

### 1Q19: Solid recovery, strong start for 2019

#### Revenue

1Q19 sales grew by 0.1% YoY to THB 29,369mn despite European currencies depreciated against Thai Baht. Excluding foreign exchange impact, 1Q19 sales would improved 2.3% YoY. The growth was largely driven by strong sales volume growth in Frozen and Chilled Seafood and PetCare businesses, while Ambient Seafood business sales was hindered by the aforementioned currency movement. 1Q19 sales in US Dollar term was at USD 929mn.

#### Gross profit

1Q19 Gross profit was at THB 4,382mn, up 29.3% YoY, due to more stable raw material prices, improved operation efficiency and a focus on value-added products. As a result, 1Q19 margin was at 14.9%, up 337bps YoY.

#### Operating profit

1Q19 Operating profit was at THB 1,020mn, up 997% YoY, strongly recovering from a weak profitability in 1Q18 from a volatile raw material prices and unfavorable foreign exchange movement then. 1Q19 SG&A expenses increased 2.0% YoY. As a result, SG&A to sales ratio was stable at 11.4%, from 11.2% in 1Q18.

#### Net profit

1Q19 net profit was at THB 1,273mn, up 46.5% YoY, despite the key non-operating items weakened such as FX gains or tax expense. However, equity income improved from Avanti Frozen operation improvement YoY.

#### ND/E

With strong free cash flow profile, Thai Union continued to pay down debt amounted THB 959mn during 1Q19. As a result, the 1Q19-end net debt-to-equity ratio was at 1.36x. The ratio was still well under the bond covenant requirement of 2.0x.

#### Early adoption of TFRS 9 and 16

TFRS 9 (Financial instruments):

- Adjusted net debt to equity increasing from 1.35 to 1.39 as at January 1, 2019
- Limited impact on 1Q19 P/L: THB +0.2bn sales/GP/OP

TFRS 16 (Leases): main impacts are new account "right of use" for THB 1.8bn and lease liabilities increase by 1.4bn.

#### Stock Information

(Bloomberg/ Reuters)  
(TU TB/ TU.BK)

<b>Share price (03/05/2019)</b>	THB 18.60
Historical price:	
52-week high	THB 19.50
52-week low	THB 14.70
No. of shares:	4,771.8m
Par value:	THB 0.25
Market Cap.	THB 88.8bn
Avg. value trade/day (YTD)	THB 221.4mn

#### Major shareholders

(07/03/2019)

Chansiri Family	19.60%
Thai NVDR Co., LTD.	7.93%
Mitsubishi Corporation	7.29%
Social Security Office	7.18%
Niruttinanon Family	6.86%

#### Business overview

Thai Union Group PCL (TU) is one of the world's largest seafood player. TU owns leading brands portfolio in key markets and global sourcing, production and distributing networks. TU's key products are canned tuna and frozen shrimp. TU also produces for external customers through its private label business. On the sustainability front, TU has shown strong commitments and is confident in its positive long term contribution to socio-economic development, conservation of natural resources and practice of ethical business conduct.

#### Key financial figures\*

Unit: THB mn	1Q19	1Q18	4Q18
Sales	29,369	29,329	36,012
Gross profit	4,382	3,388	5,356
EBITDA	2,818	2,226	2,704
Net profit	1,273	869	1,223
EPS (THB)	0.27	0.18	0.26
GPM (%)	14.92	11.55	14.87
NPM (%)	4.33	2.96	3.40
ND/E (x)	1.36	1.35	1.39
ROCE (%)	8.03	5.62	7.72
ND/EBITDA (x)	5.63	7.32	5.95

Remark: \*Restated according to financial statement reported as of May 2019

**Financial Statements Analysis:**

Unit: THB mn	1Q19	1Q18	YoY	4Q18	QoQ
<b>Sales</b>	<b>29,369</b>	<b>29,329</b>	<b>0.1%</b>	<b>36,012</b>	<b>-18.4%</b>
COGS	(24,988)	(25,941)	-3.7%	(30,656)	-18.5%
<b>GP</b>	<b>4,381</b>	<b>3,388</b>	<b>29.3%</b>	<b>5,356</b>	<b>-18.2%</b>
SG&A	(3,362)	(3,295)	2.0%	(3,857)	-12.8%
FX gain (loss)	81	580	-86.0%	41	97.6%
Other income	497	543	-8.5%	493	0.8%
Share of profits	347	301	15.3%	(137)	-353.3%
<b>EBIT</b>	<b>1,597</b>	<b>1,216</b>	<b>31.3%</b>	<b>2,033</b>	<b>-21.4%</b>
Finance cost	(528)	(503)	5.0%	(524)	0.8%
<b>EBT</b>	<b>1,069</b>	<b>713</b>	<b>49.9%</b>	<b>1,509</b>	<b>-29.2%</b>
Tax	(27)	13	-307.7%	35	-177.1%
<b>Net income</b>	<b>1,273</b>	<b>869</b>	<b>46.5%</b>	<b>1,223</b>	<b>4.1%</b>
EPS	0.27	0.18	46.5%	0.26	4.1%
FX: USD/THB	31.61	31.54	0.2%	32.81	-3.7%
GPM	14.9%	11.6%		14.9%	
%SG&A/Sales	11.4%	11.2%		10.7%	
NPM	4.3%	3.0%		3.4%	

