



Analyst Meeting for FY22 Results



Thai Union Group PCL.
February 21, 2023



MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

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The information contained in our presentation is intended solely for your personal reference only. In addition, such information contains projections and forward-looking statements that reflect our current views with respect to future events and financial performance.

These views are based on assumptions subject to various risks and uncertainties. No assurance is given that future events will occur, that projections will be achieved, or that the assumptions are correct. Actual results may differ materially from those projected.





2022 Key Highlights

“
2022 Global economy was confronting with forth several unforeseen challenges, however, Thai Union performance remained strong with newly recorded sales of THB 156bn. Our flagship PetCare business “ITC” was listed on the SET as the largest ever IPO under the food and beverage category. ”

Thiraphong Chansiri
President and CEO



4Q22: Continue to grow over the high base last year, recorded quarterly high OP despite impact from USD depreciation

THB mn

Sales

39,613

Maintained high sales, +2.9% YoY

Quarterly sales remained strong at THB 40bn, driven by:

- Strong sales momentum from PetCare +34.1% YoY mainly from strong demand.
- Ambient +12.8% YoY, mainly from higher selling price and volume growth in key markets, especially the U.S.
- Frozen dropped -13.1% YoY from U.S. market normalization and value-added dropped -2.5% YoY

Gross Profit

6,868

Healthy GPM at 17.3%

Gross profit dropped 2% YoY, mainly impacted by frozen margin contraction:

- PetCare grew significantly by 38.9% YoY, from higher selling prices and product mix
- Ambient was +5.2% YoY from price adjustment
- Frozen and value added dropped YoY (-34.8% and -2.8%) from higher raw material prices

Operating Profit

2,384

Record high quarterly operating profit for 4Q

Operating profit increased 21% YoY, higher than sales growth

- %SG&A to sales was at 11.3% in 4Q22, decreased from 13.1% in 4Q21, thanks to significant freight costs improvement of THB~320mn and lower marketing and advertising expenses, partially offset by personnel costs.

Net Profit

1,238

NP dropped from high base last year

Net profit dropped by 36% YoY, mainly from:

- Impacted by higher RL's share of loss, RL's preferred share fair value adjustment, and FX losses
- Partially offset with strong operating profit from volume growth and category mix, and higher tax credit of THB 170mn in 4Q22 from US operations lower profitability.

YoY Chg. **+2.9%**

-2.2%

+20.6%

-35.9%

QoQ Chg. **-2.8%**

-7.2%

+2.1%

-51.1%

% of sales

17.3%

6.0%

3.1%

2022: Record-high sales and gross profit, debt ratio dramatically improved, mostly thanks to capital raised from ITC IPO

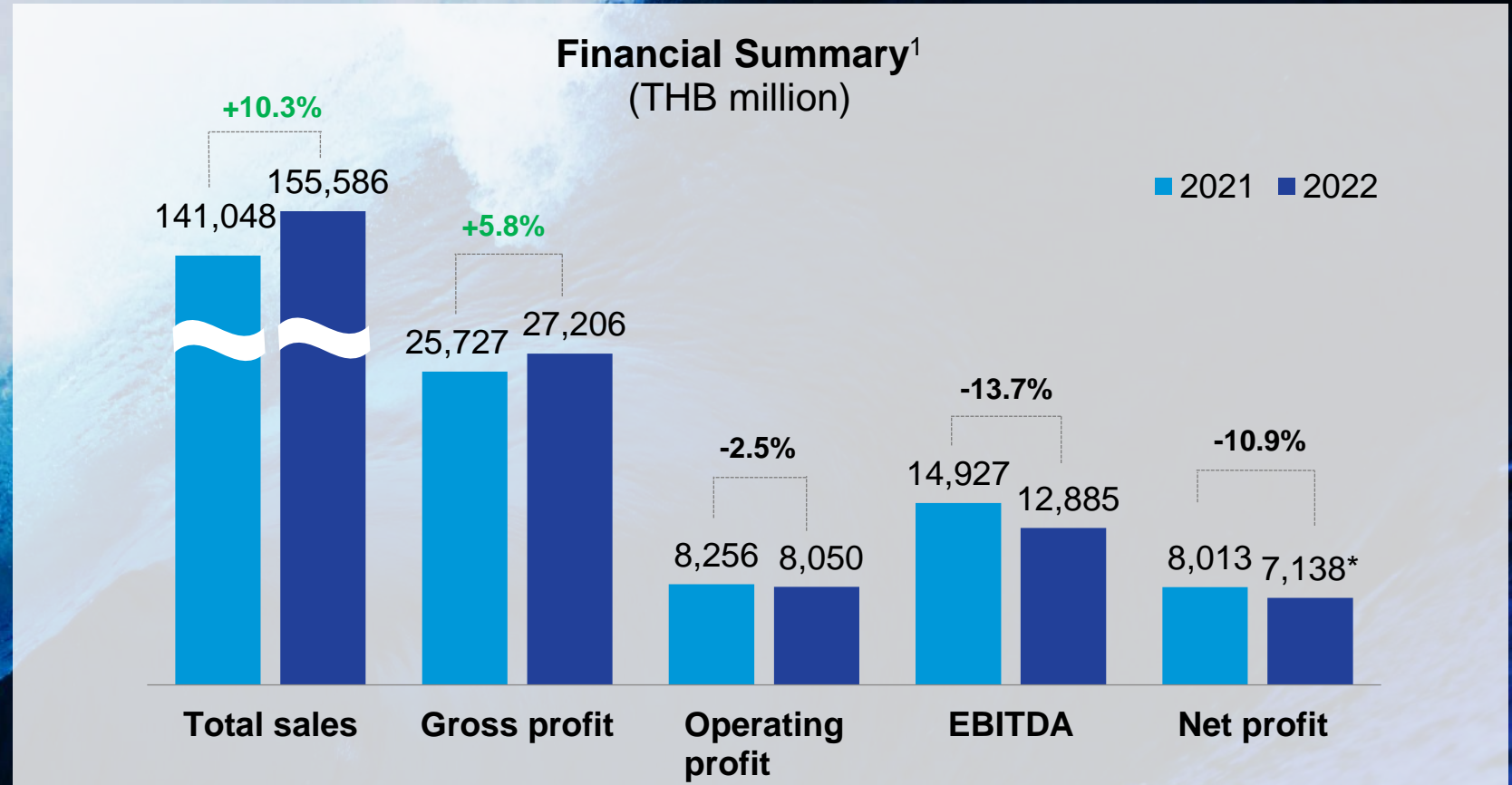
2022 sales growth
10.3% YoY to
THB 155,586_{mn}

Share price movement²

2022 (Jan – Dec 22)	YTD2023 (Jan – 17 Feb 23)
-14.6%	-6.5%

Huge ND/E improvement

2021 ND/E	4Q22 ND/E
0.99x	0.54x

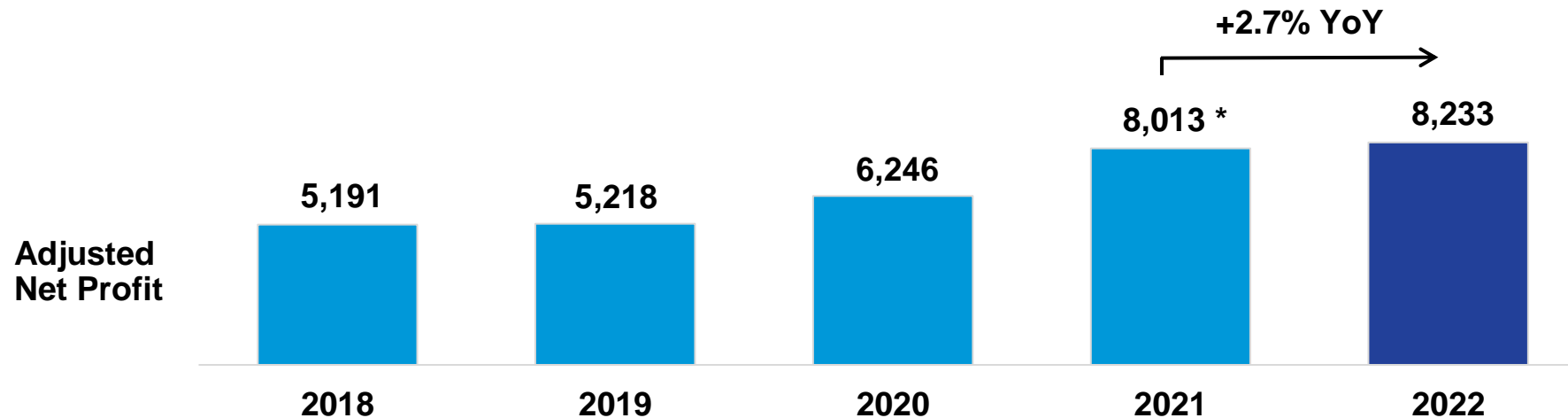
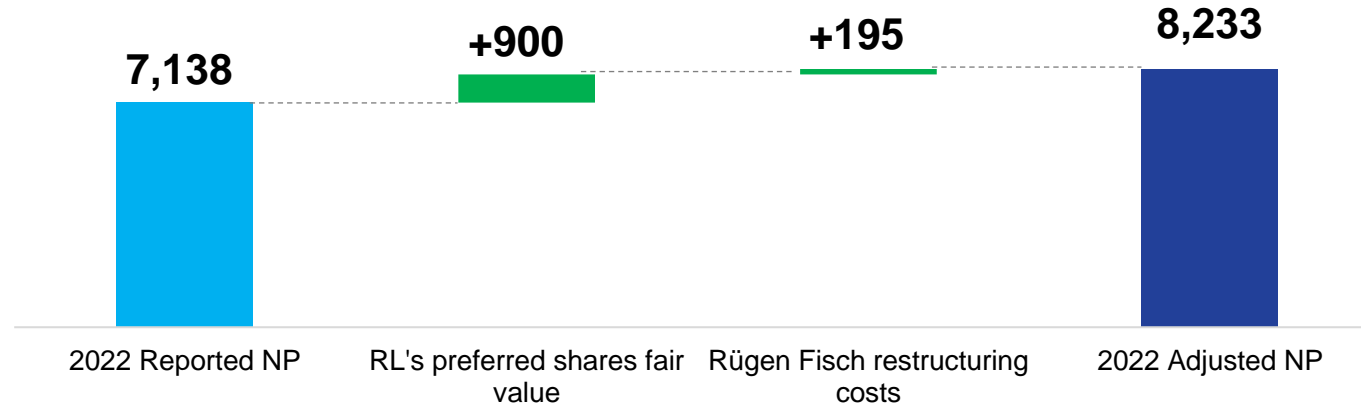


Source: ¹Company; ²TU share price (Jan 4'22: THB19.8/share, Dec 30'22: THB16.9/share, Jan 3'23: THB16.8/share and Feb 17'23: THB15.7/share)

*2022 Adjusted net profit was THB 7,333mn, excluding THB 195mn non-cash one-time impact from Rügen Fisch restructuring cost

Excluding non-cash items from RL preferred share adjustment and a German factory closure, TU delivered strong net profit of THB 8.2bn

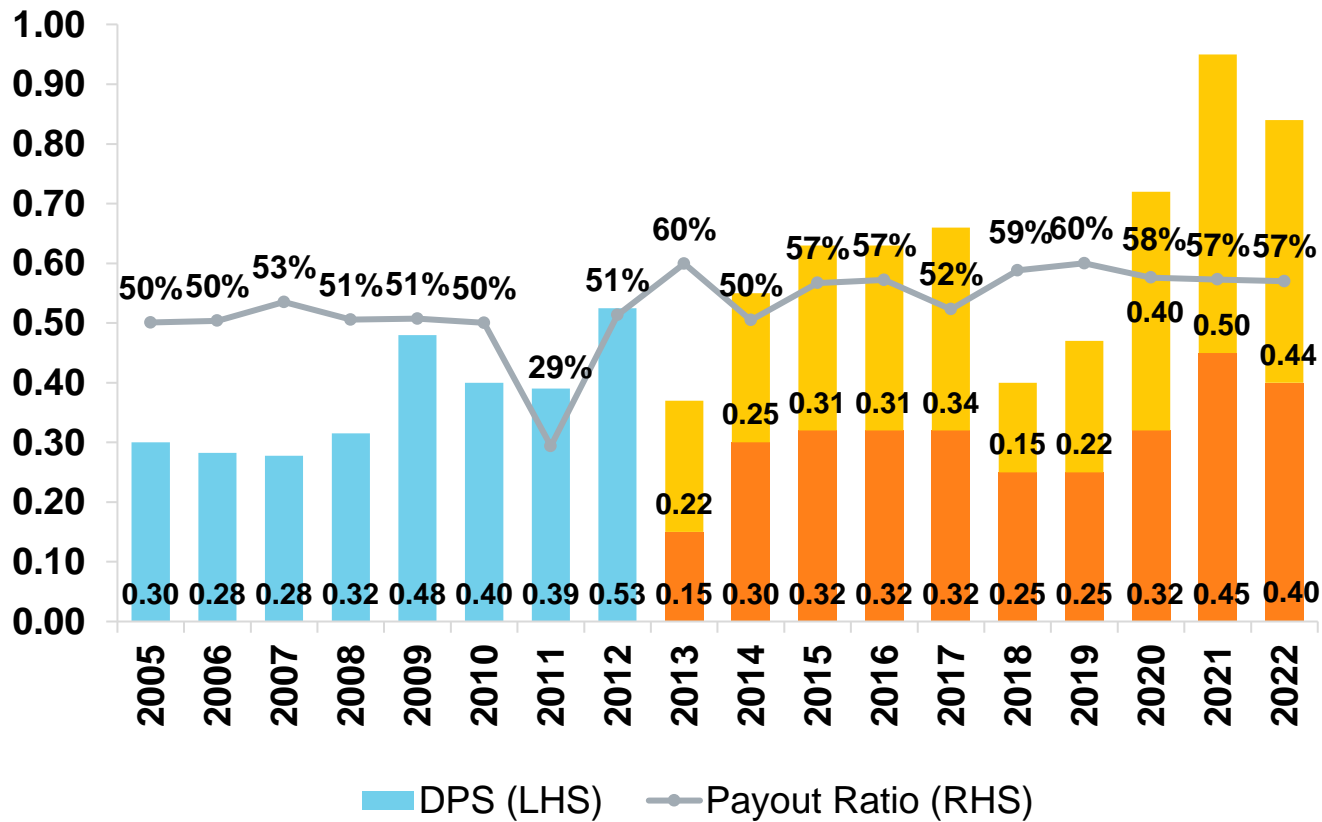
Adjusted Net Profit
THB mn



Remark: Excluding one-time net accrual for US legal-related settlement of THB 1,359mn (2Q18) and THB 1,402mn (2Q19), ESCo business closure-related expenses of THB 489mn (2H18), TMAC investment impairment of THB 87mn (4Q18), Rügen Fisch restructuring cost THB 195mn (2Q22) and RL's fair value adjustment of THB 900mn (2022), which based on 2021 figures *2021 adjusted net profit was THB 8,353mn

With robust net profit, TU announced 2H22 final dividend of THB 0.44/share, with highly attractive yield at 5.4%*

THB/Share



**Final dividend for the period:
July 1 to December 30, 2022**

DPS	THB 0.44
Ex-Dividend Date	March 3, 2023
Record Date	March 7, 2023
Payment date	April 27, 2023

We continue to deliver consistent payout with highly attractive yield at 5.4%*

TU announced **Share Repurchase Program** starting from Jan 3 to Jun 30, for **financial management purposes**;

- Not exceeding 3,000 million baht
- Not exceeding 200 million share (4.19% of the total paid-up capital)

Remark: *Based on 2022 dividend of THB 0.84/share and TU share price at THB 15.7/share as 17 Feb'23

Feb '23: We are on track towards our 2025 targets (1/2)

Commitments for 2025

Current Status

Progress review

Lagging On track Achieved

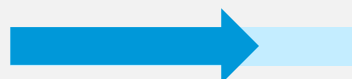
1 Group **EBITDA of USD 450-550mn**



- EBITDA* in 2022 was ~**USD 370mn** in 2022 (vs. ~USD 470mn in 2021), mainly impacted from FX translation ~USD 41mn, RL's share of losses ~USD 35mn and RL preferred shares adjustment of ~USD 0.5mn in 2022 (vs. ~USD 35mn in 2021)

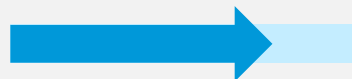
Strengthening our core business

2 **Stable, organic growth of 3% per year** in our core Ambient and Frozen business



- **Ambient driving** target achievement
- **Frozen & chilled** sales up in Asia & Europe, supported by higher selling prices, however, offset by softer demand in the U.S. due to high inflation

3 USD 200-300mn investment in productivity to **achieve 3% annual conversion cost improvement**



- **Continued investing** in cost efficiency & automation; Conversion cost improvement **within target**, especially in our **Thailand** plants

4 Achieve **10% of revenue from innovation with margins >20%**



- TU **remains committed to invest** in innovation across our businesses
- Current achieved ~**7% contribution** from innovation with gross margin already above **20% target**

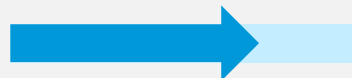
5 **Turnaround or divest** loss-making businesses



- **Continue to evaluate & improve loss-making ops**: Lubeck plant closure was announced in 2Q22 and MerAlliance Poland plant was sold to local player

Building new value-enhancing businesses

6 **Invest USD 500mn** into new and adjacent businesses over the next 5 years



- Continue to **invest into expansion / development** of growth businesses
- Examples: **New culinary plant** and **Protein hydrolysate plant**

Note: Based on FX rate of 32 THB/USD in 2021 and 35 THB/USD in 2022

FY22 Analyst Meeting

Slide 9



Feb '23: We are on track towards our 2025 targets (2/2)

Commitments for 2025

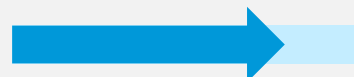
Current Status

Progress review

Lagging On track Achieved

Building new value-enhancing businesses

7 Grow Pet Care and Feed businesses at around **3x GDP growth p.a.**



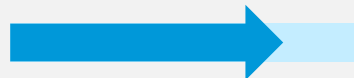
- **PetCare exceeded target growth** rate for last few years
- **Feed facing inflation headwinds**; growth measures in place for revival

8 Scale-up of our **Ingredients and Culinary businesses**



- **Ingredients: Ongoing collab with Mara; Protein Factory** (in Thailand) to be operationalized this year
- **New culinary factory** to be operationalized this year

9 By 2025, new and adjacent businesses will contribute more than **1/3 of EBITDA**



- Above 1/3 in 2022, due to strong growth and margins from **i-Tail and Packaging**; New businesses expected to contribute further as they scale-up

Leading the industry on sustainability

10 **Expand our SeaChange®** sustainability program to fight Climate Change



- Plan to launch **SeaChange 2030** early this year, with special focus on Climate Change; Thai Union ranked #1 on Food Products Industry Index by **DJSI**

11 Commitment to move to **sustainable packaging within 2025**



- On track; Achieved **>80% of 2025 target** for reusable/ recyclable/ compostable packaging (for branded business)

12 Continue to leverage **sustainability-linked financing**



- We have already converted **50% of our long-term loan** portfolio from traditional finance to be "Blue Finance"; TU plans to increase further

Continuing Strategic Investments

13 Continue to **drive synergies and profit contributions** from our strategic investments



- Continue to invest and collaborate, e.g. **JV in India** with R&B Food Supply & Avanti Group, invested in **Mara**, converted loan based strategic investment to shareholding in **Aegir**; CVC invested **Algama & Jellagen**

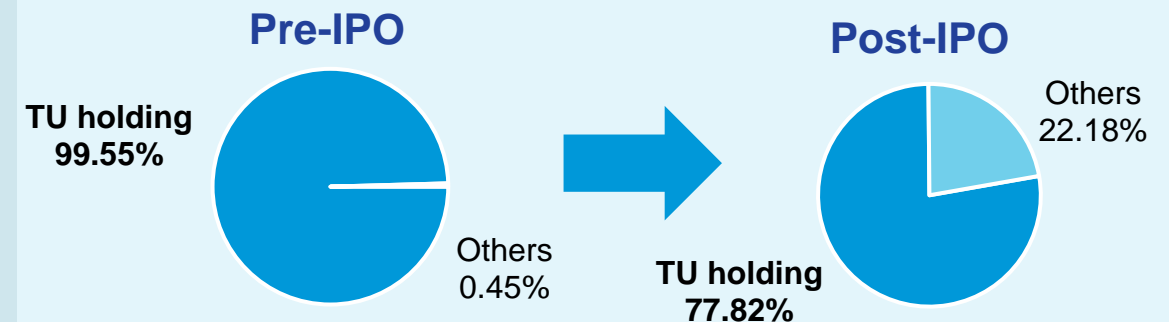
i-Tail Corporation (ITC) was successfully listed in SET

Our flagship PetCare business






- ITC, a **leading premium quality pet food producer** globally, with over 40+ years of experience
- **Successful IPO on December 9, 2022**, the largest ever IPO in the food and beverage category.
- **Key products:** wet-based cat / dog food and pet treats
- **Key Strengths:** Driven by R&D and innovation, with two production facilities in Thailand with capacity of >172,000 MT/year, and extensive geographic presence, i.e. the U.S., Europe, and Japan

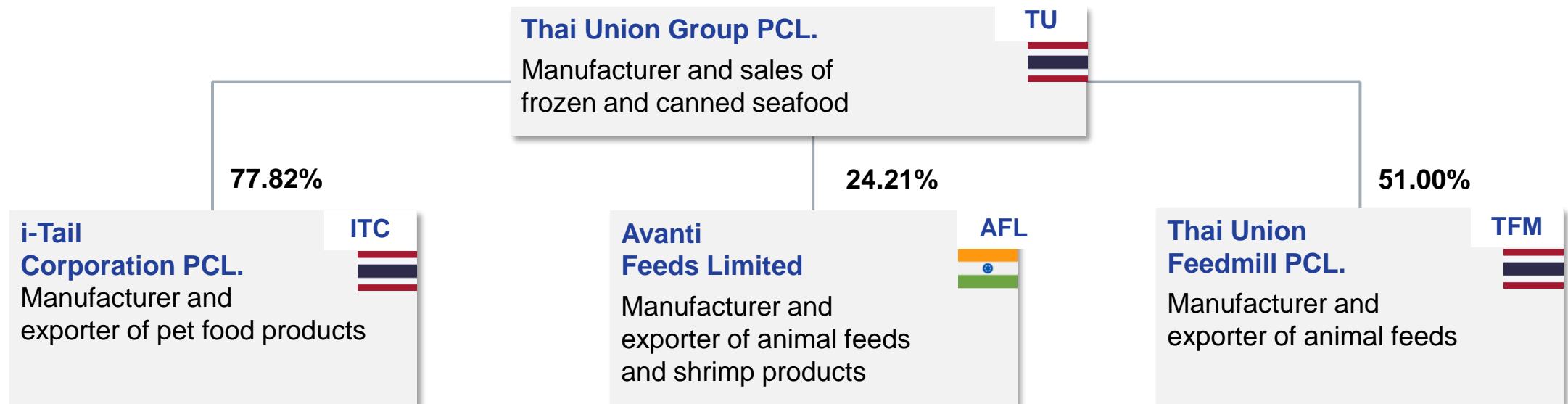
- **Thai Union's consolidated accounts**, recorded an **increase of cash and non-controlling interests (B/S) by THB 21bn**, which caused the **ND/E ratio** significantly dropped **from 0.99X to 0.54X**
- **Thai Union will remain the largest shareholder at 78%**, no impact in P/L from this transaction on our consolidated numbers but significant deleveraging. **22.18% dilution effect on i-Tail net profit** from Dec 9, 2022 moving onwards.



