

DATE: May 10, 2018
TO: ASMI Board of Directors
FROM: Hannah Lindoff, International Marketing Program Director
RE: International Program Report

This report covers activities occurring in the second quarter of FY 18 and provides a general update of International Program progress.

ASMI International has received its U.S. Department of Agriculture (USDA) Market Access Program (MAP) allocation of \$4.215 million. ASMI International is participating in several USDA Global Based Initiatives (GBIs) with other cooperator groups, notably a collaborative U.S. seafood trade mission to SE Asia and a GBI focused on sustainability outreach in the EU.

Hannah Lindoff and ASMI Executive Director Alexa Tonkovich spoke at the Intrafish Women of Seafood event in Seattle in June 2017, held in conjunction with the SeaWeb summit. The success of this event, in addition to that of an in-bound mission of Chinese female seafood buyers who came to Seattle this summer, led ASMI International to incorporate women's trade events into our broad program strategy for FY18.

Jan. 29-Feb. 4, 2018, Asst. International Program Coordinator Alice Ottoson-McKeen, along with international program alumnus, Megan Rider, hosted a trade mission of female buyers to Dutch Harbor this winter. Pat Shannahan of GAPP also joined the mission, as did Mike Cusak of American Seafoods. Seven female European Seafood buyers representing companies that import more than \$60 million US seafood products, collectively, traveled to Dutch Harbor from France, Germany, Lithuania, Portugal, Spain and the UK. The group toured pollock, cod, and crab operations. The objective of the trip was not only sales numbers, early estimates are TBD, but also to build a lasting bond with customers. One attendee stated that learning more about the full pollock story was "Really useful when we are thinking about how we translate this to the consumer and sell the parts that motivate," and that she is creating a proposal to drive a bigger frozen brand marketing plan around Alaska pollock.

Three ASMI European OMRs attended and sponsored the Intrafish 2018 Women of Seafood event in Norway and continue to build on the relationships formed through the women's mission and this event.

The Seafood Expo Global show continues to regain popularity after the poorly attended 2016 show. ASMI hosted 20 booth and table exhibitors for Seafood Expo Global in April 24-26, 2018. Onsite sales recorded are TBD.

ASMI continues to explore potential in Eastern Europe with a small, trade-based program. The region now officially encompasses Russia, Ukraine, Romania, Moldova, Azerbaijan, Georgia, Kazakhstan, Estonia, Latvia and Lithuania, but most efforts are concentrated in Romania and Ukraine. ASMI Eastern Europe has partnered with the Foreign Agricultural Service (FAS) to host a Cochran in-bound buyer's mission from Ukraine to Alaska in summer 2018. FAS will finance the trip which is scheduled to visit Seattle, SE Alaska and Dutch Harbor July 21 to August 3, 2018.

FAS also sent a Cochran mission of Vietnamese buyers to the US during the Boston Seafood Show. International Program Coordinator Monica George attended the show for the International program and helped coordinate the visit. Monica will spearhead recruitment efforts for the S.E. Asia GBI to Vietnam in September 2018.

The ASMI international team added Ashley Heimbigner to their ranks as the new International Program Coordinator concentrating on Japan, China and EEU. In February Ashley presented to the World Trade Center Alaska on ASMI activities in Japan. She is also arranging the in-bound Cochran mission from Ukraine and an in-bound buyers mission

from China, taking place July 8-13, 2018, along with Ottoson-McKeen. Ashley arranged attendance at the pollock roe auction in Seattle in April, for ASMI's Japanese trade representative, and Ashley is the contact for the upcoming China Fisheries Show in November.

TRADE SHOWS/TRADE MISSIONS:

Horecava Exhibition, Amsterdam, Holland

January 8-11, 2018

Horecava is the largest food and hospitality exhibition in Holland that welcomes more than 65,000 catering professionals from approximately 40,000 different companies interested in food news, trends and services. ASMI NEU partnered with Roots Fish Smokery to co-brand a stand (6m by 1.75m) in the dedicated Food Market to promote smoked salmon and black cod.

Women's Mission to Dutch Harbor, AK

Jan. 29-Feb. 4

Malaga H&T Hotel and Restaurant Trade Show, Madrid, Spain

Feb. 5-7, 2018

ASMI hosted a booth featuring chef demonstrations and tastings of Alaska seafood by chef Sergio Garrido, a participant in last summer's Alaska Seafood School in Seward.

Tokai Denpun Food Festival, Japan

Feb. 23, 2018

ASMI Japan collaborated with the Genuine Alaska Pollock Producers (GAPP) to promote Alaska pollock surimi at the Tokai Denpun Food Festival trade show. Tokai Denpun Co., Ltd. is a Japanese food industry trading company operating various import/export, processing, wholesale, and seafood businesses all over the world. Surimi is one of their signature items. Every two years, Tokai Denpun holds a "Food Festival" for its customers, clients and food industry representatives, which has become one of the most influential surimi trade shows in Japan.

Fish International, Bremen, Germany

Feb 25-27, 2018

Fish International in Bremen is an important meeting place for fish wholesalers, retailers, importers, exporters, fish processors, caterers and catering professionals. ASMI's presence at the show included a booth, run in partnership with Transgourmet, a food truck serving Alaska seafood dishes, and a press table to meet with Central European journalists and talk about the ASMI program and Alaska.

Identita Golose Chef Congress and Trade Show, Milan, Italy

March 3-5, 2018

ASMI Southern Europe ran a booth featuring product tastings and a display of Alaska seafood products.

Parabere Forum, Malmö, Sweden

March 4-5, 2018

ASMI sponsored this conference that brought together top opinion-shapers from corporations and civil society in a two-day meeting. Debates and speeches included opinion leaders, food activists, international scientists, farmers and top female chefs from five continents. The forum is an independent international platform featuring women's views and voices on major food issues.

Omnivore World Tour, Paris

March 4-6, 2018

The Omnivore World Tour is the first global cuisine festival bringing together international chefs and resident chefs to share cuisines, question techniques, confront cultures, create movement to better imagine the future. ASMI partnered with chef Polly Ann Legendre to conduct cooking workshops around the festival.

Gastrovision, Hamburg Germany

March 9-13, 2018

ASMI Central Europe attended the show in cooperation with the German importer and processor Die Räucherei.

Sirha Brazil, São Paulo, Brazil

March 14-16, 2018

Internationally renowned in the HRI sector, this is the third edition of the show in Brazil, the first edition in São Paulo, targeting key professionals and influencers for the segment, with suppliers, importers and distributors for foodservice and hospitality exhibiting at the event. ASMI's participation in the show includes a sponsorship of the Bocuse D'or contest. The candidates will compete with both meat and seafood-based dishes, in which the latter will use Alaska wild sockeye salmon as the main ingredient.

Alimentaria Food Show, Barcelona, Spain

April 16-19, 2018

The Wild Alaska Food Truck offered a range of Alaska seafood products in the food truck park of Alimentaria 2018. ASMI also sponsored the trade show booths of local distributors Cominport and Wild Alaska Salmon.

Seafood Expo Global

April 24-26, 2018

Upcoming:

SIAL China, Shanghai

May 16-18, 2018

As the largest food and beverage exhibition in Asia, the 19th edition of SIAL China SIAL CHINA 2018 will take place in Shanghai on May 16-18, 2018. Major market players from retail, catering, hotel/restaurant/catering (HoReCa), food services, the import/export trade and manufacturing come to this show. ASMI China has booked two standard booths under USA Pavilion.

Culinary Retreat, Tutka Bay, Alaska

July 10-13, 2018

ASMI International will sponsor five chefs to participate in a joint Domestic-International Culinary Retreat in Tutka Bay.

China in-bound mission, Seattle, Anchorage, Kodiak (tentative)

July 8-13, 2018

Ukraine in-bound mission, Seattle, SE Alaska, Dutch Harbor (tentative)

July 21 – August 3, 2018

USA Seafood Trade Mission, Vietnam

Sept. 10-14, 2018 (tentative)

CHINA:

Market Update: Mainland China: The Chinese economy has experienced astonishing growth in the past few decades and has become the world's second-largest economy, exerting influential effects on the global economy. With China being the most populated country in the world, along with the burgeoning e-commerce industry, China has a high potential for Alaska seafood.

For the past year, China has transformed from a government led investment economy to a more consumption-driven economy, with its strong domestic consumption remaining as the dominant driving force for the economy. China's total retail sales reached five trillion U.S. dollars, which is a 10.9% increase when compared to 2015 and is the strongest growth in years. Domestic consumption is expected to continue to contribute significantly to China's economic growth from 2016 to 2020, accounting for more than 70 percent of the country's economic growth. This has opened the gates to offer tremendous new opportunities for Alaska seafood. For the past year, ASMI had worked with numerous retail giants, including Aeon, Ole, Metro, Rainbow, and City'super to promote sustainable seafood from Alaska.

The rapid urbanization in 2nd and 3rd tier cities has led to a surge in disposable income among consumers. The disposable income of urban consumers is expected to double between 2010 and 2020, resulting in an emerging upper and middle-class household that will make up an enormous consumer market in China. In particular, consumers in these markets are very susceptible to brand marketing and are less price sensitive, which further pushes the market towards premium goods. Supermarkets have made substantial efforts to accommodate more upmarket and distinguished food brands to meet the rising consumer demand. Henceforth, ASMI has been devoting more resources to branding Alaska seafood as a premium seafood product.

For the past year, ASMI launched a nationwide media campaign that consists of print advertisements, subway advertisements, and new digital media promotions through WeChat accounts and Weibo Key Opinion Leader ("KOL") posts focused on raising awareness of Alaska seafood as a premium, wild, natural and sustainable seafood product.

Food safety is another huge concern among consumers in China. There have been numerous food scandals in the past years, which damaged the confidence and trust of local food for consumers. This has resulted in a surge in demand for imported products, that have a good reputation for being high quality and safe. For 2016/17, ASMI actively promoted Alaska seafood, highlighting its numerous benefits: wild, natural and sustainable.

The emerging online platforms continued to witness tremendous growth, 26.2%, reaching 850 billion U.S. dollars. China has the highest number of internet users and it is imperative to utilize e-commerce and social media platforms for the promotion of Alaska seafood. Apart from traditional retail, ASMI also increased partnerships in the past year with all the major e-commerce platforms in China, selling more than ten varieties of Alaska seafood on a long-term basis. Such partners include Tmall.com, JD.com, Yiguo, SFbest and Chunbo.com. Furthermore, ASMI also expanded its market presence through collaboration with multiple KOLs to increase the reach to consumers and position itself as a premium and sustainable seafood. ASMI will continue to make good use of social networking platforms to allow consumers and traders to discover the numerous benefits of Alaska seafood.

