Ref. UV No. 029/2014
The Registration N0. 0107537001030

12 May 2014

Subject: Explanation on Financial Statements of the 1st quarter of the year 2014

Dear: Mr. President
The Stock Exchange of Thailand

We, Univentures Public Company Limited ("the Company"), refer to our reviewed financial statements for the three-month period ended 31 March 2014 (Q1/2014) and the financial statements of the same period of last year (Q1/2013). Profit attributable to the owners of the Company shown in our consolidated financial statements of Q1/2014 was Baht 7.2 million, increased by Baht 79 million, or 110% as compared with that of the same period of previous year.

The Company would like to explain the consolidated operating result for Q1/2014 and financial position as at 31 March 2014 as follows:

1. <u>Consolidated statements of comprehensive income</u>

The consolidated statements of comprehensive income of Q1/2014 compared with that of the same period Q1/2013.

Unit: Million Baht	Q1/2014	Q1/2013	Increased (Decreased)	%
Revenue from sale of goods, rendering of services and rental	1,378.2	876.0	502.2	57%
Cost of sale of goods, rendering of services and rental	1,073.8	713.0	360.8	51%
Gross Profit	**304.4**	**163.0**	**141.4**	**87%**
Selling and administrative expenses	278.9	213.5	65.4	31%
Other Income	16.7	17.3	-0.6	-3%
Share of profit of equity-accounted investees Associates	5.0	5.5	-0.5	10%
Profit (loss) before Depreciation and Amortization (EBITDA)	**161.2**	**84.0**	**77.2**	**92%**
Depreciation and Amortization	114.0	111.6	2.4	2%
Profit (loss) before finance costs and income tax (EBIT)	**47.2**	**-27.6**	**74.8**	**-271%**
Finance costs	76.4	87.2	-10.8	-12%
Profit (loss) before income tax (EBT)	**-29.2**	**-114.9**	**85.7**	**75%**
Income tax benefit (expense)	55.9	7.2	48.7	680%
Profit (loss) for the period	**26.7**	**-107.7**	**134.4**	**-125%**
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**26.7**	**-107.7**	**134.4**	**-125%**
Total comprehensive income attributable to:				
Owners of the Company	7.2	-62.5	69.7	-112%
Non-controlling interests	19.5	-45.2	64.7	-143%

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

Total revenue from sale of goods, rendering of services and rental of Univentures Public Company Limited ("the Company") for Q1/2014 were Baht 1,378.2 million, increasing by Baht 502.2 million or 57% from Q1/2013 as shown in figure 1 illustrated proportion detail of revenue from sale of goods, rendering of services and rental. Revenue from sale of real estate projects in Q1/2014 was 54% of total revenue, increased from the same period of previous year, which was 33%. While revenue proportion from rental and rendering of services and revenue from sale of goods and rendering of services were 22%, and 24% respectively, decreased from the same period of previous year, which equaled to 33% each.