Remark: *From the sale of 660m shares, comprised of 600 million newly registered shares from ITC and 60 million shares from the parent company (TU)

Thai Union now owns equity shares in three different listed companies with total market value around THB 81bn

		Share price (THB)*	No. of Shares (Shares)	Market Value (M. Baht)	% Holding by TU	Value to TU (M. Baht)
	THB	31.50	3,000,000,000	94,500	77.82%	73,540
	INR	162.20	136,245,630	22,099	24.21%	5,350
	THB	9.90	500,000,000	4,950	51.00%	2,525
						81,415



Remark: *The calculation is based on share price as of Feb 17'23 and currency of 1 IDR = 0.42 Baht (386.20 INR)

We continued in 2022 our dynamic investment journey with new minority investments/ JV and portfolio rationalization



Minority investment



- Announced a CAD \$10 million investment in Mara Renewables Corporation (Mara), one of the world's leading producers of sustainably grown **algae-based bio-products**



- Converted loan-based strategic investment in **Icelandic cod liver company**, Aegir into 50% shareholding, further strengthening the successful business relationship Aegir has developed with **Thai Union's brands across Europe**



Our joint-ventures



- TU, R&B Food Supply (RBF) and Srinivasa Cystine Private Limited (SCPL) set up a new JV, focused on serving **food ingredients to Indian market**



- Thai Union launched a new JV with JWD InfoLogistics Pcl's subsidiary, to construct **a new cold storage warehouse** to accommodate increasing raw materials



Strategic partnership

shrimfish



- Announced an alliance with Plant-Based Seafood Company, The ISH™ to **leverage marketing and distribution channels in North America**



Global portfolio management

Continue to turnaround or divest loss-making business to optimize our manufacturing footprint and enhance **competitiveness**;


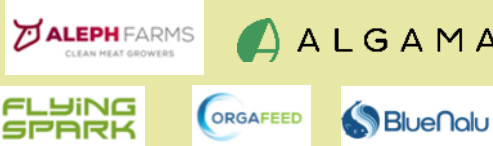






- Announced the **closure of one Rügen Fisch plant in Lübeck**, plan to transfer the production to Sassnitz plant in Germany within 1 year (1Q-2Q 2023).
- TU recorded a THB 274mn (before tax) one-time non-cash accrual in 2Q22.



- TU sold MerAlliance Poland Assets** to a local player, Dobry Pracownik Sp. z o.o. (2Q22)

CVC: we performed 2 new high-quality investments in start-ups

Investment areas of Food-tech Start-up

	<h3>Alternative Protein</h3> <p>Plant-based, algae, insect, mycoprotein, bacterial protein and lab-grown/cultured meat</p> 
	<h3>Functional Nutrition and Biotechnology</h3> <p>Functional food, nutraceuticals & biotech</p> 
	<h3>Value Chain Tech</h3> <p>Aquaculture tech, ingredients tech, food production and food safety tech, etc.</p> 
	<h3>Fund participation</h3> <p>Indirect investment into third-party funds that are active in above strategic areas</p> 

<h3>New Food-tech start-up investment</h3> <div></div> <ul style="list-style-type: none">• France's producer of algae-based functional ingredients for F&B players (B2B)• Expansion in Health & Wellness and sustainability with diversified vegan proteins, creating "seafood-ness" in our existing portfolio and develop new products	<ul style="list-style-type: none">• A medical biotechnology company, in UK, developing "Collagen Type-0" biomaterials derived from jellyfish• For application in medicine & cell-cultures, collagen in supplements, cosmetics, and medical / pharma applications
<h3>Focus on improving efficiencies & innovation</h3> <div></div> <ul style="list-style-type: none">• SPACE-F completed our 3rd cohort with 15 startups, 50% coming from overseas• SPACE-F Batch 4; selected candidates will be announced in February 2023	

We continue to be an industry leader on sustainability, and focus on *“Healthy Living, Healthy Oceans”*

- Entered a **partnership with Sustainable Fisheries Partnership (SFP)** to further improve transparency in Thai Union’s supply chains and consider the wider impacts on biodiversity
- **Piloted the use of satellite imaging for shrimp farming operations** in collaboration with Sea Warden and Wholechain to promote sustainable seafood production
- Began the **full implementation of the “Employer Pays Principle”** to ensure that no worker should pay for a job
- Published our **first Task Force on Climate-related Financial Disclosures (TCFD) report**
- Thai Union, along with subsidiaries Pakfood PCL, Okeanos Food Co., Ltd, and Thai Union Feedmill PCL, received the **Human Rights Award 2022** (large business sector) from the Thai Ministry of Justice



- Conducted **the first ever at-sea audit** to assess working conditions and welfare of the crew on longline vessels



- Together with the Nature Conservancy (TNC) release **1st Partnership Progress Report** on our partnership on a pioneering commitment to improve on the water transparency in global tuna supply chains





Thai
Union

#1 globally on the Dow Jones Sustainability Index 2022

in the Food Products Industry

Thai Union Group Public Company Limited
Food Products

S&P Global ESG Score 2022

87 /100

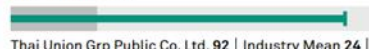
As of December, 16, 2022.
Scores are industry specific.
Learn more at [spglobal.com/esg/scores](https://www.spglobal.com/esg/scores)

S&P Global

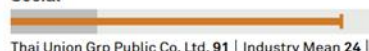


Thai Union Grp Public Co. Ltd. Industry Best Industry Mean

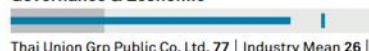
Environmental



Social



Governance & Economic



Thai Union Grp Public Co. Ltd. 91 | Industry Mean 24 | Industry Best 91

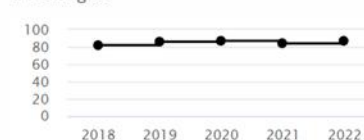
Thai Union Grp Public Co. Ltd. 77 | Industry Mean 26 | Industry Best 86

Last Updated: December 16, 2022. Updated annually or in response to major developments.

Data Availability: ■ Very High

Score History

Y/Y Change: 3



Member of
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Powered by the S&P Global CSA

Listed

9

consecutive
years on
DJSI

Rank

1

in Food Products
industry
2022

Rank

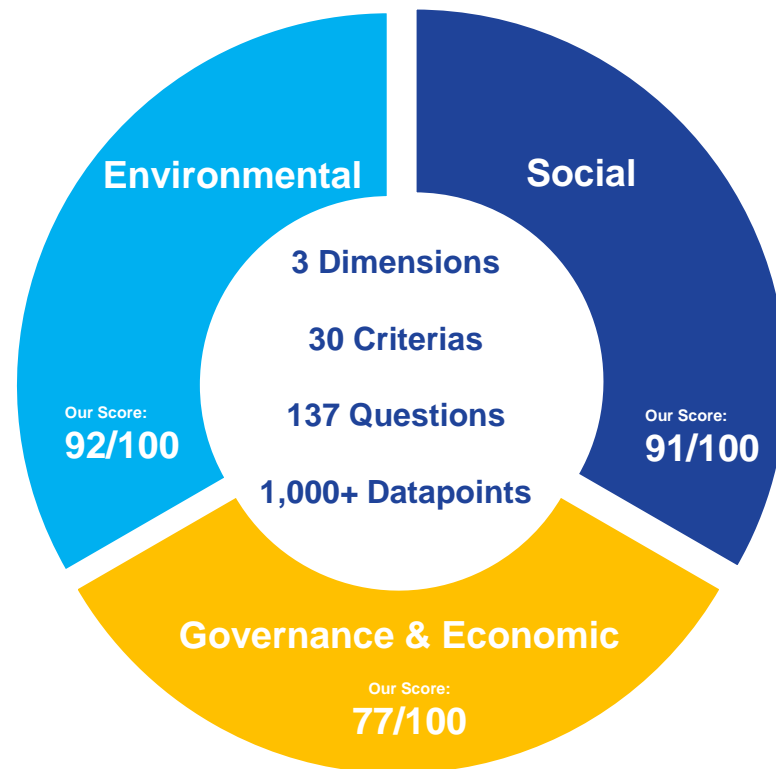
1

in Food Products
Industry
2018, 2019

Source: <https://www.spglobal.com/esg/scores/results?cid=4263391>

FY22 Analyst Meeting

Our 2022 performance



The DJSI is the world leading ESG assessment and acts as an important external and independent validation of our holistic sustainability approach and progress.



Committed to protecting the environment and supporting local communities



Thai Union and i-Tail Corporation **donated our products** to support those impacted by flooding in Ubon Ratchathani Province



Thai Union collaborated with the Scholars of Sustenance Foundation (SOS) to **educate students about Food Waste and Nutrition** through the School of Sustenance Program at six local schools in Samut Sakhon



John West Foods has become an **Official Gold Partner of the British Paralympic Association as the 'Protein Partner'**, to support athletes with positive nutrition. The four-year partnership covers the Paris 2024 Summer Paralympics and the Milan 2026 Winter Paralympics, plus activities outside of the Games period.

We are proud to continue to be recognized for our efforts by leading institutions around the world

Key highlight awards



Upgrading to “positive” from JCR and to “A” from MSCI

Company rating: A- Upgraded from stable to positive

News Release



Japan Credit Rating Agency, Ltd.

22-I-0076

December 16, 2022

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating..

Thai Union Group Public Company Limited (security code: -)

<Outlook Change>

Foreign Currency Long-term Issuer Rating: A-

Outlook: from Stable to Positive

Rationale

- (1) Thai Union Group Public Company Limited is a major seafood processor established in Thailand in 1977. It has strengths in the production and sale of canned seafood. In particular, it is one of the world's leading companies in the sale of canned tuna. The Company's main business portfolio consists of ambient seafood, frozen and chilled seafood, and pet care, value-added and other products. It has been strengthening investment in high-value-added products and innovation in recent years in an effort to ensure new growth. The Company's rating is primarily supported by its growth potential of seafood business, strong brand power and high earnings stability supported by its global production, procurement and marketing capabilities. JCR believes that the Company's financial state is improving as a result of continued business expansion and a reduced funding burden of the pet care business through the IPO of a subsidiary. Based on the above, JCR has affirmed the rating and upgraded its outlook to Positive.

- The committee maintained an A- rating and **upgraded and from stable to positive** as we are posting a stable earnings performance.

Company rating: A Upgraded from BBB in October 2022



ESG Score by MSCI

Disclaimer [🔗](#)



Data as of 18 November 2022

CCC B BB BBB **A** AA AAA

- MSCI **upgrade the Company rating from BBB to A** in October 2022

A still life photograph of a meal. In the foreground, a white plate with a blue floral pattern holds a piece of salmon and a slice of bread. A fork with a blue and gold handle rests on the plate. Behind the plate, a glass bottle of olive oil and a jar of pinkish sauce are visible. The scene is set on a rustic wooden table with a blue and white checkered cloth and a piece of netting. The background is dark.

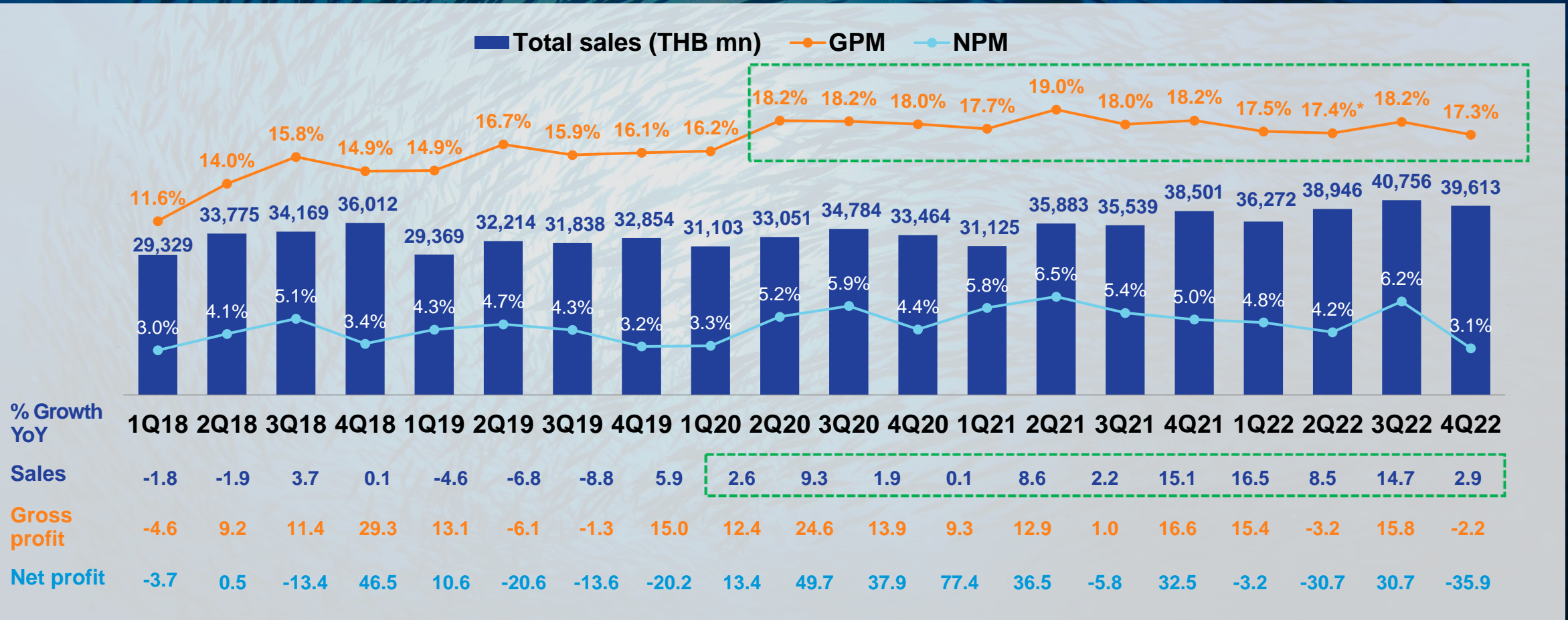
4Q22 Financial Results - Consolidated

“High inflation and FX volatility will remain in 2023, however, the pressures from freight costs and the shortage of containers have seen a significant improvement in 4Q22. Additionally, cash flows focus and especially inventory control will be key ”

**Ludovic Garnier,
Group CFO**



Remained high topline from the high base last year, GPM dropped in 4Q22 from Frozen & Chilled margin contraction



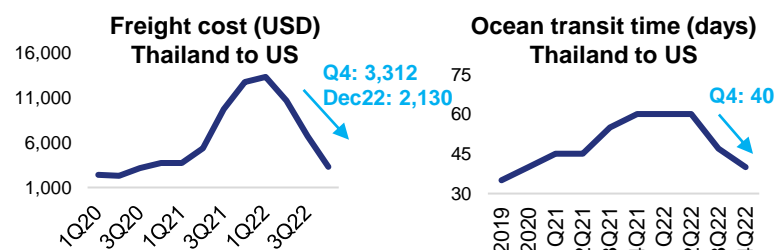
Remark: Excluding THB 1,402mn one-time net accrual for US legal-related settlement (2Q19) and THB 1,359mn (2Q18), THB 489mn ESCo business closure-related expenses (2H18), and THB 87mn TMAC investment impairment (4Q18).

*Excluding THB 188mn from Rügen Fisch restructuring costs (2Q22)

Freight cost and transit time are normalizing, while global headline inflation is expected to remain high in 2023

Logistics: Close to the pre-covid level

Price impact to TU: ~THB -1.3bn in 2022 (Q4 positive ~320mn), significantly recovery from freight price decreased



Macro economic overview

- Potential improvement of freight cost and ocean transit time, supports inventory management in 4Q22
- Headline inflation is expected to be at high level** throughout 2023, resulting in higher costs of seafood raw materials, key materials, packaging, and ingredients



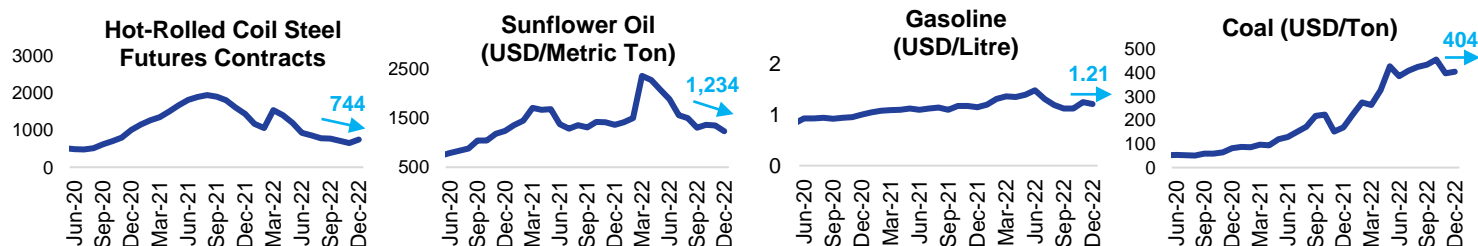
Our solutions to strengthen the focus on cash flows and especially inventory control

- Continue price negotiation** and **adjust promotion intensity** to cover inflation and rising key material costs
- Very conservative and always hedge** to reduce volatility
- Strengthen the focus on cash flows and especially inventory** and NWC control
- Cost efficiency management** and **economies of scale** to reduce costs, exploring alternative key materials, and automation for productivity improvement
- Continue monitoring** macro-environment, ongoing global supply chain challenges, and utility prices in our key markets.

COGS inflation: Signs of improvement in some material prices

Headline inflation remained high in Jan 2023 (US +6.4%, EU +8.5%, TH +5.0% YoY).