Hong Kong & Macau: Alaska seafood enjoys a very high reputation in Hong Kong due to its premium and wild nature. 2017 was a challenging year for Hong Kong due to the decrease in the number of tourists resulting in an economic downturn. Yet, the demand for Alaska seafood remains high due to consumers' high consumption of seafood, as well as their increased preference towards wild and sustainable seafood. In particular, the ongoing healthy trend has also encouraged consumers in Hong Kong to consume more seafood than meat. Hotels and restaurants have been actively sourcing more Alaska seafood to attract local consumers to dine in. It is believed that all the above factors will continue to drive the demand for Alaska seafood in Hong Kong.

Macau has finally witnessed a rebound in GDP of 10.3% after the economic downturn caused by China's anti-corruption campaign. Macau has been decreasing its reliance on gambling and actively transitioning to a mass market to attract more middle-class tourists by including more family-friendly mega resorts and HRI outlets. The rising foodservice industry will drive importers and traders to source for more Alaska seafood to offer diversification to consumers. In addition, the completion of the Hong Kong-Zhuhai-Macau Bridge project at the end of 2017 will also facilitate imports of Alaska seafood to Macau.

Retail Merchandising

Retail promotions at six outlets of G-Mart in Nanjing: ASMI has already had several successful collaborations with G-Mart. This November, another retail promotion was launched at G-Mart (six outlets) from November 10 to December 9, 2017. Alaska seafood including black cod, Pacific cod and yellowfin sole were featured and sampled during the promotion. POS materials and small gifts were provided for decoration and distribution; promoters and tastings were arranged to attract consumers and boost sales.

Retail promotions at seven Ole' outlets in Northern China: Ole' is a high-end supermarket brand owned by CR Vanguard retail group. Since the previous promotional cooperation with Ole' achieved success, a new round of in-store promotions were launched at Ole' (seven outlets) in Northern China locations including Beijing, Tianjin, Qingdao, Ji'nan. Alaska seafood, including pollock, black cod, Pacific cod, yellowfin sole and sea cucumber were featured in the promotion from December 9-31, 2017. Pollock and Pacific cod were served as free tastings. POS materials were provided for decoration.

Results:

- Two promotions were held in mainland China achieving 341 promotional days.
- Distributed 10,400 seafood samples.
- Established one new retail partner.
- Convinced two retail promotional partners to carry Alaska seafood on a consistent, long-term basis.

Trade Shows

The China Fisheries & Seafood Expo: The China Fisheries & Seafood Expo was held November 1-3, 2017 in Qingdao. Seafood traders nationwide attended the show, making it a good opportunity for ASMI to reach a large number of seafood traders. During the expo, four booths with special designs were used to exhibit Alaska seafood products including different species of salmon, three varieties of crab, halibut, cod, black cod, Pacific cod, sole, and pollock roe. Alaska seafood, including snow crab, salmon, herring roe and pollock roe, were sampled during the show. Alaska seafood collateral materials were distributed to the visitors, as were educational materials for their reference. A total of 100 trade leads were collected, among which 22 trade leads are actual sales requests for Alaska seafood exporters.

Results:

- Gathered 22 qualified trade leads for direct imports at the show.
- Encouraged three traders to import Alaska seafood on a long-term basis after the show.



Trade Public Relations

Trade Dinner reception in Qingdao: To build relationships with seafood traders, ASMI China held a dinner reception in Qingdao on November 1, 2017, the first day of the China Fisheries & Seafood Expo. Over 170 seafood traders from major cities such as Shanghai, Beijing, Guangzhou, Hong Kong as well as Qingdao and Dalian were invited. King crab, snow crab, sockeye salmon, black cod, Pacific cod, pollock, yellowfin sole, sea cucumber, herring roe and pollock roe were featured and served at the reception. Some Alaska seafood industry members also joined the event.

Results:

- Encouraged three traders to carry Alaska seafood for local consumption.
- At least two retail and two foodservice promotions have been conducted after the two events.
- Encouraged two existing traders to introduce new Alaska seafood products for local consumption.

Foodservice Promotions

Menu promotion at Pan Pacific Suzhou: As ASMI China is always interested in cooperating with popular restaurants and hotels, a menu promotion was carried out at Pan Pacific Suzhou from October 18 to November 17, 2017. Alaska seafood, including snow crab, Dungeness crab, and sockeye salmon, were featured in the cafeteria of Pan Pacific. POS materials were used to support the promotion as decoration; flyers were developed for distribution during the promotion.

Menu promotion at Renaissance Huizhou Hotel in Guangdong: Renaissance Huizhou Hotel has shown great interest in cooperating with ASMI China to launch a menu promotion, therefore, a menu promotion was held at the hotel from November 3 to December 2, 2017. Pacific cod, pollock, yellowfin sole, snow crab and perch were involved in this promotion. Special POS materials such as posters and table mats were developed for decoration at the cafeteria of the hotel. Special flyers were developed and distributed to consumers during the promotion.

Menu Promotion at Wyndham Sanya Bay: To attract more diners, a menu promotion was launched at Wyndham Sanya Bay from November 8 to December 7, 2017. Alaska seafood including black cod, yellowfin sole and Pacific cod were highlighted in this promotion. Special POS materials such as extra-large posters, table mats and flyers were developed for decoration.

Menu Promotion at Regal Hotel HK: Regal Hotels International is one of the largest international hotel groups in Hong Kong. This was the first collaboration for ASMI Hong Kong with the Regal Hotels International Group. The Alaska Seafood menu promotion was launched across three Chinese restaurants in three different Regal Hotels from November 13 to December 31, 2017. Alaska Dungeness crab, black cod, king crab, and sea cucumber were featured during the promotion. Special POS materials such as posters, special menu cards, and table tent cards were produced for on-site decoration. An online advertisement on the “Apple Daily News” app was published for the activity on the main page of the news app.

Results:

- Over 250,000 consumers were reached and 20,810 kgs of Alaska seafood sold.
- Alaska seafood continued to be used after the promotion.

JAPAN:

Market Update: In 2017, Japan remained one of the most important seafood buyers of Alaska seafood products including pollock surimi, pollock roe, Pacific cod, herring, herring roe, sockeye salmon, king crab and snow crab, sole and rockfish, as well as many other species. However, the Japanese market for Alaska seafood has changed in recent years due to increasing global demand for seafood consumption causing greater competition to secure wild seafood products, and the increasing diversification of dietary habits among the Japanese population (i.e. a shift from a traditional Japanese seafood-based diet to a more meat-based diet).

The status of fisheries resources in the waters around Japan has fluctuated significantly over the medium and long-term, which is particularly true for species such as Japanese sardines. Moreover, rising sea temperatures and changes in their distribution are having an impact on fish distribution and resource levels. In these circumstances, the importance of procuring high-quality imported seafood has increased.

In the past, domestic consumption of fish and fishery products per capita surged, driven by rapid economic growth, which was followed by a gradual increase. However, consumption peaked in 2001 and has decreased thereafter. A

closer look at fish and meat consumption by age bracket reveals that younger generations prefer meat to fish; people in their 40s and under consume significantly less fish than those in their 50s and over. Likewise, fish consumption by people of all ages has declined in the past 15 years while meat consumption has increased.

In 2017 the price of Japanese chum salmon increased due to one of the poorest harvests on record. The harvest volume of Hokkaido chum salmon in 2017 is estimated to be approx. 50,000 MT, which is less than the harvest recorded in 1984 (59,100 MT). As a result, the price of chum salmon and its roe increased. The average price of chum salmon is over ¥1000/kg (some areas recorded over ¥2,000/kg) at wholesale price. The average price of ikura (seasoned salmon roe) in September this year was over ¥6,500/kg (the price in September 2016 was ¥4,693/kg). This may have been the reason why many live salmon at hatchery facilities in Hokkaido were stolen and killed for their roe in an incident that occurred in October 2017.

Regarding Japan's wild sockeye salmon market, due to high prices from both Alaska and Russia, the Japanese market is seeing a shift in demand from sockeye salmon to silver salmon.

The Japanese kamaboko market has been facing issues with low consumption, but the price of surimi has been increasing. Therefore kamaboko manufacturers are trying to survive these market conditions without increasing their prices, by finding other ways to promote their products. In recent years more Japanese are starting to celebrate Halloween, and some kamaboko manufacturers are trying to capitalize on this trend by making Halloween-themed kamaboko products. Meanwhile, food manufacturer Kibun is promoting kamaboko as a finger food to have with wine. New regulations for the labeling of processed foods were introduced in September this year, and now certain types of surimi must clearly indicate the country of origin on their labeling.

Consumer Public Relations/Advertising

Advertorial in Bon Marche, Asahi Shimbun: ASMI Japan placed an advertorial in the Bon Marche Magazine insert in the *Asahi Shimbun* newspaper. The advertorial informed readers about the Alaska-origin herring roe at New Year in time for the upcoming consumption season. Bon Marche is a monthly lifestyle insert in the *Asahi Shimbun* and has a circulation of nearly 3 million. The advertorial included one traditional and one modern herring roe recipe, created for New Year celebrations by Japanese cooking specialist Naoyuki Yanagihara. The two recipes were made into recipe cards for the in-store promotion.



Canned Alaska Salmon Promotion Support: ASMI Japan provided marketing support for sales of canned pink salmon and sockeye salmon that feature the Alaska Seafood logo on the Japanese label. The cans will be sold by Tokyo Seafoods Ltd. from mid-December 2017-November 2018. ASMI Japan covered the printing cost of the labels. Tokyo Seafoods Ltd. is one of the biggest canning companies in Japan. They sell products all over the country, including food supermarkets, wholesale companies and hospital dietary wholesalers. Tokyo Seafoods Ltd. procured 28,000 cans of pink salmon and 20,000 cans of sockeye salmon imported from the 2017 Alaska harvest. The canned pink salmon was distributed to hospital dietary suppliers and business catering. The canned sockeye salmon has been sold in premium gift assortments of canned seafood - a typical gift item in Japan - at Isetan and Seibu Sogo Department Stores, and at imported food stores nationwide. In both cases, the traceability of products is an essential condition and is also one of the reasons why Tokyo Seafoods Ltd. handles Alaska seafood.

Results:

- Advertorial in Bon Marche, *Asahi Shimbun*; Bon Marche circulation: 3,000,000 daily. Two herring roe recipe cards: 10,000 copies.
- Canned Alaska Salmon Promotion support; label with AK Seafood logo printed for canned sockeye salmon (20,000 cans) and pink salmon (28,000 cans).

