



Ref. UV No. 041/2021

The Registration NO. 0107537001030

November 23th, 2021

Subject: Management Discussion and Analysis on Financial Statements for the year ended 30 September 2021

Dear: The SET Board of Governors
The Stock Exchange of Thailand

By Copy to: Secretary
General Office of the Securities and Exchange Commission

We, Univentures Public Company Limited ("the Company"), reported audited financial statements for the year ended 30 September 2021 and the financial statements of previous year.

	2021 (THB Million)	2020 (Restated) (THB Million)
Total Revenue	3,427.6	4,370.1
Profit attributable to the owners of the company	30.2	129.4

The Company would like to clarify revenue and profit attributable to the owners of the company which were affected from factors per detail below:

- (1) A third wave of Covid-19 pandemic that began since April, 2021 led to significant decline in both pre-sales and transfer of real estate business.
- (2) The initial adoption of Thai Financial Reporting Standard 16 for leases ("TFRS 16") led to decreased revenue from rental.
- (3) Change in accounting policy of investment properties from cost model to fair value model in according with Thai Accounting Standards: Investment Property ("TAS 40") to reflect the fair value of investment properties.

Revenue from sale of goods, rendering of services and rental

The company reported revenue from sale of goods, rendering of services and rental (“Core revenue”) for the year 2021 (Oct 2020 – Sep 2021) at THB 3,111.3 million, derived from sale of goods and rendering of services THB 1,597.1 million, from sale of real estate projects THB 1,489.5 million from rental and rendering of services THB 16.2 million and from management fee THB 8.5 million. Core revenue for the year 2021 decreased THB 1,164.4 million or 27% from the previous year mainly due to reduction of real estate revenue in amount of THB 1,243.3 million after customers delayed condo transfer and increasing mortgage rejection rate following the impact from Covid-19 and concern over elevated household debt and debt repayment capability. Furthermore, the initial adoption of Thai Financial Reporting Standard 16 for leases (“TFRS 16”) and temporarily hotel closed down after Covid-19 outbreak led to decreasing revenue from rental and rendering of services in amount of 158.3 million. However, the Company successfully increased sale of goods and rendering of services in amount of THB 254.5 million, or 19% increase from the previous year mainly from increase in Zinc Oxide revenue after LME Zinc price surged and THB depreciation.

Cost of sale of goods, rendering of services and rental and Selling and administrative expenses

For the year ended 2021 (Oct 2020 – Sep 2021), the company reported cost of sale of goods, rendering of services and rental of THB 2,727.1 million, decreased THB 639.9 million, or 19% from the previous year. The proportion of the cost of sale of goods, rendering of services and rental to core revenue was 88%, compared to the previous year which was at 79%. Selling and administrative expenses was THB 652.2 million, decreased by THB 156.8 million, or 19% from the previous year mainly from decreasing selling expense 51% after cost controlling measures on marketing expenses, promotion expenses together with less administrative expense which decreased 4% mainly from lower employee expenses netting with higher depreciation expense after adoption of Thai Financial Reporting Standard 16 for leases (“TFRS 16”). The proportion of selling and administrative expenses to total revenue was 19%, same as the previous year.

Profit attributable to the owners of the Company

For the year ended 2021 (Oct 2020 – Sep 2021), despite Covid-19 significant impact on business performance, the company able to reduce operation cost and selling and administrative expenses. As a result, the company reported profit attributable to the owners of the company at THB 30.2 million, which decreased THB 99.2 million, or 77% from the previous year which was restated after changing accounting policy of investment properties.

Financial Position and Liquidity

As of 30 Sep 2021, The Company maintained adequate liquidity ratio based from current ratio which was at 3.03 times, decreased from the year ended 2020 (30 Sep 2020) which was at 3.76 times. The company also has low ratio below 1.0 times based from debt-to-equity ratio which was at 0.61 times, decreased from the year ended 2020 which was at 0.82 times while interest bearing debt to equity was at 0.45 times, increased from the end of year 2020 which was at 0.41 times.

The company has sufficient working capital based on cash and cash equivalent, which was THB 2,310.3 million at the year ended 2021 (30 Sep 2021) and available bank loans as additional source of funds to invest in potential business aiming to establish balanced business portfolio, to develop value-added business with sustainable growth, and to attain recurring income that reduces business risk and reliance on real estate revenue, the Company would like to clarify new business investment strategy and progress per below:

1. The Board of Directors meeting of Univentures Public Company Limited (the "Company") No.6/2020-21 held on 23 September 2021 approved for Univenture Capital One Company Limited ("UVCAP1"), a subsidiary company which is 100% held by the Company, purchase of ordinary shares in Patana Intercool Co., Ltd. ("PIC") in a total amount of 60% at investment value of 560 million Baht. The investment in PIC will benefit the Company as PIC is a manufacturer of commercial refrigerators for various businesses and industries with a vast experience of more than 30 years in the business of manufacturing commercial refrigerators, and provides one stop services with respect to design, manufacture, after sales services, and research and product development based on the customer's requirements. Therefore, it is a potential high growth business. On 25 October 2021, UVCAP1 has paid for PIC shares and received PIC shares transfer. As a result, PIC becomes an indirect subsidiary and the Company able to consolidate both revenue and profit in the Company's consolidated financial statements onward.
2. The Board of Directors' Meeting of Univentures Public Company Limited (the "Company" or "UV") No. 1/2021-22 held on 27 October 2021, resolved to approve Univentures BGP Company Limited ("UVBGP" or the "Buyer"), a subsidiary of the Company to acquire all shares of Eastern Cogeneration Company Limited ("E-COGEN"), totaling investment value of not exceeding 12,400 million Baht in order to acquire indirect shareholding in PPTC Company Limited ("PPTC") and SSUT Company Limited ("SSUT"), the companies which operate the cogeneration power plants. The Board of Directors' Meeting also resolved to convene the Extraordinary General Meeting of Shareholders No. 1/2021 on 16 December 2021 to approve entering this transaction. The approval shall be resolved

by a vote of not less than three fourths of the total number of votes of the shareholders who attend the meeting and have the right to vote, excluding the votes of shareholders who have conflict of interest.

Please be informed accordingly.

Yours sincerely,

(Mr. Khumpol Poonsonee)

President

Univentures Public Company Limited