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May 11, 2018

Subject: Management Discussion and Analysis for the first quarter ending 31 March 2018

**To: The President
Stock Exchange of Thailand**

Univanich Palm Oil PCL hereby submits a discussion and analysis of the financial statements of the company and its subsidiaries for the first quarter ending 31st March 2018.

The first quarter of 2018 consolidated net profit after tax of **Baht 152.43 million** was 58.0% higher than Baht 96.45 million in the same period of the previous year. The main factors leading to this higher result were:

1. Fruit production from our own plantations was **81.9% higher** and fruit purchased from outside growers was **87.9% higher** than in the previous year. The higher fruit volumes were due to recovery from dry El Nino weather together with the acquisition of the company's fourth crushing mill in May 2017 and the company's fifth new crushing mill which began buying fruit in January 2018.
2. Production of Crude Palm Oil (CPO) was **94.0% higher** than in the previous year, due to the increased fruit volumes described above. The acquisition of the fourth crushing mill and the commissioning of the fifth crushing mill increased the company's crushing capacity from 150 to 240 tonnes fruit per hour.
3. Total palm oil sales volume was 159.9% higher than in the same quarter of last year. This as a result of higher production volumes and increased purchases of surplus third party oil for export. The average selling price of Crude Palm Oil (CPO) was 35.2 % lower than in the same period of last year. The Palm Kernel Oil (PKO) price was 41.8 % lower for the same reasons of high production and very high domestic stocks of palm oil.
4. As a result of Thai Accounting Standard, Agriculture (TAS #41), there was a net gain of Baht 1.80 million in the first quarter of 2018 compared to a net gain of Baht 25.54 million in same quarter of last year.
5. Our Philippines subsidiary, Univanich Carmen Palm Oil Corporation, achieved a profit of Baht 2.93 million in the first quarter of 2018 compared to a loss of Baht 2.6 million in the same quarter of last year.

Overall, gross margin for the first quarter increased from 15.9% to 16.1% due to the much higher volumes resulting in lower unit costs.

Earnings per share from the consolidated net profit of Baht 152.43 million were Baht 0.16 per share, compared to Baht 0.10 per share in the first quarter of the previous year.

Yours faithfully,
Univanich Palm Oil Public Co., Ltd.

John Clendon
Managing Director
cc: The Secretary-General
The Securities and Exchange Commission