Ref. UV No. 007/2013
The Registration N0. 0107537001030

26 February 2013

Subject: Explanation on Financial Statements of the year ended 31 December 2012

Dear: Mr. President
The Stock Exchange of Thailand

We, Univentures Public Company Limited ("the Company"), refer to our audited financial statements of the years ended 31 December 2012 and 2011. Profit attributable to the owners of the Company for the year ended 31 December 2012 shown in our consolidated financial statements of the year 2012 being Baht 212.0 million, increased by Baht 148.9 million, or 236% as compared with the previous year.

The Company would like to explain the consolidated operating result and financial position as of 31 December 2012 as follows:

1. Consolidated statements of comprehensive income

The consolidated statements of comprehensive income for the year ended 31 December 2012 as compared with last year ended 31 December 2011.

Unit : Million Baht	**2012**	**2011**	**Increased (Decreased)**	**%**
Revenue from sale of goods, rendering of services and rental	4,386.7	3,602.0	784.7	22%
Cost of sales of goods, rendering of services and rental	3,490.3	2,802.1	688.2	25%
Gross profit	**896.4**	**799.9**	**96.5**	**12%**
Gain on finance lease contract	169.0	-	169.0	100%
Selling and administrative expenses	556.0	468.8	87.2	19%
Operating profit	**509.4**	**331.1**	**178.3**	**54%**
Other income	86.5	21.3	65.2	306%
Earning before finance costs and income tax expense	**595.9**	**352.4**	**243.5**	**69%**
Finance costs	141.2	31.8	109.4	344%
Income tax expense	102.2	114.5	(12.3)	(11%)
Profit for the year	**352.5**	**206.1**	**146.4**	**71%**
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	**352.5**	**206.1**	**146.4**	**71%**
Profit attributable to:				
Owners of the Company	212.0	63.1	148.9	236%
Non-controlling interests	140.5	143.0	(2.5)	(2%)

1.1 Revenue from sale of goods, rendering of services and rental for year 2012 were Baht 4,386.7 million, increasing by Baht 784.7 million or 22% from year 2011 because

Real estate business

- Real estates – the revenue from sale of real estate project in year 2012 increased from last year by Baht 596.9 million or 23% was mainly caused by an increase of the revenue from units transferred in condominium projects. The figure was Baht 3,111.9 million for year 2012 which increased by Baht 567.0 million from last year. The increase of the revenue came from the recognition income from room transferred of 1,619 units, from U Delight² @ Bang-Sue station in the total of 562 units, U Delight @ Onnut station in the total of 773 units, U Delight @ Jatujak station in the total of 272 units and U Delight @ Huakwang station in the total of 12 units, respectively, as compared with total 1,236 units in year 2011.

- Office rental - the Company has rental income from Park Ventures Ecoplex, the office grade "A" building which completed in September 2011. The Company recognized the income from renting its office building and retail of Baht 133.7 million resulted from average occupancy rate of 44% (This figure was accumulated from January to December 2012). As of 31 December 2012, there were new customers who already signed rental contracts with deposits paid but have not moved in, representing 35% occupancy rate; therefore, total office occupancy rate as of 31 December 2012 was 79%. In addition, the Company recognized additional office rental revenue from Golden land group amounting Baht 72.1 million.

Zinc Oxide business

The sale from Zinc Oxide operational business of Baht 961.8 million, decreasing by Baht 24.2 million or 2% from the previous year because of the decrease of Zinc Oxide price in the world market. It was the same direction as zinc ingot price in the world market also decreasing around USD 319 per metric ton.

1.2 The gross profit was Baht 896.4 million, increasing from year 2011 by Baht 96.5 million or 12% due mainly to the increase of gross profit from condominium business by Baht 92.3 million.