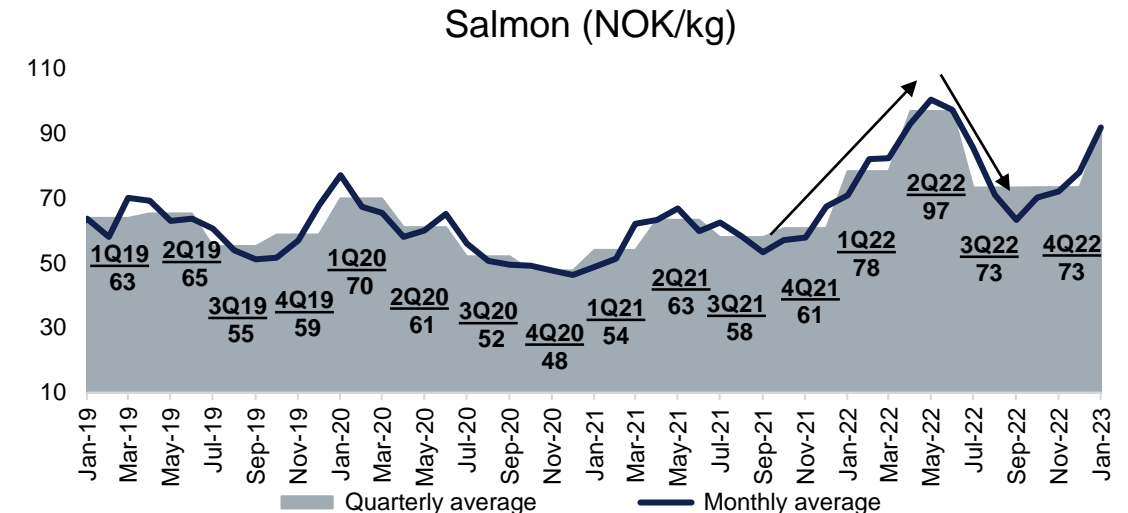
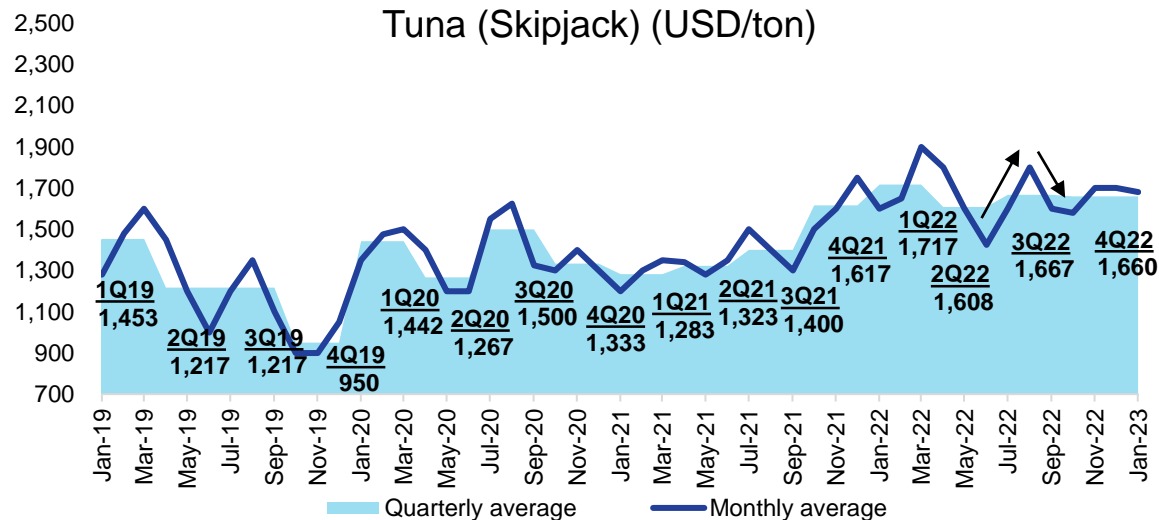
Impact to TU: Overall COGS increased 11.3% YoY in 2022 (includes seafood raw materials, utilities, packaging, and ingredients).



Source: Thai National Shippers' Council, Index Mundi, Investing.com, and TradingEconomics.com

Remark: Thai Union sources mainly steel and some aluminum metal packaging. Edible oils include mostly sunflower oil, soybean, and olive oil.

Seafood raw material prices remained at high level, but still within a manageable range



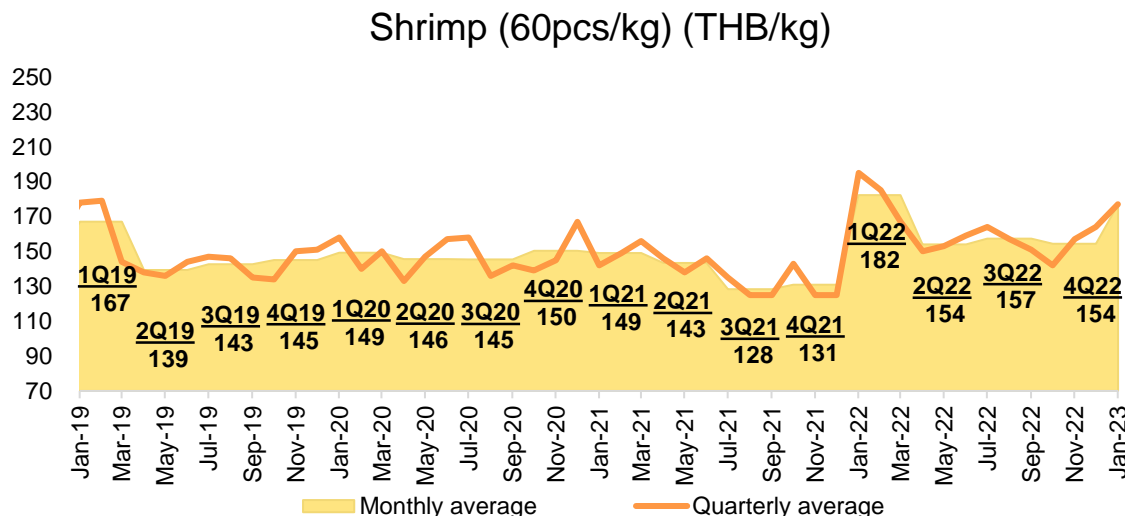
In Jan 2023, raw material prices closed at:

- Tuna – USD 1,680/ton, Shrimp – THB 177/kg, Salmon – NOK 92/kg

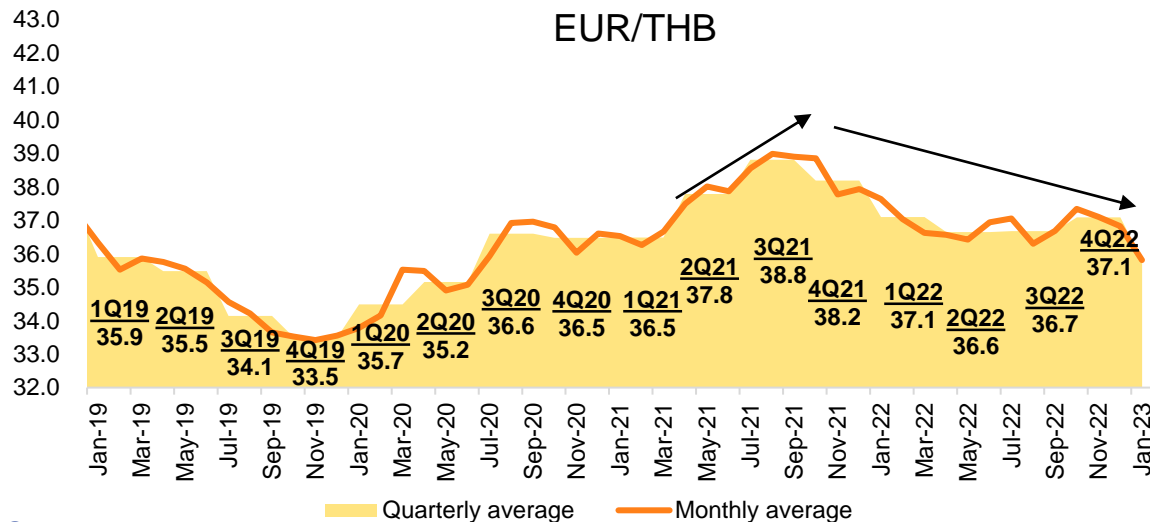
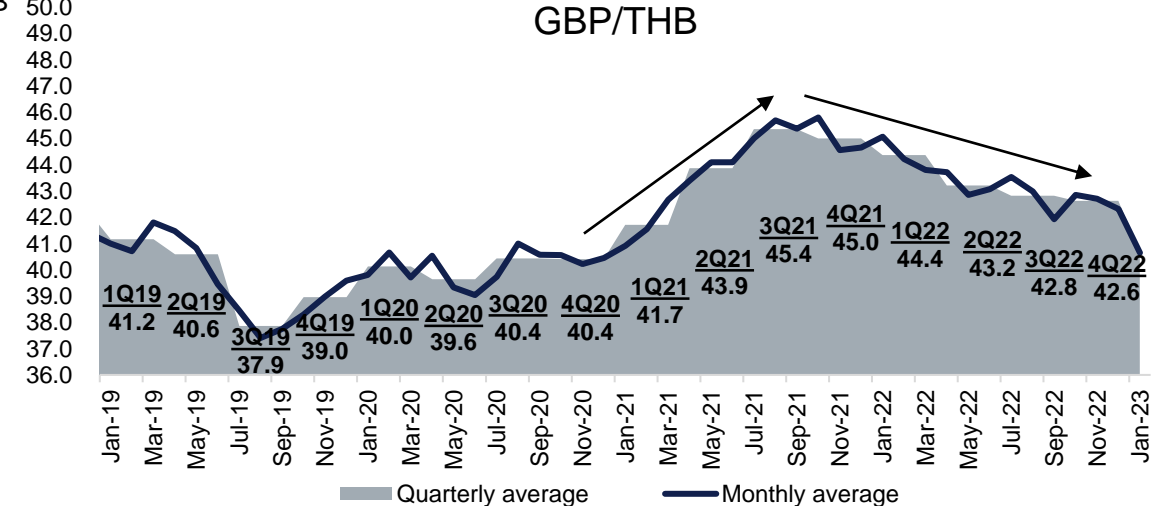
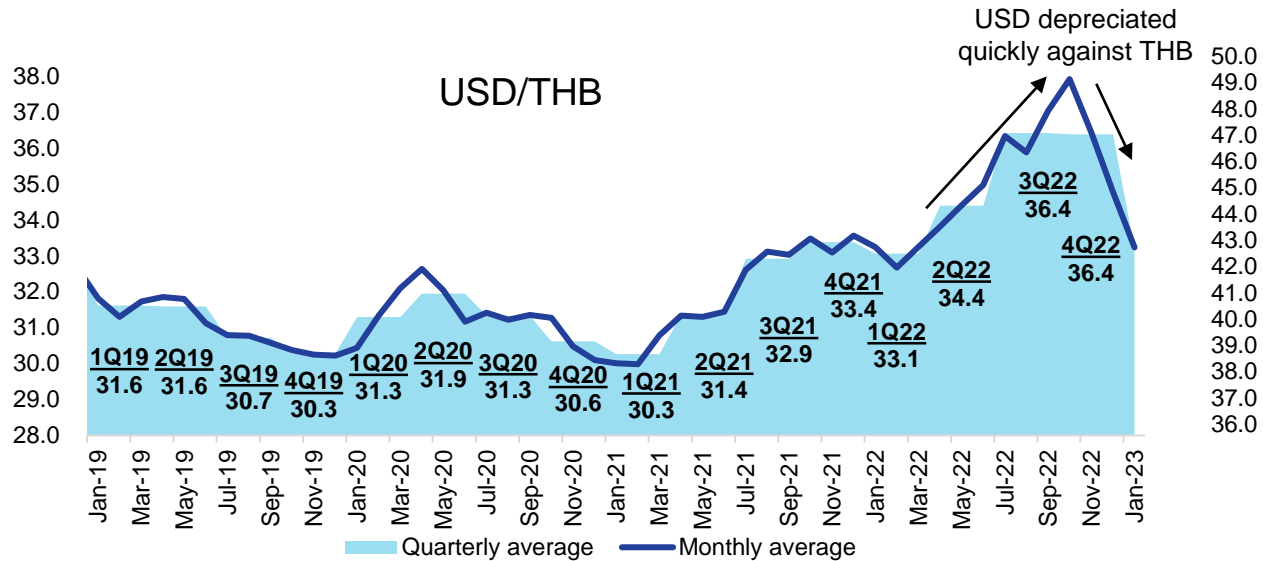
In 4Q22, average raw material prices closed at:

- Tuna: USD 1,660/ton (+2.7% YoY, -0.4% QoQ)
- Shrimp: THB 154/kg (+17.8% YoY, -1.9% QoQ)
- Salmon: NOK 73/kg (+20.8% YoY, +0.2% QoQ)

Source: Thai Union and Bloomberg data



USD is extremely dynamic throughout 2022, which depreciating quickly against THB end of last year



In Jan 2023, average FX rates closed at:

- USD/THB – THB 33.23, EUR/THB – THB 35.81, GBP/THB – THB 40.66

In 4Q22, average FX rates closed at:

- USD/THB: THB 36.38 (+9.0% YoY, -0.1% QoQ)
- EUR/THB: THB 37.09 (-2.9% YoY, +1.1% QoQ)
- GBP/THB: THB 42.64 (-5.3% YoY, -0.4% QoQ)

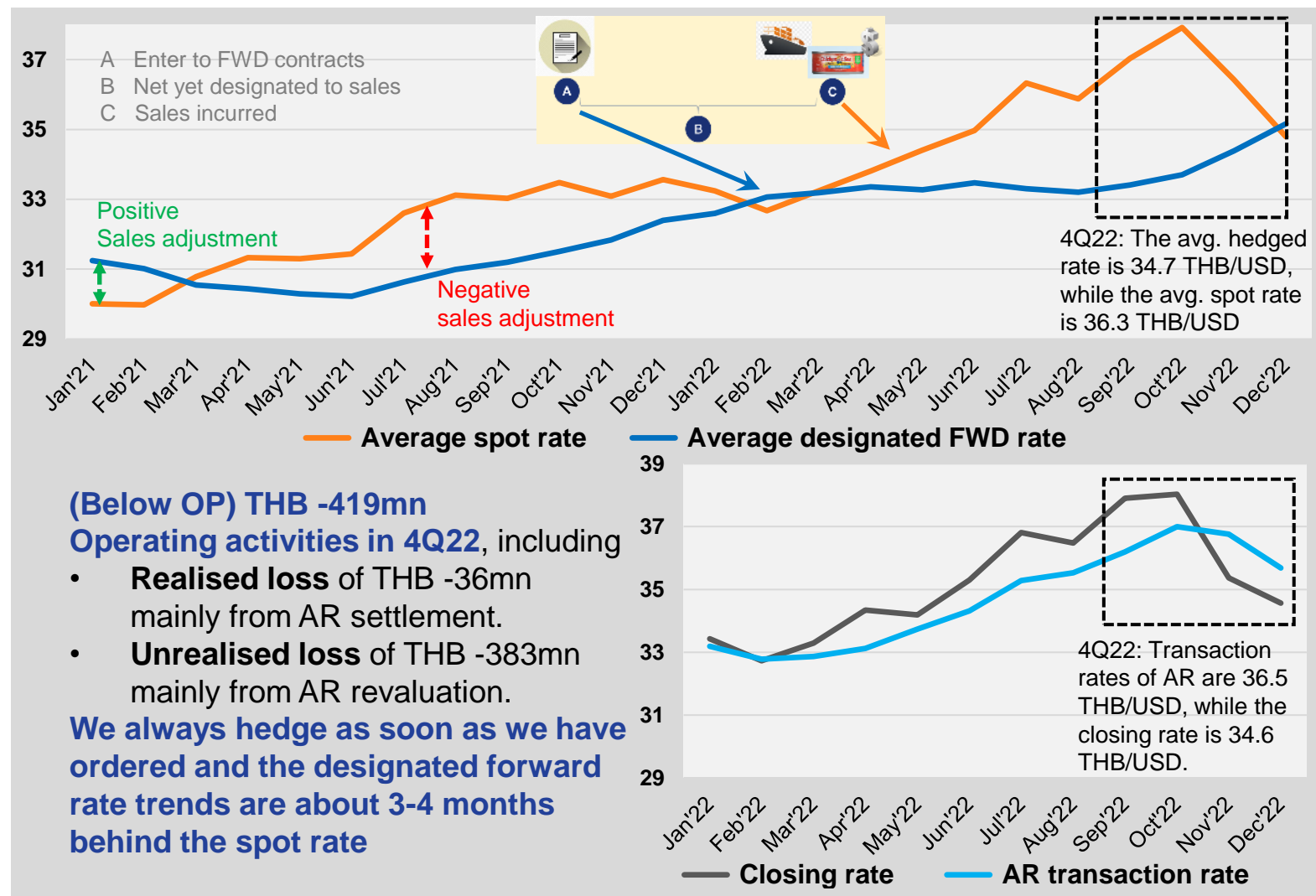
Source: Thai Union and Bank of Thailand data

FX management: We always hedge based on anticipated sales a few months ahead & the designated forward rate trends are about 3-4 months behind the spot rate

(in mTHB)	4Q22	2022
Sales	40,435	157,644
Sales adjustments	(822)	(2,058)
Net sales	39,613	155,586
Costs of sales	(32,744)	(128,380)
Gross Profit	6,868	27,206
SG&A expenses	(4,484)	(19,156)
Operating Profit	2,384	8,050
FX Gain (Loss)	(468)	800
Financing activities	(48)	(41)
Operating activities	(419)	846

Remark: *From operations based in Thailand only*.
For operations based in the US, FX impacts include the translation effect (sales) and the competitiveness

Slide 26



Red Lobster performance remains challenging from extreme inflationary environment and the low season



THB mn	4Q22	3Q22	2Q22	1Q22	4Q21
Share of profit/loss from operations	-344	-339	-281	-243	-147
Share of profit/loss from lease accounting adj.	-112	-117	-102	-92	-109
Other income	0	0	-300	318	319
Interest expense	-115	-113	-112	-114	-105
Income tax	222	66	240	206	45
Net income	-348	-502	-554	76	3
EPS (THB/share)	-0.07	-0.11	-0.12	0.02	0.00

FY share of profit/loss (THB mn)	2022	2021*	2020	2019
Operations	-1,207	-178	-1,187	-142
Lease accounting adj.	-422	-638	0	0

- **4Q22 RL's operations remained challenging:** marked at THB 344mn loss in 4Q22, compared to THB 147mn loss in 4Q21, from extreme inflationary environment, resulting in lower guess count and higher COGS, which affected the whole casual dining restaurant industry in the U.S.
- **4Q22 Other income impacted from significantly increased in the U.S. interest rate:** marked at THB 0mn, compared to THB 319mn in 4Q21 mainly from preferred shares fair value adjustment.
- **Financial covenant under pressure** due to continued operating challenges. **Thai Union demonstrated continuous support to RL** by providing in August 2022 a USD 65mn** guarantee of a portion of Red Lobster's credit facility to strengthen RL's financial position and ability to turnaround the business.

Remark: *Including lease accounting adjustment applied since 1Q21 onwards.

**The amount of the guarantee provided to Red Lobster is equivalent to THB 2,365mn (THB/USD as of 4Q22 = 36.38)

2023 Red Lobster Short-Term Initiatives Highlights

Amid inflation and soft guest count in the U.S.



Activate Productivity

- **Price increases** to battle cost inflation
- New menu offerings to drive **down COGS** but remain competitive (recipes and pricing)
- Delivering a greater guest experience, adjusting **marketing activations and value programs** i.e. “To-go” “MRLR activations” to help stabilize traffic



Down Prime Costs

- Efficient cost model by **lower % of food cost** and **% of labor cost**
- **Cut other expenses and trim fixed costs**, such as negotiating rents with landlords, closely review the restaurants in our portfolio, and shutter certain locations



Revamped organizational structure

- The new Senior Leadership Team, supports the brand’s key growth and foundational initiatives.
- Working aggressively to help short-term productivity, i.e. cost and pricing actions
- Cross functional Teams with Thai Operation







Share of profit (THB mn)	2023E	2022	2021	2020
Operations*	-600	-1,207	-178	-1,187
Lease accounting adj.	-385	-422	-638	0
Preferred interest**	0	18	1,216	992

Turnaround strategy is the 1st priority in 2023

Remark: *Based on our assumptions, we estimate to achieve share of loss from Red Lobster’s operations in a range of THB 550-650mn in 2023.

