



# PHOL DHANYA PUBLIC COMPANY LIMITED



**Excellent CG Scoring**

**Opportunity Day  
2016 Result**

**March 21, 2017**

**@ SET**



**Company Overview**



**3 Years Plan**



**2016 Result**



**Q & A**

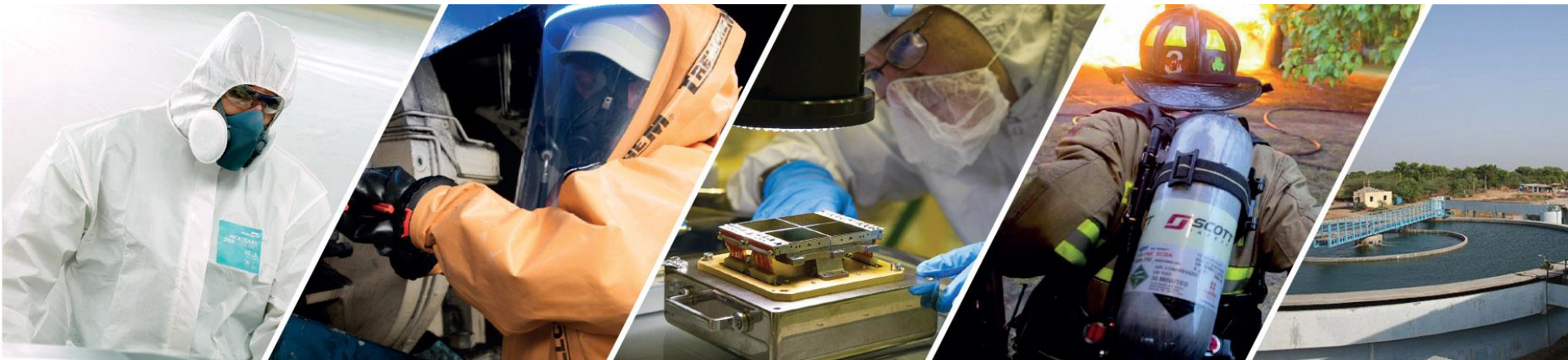


## Company Overview

# Company Highlight

## More than 37 years experience

- PHOL is the leading distributor for Occupational Safety, Health and Environment products with more than 100 sales and marketing staffs to cover more than 4,000 loyal customers
- PHOL has expanded into Water Solution Business continued enhancement for future growth
- PHOL listed in mai on December 9, 2010 by market capitalization of 550.80 Million Baht (as of March 10, 2017)



# Company Background

1979

started business as distributor for Occupational Safety, Health, and Environment Products



2009

expanded its business to Water Solution Business



2010

listed in mai



2012

established Phol Palladium Co., Ltd for distributing Occupational Health and Safety products to government and public utilities sector



2013

established Pholdhanya (Cambodia) Co., expanded its business in Cambodia



2014

established Phol Water Co., Ltd. object to manufacture water treatment system and sell treatment water under concession contract



received SET Awards for Top Corporate Governance Report for year 2012-2014

2015

received Board of the Year Awards 2013 and 2015



2016

received a membership certificate of the Private Sector Collective Action Coalition against Corruption (CAC)



# Corporate Business Structure



## PHOL DHANYA PUBLIC COMPANY LIMITED

Distributor of Occupational Safety, Health and Environment Products



### PHOL PALLADIUM CO., LTD.

- Holding 99.99%
- Distributor of Occupational Safety, Health and Environment Products, to focus Government Agencies Customers



### PHOL WATER CO., LTD.

- Holding 99.99%
- Distributor and Services provider of Water Solution Product, Design, Production and Maintenance Service on Water Treatment System



### PHOL DHANYA (CAMBODIA) CO., LTD

- Holding 100%
- Distributor and Services provider of Water Solution Product, Design, Production and Maintenance Service on Water Treatment System in Cambodia