During 1Q19, Thai Union's core business operation recovered from a very challenging quarter during 1Q18 due to a higher sales volume, a more stable raw material prices, and an emphasis on cost control. All of which have contributed to a 2.3% increase in sales revenue from the same period last year, excluding foreign exchange impact, and a 47% increase in net profit to THB 1,273mn during 1Q19.

**Sales**

1Q19 sales grew 0.1% YoY in Thai Baht term to THB 29,369mn, partly held back by a depreciating EUR and GBP against Thai Baht from the previous year. Excluding the currency impact, 1Q19 sales would have increased by 2.3% YoY, mainly driven by sales volume growth of Frozen and Chilled Seafood and Petcare businesses compared to the previous year. While US Dollar was relatively stable against Thai Baht (+0.2% YoY), Euro and GBP significantly depreciated 7.4% and 6.3%, respectively, against Thai Baht, resulting in weak sales contribution from EU markets in Thai Baht term. Sales in US dollar term was at USD 929mn.

**Gross profit**

1Q19 Gross profit was at THB 4,382mn, up 29.3% YoY. The improvement was driven by a more stable raw material price environment, especially from the tuna business. The improvement was also driven by increased sales volume and a keen focus on higher-margin value-added products, particularly from the Frozen and Chilled Seafood and PetCare businesses. 1Q19 gross profit margin was at 14.9%, versus 11.6% during 1Q18.

**Selling and administrative expenses**

1Q19 SG&A expenses increased 2.0% YoY. As a result, the 1Q19 SG&A to sales ratio remained steady at 11.4%, versus 11.2% recorded in 1Q18.

**FX Gain/loss**

In 1Q19, the company reported FX gain of THB 81mn, compared with FX gain of THB 580mn a year ago. Falling FX gain during 1Q19 was a result of stable US Dollar currency movement against Thai Baht during the quarter as well as the early application of the hedge accounting according to TFRS 9, which resulted in lower FX volatility recorded.

**Share of income from investment in associates**

1Q19 Share of income from investment in associates was at THB 347mn, up from THB 301mn recorded during 1Q18. The improvement was due to the operational recovery from key investments, namely Avanti Frozen in India.

**Other incomes**

1Q19 other incomes were at THB 497mn, down from THB 543mn during 1Q18 mainly due to lower capital gains from the sale of investment in an associate. The interest income, which is largely attributed to the convertible preferred units related to Red Lobster investment, remains solid at THB 276mn.

**Finance cost**

1Q19 finance cost increased by 5.0% YoY to THB 528mn (from THB 503mn during 1Q18). The increase was mainly due to an increase in interest rate environment as the Bank of Thailand raised its reference rate inline with the US Federal Reserve over the past 12 months. As a result, 1Q19 effective interest cost was at 3.24% vs 3.04% during 1Q18.

**Income tax expense**

1Q19 income tax expense was THB 27mn, from the tax credit of THB 13mn a year ago. Tax item has turned into expense, indicating an improvement in underlying operation and thus prompted higher tax payment.

**Net profit**

1Q19 net profit attributable to the owners of the parent increased by 46.5% YoY to THB 1,273mn (from THB 869mn in 1Q18). The net profit improvement was mainly driven by core business improvement

particularly sales volumes increase, improved gross margin, and a stringent cost control.

### Financial position analysis:

As of 31 March 2019, Thai Union's total assets were THB 138,671mn, down 2.7% from THB 142,474mn at the end of 2018, mainly due to improved net working capital, notably lower inventory and account receivables. Despite flat sales during 1Q19, Thai Union's 1Q19 inventory days was at 135 days, which showed an improvement from 145 days at the same period of 2018.

Net inventories fell by 3.9% from 2018-end to THB 36,859mn, partly due to efficient working capital management.