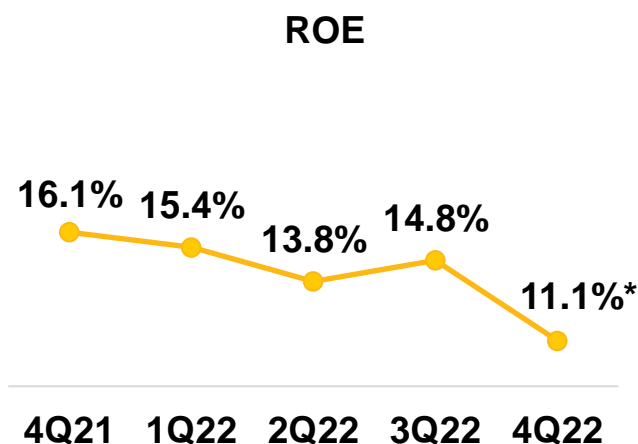
**Including management fee

Four major CAPEX projects will be completed in 2023

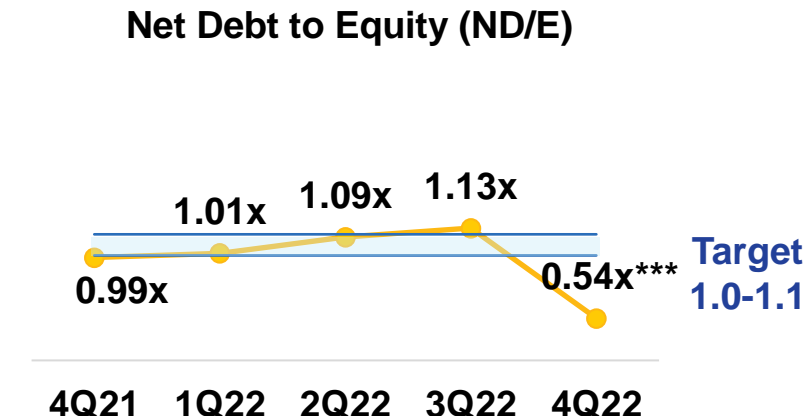
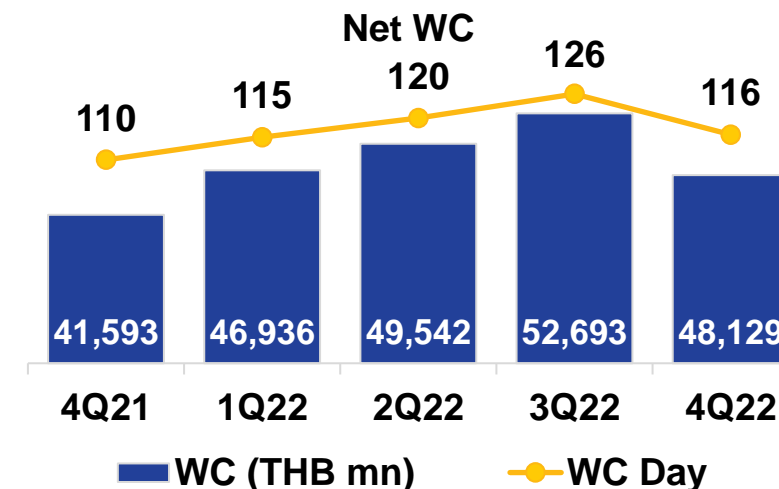
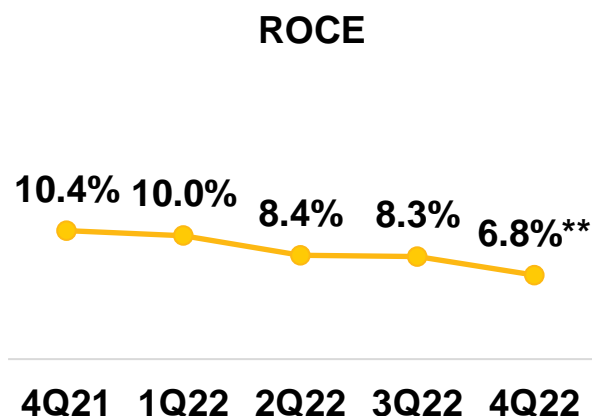
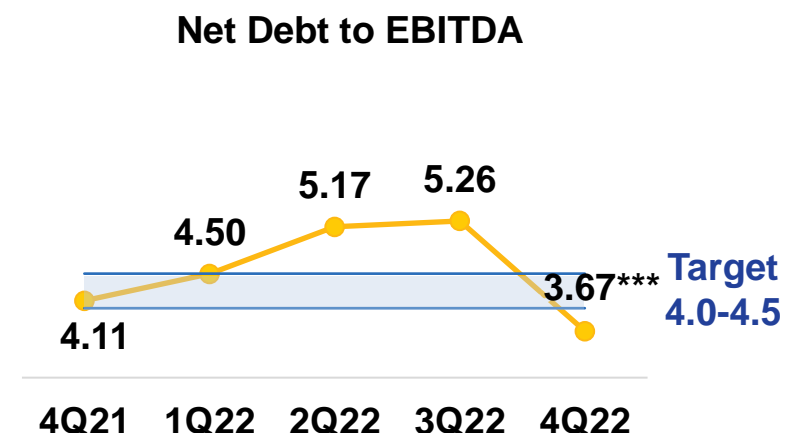
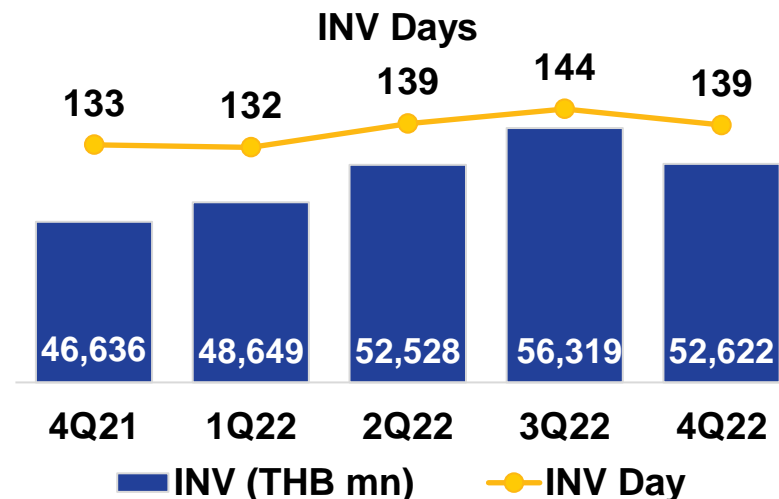
	Culinary business	Ingredients business	PetCare business	Ambient tuna business
				
Key Products	Ready-to-eat, dimsum and bakery	Protein hydrolysate and collagen peptide	Wet pet food and treat	Ambient tuna cold storage
Total Capacity	~9,300 sq.m: Increased by 38%	~5,700 sq.m	Increased by 18.7% with new automated packing line	~11,500 sq.m (including waste-water treatment plant: WWTP)
CAPEX	~THB 1.2bn	~THB 1.1bn	~THB 2.1bn	~THB 550mn
Timeline	Commercialize in 2Q23	Commercialize in 2Q23	Commercialize in 2Q23	Commercialize in 1H23

Capital raising by THB 21bn from IPO transaction

Excellent ND/EBITDA and ND/E ratio, much lower than target



Remark: Equity attrib. to owners of the parent increased from THB 55bn in 3Q22 to THB 75bn in 4Q22

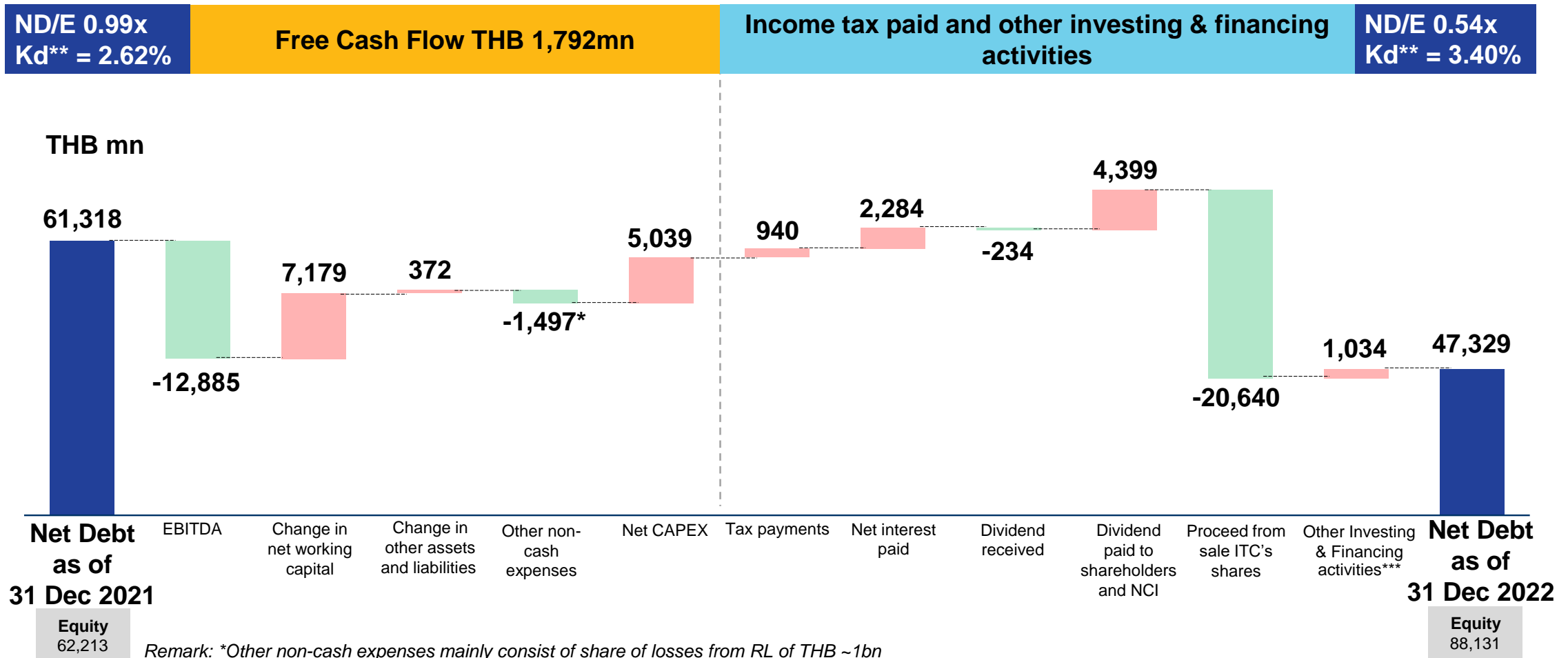


Remark: *ROE significantly dropped because an increased in Equity attrib. to owners of the parent from ITC IPO

**ROCE significantly dropped because a decreased in Current liabilities from ITC IPO

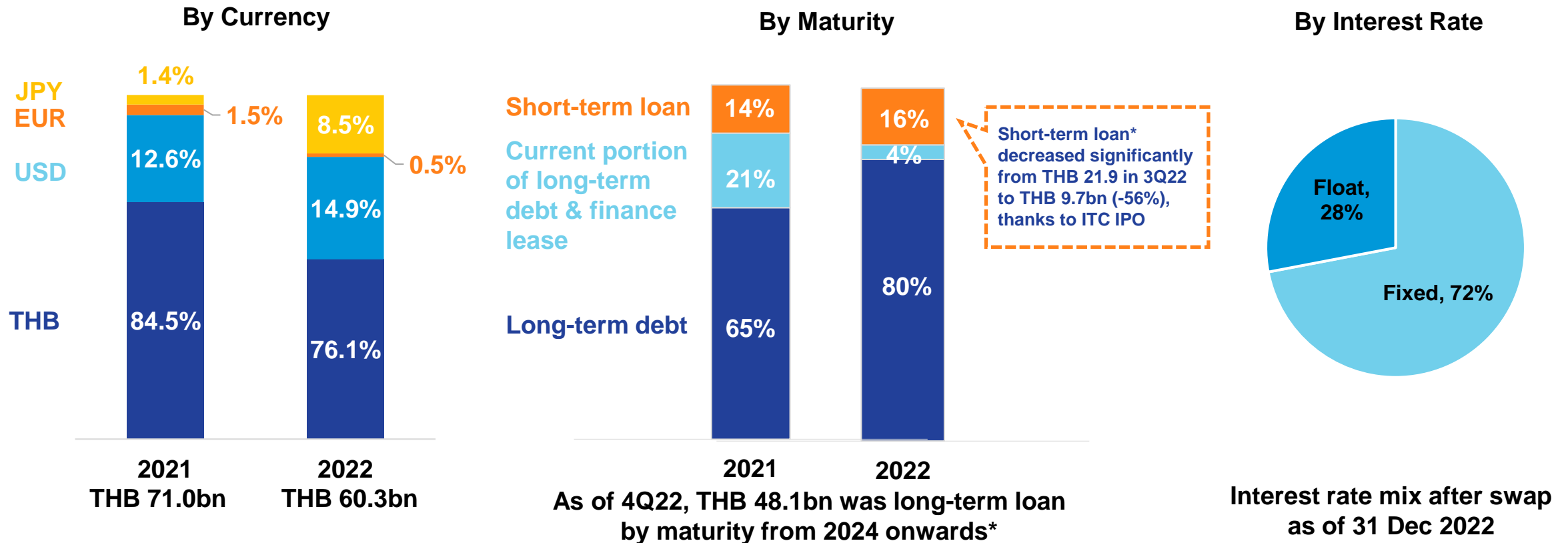
*** ND/EBITDA / ND/E significantly dropped thanks to capital raised and proceeds from ITC IPO

2022: Very strong balance sheet, with lower debt and higher equity, driven by ITC spin-off and strong EBITDA



Short-term debt substantially decreased, resulting in manageable risk from interest rate hike

Interest-bearing debts of THB 60.3bn



Remark: THB 14,500mn long-term debts due to maturity in 2022 are classified at current portion of long-term debt as end of 1Q21.

*Short-term loans including Bank overdrafts THB 219mn for the period ending Dec 2022



2022 Business Performance

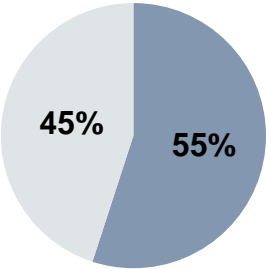
Substantial growth in PetCare sales contribution from 10% to 14%

Total FY22 sales: THB 155,586mn

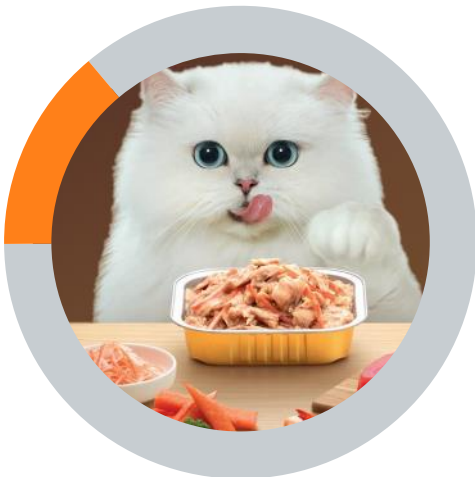
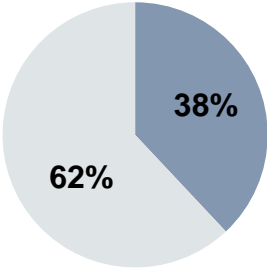
Business Categories



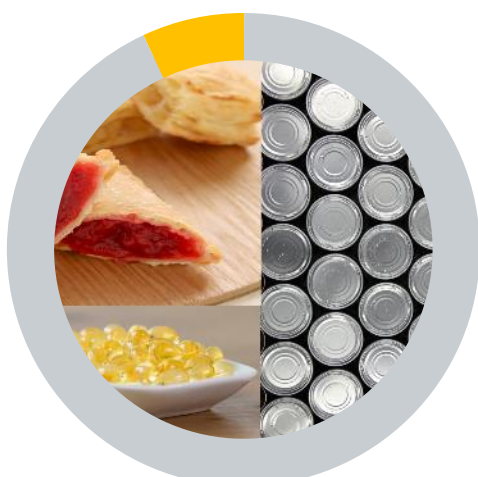
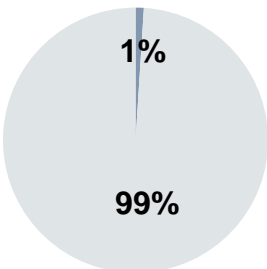
43%
Ambient Seafood
THB 66,510mn



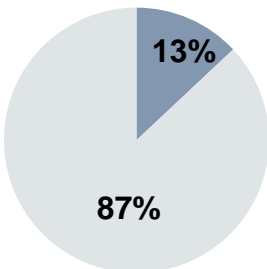
36%
Frozen and Chilled
THB 56,964mn



14%
PetCare
THB 21,693mn



7%
Value Added & Others*
THB 10,420mn



Sales Split

- Brand
- OEM

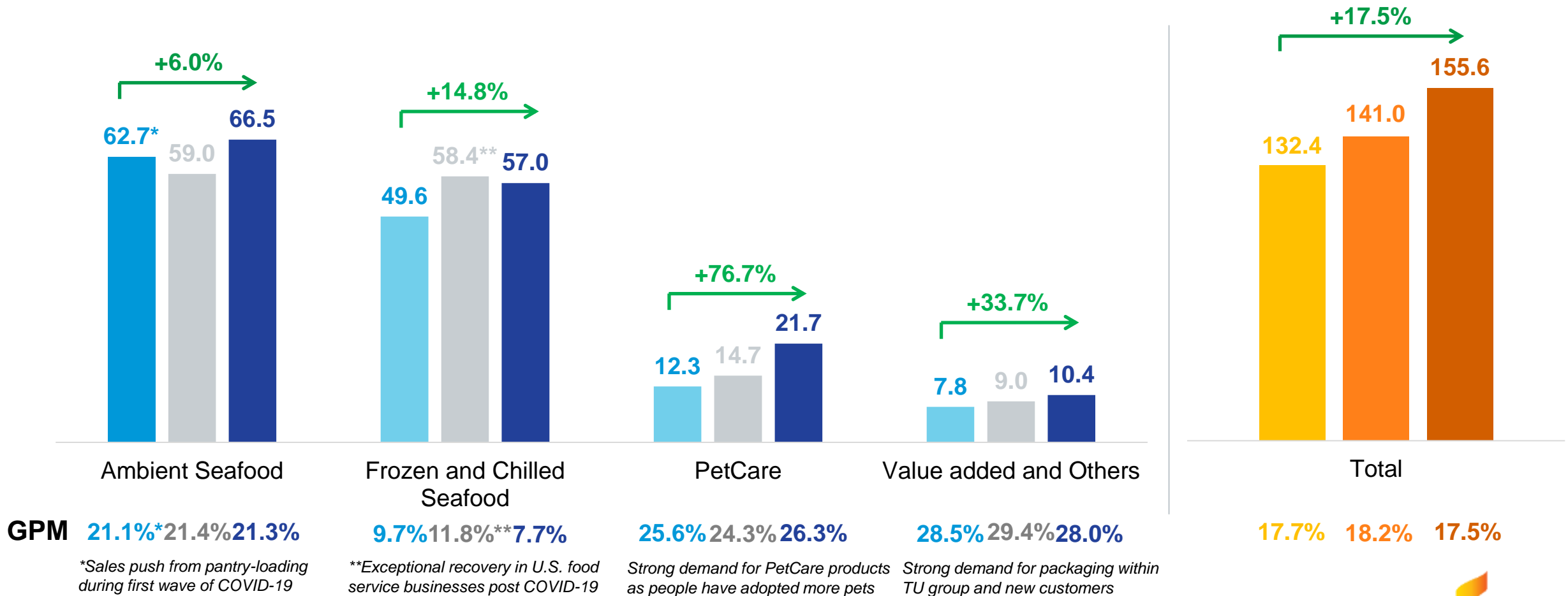
Remark: *Value-added and other business comprises of value-added products, packaging, and other products (ingredients, supplements, and alternative protein)

Consistent sales growth post-pandemic with GPM in line with guidance, thanks to strong core businesses and diversification

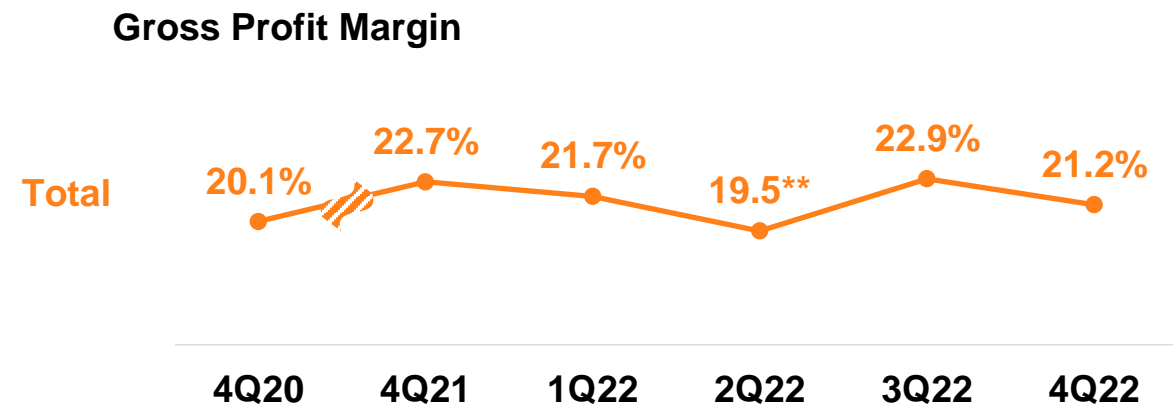
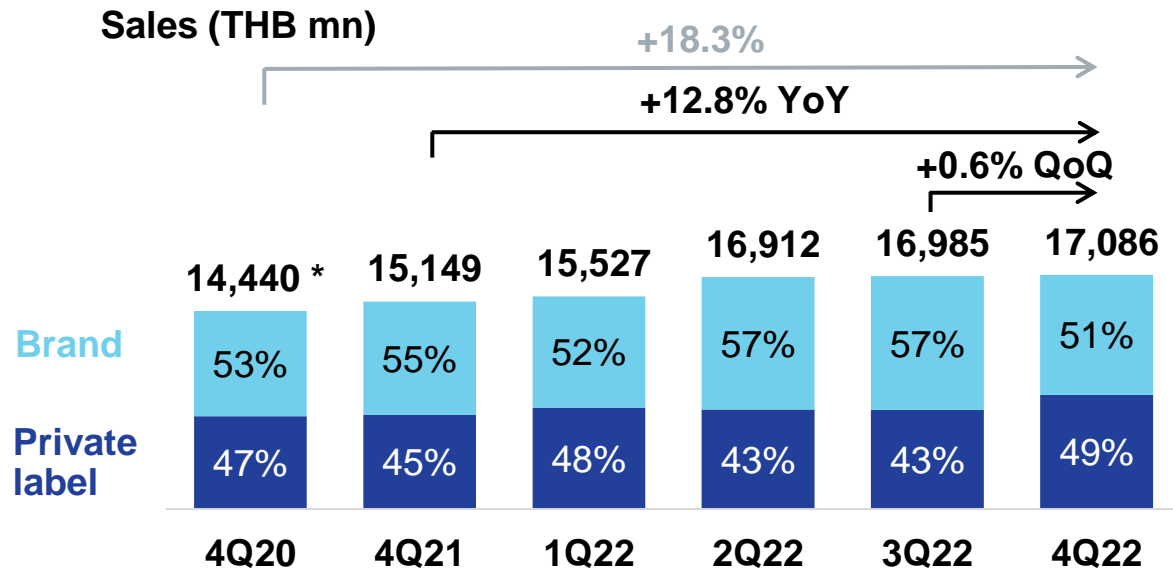
Sales (THB bn)

