

DATE: November 28-30, 2017
TO: ASMI Board of Directors
FROM: Hannah Lindoff, International Marketing Program Director
RE: International Program Report

This report covers activities occurring in the fourth quarter of fiscal year (FY) 17 and the first 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.

In 2015-16 ASMI commissioned a report about the S. Korea market. As a follow-up, the International Marketing Committee (IMC) requested a trade mission to the country. ASMI International took 12 trade members from 10 companies to S. Korea in February of 2017. The group met with industry, toured facilities and had B to B meetings with new and established customers in Seoul and Busan. \$3 million in sales were realized as a result of the mission with many more pending.

Prior to the Korea mission, International Program Director Hannah Lindoff presented at the Tokyo University Yayoi Campus Ecolabel Symposium on Feb. 3, one of several speakers presenting on regional eco-labeling schemes. Roughly 100 attendees including trade press, other presenters from around the world, and members of the local Japanese scientific and management community attended. Lindoff is a co-author of the Conference Report which was published by Marine Policy in August 2018.

In an effort to better reach the trade and consolidate program costs, ASMI International selected a single firm to oversee the Western Europe and Central Europe regions. Mk2, who formerly represented ASMI in Central Europe, will now manage both regions with the addition of French trade representative Bruno Correard. Bruno has over 20 years experience with the seafood industry in France and has already begun working closely with French trade members to revitalize the Alaska category at retail and HRI. Synergies between programs such as the same trade newsletters and website designs are already being realized.

ASMI is currently recruiting for booth and table exhibitors for Seafood Expo Global in April 2018. In 2017 onsite sales and projected sales rebounded from the poorly attended 2016 show, posting \$52,829,500 and \$639,000,000 respectively.

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.

The ASMI international team added Monica George to their ranks as the new International Program Coordinator. In June Monica brought a 3D video crew to Cordova to shoot a virtual reality video featuring an Alaska fishing family. The UK program is producing ASMI branded headsets that fit smart phones so that the virtual reality film can be used at events and gatherings. George also represented ASMI at the China Fisheries Expo Nov 1-3 in Qingdao.

Alice Ottoson-McKeen, also a new addition to the international team, attended the CONXEMAR show in Spain Oct. 3-5. Nine companies co-exhibited with ASMI, recording on-site sales of \$4.7 million and \$31 million in 12 month projected sales. Industry met with over 250 local buyers and 41 trade leads were collected from 19 different countries.

Ottoson-McKeen, along with international program alumnus, Megan Rider, will host a trade mission of female buyers to Dutch Harbor this winter. ASMI is currently recruiting women from our program countries to join the Women's Mission Jan. 29-Feb. 3, 2018.

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 and have been asked to continue to contribute to Women of Seafood events. 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, have led ASMI International to incorporate women's trade events into our broad program strategy for FY18.

Tonkovich also lent her support to the International Program with an appearance on stage at Chinese giant Alibaba's Gateway 17 event in Detroit. On June 21, Tmall hosted a live streaming of Tonkovich's appearance via its mobile app, while launching an Alaska seafood promotion.

TRADE SHOWS/TRADE MISSIONS:

European Buyer's in-bound mission (financed by WA State Agriculture) Seattle, WA June 4 – 6, 2017

- Five EU buyers met with Alaska companies in Seattle.

Chinese Women's In-bound buyer's mission (financed by WA State Agriculture) Seattle, WA June 21-24, 2017

- Eight female buyers and trade press from the Shanghai region met with Alaska companies in Seattle.

Culinary Retreat, Seward, Alaska June 18-22, 2017

- ASMI International sponsored eight chefs to participate in a joint Domestic-International Culinary Retreat in Seward.

USA Seafood Trade Mission, Singapore and Bangkok, Thailand Sept. 10-14, 2017

- Seven Alaska industry members participated in the mission. In total \$1,960,000 in on-site sales were recorded with \$5,520,000 in projected sales estimated.

CONXEMAR, Vigo, Spain October 3-5, 2017

- ASMI SEU participated in the CONXEMAR trade show alongside seven U.S. exporters and two Spanish distributors who exhibited from the ASMI booth.

Japan Food Show, Brazil October 3-5, 2017

China Fisheries and Seafood Expo, Qingdao, China November 1-3, 2017

CHINA:

Market Update:

Mainland China: The Chinese economy experienced astonishing growth in the past few decades, and has catapulted the country to become the world's second largest economy, with important and influential effects on the global economy. In 2016, China's economy grew by 6.7 percent, and is one of the largest in the world. With China being the most populated country in the world, along with the burgeoning e-commerce industry, China has 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 5 trillion U.S. dollars, which is a 10.9% increase when compared to 2015, 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 second and third 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 that presents huge opportunities for Alaska seafood. In particular, consumers in these markets are very susceptible to brand marketing, and 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 on branding Alaska seafood as an exquisite and premium seafood product. For the past year, ASMI launched a nationwide media campaign that consisted of print advertisements, subway advertisements and new digital media promotions through Wechat accounts and Weibo KOL posts that all 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 have damaged confidence and trust in local food. This has resulted in a surge in demand for imported products, generally having a good reputation for being high quality and safe. For 2016/17, ASMI had been actively promoting Alaska seafood, highlighting its numerous benefits: wild, natural and sustainable, all of which reiterate the healthy and safe concept.

Nonetheless, the emerging online platforms have continued to witness a tremendous growth of 26.2%, reaching 850 billion U.S. dollars. With the fact that China has the highest number of internet users, it is inevitable to utilize e-commerce and social media platforms for the promotion of Alaska seafood. Apart from traditional retail, ASMI also increased its partnerships in the past year with all the major e-commerce platforms in China that sell 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 the collaboration with multiple key opinion leaders to reach out 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 has enjoyed a very high reputation in Hong Kong in view of its premium and wild nature. Although 2016/17 has been a challenging year for Hong Kong due to the decrease in the number of tourists visiting Hong Kong, resulting in an economic downturn. Yet, the demand for Alaska seafood remains high due to consumers' strong consumption of seafood, as well as their increased sophistication about wild and sustainability. 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 for more Alaska seafood as a gimmick 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

On the other hand, 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 high rolling gamblers, 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 F&B industry will no doubt drive importers and traders to source more Alaska seafood to offer more 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.

Consumer Public Relations/Advertising

Press Coverage Campaign: Press coverage has served as an effective and economical method of bringing Alaska seafood's message to ASMI China's target audience. The program consists of two rounds. The first round of press coverage was carried out from July through December 2016. The 2nd round was conducted from January to June, 2017. Alaska seafood recipes, features and nutrition were advertised on 76 lifestyle, food and beverage and cooking newspapers, magazines, or websites covering some second tier cities, like Chengdu, Chongqing, Qingdao, Dalian and Shenyang as well as the first tier cities of Shanghai, Beijing and Guangzhou.

Results:

- Press coverage campaign: results: 76 hits were generated in the second round, estimated value US \$88,000.

Retail Merchandising

Retail promotion with Rainbow supermarket in Shenzhen (5 outlets), April 28 to May 28, 2017: Rainbow currently has 67 outlets operating in cities such as Beijing, Guangdong, Fujian, Jiangxi, Hunan, Jiangsu, Zhejiang, and Sichuan. It is positioning itself as a higher-end supermarket. The Alaska seafood in-store promotion was kicked off at five selected Rainbow outlets in Shenzhen from April 28 to May 28, 2017. Alaska pollock, scallops, and cod were highlighted during the promotion, and promoters and tastings were arranged as well. Special recipe leaflets were distributed to those who purchased and these products.

Retail promotion at six outlets of PARKnSHOP in Guangzhou from July 19 to August 18, 2017: A retail promotion was kicked off at PARKnSHOP (six outlets) from July 19 to August 18, 2017. Alaska seafood, including sockeye salmon, cod, and pollock, was featured during the promotion. Promoters and product sampling was arranged and recipe leaflets were distributed to those who purchased Alaska seafood during the promotion.

Retail promotion at New Yaohan in Macau from July 19 to August 1, 2017: New Yaohan is the largest department store in Macau and provides a variety of necessities and products to locals in Macau. The supermarket incorporates worldwide food and grocery products and sells their customers high-end, quality products. Alaska king crab, snow crab, and black cod were featured during the promotion from July 19 - August 1, 2017.

Retail promotion at ten outlets of G-Super in Shanghai from July 20 to August 19, 2017: G-Super is operated by the Greenland Group, China's largest real estate developer, which offers various imported foods and beverages from around the world. There are 14 outlets in China so far, including ten in Shanghai. An Alaska seafood promotion was launched at all ten outlets in Shanghai. Alaska black cod, cod, yellowfin sole, and sea cucumber were involved in this promotion. Special Alaska Seafood decoration, including a pull-up banner, was arranged at each store.

Retail promotion at 12 outlets of AEON in Hong Kong from July 27 to August 9, 2017: ASMI China participated in the annual American Food Festival, which kicked off at 12 outlets of AEON in Hong Kong on July 27-August 9, 2017. Alaska coho salmon, black cod, cod and king crab were featured during the promotion and POS materials were used for decoration. Tastings were arranged as well.

Retail promotion at eight outlets of Ole and Blt in Guangdong from August 25 to September 25, 2017: ASMI China carried out an in-store promotion at eight outlets of Ole and Blt in Guangdong, between August 25 to September 25, 2017. Alaska seafood like black cod, sea cucumber, and scallops were highlighted in the promotion and product sampling was provided.

Retail promotion at Ole, Blt, Epin life and G-mart in Xi'an (4 stores) from August 18 to September 20, 2017: ASMI launched an in-store promotion to boost the sales of Alaska seafood in Xi'an from August 18th to September 20th. This event was held at selected Ole' Wang Fujing outlet, Blt Saige outlet, G-mart Yanta outlet and Epin life supermarket Saigao outlet. During the promotion, Alaska cod, black cod, and yellowfin sole were highlighted and Alaska seafood recipe leaflets were handed out to people interested in Alaska seafood.

Q4 Results:

- One promotion was carried out both in Mainland China and Hong Kong achieving 155 promotional days.
- Gave out 7,200 seafood samples.
- Established one new retail partner.
- All the retail promotional partners have carried Alaska seafood on a consistent, long-term basis.

