



Ref. 03/670116

Date: 16 January 2024

Subject: Notification of the Board Resolution regarding the Decision to Pursue Exit of  
Minority Investment in Red Lobster

Attention: President,  
The Stock Exchange of Thailand

Thai Union Group Public Company Limited (the “**Company**”) would like to inform that on 16 January 2024, the Board of Directors in the Board Meeting No.1/2024 has carefully considered and decided to announce its intention to pursue an exit from the minority investment in Red Lobster Master Holdings, L.P. (**Red Lobster**), an associated company held by Thai Union Investment North America LLC (**TUINA**), a subsidiary wholly owned by the Company in the United States of America.

The Company has been a strategic partner and minority investor in Red Lobster since 2016. During the past years, the combination of Covid-19 pandemic, sustained industry headwinds, higher interest rates and rising material and labor costs have impacted to Red Lobster business resulting in prolonged negative financial contributions to the Company and its shareholders. In this regard, the Company and Red Lobster initiated a review of Red Lobster to identify areas for operational and financial improvement.

After detailed analysis, the Board of Directors has determined that Red Lobster’s ongoing financial requirements no longer align with our capital allocation priorities and therefore the Company is pursuing an exit of the minority investment. While the Company continues to explore available options for its exit, the Company will record a one-time approximate THB 18.5 billion (USD 530 million) non-cash impairment charge in the fourth quarter of 2023.

The Board of Directors considers that the Company’s financial statements remain strong, and this one-time non-cash impairment will not cause any material adverse effect on the business operation, assets or financial conditions. However, this transaction impacts the interest coverage ratio and dividend cap restriction which are covenants under a few tranches of bonds previously issued by the Company. The Company will further seek covenant waivers from bondholders before the Company releases its earnings in February.

The Company continues to deliver improvements in profitability and gross profit margin across all core business categories. The Company is in the process of finalizing its Corporate Strategy 2030, which will focus on its core business, centered around Ambient Seafood, Frozen, and PetCare. Through this, the Company’s management will advance ongoing strategies that strengthen its overall profitability and deliver long-term enhanced value for the Company’s

บริษัท ไทยยูเนียน กรุ๊ป จำกัด (มหาชน)

THAI UNION GROUP PUBLIC COMPANY LIMITED

Tax ID & Registered no. 0107537000891 [website: thaiunion.com](http://www.thaiunion.com)

Head Office: 72/1 Moo 7, Sethakit 1 Road, Tarsrai Sub-District, Muang Samutsakhon District, Samutsakhon Province, 74000 Thailand

Tel: 66 (0) 34816500 Fax: 66 (0) 34816499

BKK. Office: 979/12 M Floor, S.M.Tower, Phaholyothin Road, Phayathai Sub-District, Phayathai District, Bangkok 10400 Thailand

Tel: 66 (0) 2298 0537 - 41 Fax: 66 (0) 2298 0550



shareholders.

More information will be provided through our website [www.thaiunion.com](http://www.thaiunion.com) before 9.00 pm. today.

Please be informed and consider further dissemination to investors accordingly.

Yours Sincerely,

Thai Union Group Public Company Limited

Mr. Thiraphong Chansiri  
President and CEO

**บริษัท ไทยยูเนียน กรุ๊ป จำกัด (มหาชน)**

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