■ 2020 ■ 2021 ■ 2022

■ 2020 ■ 2021 ■ 2022

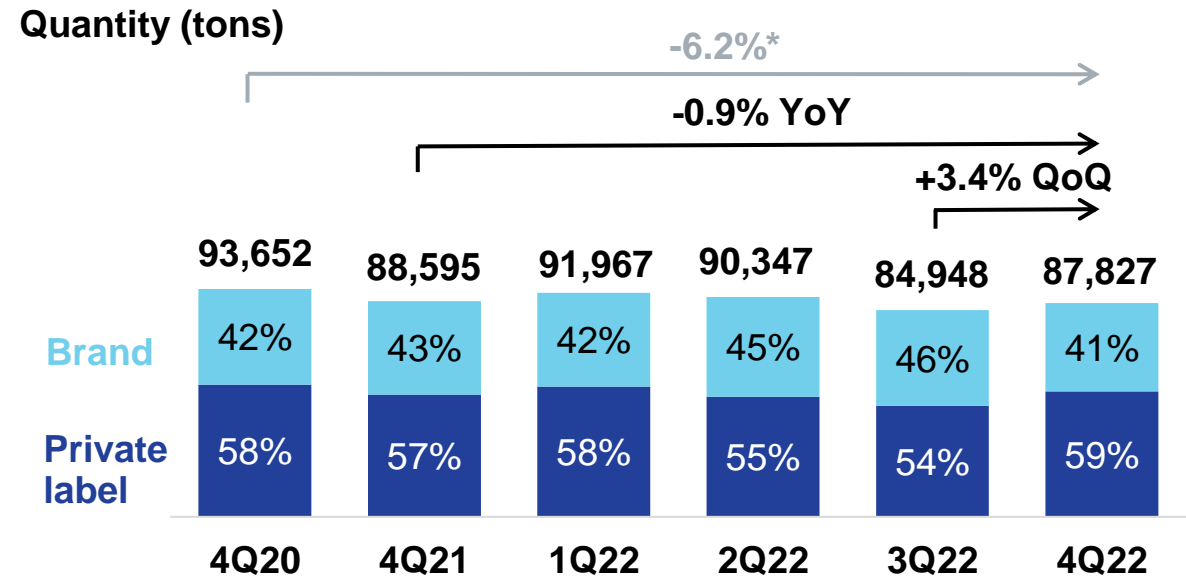


Ambient seafood: Record quarterly sales with healthy GPM



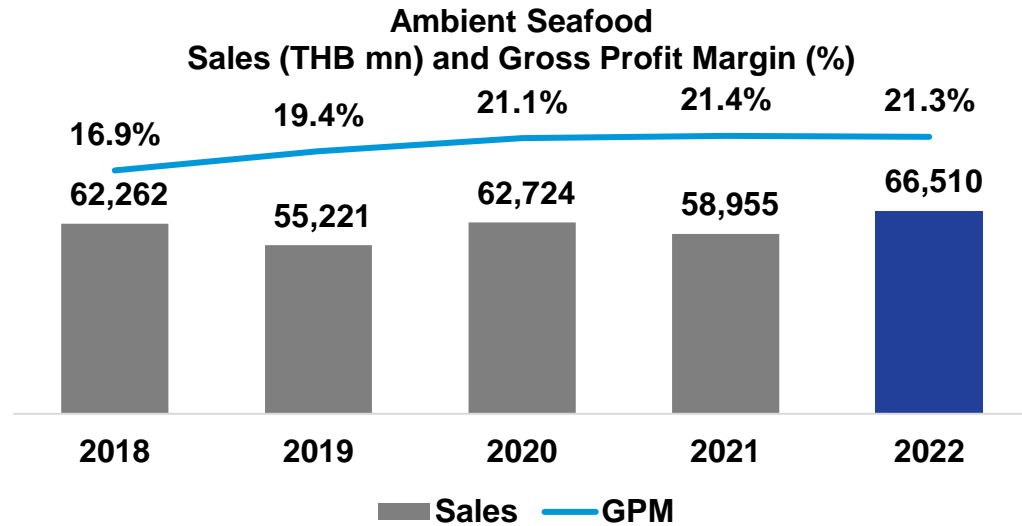
Remark: *4Q20 was a high base from the first wave of COVID-19

** Including THB 164mn Rügen Fisch restructuring costs accrual. Adjusted GPM 2Q22 was 20.5%.



- **4Q22 ambient seafood recorded quarterly sales, which grew strongly at 13% YoY**, mainly supported by higher selling prices. Volume slightly dropped 1% YoY, mainly from temporary effect of price increase in Germany, UK, and Italy, offset by growth from France, Asia and the U.S.
- **Increased ambient sales**, in both branded (+5.6% YoY) and private label (+21.5%). Despite the recession concern, the demand is still strong, however, there has been a portfolio adjustment between branded and private labels.
- Continued to deliver **healthy gross profit margin at 21.2% in 4Q22**, thanks to higher selling prices from our strategic lever of price negotiation, product mix, and cost efficiency management.

2022 Ambient seafood: Continued strong demand amid concern of global recession



2022 sales grew 13% YoY to THB 66.5bn

- Ambient seafood delivered record sales **in key markets** from higher selling prices and strong demand, especially Asia and the U.S. after last year's normalization from pantry-loading during the 1st wave of the pandemic in 2020.
- Gross profit margin was **solid at 21.3%**, driven by product mix, despite an increase in raw material prices, especially tuna.



Continued to launch innovative products to serve the strong demand for canned seafood and sustainability globally

- Positive from **selling price increase** and **product mix**, focusing on premium and higher margin products, while **demand remained strong** in key markets, the U.S. and Asia
- Ongoing **price negotiation** to cover material price increase in 2023

Chicken of the sea, 1st rebranding in 20 years

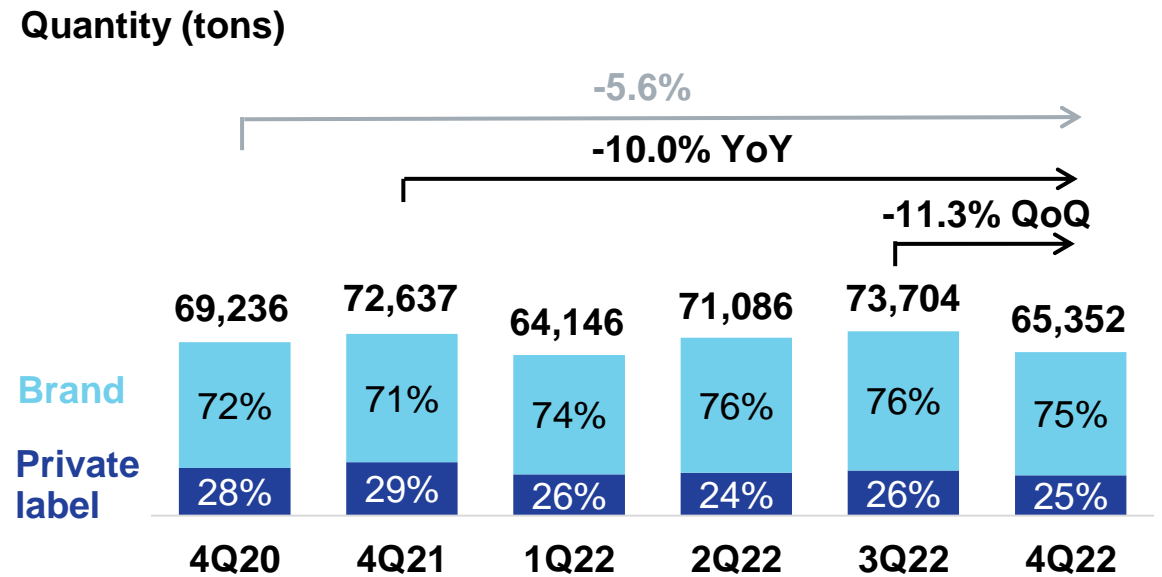
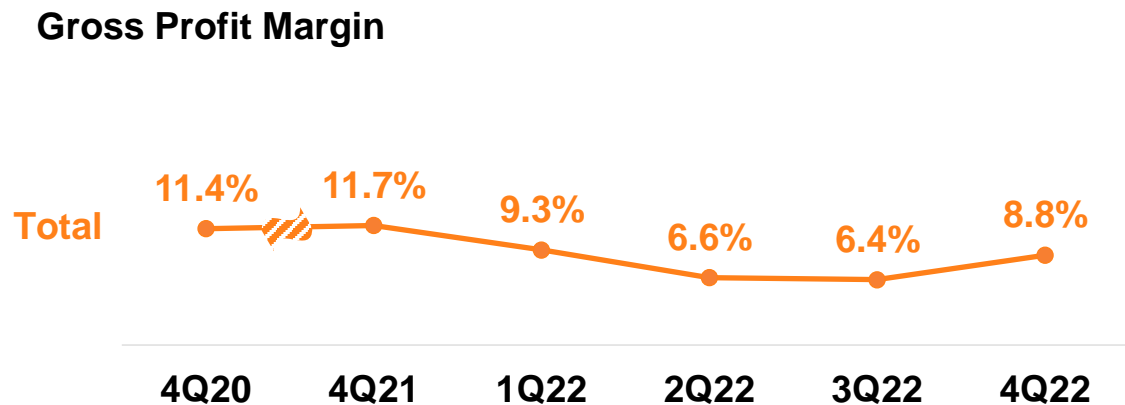
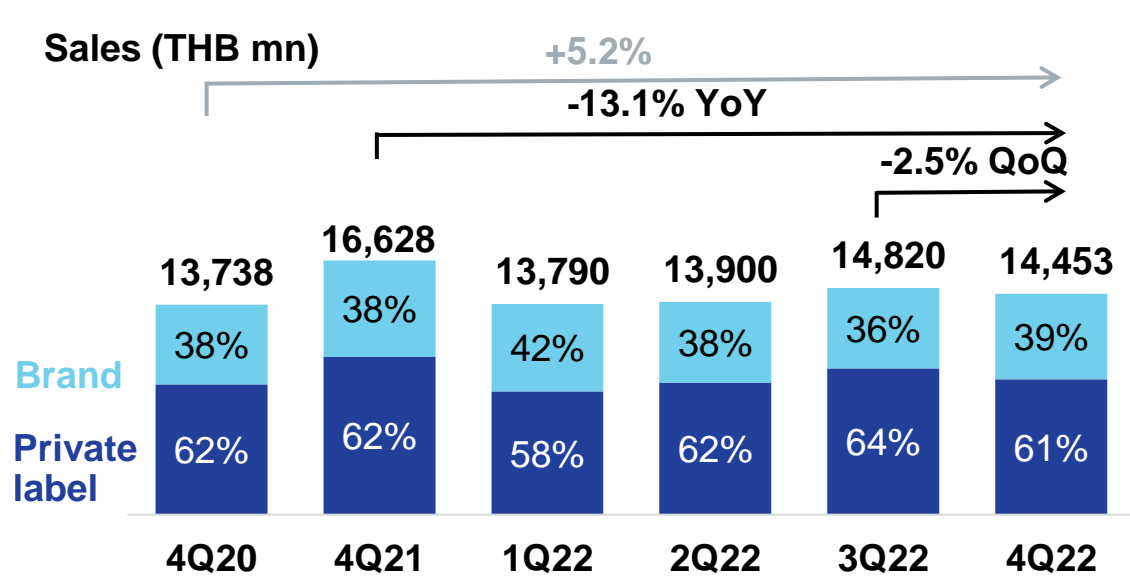
- Introducing a **new packaging** design that reflects a more modern approach and support Health and Wellness trends
- Drive awareness of **functional seafood benefits** with key partners and key influencers
- New website** launching



Continued to invest in cost efficiency & automation

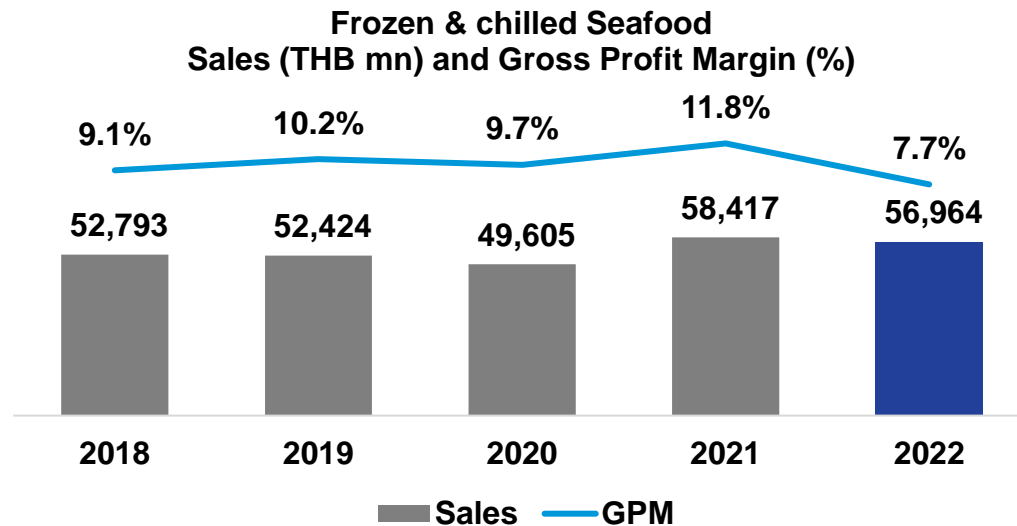
- New cold storage project in Ghana on track** to increase inventory management efficiency

Frozen & chilled seafood: GPM significantly recovered from 3Q22 but slightly dropped YoY from market price normalization in the U.S.



- **4Q22 frozen and chilled seafood sales dropped YoY from last year's exceptional performance**, particularly in the U.S, offset with strong sales in Europe. Volume dropped mainly from our feed business decline due to focus on high margin products.
- **4Q22 gross profit margin significantly recovered from 3Q22** from both branded and private labels. However, it slightly declined YoY from the impact of market price normalization in the U.S., particularly lobster and crab, higher logistics costs, and higher raw material prices when compared with 4Q21.
- **Frozen and chilled seafood margin recovered QoQ**, mainly from an improving in key material costs and inventory management

2022 Frozen & chilled seafood: topline normalization after exceptional 2021 performance and profitability hurt by market price volatility in the U.S.



2022 sales slightly dropped 2% YoY to THB 57.0bn

- Frozen & chilled slightly dropped mainly from softer demand from retail and foodservice businesses in the U.S. due to high inflation. This was partly offset by **strong demand in Asia and Europe**, supported by higher selling prices.
- Gross profit margin dropped from the market normalization in the U.S., raw material prices remained at a high level, and supply chain challenges.

Growing our business through innovative and value-added products, market expansion and cost efficiency

- Launched **Red Lobster frozen retail products**, available in the U.S., both offline (totaling 5,200 stores) and online



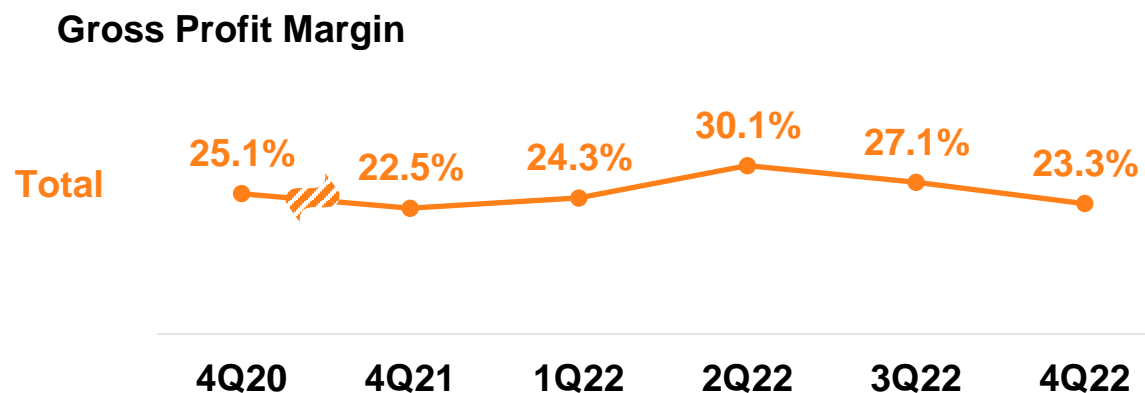
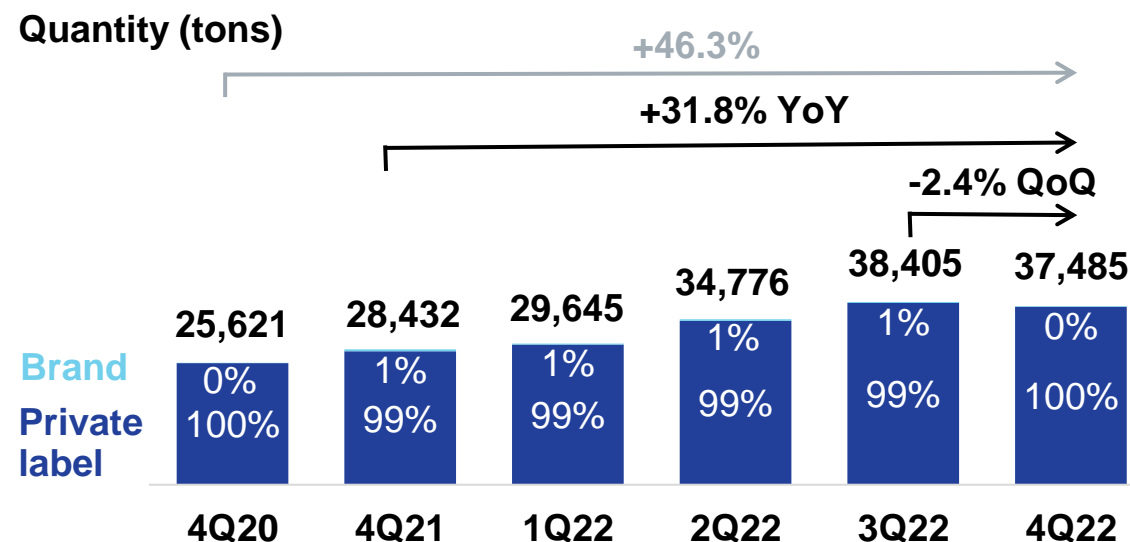
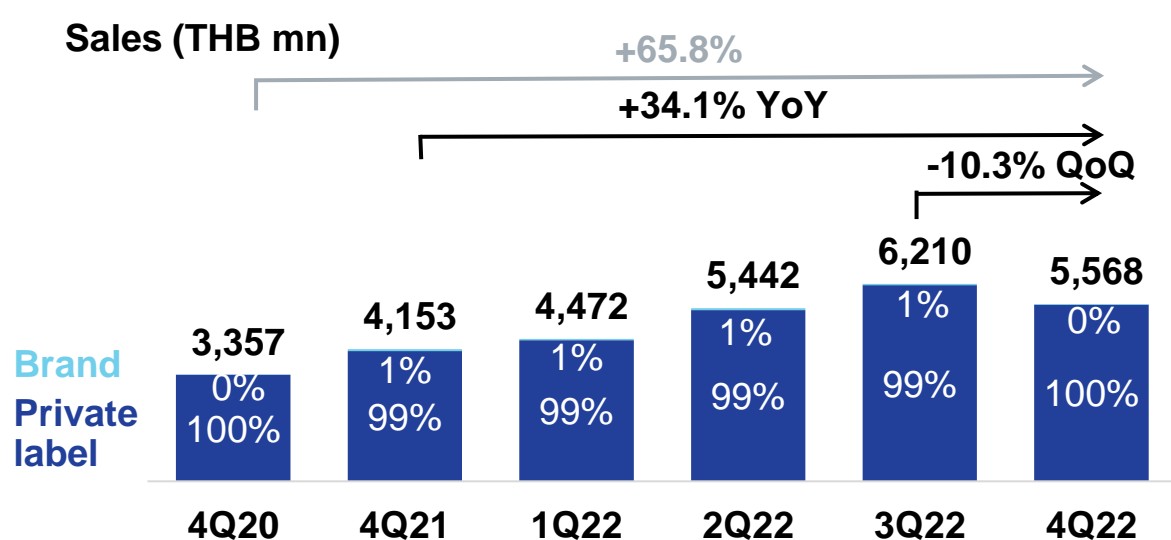
- Qfresh**, expand customer bases to **Premium Dining** segment i.e. professional used (HORECA) and strengthened brand awareness through collaboration campaigns with Greyhound Café, BarBQ Plaza & Chef table



- Thammachart seafood**, new innovative products launching, **Japanese Soy Sauce** and **Teriyaki Sauce**, serve convenience trend in premium sector

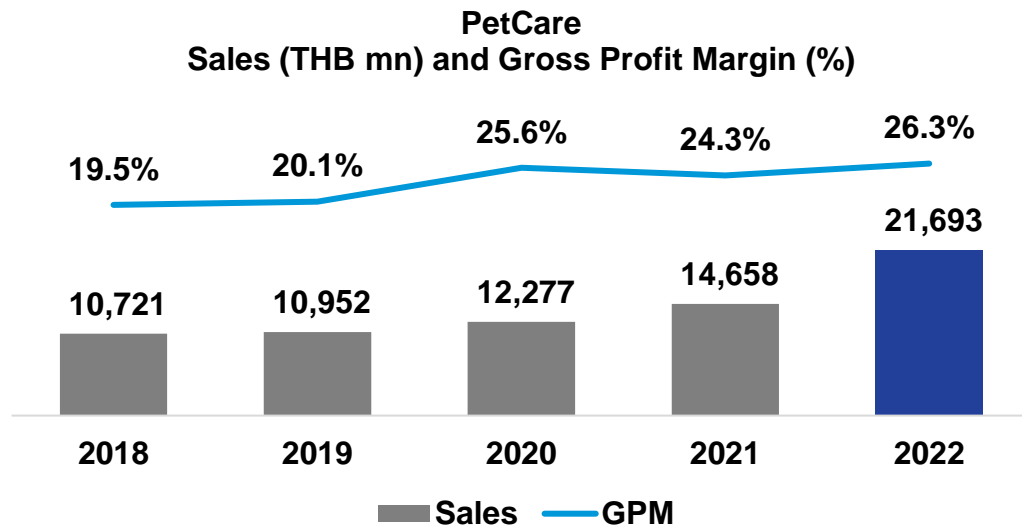


PetCare: Record quarterly volumes with significant sales growth from last year



- **4Q22 PetCare sales grew exceptionally at 34% YoY**, thanks to continued strong demand (+32% YoY), higher selling prices, product mix, and portfolio expansion to new customers. Sales and volume dropped from Q3 due to less shipment orders from the customer from overstock in 3Q22.
- **4Q22 gross margin was at 23.3%**, slightly rising from last year driven by strong demand, higher selling prices, and our strategy to focus on new innovative products with higher margins, offset by one-off recruitment expenses and higher labor costs from minimum wage increase.
- **PetCare sales and margin expanded impressively** in 2022

2022 PetCare: Record high sales from strong momentum



2022 sales grew significantly 48% YoY to THB 21.7bn, GPM above 26%

- **Significant growth** was driven by higher selling prices and strong demand momentum
- We focus on **uplifting margins** from automation and growing a new innovative products portfolio of pet treats such as insect protein.

