Ref. UV No. 034/2013
The Registration N0. 0107537001030

14 May 2013

Subject: Explanation on Financial Statements of the 1st quarter of the year 2013

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 which ended on 31 March 2013 (Q1/2013) and the financial statements of the same period from last year (Q1/2012). Loss attributable to the owners of the Company shown in our consolidated financial statements of Q1/2013 was Baht 72.1 million, decreased by Baht 124.1 million, or 238.7% as compared with that of the same period of previous year.

The Company would like to explain the consolidated operating result for Q1/2013 and financial position as at 31 March 2013 as follows:

1. Consolidated statements of comprehensive income

The consolidated statements of comprehensive income of Q1/2013 compared with that of Q1/2012.

Unit : Million Baht	Q1/2013	Q1/2012	Increased (Decreased)	%
Revenue from sale of goods, rendering of services and rental	876.0	899.2	(23.2)	(2.6%)
Cost of sales of goods, rendering of services and rental	713.0	711.0	2.0	0.3%
Gross profit	**163.0**	**188.2**	**(25.2)**	**(13.4%)**
Selling and administrative expenses	227.0	101.7	125.3	123.2%
Operating profit (loss)	**(64.0)**	**86.5**	**(150.5)**	**(174.0%)**
Other income	17.3	47.8	(30.5)	(63.8%)
Earning before finance costs and income tax expense	**(46.7)**	**134.3**	**(181.0)**	**(134.8%)**
Finance costs	87.2	19.6	67.6	344.9%
Income tax expense (benefit)	(7.2)	16.9	(24.1)	(142.6%)
Profit (loss) for the periods	**(126.7)**	**97.8**	**(224.5)**	**(229.6%)**
Other comprehensive income (loss) for the periods, net of income tax	-	-	-	-
Total comprehensive income (loss) for the periods	**(126.7)**	**97.8**	**(224.5)**	**(229.6%)**
Profit (loss) attributable to:				
Owners of the Company	(72.1)	52.0	(124.1)	(238.7%)
Non-controlling interests	(54.6)	45.8	(100.4)	(219.2%)

1.1 Revenue from sale of goods, rendering of services and rental for Q1/2013 was Baht 876.0 million, which decreased by Baht 23.2 million or 2.6% from Q1/2012 because

Real estate business

- Real estate – the revenue from sale of real estate projects in Q1/2013 decreased from Q1/2012 by Baht 333.8 million or 53.7% which was mainly caused by a decrease of room transferred of U Delight[2] @ Bang-Sue station which was near its completion (87% of total units transferred in Q4/2012), comparing with the number of transferred units of Q1/2012.

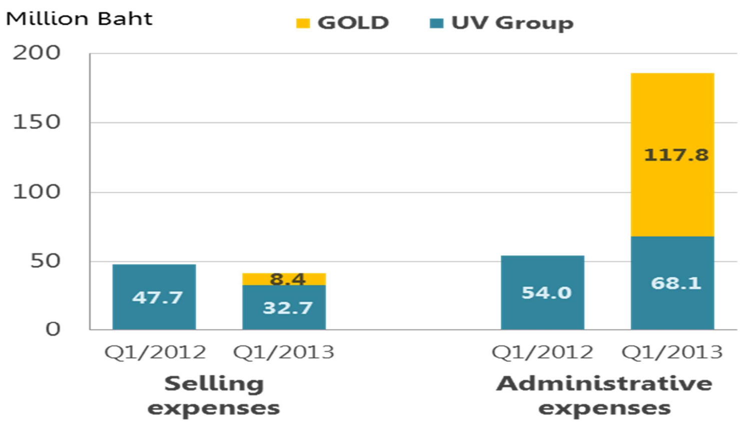
- Office rental – an increase of rental income from Q1/2012 by Baht 269.7 million mainly came from Park Ventures Ecoplex, grade "A" office building which was completed in September 2011. The Company recognized the income from renting its office building and retail of Baht 62.9 million as a result of the average occupancy rate of 78% (This figure was accumulated from January to March 2013). As of 31 March 2013, there were new customers who already signed rental contracts with deposits paid but have not moved in, representing 9% occupancy rate; therefore, total office occupancy rate as of 31 March 2013 was 87%. In addition, the Company recognized additional office rental revenue from Golden Land Group amounting Baht 224.1 million, which was mainly from Sathorn Square project.