Q1 Results:

- Seven promotions were held in both Mainland China and Hong Kong/Macau achieving 1,070 promotional days.
- Gave out 36,000 seafood samples.
- Established one new retail chains.
- Attracted three retail promotional partners to carry Alaska seafood on a consistent, long-term basis.

Trade Shows

HOFEX in Hong Kong, May 8-11, 2017: ASMI exhibited at HOFEX 2017 again this year to market and promote Alaska seafood to more visitors and buyers. Varieties of Alaska seafood products from high-end to price-point products were displayed at the show, including three species of salmon, three varieties of crabs, halibut, cod, black cod, Pacific cod, sole, herring roe, and pollock roe. Alaska seafood products were sampled during the show, including snow crab, salmon roe, herring roe, and pollock roe. Alaska Seafood collateral materials were distributed to the visitors. A total of more than 80 trade leads were collected during the four days of the show. Among them, 16 trade leads had actual sales requests, seeking seafood products from Alaska directly. The major products of interest were king crab, snow crab, black cod and halibut.



Results:

- Gathered 16 qualified trade leads for direct imports at the show.
- Encouraged three traders to import Alaska seafood on a long-term basis after the show.
- Two retail and one foodservice promotions have resulted from contacts made during the show.
- One Alaska supplier took part in the show.

China Fisheries & Seafood Expo: For more than a decade, ASMI China has been participating in the annual China Fisheries & Seafood Expo, the largest seafood show in Asia. The expo, which will be held in the northeastern city of Qingdao, provides an ideal platform for ASMI China to introduce new and existing Alaska seafood products and Alaska companies to Chinese and international traders while continuing to build on the existing relationships between ASMI China and its Alaska seafood buyers. As always, the ASMI booth will highlight wide varieties of Alaska seafood products, meanwhile arranging product sampling, meeting space for Alaska industry members and the Chinese traders, and a display area for various species of Alaska seafood. Other supporting materials will also be distributed to visitors during the show.

Online Sales/Website Development/New Media Promotion

Online sales and offline VIP event, July 1, 2017: Following the Alibaba's "Gateway 17" in Detroit on June 20, and in order to further increase the sales of Alaska seafood products, an O2O promotion was launched in Shenzhen among ASMI China, Tmall, and local seafood traders on July 1. The offline event included a cooking demo, and free tasting. Where deep-processed and ready-to-eat Alaska products such as pollock hamburger, pollock nuggets, as well as black cod, Pacific cod, yellowfin sole, snow crab, king crab, halibut, sea cucumber, and pollock roe were highlighted. Over 30 consumers who had purchased Alaska seafood online were selected for the event. Games and a lucky draw were arranged during the activity and POS materials were distributed.

Online promotion at Chunbo.com, July 17-July 31: Chunbo.com, a regional e-commerce player conducted an online American Food Festival with the ATO Beijing from July 17 to 31, 2017. During the event, Alaska black cod, cod, pollock, sea cucumber and yellowfin sole were featured. Before the online promotion, an offline activity was arranged on July 14 to kick off this event. 150 Chunbo.com loyal customer families were invited. During the offline event, a chef was invited to do the cooking for customers. Alaska yellowfin sole was featured through the chef cooking demo and provided for tasting. Special POS materials and product brochures were showcased and distributed at the offline event to promote Alaska seafood better.

Offline Cooking Class in Shanghai on August 11, 2017: To enhance consumers' awareness of Alaska seafood, ASMI China hosted an offline cooking class in Shanghai on August 11, when a celebrity chef was invited to do cooking demonstration featuring three varieties of Alaska seafood including black cod, snow crab, and pollock roe.

Website Development and WeChat Maintenance: ASMI China is currently using two websites to deliver timely and accurate information to the public, and both are updated on a regular basis. One is a consumer website, which mainly focuses on the nutritional value of Alaska seafood and recipes, and the other one is a trade website, which mostly emphasizes the outstanding fishing industry in Alaska and premium quality of Alaska seafood. ASMI China believes that the websites can serve as a linkage between the trade members and the consumers. In addition, the WeChat official account launched in 2015 will receive weekly content updates. Each week, a different post featuring news or information on Alaska seafood or ASMI China activities, as well as recipes, will be posted. Occasionally, the WeChat account will host interactive activities with consumers to attract new and existing followers.

Q4 Results:

- On-line Sales / New Social Media Promotion:
Results: 181,000kgs Alaska seafood products sold through the events; estimated value US \$3,883,055
- Website Development and Maintenance:
Results: Generated 380 hits on the ASMI website during the fiscal year.
Results: Gathered 16 trade leads through the website.
- WeChat update, April – June, 2017:
Results: Attracted over 7,800 followers of ASMI China's WeChat account
Results: WeChat updated on a weekly basis with 13 posts

Q1 Results:

- Online Sales / New Social Media Promotion:

Results: 43,500kgs Alaska seafood products sold out through the event; estimated value US \$929,207

- Website Development and Maintenance:
Results: Generated 496 hits on the ASMI website during the fiscal year.
Results: Gathered 13 trade leads through the website.
- WeChat update, July-September, 2017:
Results: Attracted over 20,000 followers of ASMI China's WeChat account
Results: WeChat updated on a weekly with 13 posts

Foodservice Promotions

Menu promotion with Hyatt Regency in Suzhou and Qingdao, June 8-28, 2017: Following the greatly successful promotion with Hyatt Regency Suzhou last year, not only Hyatt Regency Suzhou but also Hyatt Regency Qingdao joined with ASMI China to launch a promotion from June 8 through 28, 2017. Alaska seafood including black cod, cod, snow crab, Dungeness crab and yellowfin sole were featured during the promotion. Special POS materials like banners, name tags, 3D mats, children's painting books, turning disc, posters, flyers, and KT boards. were developed and decorated the venues. An advertisement was posted on the most influential Wechat account in Suzhou to expose Alaska seafood to more consumers. The event attracted more consumers and boosted the usage of Alaska seafood in the HRI sector.

Menu Promotion at the Essence of Europe, July 14- August. 13, 2017: Since an Alaska seafood festival has been successfully conducted at Essence of Europe for three consecutive years, some Alaska seafood products have already been one of the major items listed on the menu of Essence of Europe due to its popularity among local consumers. To provide more high-quality Alaska seafood for local consumers, Essence of Europe launched another menu promotion at six outlets in Chengdu on July 14-August 13, 2017. Alaska seafood including sockeye salmon, snow crab, scallops, and Greenland turbot was highlighted during the promotion. POS materials like posters, special menus, and table tents were developed for decoration of the sites.

Menu promotion with Vertical City Hotel Guangzhou and Regal Financial Center Hotel Guangdong, July 17 - August 16, 2017: ASMI successfully launched a menu promotion with the Vertical City Hotel Guangzhou last year. Due to this success, they partnered with ASMI China once again to launch an Alaska seafood promotion from July 17 through August 16, 2017. Meanwhile, as an established hotel in Foshan, Regal Financial Center Hotel also had interest in working with ASMI China for an Alaska seafood festival. The promotion was scheduled at the same time from July 17 through August 16, 2017. During the promotion, Alaska seafood like yellowfin sole, black cod, cod, and pollock was featured and special POS materials including flyers, table mats, KT boards and some props were developed for decoration at both hotels.

Menu promotion at Grand Hyatt Shanghai, September 1- September 30, 2017: Grand Hyatt is a well-known five-star hotel, and their concept sustainability matches well with Alaska seafood, so an Alaska seafood menu promotion was launched in its cafeteria from September 1 to 30, 2017. Alaska seafood like black cod, cod, pollock, king crab, snow crab, and Dungeness crab was featured during the promotion. POS materials including backdrops, posters, banners, and flyers. were developed. Small gifts were developed and distributed to those who ordered Alaska seafood.

Menu promotion at Asia International Hotel Guangzhou, September 1- September 30, 2017: The menu promotion launched at Asia International Hotel turned to be a great success last year, Asia International Hotel expressed their willingness to work with ASMI China once again to launch another menu promotion from September 1st to September 30th. Alaska seafood included Alaska cod, pink salmon, perch, and pollock featured in this menu promotion. In conjunction with the promotion, special POS materials were produced for decoration and distribution, which included backdrops, flyers and table mats.

Menu promotion at Westin Xiamen, September 8- September 30, 2017: A menu promotion was held in the cafeteria of Westin Xiamen between September 8 and September 30, 2017. Alaska cod, pollock, perch, yellowfin sole, and black cod

were highlighted in this event. Special POS material like KT boards and backdrops were used for decoration at the venue. Also, special flyers were produced and distributed to consumers.

Alaska Pollock Mooncake promotion at 30 outlets of LaoDafang in Shanghai and 69 outlets of Carrefour in Eastern China from September 9 through October 10, 2017: Mid-autumn Festival is one of the most important traditional festivals in China, and mooncake is the symbolic food for the mid-autumn festival, considering Lao Dafang is a well-known local pastry that is famous for its meat-stuffed moon cakes, ASMI China decided to cooperate with Lao Dafang and launch an Alaska pollock mooncake promotion from September 9th through October 10th. Alaska pollock mooncake was promoted at 30 outlets of Lao Dafang in Shanghai and at 69 outlets of Carrefour in Eastern China, in which Lao Dafang has established special counters. In conjunction with the promotion, special POS materials were produced for decoration on the sites and special flyers were produced for distribution; Alaska pollock mooncake was advertised in the DM post of Carrefour.

Q4 Results:

- One foodservice promotion was carried out in Mainland China. Over 10,000 consumers were reached and 5,300kgs of Alaska seafood sold; estimated US value \$205,698.
- Alaska seafood continued to be used after the promotion.
- Feedback was positive after foodservice promotions.

Q1 Results:

- Six foodservice promotions were carried out in Mainland China. Over 300,000 consumers have been reached and 74,600kgs of Alaska seafood sold; estimated US value \$1,073,899.
- Alaska seafood continued to be used after the promotion.
- Feedback was positive after foodservice promotions.