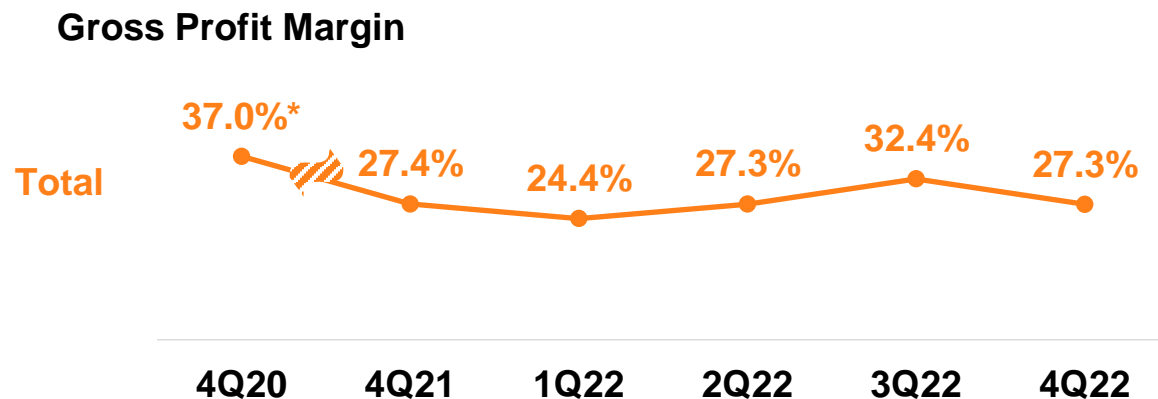
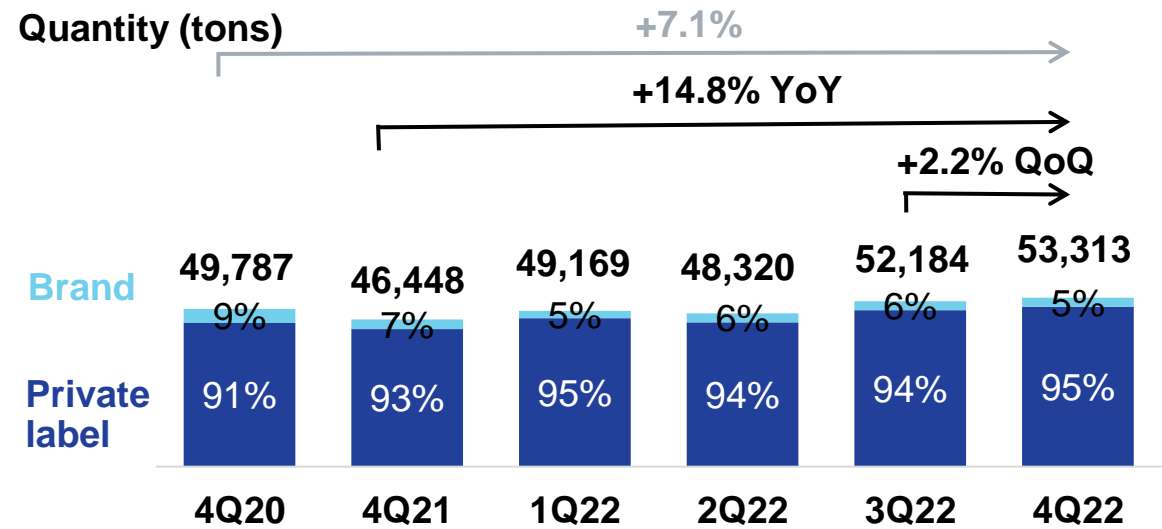
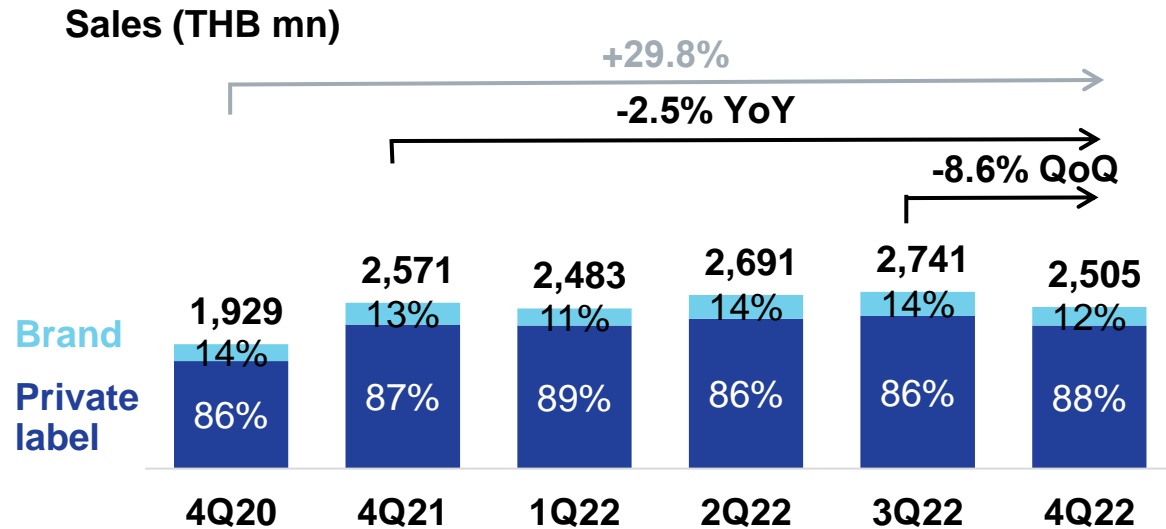
PetCare: Investing into capacity expansion & production efficiency

- **Announce new sales office in China** to expand market presence in China and **Netherlands** with leading grocery retailers, e-commerce players, and pet specialists in EU market
- **Expanding our plant:** To support business expansion, strategic growth, and increase competitiveness of our PetCare business (+18.7% capacity increase, from >172,000 tons/year*)
- **Warehouse automation:** 48% is automated (labelling, storage, retrieval, etc.), with target to achieve 100% within 2024
- **Cattery facility:** Our innovative, pet food tasting center to provide insights for product R&D and palatability testing from 48 trained cats, to be commercialized in Mar 2023



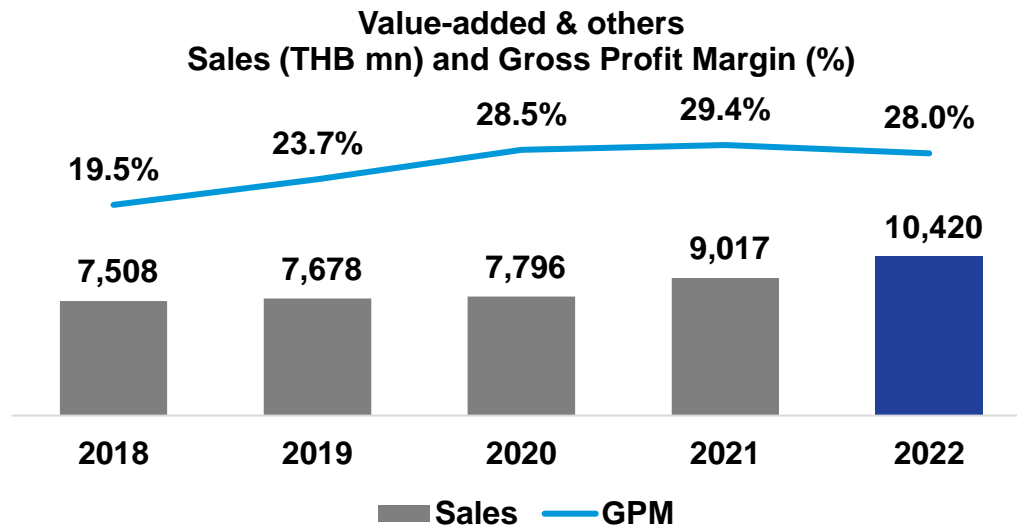
Remark: *The total production capacity of two manufacturing plants in Songkhla and Samut Sakhon.

Value-added & others: Record quarterly sale volumes from mix business changes with a healthy margin



- **4Q22 Value-added sales slightly dropped YoY**, mainly from value-added products volume dropped, offset with continued demand for packaging and new-enhancing businesses from higher selling prices, new product ranges launched, and portfolio expansion to new customers.
- **4Q22 gross profit margin was healthy at 27.3%**, driven by our strategy to focus on higher margin products such as lids, smaller cans, and value-enhancing businesses, offset with higher raw material prices.
- **Continue to increase portion from innovation** with **gross profit margins above 20%**

2022 Value-added & others: Record high sales with attractive 28% GPM



2022 sales grew 16% YoY to THB 10.4bn with GPM 28%

- **Growth was driven by all business units**, packaging, value-added products, and new value-enhancing businesses.
- We focus on **uplifting margins** from automation and a growing new innovative products portfolio such as ready-to-eat, new value-enhancing products, and sustainable packaging.

Packaging and printing continued to be a key driver

- Leverage our production & scale, focus on export products within Thai Union Group, **started exporting to Poland**, as well as higher volumes to external group
- Portfolio adjustment, focusing on the **convenience and sustainable trend** and **higher margin**



Future of Culinary, serving customers globally in 2023

- New, automated, **ready-to-eat production line**, offer a **wide range of products** (i.e., Dim Sum, Pastry, rice, noodles, curry and soup)
- Enhance Thai Union collaboration projects to **serve rising demand for convenient and healthy food products** across the world

Driving growth in our value-enhancing business

We are growing the category with new, innovative products



The transition from tuna oil refinery to omega-3 oil refinery

- Our refinery in Germany had successfully refined salmon, cod liver, and algae oil
- Commercial production, Mara's crude oil, algae-based bio-products, for and non-infant infant food sectors in 2Q22
- Signed a multi-year manufacturing deal with Algorithm Ingredients, subsidiary of Mara (8 Feb)
- New products and expansion of DHA applications outside infant formula through the collaboration with Clover



MARA



ZEAVITA



No. 1 collagen* for 3 consecutive quarters (Q2-Q4 22)

Aggressive growth through strategic partners

- Watson exclusive partnership**, i.e. promoting ZEAVITA at in-store LED, multi-layer home shelf, booth display, and trial size.
- E-commerce**, continue joining high-impact campaigns with Shopee & Lazada
- 7-Eleven**, newly listed 2 collagen products at 12,000 stores on Jan 2023

WHITENING

ANTI-ACNE



Driving future innovation by building an Alternative Protein ecosystem

- Focusing on Alternative Seafood, starting with tuna, shrimp, and crab
- Leveraging our existing asset-base and where relevant new technologies and ingredients such as algae/seaweed
- Leveraging our brands; "OMG Meat" "John West"
- Supporting OEM and Private Label manufacturers to grow the category, through co-creation
- Partnerships to build the ecosystem



2022 new value-enhancing business representing ~THB 750mn sales, increased 68% YoY, from all businesses, with gross profit margin of >25% in 2022. We are targeting >2X sales growth in 2023



2023 Outlook

Targeting further growth in 2023 with improved profitability and record high capex. Softer 1Q expected, balanced with growing following quarters

2023 Guidance**

Sales 5-6% YoY growth*

Gross profit margin ~ 18.0 – 18.5%

SG&A to sales ~ 11.0 – 12.0%

Effective interest rate Increase 0.5-1.0%

CAPEX ~ THB 6.0 - 6.5bn

Dividend policy At least 50% dividend payout ratio



Ambient

- Further price increase, covering high material costs
- **OEM**: Sales in wide ranges (including AP), innovation commercialization through food service business, and margin improvement through portfolio mix management
- **Branded**: Margin improvement through sustainable packaging and health & wellness innovations and line extensions (including AP) and cost management

Frozen

- Normalize selling and raw mat. price in the U.S. market
- Move to value-added, further expansion into finished and pasteurized crab and lobster
- Penetration and expansion into new markets
- Recovery of restaurant & retails sectors from re-opening country scheme

Pet Care

- Core business growth through innovation including, AP, wet dog and treats
- Expansion in high growth geography (China)

VA

- Customer and geography expansion - market share gains and economic of scales
- New category and channel launches, marketing efficiency, customer retention

Remark: *Under FX rate assumption rate of 35.0 THB/USD; potential translation sensitivity for 1 THB/USD change is estimated impact on topline 0.7-0.8%.

**2023 will have a dilution impact from ITC IPO



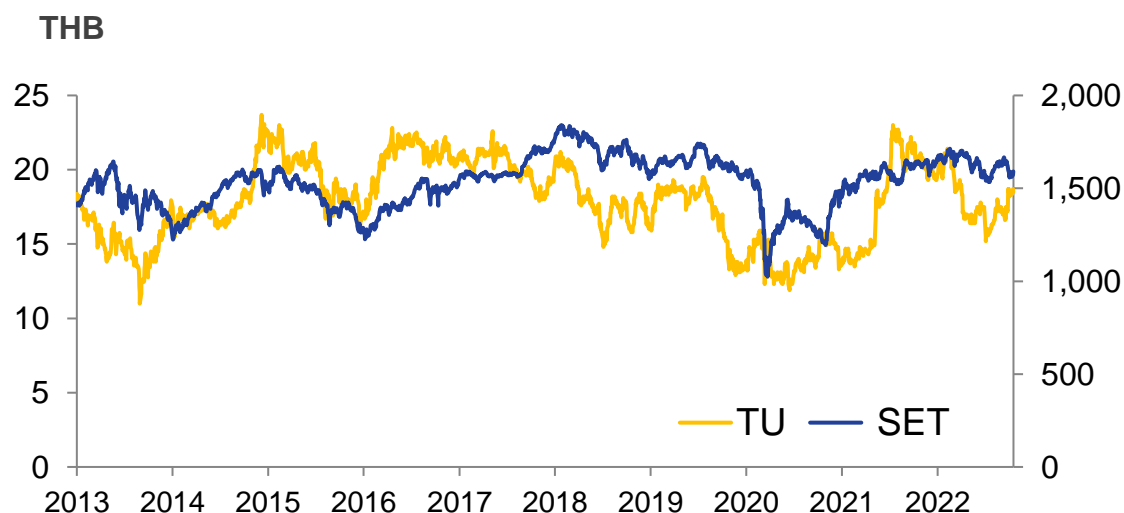
Thank You!



Share capital information

Stock Performance at a Glance

Bloomberg/ Reuters	TU TB/ TU.BK
Share price (Feb 17, 2023)	THB 15.70
Historical closing price	
52-week high	THB 21.30
52-week low	THB 15.20
No. of paid up shares	4,771.8mn
Par value	THB 0.25
Market Capitalization	THB 75.4bn

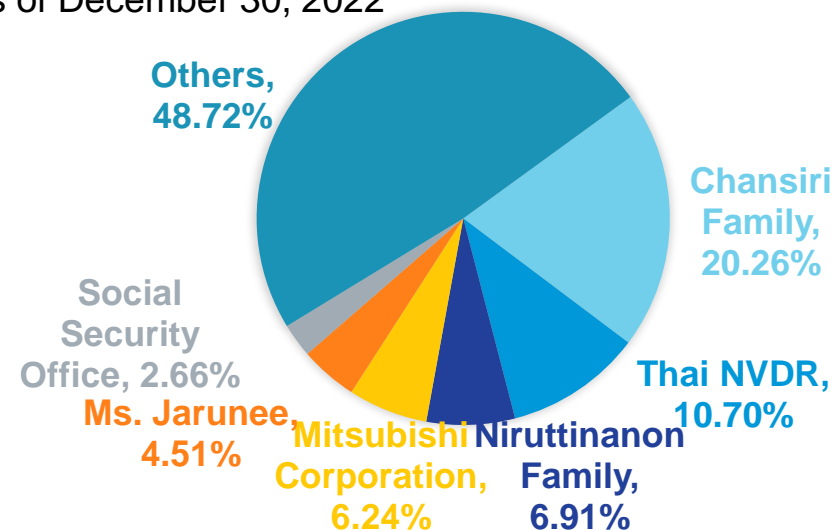


Source: SET and TU

Remark: No. of paid up shares includes the treasury shares TU repurchased at 117mn shares during 2020.