- Rayong Branch

- Chiangmai Branch

- Phuket Branch



# Products and Services

**63%**

## 1. Occupational Safety, Health and Environment Products (SAFETY)



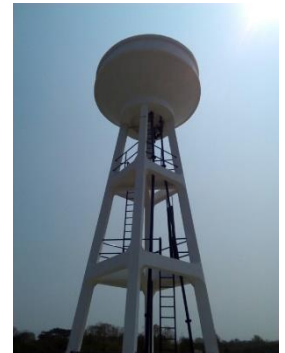
## 2. Control Environment Products (CE)

**12%**



## 3. Water Solution Products (WATER)

**25%**



As of December 31,2016

# Share Information

Stock Symbol	PHOL
Industry/Market	Service/mai
1 <sup>st</sup> Day Trade	December 9, 2010
Authorized Shares Capital	250,999,978 Shares
Listed Shares	202,499,982 Shares
Paid-up	202,499,982.00 Baht
Par Value	1.00 Baht
Market Capitalization (as of March 10, 2017)	550.80 Million Baht
Free Float (as of December 31, 2016)	35%

Shareholding Structure (as of December 31, 2016)	%
1. Group of Wangthamrong Family	42.46%
2. Group of Jarutangtrong Family	19.29%
3. Mr. Weerachai Dechamornthan	2.85%
4. Mr. Wiroj Tangsatapornpong	1.80%
5. Group of Chunhajinda Family	1.78%
6. Mr. Utain Pattananipol	1.53%
7. Thai NVDR Co., Ltd.	1.23%
8. Group of Vongtanakiat Family	0.96%
9. Mr. Surachai Fongamornkul	0.81%
10. Other	27.29%

In 2016, The Company issue 88,999,992 new ordinary Shares , 40,499,996 shares to the existing shareholders in proportion their shareholding (RO), 48,499,996 shares to reserve for exercise of warrants PHOL-W1 and ESOP-Warrant.



# Warrant Information

Name of Warrant		PHOL-W1
Number of Warrants Issued		40,499,996 units
Type		Register and transferable
Issuance Date		November 1, 2016
Term		2 Years from issue date
Expiration Date		October 31, 2018
Exercise Ratio:		1 unit of warrant : 1 new ordinary shares
Exercise Price:		Baht 3.00 per share
Exercise Period		On the last Business Day of every April and October of each year throughout the term of the Warrants. The Warrant Holders shall declare the intention to exercise the rights within 5 Business Days prior to each Exercise Date.



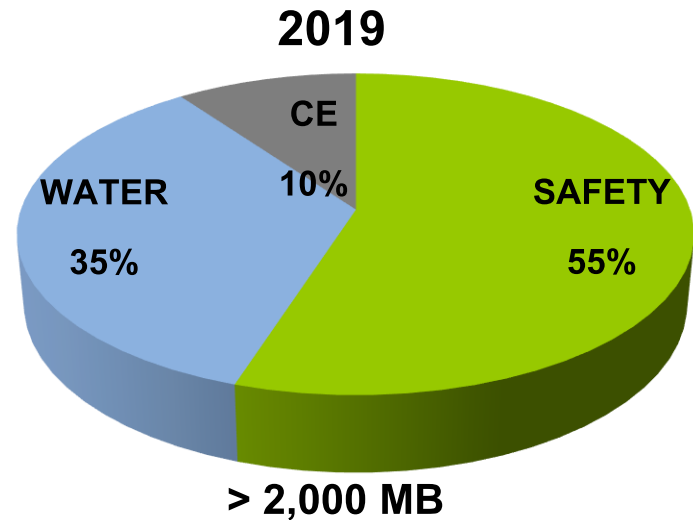
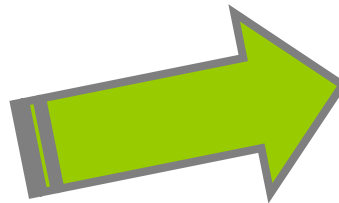
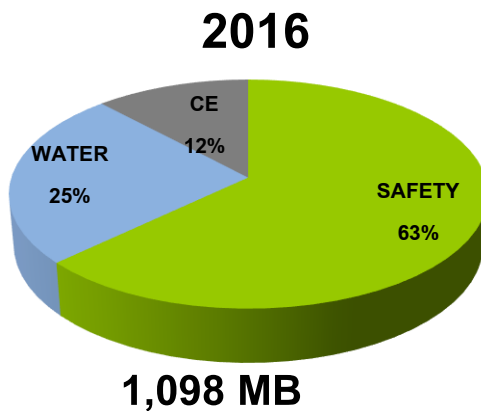
**3 Years Plan**