Consumer Promotions:

Food Truck Promotions: ASMI Japan collaborated with *Meets Regional*, a publication specializing in food and culture in the Kansai region (Osaka) to promote Alaska seafood in the region by introducing various dishes developed by Chef Takeguchi, who owns the restaurant and food truck called "Taverna Esquina." Chef Takeguchi developed special recipes using sockeye salmon, herring roe, salmon roe, Pacific cod and Alaska pollock roe for a series of fairs. The event was announced and covered in the October 2017 issue of *Meets Magazine*, including information about Alaska seafood.

Alaska Seafood Promotion at Wine Event at Warehouse Terrada: ASMI Japan collaborated with Warehouse Terrada, a culture and art space in Shinagawa, Tokyo featuring an art gallery and wine cellar, on an Alaska seafood dishes and wine tasting event. The event was held on November 3rd - a national holiday in Japan - at 11:00-13:00, 14:00-16:30, and 17:00-19:30. At the event, ASMI Japan hired cooking specialist KEITA (Keita Inoue) to cook various dishes using Alaska seafood items including Alaska pollock roe and Pacific cod. The dishes were then sold at a very reasonable price. ASMI Japan supported the event by covering the cost of Alaska seafood items.

Collaboration with KINECO International Film Festival: ASMI Japan collaborated with the 25th KINECO International Film Festival, a children's film festival held at the Futako Tamagawa Rise shopping center in Tokyo. This event was held November 2-6, 2017. Foodservice company Shidax was in charge of food-related operations at the event and ASMI Japan collaborated with them to bring Alaska Seafood to the event by supporting a SHIDAX food truck promotion. The food truck appealed to general visitors and served special recipes featuring Alaska sockeye salmon, smoked salmon, Pacific cod and "kanikama" (crab stick) made from Alaska pollock. The recipes were created by a nutritionist at the Japan Research Institute and were promoted as healthy, nutritious dishes.

Results:

- Food Truck Promotion announcement in *Meets Magazine*, circulation 150,000/month
- Alaska Seafood Promotion at Warehouse Terrada; Approximately 400 people experienced natural, wild and sustainable Alaska seafood.
- Collaboration with KINECO International Film Festival sales revenue = US\$2,257 (JPY250,200)

Retail Merchandising:

Coop Sapporo Alaska Seafood Fair: Consumers Cooperative Sapporo - aka "Coop Sapporo" - is a retail co-op that covers the entire Hokkaido island, and had a total "supply" (i.e. "sales," in general retail speak) of US\$2.52 billion (JPY258.3 billion) in 2015. ASMI Japan supported Alaska Seafood Fairs for Alaska sockeye salmon, and Alaska pollock roe at over 100 Coop Sapporo stores, by providing POS materials with Alaska seafood logos (posters, sign cards and stickers). ASMI Japan sent sales demonstrators to 20 key stores for one day each - either August 19 or 20 - for a total of eight hours per staff person. ASMI Japan also placed an advertorial in Coop Sapporo's free monthly magazine "Cho-co-tto," telling readers about Alaska seafood's key points and the Alaska Seafood Fair. ASMI Japan supported the campaign throughout the fair period. Consumers who purchased JPY1000+ worth of Alaska Seafood Fair items were eligible to enter a prize lottery. Twenty people won Alaska seafood products and 50 people won an invitation to an "Alaska Seafood Luncheon event" with one companion.

Alaska Seafood Fair with Seibu Fukui September: ASMI Japan conducted an Alaska seafood tie-up promotion with Sogo-Seibu Department store in Fukui City. This was a multi-part activity combining professional cooking demonstrations on September 16, and demonstrator promotions during the five-day Alaska Seafood Fair, including a holiday. Chef Kijima used sockeye salmon and Alaska pollock roe for the recipe demonstrations. Special recipes were developed for the fair

and delivered as recipe cards. In addition, sales demonstrators promoted and sold Alaska seafood at the seafood section for eight hours per day for seven days - September 14-20, 2017.

Collaboration with Sogo Hiroshima: ASMI Japan conducted an Alaska seafood tie-up promotion with Sogo-Seibu Department Store in Hiroshima. This was a multi-part activity combining a professional cooking demonstration on October 9, 2017 and a demonstrator promotion for five days (including a national holiday). Chef Ryuta Kijima provided cooking demonstrations, while sales demonstrators assisted by selling Alaska seafood at the seafood section. Chef Kijima made recipes using sockeye salmon, as well as Alaska pollock roe.

Izumi Store Promotion September: ASMI Japan collaborated with the Izumi Store supermarket chains to conduct in-store promotions on September 24, 2017 at three of their Dream stores - Dream Town Hiroshima and Dream Town Kure in Hiroshima Prefecture, and Dream Town Hakata in Fukuoka Prefecture. The three outlets conducted demonstrator-lead promotions offering information about the product and Alaska seafood sample tastings. There was one demonstrator per store, working approximately eight hours per day promoting sujiko (Alaska sockeye salmon roe).

Alaska Seafood Fair during Aeon American Fair Promotion: ASMI Japan supported an Alaska seafood promotion, including Pacific cod, chum and sujiko (salmon roe) at Aeon supermarkets during their "America Fair" which was held at some 380 stores October 4 - 10, 2017. Aeon retail group operates 625 GMS stores nationwide, and conducted "America Fair" to promote American food at 380 of them. They promoted Pacific cod at the fresh and frozen seafood sections, featuring a "Cioppino" (spicy soup dish) recipe as a cooking suggestion, as well as sujiko (salmon roe) as a sushi recipe in the processed seafood section. ASMI Japan sent demonstrators to approximately 225 Aeon stores nationwide, and sent POS materials focusing on featured products to all stores. The basis for the demonstrator sales pitch was to educate consumers about natural, wild and sustainable Alaska seafood.



Alaska Pacific Cod Promotion at Costco: ASMI Japan supported a Pacific cod promotion at Costco wholesale Japan. Costco operates 26 stores and is one of the most powerful retail brands in Japan. Costco launched a Pacific cod portion product. The sales promotion took place at 23 stores on October 9, 2017 (a national holiday in Japan) and at three stores on October 14, 2017 (a Saturday). ASMI Japan sent demonstrators (one demonstrator per store, eight hours per day) to the 23 participating Costco stores, in addition to sending POS materials presenting the featured product to all 26 stores. The basis for the demonstrator sales pitch was to educate consumers about natural, wild and sustainable Alaska seafood. Costco spent around US\$200 per store on free tasting samples, of which ASMI covered just approximately US\$88. The cost for each demonstration staff person was approximately US\$230 per day.

Results:

- Seibu Fukui Alaska Seafood Fair September 14 - 18, 2017 total sales value = US\$2,304 (JPY 255,420)
- Seibu Hiroshima Alaska Seafood Fair October 5 - 9, 2017 total sales value = US\$945 (JPY 104,700)
- Coop Sapporo August 1 - 30, 2017 total sales value = US\$750,348 (JPY83,195,015)
- Izumi store September 18 - 24, 2017 total sales value = US\$4,358 (JPY483,060)
- AEON American Fair October 4 - 10, 2017 total sales value = US\$223,188,589 (JPY 24.73 billion)
- Alaska Pacific Cod Promotion at Costco October 9 & 14, 2017 total sales value = US\$5,024 (JPY556,336)

Foodservice Promotions

Alaska Seafood Lunch Seminar at Sapporo Grand Hotel: ASMI Japan conducted an Alaska Seafood Lunch Seminar, inviting 50 selected couples who had purchased qualifying products during the Coop Sapporo Alaska Seafood Fair (JJ19) and Coop

Sapporo staff, to the Sapporo Grand Hotel. The special event program included an Alaska seafood lunch course featuring various Alaska seafood items and an educational seminar about Alaska seafood.

Results:

- More than 100 people attended the seminar and Alaska seafood lunch featuring over 10 Alaska seafood varieties.

WESTERN EU (FRANCE, BELGIUM)

Market Update: ASMI Western Europe (WEU) covers France and Belgium, with a population of 66.6 million and 11.3 million respectively. French consumers are very attached to the “wild” origin (69% of the annual seafood consumption). Apart from the “farmed mussels” and “farmed oysters” categories, French consumers have been relatively reluctant to purchase farmed seafood, especially when it comes to finfish species. The most notable exceptions within this seafood category are the farmed Atlantic salmon (France being the #1 market of farmed Atlantic salmon in Europe), and farmed trout, seabream and seabass (three species that are part of the French culinary tradition).

Another specificity of the French seafood market is the commitment of French consumers to the “Atlantic” origin. As far as the chilled segment is concerned, most of the top 10 finfish species come from the Atlantic Ocean.

At the fresh fish counter two species are highly related to each other: wild Atlantic cod and farmed Atlantic salmon. These two species have been always ranked #1 or #2 in the chilled finfish segment sold in retail in France, depending on their respective consumer price levels. In 2016, Atlantic cod ranked first in volume, due to the climbing price of Norwegian salmon (growing global demand and stable production resulting in higher market prices). In 2016, some other wild Atlantic finfish species benefitted of the lower sales of farmed Atlantic salmon (in volume) in France, especially monkfish, saithe, as well as the fresh water species trout (see Table 1).

As previously mentioned, the 2016 consumption of farmed Atlantic salmon was deeply affected by record consumer prices in the French market. The overall purchases made by the French households went down by 7% in volume compared to the former year. If all seafood categories faced lower sales, the most penalized category was the chilled segment whose sales reduced by 16% in volume. 71% of French seafood consumers reduced their purchases of farmed Atlantic salmon last year (lower purchases in volume, lower frequency of purchases). What has also benefitted wild Alaska salmon is that it has been much more affordable (especially at the frozen segment).

2016 was an 8-year record in value with total seafood sales of French households accounting for €7,262 million, a +1% increase compared to the former year. The increase in value stands on a raise of 1.8% of the average consumer price at retail level compared to 2015 (2016: €11.20/kg vs. 2015: €10.80/kg) what compensated lower volumes (-1.7%).

The 2016 seafood sales in France represent a straight continuation of the seafood market erosion initiated five years ago: reduced volumes due to higher consumer prices. Only the “Traiteur products” segment has shown continuous growth since 2011.

Consumer PR

Social Media Advent Competition: In Q2 ASMI WEU conducted a large scaled social media campaign with an advent competition as the core event. For 24 days from December 1st to 24th, followers could win prizes by solving riddles or answering questions. Prizes were mostly related to the origin and the fishery in Alaska. The whole competition was advertised to increase its impact and reach a large number of potential consumers.

Results:

- During the 24 days of the Facebook competition, 230 followers actively participated in the contest.
- The posts had an average reach of 316 views with the number of registered followers increasing by 250 to a total of 8,875 in December 2017

Retail Merchandising

Alaska Seafood Introduced in French Retailers: Several Alaska salmon products were introduced by French retailers in the second quarter such as keta steaks at Leclerc's retail hypermarket. Additionally, several Alaska seafood products were featured in 2017 Christmas catalogues such as:

- Leclerc (hypermarkets): Alaska H&G pink salmon, Alaska keta steaks (frozen);
- Maximo (home-service): Alaska pollock loins (frozen).