Trade and other receivables were at THB 14,798mn, down from end-2018 level of THB 15,968mn, due to better collection efficiency.

1Q19-end total non-current assets was at THB 83,592mn, slightly increased from end-2018 at THB 83,463mn, due to normal capital expenditure activities.

Total current liabilities recorded a small decline of 0.7% from end-2018 to THB 43,478mn as at end-1Q19. The marginal decrease was due to the falling account payables which dropped by 12.0% from end-2018.

Total liabilities decreased by 4.4% (THB 4,248mn) to THB 92,054mn at end-1Q19, due to debt repayment from a strong free cash flow generated during this quarter.

Total shareholders' equity excluding minorities increased by 0.9% from end of 2018 to THB 43,289mn as the company's operations continued to be profitable.

### Cash Flow analysis:

During 1Q19, net cash receipts from operating activities were THB 2,558mn. Positive cash flow was driven mostly by profitable operations (EBITDA: THB 2,818mn in 1Q19) from operation improvement. Moreover, efficient working capital management have also eased the pressure on working capital requirement from lower inventory. Despite flat sales growth (0.1% YoY), 1Q19 inventory value has declined by 3.9% from 2018-end. 1Q19 net working capital days were at 118 days, down from 131 days during 1Q18.

Net cash payments for investing activities were THB 1,106mn, mainly from the regular capital expenditure during 1Q19.

Thai Union recorded net cash payment for financing activities of THB 2,449mn during 1Q19, largely from debt repayment during the period due to a strong operating cash flow generation.

Net decrease in cash and cash equivalents, including exchange losses, was at THB 783mn resulting with the end-1Q19 cash and cash equivalents of THB 803mn (including the impact from the use of Bank Overdraft).

### Financial ratio highlights:

	1Q19	1Q18	4Q18
A/R Days	40	40	34
Inventory Days	135	145	115
Current Ratio (x)	1.27	1.62	1.35
ROCE (%)	8.0%	5.6%	7.7%
ROE (%)	11.8%	7.8%	11.5%
ROA (%)	5.3%	4.2%	5.3%
ND/E (x)	1.36	1.35	1.39
ND/EBITDA (x)	5.63	7.32	5.95
Interest Coverage (x)	3.68	3.02	3.62
BV (Baht/share)	9.07	9.34	8.99

#### Remark:

*Current ratio = Total current assets / total current liability*

*ROCE = Annualized EBIT / Average capital employed*

*Capital Employed = total assets - total current liabilities (incl. current portion of long-term debt)*

*ROE = Annualized quarterly net profit / average total shareholders' equity*

*ROA = Annualized quarterly EBIT / average total assets*

*ND/E = Interest-bearing debt – cash & cash equivalents / total shareholders' equity*

*Debt/EBITDA = Interest-bearing debt / EBITDA*

*Interest coverage = EBIT / interest expense*

*BV = Total shareholders' equity / outstanding shares*

Receivable days as of 1Q19 remained at 40 days, compared to during the same period of 2018. This showed the company's consistency on its collection efficiency.

Inventory days during 1Q19 declined to 135 days, compared to the previous year at 145 days, resulted from declined raw material prices and a more efficient inventory management, resulting in inventory value delined 9.4% when compared to end-1Q18.

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## Management Discussion and Analysis for 1Q19 Results, ended 31 March, 2019

The current ratio at end-1Q19 was at 1.27 times versus 1.62 times at 1Q18, mainly from falling inventory.

1Q19 ROCE was at 8.0%, from 5.6% in 1Q18, attributable to a higher profitability. Plus, average capital employed as of 1Q19 decreased from 1Q18 level to THB 96,916mn, due to debt repayment.

Interest-bearing debt declined by THB 1,742mn from end-2018 (down 2.6%). As a result, the reported net debt-to-equity was at 1.36 times, down from the end-2018 level of 1.39x (1.35x prior to an adoption of TFRS 9&16).

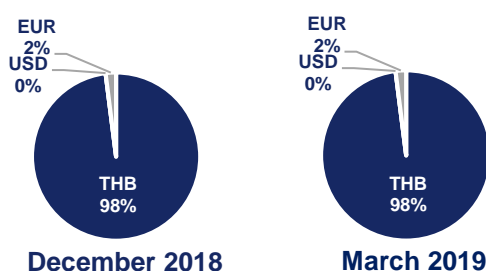
The ratio remained well below the debt covenant ratio of 2 times, thus post no near-term risk for our operations.

The company maintains a strong cash flow generation ability, enabling it to repay some debt during the year.