Zinc Oxide business

The sale from Zinc Oxide operational business of Baht 272.6 million, which was increased by Baht 28.3 million or 11.6% from Q1/2012 because of the increase of sale volume of Zinc Oxide by 509 ton.

1.2 The gross profit was Baht 163.0 million, which decreased from Q1/2012 by Baht 25.2 million or 13.4% due mainly to the decrease of gross profit from real estate business by Baht 155.7 million which was due to the decrease of units transferred in condominium projects. However, gross profit of office rental and sale-of-goods businesses increased by Baht 89.3 million and Baht 37.3 million, respectively from Q1/2012.

1.3 Selling and administrative expenses



Selling and administrative expenses totaled Baht 227.0 million, which increased by Baht 125.3 million or 123.2% from Q1/2012. From the chart above, the figures show that the expenses mainly increased from administrative expense, which increased by Baht 131.9 million from Q1/2012. This increase mainly came from administrative expense of Golden Land Group, totaling Baht 117.8 million. In addition, administrative expense of Univentures Group, increased from Q1/2012 by Baht 14.1 million to Baht 68.1 million. The growth of Univentures Group's expenditure resulted from personnel expense which increased in the same direction as the increase in target income for year 2013 and a growth of number of projects. On the other hand, selling expense for Q1/2556 decreased by Baht 6.6 million when compared the same period of the previous year. The decrease was due to a decrease of transferred fee, amounting Baht 20.0 million, which reflected the decrease of units transferred in condominium projects. However, an advertising expense increased by Baht 7.0 million for new projected.

1.4 Finance costs were Baht 87.2 million, which increased by Baht 67.6 million or 344.9% from Q1/2012, mainly from finance costs of Golden Land Group, totaling Baht 65.3 million from business combination.

1.5 Income tax expense decreased from Q1/2012 by Baht 24.1 million or 142.6%, mainly as a result of operating results of Q1/2013.

1.6 Loss for the period was Baht 126.7 million, which decreased from the same period of previous year by Baht 224.5 million or 229.6%. This was due to the decrease of revenues from real estate business in Q1/2013. In addition, the Company recognized loss from Golden Land Group, amounting Baht 92.0 million.

1.7 Total comprehensive loss attributable to owners of the Company was Baht 72.1 million (or Baht 0.038 per share), decreased by Baht 124.1 million or 238.7% from total comprehensive income attributable to owners of the Company Baht 52.0 million (or Baht 0.068 per share) in Q1/2012.

2. Consolidated statements of financial position

The comparative of consolidated statements of financial position as at 31 March 2013, comparing with as at 31 December 2012.

(Presented only significant items)

Unit : Million Baht	31 March 2013	31 December 2011	Increased (decreased)	%
Assets				
Properties under development	3,891.8	3,198.5	693.3	21.7%
Total current assets	**5,852.2**	**5,605.1**	**247.1**	**4.4%**
Investment in associates	626.7	653.5	(26.8)	(4.1%)
Investment properties	9,348.8	9,416.8	(68.0)	(0.7%)
Property, plant and equipment – net	2,681.2	2,693.2	(12.0)	(0.4%)
Prepaid rental	2,422.5	2,440.7	(18.2)	(0.7%)
Total assets	**21,448.7**	**21,322.4**	**126.3**	**0.6%**
Liabilities				
Short-term loans from financial institutions	11.7	295.8	(284.1)	(96.0%)
Advance from customers	437.6	386.1	51.5	13.3%
Current portion of long-term loans from financial institutions	2,549.2	2,333.3	215.9	9.3%
Current portion of rental received in advance from related party	52.6	52.6	-	-
Total current liabilities	**4,285.8**	**4,102.2**	**183.6**	**4.5%**
Long-term loans from financial institutions	3,539.0	3,454.7	84.3	2.4%
Rental received in advance from related party	1,406.9	1,421.6	(14.7)	(1.0%)
Long term provisions	1,146.5	1,137.8	8.7	0.8%
Deferred tax liabilities	531.9	540.7	(8.8)	(1.6%)
Total non-current liabilities	**7,276.2**	**7,208.8**	**67.4**	**0.9%**
Total liabilities	**11,562.0**	**11,311.0**	**251.0**	**2.2%**
Equity attributable to owners of the Company	7,017.2	7,089.3	(72.1)	(1.0%)
Non-controlling interests	2,869.5	2,922.1	(52.6)	(1.8%)
Total equity	**9,886.7**	**10,011.4**	**(124.7)**	**(1.2%)**
Total liabilities and equity	**21,448.7**	**21,322.4**	**126.3**	**0.6%**