Major Shareholders

As of December 30, 2022



Free float	65.2%
Foreign ownership/ Foreign limit	26.4%/ 45.0%

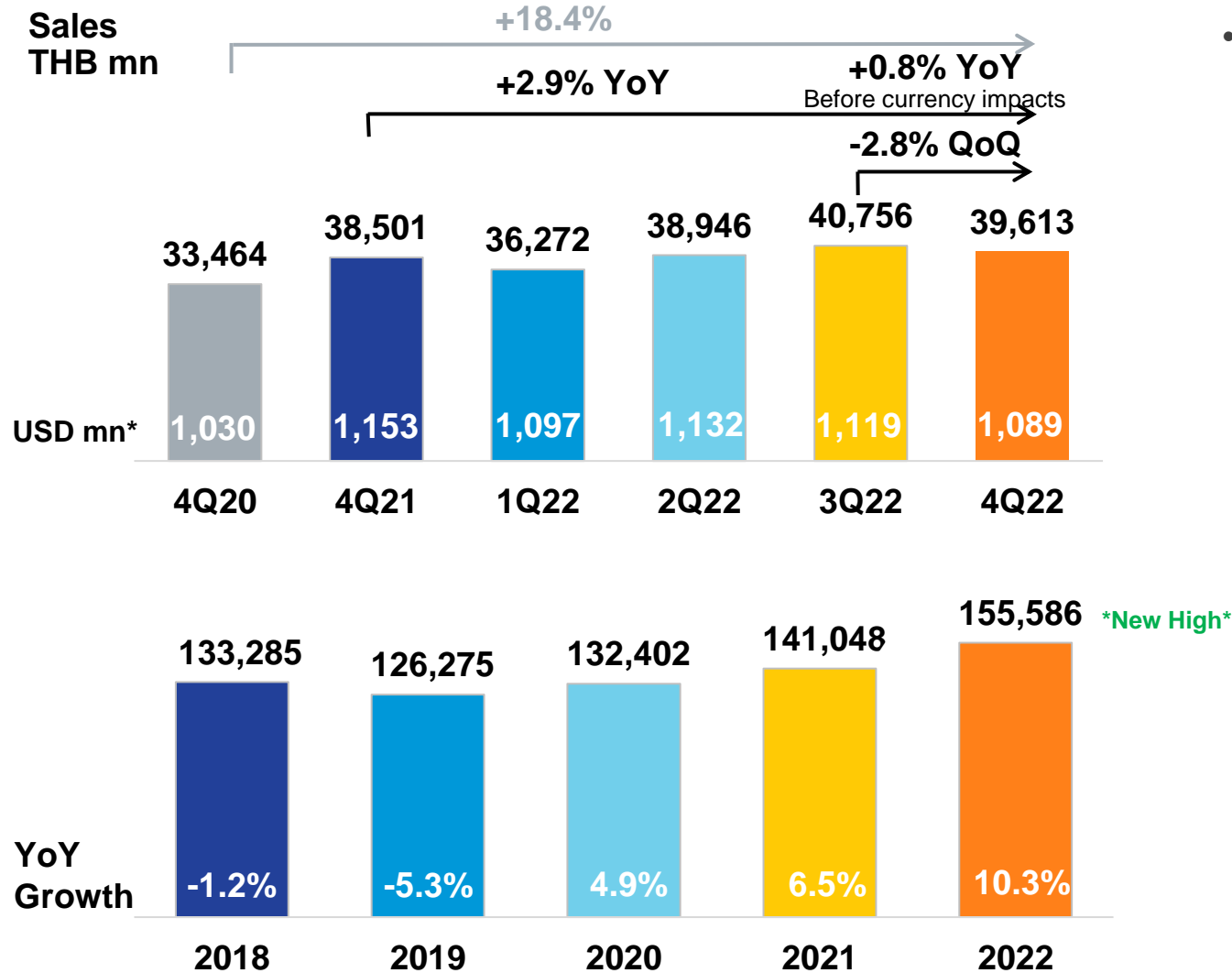
Dividend Policy

Minimum 50% payout of our net profit with semi-annual payments

DPS (THB per share)

Period	2H22	1H22	2H21	1H21	2H20	1H20	2H19	1H19
DPS	0.44	0.40	0.50	0.45	0.40	0.32	0.22	0.25

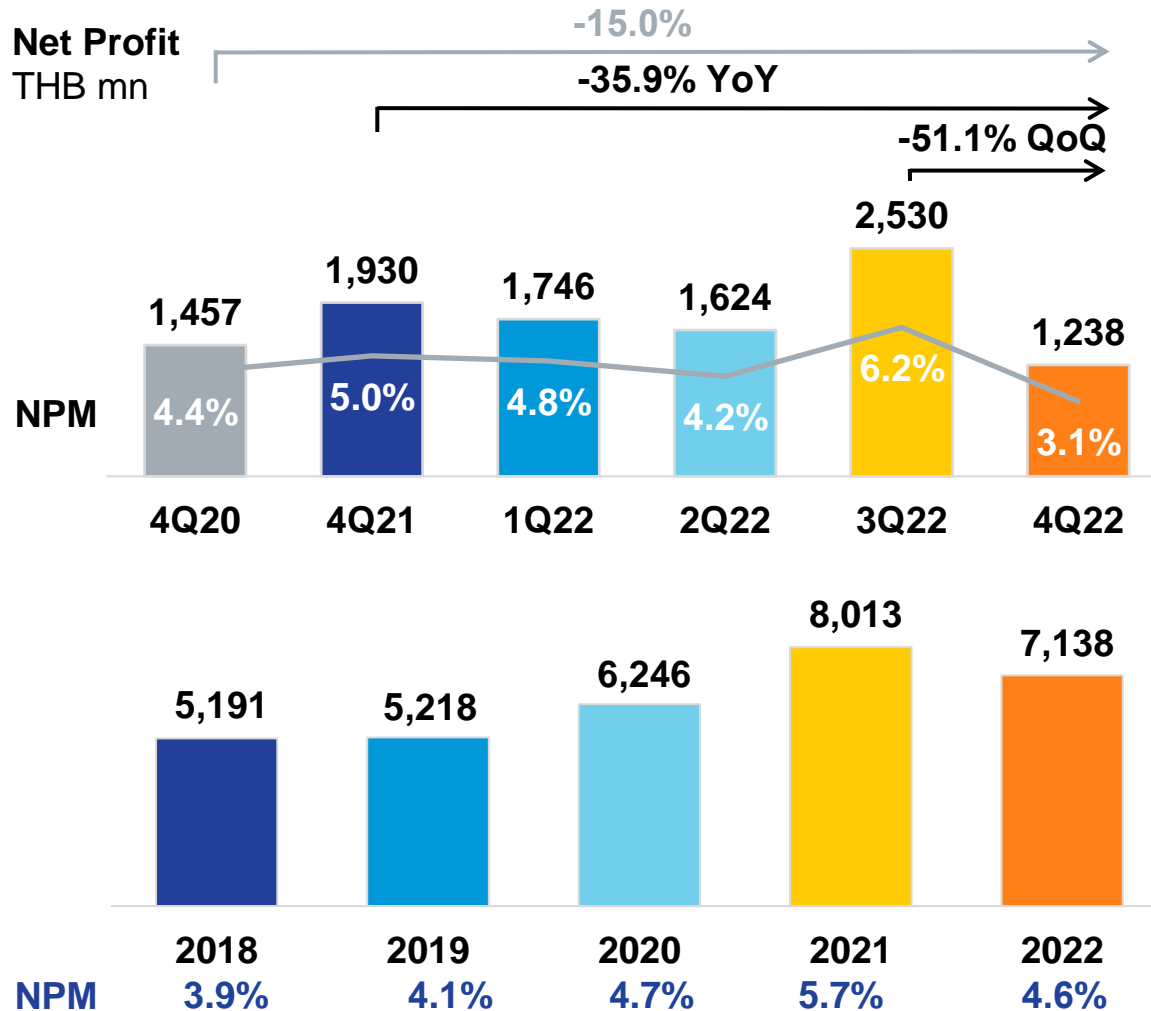
All time high sales, driven by higher selling prices and FX, especially PetCare and Ambient business



- **4Q22 sales growth of 2.9% YoY, driven by:**
 - **PetCare** sales grew exceptionally at 34% YoY, thanks to continued strong demand (+32% YoY), higher selling prices, product mix, and portfolio expansion to new customers.
 - **Ambient seafood** recorded quarterly sales, which grew strongly at 13% YoY, mainly supported by higher selling prices and strong demand, particularly in Asia and the U.S
 - **Frozen and chilled seafood** sales dropped by 13% YoY from last year's exceptional performance in the U.S., offset with strong sales in Europe.
 - **Value-added and others** sales slightly dropped from lower value-added products volume, offset with continued demand for packaging and new-enhancing businesses
 - **Positive FX impact from USD gain, partially offset by EUR and GBP loss.**

Remark: Excluding one-time net accrual for US legal-related settlement of THB1,402mn (2Q19) and THB1,359mn (2Q18), ESCo business closure-related expenses of THB489mn (2H18) and TMAC investment impairment of THB 87mn (4Q18).

2022 net profit was impacted by RL preferred share adjustment and a Germany factory restructuring

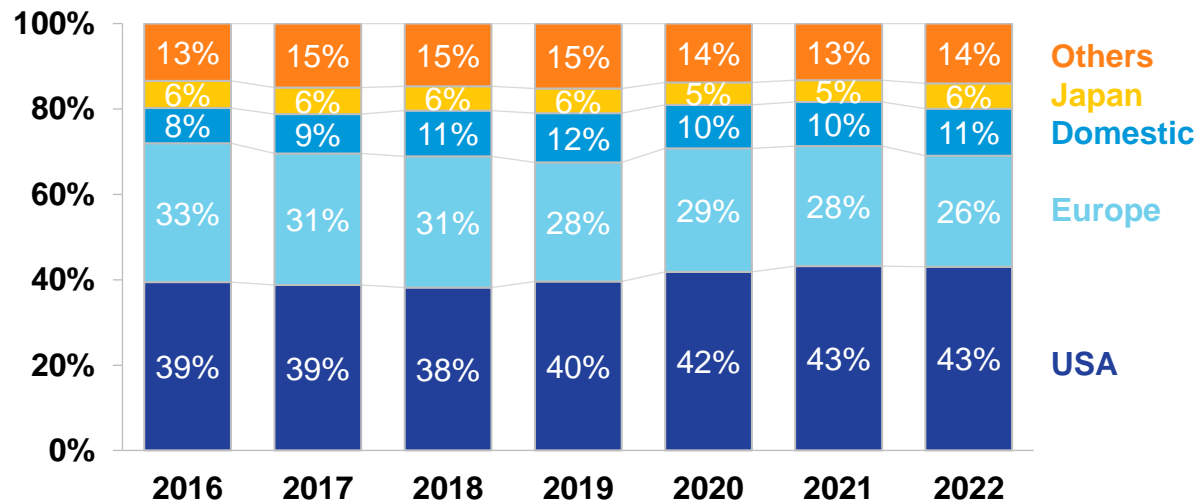


- **4Q22 reported net profit was at THB 1,238mn, down 35.9% YoY, mainly impact by:**
 - Higher RL's share of loss from operations at THB 1,207mn vs. THB 178mn in 2021, RL's preferred share interest (THB 18mn in 2022 vs. THB 1,216mn in 2021), and FX losses of THB 468mn
 - Partially offset with strong operating profit from volume growth and category mix, and higher tax credit of THB 170mn in 4Q22 from US operations lower profitability.
- **Excluding non-cash items from RL preferred share adjustment and Germany's factory closure, TU delivered strong net profit of THB 8.2bn with NPM at 5.2% in 2022 (please refer to slide 7)**

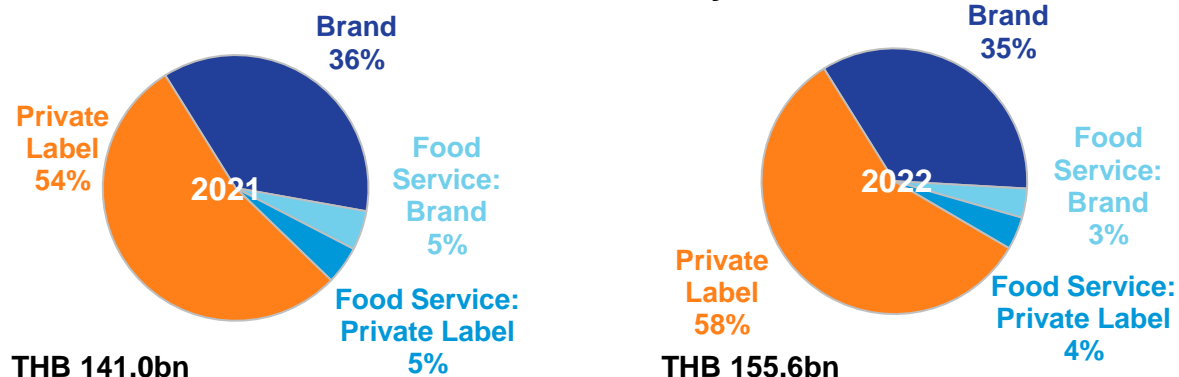
Remark: Excluding one-time net accrual for US legal-related settlement of THB 1,402mn (2Q19) and THB 1,359mn (2Q18), ESCo business closure-related expenses of THB 489mn (2H18) and TMAC investment impairment of THB 87mn (4Q18).

Strong sales growth from all key regions, led by Asia market, especially Thailand and Japan

Sales Breakdown by Geographic



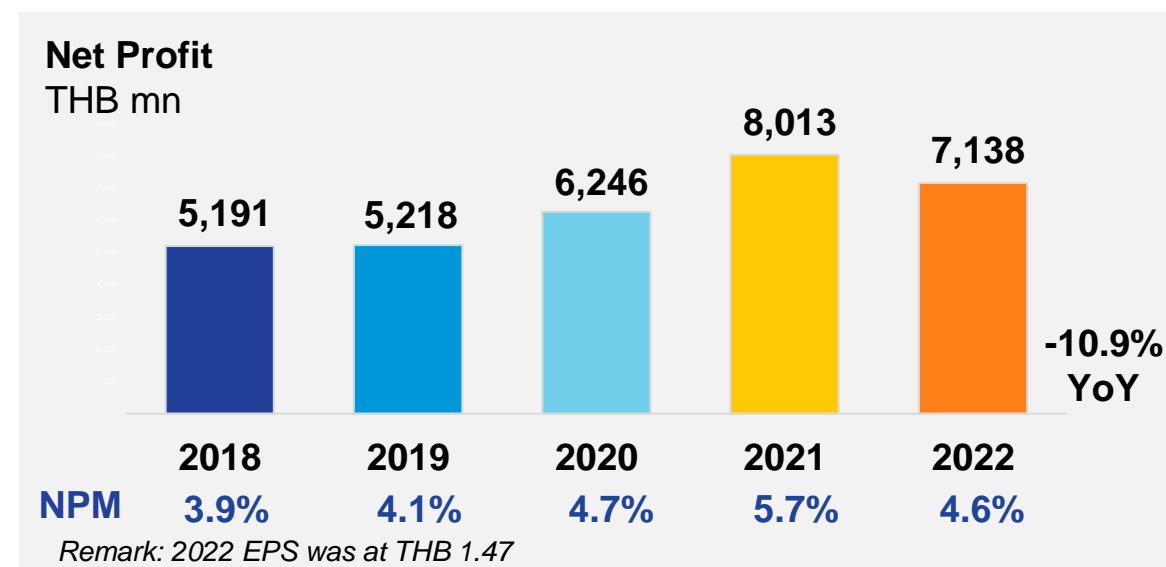
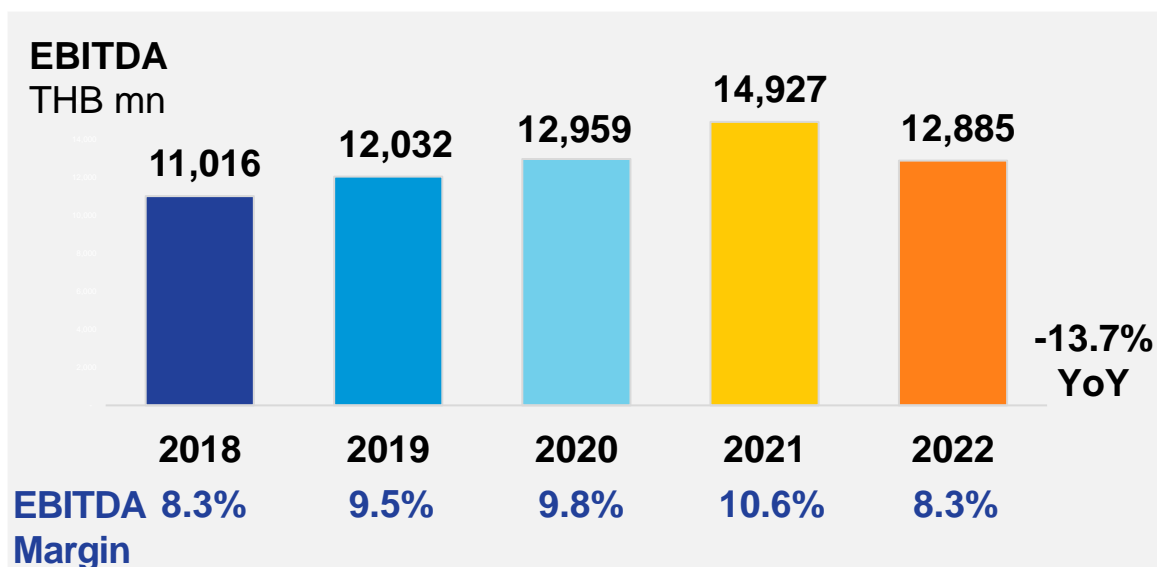
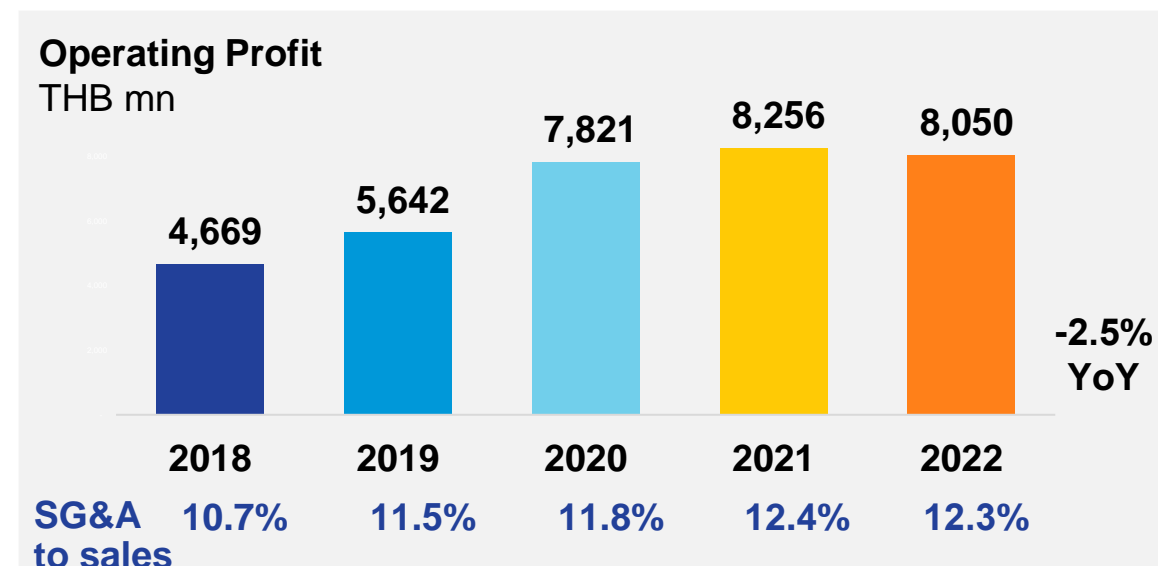
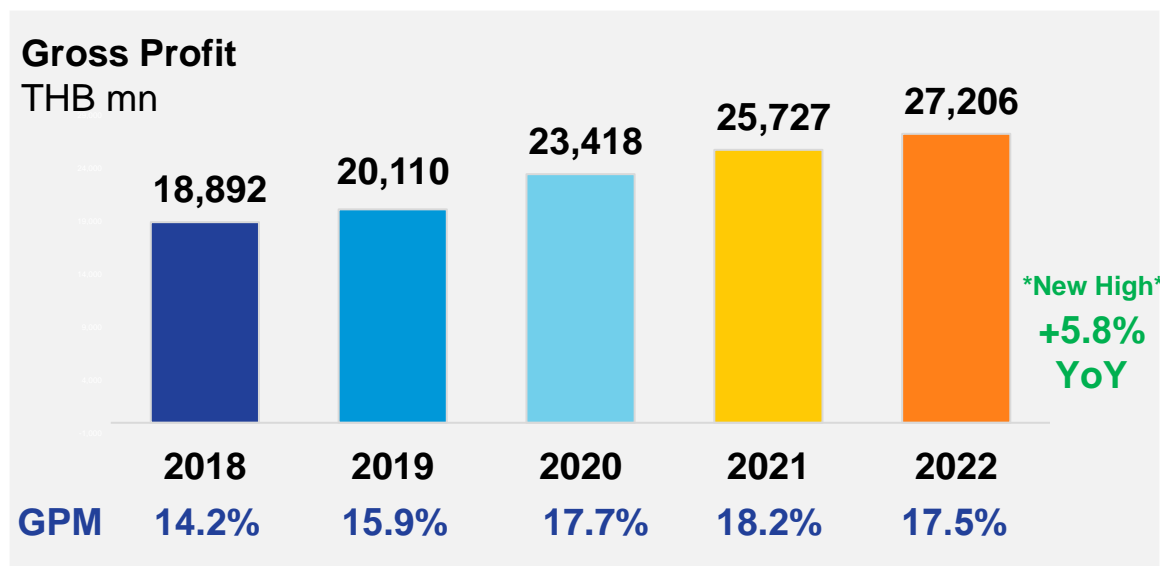
Sales Breakdown by Business



Remark: Others represent Asia, Australia, Middle East, Canada, Africa and South America

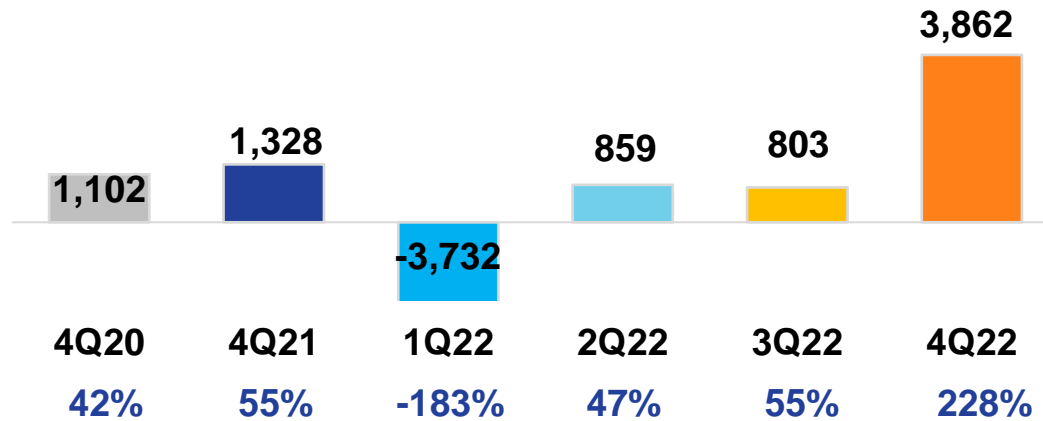
- **2022 higher sales from all key regions, especially the U.S., Thailand, Japan, and the rest of the world**
 - The U.S., Thailand, and Japan sales rose by 9% YoY, 12% YoY, and 25% YoY respectively
 - Europe sales slightly increased 3% from last year, despite the energy crisis and the recession
 - The rest of the world's proportion increased, led by Middle East, Australia, China, and Africa
- **2022 branded and private-label business sales mix was at 38% and 62%, respectively**
 - Total branded sales increased 2% YoY, mainly from strong demand for branded products sales rose 5% YoY offset with declining performance of foodservice businesses
 - Total private-label sales reported growth of 16% YoY, driven by higher sales, especially in PetCare, Value-added and Ambient seafood

New high 2022 gross profit with a healthy margin

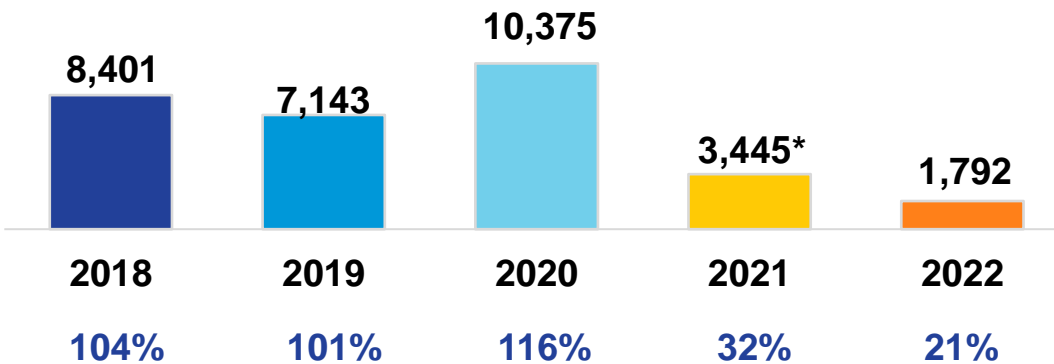


THB +3.8bn 4Q22 great free cash flow thanks to NWC improvement

Quarterly Free Cash Flow
THB mn



Annual Free Cash Flow
THB mn



- **Free cash flow in 4Q22 is significantly positive**, mainly from net working capital substantial improvement, thanks to freight cost and transit time normalization, close to pre-covid level.
- **2022 Net Capex spending was THB 5,039mn**, from forecasted capital expenditure (CAPEX) at THB 5.0b.
- **Thai Union remains committed to investing in innovation** and projects for improving operational efficiency **to meet our 2025 goals**.