# Growth Strategy

**Revenue Average Growth > 25% YoY**

- **Budgeting Control**
- **Customers Centric**
- **Speed**
- **Expert**

## Revenue Structure



- **SAFETY Solution Provider**
  - Safety Technical Products
  - Services Center

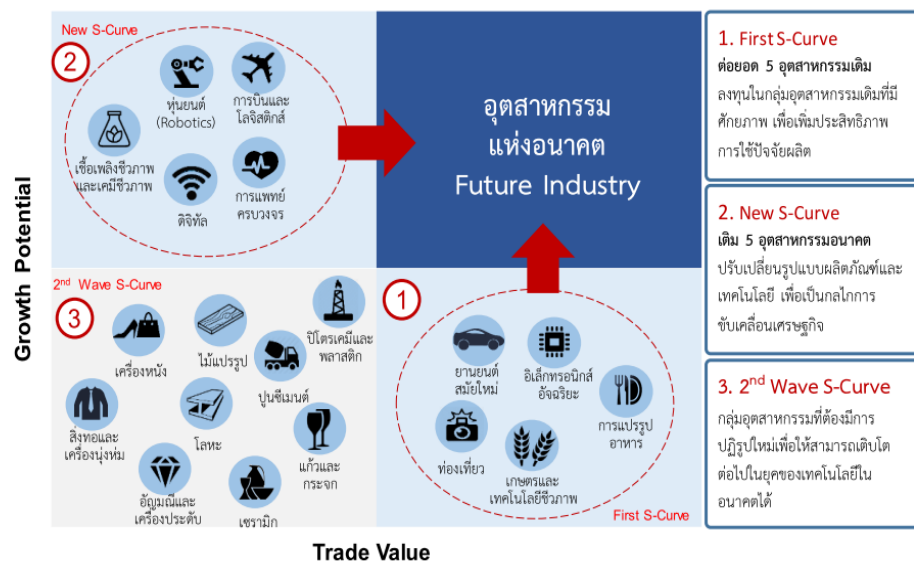
- **Customize Products**
  - Suppliers / Customers

- **Improve Processes Speed by IT**
  - Staffs / Customers / Distributors E-Consignment

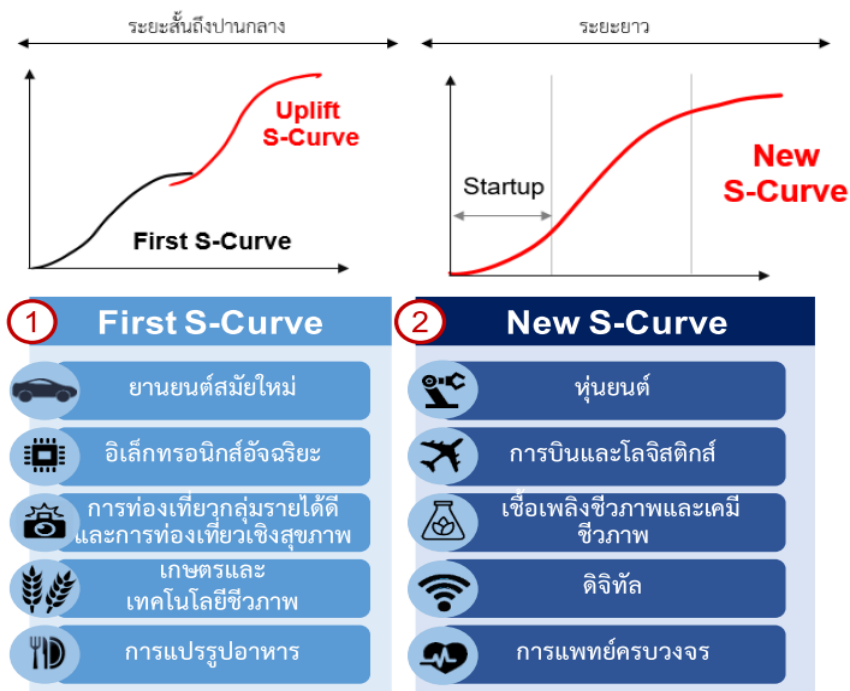


## ➤ More Focus on Super Cluster (Thailand Industrial 4.0)

ยุทธศาสตร์การพัฒนอุตสาหกรรมไทย 4.0 ระยะ 20 ปี (พ.ศ. 2560 - 2579)