Chef Seminars:

Chef seminar in Dalian, June 2, 2017: Following the chef seminars in Qingdao, Hangzhou, and Chengdu before, ASMI held one more chef seminar in collaboration with Sunkist Growers in Dalian on June 2, 2017. Like the chef seminars before, about 50 chefs and purchasing staff from high-end hotels and restaurants were invited. Alaska seafood was the main ingredient, and Alaska black cod, cod, yellowfin sole, sockeye salmon, snow crab, herring roe, and pollock roe were featured at the seminar. Six dishes were developed in advance, and a celebrity chef was invited to do the cooking demo to show the high quality of Alaska seafood. All courses of Alaska seafood dishes were served for the participants. Special recipe booklets were produced as handouts.

Q1 Results:

- A total of 50 chefs and purchasing managers were invited.
- Two hotels/restaurants started carrying Alaska Seafood after the chef seminar.
- Results: One foodservice promotion is being negotiated after the seminar.

Training Program

All China American Culinary Boot Camp in Shanghai and Chengdu, April 15 - 17, and June 29 - July 1, 2017: The first "All China American Culinary Boot Camp" was held by the USA Agricultural Trade Office in the spring of 2017, which aimed to promote American food, agricultural products and ingredients, and educate Chinese culinary students, sourcing managers, media, chefs and consumers on the diversity of American cuisine and its culinary culture. The Culinary Boot Camp contained two parts including a hands-on training course and chef competition, and took place in Shanghai and Chengdu. Alaska black cod was highlighted during the training program and a chef competition was held at each location. There was online broadcasting among all social media platforms (Official Wechat account, ATO website, Weibo, and KOL blogger sites) during the workshop training program and competition.

Training School Program at New Oriental Culinary School in Shanghai, September 4-8, 2017: The Training School Program is an annual event of ASMI China to promote Alaska seafood. New Oriental Culinary School has a long-term cooperative

relationship with ASMI, so this year a training school program was held in Shanghai with 300 students involved. During the program, a lecture on theory and an on-site cooking training were included in this course, so trainees could not only get the general idea of the features, storage and cooking methods of Alaska seafood but also had the chance to cook Alaska seafood on their own under the instructions of experienced teachers.

Training School Program at Trade Vocational Technical School in Guangzhou: Trade Vocational Technical School is a key technical school in China with over 20 majors, especially culinary majors. Through successful cooperation over previous years, ASMI China partnered with them once again to launch a training program on September 18th to September 22nd, 2017. More than 300 students were involved in the program. One-week' special course was developed by the school, which consisted two parts: lecture on theories and hands-on training. During the lectures, school teachers gave a presentation on defrost procedures, cooking tips, and storage of Alaska seafood. While at hands-on training, all the participants practiced cooking Alaska seafood under the instruction of the teachers.

Q1 Results:

- The training programs were conducted in Shanghai and Chengdu.
- Targeted a total of over 110 participants.

Q4 Results:

- Two training programs were conducted.
- Targeted more than 300 participants for each program.
- The Alaska seafood education program will be continued as a regular course in the two training schools.

Chef Competition

Chef competition in Guangzhou 2017, April 22, 2017: Chef Competitions continue to serve as an effective way to promote Alaska seafood in the Chinese market. As such, ASMI China hosted an Alaska seafood chef competition in Guangzhou on April 22, 2017, in collaboration with Guangdong Province Catering Technician Association. Around 60 chefs from local high-end hotels and restaurants were chosen to participate in the chef competition. Each chef made full use of creativity to develop two recipes featuring premium Alaska yellowfin sole and cod. A panel of five judges was organized for the competition. An awards ceremony and dinner reception was held on April 25, when 70 people including all the chef participants and some key trade members were invited.

Q1 Results:

- 60 highly talented Chinese chefs attended the competition.
- 120 new recipes were developed as a results.
- Chef Competition took place online.
- Two foodservice promotions have been negotiated.
- Three new hotels have started to carry Alaska seafood after the event.

JAPAN:

Market Update: According to the results of a consumer survey conducted by the Japan Finance Corporation (JFC) in January 2017, the number of dual-income families in Japan has grown, from approx. 9.5 million in 2001 to 11.3 million in 2016. ASMI Japan expects that, as a result of this increase, more families are looking to reduce the cooking time each day by purchasing more convenient, prepared food products. The results of the survey also found that consumers' priorities regarding food were as follows, in order from most important to least important:

1. Health factors
2. Economic factors
3. Convenience
4. Safety factors

5. Hand Made

These results indicate that the merits of Alaska Seafood are in line with Japanese consumers' concerns, ASMI Japan should promote Alaska seafood's health and safety benefits, as well as its sustainability.

Consumer Public Relations/Advertising

Media tie-up project with Bi-Premium (Aloha Table): ASMI Japan conducted a media tie-up with culinary magazine *Bi Premium*, which targets women in their 30s and 40s. General Alaska seafood information was included in tie-up pages in the June 15, 2017 issue, and restaurant chain Aloha Table (Hawaiian Cafe Dining) developed Alaska seafood recipes mainly using sockeye salmon. In addition, an Alaska seafood menu was featured at two Aloha Table restaurants for two weeks during the month of June 2017. ASMI Japan provided support for the production of POS materials displayed at their restaurants for the Alaska seafood fair.



Results:

- Ad value of *Bi Premium* tie-up pages: USD\$30,000 (four pages)
- Circulation: 80,000 monthly

Collaboration with Costco for Alaska Pollock Surimi Promotion: ASMI Japan supported a surimi crab leg product promotion at Costco wholesale Japan.

Costco is one of the most powerful retail brands in Japan and runs 25 stores. Costco Wholesale Japan has released a surimi crab leg product made with "100% Alaska Pollock surimi" printed on the package including the ASMI logo, and ASMI Japan promoted sales of the product in the following ways:

1. Displaying the product on a billboard at a newly opened Costco store in Hamamatsu, Shizuoka Prefecture, for six months from September 2017 to February 2018.
2. Creating and placing an Alaska pollock surimi advertorial in summer 2017 issue of members' magazine "*The Costco Connection*" (circulation: 270,000).
3. Sending sales demonstrators to Costco stores to promote the product to consumers.

Results:

- A total of 5,544 bags of Alaska Pollock Surimi Crab Legs were sold between August and mid-September, including the seven promotion sale days, with a total value of \$84,530 (JPY 9,313,920).

Ad in Saita Magazine and Retail Promotion at Ito-Yokado: ASMI Japan worked with hypermarket Ito-Yokado and its affiliated magazine *SAITA*, securing a two-page advertorial in the September 2017 issue of the magazine (circulation: 180,050/monthly) and an Alaska sockeye salmon promotion at Ito-Yokado - Seven & I Holdings' chain of hypermarkets with 150 locations across Japan. The magazine advertorial featured three Alaska sockeye salmon recipes, and three Pacific cod recipes, and has an estimated advertising value of US\$68,000. As a call-to-action media tie-up, pop-ups featuring the *SAITA* editorial pages were also displayed in Ito-Yokado stores during the promotion, targeting women in their 20s and 30s.

Results:

- The Alaska sockeye salmon promotion at Ito-Yokado ran from Aug 15 to 21, 2017 and resulted in approximately \$545,437 worth of sales of Alaska sockeye salmon – a year-on-year increase of 95.8%

Retail Merchandising:

Collaboration with Sogo-Seibu, Chiba Department Store April 29 to May 7, 2017: ASMI Japan conducted a tie-up promotion with Sogo-Seibu Department store in Chiba City, Chiba Prefecture, to promote Alaska seafood. This was a mixed activity which combined a cooking demonstration and sales promotions. ASMI Japan sent cooking specialist Ryuta Kijima to demonstrate how to cook quick and easy recipes with Alaska seafood including sockeye salmon, Alaska pollock roe and herring roe at two cooking demonstrations at the department store on April 29th. ASMI Japan sent demonstration staff (one at a time) to the department over a nine-day period, to promote sales of Alaska seafood. Sogo-Seibu, Chiba made announcements about the Alaska seafood fair and cooking demonstrations via social media. During the Golden week period (first week of May), Sogo-Seibu Department Store reported that approx. 100,000 consumers visited per day.

Results:

- Approximately 50 consumers attended the cooking classes.
- Total sales revenue of Alaska seafood items during the fair: JPY 1,424,750 (US\$12,689).

Surimi Crab leg promotion at Costco Japan 3-4 June 2017: ASMI Japan supported a new surimi crab leg product promotion at Costco Wholesale Japan. Costco Wholesale Japan runs 26 stores in total across the country. ASMI Japan supported Costco by sending demonstrators to 26 stores for two days each on June 3-4 2017, when the surimi product was launched.

Results:

- A total of 1,881x 1kg packs of surimi crab leg were sold during the two-day promotion.

PO perch, coho salmon and salmon roe promotion at Coop Miyagi 22-24 May 2017: ASMI Japan supported an Alaska seafood promotion at Coop Miyagi stores. ASMI Japan sent demonstrators to 20 of Coop Miyagi's bigger stores (one demonstrator per store), and created the basis for their sales pitch. In addition, ASMI Japan provided POS materials for the Alaska seafood items with Alaska seafood logo.

Results:

- Total Sales Revenue of Alaska products during campaign period: US\$ 25,727
- Alaska coho salmon product sales revenue: US\$8,123
- Alaska rockfish product sales revenue: US\$3,841
- Alaska salmon roe product sales revenue: US\$13,761

Collaboration with Seibu Odawara Department Store: ASMI Japan conducted a tie-up promotion with Sogo-Seibu Department store in Odawara, Kanagawa Prefecture (near Tokyo) to promote Alaska seafood. This was a mixed activity which combined cooking demonstrations, sales demonstrations, and POP displays for five days between July 14 and 20, 2017. Famous cooking specialist Ryuta Kijima held three cooking demonstrations for "spicy summer dishes" on July 15th. The first demonstration featured sockeye salmon. The following demonstrations featured a salmon flake recipe. Sales demonstrations were conducted in the department store every day during the Alaska Seafood Fair. The items promoted in the fair were black cod, sockeye salmon, rock sole, Alaska pollock roe, salmon roe and Pacific cod.