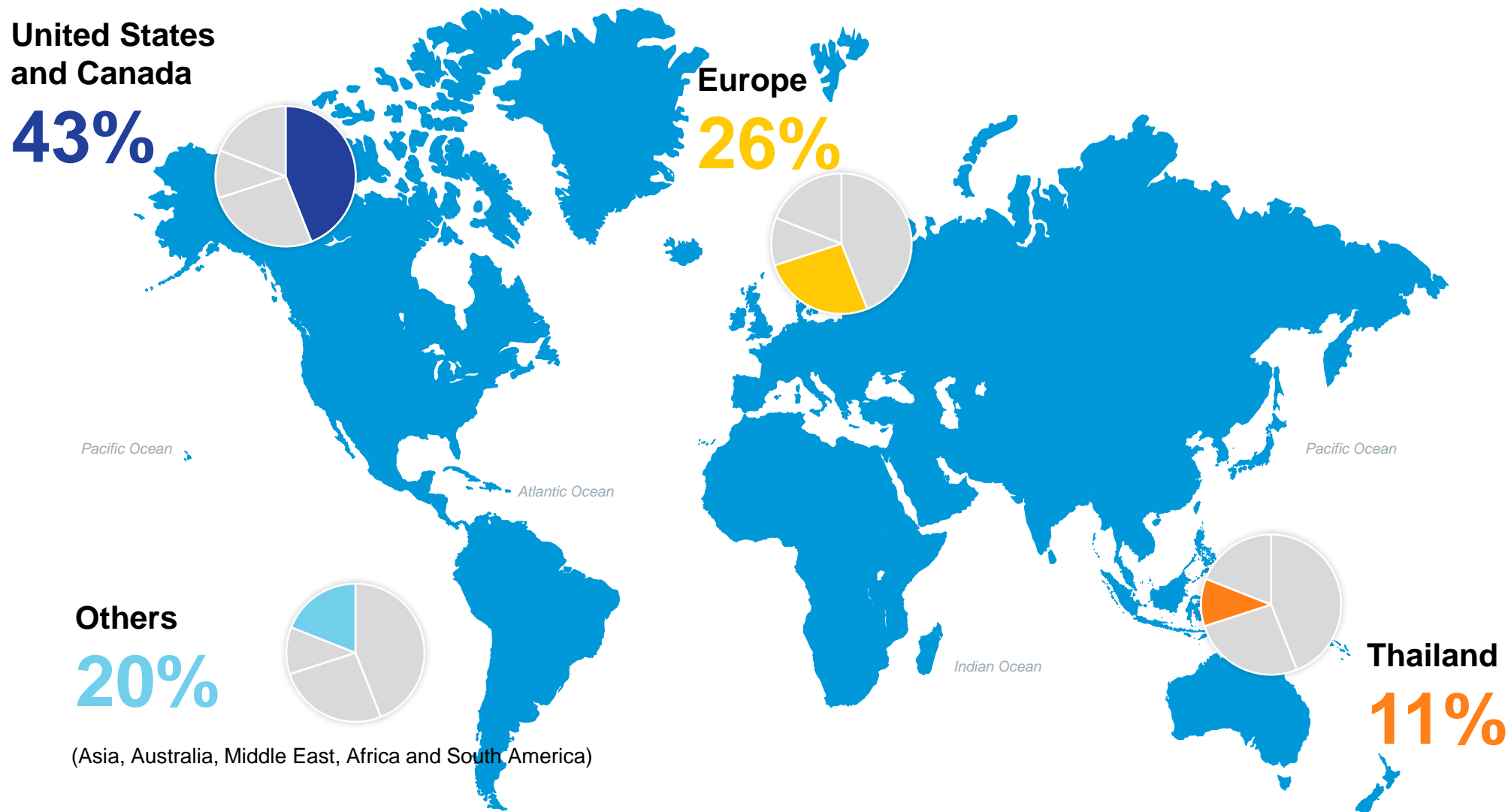
Remark: Change definition of Free Cash Flow;

¹Cash Conversion Rate = FCF / EBIT; FCF= EBITDA-Changes in net working capital – Change in other assets& Liabilities + non-cash expenses – CAPEX

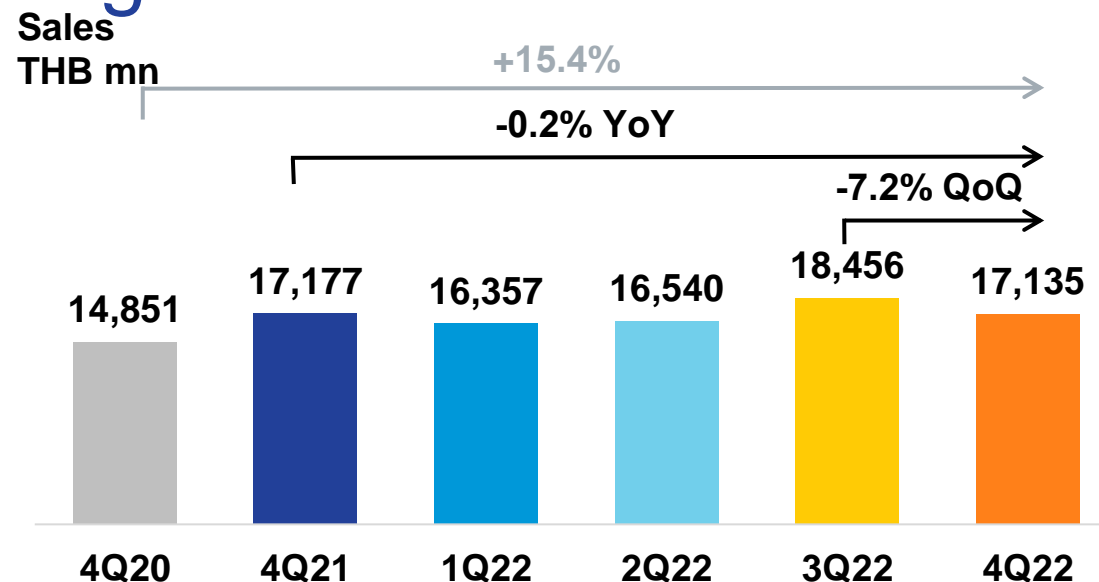
FCF is based on reported financial statement basis

*Net CAPEX including THB 400mn receipt from the sale of piece of land during 2021.

2022: Record high sales in the U.S. and Thailand



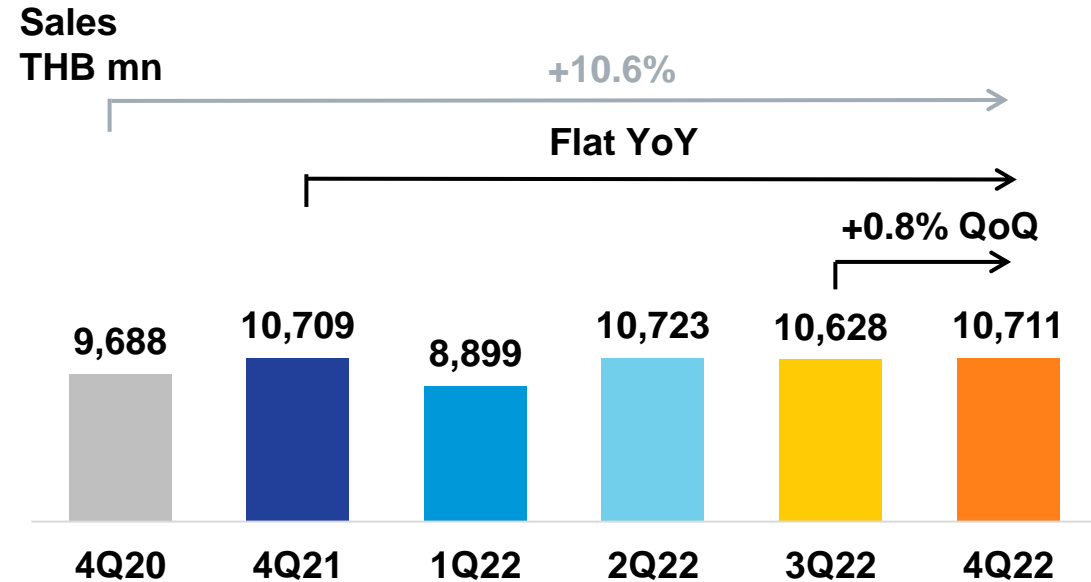
US & Canada: Stable YoY, mainly from frozen market normalization, offsetting by strong Ambient and PetCare



4Q22 North America sales stable YoY

- Stable quarterly sales in 4Q22, driven by strong growth of Ambient and PetCare, higher selling prices, and favorable FX, despite rising inflation and concerns of a recession
- Frozen remains deteriorating from market correction after last year's exceptional performance.
- Supported by favorable FX from THB depreciation (USD/THB +9.0% YoY)

Europe: Sales stable YoY, thanks to higher volume and price increase in key markets offset with unfavorable FX



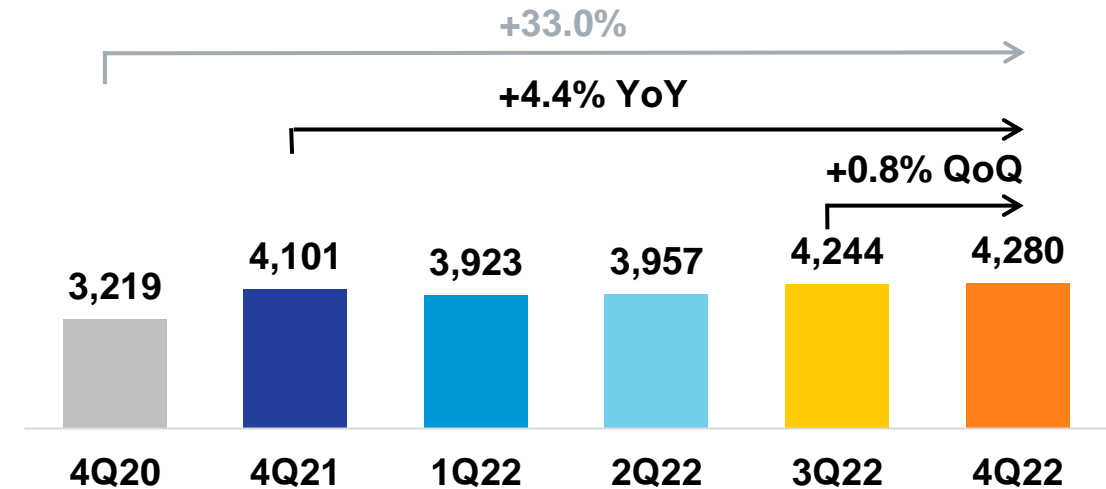
4Q22 European sales stable YoY

- Sales stable YoY, driven by higher selling prices and volume growth from Frozen, PetCare, and Value-added businesses, offset with Baht appreciation (GBP/THB -5.3% YoY) (EUR/THB -2.9% YoY)
- Volumes of the Europe market remained strong in key markets, especially France and Germany, offset by UK and Italy decreased.

Thailand: All-time high topline, driven by growth from ambient, PetCare, and value-added



Sales
THB mn



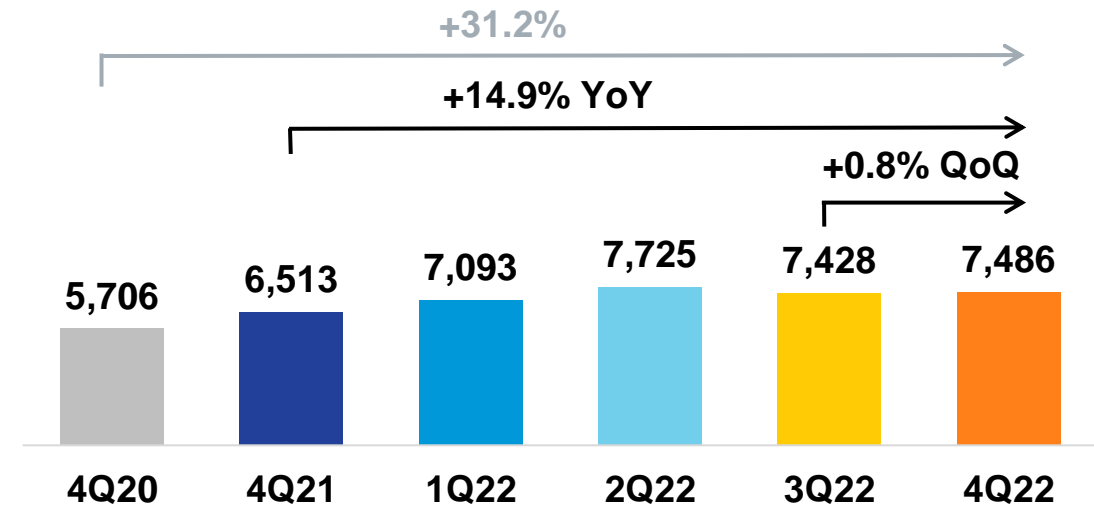
4Q22 Thailand sales increased 4% YoY

- Domestic sales grew impressively with record-high quarterly sales in 4Q22, driven by Ambient, Petcare, and Value-added business from higher selling prices.
- Frozen and chilled seafood sales are stable from last year's strong turnaround in food service businesses, offset with recovered performance of the feed business

Emerging Markets (EM) and rest of the world: Strong growth in all key countries



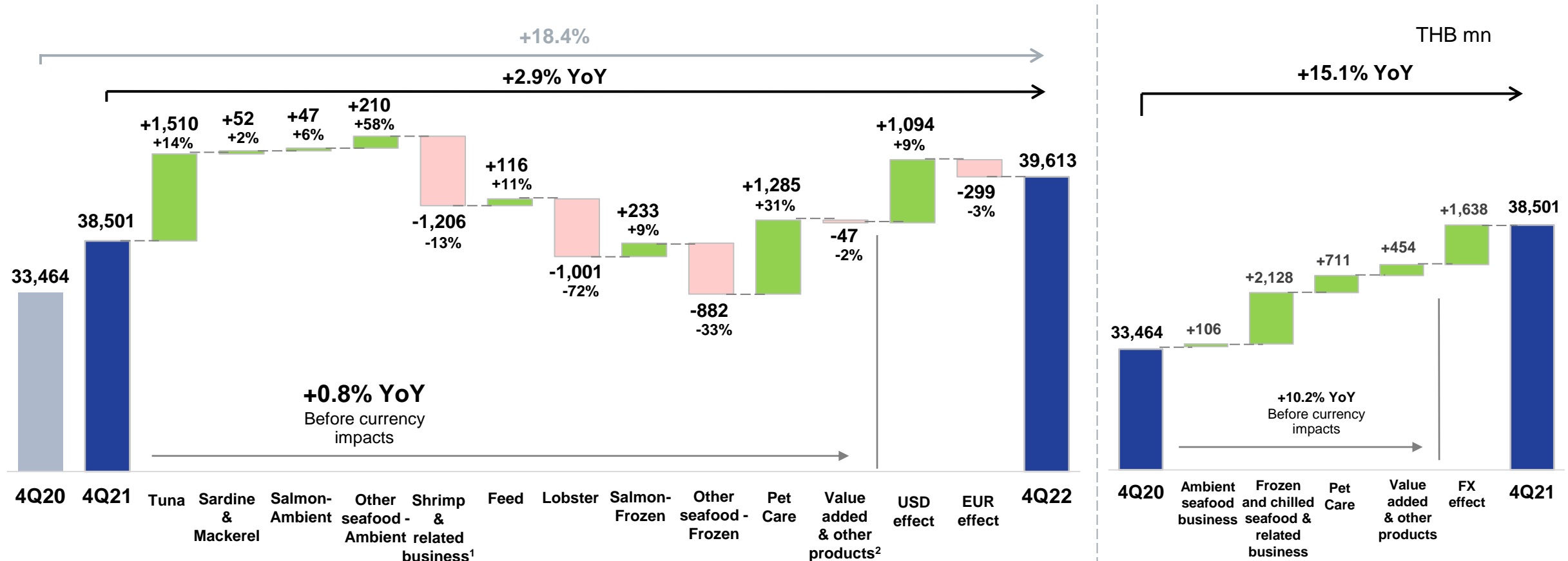
Sales
THB mn



4Q22 EM and rest of world sales rose significantly 15% YoY

- Sales increased from all key countries, mainly in the Middle East (+40% YoY), Africa (+48% YoY), and China (+8% YoY), thanks to higher sales in ambient seafood and PetCare products
- Frozen and Chilled seafood sales remained strong in key markets, while value-added dropped from packaging business.

4Q22 revenue component: Ambient and PetCare remained strong momentum



4Q22 revenue component

4Q21 revenue component

Remark: ¹Shrimp & related business comprises of frozen shrimp

²Value-added & other products include ingredients, supplements, alternative protein, packaging and sales of scrap, such as surimi-based fish snacks, microwave oven ready meals, Chinese-style dim sum, packaged cooking sauce, scrap from fish and shrimp processing lines, crude and refined tuna oil, bakery products, empty cans for ambient seafood, printing service for can labels

4Q22 Category profitability

Business category	Sales THB mn	Margin %	Gross profit THB mn
Ambient seafood <ul style="list-style-type: none"> • Tuna • Sardine and mackerel • Ambient and pouched salmon • Ambient - Other seafoods¹ 	17,086 (4Q21: 15,149)	21.2 (4Q21: 22.7)	3,622 (4Q21: 3,444)
Frozen and chilled seafood <ul style="list-style-type: none"> • Shrimp and related² • Lobster • Frozen, chilled and smoked salmon • Other seafood³ 	14,453 (4Q21: 16,628)	8.8 (4Q21: 11.7)	1,265 (4Q21: 1,941)
PetCare⁴	5,568 (4Q21: 4,153)	23.3 (4Q21: 22.5)	1,298 (4Q21: 934)
Value-added and others⁵	2,505 (4Q21: 2,571)	27.3 (4Q21: 27.4)	684 (4Q21: 704)
Total	39,613 (4Q21: 38,501)	17.3 (4Q21: 18.2)	6,868 (4Q21: 7,023)

Remark: ¹Ambient – other seafood includes cod liver and others

²Shrimp & related business includes frozen shrimp, shrimp feed and value-added shrimp

³Other seafood includes frozen cephalopod, crab, scallop, shellfish and other fish

⁴PetCare includes wet seafood-based cat and dog foods, cat and dog treats

⁵Value-added and other products include ingredients, supplements, alternative protein, packaging and sales of scrap, such as surimi-based fish snacks, microwave oven ready meals, Chinese-style dim sum, packaged cooking sauce, scrap from fish and shrimp processing lines, crude and refined tuna oil, bakery products, empty cans for ambient seafood, printing service for can labels