



บริษัท ยูไนเต็ด เพาเวอร์ ออฟ เอเชีย จำกัด (มหาชน)

**United Power of Asia Public Company Limited**

No. UPA 013-2022

17 May 2022

Re : Management Discussion and Analysis Quarter 1 Ending 31 March 2021

To : The President

The Stock Exchange of Thailand

United Power of Asia Public Company Limited (“The Company”) would like to report the yearly Company and subsidiaries’ operating performance for ended March 31, 2022 as follows;

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

In the first quarter of 2022, 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 Electricity Generation / Cost of Electricity Generation**

In the first quarter of 2022, revenue of electricity sales from United Power of Asia Public Company Limited from Krasaesin solar power project under Songkhla Agriculture Cooperative Limited with 5.00 MW capacity, was Baht 8.34 million, cost of sales was Baht 4.23 million, and gross profit was Baht 4.10 million.

A subsidiary of a subsidiary (Parabolic Solar Power Company Limited, a subsidiary of Andaman Power and Utility Company Limited) from the production of 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 2.03 million revenue, Baht 0.92 million cost of sales, and Baht 1.11 million gross profit. The second project in Wichian Buri under Phetchabun Agricultural Cooperative Limited with 1.75 MW capacity, had Baht 2.99 million revenue, Baht 1.41 million cost of sales, and Baht 1.58 million gross profit. The third project in Sri That Dairy under Udon Thani Agricultural Cooperative Limited with 5 MW capacity, had Baht 8.47 million revenue, Baht 3.49 million cost of sales, and Baht 4.98 million gross profit. Solar power plant project in Vietnam, B Solar (Song Luy) with 46.78 MW capacity had Baht 61.62 million revenue, Baht 19.61 million cost of sales, with Baht 42.00 million gross profit.

### Other income / Change in fair value of available-for-sale investment

Other income of the Company and its subsidiaries in the first quarter of 2022 was Baht 1.05 million. Comparing to the same quarter of the previous year, other income of the company was Baht 0.19 million. Other income increased by 0.86 million baht from interest income of B Solar (Vietnam).

Total revenue of the Company's group in the first quarter of 2022 was Baht 83.45 million, an increase of Baht 33.32 million from the same quarter of the previous year or an increase of 66.47%.

### Selling and administrative expenses

Selling and administrative expenses in the first quarter of 2022 were Baht 32.35 million. An increase of Baht 9.45 or 41.27%. Extra expenses were from Right Offering service fee of Baht 8.00 million and travel expense to Laos PDR for crypto mining business at Baht 2.00 million.

### Net profit

In the first quarter of 2022, the Group had gross profit of Baht 44.11 million, gross profit margin of 52.86% from the revenue of electricity sales in the company and its subsidiaries, with a total of four local projects and an overseas project. Comparing to the same quarter of the previous year, gross profit increased by Baht 10.92 million or 32.87% increase.

After deducting selling and administrative expenses, finance expenses, and income tax, the net loss was Baht 5.43 million. Compared to the same quarter previous year, with a net profit of Baht 7.98 million, a decrease of Baht 13.41 million or a loss of 168.05%.

### Other issues

#### Bitcoin Mining Business Income / Bitcoin Mining Cost

In the first quarter of 2022, there was no income and cost of bitcoin mining business because the company was in the process of establishing various companies and proceeding with the share purchase agreement (SPA). Therefore, no revenue was recognized and recorded in the financial statements of the group of companies. It is expected that the SPA will be signed within the second quarter of 2022. Expenses that the company recorded in the financial statements in the first quarter of 2022 were advance payments for investment in the amount of Baht 665 million. Bitcoin mining had started on March 8, 2022. The accumulation of Bitcoin up to March 31, 2022

were 5.77 Bitcoins with 1,400 mining machines installed from the target number of 6,000 mining Machines within June.

### Deposits for investments Baht 387 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 29 September 2020, the Company and the counterparty agreed to extend the period for feasibility study and refund of the remaining deposit to 29 September 2021.

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

As of March 31, 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 July 2021 if the Company decides not to invest in this project.

On May 10, 2022, the Company received a refund of the deposit of Baht 20 million, plus interest of Baht 1.70 million. The Company decided not to further invest was mainly due to ongoing Coronavirus Disease (COVID-19) situation. This caused project delay beyond what was initially expected.

3. In 2021, the company paid a deposit of 212.78 million baht or USD 6.4 million for the rights to conduct due diligence and feasibility study of coal-fired power plant in Laos. 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 USD 6.4 million to the Company as a security.



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On 30 December 2021, the Company requested for a partial refund of the deposit amounting to USD 3.4 million. Subsequently, the Company received such refund deposit on 25 January 2022.

As of March 31, 2022, this deposit has a balance of Baht 99.47 million, or USD 3.0 million.

Please be informed accordingly.

Sincerely yours,

( Mr. Wit Suwanasri )

Chief Executive Officer (Acting)