Results:

- Leclerc, H&G pink salmon (frozen). Achieved sales: 125,000 kg (+25% compared to the expected sales for the related promotional operation) = € 556,250 (USD 656,375).
- Leclerc, keta salmon steaks (frozen). Achieved sales (product introduction): 25,000 kg (+25% compared to the expected sales for the related promotional operation) = € 279,250 (USD 329,515).
- Maximo, Alaska pollock loins (frozen). Achieved sales: 40,000 kg (in line with the sales expectations for the related promotional operation) = € 775,200 (USD 914,736).

Foodservice Promotions

Alaska Pink Salmon Christmas Promotion at Flunch: As it has for several years, ASMI worked in partnership with Flunch (leading French cafeteria chain) to feature Alaska pink salmon fillets on their 2017 Christmas menu. The ASMI bear was especially adapted to Flunch's requirements and included a joint Flunch-ASMI message on it to attract more consumers: "Same as Nanook, come and eat your Alaska salmon at Flunch's!" A specific ASMI visual was created for the 2017 Christmas operation and featured on posters and Flunch's electronic menu boards. To establish a closer cooperation with ASMI, Flunch also agreed to feature its Alaska salmon in its special "Gourmet catalogue" (from the end of December 2017 to April 2018).

Results:

- Flunch, pink salmon fillets (frozen): achieved sales: 54,000 kg = € 2,685,000 (USD 3,168,300), +20% in value compared to the same promotional operation last year.



CENTRAL EU (GERMANY, AUSTRIA, SWITZERLAND, CZECH REPUBLIC and POLAND)

Market Update: The Central Europe region includes Germany, Austria, Switzerland, Poland and the Czech Republic. These five countries are home to more than 147.5 million potential consumers and represent one of the strongest economic areas within the EU. The combined gross domestic product of all five markets is over US\$ 17 trillion with Germany making up the largest share.

Average annual seafood consumption in Central Europe is around 13.5 kg per capita. In past years this volume has not seen significant changes. Nevertheless, seafood consumption among younger customers has increased, leading to forecasted growth in upcoming years. This is also confirmed through studies from the Food and Agriculture Organization (FAO), forecasting growing seafood consumption in the region.

The CEU markets strongly rely on imported seafood products. With Austria, Switzerland and the Czech Republic being landlocked countries, only Germany and Poland run domestic fishing industries. Freshwater fisheries generally cover other market segments and rarely take direct market share from Alaska seafood products. An exception would be

farmed trout. As one of the most important smoked fish products in the region, it is considered a direct competitor to Alaska smoked wild salmon.

Nevertheless, the freshwater industry is a minor concern for Alaska seafood exporters, while the strongest competitors remain Norway, Russia, and China. In recent years, Greenland and Iceland also improved their market share, mainly affecting Alaska cod and halibut. Norway is still the number one supplier of farmed salmon, while Ireland and Scotland strengthened their hold on the organic and high-end segment. Russia and China are the top overseas competitors for Alaska pollock from the US. All of these origins offer seafood species and products also supplied by Alaska.

The market situation for Alaska pollock is expected to get even more challenging in the upcoming years with Russia strongly investing in its fisheries and their processing industry and striving for a market share of 40% in Central Europe. Besides general capital expenditures in the fishery itself, Russia will focus on Value Added Products (VAP) such as surimi. With an existing challenging market for Alaska pollock, improved Russian production may become a serious issue for Alaska producers.

Overall, Alaska seafood imports to CEU markets have shown a slight decrease in the past trade year (-7% in volume and -8% in value). This was mainly caused by shrinking numbers for groundfish, especially Alaska pollock from the US.

Salmon, on the other hand, recorded a small increase. While volume registered growth of only 1%, value jumped 15% compared to the previous year. As one of the most popular fish in the Central European region, Alaska salmon could profit from the increasing prices for farmed salmon. Additionally, the shift to a negative consumer perception of farmed fish contributes to a positive perception of Alaska fisheries and wild salmon, in particular. There has been a lot of press coverage about environmental issues and possible health concerns related to farmed seafood. Wealthier consumers are purchasing wild or organic alternatives.

Consumer Advertising/Public Relations

Facebook Advent Calendar Raffle: To boost traffic to and awareness of the Facebook page, ASMI ran a traditional German advent calendar raffle. For each day, a new small prize was announced. Attendees had to answer either an Alaska related question, complete a raffle or share personal Alaska favorites. For the contest, ASMI created four versions of animated GIFs related to Christmas and the advent tradition. Most prizes were also related to Alaska seafood or Alaska in general such as a photo book, fish silverware, a seafood cookbook, spice mixes for seafood dishes, etc.

Consumer Advertising in Print Magazines: ASMI cooperated with various print magazines to share ads and advertorials with consumers. As pre-Christmas season is one of the key selling periods in Germany for wild salmon, especially smoked, a wide scale advertisement campaign around that time of year has proven valuable in the past. In the second quarter ASMI placed ads in *Port Culinaire*, *Falstaff*, *Condor* and *Diabetes Living*.

Results:

- The Facebook advent calendar competition recorded 699 active participants in 24 days and the average reach of the posts was 356 views.
- The interactive response ratio improved by more than 50% during the contest.
- The page registered close to 400 new followers in the past quarter with 3,753 listed end of December.
- The combined reach of the Alaska consumer media cooperation in the second quarter added up to a circulation of 238,000 readers.



Retail Merchandising

Smoked Salmon In Store Promotions: ASMI conducted two wide scale retail promotions at German, Austrian and Swiss retailers. ASMI cooperated with Edeka and Friedrichs to push their new smoked salmon filet cut. Additionally, the collaboration with Wechsler helped to improve the position of Alaska wild salmon in the organic segment. ASMI provided support for in-store tastings and sent materials for future events. Taking place in November and December, both promotions ran in the main selling season for smoked salmon. ASMI took advantage of the stronger demand in these two months to push the newly introduced Alaska products and turn first time consumers into long-term customers.

Results:

- The promotion with Wechsler generated sales worth USD \$60,000.
- Following the promotion, Edeka launched a new listing of the organic wild Alaska salmon product in 680 stores with reported sales of over USD \$350,000.
- Close to 50 days of promotion were conducted in scope of the collaboration with Edeka and Friedrichs with a sales value of close to USD \$100,000.

Foodservice Promotions / Product Showcases

Coop Origine Project Launch of Sitka Coho Salmon: The Coop Origine project officially started with the launch of the product and the listing of Sitka as the origin of wild Alaska coho salmon. On the website of the project, consumers can find a detailed article about the people behind the product, where and how the salmon are caught, as well as, the sustainable fishing principles in Alaska. Feedback from the importer, the wholesaler as well as consumers has been highly positive with demand increasing for Origine labelled products.

Results:

- For the first launch the volume of the Origine project was estimated at around 14 metric tons of wild Alaska coho.
- Products are sold as frozen filets and smoked, with a retail value of more than USD \$600,000.

NORTHERN EU (U.K., IRELAND, THE NETHERLANDS, FINLAND, DENMARK, SWEDEN)

Market Update: Overall, seafood is experiencing significant inflation, which is driving value growth but reducing volume consumption. Value growth increased in the year to 2.12.17 by +3.7% volume sales declining -3.0%. Whilst there are slightly more households buying seafood (+1.2% to 97% of households), the average volume purchased per trip (-2%) and purchase frequency (-1%) are falling.

Chilled fish is the largest sector accounting for 64.5% of value and 47.4% of volume and its sales value continues to grow (+4.0%) due to inflation. Sales volume however, is declining (-1.8%) despite more households shopping the sector, more often, as they are buying less.

Frozen is the only sector with value (+4.7%) and unit (0.14%) growth despite inflation as more households are shopping the category. Volume is showing a marginal decline of -0.6% in the most recent period, potentially as a result of the realignment of pack sizes in fingers where unit sales have increased +2.5% but total volume has declined -1.3%.

Ambient is the only sector in overall volume decline, which is driven by inflation. Hence fewer households are buying less ambient seafood, less often.

Renewed range and increased focus within the business is beginning to reap rewards for Tesco with a marginal increase in share of trade for total seafood over the last year following period on period declines across 2017. Asda has seen an

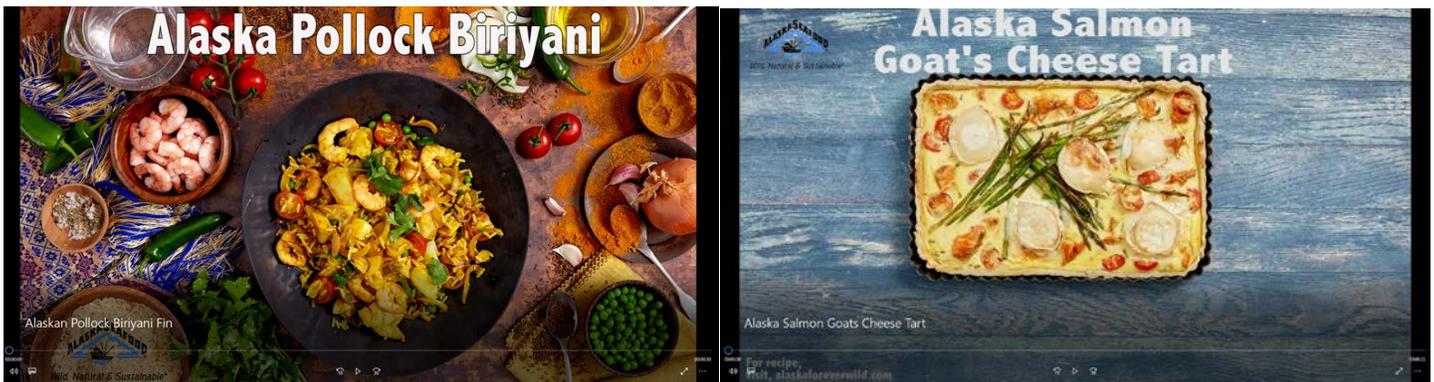
erosion in share of 0.5pp primarily driven by relatively poor performance within chilled seafood. Aldi and Lidl continue their share growth with Aldi driving share in all sectors.

Sales of frozen pollock have shown a 6% increase in value and 4% increase in volume in the latest year to 2.12.17. Both frozen fingers and frozen battered product have turned in strong performances with double digit growth in both volume and value terms. More households have bought more frozen pollock, more often, at marginally increased prices. This latest period has seen the first increase in penetration for frozen pollock following significant penetration declines across 2016 and 2017. Chilled pollock has all but disappeared from the UK market with unit sales half of those of last year.