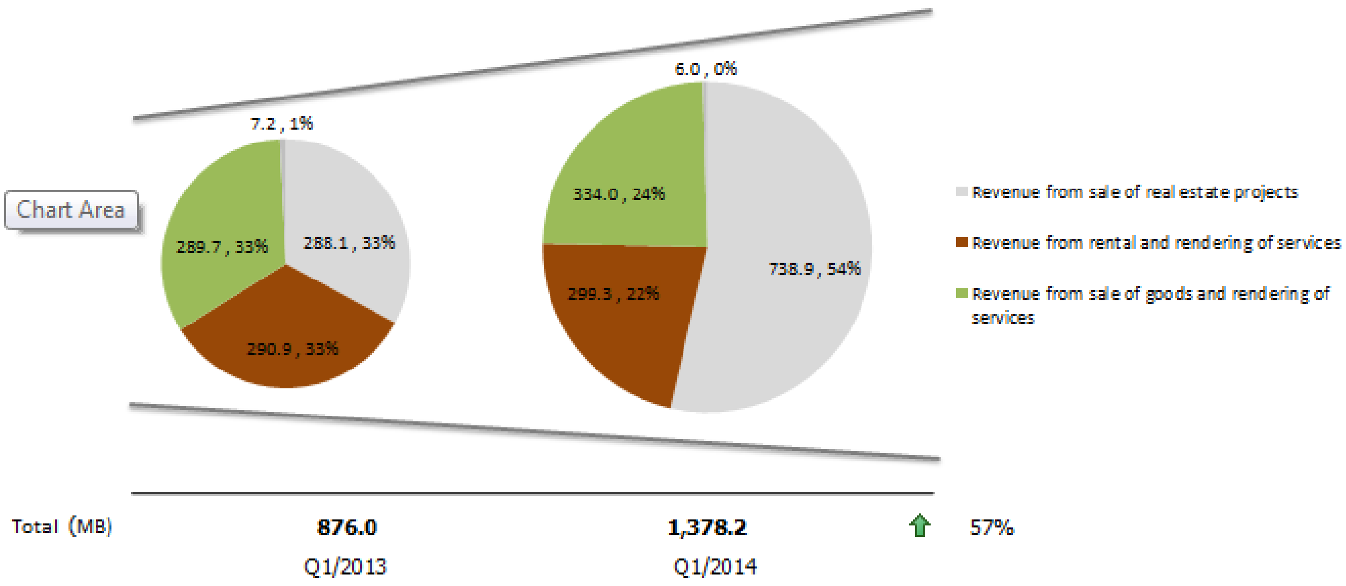


Figure 1- Proportion of Revenue from sale of goods, rendering of services and rental

- **Revenue from sale of real estate projects**

For Q1/2014, revenue from sale of real estate projects was Baht 738.9 million, increased from the same period of previous year by Baht 450.8 million or 156%. The recognition of revenue derived from 9 real estate projects per detail below:

- Revenue recognized from high-rise project (173 units) was Baht 420.8 million, increased from the same period of previous year by Baht 281.0 million or 201%. Three transferred high-rise projects include U Delight 3 (Prachachuen-BangSue), U Delight Residence (Patanakarn-Thonglor) and Condo U @ Huamak Station

- Revenue recognized from low-rise project (83 units) was Baht 318.1 million, increased from the same period of previous year by Baht 169.8 million or 114%. Six transferred low-rise projects include four existing projects— The Golden Heritage project, the Golden Legend project, the Golden Nakara project, the Grand Monaco project and two new projects- Golden Village Bangna-Kingkaew and Golden Avenue Changwattana-Tiwanon

Revenue from sale of real estate projects	Q1/2014	Q1/2013	Increased (Decreased)	%
High-rise	420.8	139.8	281.0	201%
Low-rise	318.1	148.3	169.8	114%
Total	**738.9**	**288.1**	**450.8**	**156%**

- **Revenue from rental and rendering of services**

For Q1/2014, revenue from rental and rendering of services was Baht 299.3 million, increased from the same period of previous year by Baht 8.4 million or 3%. The main contributors of revenue from rental and rendering of services are per below detail:

- Park Ventures Ecoplex-- the office grade "A" building, provided rental revenue of Baht 73.2 million, increased from the same period of previous year by Baht 10.3 million or 16% due to higher occupancy rate . As of 31 March 2014, customers who have signed contract with deposit paid contributed 100% of total leasable area with highest rental rent at 1,000 Baht per sqm.

- Office buildings from Golden Land group, provided rental revenue of Baht 226.1 million, slightly decreased from the same period of previous year by Baht 1.9 million or 1%.

Revenue from rental and rendering of services	Q1/2014	Q1/2013	Increased (Decreased)	%
Park Ventures Ecoplex	73.2	62.9	10.3	16%
Golden Land Offices	226.1	228.0	-1.9	-1%
Total	**299.3**	**290.9**	8.4	3%

- **Revenue from sale of goods and rendering of services**

For Q1/2014, revenue from sale of goods and rendering of services was Baht 333.9 million, increased from the same period of previous year by Baht 44.3 million or 15% mainly due to zinc oxide sale volume 4,804 ton, or 715 ton increased from the same period of previous year, or 17%. Consequently, the company generated zinc oxide revenue Baht 323.7 million, increased from the same period of previous year by Baht 51.1 million, or 19%. The average sale price of zinc oxide in Q1/2014 was USD 2,029 per ton, slightly changed from the same period of previous year which was USD 2,033 per ton.

