

# Financial Update

For the 9-month period ended 30 Sep 2018

**LOXLEY PUBLIC COMPANY LIMITED**

**Nov 15, 2018**



## Key Highlights – Q3/2018 Performance

### Statement of Income – Consolidated Account



<b>Consolidated Account</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Change</b>	<b>Actual</b>	<b>Actual</b>	<b>Change</b>
THB:Million	<b>Q3'2017</b>	<b>Q2'2018</b>	<b>Q3'2018</b>	<b>Change</b>	<b>9M2017</b>	<b>9M2018</b>	<b>Change</b>
				<b>QoQ</b>			<b>9Mo9M</b>
Sales of products & services	4,144	3,100	3,409	10%	11,165	9,733	-13%
Cost of sales and services	(3,643)	(2,652)	(2,924)	10%	(9,585)	(8,400)	-12%
<b>Gross profit</b>	<b>500</b>	<b>449</b>	<b>485</b>	<b>8%</b>	<b>1,580</b>	<b>1,333</b>	<b>-16%</b>
Selling & admin expenses	(535)	(498)	(503)	1%	(1,617)	(1,521)	-6%
Difference in exchange rate	6	(10)	2	123%	14	(8)	-156%
Fees & other income	30	114	31	-73%	114	217	91%
<b>EBIT before equity profit</b>	<b>1</b>	<b>55</b>	<b>16</b>	<b>-71%</b>	<b>90</b>	<b>21</b>	<b>-77%</b>
Equity profit from associated	88	66	78	18%	378	265	-30%
<b>EBIT</b>	<b>89</b>	<b>121</b>	<b>94</b>	<b>-23%</b>	<b>468</b>	<b>287</b>	<b>-39%</b>
Finance cost	(48)	(44)	(47)	5%	(140)	(139)	-1%
Income tax	(15)	(31)	(24)	-23%	(46)	(62)	35%
Non - controlling interest	40	1	2	45%	19	7	-63%
<b>Normalized profit</b>	<b>66</b>	<b>48</b>	<b>25</b>	<b>-47%</b>	<b>301</b>	<b>92</b>	<b>-69%</b>
Gain on sales investment	97	-	-	0%	97	-	-100%
Extra expenses	(247)	-	-	0%	(263)	-	-100%
<b>Net profit</b>	<b>(84)</b>	<b>48</b>	<b>25</b>	<b>-47%</b>	<b>135</b>	<b>92</b>	<b>-32%</b>

#### Key financial ratios

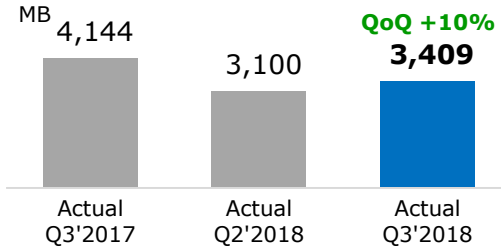
% Gross margin	12.1%	14.5%	14.2%	14.2%	13.7%
% SG&A/sales	12.9%	16.0%	14.7%	14.5%	15.6%
% EBIT before equity profit margin	0.0%	1.8%	0.5%	0.8%	0.2%
% Normalized profit	1.6%	1.5%	0.7%	2.7%	0.9%
% Net margin	(2.0%)	1.5%	0.7%	1.2%	0.9%

# Key Highlights – Q3/2018 Performance

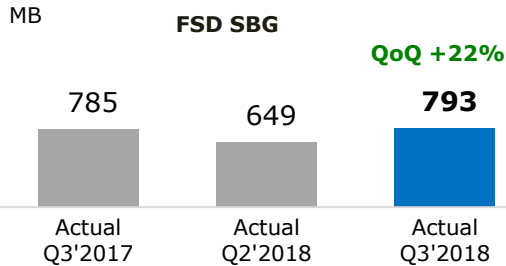
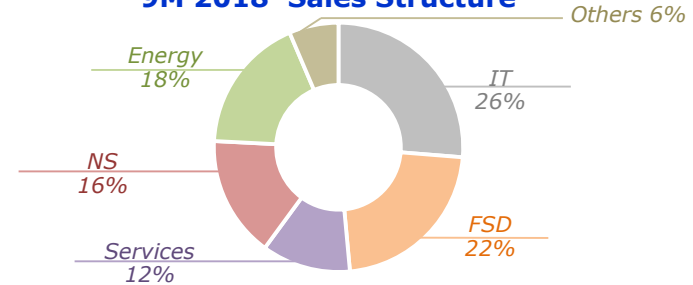
## Sales Structure & Sales Breakdown by SBG