Sainsbury, Asda and Morrisons have all shown share declines across the last year with Iceland being the retailer showing significant share increase now accounting for 15% of total frozen pollock sales.

Consumer Public Relations

Stop Action Videos: ASMI NEU created a series of four stop action filmed videos for use on social media channels. The videos are short in length (max 30 seconds) and each show a recipe using different Alaska seafood products. The recipes presented were Alaska salmon goat cheese tart, Alaska pollock biriyani, Alaska firecracker salmon, and a wild Alaska salmon celebration roast.



Consumer Ambassador Dale Pinnock: ASMI has filled the consumer facing ambassador role with Dale Pinnock. Dale Pinnock, also known as The Medicinal Chef, is a British food writer, chef and TV personality who specializes in the medicinal properties of food. He has a degree in human nutrition and post graduate in nutritional medicine. He has published a number of successful cookbooks and recently co-opened a healthy eating delicatessen in London called SANO. Dale is also a fish and seafood advocate. He regularly promotes the consumption of fish and seafood within the diet and as such has agreed to partner with ASMI to raise the profile of Alaska Seafood's health and nutritional benefits on a B2C basis.

Blogger Outreach Program: ASMI NEU continued its blogger outreach program for the Christmas campaign - 'I'm dreaming of a light Christmas' - which took place in the week leading up to the 25th of December. NEU commissioned two bloggers to create festive recipes using wild Alaska salmon and pollock. Their posts included our key messages: wild, sustainability, health and cook from frozen. For pollock, ASMI worked with Faya Nilsson and her blog Fitness on Toast, originally a healthy and unusual recipes blog that expanded to offer nutritional tips, to communicate informative workout ideas and to curate fitness fashion looks. To promote salmon ASMI enlisted Emily Leary of A Mummy Too, the multi-award winning food and lifestyle blog. The page offers daily recipes, tips and video guides for anyone who believes a shortage of spare time shouldn't mean you can't enjoy beautiful, delicious things.

Results:

- The four stop action videos were shared on ASMI NEU's social media channels and have received over 4,500 views.
- Dale Pinnock created three cooking videos using Alaska seafood and has written articles and shared recipes highlighting Alaska seafood on his social media channels and website.
- Fraya Nilsson and her page Fitness on Toast posted one branded Instagram recipe (125,000 followers), two tweets on the recipe (23,800 followers), and one Facebook post about the recipe (28,477 followers).
- The A Mummy Too blog posted one branded recipe based blog post, and one post on Facebook (21,419 followers), Twitter (40,772 followers), and Instagram (29,569 followers).

Trade Advertising/Public Relations

LEAP Launch at Hearst Publication House: ASMI NEU supported the launch of LEAP - a new range of salmon products exclusively using Alaska sockeye and keta - on the 18th October 2017, which coincided with Alaska Day. LEAP was launched at Hearst - a publication house that plays home to *Good Living, Best, Cosmopolitan, Country Living, Digital Spy, ELLE, ELLE Decoration, Esquire, Good Housekeeping, Good Housekeeping Institute, Harper's Bazaar, House Beautiful, Inside Soap, Jamie, Men's Health, Net Doctor, Prima, Real People, Red, Reveal, Runner's World, Town & Country and Women's Health* - with a pop up restaurant serving breakfast and lunch to all staff members. In total, Hearst reaches over a third of UK women, and a quarter of UK men across four million magazines and 17 million digital unique users through their 23 magazine brands. The event was promoted amongst Hearst staff via an e-newsletter, internet mention and social media posts. ASMI NEU and LEAP attended on the day and engaged in social interaction with members of staff who tweeted / posted about the LEAP range.

Results:

- Influential members of the Hearst staff posted on social media about the pop up restaurant including the Head of Marketing at *Men's Health, Women's Health, and Runner's World*, the Deputy Show Biz Editor at *Best Magazine*, and the Hearst Art Editor.
- Following the success of the event at Hearst, LEAP secured a space on London's Southbank throughout December, selling a range of different dishes including a salmon burger.

Retail Merchandising:

Frank's Smoke House Media Event: In celebration of the opening of Frank Heyn's new restaurant in Amsterdam in summer 2017, ASMI NEU organized a trade media lunch. NEU was keen to work on this project since the new Smoke House restaurant was set to boast a dedicated Alaska seafood glass display unit in the centre of the seating area. Additionally, ASMI issued of a press release announcing the restaurant launch and placed a full page advertisement in *Vision Magazine*.

Bart's Fish Tales Book Launch at Jamie Oliver HQ: As part of ASMI NEU's continued partnership with Fish Tales, a company based in the Netherlands that supplies Alaska salmon to retailers in UK and Netherlands, foodservice in Netherlands and home delivery recipe boxes, ASMI sponsored the launch of Bart van Olphen's book at Jamie Oliver's new HQ in North London. The event was attended by approximately 75 people including Jamie Oliver himself as well as foodservice, trade and industry members. ASMI recruited an experienced chef from Billingsgate Seafood School to prepare the salmon on the night. ASMI NEU also negotiated four copies of Bart's new book to giveaway on ASMI social media competitions.

Hot Cod Promotion: Hot Cod is a Swedish supplier that has developed a product called 'Hot Cod' for the Swedish market. It is a hot dog style wild Alaska pollock sandwich which is retailing in the ICA-group in Sweden which is, by far, the largest retail chain in the country with a +50% market share as well as selling to schools throughout the country. Marketing activity to support this new product launch included:



- **SOCIAL MEDIA:** Three different short videos were developed and promoted on Facebook and Instagram, targeting parents in the age group 25-45 who live in the proximity of the retail stores Hot Cod is present in. The videos featured the ASMI logo and Alaska image at the end.
- **IN-STORE DEMOS:** During the fall, Hot Cod conducted 100 tastings in the largest ICA-retail stores to launch the product to the Swedish customer. During the tastings, leaflets containing information about ASMI were handed out to the public telling the story of Alaska pollock.
- **SCHOOL POSTERS:** ASMI branded promotional posters of Hot Cod were distributed to schools in Sweden to be displayed in dining halls.

Results:

- 20 members of trade media attended the Frank’s Smoke House trade media lunch.
- The Bart’s Fish Tales book launch was attended by approximately 75 people including Jamie Oliver himself as well as foodservice, trade and industry members.
- The Hot Cod school posters had a reach of 400,000.
- Hot Cod sales figures (in tons): YOY comparison from autumn 2016 to autumn 2017

| | 2016 | 2017 |
|-----------|-------|-------|
| September | 2,144 | 7,336 |
| October | 1,095 | 8,215 |
| November | 1,902 | 3,996 |
| December | 466 | 3,269 |

Foodservice Advertising/Public Relations

Universal Cookery and Food Festival: The Universal Cookery and Food Festival and has been running for the last six years. It is an outdoor, industry only festival that moves around the country to a different, iconic food location each year. This year it took place in Padstow on the 20th of September. The day was based around learning in a fun, outdoor, relaxed environment and brought together chefs, farmers, growers, fisherman, foragers, suppliers and producers. This year they introduced a ‘Surf N Turf’ theater which focused on chefs, butchers and fishmongers demonstrating their skills and explaining the science behind what they do. ASMI was a headline sponsor which included:

- Pre event Communications:
 - x4 blogs hosted on the UCFF 2017 website
 - Shared across Twitter, Instagram and Facebook
- Dedicated email to UCFF delegates and CGOC members (before & after the event)
- Headline Sponsor Logo present on:
 - UCFF ticket
 - Event Website
 - Badges and Lanyards

- On the sponsors page in the UCFF 2017 festival guide
- Live Onsite
 - 3 x 2m stand in the exhibition
 - Logo / branding present on the front of the main stage demo kitchen
 - Equipment or product placed on the main demonstration stage
 - 30 minute slot on the Surf 'N' Turf theatre
 - Seat on the Sustainable Fish Panel on the main stage
 - Inclusion of product(s) featured in and publicized as part of the delegate menu on the day
- Print/Press
 - Headline sponsors listing and logo in the festival guide to include contact details
 - Insert in the delegate bags handed out at registration
 - Full page advert in the festival guide

Royal Parks Half Marathon: The Royal Parks Foundation Half Marathon is a hugely popular event attracting a capacity field of 16,000 runners each year. Integral to the day has been the belief that the spectators are as important as the runners – and that the whole family should come to Hyde Park, London together to enjoy the day. Therefore, alongside the marathon, the Foundation hosts a Food & Fitness Festival, which attracts an estimated 50,000 visitors each year. In support of the health and fitness aspect of the 'We Are Wild' campaign, ASMI NEU participated in the 'Food' element of the festival offering tastings and samples to all. ASMI had a 3m x 3m stand and worked in partnership with Billingsgate Seafood School to serve wild Alaska salmon and chive dip, wild Alaska pollock and chorizo cassoulet, and smoky paprika wild Alaska pollock. ASMI NEU also passed out recipe cards as well as complementary cans of salmon courtesy of John West. The ASMI stand was located right at the finish line making it the first point of contact for runners once they had collected their medals and goody bags.

Results:

- Roughly 500 senior chefs and industry professionals attended The Universal Cookery and Food Festival.
- Over 50,000 people attended the Food & Fitness Festival at the Royal Parks Half Marathon. Visitors to the ASMI stand showed a great deal of interest in the high protein health values of seafood and took many recipe books.

SOUTHERN EU (SPAIN, PORTUGAL, ITALY):

Market Update: The 2016-17 marketing year was marked by an improving economy and employment situation in Spain and Portugal and to a lesser extent Italy. Food retailers, from the discount chains Lidl and Aldi to frozen food specialists La Sirena and Picard Surgélé and even such high-end food retailers such as El Corte Inglés are all looking less at price and more at strategies to add value to shoppers' experience in their store. Product lines are expanding and new sections of natural and organic and locally-produced foods are growing. The offerings of prepared meal solutions continue to grow, including in-store sushi kitchens.

One of the most interesting discussion panels at the Seafood Summit in Rimini, Italy in November 2017 included representatives of retail giants Coop-Italia, Conad and Auchan. Speaking to the audience of seafood trade members, all three retailers agreed:

- The fresh seafood department is one of a supermarket's most defining sections
- "Seafood salespeople must be chefs" said Davide Marcomin of Auchan Retail Italia, "in order to explain to clients how to prepare different fish."
- "Seafood is seen by customers as difficult to prepare," he continued. Training fresh seafood sales staff is a top priority at Auchan and many other store chains. Seafood salespeople give stores one of their best opportunities to offer service and add value to the customer.
- The retailers also emphasized that their stores need to respond to increasing consumer demand for more information on seafood product origin and sustainability.

- Quality, convenience and ease of preparation are the other characteristics consumers demand and that retailers are looking for in seafood products. All three retailers reported growing sales of fresh seafood in MAP and skin-pack formats.