Revenue from sale of goods and rendering of services	Q1/2014	Q1/2013	Increased (Decreased)	%
Zinc Oxide Sale Volume (Ton)	4,804	4,089	715.0	17%
Zinc Oxide Revenue (MB)	323.7	272.6	51.1	19%
Average LME Price (USD/Ton)	2,029	2,033	-4.0	-0.2%

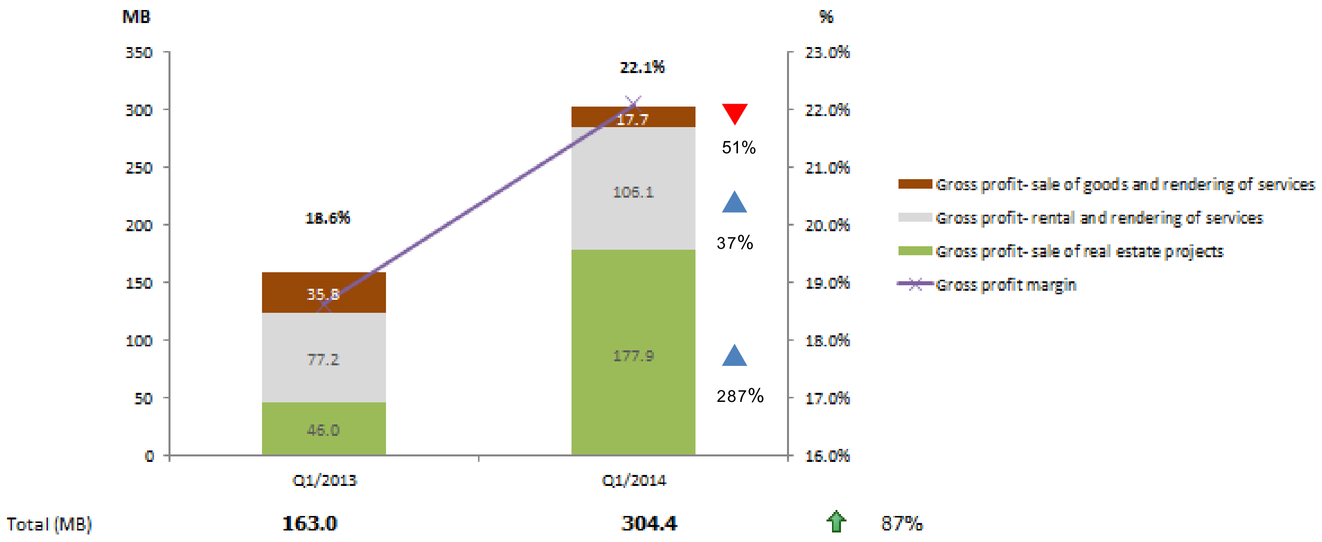
1.2 Gross profit

For Q1/2014, the company generated gross profit Baht 304.4 million, increased from the same period of previous year by Baht 141.4 million or 87%. Gross profit ratio was 22.1%, increased from the same period of previous year which was at 18.6%. Gross profit generated from each business segments are per below detail:

- Gross profit from sale of real estate projects increased from the same period of previous year by Baht 131.9 million or 287% due to higher transfer units from both high-rise and low-rise projects.

- Gross profit from rental and rendering of services increased from the same period of previous year by Baht 28.9 million or 37% due to improved cost reduction efficiency in property management.

- Gross profit from sale of goods and rendering of services increased from the same period of previous year by Baht 18.1 million or 51% due to higher raw material cost.