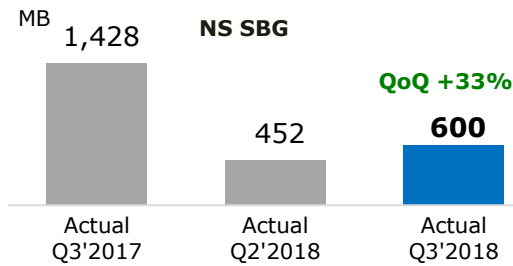
### Consolidated



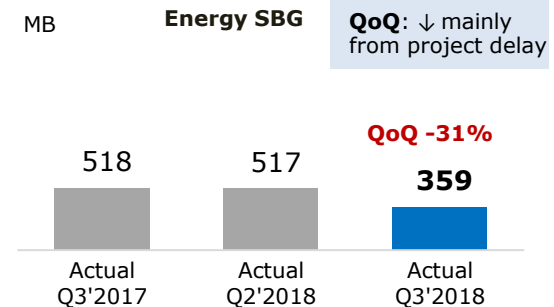
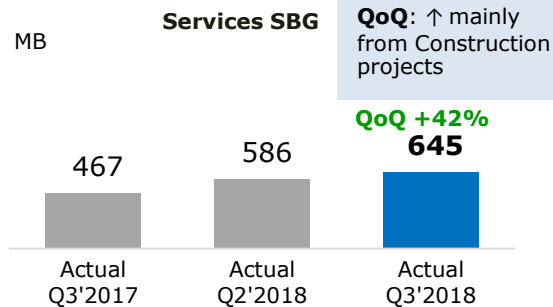
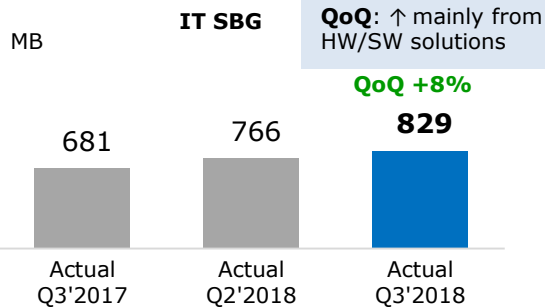
### 9M'2018 Sales Structure



