

Financial Update

9M2017 ended 30 Sep 2017

LOXLEY PUBLIC COMPANY LIMITED

Nov 13, 2017



Financial Update – 9M/2017 Performance

Statement of Income – Consolidated Operating Performance



Consolidated Account THB:Million	Actual Q3'2016	Actual Q2'2017	Actual Q3'2017	Actual 9M'2016	Actual 9M'2017	Change YoY
Sales of products & services	3,500	3,131	4,144	10,126	11,165	10%
Cost of sales and services	(2,999)	(2,648)	(3,643)	(8,679)	(9,585)	10%
Gross profit	501	483	500	1,447	1,580	9%
Selling & admin expenses	(523)	(551)	(529)	(1,585)	(1,604)	1%
EBIT before equity profit	9	(11)	1	(28)	90	421%
Equity profit from associated	149	113	88	510	378	(26%)
EBIT	158	102	89	482	468	(3%)
Normalized profit	89	35	66	300	301	0.4%
Gain on sales investment	-	-	97	-	97	
Extra expenses	-	(16)	(247)	(24)	(263)	
Net profit	89	19	(84)	275	135	(51%)

Key financial ratios

% Gross margin	14.3%	15.4%	12.1%	14.3%	14.2%
% SG&A/sales	14.9%	17.7%	12.9%	15.6%	14.5%
% EBIT before equity profit margin	0.3%	(0.3%)	0.02%	(0.3%)	0.8%
% Normalized profit	2.6%	1.1%	1.6%	3.0%	2.7%
% Net margin	2.6%	0.6%	(2.0%)	2.7%	1.2%

Financial Update – 9M/2017 Major Highlights

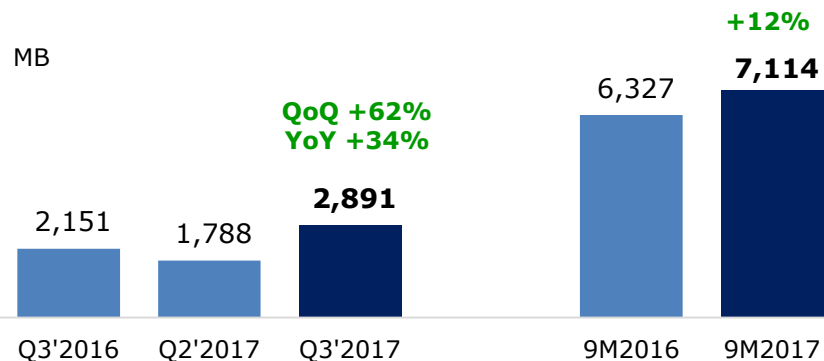
Statement of Income – Consolidated Operating Performance



Accounts	Explanation
Sales	<ul style="list-style-type: none"> • QoQ: ↑ by 32% due to Technology (Broadcast & Telecommunication network) and Service groups (See details on next page) • 9-Month period: ↑ by 10% due to Technology (Telecommunication network, IT, and utilities) and Service groups
Gross Profit margin (GPM)	<ul style="list-style-type: none"> • QoQ: ↓ came from a mega project whose margin was relatively low and its revenue of more than 90% was recorded in Q3/2017 • 9-Month period: maintained at around 14%
SG&A	<ul style="list-style-type: none"> • maintainable at around 500-550 MB per quarter
EBIT before Equity Profit	<ul style="list-style-type: none"> • QoQ: Turned profitable from -11MB to 1MB by achieving higher sales where expenses could be controlled at around 500-550 MB per quarter • 9-Month period: Turned profitable from -28MB to 90MB due to higher sales, maintainable GPM, and controllable SG&A
Equity Profit from Associates	<ul style="list-style-type: none"> • QoQ: ↓ due to steel industry • 9-Month period: ↓ due to steel industry
Normalized Net profit	<ul style="list-style-type: none"> • QoQ: Improved from 35MB to 66MB due to higher sales and controllable SG&A • 9-Month period: Maintained at around 300MB despite lower GPM and Equity Profit as sales improved with maintainable expenses
Non-recurring items	<ul style="list-style-type: none"> • Gain on sales of 97MB in Q3/2017 from sales of the investment in L Solar 1 • Extra expense of 247 MB in Q3/2017 from doubtful account for A/R of Office of the Welfare Promotion Commission for Teachers and Educational Personnel (“OTEP”). This AR is more than 6 months long and is in the negotiating process for the repayment. The provision of 247 million Baht was the difference between a) the current remaining debt and b) the present value of the expected repayment from this client.

