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August 9, 2022

Subject: Management Discussion and Analysis on Financial Statements for the three-month and nine-month periods ended 30 June, 2022

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 and nine-month periods ended 30 June 2022, per below detail

**Operating Performance for the three-month periods**

<b>Transactions</b>	<b>3 Month / 2022 (Million Baht)</b>	<b>3 Month / 2021 (Million Baht) (Restated)</b>
Core Revenue	5,505.9	755.3
Other income	13.4	10.5
<b>Total Revenue</b>	<b>5,519.3</b>	<b>765.8</b>
Gross Profit	1,028.8	67.0
Distribution costs and administrative expenses	(499.6)	(144.2)
<b>Profit (Loss) attributable to the owners of the company</b>	<b>304.9</b>	<b>(57.4)</b>

### **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 30 June 2022 at THB 5,505.9 million, derived from the sale of goods and rendering of services THB 3,470.6 million, from the sale of real estate projects THB 2,022.5 million, from the rental and rendering of services THB 12.0 million and management fee THB 0.8 million. Core revenue increased THB 4,750.6 million, or 629% from the same period of the previous year per below detail

- Revenue from sale of goods and rendering of services increased THB 3,051.6 million or 728% from the same period of the previous year due to revenue recognition from new businesses consisting of revenue from commercial refrigerator THB 264.6 million, from cogeneration power plants THB 2,680.2 million. In addition, increasing in zinc oxide revenue in the amount of THB 98.6 million or 26%, increased from the same period of the previous year due to rising LME price and Baht depreciation.
- Revenue from sale of real estate projects increased THB 1,691.8 million, or 511%, from the same period of the previous year, resulting from the transfer of Denim Jatujak project has started in May and the transfer of Anil Sathorn 12 project continued from the previous quarter.

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

The Company reported cost of sale of goods, rendering of services and rental (“core cost”) for the three-month period ended 30 June 2022 at THB 4,477.1 million, derived from the cost of sale of goods and rendering of services THB 3,057.5 million, from the cost of sale of real estate THB 1,406.8 million, from the cost of rental and rendering of services THB 12.4 million and from the cost of management fee THB 0.4 million. Core cost increased THB 3,788.7 million, or 550%, from the same period of the previous year per below detail

- Cost of sale of goods and rendering of services increased THB 2,653.0 million, or 656% from the same period of the previous year due to cost recognition from new businesses consisting of cost from commercial refrigerator THB 188.6 million, from cogeneration power plants THB 2,379.8 million. The gross profit of both new businesses was at 28.7% and 11.2%, respectively. As a result, gross profit increased to 12% compared to the same period of the previous was at 3%.
- Cost of sale of real estate increased THB 1,128.1 million, or 405% from the same period of the previous year due to cost recognition from sale of Denim Jatujak project that has transferred in May, and customers have well received this project. In addition, Anil Sathorn 12 project has transferred since last quarter. Both projects had high gross profit. As a result, gross profit increased to 30% compared to the same period of the previous year was at 16%.

## Distribution costs and administrative expenses

The Company reported distribution costs and administrative expenses for the three-month period ended 30 June 2022 at Baht 499.6 million, increased by THB 355.4 million or 246% from a new business which was THB 231.3 million mainly from unrealized loss on foreign exchange was at THB 176.8 million. However, the proportion of distribution costs and administrative expenses to total revenue decreased to 9%, from the same period of the previous year which was 19%. Distribution costs were at THB 138.2 million, increased THB 108.3 million, or 362% from the same period of the previous year mainly from real estate for sale business and commercial refrigerator business but consistent with increased revenue. Administrative expenses were at THB 361.4 million, increased by THB 247.1 million, or 216% compared to the same period of the previous year of new business. As a result, the proportion of distribution costs to total revenue was 7%, decreased from the same period of the previous year which was at 15%.

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

Profit from operation attributable to the Company owners for the three-month period ended 30 June 2022 was THB 304.9 million, increased by THB 362.3 million, compared to the same period of the previous year which was loss at THB 57.4 million. Increased profit attributable to the owners mainly derived from commercial refrigerator and significantly increased from real estate for sale business.