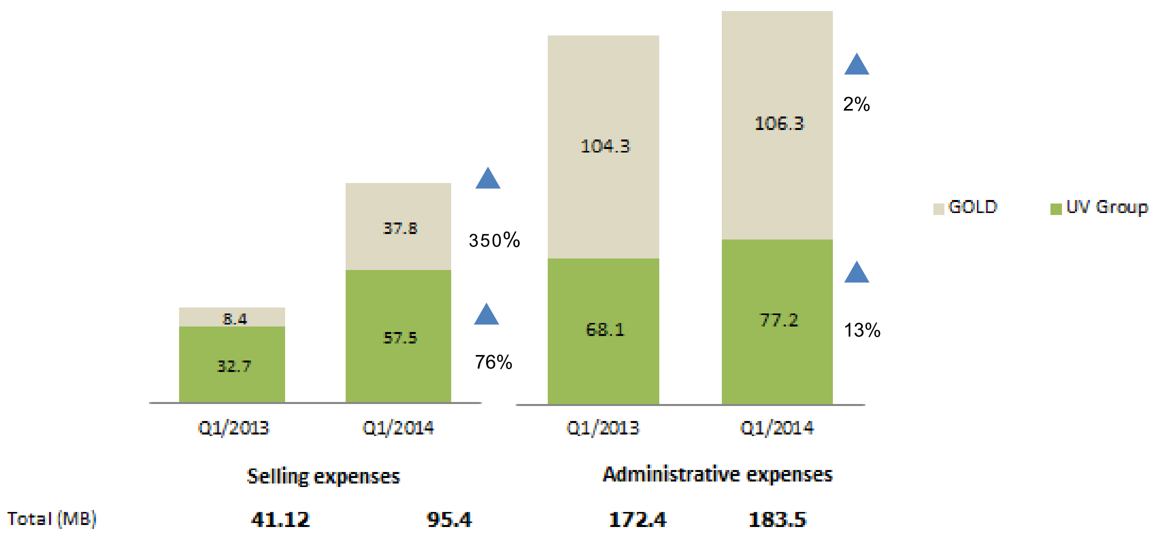


1.3 Selling and administrative expenses

For Q1/2014, the selling and administrative expenses were Baht 278.9 million increased from the same period of previous year by Baht 65.4 million or 31%. The details are per below:

- For Q1/2014, selling expenses were Baht 95.4 million. Of total, Baht 57.5 million were from Univentures, which equaled to 76% expense growth from the same period of previous year. However, this selling expense growth from UV was still less than revenue growth of high-rise projects which grew at 156%. For the remaining selling expenses, Baht 37.8 million were from Golden Land Group, which grew at 350% from the same period of previous year, higher than revenue growth of low-rise projects which grew at 114%.

- For Q1/2014, administrative expenses were Baht 183.5 million. Of total, Baht 77.2 million were from Univentures and Baht 106.3 million were from Golden Land Group which grew at 13% and 2% respectively compared to the same period of previous year.



1.4 Share of profit of equity-accounted investees Associates

For Q1/2014, Share of profit of equity-accounted investees Associates was Baht 5 million decreased from the same period of previous year by Baht 0.5 million or 10%.

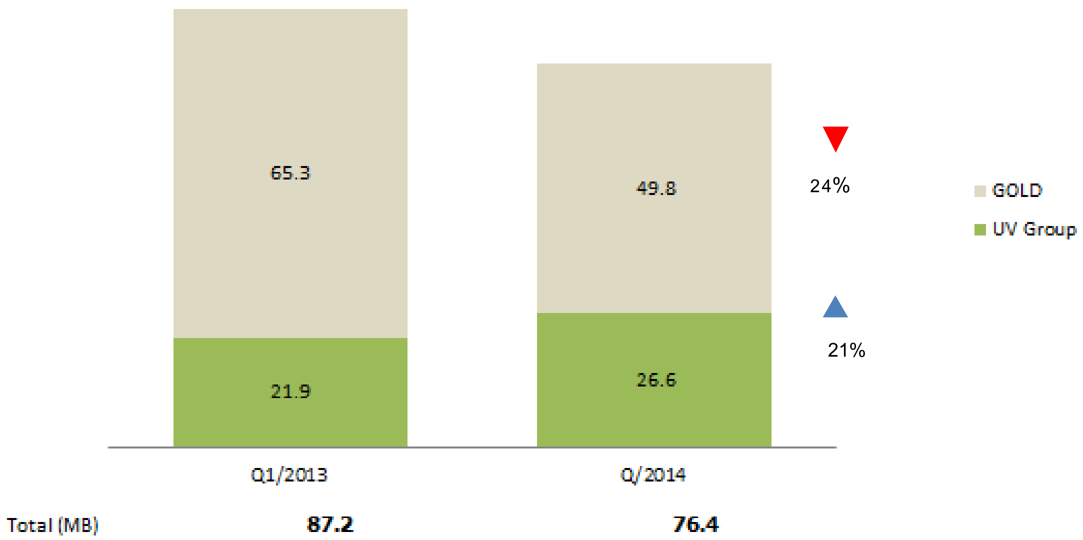
1.5 Profit before depreciation and amortization (EBITDA)

For Q1/2014, the company generated profit before depreciation and amortization (EBITDA) Baht 161.2 million, increased from the same period of previous year by Baht 77.2 million or 92%. EBITDA/Revenue ratio was 11.7%, increased from the same period of previous year %. In addition, EBITDA Interest coverage ratio was 2.11 times, increased from the same period of previous year by 119 %, which illustrated improved capacity to pay financial costs.