• Sales of 9M2017 increased from 9M2016 by 1,039 MB or 10%, mainly Technology & Service

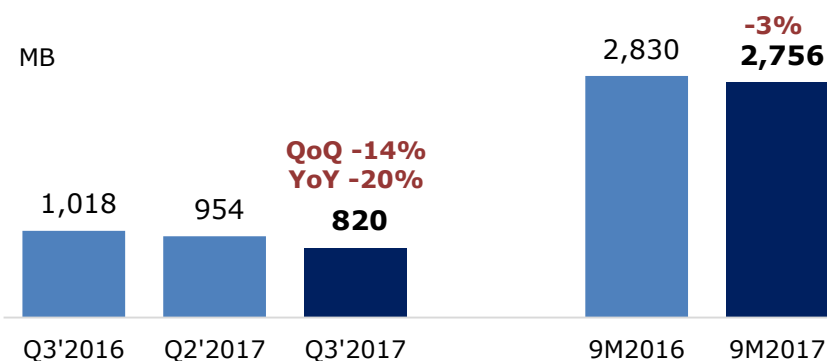
Technology



Technology

- 9M2017 sales hiked by 12% compared to 9M2016 from telecom network, IT (sales of cash recycling machine) and utilities (control system)
- Q3'2017 increased from Q2'2017 by 62% due mainly to Broadcast (DTV) and telecom network

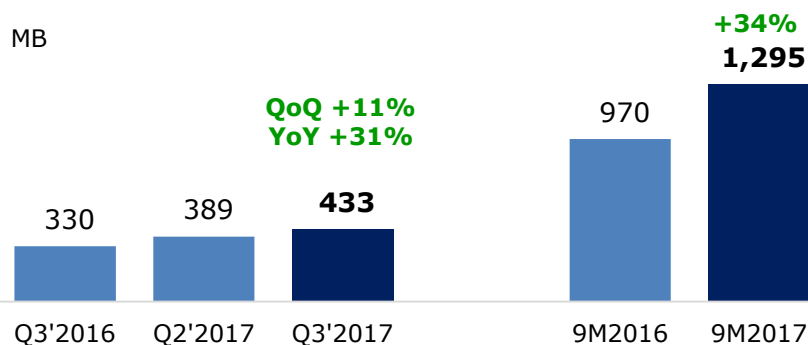
Trading



Trading

- 9M2017 sales dropped by 3% compared to 9M2016 due to core trading whose performance was induced by a drop in domestic consumption
- Note that International trade's sales grew more than 90% from additional sales of lubricant oil and a slight increase in rice sales