## Operating Performance for the nine-month periods

Transactions	9 Month / 2022 (Million Baht)	9 Month / 2021 (Million Baht) (Restated)
Core Revenue	10,273.4	2,471.6
Other income	106.5	206.9
<b>Total Revenue</b>	<b>10,379.9</b>	<b>2,678.5</b>
Gross Profit	1,607.8	331.3
Distribution costs and administrative expenses	(894.3)	(488.0)
<b>Estimate profit from operation attributable to the owners of company before cost of planned outage for power plants maintenance and cost related to acquisition of subsidiaries</b>	<b>465.5</b>	<b>32.5</b>
Cost of planned outage for power plants maintenance	(96.4)	-
Cost related to acquisition of subsidiaries (one-time cost)	(74.4)	-
<b>Profit attributable to the owners of the company</b>	<b>294.7</b>	<b>32.5</b>

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

The company reported core revenue for the nine-month period ended 30 June 2022 at THB 10,273.4 million, derived from sale of goods and rendering of services THB 7,422.9 million, from sale of real estate projects THB 2,830.4 million, from rental and rendering of services THB 17.8 million and management fee THB 2.3 million. Core revenue increased THB 7,801.8 million or 316% from the same period of the previous year per below detail

- Revenue from sale of goods and rendering of services increased THB 6,215.7 million, or 515% from the same period of the previous year due to revenue recognition from new businesses consisting of revenue from commercial refrigerator THB 764.6 million, from cogeneration power plants THB 5,167.0 million. In addition, increasing revenue from sale of goods and rendering of services derived from higher zinc oxide revenue in amount of THB 250.5 million, or 24% increase from the same period of the previous year due to rising LME price and Baht depreciation.
- Revenue from sale of real estate projects increased THB 1,586.3 million, or 128% from the same period of the previous year. During the first quarter to the second quarter, customers postponed to transfer condominiums resulting in Covid-19 impact, besides 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 core cost for the nine-month period ended 30 June 2022 at THB 8,665.6 million, derived from cost of sale of goods and rendering of services THB 6,659.6 million, from the cost of sale of real estate THB 1,985.2 million, from the cost of rental and rendering of services THB 19.4 million and from the cost of management fee THB 1.4 million. Core cost increased THB 6,525.4 million or 305% from the same period of the previous year per below detail

- Cost of sale of goods and rendering of services increased THB 5,516.1 million, or 482% from the same period of the previous due to cost recognition from new businesses consisting of cost from commercial refrigerator THB 536.9 million, from cogeneration power plants THB 4,753.4 million. Gross profit of both new businesses was at 29.8% and 8.0%, respectively. As a result, gross profit increased to 10% compared to the same period of the previous year was 5%.
- Cost of sale of real estate increased THB 1,004.8 million, or 102% from the same period of the previous due to both projects has transferred. Both projects contributed high gross profit as describe above. As a result, gross profit increased to 30% compared to the same period of the previous year was 21%.

## **Distribution costs and administrative expenses**

The Company reported distribution costs and administrative expenses for the nine-month period ended 30 June 2022 at THB 894.3 million, increased by THB 406.3 million, or 83% from a new business which was THB 354.8 million mainly from unrealized loss on foreign exchange was at THB 156.3 million. Distribution cost was at THB 249.0 million, increased by THB 148.7 million, or 148% from the same period of the previous year mainly from real estate for sale business but consistent with increased revenue from sale of real estate. Distribution costs and administrative expenses were at THB 645.3 million, increased by THB 257.6 million, or 66% compared to the same period of the previous year from new business. The proportion of distribution costs to total revenue was 6%, decreased from the same period of the previous year which was 14%.

## **Investment in new businesses to sustainable balance of income**

For the nine-month period ended 30 June 2022, the Company started consolidating revenue from new subsidiaries, referring to the Company's Extraordinary General Meeting resolution to acquire an investment in new businesses. Consequently, the Company successfully restructured its business portfolio, generating sustainable growth and recurring income that reduces business risk and reliance on real estate revenue. New business acquisitions resulted in a change in financial statements per detail below

- On 25 October 2021, Univenture Capital One Company Limited, a subsidiary of the Company, completed the acquisition of 60% of total shares at an investment value of THB 560 million in Patana Intercool Co., Ltd. ("PIC"), the business of manufacturing commercial refrigerators. As a result, PIC becomes an indirect subsidiary and the Company is able to consolidate both revenue and profit in the consolidated financial statements since 1 November, 2021 onwards.
- On 21 December 2021, Univenture BGP Company Limited ("UVBGP"), a subsidiary of the Company, holding shares in the proportion of 55%, acquired 100% of the 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 with holding share in the proportion of 75% and SSUT Company Limited 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 since 21 December, 2021 onwards.