**QoQ:** Increased from several units (read next page)



**YoY:** Dropped from projects DTV project completed in 2017  
**QoQ:** increased mainly from internet network project



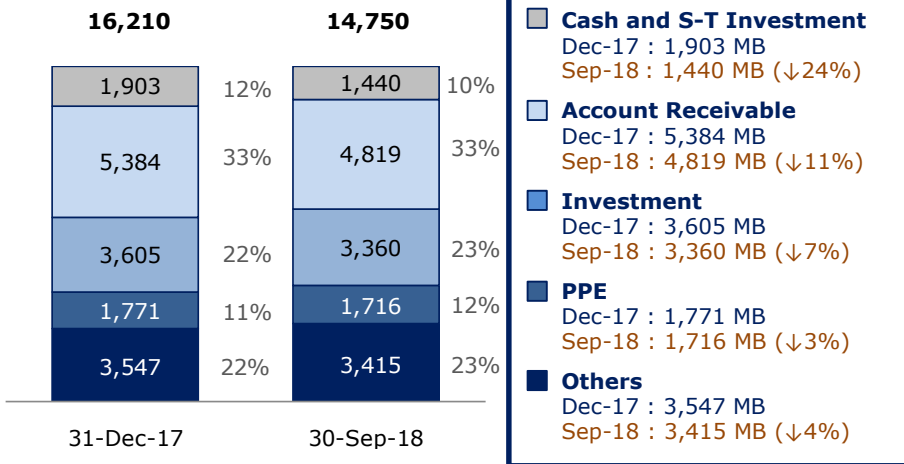
## Key Highlights – Q3/2018 Performance

### Statement of Income – Consolidated Account

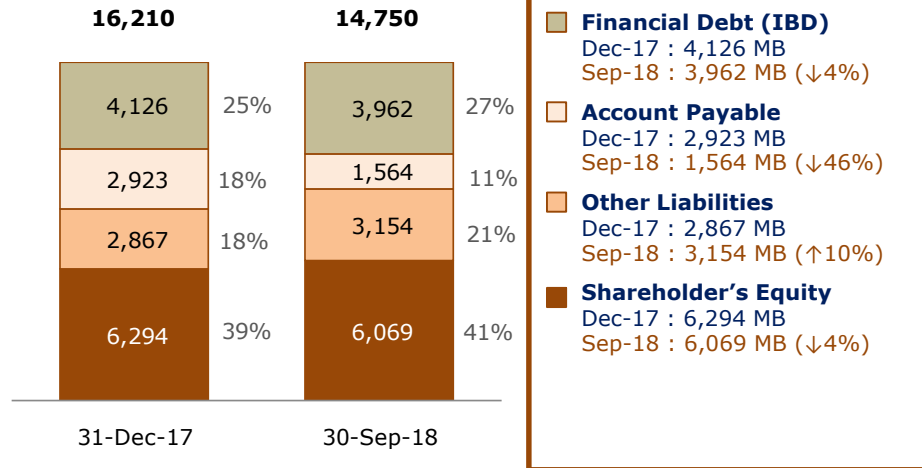


Accounts	Explanation QoQ (Q2/18 VS Q3/18)	Explanation 9M/17 VS 9M/18
Sales	<ul style="list-style-type: none"> <li>• ↑ by 10% due to               <ul style="list-style-type: none"> <li>- FSD:                   <ul style="list-style-type: none"> <li>○ Chemical → captured new customers,</li> <li>○ Consumer → Cooking oil sales hiked,</li> <li>○ InterTrade → Volume hiked in China,</li> <li>○ HoReCa → full quarter sales recorded</li> </ul> </li> <li>- NS SBGS: Additional sales recorded according to contracts from Internet network project, Radio system, and Transportation system project</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• ↓ by 13% due to               <ul style="list-style-type: none"> <li>- NS: Completed mega project from digital TV in 9M/17</li> <li>- FSD: Stepped out from one of beverage market</li> <li>- Energy: Divested L Solar 1 in Sep 17</li> </ul> </li> </ul>
Gross Profit margin (GPM)	<ul style="list-style-type: none"> <li>• Stable at ≈ 14%</li> </ul>	<ul style="list-style-type: none"> <li>• 14.2% → 13.7% due to higher competition</li> </ul>
SG&A	<ul style="list-style-type: none"> <li>• maintainable at around 500 MB per quarter</li> </ul>	<ul style="list-style-type: none"> <li>• ↓ 6% according to business transformation i.e. some loss units had been shut down</li> </ul>
EBIT before Equity Profit	<ul style="list-style-type: none"> <li>• Both GPM and SG&amp;A were maintained but EBIT dropped as there was an extraordinary income in Q2/18</li> </ul>	<ul style="list-style-type: none"> <li>• ↓ due to lower sales and GPM as mentioned above</li> </ul>
Equity Profit from Associates	<ul style="list-style-type: none"> <li>• Lower performance from Steel group due to               <ul style="list-style-type: none"> <li>○ A loss unit had been shut down</li> <li>○ Most expenses related to business shut down had been recorded in Q2/18 so in Q3/18's performance was improved</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• ↓ due to steel industry as extra expenses were recorded when loss unit had been shut down</li> </ul>
Net profit	<ul style="list-style-type: none"> <li>• Slightly dropped               <ul style="list-style-type: none"> <li>+ Higher sales with maintained GPM &amp; SG&amp;A</li> <li>- Lower performance from associate as mentioned above</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• ↓ from lower sales, GPM and lower performance from associate as mentioned above</li> </ul>

### ASSET



### LIABILITIES AND EQUITY



### KEY RATIO

#### Debt to Equity

#### Interest Bearing Debt to Equity

#### Interest Coverage

#### Current Ratio

Dec-17	1.6x	Dec-17	0.7x	Dec-17	2.9x	Dec-17	1.3x
<b>Sep-18</b>	<b>1.4x</b>	<b>Sep-18</b>	<b>0.7x</b>	<b>Sep-18</b>	<b>1.9x</b>	<b>Sep-18</b>	<b>1.4x</b>

Note: The figures above were calculated by trailing back 12 months method

# Order Backlog ≈ 11,970 MB

As of 30 Sep 2018



Note: 22% will be recognized in Q4/2018



EDC & ADM  
566 MB



HW/SW Solution  
2,056 MB



Computer Network  
393 MB

IT  
SBG  
3,015 MB



Others  
33 MB



BHS  
511 MB

Sub-station and  
Transmission Line  
1,672 MB



Energy  
SBG  
2,216 MB



## High Potential Projects ≈ 8,880 MB

IT  
2,010 MB



Energy  
1,526 MB



Infrastructure  
4,039 MB  
Construction  
405 MB



Service  
901 MB



Security & Intelligent System  
3,004 MB

Construction of Office Building  
142 MB

Others  
383 MB

4,732 MB  
NS  
SBG



Red Line (CASS & OA)  
584 MB



FM, AM System  
204 MB



Construction Materials  
415 MB

2,005 MB  
Services  
SBG

Others  
Security  
203 MB



NHA  
RO Water  
142 MB

Airport Security  
1,079 MB



Ground Handling &  
Cargo Security  
268 MB





**Thank you**

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