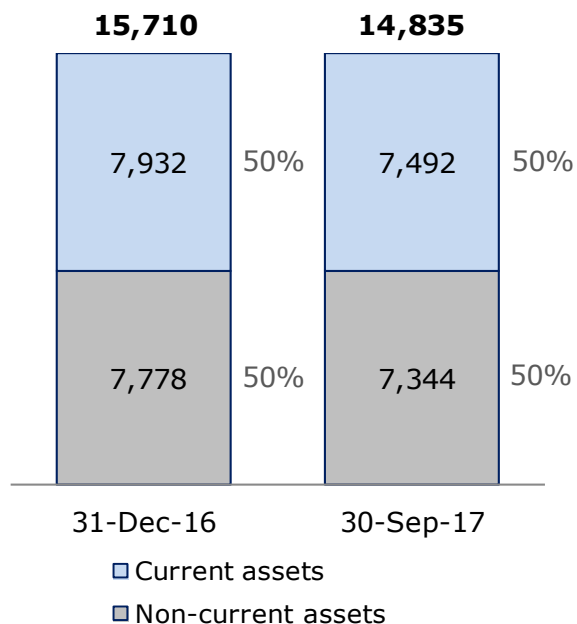
Service



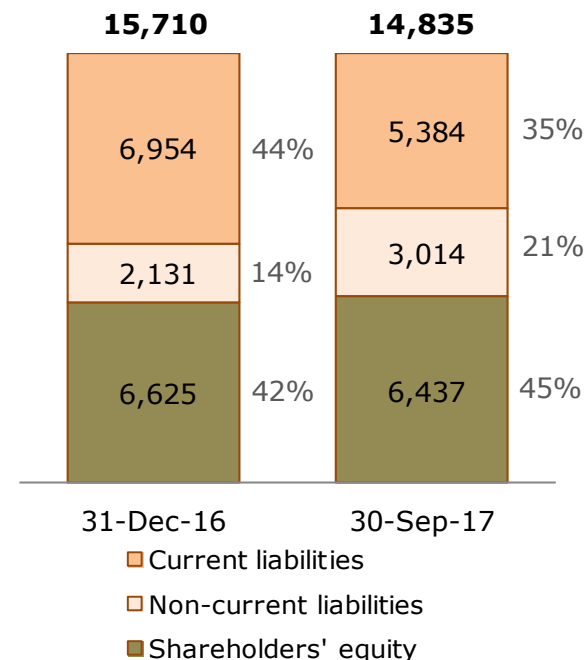
Service

- 9M2017 sales increased by 34% compared to 9M2016 sales due mainly to an expansion in airport and other private sector clients

ASSET BREAKDOWN



LIABILITIES AND EQUITY BREAKDOWN



KEY RATIO

Debt to Equity		Interest Bearing Debt to Equity		Interest Bearing Debt to EBITDA		Interest Coverage		Current Ratio	
2016	1.37x	2016	0.54x	2016	4.94x	2016	2.74x	2016	1.14x
9M2017	1.30x	9M2017	0.56x	9M2017*	5.04x	9M2017*	2.69x	9M2017	1.38x

* Calculated by trailing back 12 months

Order Backlog and LOI ≈ 9,700 MB

Technology ≈ 8,117 MB



IT

HW/SW solution, EDC&ADM
1,843 MB

Construction 1,894 MB



Telecom Network
245 MB

Roof
659 MB

NHA
682 MB

Power & Utilities 2,143 MB

Power substation and
Transmission line
2,001 MB

Utilities Project
142 MB

RO water
17 MB

Other
constructions
291 MB

Other projects 408 MB

Service ≈ 1,578 MB



Rail &
Transportation
382 MB

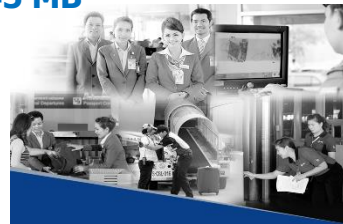


Others **115 MB**

DTV
886 MB



CCTV
445 MB



Security for AOT
882 MB

Other security
services
494 MB

Others **202 MB**

New Backlog Jul – Sep 2017 ≈ 468 MB



CCTV
283 MB



CMD (Roof and Automatic Parking)
58 MB



VDO Conference System
45 MB



Transmission Line
31 MB



Utilities
Project
24 MB



Transportation
18 MB
Others
9 MB

Backlog won after Sep 2017 ≈ 570 MB



Power
Substation
540 MB



Diesel
Minibus
33 MB

Current backlog ≈ 10,270 MB

Thank you



Investor Relations

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