However, acquisitions cost resulted from investment in these two subsidiaries was THB 74.4 million, which was one-time expense in the first quarter. In addition, the main acquisitions cost included financial advisory fees and legal fees.

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

For the nine-month period ended 30 June 2022, the Company reported the profit from operation attributable to the owners of the Company were THB 465.5 million. After deducting the cost of planned outage for power plant maintenance in the amount of THB 96.4 million and acquisition costs for investing in new businesses in the amount of THB 74.4 million, which was a one-time expense in the first quarter. Profit attributable to the owners of the Company was at THB 294.7 million, increased by THB 262.2 million, compared to the same period of the previous year which was at THB 32.5 million. Increased profit attributable to the owners mainly derived from the commercial refrigerator and significantly increased from real estate for sale business.

## Statement of financial position

Transactions	As at 30 June 2022 (Million Baht)	As at 30 September 2021 (Million Baht)
Current assets	17,761.5	14,895.9
Non-current assets	21,692.9	2,054.3
<b>Total assets</b>	<b>39,454.4</b>	<b>16,950.2</b>
Current liabilities	10,508.2	4,922.2
Non-current liabilities	15,291.5	1,531.9
<b>Total liabilities</b>	<b>25,799.7</b>	<b>6,454.1</b>
Equity attributable to owners of the Company	10,869.8	10,466.7
Non-controlling interests	2,784.9	29.4
<b>Total equity</b>	<b>13,654.7</b>	<b>10,496.1</b>
<b>Total liabilities and equity</b>	<b>39,454.4</b>	<b>16,950.2</b>

## Assets

As at 30 June 2022, the Company has total asset at THB 39,454.4 million, increased by THB 22,504.2 million, or 133% compared to the year ended 30 September 2021 mainly from new business acquisitions since the first quarter, resulted in a change in financial statements per detail below

- Current assets were at THB 17,761.5 million, increased by THB 2,865.6 million mainly from deposits at bank held as collateral and trade accounts receivable from an acquisition in cogeneration power plant business.
- Non-current assets were at THB 21,692.9 million, increased by 19,638.6 million mainly from property, plant and equipment, goodwill, and intangible assets from an acquisition in cogeneration power plant and commercial refrigerator business.

## **Liabilities**

As at 30 June 2022, the Company has total liabilities at THB 25,799.7 million, increased by THB 19,345.6 million, or 300% compared to the year ended 30 September 2021 mainly from new business acquisitions since the first quarter resulted in a change in financial statements per detail below

- Current liabilities were at THB 10,508.2 million, increased by THB 5,586.0 million mainly from trade accounts payable, current portion of long-term loans from financial institutions and short-term loan from related parties from an acquisition in cogeneration power plant business., including the current portion of bond payable of the Company.
- Non-current liabilities were at THB 15,291.5 million, increased by THB 13,759.6 million mainly from a long-term loan from financial institutions from an acquisition in cogeneration power plant business.

## **Equity**

As at 30 June 2022, the Company has total equity at THB 13,654.7 THB, increased by THB 3,158.6 million or 30% compared to the year ended 30 September 2021, resulting from profit deduct dividend paid during the period, including non-controlling interests increased from an acquisition in cogeneration power plant and commercial refrigerator business.

## **Debt to equity ratio**

As at 30 June 2022, the Company was debt to equity ratio at 1.89 times increased from year ended 30 September 2021 was at 0.61 times and interest-bearing debt to equity ratio was at 1.51 times increased from year ended 30 September 2021 was at 0.45 times.

Please be informed accordingly.

Yours sincerely,

(Mr. Khumpol Poonsonee)

President

Univentures Public Company Limited