2.1 Assets

As at 31 March 2013, the assets of the Company amounted to the total of Baht 21,448.7 million, which represented an increase of Baht 126.3 million from that of the end of 2012, or 0.6%. Main reasons are:

- Current assets increased by Baht 247.1 million, or 4.4%, mostly came from an increase of properties under development, amounting to Baht 693.3 million or 21.7%. However, cash and cash equivalents decreased by Baht 516.5 million from end of year 2012.
- Decreases of investment properties, property, plant and equipment – net and prepaid rental amounted to the total of Baht 98.2 million, mainly resulted from depreciation and amortization for the period.

2.2 Liabilities

As at 31 March 2013, the Company had the total liabilities of Baht 11,562.0 million, an increase of Baht 251.0 million, or 2.2%, from that of the end of 2012. Main reasons are:

- An increase of advance received from subsidiary's warrants amounted to Baht 129.6 million.
- An increase of trade accounts payable amounted to Baht 149.8 million.
- Advance received from customers increased by Baht 51.5 million.
- An increase of loan term loans from financial institutions-net amounted to Baht 300.2 million, which was caused by loan withdrawal of condominium projects.
- Short term loans from financial institutions decreased by Baht 284.1 million.

2.3 Equity attributable to owners of the Company

As at 31 March 2013, the equity attributable to owners of the Company amounted to Baht 7,017.2 million. A decrease of Baht 72.1 million, or 1.0% from that of the end of the 2012 was caused by the operating result of Q1/2013, amounting to Baht 72.1 million.

Non-controlling interests amounted to Baht 2,869.5 million, which decreased by Baht 52.6 million, or 1.8% from that of the end of the 2012, mainly due to loss attributable to non-controlling interests, amounting to Baht 54.6 million. In addition, a subsidiary company increased its capital from warrants exercised, amounting to Baht 2.0 million.

3. Consolidated statements of cash flows

The Company's consolidated cash flow statement showed a decrease of net cash of Baht 516.5 million, whereby the Company had net cash at beginning of the year brought forward from 2012 of Baht 1,101.6 million, resulting in the net cash at end of the period amounting to Baht 585.1 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	76.7
Net cash used in operating activities	(622.3)
Net cash provided by investing activities	54.7
Net cash provided by financing activities	51.1
Net decrease in cash and cash equivalents - net	**(516.5)**
Cash and cash equivalents at beginning of the period - net	1,101.6
Cash and cash equivalents at end of the period - net	**585.1**

Cash flows came from operating activities before changes in operation assets and liabilities amounted to Baht 76.7 million, which was actual cash flow derived from entire operations of Q1/2013, 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 operation assets and liabilities amounted to Baht 622.3 million, which came from cash flow derived from operations and adjusted by changes in operating assets and liabilities. Important items came from spending in real estate project under development of Baht 681.7 million, which was regarded as operating assets and shown as part of current assets.

Net cash provided by investing activities amounted to Baht 54.7 million, mostly came from a decrease of current investments-fixed deposits, amounting to Baht 73.9 million. However, the Company invested in investment properties of Baht 11.5 million and its fixed assets amounting to Baht 12.2 million.

Net cash provided by financing activities amounted to Baht 51.1 million; mostly resulted from an increase of long term loans from financial institutions, totaling Baht 419.0 million. In addition, a subsidiary company received advance from warrant exercised, amounting to Baht 129.6 million while the Company repaid interest expense, short term loans and long term loans from financial institutions, amounting to Baht 95.4 million, Baht 294.0 million and Baht 118.7 million, respectively.

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