1Q19 net debt to EBITDA ratio slightly decreased to 5.63 times, from 7.32 times in 1Q18 caused by EBITDA (26.6% YoY) increase while net debt saw a decrease of 1.5% YoY.

Interest coverage ratio during 1Q19 was at 3.68 times, up from 3.02 times in 1Q18, mostly due to higher operating profit.

### Interest-bearing debt profile by currency:



As of end-1Q19, interest-bearing debts were at THB 64,218mn, mainly denominated in the local currency. THB debts accounted for 98%, while EUR debts was 2% of total interest-bearing debt.

### Business overview by business unit:

#### Total sales value

Unit: THB mn

Period	1Q18	4Q18	1Q19
Total Sales Value	29,329	36,012	29,369
Ambient seafood	14%	15%	15%
Frozen, chilled seafood & related	38%	43%	39%
PetCare, value added & others	48%	42%	46%

+0.1% YoY, -18.4% QoQ

- Ambient seafood
- Frozen, chilled seafood & related
- PetCare, value added & others

### Ambient seafood<sup>1</sup>: A steady performer

	1Q18	2Q18	3Q18	4Q18	1Q19
<b>Value</b>	<b>14,100</b>	<b>16,363</b>	<b>16,806</b>	<b>14,994</b>	<b>13,456</b>
Brand	57.7%	55.8%	56.1%	50.4%	58.2%
PL	42.3%	44.2%	43.9%	49.6%	41.8%
<b>Volume</b>	<b>83,314</b>	<b>93,855</b>	<b>93,236</b>	<b>88,841</b>	<b>79,973</b>

Value (unit: THB mn), Volume (unit: ton)  
Remark: PL stands for Private Label business

1Q19 ambient sales declined 4.6% YoY, while gross profit improved 27% YoY. Weak sales were mostly attributed to the depreciating European currencies (EUR/THB -7.1% YoY and GBP/THB -6.3% YoY) against Thai Baht.

The business gross profit margin at 18.6%, up from 14.0% in 1Q18 due to:

- A stable tuna price environment
- A focus on higher-value product sales
- Automation implementation enabled a more efficient work process.

### Frozen, chilled seafood and related<sup>2</sup>: Focus on value added and lobster business turnaround

	1Q18	2Q18	3Q18	4Q18	1Q19
<b>Value</b>	<b>11,149</b>	<b>12,962</b>	<b>13,031</b>	<b>15,651</b>	<b>11,529</b>
Brand	34.0%	35.0%	36.1%	35.2%	34.7%
PL	66.0%	65.0%	63.9%	64.8%	65.3%
<b>Volume</b>	<b>53,201</b>	<b>62,253</b>	<b>63,443</b>	<b>67,552</b>	<b>61,862</b>

Value (unit: THB mn), Volume (unit: ton)

1Q19 frozen and chilled seafood sales up 3.4% YoY, driven mainly by volume growth (16.3% YoY) that outpaced shrimp price decline (-8.6% YoY).

Gross profit margin was at 8.0%, up 113bps YoY, due to a focus on value added products.

Lobster business turnaround with business profitability improving from the previous year from strong volume growth.

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### PetCare, value-added and others<sup>3</sup>: Strong pent-up demand

	1Q18	2Q18	3Q18	4Q18	1Q19
<b>Value</b>	<b>4,080</b>	<b>4,450</b>	<b>4,332</b>	<b>5,367</b>	<b>4,384</b>
Brand	8.5%	8.7%	9.4%	7.0%	12.2%
PL	91.5%	91.3%	90.6%	93.0%	87.8%
<b>Volume</b>	<b>65,256</b>	<b>57,394</b>	<b>67,126</b>	<b>73,769</b>	<b>67,838</b>

Value (unit: THB mn), Volume (unit: ton)

PetCare and valued added sales increased 7.5% YoY, on the back of sales volume increase 4.0% over the same period.

- Pet food business delivered a solid sales growth, driven mainly by sales volume.
- Value-added products and others segment reported average selling price increase from increased sales of higher value-added products. Gross margin has improved due to strong sales growth and growing value-added product sales mix.