รูปที่ 1-7 การปรับโครงสร้างอุตสาหกรรมไทย



รูปที่ 1-8 อุตสาหกรรมกลุ่ม First S-Curve และ New S-Curve

Ref: Thailand Industrial Development Strategy 4.0

# SAFETY Products Business Strategy

➤ Promote House Brand to CLMV



Ref:<http://thaipublica.org>



# CE Products Business Strategy

- **Maintain Key Customers**
- **Customize Products**
- **Market Extension**
- **Products Extension**
- **QCD Management**



## Government Sector

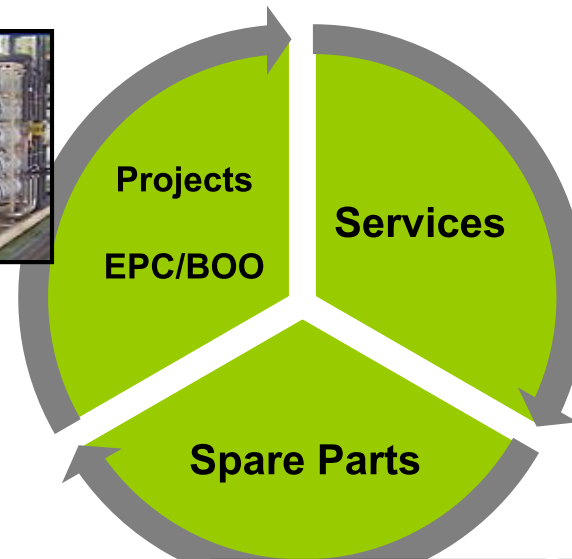


- **Water Management Policy**
  - **Community Water Supply System**
  - **Solar Pumping Stations for Agriculture and Community Water**
  - **Ground Water System**
  - **Drinking Water System for Schools**
- **Improve Projects Management Process**
- **Expert Teams**

# WATER Products Business Strategy

## Industrial Customers

- Expert Teams – Focus on Recycling System
- Business Partners
- Improve Projects Management Process