Results:

- The sales value of Alaska Seafood items during the five-day fair period totaled US\$1,884.

Collaboration with Seibu Tokorozawa: ASMI Japan conducted a tie-up promotion with Sogo-Seibu Department store in Tokorozawa, Saitama Prefecture, to promote Alaska seafood. This was a mixed activity which combined cooking demonstration, sales demonstrations and POP displays for five days in August 2017. The featured recipes were for various dips using sockeye salmon and Alaska pollock roe, and a rice ball featuring sockeye salmon flake. Famous cooking specialist Ryuta Kijima conducted the cooking demonstrations.

Results:

- The sales value of Alaska Seafood items sold during the five-day promotion totaled US\$10,145

Seven & I Holdings Co. Promotions: Seven & I Holdings Co., Ltd. is currently the fifth largest retailer in the world with 54,000 stores in approximately 100 countries.

During August 2017 ASMI Japan worked with the following Seven & I groups to promote Alaska seafood.

- 7-Eleven: conducted promotions for prepared sockeye salmon with POS materials at 10,000 outlets nationwide during August 2017
- Ito-Yokado: conducted an Alaska Seafood Fair (Aug 11 to 15) at approx. 150 outlets
- York Mart: conducted an Alaska Seafood Fair (Aug 20 and 21) at 78 outlets
- Sogo Seibu Department store: conducted an Alaska Seafood Fair (Aug 25 to 31) at 10 outlets in the Kanto (East Japan, Tokyo) area
- Seven & i Food System: conducted an Alaska Seafood menu promotion at Seven & i HQ (Aug 21) and the above Sogo Seibu Department (Aug 25)
- Seven Bank - conducted an Alaska Seafood Seminar and Alaska seafood tasting (Sep 30)

Results:

- The total value of Sogo Seibu group promotion sales = US\$887,732; Ito-Yokado = US\$545,979, York Mart = US\$59,282.

Collaboration with Iwaki Gyorui: ASMI Japan conducted a tie-up promotion with Iwaki Gyorui (leading trader in Northern Japan) at the Maruto supermarket chain in Fukushima and Ibaraki prefectures to promote Sujiko, Alaska sockeye roe on August 19, 2017. ASMI Japan organized demonstration staff at 10 Maruto outlets, who provided consumers a taste of sujiko (with rice).

Results:

- The value of sales of Alaska Sujiko Salmon Roe on the promotion day totaled US\$32,904.

Trade Shows

Japan International Seafood Expo 2017: ASMI Japan participated in the Japan International Seafood Show Tokyo, organized by the Japan Fisheries Association, August 23-25 at the Tokyo Big Sight convention center. The Seafood Show Expo consisted of retailers, caterers, prepared meal producers, trading companies, wholesalers, distributors, processors and other authorities. ASMI Japan purchased a 6 meters x 4 meters space and built an original booth to promote Alaska seafood as wild, natural, sustainable, and traceable. As this was a B-to-B seafood event where visitors already knew general information about Alaska Seafood. ASMI Japan encouraged visitors to re-discover Alaska seafood and to work with ASMI to convey to consumers positive messages about Alaska, through direct communications, displaying Alaska Seafood final products with Alaska Seafood logo POS materials. ASMI Japan also introduced Hawaiian poke recipes using Alaska pollock surimi, which is fairly unique as it is usually made with tuna or salmon. Also, ASMI Japan conducted a Trade Reception for approximately 100 seafood industry partners, as well as seafood industry journalists.



Regional Trade Shows: ASMI Japan participated in regional trade shows organized by major trader/wholesalers Sento Gyorui and Aoori Gyorui in the Tohoku region (northeast Japan). The role of regional seafood traders in Japan is still significant in Japan and it is beneficial for ASMI to maintain close relationships with them.

- Sento Gyorui - Tuesday, September 13
- Aomori Gyorui - Tuesday, September 26

Results:

- Japan International Seafood Show: August 23 to 25, 2017; 33,858 people visited the show
- Regional Trade Show: Aomori; 1,500 people visited

Website Digital Media

Online Herring Roe Campaign April 25 – May 12, 2017: To encourage consumption of herring roe by generating another consumption occasion (in addition to New Year), the Japanese herring roe processors association established "Herring Roe Day" on May 5, 2016 and it took place again on May 5th this year. ASMI Japan conducted a herring roe promotion and created a special campaign page on the ASMI Japan Website. As part of the promotion, ASMI Japan conducted a campaign to collect ideas for fresh ways to eat herring roe from general consumers, and promoted the campaign by using Facebook ads, an unpaid press release, and through posts on ASMI Japan's Facebook and Instagram accounts.

Results:

- Facebook Ad: April 27 to May 12, 2017
- Impressions: 1,770,029, Page Views: 10,052, Click-Through Rate: 0.59%, CPC: 20 cent
- Campaign entries from consumers: 13

Foodservice Promotions

Alaska Seafood Seminar with Kakiyasu Ginza: ASMI Japan supported a consumer seminar held by online grocery retailer Kakiyasu on Aug. 30th, 2017 themed "The marriage of Alaska seafood with US wine," which was presented by Mr. Shinya Tasaki, our Alaska Seafood Celebrity Ambassador. Approximately 40 people attended the seminar and experienced beautifully-prepared seafood. Mr. Muraishi, the Chef of Kakiyasu's Japanese restaurant, developed a special Kaiseki course using black cod, sockeye salmon, king salmon, salmon roe, and halibut.

Tokyo Jazz Festival: ASMI Japan collaborated with SHIDAX, one of the largest foodservice companies in Japan, to promote Alaska seafood at the 16th Tokyo Jazz Festival which took place in Yoyogi Park (in Shibuya, Tokyo) from September 1 to 3, 2017. The annual event drew a crowd of approx. 20,000. ASMI Japan worked with SHIDAX to organize an Alaska seafood food truck. Hitoshi Sugiura, Executive Chef for Shidax, developed a special menu using smoked sockeye According to past event attendance data, over 70% of the attendants are aged 40 and over and are repeat visitors to the event. In addition to the food truck, ASMI Japan provided visitors with event posters, brochures and venue maps that feature Alaska seafood menu seafood information.

Results:

- Sales of smoked salmon sandwiches during the three-day event totaled US\$2,683.

WESTERN EU (FRANCE, BELGIUM)

Market Update:

France: France is the number one seafood market of the EU28 in value (Spain being the number one market in volume). The 2016 per capita seafood consumption in France was 33.8 kg. In terms of seafood categories, the 2016 seafood consumption in France was split as follows:

- 59%: Finfish, wild (20.0 kg);
- 12%: Finfish, farmed (4.0 kg);
- 10%: Shellfish (crustaceans and mollusks) + cephalopods, wild (6.4 kg);
- 19%: Shellfish (crustaceans and mollusks), farmed (3.4 kg).

As expressed, 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 being part of the French culinary tradition).

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 an raise of 1.8% of the average consumer price at retail level compared to 2015 (2016: €11.20/kg vs. 2015: €10.80/kg) which compensated for lower volumes (-1.7%).

Belgium: The 2016 per capita seafood consumption in Belgium reached 24.9 kg and was relatively stable compared to 2015. The total 2016 households’ seafood expenditures reached € 1,469 million, a 2.2% increase compared to the year before (EUMOFA, 2017), mainly due to the increase of the seafood products’ consumer prices.

Supermarkets and hypermarkets are Belgian household’s preferred places to buy seafood (55.4% of the sales in volume), followed by hard-discounters (23.6%) and traditional fish shops/fresh fish markets (16.1%).

In terms of seafood species, wild Atlantic cod and farmed Atlantic salmon rank first of the finfish segment in volume followed by herring (maatjes) and pangasius (sold as refresh). This ranking may significantly change in the coming years as Carrefour (number one European retailer) has forbidden in 2017 the sales of pangasius in Europe -including Belgium- for sustainability reasons. Carrefour being one of the major retailers in Belgium, Carrefour’s decision may durably reshape the whitefish segment in the country.

Trade Shows

Seafood Exposition Global: The Seafood Exposition Global (SEG), is a worldwide seafood marketplace where suppliers and buyers meet once a year. Importers and distributors of Alaska seafood also exhibit at the show. Each country or region has its own booth and ASMI has its own umbrella booth to accommodate Alaska companies that want to display their products and meet with their clients.



Results:

- More than 28,500 buyers and suppliers from 150 countries attended SEG
- Onsite sales totaled: \$52,829,500
- One year projected sales totaled: \$639,000,000
- 80 trade leads were gathered

Event at the U.S. Embassy: ASMI participated in the Independence Day celebration at the USA Embassy by supplying salmon to the participating chefs. Each year, the embassies celebrate Independence Day by organizing a big party, inviting influencers from several universes to join and celebrate together. This year, the event took place on June 29th in Paris.

Results:

- Approximately 330 guests attended the event at the Embassy

Retail Merchandising

Promotions at French retail chains in partnership with Delpierre: Seventy weekends of promotions ran in the three main French retail chains in partnership with Delpierre (processor) in order to promote refreshed ready to bake salmon and cod.

- 29 weekends of promotions in April in Carrefour, Intermarché, Hyper Casino and Hyper U
- 18 weekends of promotions in May in Leclerc, Carrefour and Intermarché
- 18 weekends of promotions in June in Leclerc, Carrefour, Geant Casino, Hyper U

Promotions were conducted by demonstrators who were trained to deliver the ASMI message while organizing tastings. The POS materials were developed around the Forever Wild concept including leaflets on every species, shelf barkers, mobiles and a booth space. All the promotions will be monitored by our specialist partner agency La Prod Par 3 who manages relationships with the partners, sending of kits to retailers, deliveries, training of demonstrators and follow up through a dedicated extranet.

Results:

- 10,446 tastings
- 6,877 sales
- \$57,644.31 of revenue

Partnership with Metro on Alaska Packaging for Hubco Frozen Keta: ASMI was able to convince Metro, the tenth largest food retailer both in France and at EU level, to add the Alaska logo and slogan to the packaging of their Hubco frozen keta salmon. The product will be introduced in October. The ASMI logo is placed next to the best before date and ingredient list. As most consumers report to always check the best before date, this is perfect positioning. The new packaging also features the information: "This exceptional product allows you to discover a true wild salmon coming from the Alaskan cold waters and benefitting from a 100% natural feed." This message correlates with the ASMI principles and will outline the supreme origin and high quality of Alaska wild salmon.