	Q1/2014	Q1/2013	Increased (Decreased)	%
Profit (loss) before Depreciation and Amortization (EBITDA)	161.2	84.0	77.2	92%
EBITDA/Revenue (%)	11.7%	9.6%	2.1%	22%
EBITDA Interest Coverage (Times)	2.11	0.96	1.1	119%

1.6 Finance costs

For Q1/2014, Finance costs were Baht 76.4 million, from the same period of previous year by Baht 10.8 million, or 12%. The major factor was due to lower financial costs from Golden Land Group Baht 15.5 million, or 24% reduction. However, financial costs from Univentures Group increased by Baht 4.7 million, or 21%. Golden Land Group has objective to reduce financial cost further by selling non-core assets to repay debts and reduce financial costs. In addition, the company will negotiate with financial institutions to further reduce interest rate.



1.7 Income tax benefit

For Q1/2014, the Company recorded tax benefit amounting to Baht 55.9 million, increased by Baht 48.7 million or 680% from the same period of previous year. The increase of tax benefit mainly derived from the recognition of deferred tax benefit of Golden Land Group, which is expected to utilize against its loss carried forward.

1.8 Total comprehensive income for the period

For Q1/2014, total comprehensive income for the period was Baht 26.7 million, from the same period of previous year by Baht 134.4 million or 125% mainly due to improved operating result in first quarter of year 2014 and income tax benefit. As a result, the comprehensive income attribute to the owners of the Company was Baht 7.2 million, increased by Baht 69.7 million, or 112% consistent with total comprehensive income for the period.

2. Consolidated statements of financial position *(Presented only significant items)*

Unit: MB	31 March 2014	31 December 2013	Increased (Decreased)	%
Assets				
Cash and cash equivalents	1,300.4	497.5	802.9	161%
Real estate projects under development	6,883.6	5,400.5	1,483.1	27%
Non-current assets held for sale	624.5	62.7	561.8	896%
Total current assets	**9,980.2**	**7,141.7**	**2,838.4**	**40%**
Investment in associates	82.1	91.7	-9.6	-10%
Investment properties	8,255.2	8,727.4	-472.1	-5%
Property, plant and equipment	2,303.6	2,257.6	46.0	2%
Prepaid rental expense	1,855.7	2,092.1	-236.4	-11%
Total non-current assets	13,091.4	13,718.8	-627.4	-5%
Total assets	**23,071.6**	**20,860.6**	**2,211.0**	**11%**
Liabilities				
Bank overdrafts and short-term loans from financial institutions	2,891.7	2,157.6	734.1	34%
Advance received from customers	329.7	253.3	76.4	30%
Current portion of long-term loans from financial institutions	1,119.9	585.9	534.0	91%
Current portion of rental received in advance from related parties	52.6	52.6	0.0	0%
Total current liabilities	**5,834.3**	**3,794.2**	**2040.1**	**54%**
Long-term loans from financial institutions	5,025.8	4,903.2	122.5	2%
Rental received in advance from related parties	1,356.0	1,369.2	-13.2	-1%
Long-term provisions	321.4	318.4	3.1	1%
Deferred tax liabilities	286.8	297.2	-10.5	-4%
Total non-current liabilities	**7,878.1**	**7,759.2**	**118.9**	**2%**
Total liabilities	**13,712.3**	**11,553.3**	**2,159.0**	**19%**
Equity attributable to owners of the Company	6,861.7	6,854.5	7.2	0%
Non-controlling interests	2,497.5	2,452.7	44.8	2%
Total equity	**9,359.3**	**9,307.3**	**52.0**	**1%**
Total liabilities and equity	**23,071.6**	**20,860.6**	**2,211.0**	**11%**

Assets

As of 31 March 2014, total assets of the Company were Baht 23,071.6 million, increased from 31 December 2013 by Baht 2,211.0 million, or 11%. The major changes are from increase of current assets by Baht 2,838.4 million together with decrease of non-current assets by Baht 627.4 million.

An increase of current assets mainly resulted from higher properties under development from high-rise and low-rise projects totaling of Baht 1,483.1 million. In addition, Golden Land Group's policy to increase working capital by divesting non-core asset also caused a decrease of investment properties by Baht 472.1 million and an increase of non-current assets held for sale by Baht 561.8 million.