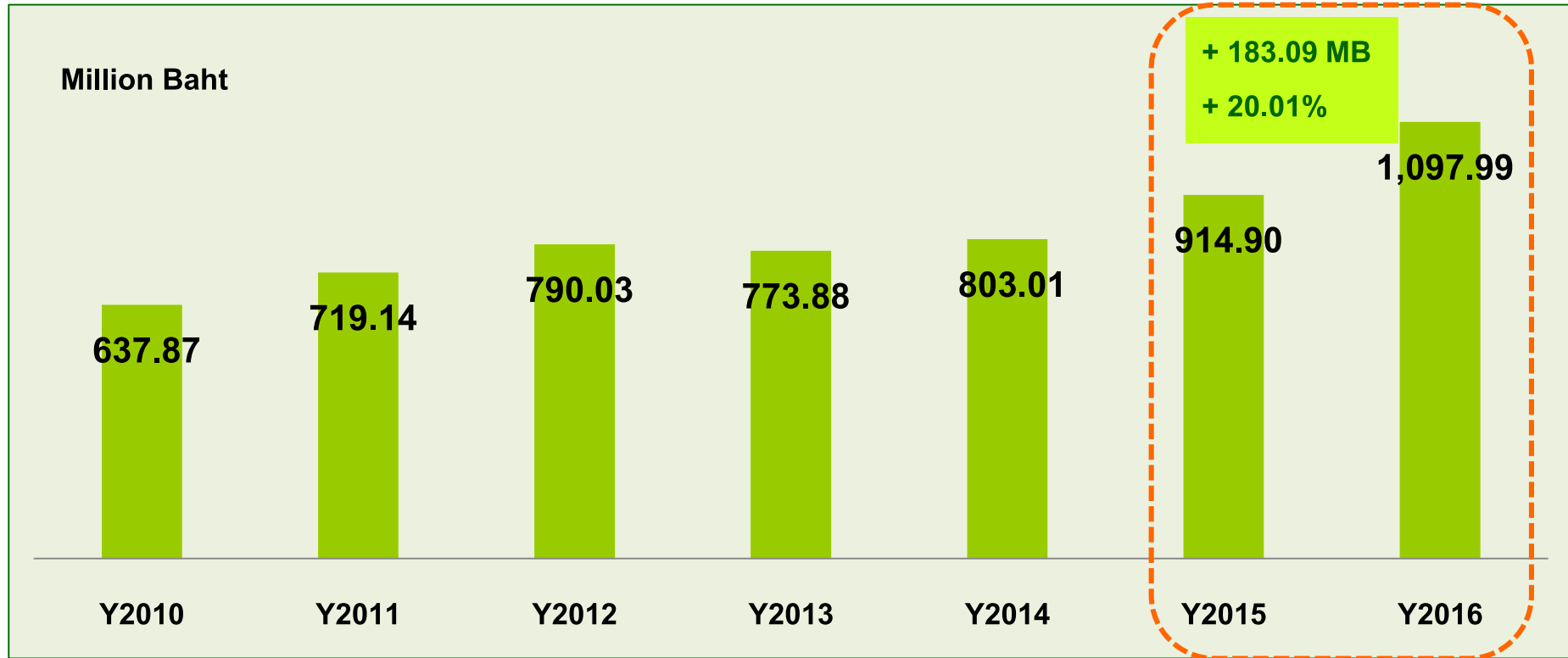


**2016 Result**

# Financial Summary

Million Baht	2016	2015	%YOY
Revenue from Sales and Services	1,097.99	914.90	<b>+ 20.01%</b>
Cost of sales and Services	861.34	674.62	<b>+ 27.68%</b>
Gross Profit	236.65	240.29	<b>- 1.51%</b>
Selling and Administrative Expenses	190.28	195.63	<b>- 2.73%</b>
Penalties arising from delays projects	56.51	-	
EBIT	(5.26)	47.01	<b>-111.19%</b>
Net Profit (Loss)	(15.25)	34.31	<b>-144.43%</b>