Foodservice Promotions

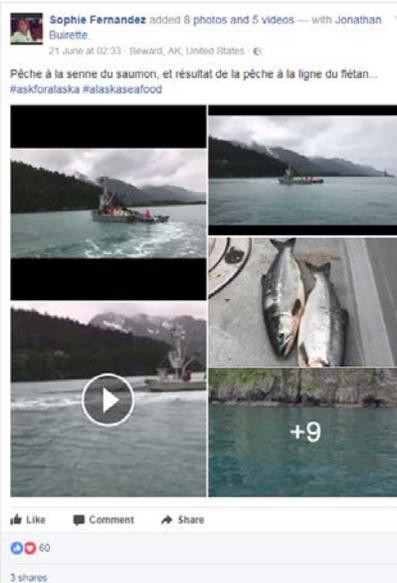
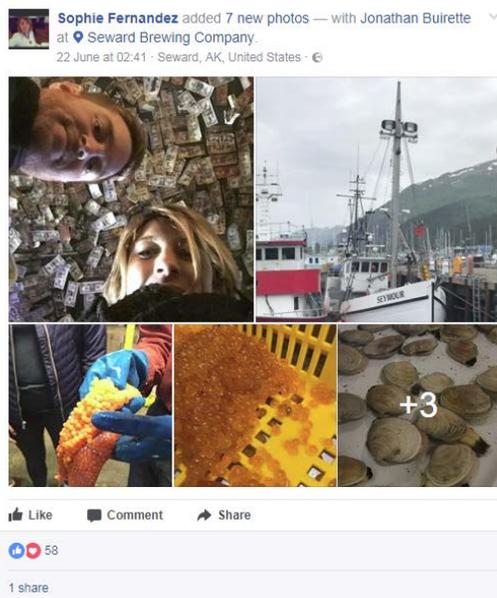
Christmas Pink Promotion with Flunch: ASMI connected with Flunch, the leading French convenience restaurant chain belonging to Auchan Group. Every year, the company launches two special Christmas meals to offer in December. For 2017, they agreed to feature Alaska pink salmon fillet in one of their dishes. Additionally, ASMI will support Flunch with informative materials and bear figures to display in their cafeterias. A short video clip showing the Alaska landscape and wildlife will be screened on monitors in the restaurants to present the nature of the most Northern US state to guests standing in line waiting to order.

Christmas operation:

- 300,000 pink salmon meals
- \$3.14 million sales
- 38% of the total annual sales of pink salmon (annual sales: 140 metric tons)

Chef Education

MOF trip to Seward Culinary Retreat: The two MOF (*Meilleurs Ouvriers de France*) traveled to Juneau, Seward and Anchorage to meet the ASMI team on the culinary trip in June. They met local fishermen and learned about the state and how the fish are harvested. The two MOF said that the culinary trip allowed them to understand the products better in order to make best use of the product.



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

Market Update: The Central European region for marketing activities of the Alaska Seafood Marketing Institute comprises 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 sums up to 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. During past years, this volume has not seen significant changes. Nevertheless, seafood consumption among younger customers has increased which leads to expected positive development 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 a domestic sea fish fishing industry. Fresh water fisheries generally cover another market segment 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 can be considered a direct business rival to Alaska smoked wild salmon.

Consumer Advertising/Public Relations

Kulinarik Gourmet Festival: The Kulinarik Festival by Ludwig Maurer taking place at the Waldschlößl in Neunkirchen is ranked top five of gourmet events for consumers and press. Each year, popular star chefs meet to present food trends and cooking techniques. In 2017, 800 selected guests were allowed to attend the event. ASMI sent its spokesperson Heiko Antoniewicz to the Kulinarik Festival to present Alaska seafood.

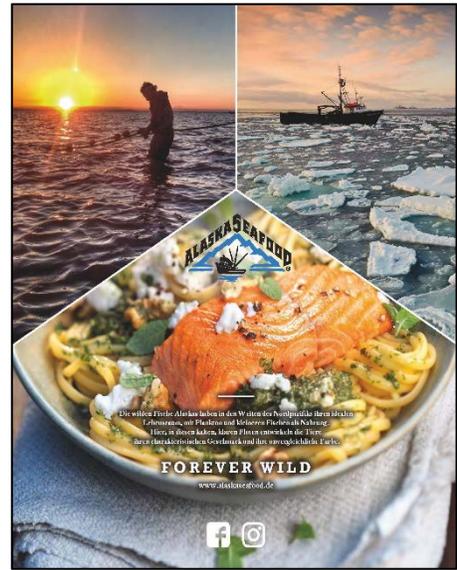
Results:

- With 800 guests, Heiko Antoniewicz served more than 600 small plates with Alaska black cod as the key ingredient. The event was featured in multiple press publications both in print and online. 500 ASMI flyers were handed out while the bear attracted a lot of attention.

New Recipe Production: While the Kulinarik Festival covered the upscale product range of Alaska such as black cod or king salmon, the new recipe production targeted the everyday consumer. The idea behind the dishes developed by Jens Piotraschke was to create easy to prepare 30-minute recipes. Featuring only ingredients available in regular supermarkets, the creations are perfect for a quick lunch after school or young hobby chefs trying out their first own seafood dishes. To share with the press, Martina Urban photographed of the ten recipes which will be featured in the two upcoming press mailings. The first mailing is scheduled for mid-October and will focus on Alaska pollock. Key topics are the culinary versatility and the high quality of this underestimated Alaska species.

Otto Gourmet Celebration: For the second year in a row, ASMI was selected to participate in the Otto Gourmet celebration. As the most popular online retailer for quality food products, the company invites customers to a food and wine reception once a year. Top chefs prepare fine cuisine with premium ingredients. The guests are consumers, gastronomists, and journalists. We used the food truck as show kitchen and mobile marketing vehicle. Chef Heiko created one dish featuring Alaska salmon and one with black cod to serve to the 600 guests.

Forever Wild Advertising Campaign: Continuing the ASMI media program, several ads and editorial content were placed in CEU consumer press. As a first step, we designed two new layouts of the traditional “Forever Wild” ad. The new designs consist of images showcasing the key parts of Alaska: a fishermen picture (sustainable), boat/landscape image (wild) and a recipe photo (natural). We were to place an ad in the *Condor Magazine*. The airline offers direct flights Frankfurt to Anchorage during the summer months making it the perfect medium for an ASMI advertisement. Additionally, Alaska was featured in the high-end food magazine *Port Culinaire* and the trendy *Foodie* belonging to Der Feinschmecker.



one
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Foodie
range

Results:

- The three ads placed in the first quarter had a circulation of 315,000 copies. While the *Condor Magazine* reached a wide of consumers, *Foodie* targets mainly millennials and *Port Culinaire* an elderly, affluent readership.

Trade Advertising/Public Relations

Collaboration with Deutsche See for SterneCup der Köche: ASMI collaborated with the leading German seafood importer Deutsche See to support the “SterneCup der Köche” in Ischgl, Austria. As one of the most popular events for the high end gastronomy in German speaking markets, more than 70 famous chefs attended. Known from TV appearances or as Michelin Star restaurant owners, they represent a highly influential force in the food sector. Alaska seafood was presented through the seafood truck as well as at the Deutsche See seafood bar. Additionally, ASMI was able to place upscale Alaska seafood species such as black cod and king salmon as key ingredients in some of the cooking competitions taking place on the main stage of the celebration. In preparation of the Seafood Expo Global, ads promoting the ASMI booths and the reception were placed in leading industry magazines. Besides, ASMI cooperated with Transgourmet and Youkon to place ads in their assortment catalog as well as Austrian media.

Results:

- Reached more than 70 key decision makers as well as media contacts for the high-end gastronomy sector. Showcase Alaska seafood products as high quality, gourmet ingredients.
- Reached more than 200,000 potential customers through ads in trade press and assortment catalogs.

Advertisements and Editorial Content in CEU Trade Press: The cooperation with *Fischmagazin*, the most popular and important seafood industry magazine in the German-speaking markets, was renewed with an ad in the annual issue of the seafood labeling dictionary. An interview with Hannah Lindoff was published in the HRI magazine *First Class* together with an ASMI ad to take advantage of the general sustainability topic of the issue.

Results:

- Overall circulation of the two ads was around 24,000 trade and gastronomy professionals.
- The readership of *First Class* is over 55,000.

Trade Shows

Polfish: In June, ASMI exhibited at Polfish in Gdansk, the largest fish and seafood trade show in Poland. With the generally improved program in Poland and the cooperation with leading importers like Gadus and Abramczyk, the show was a perfect platform to build new bonds with

The advertisement for Alaska Seafood features a woman with long blonde hair, wearing a dark jacket over a teal top, standing with her hands on her hips. The headline reads 'Alaska verpflichtet'. Below the headline, there is a block of German text. The text discusses the commitment to sustainability and quality of Alaska seafood. It mentions that the fish are wild and healthy, and that the company is committed to responsible fishing. The text also mentions that the fish are fresh and delicious. At the bottom of the advertisement, there is a small image of a seafood product and the text 'FÜR GASTROKUNSTLER - PRODUKTION VON SALVUS'. The website 'www.alaskafood.de' is also visible.

Polish industry members. As in Brussels, we were able to bring the truck to Poland to use it as alternative ASMI booth within the trade show halls. The focus for Polfish was Alaska pollock, wild salmon and cod.

Results:

- Between Seafood Expo Global and Polfish, More than 3,100 portions of Alaska seafood dishes were served to guests and exhibitors at the ASMI booths.

