17%
Cost of sales	(178.85)	(183.43)	(4.59)	-2.50%	(522.44)	(565.50)	(43.06)	-7.61%
Cost of services	(5.71)	(1.69)	4.02	237.95%	(12.46)	(7.96)	4.50	56.56%
Cost of water treatment system installation	-	-	-		(0.24)	-	0.24	
Total Costs	(184.55)	(185.12)	(0.57)	-0.31%	(535.13)	(573.45)	(38.32)	-6.68%
Gross Profit	66.09	67.97	(1.88)	-2.77%	195.44	196.93	(1.49)	-0.76%
Gross Profit Margin (%)	26.37%	26.86%			26.75%	25.56%		
Other income	1.46	1.41	0.05	3.26%	5.29	2.39	2.89	121.04%
Total Distribution costs and administrative expenses	(48.54)	(50.14)	(1.59)	-3.17%	(148.27)	(143.57)	4.69	3.27%
Profit before finance costs and income taxes	19.00	19.25	(0.25)	-1.28%	52.45	55.75	(3.29)	-5.90%
Profit before finance costs and income taxes (%)	7.54%	7.56%			7.13%	7.21%		
Loss from impairment of financial assets	(0.62)	-	0.62		(4.23)	-	4.23	
Finance costs	(0.56)	(0.70)	(0.14)	-20.34%	(1.64)	(1.97)	(0.33)	-16.88%
Reversal of allowance for credit loss (credit loss) on financial asset-nets	(0.10)	(0.17)	(0.07)	-40.96%	4.11	(0.14)	3.96	2795.24%
Share of profit from investment in joint ventures	0.20	-	0.20	0.00%	1.00	-	1.00	
Income tax expenses	(3.29)	(3.87)	(0.57)	-14.83%	(10.37)	(11.46)	(1.09)	-9.49%
Profit attributable to equity holders	14.62	14.51	0.11	0.76%	41.33	42.18	(0.85)	-2.01%
Net profit margin (%)	5.80%	5.70%			5.62%	5.46%		
Basic earnings per share (Baht)	0.07	0.07	0.001	0.76%	0.20	0.21	(0.004)	-2.01%

Referring to the operating performance in the consolidated financial statement in the third quarter, ending September 30, 2023, Phol Dhanya PCL (the Company)'s total revenue from sales and services were 250.64 MB, decreasing by 2.45 MB or 0.97% compared to the same quarter of the last year with revenue from sales and services of 253.09 MB, mainly from revenue from Occupational Safety, Health and Environment Products or 'SAFETY' and Control Environment Product or 'CE' were decrease mainly due to a significant drop in market prices and demand of rubber gloves, nitrile gloves and disease related products. However, SAFETY and CE products used in the industrial sector are still securing a continuous increase in purchase orders in pursuit of the expansion of the manufacturing sector in key industries, and the revenue increased from new customers and new products marketing in healthcare products. In addition, revenue from Water Solution Products or WATER were increase from water treatment system installation services and maintenance services increased compared to the same period of the previous year. In quarter 3/2023, the Company's gross profit was 66.09 MB, representing gross profit margin of 26.37%. And distribution costs and administrative expenses were decreases.

Summary of operating results for the quarter 3/2023, the Company's net profit attributable to equity holders of was 14.62 MB, representing a net profit margin of 5.80%, increasing by 0.11 MB or 0.76%, similar compared to the same quarter of previous year with 14.51 MB of net profit attributable to equity holders, representing a net profit margin of 5.70%.

For the nine months period, ending September 30, 2023, the Company's total revenue from sales and services were 730.57 MB, decreasing by 39.81 MB or 5.17% compared to the same period of previous year with revenue from sales and services of 770.38 MB. And the Company's consolidate net profit attributable to equity holders of 41.33 MB, representing a net profit margin of 5.62%.

