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Tor 19/2018

10 August 2018

Subject: Clarification of the Change in the Operating Result Exceeded 20% of
Loxley Public Company Limited for Q2/2018 Period Ended 30 June 2018

To: President
The Stock Exchange of Thailand

Loxley Public Company Limited (“the Company”) has submitted the consolidated financial statements for Q2/2018 Period Ended 30 June 2018 and the statements of income are summarized as follows:

THB:Million	Quarter 2 2018	Quarter 2 2017	% Change
Revenue from sale of goods and rendering of services	3,101	3,131	-1%
Cost of sale of goods and rendering of services	(2,652)	(2,648)	0%
Gross profit	449	483	-7%
Distribution costs and administrative expenses	(508)	(569)	-11%
Fees and other income	114	59	95%
Share of profit of investment in associates and joint ventures, net	66	113	-42%
Earnings before interest and tax	121	86	41%
Financial costs	(44)	(47)	-6%
Income tax expense	(31)	(10)	204%
Non-controlling interests	2	(10)	-118%
Net profit	48	19	155%

According to the table presented above, the operating performance for Q2/2018 Period Ended 30 June 2018 showed that the Company had the revenue from sale of goods and rendering of services of 3,101 million Baht and net profit of 48 million Baht. This net profit increased by more than 20% compared to that of last year. The Company would like to declare the details of this issue as follows:

Distribution costs and administrative expenses

The Company recorded distribution costs and administrative expenses for Q2/2018 Period Ended 30 June 2018 at 508 million Baht decreasing by 11% from 569 million Baht of last year. These expenses decreased from the Company's transformation plan that some unprofitable business units had been divested.

Fees and other income

The fees and other income for Q2/2018 period ended 30 June 2018 was 114 million Baht, increasing by 95% compared to that of the same period of last year of 59 million Baht. The incremental amount in fees and other income was mainly due to the bad debt recovery from the debtors that the Company had already set provision earlier.

Although, the decreasing in the distribution costs and administrative expenses and the incremental in fees and other income proved a better core operating performance, a decrease in share of profit of investment in associates and joint ventures tampered the overall result. This was due mainly from a coated steel business. However, the Company recorded a net profit of 48 million Baht for Q2/2018 period ended 30 June 2018, increasing by 155% from the net profit of 19 million Baht, being recorded in the same period of last year.

Please be informed accordingly.

Sincerely yours,
Loxley Public Company Limited

(Mr. Pichai Mooputtarak)
Company Secretary