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IR Newsletter

Apr - Jun 2016

www.thaiuniongroup.com

IR Newsletter is a publication targeting TU's existing shareholders and interested investors. It would provide investors with recent news on TU, its recent corporate developments and activities as well as a periodic update on the firm's share information and the relevant raw material price trends.

Thai Union leads in opting for zero recruitment fees policy

Date: 29th Apr 2016
Source: TU

“A major step towards eliminating potential abuses of labor and human rights welcomed by migrant rights group”



Thai Union Group Public Company Limited (TU) announced that it will eliminate recruitment fees for all workers in its factories and processing plants, effective immediately for all future recruitment of workers both from within Thailand and also from overseas.

TU has been working with MWRN's leadership since 2013 to address migrant worker concerns about conditions Thailand's major export factories. Since January 2016, TU and MWRN formally launched a cooperation project to validate progress in addressing remaining concerns in migrant workers conditions in these factories.

Additionally, TU works in close collaboration with Issara Institute, an independent NGO based in Asia tackling issues of human trafficking and forced labor in global supply chains through data, technology, partnership, and innovation. Together, Issara and TU are working to use technology such as hotlines and migrant-focused smartphone apps to increase visibility of labor risks across their supply chain, and capture feedback from thousands of workers to understand how their working conditions could be improved.

Thai Union sets a new benchmark with its first Muay Thai Bond Offering

Date: 3rd May 2016

Source: TU



TU successfully completed its debut USD 75 million, with 10-year tenor. The USD Debenture, which is senior unsecured, was priced at a fixed coupon of 3.66%. This represents the credit spread of approximately 185 bps over 10-year US Treasury at the time of pricing. TU is locally rated at AA- by TRIS Rating Co., Ltd.

Mr. Thiraphong Chansiri, President and CEO of TU said the company's success in its FIRST USD debenture is a result of the investors' strong confidence in our proven performance, and growth story. This USD debenture is an important step for us in the international debt capital markets, after several successful THB debenture issuances. It is also a great first fund raising transaction done by the company after receiving Thailand's Global Treasury Center license. We look forward to new growth opportunities and continued implement of new initiatives that would further strengthen TU's financial position, both domestically and internationally.

Mr. Prakob Phiencharoen, Head of Debt Capital Markets, Capital Financing, HSBC Thailand said HSBC is very pleased to be entrusted once again by TU to lead another landmark transaction which paves the way for TU to international debt capital markets. This FX bond provides not only more options to issuers for fund raising, but lower costs of funding and more efficient asset management especially cash flows in foreign currencies. Moreover, issuing FX bond will provide more choices of investment to investors locally as well as help develop Thailand's debt capital market.

The debenture was issued according to FX bond regulations stipulated by Securities and Exchange Commission of Thailand and approved by the Bank of Thailand. The proceeds from this issuance will be for general corporate purposes and to support Thailand's Global Treasury Center functions.

Thai Union and MWRN conduct 2-day workshop for newly elected factory welfare committee

Date: 6th June 2016

Source: TU



TU in collaboration with the Migrant Workers Rights Network (MWRN), recently arranged a 2-day training and strategy planning workshop for a newly elected welfare committee from a TU factory in Mahachai, Samut Sakorn Province.

The workshop was led by MWRN with the assistance of the TU human resources team. During the workshop, new committee members explored work-related rules and regulations, labor laws and the roles and responsibilities of a welfare committee in the workplace. The workshop also focused on how to constructively build relationships between employees and employers to reduce the possibility of conflict and enhance workplace dialogue. The workshop provided an informal opportunity to formulate the committee's new work plan and discuss requests for support and capacity building to ensure efficient results can be achieved.

The committee, required under Thai Labor Protection law, will have an enhanced role to provide consultations and opinions about welfare issues that are beneficial to the company and its employees. The committee will also monitor, control and take care of the provision of welfare from employers for employees and will be encouraged to work to enhance social dialogue opportunities between the company and its employees.

Thai Union and International Union for Conservation of Nature launch project to support coastal communities

Date: 8th June 2016

Source: TU



TU has partnered with International Union for Conservation of Nature to enhance community capacity and develop sustainable fisheries in Pathiu Bay, Chumphon Province, Thailand.

