



บริษัท ยูไนเท็ด เพาเวอร์ ออฟ เอเชีย จำกัด (มหาชน)

**United Power of Asia Public Company Limited**

No. UPA 025-2021

15 November 2021

Re : Management Discussion and Analysis Quarter 3 Ending 30 September 2021

To : The President  
The Stock Exchange of Thailand

United Power of Asia Public Company Limited (“The Company”) would like to report the Company and subsidiaries’ operating performance for the three-month period ended September 30, 2021 as follows;

**Revenue from sales of condominium / Cost of condominium sold**

In the third quarter of 2021, the company had no revenue and cost from condominium sold by a subsidiary company, The Pino Khaoyai project of Domeland Estate Co., Ltd. In the same quarter of 2020, there were no revenue and cost from selling condominium as well.

**Revenue from the sale of land / Costs from the sale of land**

In the third quarter of 2021, the income from the sale of Pakchong land was Baht 29.00 million. The costs from the sale was Baht 28.08 million resulting in profit of Baht 0.92 million.

**Revenue from Electricity Generation / Cost of Electricity Generation/**

In the third quarter of 2021, electricity sales revenue of United Power of Asia Public Company Limited from Krasaesin solar power project under Songkhla Agriculture Cooperative Limited with 5.00 MW capacity was Baht 7.94 million, cost of sales was Baht 4.28 million, and gross profit was Baht 3.66 million.

A subsidiary of a subsidiary (Parabolic Solar Power Company Limited, a subsidiary of Andaman Power and Utility Company Limited) had revenue from four solar power projects. The first project in Kratoon under Nakhon Si Thammarat Agriculture Cooperative Limited Company Limited with 1.20 MW capacity, had Baht 1.62 million revenue, Baht 0.90 million cost of sales, and Baht 0.72 million gross profit. The second project in Wichian Buri under Phetchabun Agricultural Cooperative Limited with 1.75 MW capacity, had Baht 2.63 million revenue, Baht 1.45 million cost of sales, and Baht 1.18 million gross profit. The third project in Sri That Dairy under Udon Thani Agricultural Cooperative Limited with 5 MW capacity, had Baht 8.42 million revenue, Baht 3.58 million cost of sales, and Baht 4.84 million gross profit. Solar power plant project in Vietnam, B Solar (Song Luy) with 46.78 MW capacity had Baht 54.46 million revenue, Baht 42.83 million cost of sales, with Baht 11.63 million gross profit.

**Other income / Change in fair value of available-for-sale investment/ Share of profit (loss) of associate and joint venture**

Other income of the Company and its subsidiaries in the third quarter of 2021 was Baht 0.70 million, mainly from B Solar (Song Luy) and profit from sales of the building (Soi Ari) amounted to Baht 1.96 million.

Share of profit (loss) from investments in associates and joint ventures was Baht (1.86) million came from gain in San Din water supply project profit was Baht 0.89 million and (loss) from One Central real estate project was of Baht (2.75) million. Total revenue of the Company's group in the third quarter of 2021 was Baht 104.06 million, an increase of Baht 92.37 million from the same quarter of the previous year or an increase of 790.17% from to 2 additional electricity projects in Udon Thani and B Solar Project (Song Luy) in Vietnam and Pakchong Land Sales Revenue.

**Selling and administrative expenses**

Selling and administrative expenses in the third quarter of 2021 were Baht 20.88 million which increased from the same quarter of the previous year by Baht 1.54 million. Due to the sale of land in Pakchong and the building (Soi Ari) in the third quarter and has set an allowance for impairment of Baht 7.22 million in the second quarter of 2021. Thus reversing the allowance for impairment in administrative expenses in the third quarter, staff and management expenses amounted to Bath 7.13 million, decreased from the previous year by Bath 0.92 million due to a decrease in the number of employees in third quarter.

**Net profit**

The Group had Baht 22.94 million gross profit in the third quarter of 2021. Gross profit margin of 22.05% from sales by revenue from electricity sales of the company and its subsidiaries, from four local projects and an overseas project. Comparing to the same quarter of the previous year, gross profit increased by Baht 16.99 million or 285.55% increase.