Chefsache: On September 16th and 17th, Chefsache took place in Düsseldorf. As one of the leading events for the gastronomy sector, the exhibition is a meeting point for chefs and HRI suppliers to present products and culinary innovations. Besides, more than 50 presentations of gastronomy opinion leaders took place in two stages. With 100 exhibiting companies and more than 3,300 visitors, the 2017 edition broke all records. During the show, Heiko Antoniewicz was awarded as the key culinary pulse generator 2017. ASMI used the food truck to present Alaska seafood at Chefsache serving two different versions of the new trend food Poké. One was prepared with wild Alaska salmon and walnuts while the second one featured Alaska cod and avocado. ASMI translated the ASMI Poké brochure into German to use it at the event.

Results:

- More than 700 portions of Alaska Poké were served by the ASMI team while we handed out around 250 Poké brochures to interested chefs and HRI professionals.

Retail Merchandising

Spring Festival Food Truck Promotions: As the main season for outdoor food events in Germany started in April, the ASMI truck was on the road a lot. Our team attended festivals in Frankfurt, Mainz and Bad Breisig attracting over 6,000 visitors. In Bremerhaven, we supported Transgourmet at a trade focused reception taking place closely after Seafood Expo Global. We also produced a new recipe brochure highlighting the versatility of Alaska seafood. Several CEU retailers and trade partners approached us to ask if there would be such a recipe booklet available for future promotion activities. For that reason, we decided to develop a master layout in which matching recipes can be added, customized for the needs of each cooperating partner.

Results:

- In total, the truck served over 2,000 plates of Alaska seafood dishes during the street food festivals and trade reception.
- The recipe brochure is already ordered for POS activities with Edeka in Germany and Kimbex in the Czech Republic.

Foodservice Promotions / Product Showcases

Alaska Seafood Week at Enzensberger: Partnering with Erzenberger Group, Alaska Seafood Weeks took place in canteens at eight locations of the private hospital chain. The main focus was to showcase the healthy aspects of Alaska seafood. Additionally, we wanted to show its versatility and how easily it can be prepared.

Results:

- During the five day Alaska Week at the Enzensberger hospitals more than 11,000 dishes featuring Alaska seafood species were served.
- That sums up to close to 3,000kg with a value of more than USD \$45,000 with ASMI only investing around USD \$1,000. Species served were wild salmon, Alaska pollock, cod and sole.

POS Activities in Cooperation with Youkon: In cooperation with Youkon, ASMI conducted POS activities at organic retailers and C&C markets in Germany and Austria. Besides smoked and frozen wild salmon, the newly launched Alaska cod was a key product of the promotion.

Results:

- Close to 16,000kg of Alaska seafood were sold during the Youkon POS promotion.
- Over 4,500kg of this amount were smoked salmon products while the main share with over 11,200kg consisted of frozen salmon and cod filets.
- The total value of the promotion was calculated around USD \$425,000.

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

Market Update: The UK/EU negotiations are just about to begin their fifth and final round before EU leaders meet to decide if enough progress has been made about the shape of a post-Brexit relationship between UK/EU. All sides still believe that the UK is on course to leave the EU on 29 March 2019 but uncertainty still remains and a 'transitional period' of an undisclosed period is also believed to be on the table. This period could be as long as three years to seek to minimize disruption to trade as unpicking 43 years of legislation and treaties is not straightforward and further complicated by the fact that it has never been done before.

The political climate in the UK remains somewhat fraught and the pressure on Prime Minister, Theresa May intense. Differing factions of the parties discuss the merits or otherwise of a 'soft' vs 'hard' Brexit with Mrs. May standing firm that her position is that no deal with the EU is better than a bad deal - a position which political pundits and economic experts believe to be a risky strategy. A result of this continued uncertainty plagues the UK consumer and confidence remains low although somewhat improved since the mid-summer and the impacts of the snap-election.

UK interest rates are expected to rise in the near term to stimulate the economy. This follows the latest official statistics showing that the UK economy is growing at its slowest pace since 2013. Whilst the sluggishness of the UK economy is evident and currency under pressure, increased interest rates, and associated mortgages rate increases will further exert pressure on disposable income and inevitably food choices, continuing to drive footfall into discount stores. In addition, the UK current account deficit continued to grow to add further pressure to a tense economic position.

The UK: Dollar exchange rate has rebounded somewhat since the last quarter reaching an all year high of 1.35 versus its low of 1.22 although volatility is still anticipated.

Finland has recorded six consecutive quarters of economic growth since 2008 helping it shake off its tag of the 'sick man in Europe' although it is not out of the woods yet. Strong growth has been driven by exports which have been aided by the weaker Euro as well as increased consumption. However, Finland's GDP remains behind that of its peak before the financial crisis.

Rising exports also helped the Netherlands economy despite the country not having a working government since March 2017. The Dutch economy is now growing at 1.5% per quarter smashing forecasts and meaning that the Netherlands is now accelerating at double that of the Eurozone.

For Sweden, unemployment has been hovering around 6-7%, one of the highest levels in the EU area. Recent data shows that this has begun to decline suggesting domestic consumption will begin to rise as disposable income increases. The Swedish economy is still relatively sluggish with exports slowing.

In Ireland, the data paints a mixed picture with GDP rebounding but GNP contracting. Despite these uncertainties, Moody's have upgraded the country's sovereign credit rating to A2 and its outlook from stable to positive citing the improving fiscal position and an economy which is expected to withstand external shocks.

In the UK, price inflation is now the biggest issue for food and for seafood in particular in both retail and foodservice sectors in the UK as the squeeze on currency takes hold and contracted terms are renegotiated. As well as the devolution of the fund since the vote in favor of leaving the EU, increases in the price of farmed salmon and cod are driving this inflation.

The most recent CGA Prestige Foodservice release (August 2017) calls out seafood as the category which has demonstrated the most abrupt increase in prices compared with August 2017. Their analysis puts this down to the weakness of the pound together with increases in shipping costs.

The UK retail seafood market continues to be driven by price inflation with the value of the category increased by +3.2% in the year August (latest available data). The increase in prices - ranging from +3.0% in frozen to +6.7% in ambient is now impacting unit sales for chilled and ambient and having a significant impact on volume sales for ambient where there is a -7.8% decrease versus a year ago. Although showing a mild decline of -0.4% in unit sales, chilled seafood has held a marginal increase (+0.6%) in volume and delivered above-average increase of +4.2% value increase.

Chilled seafood remains the hero of the retail sector with most categories showing a sales value increase although some key categories are showing volume declines demonstrating that it is a price driven £ increase as opposed to more people buying more seafood. Frozen seafood has a number of challenging areas with battered and breaded products demonstrating differing fortunes with battered products showing positive trends across all measures and breaded products declines across all measures. Further analysis of switching data has been requested to establish if there is a price driven interaction between these two categories.

The discounters, Aldi and Lidl continue to make progress in their seafood ranges and their share is increasing accordingly. Price pressure across many key food categories continue to drive footfall into these price-driven stores and their increased store numbers are also helping build their sales. These two retailers, when taken as one 'discounter' unit, is larger in sales of seafood than Sainsbury's and makes them, jointly the second largest retailer of seafood in the UK. This position would have been unthinkable five years ago.

Increased prices in farmed salmon are now making their way into the retail market with the on-shelf price now showing a +10.2% increase in price per kilo. This increase has impacted on unit and volume sales with declines of -6.2% and -6.0% respectively.

Pollock value sales continue a downward trajectory with a 3.4% decline year on year but more worrying a value decline 2017 vs 2015 of 25%. A move from retailers to multi-species packs in frozen may have impacted this as SKUs move from named species to 'whitefish' allowing processors to shift between species subject to price and availability.

Consumer Public Relations

Pollock Recipe Videos for Simply Good Food TV: As part of our blogger outreach activity, we commissioned chef and TV personality Peter Sidwell to create a series of pollock recipes for Simply Good Food TV. As part of our work to enhance customer awareness and consequent sales of pollock, Peter Sidwell has filmed the cooking of four recipes live from his studio while the fifth has been cooked outside in the Lake District. While filming, Peter talks through the core messages, cooking methods, the versatility of the product, and where to purchase pollock.

Results:

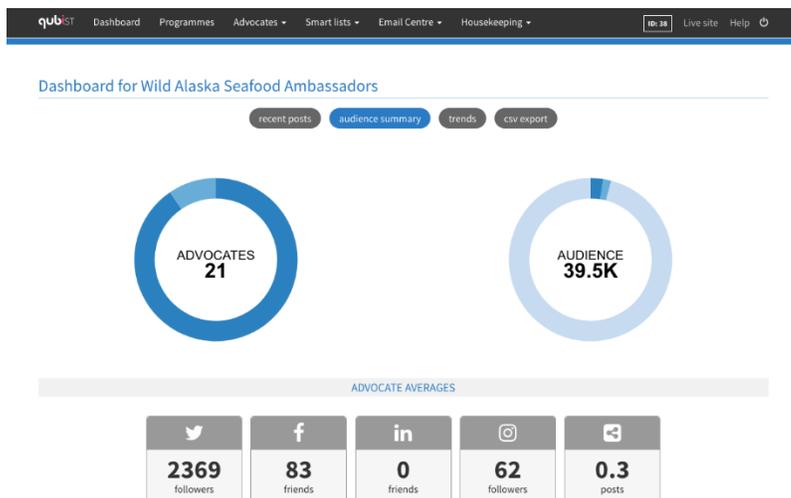
- The recipes will be available on the Simply Goo Food App - which has 225,000 viewers - for 18 months and will also be promoted across Peter’s social channels (14.8k followers on Twitter and 7,598 followers on Facebook).
- The recipes will be made available to ASMI NEU to use in the future.

Olive Magazine: *Olive Magazine* (circ. 60,725) is a monthly glossy magazine aimed at ABC1 cooking enthusiasts. The magazine presented an exciting opportunity to ASMI combining an advertisement feature with editorial content in order to generate interest and capture data for our social advocacy program. In the May edition, ASMI sponsored the midweek meals section meaning that we secured a pollock recipe within the native article and provided the only fish based dish in order to capture the attention of the readers. ASMI also received a ‘tip box’ for readers to find out more information about ASMI.