The project will work to strengthen the resilience of communities and the ecosystems they depend on. This will be done through collaboration with external parties to develop knowledge, capacity and long-term plans for integrated coastal resources management. It will also aim to establish a link with TU's supply chain for certified fishery products from the community that will ensure sustainable fishing and aquaculture practices.

Dr. Darian McBain, global director for sustainable development for TU commented on the launch of the project. "A collaborative project like this is vital to coastal communities, as it ensures that community members have the capacity and ability to utilize their resources sustainably", she said.

A preliminary assessment conducted by IUCN found the "need for communities in the area to create more sustainable fisheries, in particular through the minimization of by-catch and protection of juvenile fish."

IUCN case study on integrated coastal and marine resources management is available at <http://www.iucn.org/asia/thailand/countries/thailand/integrated-coastal-and-marine-resources-management>

Thai Union hosted plants visit in Europe for Analysts, Institutional Investors and Bankers

Date: 24th June 2016

Source: TU

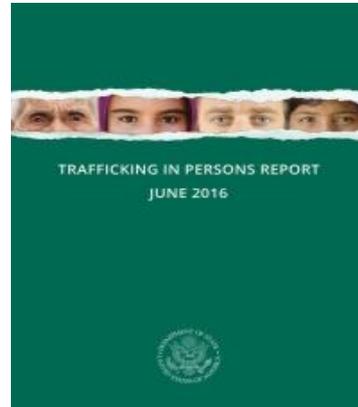


TU brought analysts, institutional investors and bankers to exhibit its plants in Europe, which include MerAlliance, Petit Navire and King Oscar. The visit was to give the investors a better understanding of how its processing plants in Europe operates and to showcase both its sustainable management policy and key initiatives.

TU brought participants on a trip to Europe to visit its MerAlliance and Petit Navire plant in France and its King Oscar plant in Poland. Each plant visit offered participants a thorough presentation by the management team along with the product showcase of each company to provide more understanding of the company's operation and its sustainable development prospects. The visit aimed to give participants a strong confidence in TU's operations and its growth strategies.

Thai Union statement in response to the Trafficking in Persons Report 2016

Date: 1st July 2016
Source: TU



TU has noted Thailand's improvement from Tier 3 to Tier 2 Watch List on the US Department of State Trafficking in Persons (TIP) Report.

“This development can be seen as an endorsement of the commitments made by the Royal Thai Government to address human trafficking. However, there is always more that can be achieved, and TU will continue to support and implement best practices designed to eradicate human trafficking in the seafood industry,” said Darian McBain, Global Director for Sustainable Development.

TU has implemented a number of policies that are designed to reduce the risk of workers being trafficked in the seafood industry and address the potential of forced labor. This includes a policy commitment on banning transshipment at sea, an ethical migrant worker recruitment policy and the implementation of the TU Business Ethics and Labor Code of Conduct..

The TIP report is an annual report issued by the U.S State Department which ranks governments across the world on their efforts to combat human trafficking. The Tier 2 Watch List is for countries who do not fully comply with the Trafficking Victims Protection Act but are making significant efforts to bring themselves into compliance, based on commitments by the country to take additional future steps over the next year.

More information about Thai Union's efforts to work collaboratively to combat trafficking and modern slavery in the seafood industry is available at <http://tu.listedcompany.com/newsroom/20160615-tu-modern-slavery-en.pdf>.

Thai Union expands further in North America with acquisition of Canadian lobster processor

Date: 5th July 2016
Source: TU



TU announced that it will acquire a majority stake in Canadian lobster processor Les Pecheries de Chez Nous (Chez Nous) Thai Union, owner of brands such as Chicken of the Sea, John West and King Oscar, will take a majority stake in the business while Francois “Frankie” Benoit, the existing owner and CEO, will retain a minority share. The company recorded sales of approximately CAD50 million in 2015.

Chez Nous, based in New Brunswick, Canada has direct relationships with fishermen in both Canada and Maine in the northeastern U.S., a processing facility strategically located on the Gulf of St. Lawrence, and is investing in a live lobster holding facility. Chez Nous employs a small full time office staff managing operations and accounting, and up to 200 seasonal workers during the lobster harvest.

