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Tor 10/2562

15 May 2019

Subject: Clarification of the Change in the Operating Result Exceeded 20% of
Loxley Public Company Limited for the Quarter Ended 31 March 2019

To: President
The Stock Exchange of Thailand

Loxley Public Company Limited (“the Company”) has submitted the consolidated financial statement for the Quarter Ended 31 March 2019 and the consolidated statements of income are summarized as follows:

THB:Million	Quarter 1 2019	Quarter 1 2018	% Change
Revenue from sale of goods and rendering of services	3,177	3,223	-1%
Cost of sale of goods and rendering of services	(2,741)	(2,824)	-3%
Gross profit	436	399	9%
<i>% Gross profit</i>	<i>13.7%</i>	<i>12.4%</i>	<i>1.3%</i>
Distribution costs and administrative expenses	(496)	(520)	-5%
Fees and other income	104	71	46%
Share of profit of investment in associates and joint ventures, net	91	122	-25%
Earnings before interest and tax	135	72	88%
Financial costs	(46)	(48)	-4%
Income tax expense	(53)	(8)	>100%
Non-controlling interests	(1)	3	<100%
Net profit	35	19	84%

According to the table presented above, the operating performance for Quarter Ended 31 March 2019 results in a net profit of 35 million Baht increased by 84% compared to that of last year. The Company would like to declare the details of this issue as follows:

Gross Profit Margin

Gross Profit Margin of the Quarter Ended 31 March 2019 is 13.7% increases from that of last year which was 12.4%. An increase mainly due to an improve of gross profit margin of Information Technology SBG (System Integrator) which providing a more valued added services with a better margin compared to sales of product and equipment.

Distribution cost and administrative expenses

Distribution cost and administrative expenses for the Quarter Ended 31 March 2019 decreases by 5% from that of last year resulted from a re-organization of the business within the Group.

Fees and Others Income

Fees and Others Income for Quarter Ended 31 March 2019 increases by 46% from that of last year mainly due to a recognition of gain from disposal and deconsolidation of certain ceased operation subsidiary and other long-term investment of 23 million Baht in this quarter.

Net Profit

For the Quarter Ended 31 March 2019, the Company net profit of 35 million Baht increased by 84% from 19 million Baht of the same quarter prior year. The increase of net profit mainly causes by an increase of gross profit margin and fees and other income while a decrease of distribution cost and administrative expenses as earlier clarified.

Please be informed accordingly.

Sincerely yours,
Loxley Public Company Limited

(Mr. Pichai Mooputtarak)
Company Secretary