Liabilities

As of 31 March 2014, total liabilities were Baht 13,712.3 million, up from 31 December 2013 by Baht 2,159.0 million, or 19 %. The major changes are from increase of current liabilities by Baht 2,040.1 million and increase of non-current liabilities by Baht 118.9 million. Main contributed to change in current liabilities were increase of short-term loans from financial institutions and current portion of long-term loans from financial institutions.

Regardless that current liability increased in higher proportion than current asset, the Company maintained a solid liquidity position. Refer to Appendix 1- key financial ratios, illustrated current ratio and quick ratio at 1.78 times and 0.30 times, compared to last year ratio that showed at 1.37 times and 0.25 times respectively. Moreover, EBITDA Interest coverage ratio also improved significantly to 2.19 times, compared to 0.96 times of the same period last year.

Equity attributable to owners of the Company

As of 31 March 2014, the equity attributable to owners of the Company was Baht 6,861.7 million, increase from 31 December 2013 by Baht 7.2 million mainly from operating result that incurred comprehensive income in the first quarter of year 2014.

Considering continued growth in real estate projects and minor increased in equity attributable to owners of the company, the Company has set an internal financial policy to control and monitor leverage ratio. Total debt to equity ratio is targeted at below 1.75 times while interest-bearing debt to equity ratio is targeted at below 1.5 times. As of 31 March 2014, total debt to equity ratio was at 1.46 times while interest-bearing debt to equity ratio was at 1.0 times.

3. Consolidated statements of cash flows

Unit: Million Baht	31 March 2014
Cash flows from operating activities-before changes in operating assets and liabilities	126.6
Net cash used in operating activities	-1,113.5
Net cash provided by operating activities	17.2
Net cash provided by financing activities	1,899.2
Net increase in cash and cash equivalent-net	**802.9**
Cash and cash equivalents at beginning of the period-net	497.5
Cash and cash equivalents at end of the period-net	**1,300.4**

Cash flows from operating activities before changes in operating assets and liabilities were Baht 126.6 million, derived from cash flows from operations for the period ended 31 March 2014, which came from net profit for the period, and non-cash item adjustments from depreciation and deferred items.

Net cash used in operating activities after changes in operating assets and liabilities was Baht 1,113.5 million, derived from operations and adjusted by changes in operating assets and liabilities, whereby important items came from spending in real estate project under development in amount of Baht 1,462.4 million, which was regarded as operating assets and shown as part of current assets.

Net cash provided by investing activities was Baht 17.2 million, mostly derived from divestment of investment properties and non-current assets held for sale amounting to Baht 49.65 million and dividend received Baht 12.24 million. While the company paid for new acquisition of property, plant and equipment and intangible assets amounting to Baht 38.67 million.

Net cash provided by financing activities was Baht 1,899.2 million; mostly derived from increase of borrowing from financial institutions amounting to Baht 1,390.6 million and advance received from exercise subsidiary's warrants amounting to Baht 589.9 million offsetting with interest paid amounting to Baht 83.64 million.

Cash and cash equivalent at end of the period – net Baht 1,300.4 million significantly increased from the beginning of the period due to the net cash received from exercise warrant of Golden Land Group in March 2014 amounting to Baht 1,085 million which Golden Land Group plans to utilize this fund in a following period.

In summary, the Company had stronger operating results and solid financial position in term of liquidity, appropriate debt to equity ratio level and net cash flows increase.

Please be informed accordingly.

Yours sincerely,

(Mr. Worawat Srisa-an)
President

Appendix 1- Key Financial Ratios

Key Financial Ratios Summary	Unit	Q1/2014	Q1/2013
Liquidity Ratio			
Current Ratio	times	1.78	1.37
Quick Ratio	times	0.30	0.25
Profitability Ratio			
Gross Profit/Revenue	%	22.1%	18.6%
EBITDA/Revenue	%	11.7%	9.6%
EBIT/Revenue	%	3.4%	-3.2%
Net Profit/Revenue	%	1.9%	-12.3%
ROA *	%	0.6%	1.5%
ROE *	%	1.5%	3.6%
Debt Structure Ratio			
D/E ratio	times	1.46	1.17
IBD/E ratio	times	1.00	0.64
EBITDA Interest Coverage ratio (EBITDA/I)	times	2.11	0.96

* Annualized