Spain, Portugal and Italy all enjoyed record-breaking tourist seasons in 2016 and 2017 fueled by an improving European economy and a growing demand among vacationers for a safe holiday environment. This influx of tourist spending has strengthened the economic health of restaurants and hotels across Southern Europe and has brought a new wave of investment into the sector. Restaurants are opening and renovating at a quickening pace, and they are competing less on price and more on quality and on offering a unique dining experience.

SEU market conditions clearly favored Alaska seafood in 2017. In addition to these economic tailwinds, farmed salmon prices were high during the entire year, narrowing the price gap between farmed and wild salmon and spurring demand for wild salmon from Alaska. At the same time, the US dollar weakened against the euro which helped buffer price increases in Alaska seafood.

Trade Advertising

Trade Advertisements: ASMI SEU placed four advertisements in the 2nd quarter:

- Sponsorship of the Nov. 2017 on-line HRI trade journal *Cocina Futuro*;
- an Alaska seafood advertisement in the October 2017 edition of the food & beverage trade journal;
- Oct. 14, 2017 interview of David McClellan on the Trotamundos program of Radio Estel;
- an Alaska seafood advertisement in the Sept-Oct 2017 edition of the seafood trade journal of the CONXEMAR association;
- an Alaska seafood advertisement in the December edition of the HRI trade journal.

Results:

- Nine impacts per dollar invested due to high concentration of ads in high-end HRI trade journals.

HRI Trade Shows

Alaska Seafood Stand in the Seafood Summit Trade Conference in Rimini, Italy: ASMI-SEU organized an Alaska Seafood information and tasting stand at the Seafood Summit trade conference in Rimini in order to meet with Italian retailers and seafood processors and wholesalers and look for opportunities to collaborate on promotions of Alaska seafood products in Italy.

Wild Alaska Salmon's Participation in the Forum Gastronomika Trade Show in Girona, Spain: ASMI supported Wild Alaska Salmon's booth in the Forum Gastronomika Girona chef congress / trade show in Girona, Spain on November 19 through 21, 2017.

SOFRESAL's Participation in the FICOBA Christmas Fair in Irun, Spain: ASMI again supported SOFRESAL's booth in the FICOBA Basque Coast Christmas Fair in Irún, Spain on December 8 through 20, 2017.

Results:

- Rimini Seafood Summit: 20 Italian seafood trade contacts made.
- Girona Gastronomika: Wild Alaska Salmon salespeople made over 120 contacts with HRI and retail buyers at the Girona show.
- FICOBA Christmas Fair: Sofresal salespeople made over 25 contacts with HRI and retail buyers.
- Wild Alaska Salmon introduced ling cod to customers at the Girona Gastronomika show.

Chef and Trade Training

Seminar on Gastronomy and Health in Madrid, Spain: Alaska Seafood collaborated with chef Joaquín Felipe in organizing the first Seminar on Gastronomy and Health at the Florida Retiro restaurant in Madrid. It was a class for gastronomic professionals where they talked about the history of some foods, the care that must be taken when handling them so they are not contaminated, the importance of good nutrition, and ingredients and products that are important for our health.

Participation of distributor Wild Alaska Salmon in the Cómo Como food festival in Barcelona, Spain: ASMI collaborated with importer and local distributor Wild Alaska Salmon in the Cómo Como festival dedicated to healthy foods in the old port district of Barcelona.

Alaska Seafood at the Manga Convention in Barcelona, Spain: Each year a “Japanese Gastronomy Section” is set up for visitors to learn more about Japanese cuisine, and throughout the convention various cooking demonstrations are undertaken. This year, Alaska Seafood collaborated on the following workshops: The use of sake kasu and amazake in savory dishes, live chef presentation of a tasting menu, and the Oishinbo rice duel.

Congresso dos Cozineiros in Lisbon, Portugal: ASMI SEU had a 9 m2 stand in the 2017 edition of the chef congress and HRI trade show Congresso dos Cozineiros. A full range of Alaska salmon and black cod products were displayed at the show. In addition, there were also ASMI SEU’s Portuguese-language information and recipe brochures, buyer’s guides and complete lists of national distributors of seafood products and smoked salmon for interested buyers. Product tastings are an important part of the Alaska Seafood strategy. The well-known chef from Lisbon, Luis Miguel Barradas, with his helper, another sushi chef in Lisbon, prepared the tasting for the stand. We offered Alaska sockeye salmon and Alaska black cod prepared with dressings, as well as offering sockeye salmon sashimi, keta roe and smoked sockeye salmon.



Results:

- Approximately 50 chefs and gastronomic press attended the seminar on gastronomy and health.
- Roughly 250 people were seated during each session of the Manga Convention.
- 4,200 Alaska seafood tastings were prepared and served during the Congresso dos Cozineiros.
- ASMI SEU’s work with local distributors is generating slow, steady and solid sales growth for Alaska seafood products, especially wild Alaska salmon and Alaska cod.

EASTERN EUROPE (RUSSIA, UKRAINE and CIS):

Market Update: RUSSIA: Comprehensive data confirmed that the economy lost steam in the third quarter (calendar year 2017) on a slowdown in investment growth. The recovery nonetheless remained on track, and private consumption grew at a multi-year high rate amid an improving labor market and low inflation. Early data for Q4 (calendar year 2017) suggests that the recovery gained steam modestly. Oil prices rose to an over two-year high in this period, exports soared in October and the manufacturing PMI jumped in December. In December, President Vladimir Putin confirmed he will run for a fourth

term in the March elections and was reelected. On December 30, the Supreme Court rejected an appeal from the strongest opposition candidate, Alexei Navalny, who was banned from running due to a fraud conviction. On November 30, Russia and OPEC nations agreed to extend oil production cuts until the end of 2018.

UKRAINE: The recovery continued to flounder, with a preliminary estimate of GDP revealing a third consecutive quarter of decelerating activity. The economy still feels the repercussions of severed trade ties with the rebel-held Donbass region, thereby limiting its export and manufacturing capacities. Data for the fourth quarter points to another period of moderate expansion. Industrial output saw minimal growth in November, while retail sales expanded robustly.

Buoyant household spending is, however, providing some relief as both wages and retail sales grew in Q3 (calendar year 2017). On the political front, Ukraine made some progress on IMF-mandated reforms in November, taking steps towards passing legislation designed to improve the speed of privatizations. While the country has made gains in implementing economic reforms, overall progress has been slow. Several crucial - and politically unpopular - measures still need to be passed to unlock the next tranche of IMF funding. Political willpower for reforms has dissipated; in December, the IMF criticized Ukraine for backtracking on efforts to fight corruption.

ROMANIA: Available data suggests the economy continued to perform well in the last quarter of the year. In October, year-on-year growth in industrial production jumped from the previous month, led by a strong manufacturing sector. Solid external demand, as reflected by export data, drove this result. In the same month, the unemployment rate fell to a new multi-year low. This, together with a further increase in household disposable income, buttressed consumer spending. Retail sales continued to expand annually at a double-digit rate. In addition, a rebound in investment on the back of greater absorption of EU funds added steam to growth.

While loose fiscal policies have put the economy on track this year to grow at the fastest pace since 2008, a lack of structural reforms, ballooning government spending, rising inflation and a widening trade deficit have sparked fears that the economy could overheat. These concerns, along with controversial politics, have taken a toll on the leu, which fell to record lows. On December 29, the leu weakened to an all-time low against the euro amid unrest caused by protests against government plans to reform the judicial system.

MOLDOVA: The economy picked up steam in the third quarter of 2017. In annual terms, it grew more than double the pace of the previous quarter (Q3: +5.4% year-on-year; Q2: +2.5% yoy). Robust domestic demand—led by private consumption—drove the upturn, outweighing the external sector’s drag on growth. Available data for the first month of the final quarter suggests that the economy continued to gain traction. Annual industrial production growth shot up to 9.9% in October, and the trade deficit shrank in the same month as exports surged. The economy remains on track under the IMF’s Extended Fund Facility, having beaten revenue targets and maintained financial stability thus far. Concluding its second review under the Extended Credit Facility and Extended Fund Facility in December, the IMF commented that while strides have been made in revamping the financial sector, more structural reforms are critical to boosting growth.

AZERBAIJAN: Azerbaijan’s oil-dependent economy continues to struggle. It shrank 0.2% in the first 11 months of 2017 compared to the same period a year earlier. The non-oil economy, however, increased a moderate 2.4% in the January–November period. Non-oil industrial production and the agricultural sector once again clocked solid growth rates, while fixed investment contracted for the third consecutive month. Data for retail trade suggests that private consumption grew, likely supported by rising household income. In early January, the World Bank commented on the need for further legislative improvements to support the development of the private sector and diversify the economy. In late November, parliament started discussions on the draft budget for the next four years. The budget is likely to focus on supporting non-oil economic activity in a bid to diversify the economy and improve the business environment.

GEORGIA: Recent data suggests that economic momentum remained healthy in the last quarter of 2017. An estimate of growth revealed a solid expansion in November, albeit below October’s nearly 6.0% annual increase. The economy improved notably in 2017 from the previous year, largely due to better performances in the country’s main trading partners. Exports grew almost 30% year-on-year in the first 11 months of the year. In December, the parliament approved a GEL 12.4 billion (USD 4.7 billion) budget for 2018, focusing on improving healthcare, infrastructure and education in Georgia. The government has made solid strides in improving the country’s business environment, which will be further helped by additional investment in infrastructure.

KAZAKHSTAN: Kazakhstan's economic recovery is progressing at a steady pace. The economy grew 4.2% year-on-year in the January–September period (January–June: +4.3% year-on-year), thanks to buoyant export growth and solid domestic demand. Recent months have seen an upsurge in oil prices, which is catalyzing growth in the oil-exporting economy along with a recovery in Russia, an important trading partner. Economic growth has picked up since the start of 2017 after being severely dented in 2015 and 2016 due to low oil prices, exacerbated by a slowdown in China and a recession in Russia. Annual retail sales growth was resilient in November amid slowing inflation, moderating slightly from October. At the start of 2018, Kazakhstan signed a three-year agreement with the European Bank of Reconstruction and Development, aimed at boosting competitiveness and diversifying the economy to help it better cope with external shocks.

ESTONIA: Economic growth remained solid in Q3, albeit slowing to 4.2% from 5.7% year-on-year in Q2. The moderation largely reflected an unfavorable base effect rather than an economic slowdown, as the main drivers of growth - private consumption and fixed investment - increased at a healthy pace. Q3's expansion brings cumulative annual growth in the first three quarters of the year to 4.8%, which marks the fastest pace of growth in years. The latest data is positive and suggests that economic activity will remain solid in the fourth quarter. Industrial production picked up steam in October, and business confidence increased in November. On December 11, S&P Global Ratings, noting these developments, decided to affirm the country's AA- rating and stable outlook. The rating agency based its decision on Estonia's strong economic growth, supported by EU investment fund inflows and healthy public accounts, as well as the country's position as a net lender. Nevertheless, it commented that wage growth in excess of labor productivity growth could weigh on continued overall growth in the medium term.