Remark:

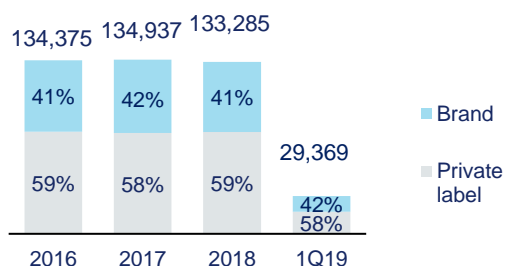
<sup>1</sup> Ambient seafood business includes entire tuna, entire sardine & mackerel and ambient & pouch salmon businesses

<sup>2</sup> Frozen, chilled seafood and related business includes shrimp & related (shrimp, lobster, shrimp feed & value-added shrimp), frozen, chilled & smoked salmon and other seafood (frozen cephalopod, crab, scallop, shellfish and other fish) businesses

<sup>3</sup> PetCare, value added & others business includes PetCare, value-added businesses (Ready-to-Eat products, maguro & cephalopod sashimi, local products, bakery products and snack)

### Sales breakdown by brand vs. private label:

Unit: THB million



1Q19 branded sales mix at 42% (compared to 41% during 2018), private label sales contributing remaining 58% of 1Q19 sales

1Q19 total branded sales increased 0.7% YoY, partly due to the increased in branded aqua feed sales

Private label sales was stable YoY due to increased sales volume which was offsetted by the decline in tuna raw material price YoY.

### Business overview by region:

THB Mn	2016	2017	2018	1Q19
<b>Total sales</b>	<b>134,375</b>	<b>134,937</b>	<b>133,285</b>	<b>29,369</b>
<b>USA</b>	39.4%	38.8%	37.7%	40.4%
<b>Europe</b>	32.5%	30.8%	30.4%	27.9%
<b>Japan</b>	6.4%	6.3%	5.7%	4.7%
<b>Domestic</b>	8.3%	9.2%	10.5%	13.1%
<b>Others</b>	13.4%	14.9%	15.7%	13.9%

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

1Q19 Sales contribution in key markets shifted in favor of domestic and US markets.

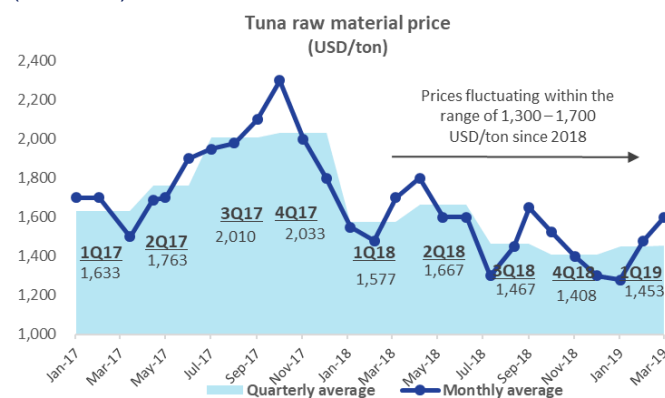
TU focused on selling product in domestic market, resulted in 12% sales growth YoY.

US sales improved driven by Frozen Seafood sales growth

Europe sales contribution shrunk from 2018 mix mainly due to EUR and GBP depreciating against THB in 1Q19.

### Key operating factors: Raw material prices

#### Skipjack tuna (USD/ton)

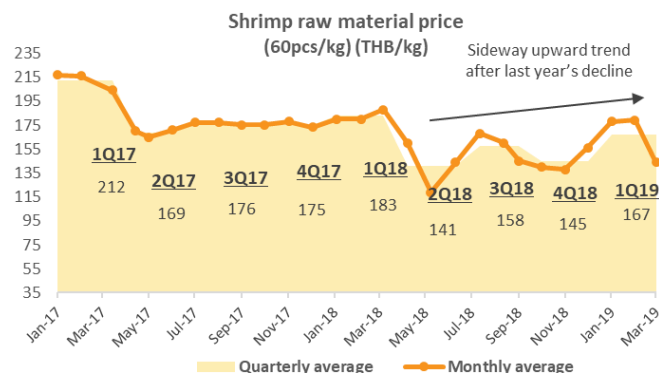


In April 2019, tuna price closed at USD 1,450/ton. In 1Q19 average price was at USD 1,453/ton (-7.8% YoY, +3.2% QoQ).

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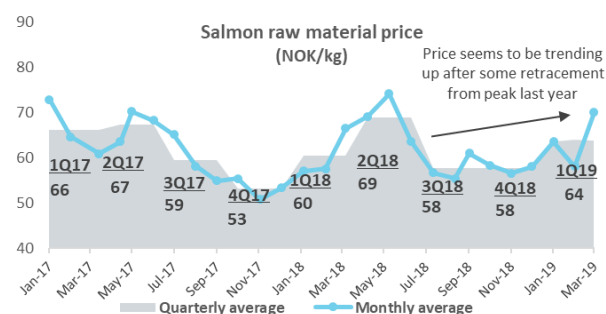
## Management Discussion and Analysis for 1Q19 Results, ended 31 March, 2019