Revenue from Sales and Services

Revenue Structure	Q3/2023		Q3/2022		Increased (Decreased)		9M/2023		9M/2022		Increased (Decreased)		Unit : MB
	Value	%	Value	%	Value	% YoY	Value	%	Value	%	Value	% YoY	
Occupational Safety, Health and Environment Products (SAFETY)	187.33	74.74%	191.86	75.81%	(4.53)	-2.36%	544.70	74.56%	574.82	74.62%	(30.13)	-5.24%	
Control Environment Products (CE)	54.09	21.58%	57.41	22.68%	(3.27)	-5.69%	163.37	22.36%	170.01	22.07%	(6.64)	-3.90%	
Water Solution Products (WATER)	9.22	3.68%	3.82	1.51%	4.99	130.59%	22.50	3.08%	25.56	3.32%	(3.06)	-11.97%	
Total revenue from sales and services	250.64	100%	253.09	100%	(1.76)	-0.69%	730.56	100%	770.38	100%	(39.82)	-5.17%	

The total revenue from sales and services provision in the quarter 3/2023 were 250.64 MB, with 187.33 MB of Occupational Safety, Health and Environment Products or 'SAFETY', accounting for 74.74%, 54.09 MB of Control Environment Products or 'CE', accounting for 21.58% and 9.22 MB of Water Solution Products or 'WATER', accounting for 3.68%.

The revenue from sales and services provision in SAFETY products was 187.33 MB, decreasing by 4.53 MB or 2.36% compared to the same quarter of previous year, mainly due to a decrease in market prices and demand of rubber gloves, nitrile gloves and disease related products. However, SAFETY products in other categories increased in purchase orders from industrial customers in accordance with the expansion of the industrial sector and more revenue from technical and engineering safety and environment products. In addition, revenue from new customers increased from new products marketing in related to the chemical storage of hazardous chemicals and healthcare products.

The revenue from sales and services provision in CE products was 54.09 MB, decreasing by 3.27 MB or 5.69% compared to the same quarter of previous year due to the main customers in the electronics industry reducing their order quantities according production decreased. In addition, revenue decreased from the decrease in market prices and demand of rubber gloves and nitrile gloves. However, revenue from CE products increased sales from adding item products to existing customers and new products marketing in the medical industry.

The revenue from sales and services provision in the WATER products was 9.22 MB, increasing by 4.99 MB or 130.59% compared to the same quarter of previous year, mainly due to the revenue from water treatment system installation services and maintenance services increased compared to the same period of the previous year

Cost of Sales and Services

The Company's total costs in the quarter 3/2023 were 184.55 MB, comprising of 178.85 MB cost of sales and 5.71 MB cost of rendering of services. Cost of sales decreased proportionally with lower revenue from sales and cost of services increased proportionally with higher revenue from services. Costs of sales and services accounted for 73.63% of revenue from sales and services. The Company's gross profit was 66.09 MB, representing gross profit margin of 26.37%.

Distribution Costs and Administrative Expenses

In the quarter 3/2023, distribution costs and administrative expenses were 48.54 MB, consisting distribution costs of 25.88 MB, administrative expenses of 22.25 MB and loss on exchange rate of 0.41 MB. Distribution costs and administrative expenses decreasing by 1.59 MB or 3.17% with administrative expenses and loss on exchange rate decreasing, however, distribution costs were increase mainly from advertising and exhibition expenses.

The company's financial cost was 0.56 MB, decreasing by 0.14 MB or 20.34% compared to financial cost of 0.70 MB in the same quarter of previous year.

Other Transactions

In the quarter 3/2023, the Company recorded loss arising from bad debt of financial assets of 0.62 MB, allowance for credit loss on financial assets-net of 0.10 MB and share of profit form investment in joint ventures of 0.20 MB.

Net Profit

In the quarter 3/2023, the company's consolidate net profit attributable to equity holders was 14.62 MB, accounted for net profit margin 5.80%. Net profit increasing by 0.11 MB or 0.76% compared to net profit attributable to equity holders of 14.51 MB, accounted for net profit margin 5.70% in the same quarter of previous year.