LATVIA: A second estimate confirmed that Latvia's economy expanded in Q3 at the fastest year-on-year pace since Q1 2012. Growth was underpinned by a surge in fixed investment, boosted by an increased absorption of EU funds. A jump in consumer spending in annual terms, supported by tightening labor market conditions and rapidly rising wages, also drove growth in the third quarter. Available data for Q4 suggests growth will remain solid in the last quarter of the year, although it may ease somewhat from Q3. Industrial output continued to increase in annual terms in October, but at less than half the growth rate of September. In the same month, goods exports registered an over 10% increase over the same period last year, but the trade deficit widened as imports outpaced exports. Retail sales continued to rise at a strong pace in October, while the unemployment rate ticked up in November.

LITHUANIA: A revised estimate confirmed the slowdown in economic growth in Q3. Despite remaining solid, annual GDP growth moderated from the previous quarter due to a marked deceleration in consumer spending and a negative contribution from the external sector. Data for Q4 seems to confirm that the economy shifted into a lower gear in H2 compared to H1. In October, growth in retail sales continued to hover just above 2%, as consumers likely felt the bite of higher inflation. Industrial production in both October and November expanded at a solid rate, however, business confidence in November continued to deteriorate, dragged down by lower confidence in the industrial and services sectors. On December 7, the parliament approved a revised 2018 budget draft, which includes provisions for higher wages for public administration workers and projects an optimistic budget surplus of 0.6% of GDP for next year.

Trade Servicing/PR:

Trade PR materials production: ASMI reprinted trade PR materials in Ukrainian, produced Alaska Seafood logo bags for upcoming representational events and printed branded calendars. ASMI sent 150 calendars during the New Year period as incentives to partners in the EEU region. ASMI designed and sent out Christmas and New Year greeting cards to an audience of over 400 professionals in 11 countries. Cook it Frozen© techniques were translated into Russian and published on www.alaskaseafood.ru. "Handle with Care: A Retail Seafood Quality Primer" and "A Foodservice Guide to Seafood Quality" brochures were translated into Romanian and distributed to importers throughout the supply chain.

USDA American Day, Alaska Pollock Promotion, Romania: On November 15, USDA in Bucharest, Romania, organized the American Day promotion in a social canteen. The event was organized around Thanksgiving. U.S. Ambassador Hans G. Klemm stood behind the counter with other U.S. Embassy workers and served the food to the 450 low income recipients. The event was supported by ASMI and Marathon Group Distribution, one of the largest food distributors in

Romania. ASMI donated 130 kg of Alaska pollock. The event was widely covered by the three national TV stations during prime time news and one news media outlet. The origin of the fish was highlighted in all the videos and articles.



American Chamber of Commerce Thanksgiving Dinner, Romania: On November 23, the American Chamber of Commerce, Romania organized an event to celebrate Thanksgiving Day. The event took place at the InterContinental Hotel in Bucharest. During the first part of the evening Andrei Plesu, a renowned Romanian philosopher, essayist, journalist, literary and art critic, shared his insights on gratefulness. A networking reception followed. The participants were members of the American Chamber of Commerce in Romania. There were 90 guests in attendance, including the Chamber's hospitality committee. ASMI sponsored the welcome buffet. Ioana Stoenescu, Marketing Specialist from USDA/FAS in Bucharest, presented the product to the guests. In addition to the food, educational materials were handed out to the guests, including recipes and general information on the product. The goal of the promotion was to highlight an assortment of Alaska seafood to the top-management of the Romanian HRI sector.

Selida Lux ASMI Branded Food Truck, Moldova: Selida Lux is an import company based in Hincesti, Moldova specializing in frozen fish and seafood, and distributed in retail, wholesale and Selida's specialized store "Ocean Product." The company is one of the biggest importers and processors of salmon roe in Moldova. Their Alaska assortment includes keta, sockeye and pink salmon, salmon roe, pollock, cod and flatfish. ASMI branded Selida's food truck which will sell fish, including Alaska fish, all over Moldova. ASMI will also have the opportunity to rent the food truck for its own promotions.

Results:

- ASMI sent out Christmas and New Year greeting cards to over 400 professionals in 11 countries.
- At the USA Alaska Pollock Promotion in Romania, US embassy workers served Alaska pollock to 450 low income recipients. The event was widely covered by the three national TV stations and the origin of the seafood was highlighted in all videos and articles.
- 90 guests attended the Thanksgiving event at the American Chamber of Commerce in Romania where ASMI sponsored the welcome buffet.
- ASMI reached out to over 30 HRI specialists, importers, and press via phone, email or in person meeting.
- Over 2,300 unique users had access to ASMI news via the www.alaskaseafood.ru blog.

Retail Merchandising:

Viocris Impex Salmon Roe Promotion, Moldova: Partner: Moldovan fish importer and salmon roe processor, Viocris Impex. ASMI provided five ASMI standup "Nanook" bears to Viocris. The bears were used to attract attention to the Alaska product available in local retail. ASMI prepared a leaflet on salmon roe for distribution during these promotions. The leaflet contained information on Alaska seafood and salmon roe, its health benefits, and two salmon roe recipes. Leaflets were distributed at the point of sale and at cashier desks. The promotion took place in 64 stores: Ocean Produ

(6), Caviar House (3), Fourchette (11), Green Hills Market (9), Unimarket (20), and Linella (15). The total amount of Alaska salmon roe sold during the promotion period was 4 MT, a 30% increase in sales compared to sales December 2016.



Results:

- The total amount of Alaska salmon roe sold during the promotion period was 4 MT, a 30% increase in sales compared to sales December 2016.

BRAZIL

Market Update: According to data from the Brazilian Institute of Geography and Statistics (IBGE), the total output of goods and services in Brazil for the year 2015 amounted to R\$ 5.86 trillion (approximately US\$ 1.83 trillion, based on the 2016 average exchange rate). This represents a 7.3% increase in comparison to the previous year and ranks the country as the ninth largest world economy. The GDP per capita in 2016 was \$9,502 (R\$ 30,407).

Brazil has tremendous appeal as a destination for Alaska seafood exports. The population is over 206 million and the growing middle class have increasing gross and disposable incomes. The middle class increased 1.3% in 2016 compared to the previous year, representing now more than half of the population in Brazil. The rise is attributed to good economic performance (after two years facing economic and political challenges), and growing education rates leading to higher wages. The rise in households with strong purchasing power is spurring a consumption boom, which is expected to continue, given the continued entrance of a more educated workforce into the labor market and the expansion of formal labor. It is forecasted by The Brazilian Institute of Geography and Statistics that by 2023, the Brazilian middle class will represent 58% of the population (about 125 million people) as a result of people leaving the lower income classes.

Disposable income is growing at a good pace in Brazil. According to Euromonitor International statistics, from 2012 to 2016, disposable income increased 36%. Following this increase, consumption has also risen across the economic spectrum, thanks to an increased minimum wage, lower inflation and grants to low income families. As a result, consumer spending on food totaled US\$ 156.5 billion in 2015.

The increase in Brazilian disposable income and retail spending continues to attract several foreign companies to the country. According to the Brazilian Association of Supermarkets (ABRAS), although segment revenues decreased by 1.5% in 2016 compared to the previous year, the \$105.84 billion (BRL 338.7 billion) guaranteed for the segment the share of 5.4% in the Brazilian GDP. The five largest chains (Carrefour, Grupo Pão de Açúcar, Walmart, Ceconsud and Dia) are responsible for 44% of total supermarket revenue.

According to the Brazilian Ministry of Development, Foreign Trade and Industry (MDIC), over 335 thousand tons of seafood valued at \$1.09 billion were imported into the country in 2016, representing a 9% increase in volume and a slight 1%

decrease in value over 2015; the growing consumption is a direct effect of the political and economic recovery due to the Government change in this period.

Seafood imports from the U.S., especially from Alaska, have increased rapidly from 2012 to 2014, rising 295% in volume and 80% in value in that period. After dropping in 2015 due to political uncertainties and currency depreciation, imports from the U.S. presented an important recovery in 2016, with a significant increase of 29% in volume and 64% in value. This trend was mostly driven by imports of Alaska wild salmon and Alaska pollock, the main shareholders among U.S. species imported into Brazil.

The economic and demographic changes in Brazil have led to rapid evolution and growth in the foodservice industry. Independent casual restaurants concentrated in urban areas make up the bulk of the Brazilian foodservice industry. These restaurants target lower-income individuals who dine out with greater frequency. On the other hand, the best-performing spending category over the period of 2017-2030 is forecast to be hotels and catering, according to Euromonitor. The rising levels of disposable income support spending on eating out and domestic travelling.

In terms of revenues, according to the CREST research developed by GS&MD and NPD groups, growth between 2011 and 2016 was important, going from R\$ 121 billion (approx. US\$ 39 billion) to R\$ 184 billion (approx. US\$ 60 billion), which corresponded to an average annual growth above 10%. Projections suggest that foodservice revenues should reach R\$ 230 billion (approx. US\$ 75 billion) by 2019, with average annual growth of 8%.

The trend for a greater variety of foods offered at a wide range of prices continues to drive foodservice in Brazil. Immigration and a global culinary outlook have increased demand for a variety of options and thus led to more restaurants featuring international cuisine, such as French, Italian, and Mediterranean, among others. Asian restaurants, Japanese in particular, are highlighted. This popularity is fueled in part by Brazil's considerable Japanese population, which is primarily concentrated in two states: São Paulo and Paraná. Brazil has the largest population of ethnic Japanese outside of Japan, representing a significant target market for Alaska seafood.

ASMI Brazil has put a lot of effort into the HRI sector because it offers prime public relations opportunities and a potential platform to showcase Alaska species and products with less awareness in Brazil, such as wild salmon. Both independently and in cooperation with the United States Agricultural Trade Office, ASMI Brazil encourages HRI collaborators to use new Alaska products and to identify them on the menu. ASMI Brazil consistently seeks new partners for promotions that generate publicity and deliver the messages of Alaska seafood. ASMI estimates that about 27 Brazilian restaurants were using wild Alaska sockeye salmon and Alaska black cod by the end of FY 2017 (June 2017).

Alaska cod exported directly from Alaska to Brazil also figures among Alaska products present in Brazilian retail. Noronha Pescados currently import Alaska cod directly, using it in its new "sustainable line," as well as directing it to Swift's private label.