### White shrimp (THB/kg. of 60 pieces/kg)



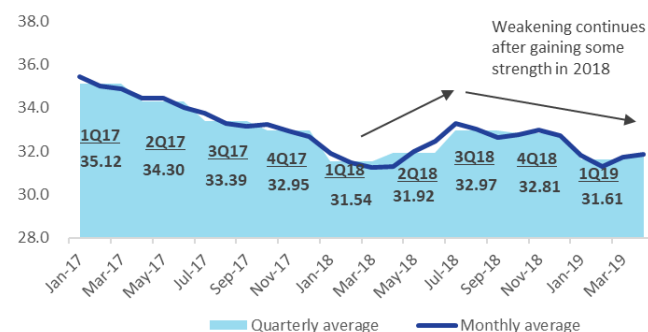
In April 2019, shrimp price closed at THB 138/kg. In 1Q19, average price was at THB 167/kg (-8.6% YoY, 15.0% QoQ).

### Salmon (NOK/kg)



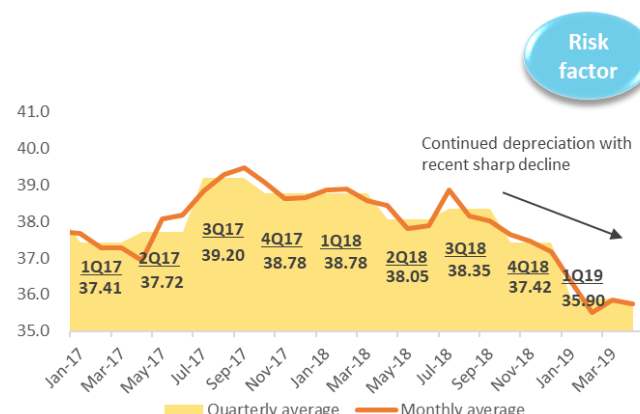
In April 2019, salmon price closed at NOK 69/kg. In 1Q19, average price was at NOK 64/kg (+5.3% YoY, +10.3% QoQ).

### Exchange rates USD/THB



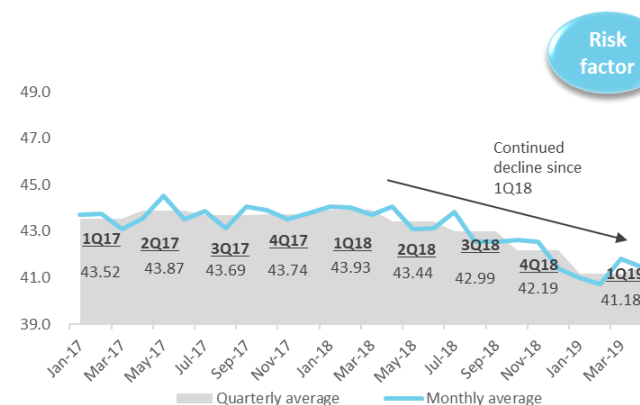
In April 2019, USD/THB closed at THB 31.85. In 1Q19, average USD/THB was at THB 31.61 (0.2% YoY, -3.7% QoQ)

### EUR/THB



In April 2019, EUR/THB closed at THB 35.75. In 1Q19, average EUR/THB was at THB 35.90 (-7.4% YoY, -4.1% QoQ).

### GBP/THB



In April 2019, GBP/THB closed at THB 41.49. In 1Q19, average GBP/THB was at THB 41.18 (-6.3% YoY, -2.4% QoQ)

### Key developments

#### Sustainability/Environmental, Social, and Governance (ESG)

- 2 May, 2019** – Thai Union released its 2018 Sustainability Report, detailing the positive progress made in 2018 and the company's performance against key performance indicators and targets outlined in our sustainability strategy, SeaChange®.

The report demonstrates how Thai Union's commitments and measures are helping to drive meaningful improvements across the entire seafood industry and achieve Thai Union's

vision to be the world's most trusted seafood leader.

The 2018 report was prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option and its Food Processing Sector Supplement (FPSS).

To download the 2018 Sustainability report, [click here](#).

- **1 May, 2019** – Chicken of the Sea®, in line with their SeaChange® IGNITE initiative, announced the formation of a Responsible Aquaculture Commitment that will drive efforts to bring full traceability and sustainability to its aquaculture supply chains. The commitment plans for 100 percent of COS branded aquaculture products to meet Monterey Bay Aquarium Seafood Watch recommended ratings and certifications as well as social responsibility standards accepted by Global Seafood Sustainability Initiative (GSSI) or Social Supply Chain Initiative (SSCI) through fully traceable supply chains.