# Revenue from Sales and Services

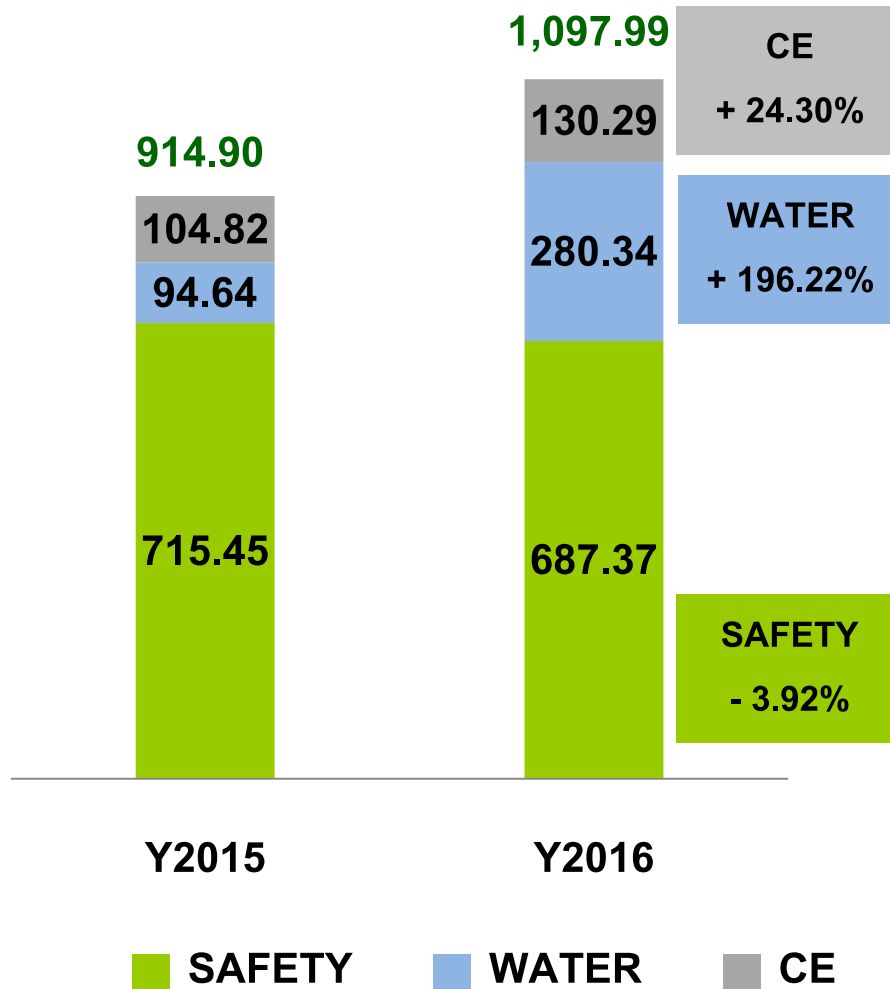


Revenue from sales and services of 1,097.99 MB, increasing 183.09 MB or 20.01% compared to the revenue from sales and services of 914.90 MB in the previous year. The incremental revenue was mainly contributed by construction of community water system.



# Revenue by Products

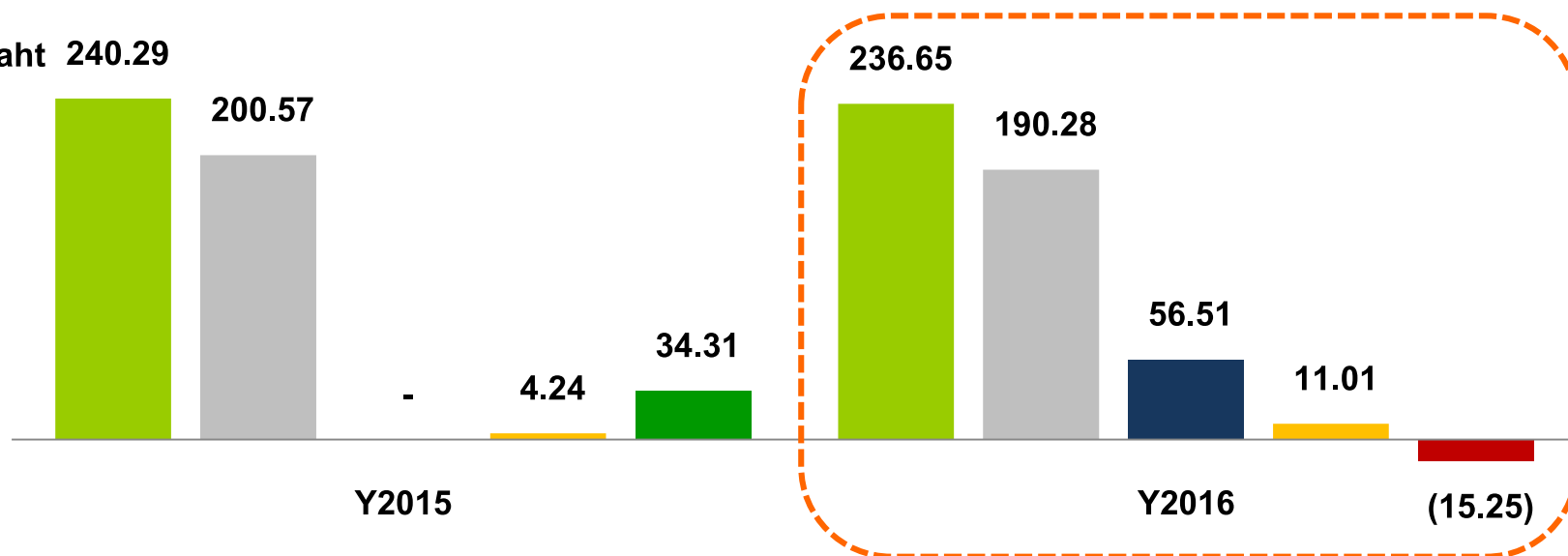
Million Baht



- Revenue from SAFETY Products dropping 3.92%, industrial market overall expanded at a moderate pace leading to reduction in demand for SAFETY products and not to focus on projects with excessively low gross margin.
- Revenue from CE Products increasing by 24.30%, resulting from the company aimed at optimizing cost, increasing the speed of service, and building brand loyalty to retain existing customer.
- Revenue from Water Products increasing by 196.22% due to the revenue recognized from construction contracting service of the community water supply project