Retail Merchandising

Alaska Seafood In-Store Christmas Promotions December: ASMI Brazil conducted in-store promotions during Christmas holidays to promote Alaska cod, Alaska pollock, and Alaska keta and sockeye salmon in outlets of 13 retail chains in São Paulo/SP, Recife/PE, Salvador/BA, Rio de Janeiro/RJ, Brasília/DF, Belo Horizonte/MG and São Luiz/MA.

Alaska Cod In-Store Christmas Promotions with Brascod and Bom Porto: ASMI Brazil conducted in-store promotions in partnership with Brascod/Bom Porto to promote Alaska cod in outlets of Atacadão, Carrefour, Dalben, Extra, Giga, Mambo, Oba Hortifruti, Rede Boa, Sacolão, Sam's Club, Sonda and Walmart chains in São Paulo. These promotions were part of the Christmas Campaign, developed in outlets in São Paulo, Campinas, Jundiaí, Sorocaba, São José do Campos, Amparo, Belo Horizonte, Rio de Janeiro and Recife. ASMI and Brascod/Bom Porto had 100 sales professionals working for 12 days, positioned at a total of 140 outlets. Professionals were properly trained to educate consumers on Alaska seafood's wild, natural and sustainable aspects and boost sales of Alaska *Gadus macrocephalus*; ASMI recipe flyers were distributed to consumers.

Alaska Pollock Comparison Video with Celebrity Chef Carla Elage: ASMI Brazil published two promotional videos featuring

Alaska pollock and its pure, natural and sustainable aspects, comparing its quality to processed variants of other origins. Developed in Q1, ASMI produced two different length videos based on the presentation by Chef Ambassador Carla Elage, with one giving a detailed comparison of Alaska pollock imported directly from Alaska to other pollock available in the market (visual aspect, thaw, smell, taste, water content, cooking comparison), and the second providing a 2-minute compact version for social media, focused on consumers, retail and restaurants. Both videos are available on ASMI's facebook pages and youtube channel. On Facebook, the video has over 12,000 views and on Youtube, it has over 800 views. ASMI Brazil will implement a marketing strategy for its promotion in Q3.



Results:

- Sales of 8.33 tons of Alaska pollock, Alaska cod and Alaska pink, keta and sockeye salmon valued at \$117,709 were reported during the promotional campaigns.
- Continued working with Chef Carla Elage, who is acting as an Alaska Seafood brand ambassador, to promote Alaska species for retail through the production of promotional videos. One promotional video featuring Alaska pollock developed in Q1 is available online with two versions of the length.
- On Facebook, the video has over 12,000 views and on Youtube, it has over 800 views.

Trade PR

Japan Food Show: ASMI Brazil participated with an Alaska Seafood 18 sqm pavilion in the Japan Food Show 2017, which took place in São Paulo from October 1 to 3, 2017. This is the third edition of the show, for which the main target is Japanese and Asian restaurants and chefs. Suppliers, foodservice and seafood industry entities were among exhibitors at the show. Simultaneously, workshops on best practices and seafood industry trends, as well as culinary classes displaying exhibitors' products took place during the show. During the event, a tasting of Alaska seafood products was provided in ASMI's booth by Chefs Marc Maeda and Washington Lapa, which included dishes made with Alaska pollock, cod, keta and sockeye salmon. Chef Maeda also gave a class on Alaska keta and sockeye salmon at the show's Gastronomy Workshop, focusing on Alaska seafood's wild, natural and sustainable aspects, its advantages and differences among species. ASMI coordinated with AK seafood exporting companies and local traders of Alaska seafood products to participate to promote AK products released by partners in Brazil from 2013 to 2017. Over 80 new qualified foodservice trade leads were generated during the show.

30th International Congress of Gastronomy, Hospitality and Tourism: ASMI sponsored and visited the 30th CIHAT show, an important congress which brings together important names in the gastronomy, hospitality and tourism segments. Hotels, restaurants, buffet owners and chefs enjoyed and participated in workshops focused on regional gastronomy, showcasing its varieties and impact on tourism. During the show, chef Osley José presented a creative workshop involving Brazilian central-western cuisine with Alaska cod. Long known as a seafood-focused chef, Chef Osley proposed a cooking demo with dishes centered on Alaska cod, properly identifying its origin, health benefits and wild, natural and sustainable

characteristics. Alaska cod flyers were distributed during the workshop to the audience, as well as a brief introduction of ASMI and its activities before the demo.

ASMI Annual Gathering December 5, 2017: ASMI Brazil held the fifth annual Alaska Seafood gathering at the Jaú restaurant in São Paulo for 100 invitees, including importers, distributors, retailers, chefs, gastronomy and trade journalists, culinary schools, FAS representatives, and other opinion makers and partners in Brazil. ASMI OMRs José Madeira and Carolina Nascimento gave welcome remarks and a presentation on the Alaska seafood industry, its wild, natural and sustainable species, ASMI services and the Brazil program. An actor wearing the Alaska Nanook bear custom interacted with guests. The OMR staff addressed guest questions and informative material was distributed to all of them at the end of the event. ASMI Brazil asked guests to use the hashtag #ToNoAlaska and #AlaskaSeafood when sharing pictures in social media platforms.



Alaska Seafood Recipe Booklet: ASMI Brazil developed a new recipe booklet titled “Special Recipes with Wild Alaska Seafood.” The 28-page book contains four recipes using Alaska cod, pollock, keta and sockeye salmon. The material was developed in partnership with Chef Ambassador Fernando Corsi, as well as renowned seafood chefs Marcel Sasaki (Dô Culinária Japonesa), Fabrício Paiva (Aguzzo) and Fábio Vieira (Micaela). The four chefs partnered with ASMI during the fifth annual Alaska Seafood gathering, with the recipe booklet distributed during the event. The recipe book has sections highlighting each chef with a brief bio. Then, custom recipes by each chef are presented followed by one-page ads for supermarkets with the featured Alaska product available in their stores. The recipes are the same that were served during the 2017 ASMI Gathering and available at the restaurants during the Alaska Seafood Summer Festival. Pictures of each chef, recipe and product format in retail were provided.

Results:

- ASMI participated in the 2017 Japan & Asian Food Show with three Brazilian distribution partners and generated more than 80 new foodservice leads.
- Held the ASMI 5th Annual Gathering Event for 100 people.
- Organized a retail award during the fifth edition of the annual Alaska gathering, honoring 12 supermarket chains with Alaska seafood products on their shelves.
- Peixes do Alasca Facebook gained over 18K new likes on its fan page, totaling over 806K likes.
- Bacalhau do Alasca Facebook gained over 2K new likes on its fan page, totaling over 244K likes.
- Alaska Seafood Brasil Instagram profile gained over 241 followers, totaling over 2,970 followers.

Foodservice Promotions

Guinza Sushi's Alaska Seafood Menu: ASMI developed a custom seafood menu for the Guinza Sushi restaurant. The menu has five distinct dishes focused on Alaska sockeye salmon served as A La Carte options, aimed at high-end executive customers who usually frequent it at the evening period. The menu has the ASMI logo and clear identification of Alaska origin of the sockeye salmon. ASMI printed 10 copies of the menu for the restaurant. The Alaska seafood menu has been available since the end-of-year holidays. Alaska Seafood tabletops were provided beforehand and will be used during the initial phase of tests to educate customers about Alaska's wild, natural and sustainable aspects and benefits.

Brazilian Association of Japanese Gastronomy New Year Event: The Brazilian Association of Japanese Gastronomy (ABGJ) hosted a New Year event for 120 guests, mostly trade and foodservice executives, at the La Fiesta club. Partnering with the Guinza Sushi restaurant, which recently began serving Alaska sockeye salmon, with a sushi boat featuring the species served for the guests, with the origin being properly identified by the waiters and ABGJ staff. Alaska Seafood recipe books were distributed to key contacts within the association.

U.S. Consul General in Sao Paulo's Dinner December 5, 2017: ASMI sponsored an official executive dinner hosted by Ricardo Zuniga, U.S. Consul General in São Paulo, which took place at his residence in December 5th. The dinner had approximately 20 guests, including CEOs for major companies such as Google, Dow and DuPont. With gatherings being made once a month, CG Zuniga hosted a larger holiday dinner for the group, featuring U.S. food products and brands during the event. ASMI donated Alaska sockeye salmon and branded materials including the Nanook bear totem, two signs written "Invite the Wild for Dinner" and "Merry Wild Christmas" and ASMI flagsticks used with the dishes.

Alaska Seafood Summer Festival December 2017 – January 2018: ASMI organized the Alaska New Year Festival, a joint effort with three restaurants with Alaska seafood on their menus to further develop this market and also commemorate six years of Alaska seafood in Brazil. In partnership with Ambassador Chef Fernando Corsi and Chefs Fabio Vieira (Micaela), Marcel Sasaki (Dô), Fabricio Paiva (Aguzzo), multiple recipes with Alaska cod, pollock, keta and sockeye salmon were developed for custom menus which will be served throughout December, being further extended to January for the Dô restaurant. Four different recipes were developed during this time, being first showcased at ASMI's 5th annual gathering, with PR services used to promote the festival. Furthermore, Chef Marcel Sasaki's partnership with ASMI yielded participation in the renowned TV show *Todo Seu*, presented by Brazilian celebrity Ronnie Von. The show was aired on December 18th, where an Alaska sockeye salmon cooking demo was provided. Chef Sasaki explained the differences of Alaska wild salmon compared to common farmed variants and highlighted the benefits and taste value of Alaska origin products.



Daiji-Ni Gastronomic Festival December 16, 2017: The Daiji-Ni ("Made with care") Festival is a gastronomic gathering organized by Seafood Chef Marc Maeda and Patisserie Chefs Vivianne Wakuda and Sabrina Maeda. In its first edition, the event was aimed at the Japanese community of the Liberdade neighborhood in São Paulo (a well-known Japanese neighborhood in the city), focusing on seafood dishes and Japanese patisserie sweets. Chef Maeda, having previous experience with Alaska products, chose to focus on Alaska sockeye salmon sushi dishes, partnering with ASMI, showcasing the brand along with his own (Nakamá) marketing materials used during the event. One Nanook bear totem was displayed near Chef Maeda's booth, with Alaska salmon tabletops displayed and flyers distributed to guests.

Results:

- Cooperated with four chefs to develop four new recipes using Alaska cod, pollock, keta and sockeye salmon.
- Produced Alaska seafood custom menus for one restaurant.
- Participated in two gastronomy events to promote Alaska seafood.

- Continued working with Chef Ambassador Fernando Corsi, to promote Alaska seafood products available in the market for introduction in local restaurant menus, development of customized recipes, consumer outreach and creating awareness about the Alaska Seafood industry's sustainable aspects.