1.3 Gain on rental under finance lease contract, during year 2012, the Company has transferred the lease space for the operation of a hotel business for a period of 30 years to TCC Luxury Hotels and Resort Co., Ltd. (lessee) and the Company already received remuneration of Baht 1,476.3 million. According to Thai Accounting Standard No. 17 (revised 2009) : Lease, this rental agreement is classified as financial lease because it transfers substantially all the risks and rewards of the asset incidental to ownership to lessee and the title may or may not eventually be transferred. Thus, the Company recognized revenue from rental under financial lease contract of Baht 1,012.1 million with relevant cost of rental under finance lease contract of Baht 843.1 million at transfer date resulting in having gain on rental under finance lease contract of Baht 169.0 million which is one time off. For the remaining rental received in advance of Baht 464.2 million, the Company will amortize it as income throughout 30-year period.

1.4 Selling and administrative expenses were Baht 556.0 million, increasing by Baht 87.2 million from year 2011 mainly because of an increase of selling expenses, amounting to Baht 49.0 million, which resulted from the increase of room transferred of the condominium business. In addition, selling and administrative expenses of Golden Land Property Development Public Company Limited since the acquisition date, amounted to Baht 36.0 million.

1.5 Finance costs were Baht 141.2 million, increasing by Baht 109.4 million or 344% from last year mainly from the recognition of interest of loan for Park Venture Ecoplex Project being as finance cost, amounting to Baht 69.4 million whereas the major interest, occurred in 2011, was capitalized as cost of the project, being constructed. In addition, finance cost of Golden land group amounted to Baht 22.4 million from business combination.

1.6 Income tax expense was Baht 102.2 million, decreasing from last year by Baht 12.3 million or 11%.

1.7 Profit for the year was Baht 352.5 million, increasing from the previous year by Baht 146.4 million or 71% mainly due to the recognition of gain on financial lease amounting Baht 169.0 million.

1.8 Total comprehensive income attributable to owners of the Company was Baht 212.0 million (or Baht 0.265 per share), increased by Baht 148.9 million or 236% from Baht 63.1 million (or Baht 0.082 per share) in year 2011.

2. Consolidated statements of financial position

The comparative of consolidated statements of financial position as of 31 December 2012 and 2011

(Presented only significant items)

Unit : Million Baht	31 December 2012	31 December 2011	Increased (decreased)	%
Assets				
Properties under development	3,198.5	2,714.4	484.1	18%
Total current assets	**5,605.1**	**3,891.4**	**1,713.7**	**44%**
Investment in associates	653.5	1.8	651.7	36,206%
Investment properties	9,416.8	2,078.5	7,338.3	353%
Property, plant and equipment – net	2,693.2	545.0	2,148.2	394%
Prepaid rental	2,440.7	298.3	2,142.4	718%
Total assets	**21,252.9**	**6,872.0**	**14,380.9**	**209%**
Liabilities				
Short-term loans from financial institutions	295.8	357.0	(61.2)	(17%)
Advance from customers	386.1	181.3	204.8	113%
Current portion of long-term loans from financial institutions	2,333.3	721.6	1,611.7	223%
Current portion of rental received in advance from related party	52.6	886.7	(834.1)	(94%)
Total current liabilities	**4,102.2**	**2,609.9**	**1,492.3**	**57%**
Long-term loans from financial institutions	3,454.7	1,429.5	2,025.2	142%
Rental received in advance from related party	1,421.6	453.3	968.3	214%
Long term provisions	1,137.8	-	1,137.8	100%
Tax obligation from acquisition	521.2	-	521.2	100%
Total non-current liabilities	**7,189.2**	**2,029.4**	**5,159.8**	**254%**
Total liabilities	**11,291.4**	**4,639.3**	**6,652.1**	**143%**
Equity attributable to owners of the Company	7,043.3	1,812.1	5,231.2	289%
Non-controlling interests	2,918.2	420.6	2,497.6	594%
Total equity	**9,961.5**	**2,232.7**	**7,728.8**	**346%**
Total liabilities and equity	**21,252.9**	**6,872.0**	**14,380.9**	**209%**

2.1 Assets

As at 31 December 2012, the assets of the Company amounted to the total of Baht 21,252.9 million, an increase of Baht 14,380.9 million from that of the end of 2011, or 209%. Main reasons are:

- Current assets increased by Baht 1,713.7 million, or 44%, mostly came from an increase of cash and cash equivalents by Baht 863.9 million and an increase of properties under development, amounting to Baht 484.1 million or 18%.
- An increase of investment properties, amounting to Baht 7,338.3 million, or 353%, mainly resulted from acquiring GOLD which lead to the growth of investment properties, amounting to Baht 6,732.9 million.
- Property, plant and equipment increased from the previous year amounting to Baht 2,148.2 million, or 394%, mainly due to the acquisition of GOLD which resulted to increasing in property, plant and equipment, amounting to Baht 2,143.5 million.
- A growth of prepaid rental, amounting to Baht 2,142.4 million, or 718% from last year was mainly caused by the acquisition of GOLD's shares which resulted in the increase of prepaid rental, amounting to Baht 2,163.1 million.

2.2 Liabilities

As at 31 December 2012, the Company had the total liabilities of Baht 11,291.4 million, an increase of Baht 6,652.1 million, or 143%, from that of the end of 2011. Main reasons are:

- An increase of loan term loans from financial institutions amounted to Baht 3,636.9 million.
- Long term provision of Baht 1,137.8 million represents a present obligation in respect of a claim for contractual penalties made by customers and tax burden of Golden land group.
- Tax obligation, amounting to Baht 521.2 million, was caused by acquiring of GOLD.

2.3 Equity attributable to owners of the Company

As at 31 December 2012, the equity attributable to owners of the Company amounted to Baht 7,043.3 million. An increase of Baht 5,231.2 million, or 289% from that of the end of the 2011 was caused by capital increased amounting to Baht 5,735.8 million and net from the operation result for the year 2012 attributable to owners of the Company of Baht 212.0 million. Besides, the Company paid dividend, amounting to Baht 45.9 million.

Non-controlling interests increased by Baht 2,497.6 million, or 594% from that of the end of the 2011, mainly due to non-controlling interests from acquisition of GOLD.

3. Consolidated statements of cash flows

The consolidated statement of cash flows of the Company for the year ended 31 December 2012 showed an increase of net cash of Baht 863.9 million, whereby the Company had net cash at beginning of the year brought forward from 2011 of Baht 237.7 million, resulting in the net cash at end of the year amounting to Baht 1,101.6 million. Details of cash flows of each activity are as follows;

	Million Baht
Cash flows from operating activities- before changes in operating assets and liabilities	798.8
Net cash provided by operating activities	166.4
Net cash used in investing activities	(4,284.6)
Net cash provided by financing activities	4,982.1
Net increase in cash and cash equivalents - net	**863.9**
Cash and cash equivalents at beginning of year - net	237.7
Cash and cash equivalents at end of year - net	**1,101.6**

Cash flows came from operating activities before changes in operation assets and liabilities amounted to Baht 798.8 million, being actual cash flow derived from entire operations of the year ended 31 December 2012, which came from net profit for the year, and non-cash item adjustments from depreciation and deferred items.

Net cash provided by operating activities after changes in operation assets and liabilities amounted to Baht 166.4 million, which came from cash flow derived from operations and adjusted by changes in operating assets and liabilities, whereby important items came from spending in real estate project under development of Baht 635.0 million, which was regarded as operation assets and shown as part of current assets.

Net cash used in investing activities amounted to Baht 4,284.6 million, mostly being cash outflow on acquisition of subsidiary of Baht 3,412.6 million. Besides, the Company invested in investment properties of Baht 851.1 million and its fixed assets amounting to Baht 98.8 million.

Net cash provided by financing activities amounted to Baht 4,982.1 million; mostly being capital increased amounting to Baht 5,735.8 million.

In summary, the Company has strong financial position, whether it is in term of liquidity, ratio of debts to shareholders' equity, and rate of returns to shareholders.

Please be informed accordingly,

Yours sincerely,

(Mrs. Ornruedi Na-Ranong)
President