Food and Travel Magazine: In line with ASMI NEU plans, we secured a five-page recipe development feature in *Food and Travel Magazine* (circ. of 31,000) focusing on pollock. In every issue of the magazine, the editorial team looks for seasonal produce to focus on. Due to the pollock runs from June to October and the availability of whitefish fillets in five major retailers (Lidl, Asda, Sainsbury, Tesco and Waitrose), ASMI NEU negotiated space in the June issue. The content was syndicated online and promoted across the magazine's social media channels.

Social Advocacy Program: ASMI launched a social advocacy program to increase positive content and build the brand presence across social channels. In theory, the social advocacy program enables brands to identify possible customer advocates (found through Twitter and Facebook through monitoring their social media activity) and target them with a personalized invitation to join the program. The program incentivizes the advocate to tweet/post about Alaska seafood by rewarding them with badges and rankings. We also have the scope to reward them with ad hoc prizes if they go above and beyond the scope. Once advocates start sharing content and producing content they receive 'badges' as awards encouraging them to share more hence further benefiting them. The project includes the upload of five pieces of content per week to amplify the existing content that ASMI already has (recipes, e-books etc) and give advocates enough to share to keep them coming back. We aim for 500 advocates in the first 12 months which will give us an expected six million impressions per month. The investment includes a one-off set up fee and a monthly licensing/upload fee. For next fiscal year, there will be no setup fee for this activity.

Results:



Blogger Outreach Program: London Unattached: As part of our blogger outreach activity, we commissioned Fiona McClean, London Unattached to create three bespoke recipes featuring salmon, pollock and black cod. In return for our investment, ASMI has received the following promotion:

- x3 dedicated blog posts (of which the last blog post appeared in FY18)

- Promotion across social media channels, including Twitter and Facebook

Results:

- Twitter: 10,900 followers
- Facebook: 4,348 likes

Virtual Reality Project: ASMI NEU commissioned TopLine Communications to create a 360 virtual reality project (VR). The project included the production of a 360 video, the production of a video app making it as accessible as possible as well as ASMI branded goggle boxes. The video focuses specifically on one fishing family – Mike and Malani O’Toole. As part of ASMI NEU’s trade and consumer activity, the 360 VR video will be rolled out at festivals, exhibitions, experiential events and catering colleges. It will also be made available for viewing online at www.alaskaforeverwild.com.

Consumer Advertising

Parenting with Jo Frost Magazine Advertisement: Parenting with Jo Frost is an annual magazine aimed at mothers and pregnant women. It is a celebrity edited magazine; Jo Frost is known as 'Super Nanny' in the UK and is hailed as the parenting guru. It is sold in retailers as well as provided in the waiting rooms of doctors and dentists. The edition of the magazine which ASMI contributed to was published in June and also featured an article entitled “The Importance of Seafood in the Diet of Women and their Children and Family” (reach 1.2 million). ASMI organized one double page spread in full-color gloss surrounding the above relevant feature.

Results:

- The magazine has a reach of 1.2 million and the demographic is 95% ABC1 females aged between 25 and 44.

Roots Advertorial: In partnership with Roots Fish Smokery, ASMI NEU committed to a campaign with Visculinair Magazine (circ. 35,000) in the Netherlands. Visculinair is a consumer magazine that features recipes, cooking tips, and foodie facts. It is published four times a year. The opportunity that we secured appeared in the June 2017 issue, which was hugely popular since it marks the start of the Herring season in the Netherlands. The two-page ASMI focused editorial feature also marked the start of the salmon season and included recipe suggestions and hi-res images. ASMI also received additional online exposure in Visculinair newsletter (x2) as well as on Facebook (x4 posts).

Trade Advertising/Public Relations

Restaurant Magazine Innovation Day: *Restaurant Magazine* Innovation Days are a new opportunity to work directly with target audiences regarding product development and food procurement topics. Their focus is on interaction with influential groups of development chefs and incorporate discussions on trends, new products, and demos and aims to identify workable solutions for chain restaurants. Together with ASMI NEU, *Restaurant Magazine* curated an event that educated attendees about ASMI's USPs and included cooking demonstrations, panel discussions, and taste testings.

Results:

- There were 14 participants on the day at the Wright Brothers, Spitalfields, London.
- ASMI NEU is in conversations with three restaurants who are keen to work with pollock and king crab

Frank’s Smokehouse Media Launch Event: Frank’s Smoke House opened a restaurant in July which has ASMI branding and an ASMI cabinet to showcase smokes Alaska salmon. ASMI supported the opening of the restaurant with a trade and a media lunch/tasting (July and September). ASMI NEU arranged some extra contact moments between journalists and Frank (interviews).

Results:

- 20 people participated in the lunch

- On request, we forwarded a high-resolution image and recipe of the three postcards to Marjan Ippel of Talkin' Food. She was present at the media event and wanted to publish the recipe for Alaska salmon and sesame.

Retail Merchandising:

Canned Salmon Campaign at Princes and Sainsbury: ASMI and Princes ran a campaign to promote red canned salmon in-store at Sainsbury's as well as online. The campaign took place during Easter and included a full page advert in *Sainsburys Magazine* (circ. 189,578), trolley media and online activity on *sainburys.com* including top homepage offer banners, shelf top banners, and search cross-sell during three weeks. Princes will also fund a price promotion as well as the take home barker coupon (cost and redemption).

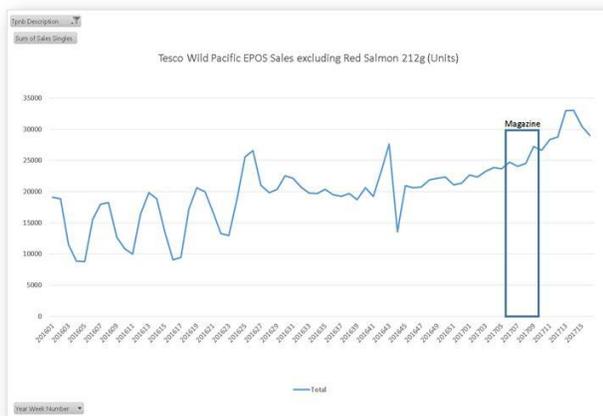
Results:

- Total units sold during the activation: 97,635
- Total volume uplift: 494% vs. pre-campaign period

LDH Tesco Campaign: ASMI and LDH ran a campaign to promote red canned salmon in Tesco in-store. The campaign included an advertorial in their in-store magazine which has a circulation of nearly two million. The advertorial contained a mechanism to win the Alaska "We are Wild" recipe book for the first 200 people writing in.

Results:

- This sales graph shows the volume sales of the three Tesco own-label Wild Pacific SKUs for which LDH have a steady 100% supply.



Results:

- Youngs Foodservice have reported an uplift of 305% in Alaska product sales across their ranges.

Fish Tales Online and Social Media Promotion: ASMI NEU has partnered with Fish Tales - a company based in the Netherlands that supplies Alaska salmon into retailers in both the Netherlands and the UK, foodservice in Netherlands as well as home delivery recipe boxes. The first wave of activity focused on online and social media activity, as follows:

1. ON-LINE VIDEO CONTENT & TELEVISION

A. Jamie Oliver FoodTube video

- 1 video (5-7 minutes long) where Bart van Olphen from Fish Tales shoots a cooking video in Emmonak along the Yukon River. The recipe will be a whole stuffed salmon with spicy salsa verde.
- Support by Jamie Oliver's FoodTube Instagram, Twitter, and Facebook.
- Reach of YouTube is 3.1 million and on Instagram 459K.

B. Videos Bart's Fish Tales

- Shoot and upload three recipe videos (4-7 minutes long) on Bart's Fish Tales in the period September – November 2017. All will be shot in Alaska.
- Shoot and upload one fishery video out of Alaska for YouTube Bart's Fish Tales.
- Reach is 46K subscribers.

C. Tijd voor Max, NPO Dutch Television

- Shoot a TV report on Alaskan Salmon for Tijd voor Max (www.omroepmax.nl/tijdvoormax) of around 4-5 minutes in total. This will include cooking live in a studio with Alaska Salmon.
- Show will be broadcasted in September/October 2017.
- Reach is around 600K audience live and 25K online.

2. SOCIAL MEDIA

A. Instagram

- Upload four short videos based on the format of 'Worlds Shortest Cooking Show'. Content will be Alaskan salmon driven.
- Upload a minimum of 12 images and Instagram stories out of Alaska, including salmon recipes.
- Each post-ASMI will be tagged as Fish Tales's partner and they will mention 'wild, natural and sustainable'.
- Reach is 71K per upload, audience mainly the UK, Netherlands, and Germany.

B. Facebook

- On Facebook, committed to four stories and four recipes out of Alaska.
- In each post-ASMI will be tagged as Fish Tales's partner and use the ASMI logo on the images
- Total reach is 8,000 people mainly within the Dutch market.

C. Website

- On the Fish Tales website (www.fish-tales.com), specific chapters on Alaska will be published for three months.
- On the landing page, there will always be an Alaska recipe or story during these three months.
- x2 'salmon how-to's' cooking techniques for the website.
- Minimum of 15 recipes based on Alaska salmon on the Fish Tales website continuously.

- We will place the ASMI logo on the Fish Tales website as Fish Tales' official partner.
- Currently, there are approximately 4,000 unique visitors the Fish Tales website per month.

Website

Wild Alaska Live: Wild Alaska Live was a BBC nature program that aired for three nights on national television showing how animals and humans gather for the salmon season and the importance of the runs to life in Alaska. ASMI NEU ran a social media campaign around Wild Alaska Live, which engaged with the public across Twitter and Facebook.

Results:

- Our Engagement Rate (ER) percent benchmark (8%) for Facebook was nearly achieved during the campaign activity. Our top ER post was 7%.
- Our organic reach benchmark (1.7K) was achieved.
- These posts were also the most popular posts in terms of organic reach and engagement rate during August's social report (27th July 23rd August)

Facebook competition: To test the engagement levels of our social audience, we launched a Facebook competition that enabled one lucky foodie a chance to win a one-day cooking course at Billingsgate Seafood School. All they had to do was answer what their favorite dish is using Alaska Seafood. This competition was distributed in two posts to understand what sort of image audiences preferred.