# Net Profit and Profitability

Million Baht 240.29



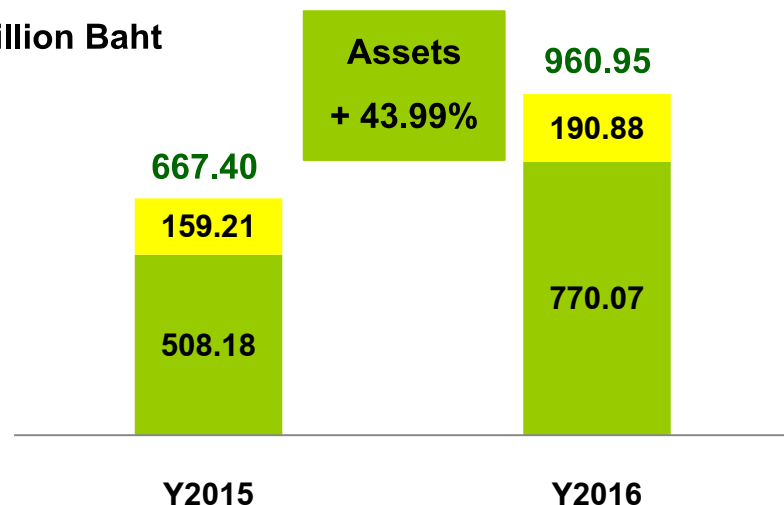
■ Gross Profit 
 ■ S&A Expenses 
 ■ Penalties arising from delays projects 
 ■ Financial Cost 
 ■ Net Profit

Profitability	2016	2015
Gross Profit Margin	21.55%	26.26%
Net Profit Margin	-1.38%	3.74%
ROE	-4.51%	10.61%
ROA	-0.65%	7.72%

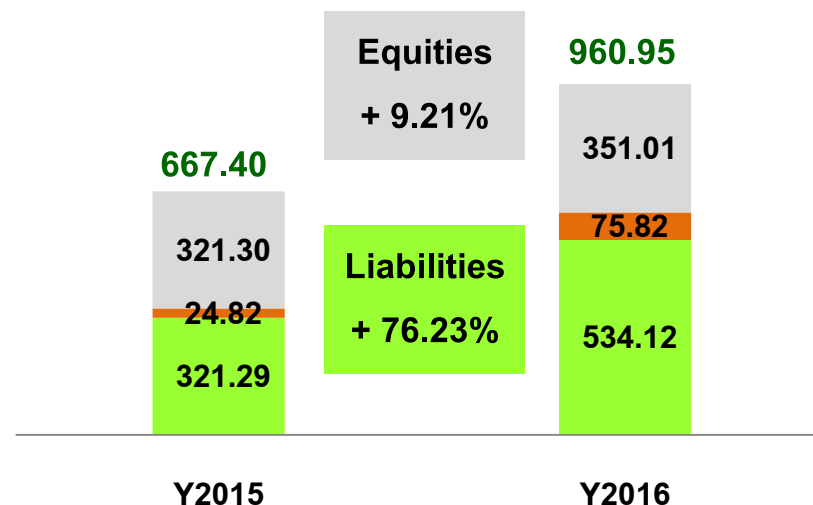
- The company recorded liabilities from expected penalties of delayed project of 56.51 MB. Resulting, net loss of 15.25 MB in 2016.
- Financial Cost increasing, due to the increase in loan from financial institution for working capital.

