

Registration No. 0107555000341

(Translation)

AUCT-OP 011/2018

May 8, 2018

Subject: Management Discussion and Analysis for Operation result for the first quarter of 2018

ending March 31, 2018

To: The President  
The Stock Exchange of Thailand

Union Auction Public Company Limited would like to submit its financial statements for the first quarter of 2018 ended March 31, 2018, which was reviewed by the Company's external auditor, together with the management discussion and analysis of the Company's operating results for the first quarter of 2018 as follows.

The revenue from the service of Union Auction Public Company Limited for the first quarter of 2018 ending March 31, 2018 was at 161.21 million Baht compared to the revenue in the first quarter of 2017 at 151.62 million Baht, increased by 9.59 million Baht or 6.3 %. The Company's net profit for the first quarter of 2018 on the equity method was at 41.52 million Baht, increased by 25.78% from 33.01 million Bath in 2017.

The revenue from services comprises of

Categories	Q1 Year 2017	Q1 Year 2018	% diff.
1) Automobile auction income	117.80	123.19	4.6 %
2) Motorcycle auction income	16.21	17.00	4.9 %
3) Other assets auction and other services	1.96	2.15	9.7 %
4) Transportation services income	15.64	18.87	20.7 %
	151.61	161.21	6.3 %

The increase in revenue and net profit as mentioned above is in line with the overall market situation of automotive industry which is likely to improve and start to see a significant growth in late 2017. Especially that the expansion in auto finance business, which is directly related to the automobile auction business, increased by 8.4% in 2017 compared to 2016.

As a result, the Company's performance has been improving in the same direction of the automotive industry, eventhough it will take some time before the volume of vehicles will go into the automobile auction business. During the past year, the Company has policy to expand auction service to new suppliers including non-finance supplier such as car rental companies. This effort as well as the recovery of automotive industry resulted in more success of automobile auction. In the first quarter of 2018, the number of success automobile auction grew by 8.2%, motorcycle auction grew by 6.9% and agricultural machinery auction grew by 95.3% compared to the same period of 2017.

The Company expects that more volume of vehicles will continue to increase for the automobile auction while the Company has expanded its branches and warehouses nationwide and can provide all services to suppliers and customers which will lead to further growth.

Please be informed accordingly,

Yours Sincerely,

- *Varunyoo Sila* -

(Mr. Varunyoo Sila)

Deputy Managing Director

Union Auction Public Company Limited