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Tor 24/2561

14 November 2018

Subject: Clarification of the Change in the Operating Result Exceeded 20% of
Loxley Public Company Limited for Q3/2018 Period Ended 30 September 2018

To: President
The Stock Exchange of Thailand

Loxley Public Company Limited (“the Company”) has submitted the consolidated financial statement for Q3/2018 Period Ended 30 September 2018 and the statements of income are summarized as follows:

| THB:Million | Quarter 3 2018 | Quarter 3 2017 | % Change |
|---|---------------------------|---------------------------|---------------------|
| Revenue from sale of goods and rendering of services | 3,409 | 4,144 | -18% |
| Cost of sale of goods and rendering of services | (2,924) | (3,644) | -20% |
| Gross profit | 485 | 500 | -3% |
| % Gross profit | 14.2% | 12.1% | 2% |
| Distribution costs and administrative expenses | (500) | (782) | -36% |
| Fees and other income | 31 | 133 | -77% |
| Share of profit of investment in associates and joint ventures, net | 78 | 88 | -12% |
| Earnings before interest and tax | 94 | (61) | 253% |
| Financial costs | (47) | (48) | -3% |
| Income tax expense | (24) | (15) | 59% |
| Non-controlling interests | 2 | 40 | -96% |
| Net profit | 25 | (84) | 130% |

According to the table presented above, the operating performance for Q3/2018 Period Ended 30 September 2018 results in a net profit of 25 million Baht increased by 130% compared to that of last year. which mainly caused by a decrease in distribution cost and administrative expenses together with an increase of gross profit margin. The Company would like to declare the details of this issue as follows:

Distribution cost and administrative expenses

Distribution cost and administrative expenses for the period ended 30 September 2018 of 500 million Baht decreases by 36% from the same period of a prior year, 782 million Baht. The decrease mainly due to 1) a loss incurred in 2017 from debt restructuring of a subsidiary (Loxley Wireless Public Company Limited) on the receivable of office of the Welfare Promotion Commission for Teachers and Educational Personnel (“OTEP”) of 247 million Baht and at present the repayment has been made in according to a restructuring plan and 2) a decrease of expenses resulted from a re-organization of the business with the Group.

Gross Profit Margin

Gross Profit Margin of Q3/2018 for the Period Ended 30 September 2018 is 14.2% increases from that of last year which was 12.1%. An increase mainly due to an improve of gross profit margin from 1) Information Technology Business Group which focus on providing a more valued added System Integrator services to the customer than product sale and 2) Network Solution Business Group where the gross profit margin has conformed to a usual level compared to a lower margin from Mega Project (completed already) last year.

Net Profit

For Q3/2018 period ended 30 September 2018, the Company net profit of 25 million Baht increased by 130% from the loss of 84 million Baht of the same period of a prior year. The increase of net profit mainly caused by a decrease of distribution cost and administrative expenses which incurred a loss from debt restructuring of a subsidiary in 2017 and an improve of gross profit margin as earlier clarified.

Please be informed accordingly.

Sincerely yours,
Loxley Public Company Limited

(Mr. Pichai Mooputtarak)
Company Secretary