After deducting selling and administrative expenses, financial cost, and income tax, net profit was Baht 0.85 million. Compared to the same quarter of the previous year with a loss Baht (10.75) million, an increase of Baht 11.60 million or net profit increased 107.91%

**Other issues**

On 8 October 2021, Canna Care Company Limited acquired 551,500 issued ordinary shares of Golden Triangle Group Company Limited from the existing shareholders for a consideration of Baht 124.68 million. This investment results in Canna Care Company Limited having a shareholding interest of 9.88% in Golden Triangle Group Company Limited.

On 29 October 2021, the Board of Director of the Company has a resolution to approve Parabolic Solar Power Company Limited, a subsidiary of the Group, to acquire 80% of total issued ordinary shares of Asia Energy and Utilities Holding (Singapore) Pte., Ltd. from Asia Investment, Development & Construction

Sole Co., Ltd. for a consideration of USD 7.1 million (or Baht 236.05 million). Asia Energy and Utilities Holding (Singapore) Pte., Ltd., is incorporated in Singapore holds 44% of shares in Central Wind Power Joint Stock Company (CWP). CWP is an operator of Phuong Mai 3 Wind Power Plant which generates and distributes electricity for Vietnam Electricity (EVN) with the generating capacity of 21 MW, for a 20-year concession.

On 5 November 2021, the Extraordinary General Meeting of Shareholders no. 1/2021 has a resolution to approve an increase of the Company's authorized share capital from Baht 5,065,171,462.50 to Baht 7,578,205,755 by issuing new 5,026,068,585 ordinary shares at a par value of Baht 0.50 each. The newly ordinary shares will be separated in 2 portions, the first 3,000,000,000 ordinary shares will be allocated to the existing shareholders at their current shareholding proportion (Right Offering) of Baht 0.30 each and the second remaining of 2,026,068,585 shares are reserve for the exercise of rights under the Warrant W2 issued for the existing shareholders at an exercise price of Baht 0.50 per share.

#### Deposits for investments Baht 497.76 million

1. Deposit paid to an entity in Lao People's Democratic Republic ("Laos") in the amount of Baht 420 million to provide the Company with the right to conduct due diligence and study feasibilities of water utility and hydropower plant projects in Laos. The Company will receive the deposit refunded within April 2019 if the results of projects' feasibility study are unsatisfactory. The recipient entity has given bank guarantee amounting to Baht 420 million to the Company as a security.

On 31 October 2019, the Company acquired interests for participating in Sandin Water Supply Project in Laos and settled the consideration by setting-off against such deposit amounting to Baht 79.23 million.

On 4 February 2021, a subsidiary invested in solar power plant in Vietnam and partially settled the consideration by setting-off against the deposit amounting to Baht 73.38 million

On 29 September 2021, the Company and the counterparty agreed to extend the period for feasibility study and refund of the remaining deposit to 31 December 2021.

As of September 30, 2021, this deposit has a balance of Baht 267.39 million.

2. Deposit paid to an entity in Thailand amounting to Baht 20 million to provide the Company with the right to conduct study feasibilities of Paddle Wheel Solar Cell project. The Company will receive the full amount of deposit refunded together with the agreed interest within 10 January 2022 if the Company decides not to invest in this project.

3. Deposit paid to an entity incorporated in Laos amounting to Baht 300 million to provide the Company with the right to conduct due diligence and feasibility study of coal-fired power plant in Laos. The Company will receive the full amount of deposit refunded on 14 May 2021 if the result of the study is unsatisfactory. The recipient entity gave a bank guarantee amounting to Baht 300 million to the Company as a security.



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On 30 November 2020, the Company decided not to invest and requested for a refund of the deposit in full amount. The Company received a refund deposit amounting to Baht 47.56 million in 2020 and the remaining deposit amounting to Baht 252.44 million in February and August 2021.

On 26 August 2021, the Company paid a deposit amounting to Baht 210.37 million for the Company's rights to conduct due diligence and feasibility study of coal-fired power plant in Laos, again. The Company will receive the full amount of deposit refund and interest at rate of 3% per annum within 25 August 2022 if the result of the study is unsatisfactory. The recipient entity gave a bank guarantee amounting to Baht 210.37 million to the Company as a security.

As of September 30, 2021, this deposit has a balance of Baht 210.37 million.

Please be informed accordingly.

Sincerely yours,

( Mr. Kawin Chalermroj )

Assistant Chief Executive Officer