



Ref. UV No. 006/2022

The Registration NO. 0107537001030

February 8, 2022

Subject: Management Discussion and Analysis on Financial Statements for the three-month period ended 31 December, 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 reviewed financial statements for the three-month period ended 31 December 2021 and statement of financial position per below detail

Operating Performance

	(Million Baht)	(Restated) (Million Baht)
	3 Month / 2022	3 Month / 2021
Core Revenue	1,139.9	783.3
Other income	23.5	129.5
<b>Total Revenue</b>	<b>1,163.4</b>	<b>912.8</b>
Gross Profit	167.7	138.0
Distribution costs and administrative expenses	(155.7)	(176.5)
<b>Profit from operation before acquisition-related costs</b>	<b>7.2</b>	<b>68.2</b>
Acquisition-related costs (one-time cost)	(74.4)	-
Profit (Loss)attributable to the owners of the company	(67.2)	68.2

**Revenue from sale of goods, rendering of services and rental**

The company reported total revenue from sale of goods, rendering of services and rental ("core revenue") for the three-month period ended 31 December 2021 at THB 1,139.9 million, derived from sale of goods and rendering of services THB 952.6 million, from sale of real estate projects THB 183.4 million, from rental and rendering of services THB 3.2 million and from management fee THB 0.7 million. Core revenue increased 46% from the same period of previous year per below detail

- Revenue from sale of goods and rendering of services increased THB 590.3 million or 162.9% from the same period of previous year due to revenue recognition from new business in amount of THB 477.9 million consisting of revenue from commercial refrigerator THB 226.4 million, from cogeneration power plants THB 251.5 million. In addition, increasing revenue from sale of goods and rendering of services derived from higher zinc oxide revenue in amount of THB 97.4 million or 32% increase from the same period of previous year due to rising LME price and Baht depreciation.
- Revenue from sale of real estate projects decreased THB 228.5 million, or 55% from the same period of previous year due to negative impact from Covid-19 that resulted in business recession, delayed condo transfer and increasing mortgage rejection rate following the concern over elevated household debt and lower consumer debt repayment capability.

### **Cost of sale of goods, rendering of services and rental**

The Company reported cost of sale of goods, rendering of services and rental for the three-month period ended 31 December 2021 at THB 972.2 million, increased from the same period of the previous year by THB 326.8 million, or 51%. Gross profit increased slightly by THB 29.7 million, or 22% compared to the same period of previous year due to incremental gross profit derived from commercial refrigerator business that the Company recently invested in this quarter while gross profit derived from real estate for sales and rental decreased after long impact of Covid-19. As a result, gross profit ratio was 15%, decreased from the same period of the previous year which was at 18%.

### **Distribution costs and administrative expenses**

The Company reported distribution costs and administrative expenses for the three-month period ended 31 December 2021 at Baht 155.7 million, decreased by THB 20.7 million or 12%. The proportion of distribution costs and administrative expense to total revenue was 13%, decreased from the same period of the previous year, which was at 19%. Distribution costs was at THB 25.7 million, decreased THB 6.4 million, or 20% from the same period of the previous year. Decreased distribution costs is consistent with revenue reduction from real estate projects. Administrative expenses was at THB 130 million, decreased by THB 14.3 million, or 10% compared to the same period of previous year. The proportion of distribution costs to total revenue was 11%, decreased from the same period of the previous year which was at 16% due to effective administrative expenses management.

### **Investment in Subsidiaries**

For the three-month period ended 31 December 2021, the Company started consolidating revenue from new subsidiaries referring to Board of Director Approval and the Company's Extradentary General Meeting resolution to acquire investment in new businesses. Consequently, the Company successfully restructure business portfolio that generated sustainable growth and recurring income that reduces business risk and reliance on real estate revenue. New business acquisitions resulted in change in financial statements in this quarter per detail below

1. On 25 October 2021, Univenture Capital One Company Limited ("UVCAP1"), a subsidiary of the Company completed acquisition 60% of total shares at investment value of THB 560 million in Patana Intercool Co., Ltd. ("PIC"), the business of manufacturing commercial refrigerators for food and beverage. As a result, PIC becomes an indirect subsidiary and the Company able to consolidate both revenue and profit in the consolidated financial statements from November 1, 2021 to December 31, 2021 (totaling 2 months).
2. On 21 December 2021, Univentures BGP Company Limited ("UVBGP"), a subsidiary of the Company, holding shares in the proportion of 55%, acquired 100% of total shares of Eastern Cogeneration Company Limited ("E-COGEN") with holding share in the proportion of 100% at investment value of THB 11,334 million that resulted in shareholding in PPTC Company Limited ("PPTC") with holding share in the proportion of 75% and SSUT Company Limited ("SSUT") with holding share in the proportion of 100%, the companies which operate the cogeneration power plants. The Company able to consolidate both revenue and profit from E-COGEN in the consolidated financial statements from December 21, 2021 to December 31, 2021 (totaling 11 days)

Starting from Quarter 2, 2022, the Company will consolidate revenue and performance from 2 subsidiaries in regular accounting period.

However, acquisitions cost resulted from investment in 2 subsidiaries amounting to THB 74.4 million is one-time expense. Acquisitions cost includes financial advisory fee, legal fee.

### **Profit (Loss) attributable to the owners of the company**

For the three-month period ended 31 December 2021, profit from operation before acquisition-related costs was Baht 7.2 million. After take acquisition-related costs amounting to THB 74.4 million into account, loss attributable to the owners of the Company was reported at Baht 67.2 million, decreased from the same period of the previous year by THB 135.4 million. Loss attributable to the owners of the Company mainly was from acquisition cost in this quarter and decreasing other revenue in amount of THB 106 million. Other revenue was at THB 23 million, compared to the same period of previous year which was at THB 129.5 million. Other revenue in previous year were mainly from gain on sale of investment in subsidiary, and reversal of expected credit losses.

Please be informed accordingly.

Yours sincerely,

(Mr. Khumpol Poonsonee)

President

Univentures Public Company Limited