The deal comes after TU’s subsidiary Tri-Union Frozen Products, Inc, doing business as Chicken of the Sea Frozen Foods, acquired Orion Seafood International in 2015, making it one of the largest sellers of North Atlantic lobster in the U.S. By acquiring Chez Nous, Thai Union secures an even stronger integration footprint in the North Atlantic lobster category. The acquisition will give Thai Union Group companies enhanced traceability and quality control, and expanded product offerings into specialty grades and packs.

Thai Union ranked 4th Best Overall Company in Consumer/Staples sector by II's All-Asia Executive Team

Date: 6th July 2016
Source: TU



TU was highly ranked 4th Best Overall Company in the Consumer and Staples segment in Asia by Institutional Investor's annual All-Asia Executive Team Poll.

TU's CEO, Mr. Thirapong Chansiri was ranked 3rd of all CEOs in Consumer/Staples sector in Asia. In addition, TU's Investor Relation Program was also ranked 3rd by sell-side analysts in Consumer/Staples Sector in Asia. And Thai Union's website was ranked 3rd of all website in consumer staple sector.

The rank awarded reflects TU's nature of great corporate governance and transparency, which earn the trust of both investors and investment communities. This also indicates that investors are confidence in TU's management policy and its sustainable growth prospects as well.

Thai Union issued THB 10 billion debentures, the largest ever issued by the company

Date: 13th July 2016

Source: TU



TU successfully issued THB 10,000 million debenture, the largest debentures ever issued by the company. The tenure are 3-year, 5-year, and 7-year debentures. The debentures were assigned AA- rating by TRIS Rating, a local credit rating agency. KASIKORNBANK Public Company Limited, Krung Thai Bank Public Company Limited, The Siam Commercial Bank Public Company Limited, and The Hong Kong and Shanghai Banking Corporation Limited, Bangkok Branch, are the Joint Lead Arrangers

The proceeds from the debentures would mostly be used to refinance existing Asset-Backed Loans (ABLs) borrowed by TU's subsidiaries in the U.S. This would help TU in finalizing the establishment of a Global Treasury Center in Thailand to improve the overall cost of borrowing for the Group, and to release assets placed with the bank as security for its loans which will provide more flexibility in accessing financial markets in the future.

Thai Union notched up in the top 25 for transparency among 100 multinational firms

Date: 13th July 2016

Source: TU



From a total of 100 multinational companies from 15 emerging markets globally, **Thai Union Group has been ranked 21st** by **The Transparency International** for the company with the best disclosure practice and transparency standard.

This report assessed the public disclosure practices of emerging market multinationals based on following three dimensions:

- The reporting of key elements of their anti-corruption programs;
- The disclosure of their company structures and holdings; and,
- The disclosure of key financial information on a country-by-country basis.

Transparency International is a global movement with one vision: a world in which government, business, civil society and the daily lives of people are free of corruption. With more than 100 chapters worldwide and an international secretariat in Berlin, we are leading the fight against corruption to turn this vision into reality.

Thai Union received IAA awards for Best CEO and Best CFO

Date: 14th July 2016
Source: TU



From a survey with a total of 35 sell-side analysts and more than 10 institutional investors, TU received a strong recognition and received two awards in the Agro & Food Business Industry at The IAA Awards for Listed Companies 2015/2016, including:

- **Best CEO for Mr. Thirapong Chansiri**
- **Best CFO for Mr. Joerg Ayrlé**

These awards by the Investment Analysts Association are presented to the executives of listed companies who have demonstrated efficacy in managing large companies, which helps contribute to the growth of the economy as a whole.

Mr. Thirapong Chansiri has been named Best CEO by IAA for more than 7 times in a row. And TU has been featured in the IAA Award every year since the inception of the award in 2009.