### Corporate Action and Investment

- **12 March, 2019** – Thai Union and Alibaba Group's Shanghai Win-Chain Supply Chain Management Co., Ltd., signed an MOU to become partners in supplying Thai Union's seafood products in the Chinese market, through Alibaba's retail and food service channels and its Tmall fresh online platform.
- **19 March, 2019** – Thai Union published its 2018 Annual Report in printed and online version. The report is available for download on the corporate website ([www.thaiunion.com](http://www.thaiunion.com)) in [English](#) and [Thai](#).
- **5 April, 2019** – Thai Union hosted its 2019 Annual General Meeting (AGM) of Shareholders on 5 April, 2019 at the Royal Thai Army Radio and Television Station.
- **19 April, 2019** – Thai Union signed an MOU with the Thai Marine Fish Farmers Association to process seabass to world-class standards; maintaining the quality of raw material which will make its way into Thai Airways Catering's inflight meals.

### New Products

- **14 March, 2019** – Fisho brand introduced two new flavors under the product line Fisho Max 3: "extreme barbeque" and "super spicy" flavors,

now available at supermarkets and convenience stores nationwide.

- **29 March, 2019** – Monori brand introduced a new product line, crispy salmon skin in salty egg and original flavors, now available at supermarkets and convenience stores nationwide.

### Awards and recognitions

- **26 April, 2019** – Thai Union was shortlisted for two sustainability awards. Thai Union is a finalist in the Global Good Awards 2019, under the categories of:
  - Community Partnership – Coastal East Africa Project
  - Individual Leader of the Year – Dr. Darian McBain, Group Director, Corporate Affairs and Sustainability

Dr. Darian McBain was also shortlisted as a finalist for Leader of the Year by BusinessGreen Leaders Awards 2019.

Winners will be announced in London on 19 June and 26 June, respectively.

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## Management Discussion and Analysis for 1Q19 Results, ended 31 March, 2019

### Statement of Income

(Unit: THB mn)	Consolidated							
	1Q19	% to sales	1Q18	% to sales	4Q18	% to sales	1Q19/1Q18 Change	1Q19/4Q18 Change
Sales	29,369	100%	29,329	100%	36,012	100%	0.1%	-18.4%
Cost of sales	(24,988)	-85.1%	(25,941)	-88.4%	(30,656)	-85.1%	-3.7%	-18.5%
<b>Gross profit</b>	<b>4,382</b>	<b>14.9%</b>	<b>3,388</b>	<b>11.6%</b>	<b>5,356</b>	<b>14.9%</b>	<b>29.3%</b>	<b>-18.2%</b>
SG&A expenses	(3,362)	-11.4%	(3,295)	-11.2%	(3,857)	-10.7%	2.0%	-12.8%
FX gain (loss)	81	0.3%	580	2.0%	41	0.1%	-86.0%	97.6%
Other income	497	1.7%	543	1.9%	493	1.4%	-8.5%	0.8%
Share of profits from investments in associates and joint ventures	347	1.2%	301	1.0%	(137)	-0.4%	15.3%	-353.3%
<b>EBIT</b>	<b>1,945</b>	<b>6.6%</b>	<b>1,517</b>	<b>5.2%</b>	<b>1,896</b>	<b>5.3%</b>	<b>28.2%</b>	<b>2.6%</b>
Finance cost	(528)	-1.8%	(503)	-1.7%	(524)	-1.5%	5.0%	0.8%
<b>EBT</b>	<b>1,417</b>	<b>4.8%</b>	<b>1,014</b>	<b>3.5%</b>	<b>1,372</b>	<b>3.8%</b>	<b>39.7%</b>	<b>3.3%</b>
Tax	(27)	-0.1%	13	0.0%	35	0.1%	-307.7%	-177.1%
Profit (Loss) from discontinued operation	(43)	-0.1%	(60)	-0.2%	(60)	0.0%	-28.3%	-28.3%
<b>Net income</b>	<b>1,347</b>	<b>4.6%</b>	<b>967</b>	<b>3.3%</b>	<b>1,347</b>	<b>3.7%</b>	<b>39.3%</b>	<b>0.0%</b>
<b>Net income (loss) attributable to:</b>								
<b>Equity holders of the Company</b>	<b>1,273</b>	<b>4.3%</b>	<b>869</b>	<b>3.0%</b>	<b>1,223</b>	<b>3.4%</b>	<b>46.5%</b>	<b>4.1%</b>
Non-controlling interests of the subsidiaries	73	0.2%	98	0.3%	124	0.3%	-25.5%	-41.1%
<b>Earnings per share</b>								
Basic earnings per share	0.27		0.18		0.26		46.5%	4.1%
Diluted earnings per share	0.27		0.18		0.26		50.0%	5.3%
<b>Exchange rate</b>								
THB/USD	31.61		31.54		32.81		0.2%	-3.7%