# Financial Position and Liquidity

Million Baht



■ Current Assets ■ Non-current Assets



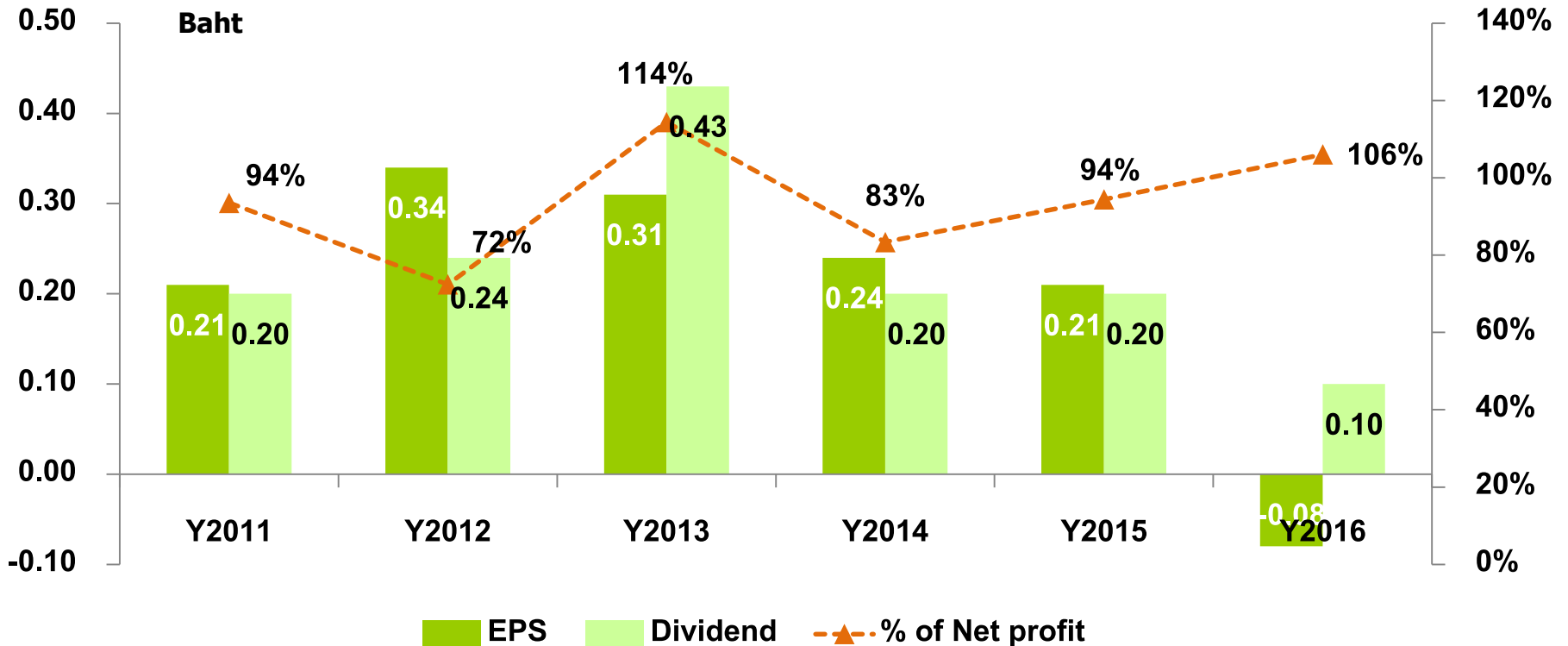
■ Current Liabilities ■ Non-current Liabilities ■ Equities

Liquidity	2016	2015
Current Ratio	1.44	1.58
D/E Ratio	1.73	1.07

- Assets increase mainly due to current assets acquired from unbilled receivables and advance payment for construction of the Community Water Supply Project.
- Liabilities increase mainly due to the increased from short-term loans from financial institutions and provision for penalties arising from delay projects.
- PHOL issue and allot 40,499,996 new ordinary shares to the existing shareholders. Retained earnings was decrease due to the resulting from net loss and dividend payment.

# Dividend Payment

- Dividend payment policy: Not less than 40% of net profit



Note : In 2013, Stock dividend at the rate of exiting share : stock dividend = 5: 1 and cash dividend 0.23 Baht/Share  
 : In 2016 Interim Dividend Payment 0.10 Baht/Share and non-declaration of dividend payment for the year 2016 due to the Company had net loss



**Q & A**

**Thank You**

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