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Tor 7/2022

13 May, 2022

Subject: Clarification of the Change in Net profit exceeded 20% of Loxley Public Company Limited for the Quarter Ended 31 March, 2022.

To: President  
The Stock Exchange of Thailand

Loxley Public Company Limited (“the Company”) has submitted the consolidated financial statements for the quarter ended March 31, 2022, which could be summarized as follows:

THB:Million	Quarter 1		Change	
	2021	2020	MB	%
Revenue from sale of goods and rendering of services	2,907	2,758	149	5%
Cost of sale of goods and rendering of services	(2,456)	(2,340)	116	5%
<b>Gross profit</b>	<b>451</b>	<b>418</b>	<b>33</b>	<b>8%</b>
<b>% Gross profit margin</b>	<b>15.5%</b>	<b>15.2%</b>		<b>0.3%</b>
Distribution costs and administrative expenses	(408)	(388)	20	5%
Other income and gain on fair value adjustment	41	143	(102)	-71%
<b>Profit from operating activities</b>	<b>84</b>	<b>173</b>	<b>(89)</b>	<b>-51%</b>
Impairment loss in accordance with TFRS9	(13)	(3)	(10)	>100%
Share of profit of associates and joint ventures, net	158	206	(48)	-23%
Finance costs/Income tax/ NCI	(64)	(149)	(85)	-57%
<b>Net Profit</b>	<b>165</b>	<b>227</b>	<b>(62)</b>	<b>-27%</b>

According to the table presented above, the operating performance for the 1st quarter ended 31 March, 2022 resulted in revenue of 2,907 million Baht and a net profit of 165 million Baht, changed more than 20% from the previous year. Details of changes could be summarized as follows:

### **Profit from operating activities**

The Company had profit from operating activities for the three-month period ended March 31, 2022 of 84 million Baht, decreased from the same period of the previous year amounting 89 million Baht, due to gains on fair value adjustments in 2021 of 125 million Baht. However, considering on operating profit without gains on fair value adjustments, the company had profit of 83 million Baht and 48 million Baht for the three-month periods ended March 31, 2022 and 2021, respectively. Therefore, profit from operating activities in 2022 increased from the same period of 2021 by 35 million baht, driven by the growth of sales and an improvement in gross profit margins of Trading and Project based groups.

### **Share of profit of associates and joint ventures – net**

Share of profit of associates and joint ventures for the quarter ended 31 March, 2022 amounted 158 million Baht, decreased from that of last year of 206 million Baht which changed more than 20%. The decrease was mainly due to share of profits of associates in lubricant and coated steel business which is affected by the rise of raw materials cost and logistic cost (cost push inflation) but cannot immediately raise the selling price up. However, share of profit for the Q1 of 2022 was improved from Q4 of 2021.

### **Net profit**

For the first quarter ended March 31, 2022, the Company reported 165 million Baht of a net profit, a decrease of more than 20% from a net profit of 227 million Baht at the same period of last year. The change was mainly resulted from a decrease in gains on fair value adjustments and the share of profits from associates and joint ventures as mentioned above.

Please be informed accordingly.

Sincerely yours,

Loxley Public Company Limited

(Mrs. Manisara Janewithayapun)

Company Secretary