### Statement of Financial Position

(Unit: THB mn)	1Q19	% to total assets	2018	% to total assets	Change
Cash and cash equivalents*	803	0.6%	1,586	1.1%	-49.4%
Trade and other receivables - net	14,798	10.7%	15,968	11.2%	-7.3%
Inventories - net	36,859	26.6%	38,371	26.9%	-3.9%
Other current assets	2,619	1.9%	3,086	2.2%	-15.1%
<b>Total current assets</b>	<b>55,078</b>	<b>39.7%</b>	<b>59,011</b>	<b>41.4%</b>	<b>-6.7%</b>
Fixed assets	26,409	19.0%	26,272	18.4%	0.5%
Goodwill and other intangible assets	28,939	20.9%	29,407	20.6%	-1.6%
Other non-current assets	28,245	20.4%	27,785	19.5%	1.7%
<b>Total Assets</b>	<b>138,671</b>	<b>100%</b>	<b>142,474</b>	<b>100%</b>	<b>-2.7%</b>
Bank overdrafts and short-term loans	15,130	10.9%	13,468	9.5%	12.3%
Trade and other payables	17,357	12.5%	19,713	13.8%	-12.0%
Current portion of long-term loans	147	0.1%	147	0.1%	-0.1%
Current portion of debentures	9,497	6.8%	9,149	6.4%	3.8%
Current portion of finance lease liabilities	408	0.3%	432	0.3%	-5.6%
Other current liabilities	939	0.7%	893	0.6%	5.2%
<b>Total current liabilities</b>	<b>43,478</b>	<b>31.4%</b>	<b>43,802</b>	<b>30.7%</b>	<b>-0.7%</b>
Long-term loans from financial institutions	14,482	10.4%	14,569	10.2%	-0.6%
Debentures	23,470	16.9%	27,014	19.0%	-13.1%
Finance lease liabilities - net of current portion	1,084	0.8%	1,182	0.8%	-8.3%
Other non-current liabilities	9,540	6.9%	9,736	6.8%	-2.0%
<b>Total Liabilities</b>	<b>92,054</b>	<b>66.4%</b>	<b>96,302</b>	<b>67.6%</b>	<b>-4.4%</b>
Non-controlling interests of the subsidiaries	3,327	2.4%	3,261	2.3%	2.0%
<b>Total Shareholders' Equity</b>	<b>46,616</b>	<b>33.6%</b>	<b>46,172</b>	<b>32.4%</b>	<b>1.0%</b>
<b>Total liabilities and shareholders' equity</b>	<b>138,671</b>	<b>100%</b>	<b>142,474</b>	<b>100%</b>	<b>-2.7%</b>



# Thai Union Group Public Company Limited

## Management Discussion and Analysis for 1Q19 Results, ended 31 March, 2019

\*Including short term investment

### Cash flow statement

(Unit: THB mn)	Consolidated		
	1Q19	1Q18	Change
<b>Profit before income tax</b>	<b>1,400</b>	<b>954</b>	<b>446</b>
Adjustments for depreciation & amortisation expenses	873	709	164
Other adjustments	(45)	(96)	52
Changes in operating assets and liabilities	(4)	1,035	(1,039)
Cash flows receipts from operating activities	2,225	2,602	(377)
<b>Net cash receipts (payments) from operating activities</b>	<b>2,558</b>	<b>2,532</b>	<b>026</b>
<b>Net cash payments for investing activities</b>	<b>(1,106)</b>	<b>(1,052)</b>	<b>(055)</b>
<b>Net cash receipts (payments) for financing activities</b>	<b>(2,449)</b>	<b>(1,857)</b>	<b>(592)</b>
Net increase (decrease) in cash and cash equivalent	(997)	(377)	(620)
Cash and cash equivalents - opening balance	1,311	573	738
Exchange gain (loss) on cash and cash equivalents	(19)	(6)	(13)
<b>Cash and cash equivalents - closing balance</b>	<b>294</b>	<b>190</b>	<b>105</b>
<b>CAPEX</b>	<b>(965)</b>	<b>(1,233)</b>	<b>267</b>
Management Est. Free Cash Flows*	1,259	1,369	(110)

\*Figures as reported in May 2019