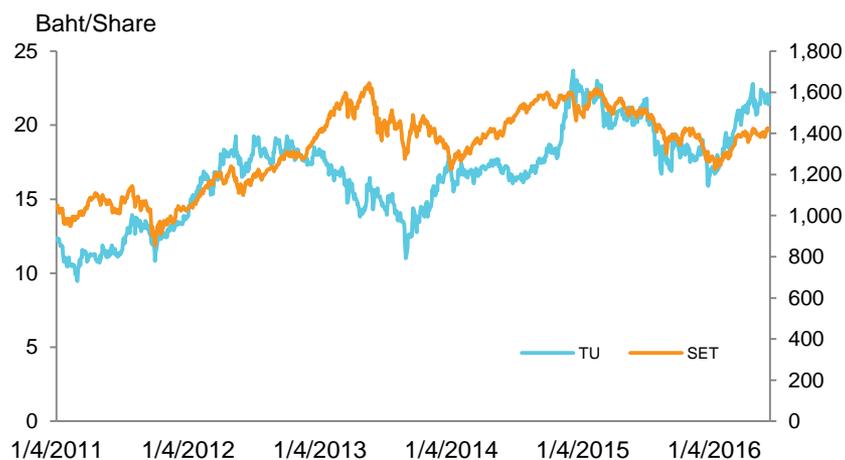
*** Due to Mr. Jeorg's absence, Mr. Yongyut received the CFO award on his behalf.*

Share Capital Information

Stock Information

Bloomberg/ Reuters	TU TB/ TU.BK
Share price (30 Jun 2016) :	THB 22.00
Historical price :	
52-week high	THB 23.00
52-week low	THB 15.80
No. of paid up shares :	4,771.8m
Par value :	THB 0.25
Market Capitalization :	THB 104.98bn

Share Price Performance



		3months	6months	12months
Date	30-06-16	30-03-16	30-12-15	30-06-15
TU Share price	22.0	21.1	17.2	21.8
SET Index	1424.12	1410.29	1288.02	1504.55

Major Shareholders

(As of 30 Jun 2016)

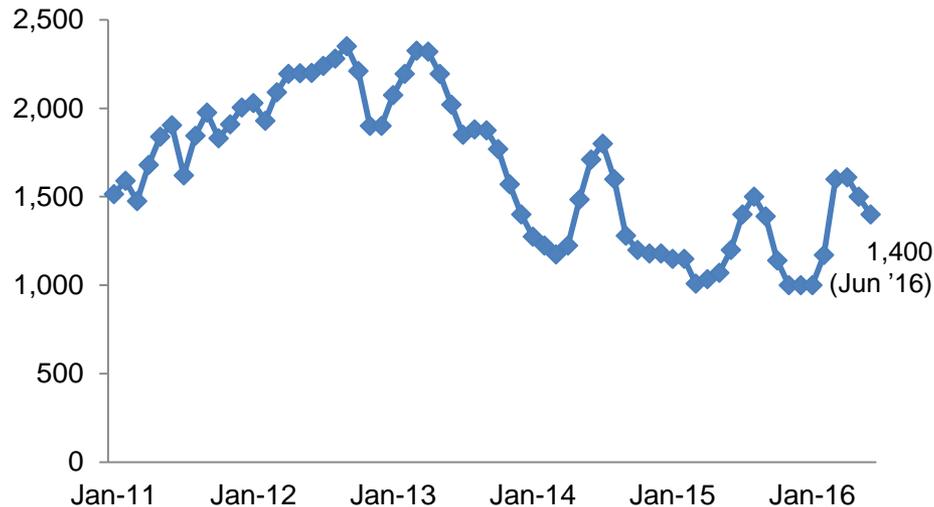
Chansiri Family	19.58%
Niruttinanon Family	6.86%
Mitsubishi Corporation	7.29%
Thai NVDR Co., Ltd.	13.23%
Social Security Office	4.58%
Free float :	64.79%
Foreign ownership :	38.96%
Foreign limit :	45.00%

Dividend Information

Year	DPS (THB/Share)	% Payout
2005	1.20	50
2006	1.13	50
2007	1.11	54
2008	1.26	51
2009	1.92	51
2010	1.60	50
2011	1.56	29
2012	2.10	51
2013	1.49	60
2014	0.55	50
2015	0.63	57

Tuna price falls slightly MoM but remains steady YoY

Skipjack tuna raw material prices (USD/ton)



- In June 2016, the Skipjack tuna raw material prices decreased by 6.7% MoM but remained the same YoY at USD 1,400 USD/ton.
- In 2Q16, the average Skipjack tuna raw material prices increased by 19.63% QoQ and 36.46% YoY to USD 1,400/ton.

Source: TU