

Ref. 26/591106

**Date:** November 06, 2017

**Subject:** Notify the connected transaction and the acquisition of the existing shares of Yueh Chyang Canned Food by Songkla Canning PCL.

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

Thai Union Group Public Company Limited (TU) would like to inform the Board Resolutions No.5/2017, date on 6 November 2017. The details are as follows:

1. Approved the financial statements for the quarter ended 30 September 2017.
2. Approval of the warehouse rental agreement of Thai Union Manufacturing Co., Ltd.(TUM), a subsidiary of TU, with Factory Storage Service Co., Ltd, at 9/28 Moo 3, Tambon Bangkajao, Amphur Muangsamutsakorn, Samutsakorn to keep the product packaging and labeling line during TUM's construction. The rental agreement for another 1 year, effective between January 1, 2018 and December 31, 2018. The conditions of the agreement are space with an area of approximately 10,713 sqm. with the rate 65 baht per sqm. per month which the total amount is equal 8.35 million baht, such the warehouse rental is construed as short-term rental of immovable property that pursuant to the SEC Notification Governing the Rules and Procedures for the Disclosure of Connected Transactions by Listed Companies B.E. 2547, which shall mean and refer to any rental contract for immovable property with validity of not more than 3 years. Furthermore, there is no proof that the said rental is done under general business conditions and are made to connected person, namely that Mr. Cheng Niruttinanon holds directorship in TU and as the father and father-in-law of Mr. Nakorn and Mrs. Naramon Niruttinanon, who are the directors and shareholders of Factory Storage Service Co., Ltd. In light of the total rental charge on a yearly basis, the transaction value exceeds 0.03%, but less than 3%, of the Company's net tangible assets as of September 30, 2017. In the opinion of the Audit Committee, the above connected transaction will benefit to the Company and will help the Company run the business with efficiency, and the value of this transaction is reasonable. Moreover, Mr. Cheng Niruttinanon holds directorship in TU, In this regard, the aforesaid interested directors not to vote on this matter at the Meeting.
3. The acquisition of the existing shares 4.96% of Yueh Chyang Canned Food Company Limited (YCC) by Songkla Canning Public Company Limited from now holding 95.04% to 100.00%. The details are as follow;

**Seller :** Mr. Chen Gwo Chyang

**Criteria for determination of consideration value**

The Company specified the purchase price of 4.96% shares of Yueh Chyang Canned Food Company Limited's shares equal 44.42 million baht. The basic of valuation is 9.89 times of the average annual profit of the past 3 years

**Size of Transaction**

The aggregate purchase price of all acquisitions made during 6 months prior to now was 2.98% of the total net asset value of TU as of September 30, 2017, calculated using the value of consideration criterion, which gives the highest value among all criteria prescribed in the Acquisition or Disposition Rule. Therefore, the transaction is classified as a Class 3 transaction that does not require mandatory public disclosure under the Notification of Capital Market Supervisory Board No. TorJor. 20/2551.

**Connected Nature**

Mr. Chen Gwo Chyang is not a connected person of Thai Union Group. The investment to acquire the subsidiary company is not the connected transactions in accordance with the Notification of Capital Market Supervisory Board No. TorJor.21/2551.

Please be informed accordingly and consider further dissemination to investors.

Respectfully yours,  
Thai Union Group Public Company Limited

Mr. Kraisor Chansiri, Director  
Mr. Chuan Tangchansiri, Director