Financial Position

Unit : MB

	September 30, 2023		December 31, 2022		Increased	%
	Amount	%	Amount	%	(Decreased)	changed
Current Assets	474.01	72.74%	455.95	71.37%	18.05	3.96%
Non-Current Assets	177.68	27.26%	182.87	28.63%	(5.19)	-2.84%
Total Assets	651.68	100.00%	638.82	100.00%	12.86	2.01%
Current Liabilities	256.17	39.23%	241.89	37.79%	14.28	5.90%
Non-Current Liabilities	39.59	6.06%	43.36	6.77%	(3.77)	-8.69%
Total Liabilities	295.76	45.29%	285.25	44.56%	10.51	3.68%
Shareholder's Equity of the Company	357.22	54.71%	354.87	55.44%	2.35	0.66%

Assets

As of September 30, 2023, the Company's total assets were 651.68 MB, increasing by 12.86 MB or 2.01% from December 31, 2022. The assets increased from current assets, increasing by 18.05 MB or 3.96%, mainly from trade and other current receivables-net increased by 15.17 MB, most of which were receivables that had not yet been due. Cash and cash equivalents increased by 2.98 MB.

Non-current assets decreased by 5.19 MB or 2.84%, mainly from deferred tax assets - net decreased by 1.56 MB, investments in joint venture decrease by 1 MB and property, plant and equipment-net decreased by 1.18 MB from depreciation and amortization for the period by 5.49 MB, however, buildings and equipment increasing from solar rooftop installation of 2.96 MB, office building improvement and purchase equipment of 1.35 MB. Investment properties-net and right-of use assets-net mainly decreased from depreciation and amortization of 1.31 MB.

Liabilities

As of September 30, 2023, the Company's total liabilities were 295.76 MB, increasing by 10.51 MB or 3.68% from December 31, 2022. Current liabilities increased mainly from trade payable increased by 46.98 MB, while, others current payable-net decreased by 4.14 MB. And short-term loans from financial institutions decreased 25.53 MB, current portion of long-term loan from financial institutions decreased 0.62 MB and defer tax assets-net decreased by 2.54 MB.

Non-current liabilities decreased mainly from non-current provisions for employee benefit of 2.43 MB and lease liabilities decreased 1.33 MB.

Shareholder's equity

As of September 30, 2023, Shareholders' equity of the Company was 357.22 MB, increasing by 2.35 MB or 0.66% from December 31, 2022. Shareholders' equity increased from 41.33 MB of net profit for the period and 3.62 MB of other comprehensive income, while shareholders' equity decreased mainly from dividend payment of 42.53 MB.

Cash flows

Unit:MB		
Cash flows	September 30, 2023	September 30, 2022
Cash flow from (used in) operating activities	76.39	19.66
Cash flow from (used in) investing activities	(1.58)	(16.93)
Cash flow from (used in) financing activities	(71.75)	(11.72)
Net increase (decrease) in cash and cash equivalents	3.06	(8.99)
Cash and cash equivalents at the end of the period	56.54	49.55

For the nine month period, ending September 30, 2023, the Company's net cash from the operating activities was 76.39 MB, with operating profits prior to changes in the operating assets and liabilities of 65.15 MB. Cash flow increased from trade and other payables increased by 39.41 MB. While, cash flow decreased from trade and other current receivables increased by 15.33 MB, payment for employee benefit of 0.61 MB, payment for income tax 6.51 MB, however, cash received from income tax return of 0.98 MB.

Cash flow used in investment activities was 1.58 MB to install solar rooftop of 2.96 MB, office building improvement and purchase equipment of 1.35 MB and purchase computer software of 0.45 MB. While, cash flow received from return of capital of investment in joint venture by 2 MB and loan to employees of 0.49 MB and interest received of 0.57 MB.

Cash flow used in financing activities was 71.75 MB to repayment of short-term loan from financial institutions of 25.53 MB, repayment of long-term loans from financial institutions of 0.62 MB, repayment of liabilities under lease agreement of 1.51 MB, interest expense of 1.51 MB and dividend payment of 42.58 MB.