Results:

- Over 7K reach for both posts
- One of the posts achieved 5.4K reach. Almost half of this was an organic reach. This is also the highest amount of reach we've seen on a post since August.
- The best performing post received 55 reactions, comments and shares, giving us a 3% engagement rate, which is a healthy percent if we take into account the size of the reach.

Foodservice Promotions

In-Store Sampling at Costco Warehouses: Cash and Carry – in-store sampling at 28 Costco warehouses throughout the UK. We ran three demo days in all of the Costco stores sampling Youngs Alaska Pollock Fish Fingers. Youngs provided the product.

Results:

	No of people sampled	Sales Previous	Sales During	Increase
January	8280	556	1341	141%
April	8800	459	1738	279%
June	10240	1188	2692	127%
TOTALS	27320	2203	5771	162%

Restaurant Magazine Retreat Promotion: ASMI NEU has collaborated with *Restaurant Magazine* (circ. 15,238) for the seafood school 2017. *Restaurant Magazine* proposed a joint project that aimed to broadcast the benefits of Alaska seafood in a featured a content series called 'Catch of the Month' which to date has included four full page advertorials in the April, May, June, and July issues. The proposal also includes two sponsored tweets for an article which is ongoing.

Foodservice Advertising/Public Relations

Children's Food Trust: ASMI has partnered with the Children's Food Trust, a charity dedicated to encouraging healthy eating habits for children. The Children's Food Trust was established as a government body originally. It now runs several programs and initiatives that encourage healthy eating and cookery skills. ASMI partnered with the Children's Food Trust to develop a series of promotional activities that will highlight the health benefits of Alaska seafood to children, teachers, and families.

Universal Cookery Festival: The Universal Cookery and Food Festival and has been running for the last six years. It is an outdoor, industry only festival and attracts around 4-500 senior chefs and industry professionals.

SOUTHERN EU (SPAIN, PORTUGAL, ITALY):

Trade Shows

CONXEMAR 2017: ASMI participated with an Alaska Seafood pavilion in the CONXEMAR 2017 seafood trade show on Oct. 3-5, 2017 in Vigo, Spain. CONXEMAR is Spain's leading seafood trade show and the nº2 seafood show in Europe. Seven US exporters and three local distributors of Alaska seafood products exhibited with ASMI with booth space or dedicated company tables.



Results:

- In all, the Alaska industry exhibitors and ASMI representatives met with 296 seafood buyers during CONXEMAR 2017
- The Alaska Seafood booth introduced Trident's Alaska pollock portions and RediCuts to the market. These are important value-added innovations for our industry.
- Total CONXEMAR 2017 budget: \$106,000 - \$17,250 industry contribution = \$88,750
Estimated value of on-site sales of Alaska seafood: \$4,725,000
Estimated 12-month projected sales generated: \$31,150,000

Trade Advertising

Salmon, Cod and Pollock Trade Advertisements: ASMI's Southern Europe office will place Alaska salmon, cod and pollock ads in leading trade journals in Spain, Portugal and Italy, concentrating on the pre-Christmas, pre-Easter and early-summer periods of strongest seafood sales. ASMI SEU placed four advertisements in the 4th quarter:

- March 2017 interview of David McClellan on the Trotamundos program of Radio Estel, emitted in early April.
- Two page article on Spanish chef participation in ASMI's Culinary Retreat in the Summer of 2016 in the April 2017 edition of the Saber y Sabor HRI trade journal.
- A one page Alaska seafood advertisement in the June edition of the food trade journal Alimarket.

Retail Merchandising

ASMI SEU Alaska Cod Promotion in Italy with Pambuffetti April - May 2017: ASMI and Italian distributor Pambuffetti conducted in-store promotion and flyer ads of origin-identified Alaska cod in 57 CONAD supermarkets in Italy before and during Easter 2017.

Results:

- 1,710 store days of promotion plus a one-page Baccalà d'Alaska ad in Italy's leading food trade journal FOOD for a cost to ASMI of \$21,129.
- The Pambuffetti company spent over \$15,000 to create and produce this new Baccalà d'Alaska packaging.
- The Pambuffetti company also contributed over \$10,000 in price discounts plus a large amount of management time to prepare the new packaging design and organize and conduct these in-store promotions, worth roughly another \$10,000.

Alaska Wild Salmon and Cod Promotion with Makro-Spain: For one week in the second half of June, ASMI SEU in collaboration with importer Wild Alaska Salmon, conducted in-store promotions of wild Alaska sockeye salmon and Alaska cod in all 37 Makro cash and carry stores in Spain. ASMI and Wild Alaska Salmon split the cost of the 1,554 kg of Alaska sockeye salmon and 970 kg of Alaska cod loins sent to these Makro stores and used for tasting and trail samples for key restaurant customers. ASMI also provided new Wild Alaska cod and salmon recipe/information brochures to all stores.

Results:

- 222 days of in-store promotions in Makro-Spain and 262 days of in-store promotions in El Corte Inglés.
- The June 2017 promotion in Makro was the second introductory promotion of origin-identified Alaska cod in the Makro chain. This is still the product's first year and it remains relatively unknown to Makro and Spanish customers in general.
- The BonPreu supermarket chain in Catalunya, Spain now carries wild Alaska sockeye salmon year-round.

Fresh Wild Alaska Salmon Promotion with Gruppo Pam: From mid-June through mid-October, the Italian supermarket chain Gruppo Pam featured fresh wild Alaska salmon in a priority position on the ice tables in all the group's Pam and Panorama 133 supermarkets and hypermarkets in Italy. In-store posters called attention to the wild Alaska salmon promotion. Alaska grizzly brochure holders were placed in 20 of the largest and most active supermarkets. Alongside the fresh wild Alaska salmon, COAM brand Alaska salmon carpaccio and tartar were also promoted as part of the Alaska campaign. 4,796 customers participated in the drawing

Results:

- 120 days of in-store promotions conducted with 133 supermarkets in the retail chain of Gruppo Pam = 15,960 store days of promotion.
- Gruppo Pam's sales of Alaska salmon increased by 2.43% in quantity and 6.40% in value relative to last year's sales during the promotional period.

Trade Public Relations

Alaska Seafood on TV Show "Ben Trobats": Wild Alaska salmon was showcased on the tv show Ben Trobats in which Annette Abstoss prepared poké with wild salmon and avocado. During the program, Annette explained the benefits of eating wild salmon and how it differs from farmed salmon.

Results:

- 1,912 people followed the program on social media.
- The video is shown and repeated on all the different Catalan local and regional television channels
- The video is also posted on the 24 network AvuiTV.

Alaska Seafood PR Reception: A cocktail party for chefs, foodservice press and distributors at Restaurant Florida Retiro, Madrid to Celebrate the start of the fishing season 2017/announcement of winner of video contest “ Cortos Salvajes.” 130 attended.

Student Chef Contest in Barcelona: ASMI contributed prizes for the winning teams in this year’s Young Chefs of Catalunya Contest between 16 culinary schools in Catalunya, held in the Sant Ignasi Culinary School in Barcelona on May 25, 2017. ASMI contributed 14 fillets of smoked wild Alaska sockeye salmon along with ASMI aprons and spatulas and product dossiers. David McClellan personally presented the winners with these prizes.

HRI Trade Shows

ASMI SEU Supports Nord King Booth in the Salón de Gourmets Trade Show April 24-27, 2017 in Madrid, Spain: Nord King produces and distributes Alaska cod products in collaboration with the Sofresal Company. ASMI offered to cover 50% of the costs of Nord King’s promotion of Alaska seafood products at trade shows.

ASMI SEU Supports the Wild Alaska Food Truck in the Salón de Gourmets Trade Show 24-27 April, 2017 in Madrid, Spain: ASMI sponsored the presence of the Wild Alaska Food Truck in the 31st edition of Salón de Gourmets gourmet food trade show in Madrid, Spain on April 24 – 27, 2017. The Salon de Gourmets has been growing every year and this 31st edition received more than 90,000 visitors and featured over 40,000 products.

ASMI SEU Supports Sofresal in Tuttofood Trade Show May 8-11, 2017 in Milan, Italy: ASMI sponsored the presence of the Wild Alaska Food Truck in the Tuttofood, one of Italy’s leading food trade shows held alternate years in Milan. ASMI split costs of the booth with salt cod processor and exporter SOFRESAL whose representatives Patxi Soriano and Alejandro Lápido, along with chef Angel Rubio, promoted wild Alaska cod and salmon to the hundreds of Italian food importers, wholesalers, retailers and restaurateurs that visited the food truck.



San Sebastian Gastronomika– October 9-11, 2017 in San Sebastian, Spain: ASMI SEU shared a 24 m2 double booth and conducted product tastings with Koppert Cress in the 2017 edition of the chef congress / HRI trade show San Sebastian Gastonomika.

Results:

- Salón de Gourmets: 50 HRI trade contacts generated
- Tuttofood: 15 HRI trade contacts generated
- ASMI’s support of Sofresal at the Tuttofood show has allowed Sofresal to negotiate supplier contracts with two Italian importer/wholesalers interested in the company’s light-salted Alaska cod products.
- San Sebastian: 100 trade contacts generated

Foodservice Promotions

3rd Edition of the Alaska Seafood Chef Video Contest and Participation of Two SEU Chefs in the Alaska Seafood School in Seward, Alaska: After the success of the video contest last year, we decided to launch a third edition of “Cortos Salvajes” (wild short films) video contest, as a means of inspiring professionals to use wild Alaska salmon.

Results:

- Four chefs participated in this year’s Alaska Seafood Chef Video Contest

- Six foodservice distributors began working with Alaska seafood products in FY2017
- HRI sales of wild Alaska salmon, cod and black cod are increasing steadily in all three SEU markets as will be reflected in export and import figures for 2016-17.
- Increase the number of HRI distributors of Alaska seafood products in SEU
- Twelve SEU food distributors began working with Alaska seafood products in FY2017.

EASTERN EUROPE (RUSSIA, UKRAINE and CIS):

Market Update:

Russia: The recovery likely hit top speed in Q2 2017, as booming fixed investments and recovering household spending drove GDP to expand at the fastest pace since Q3 2012. Large infrastructure projects, primarily in the energy and transportation sectors, fueled investment growth, while low inflation and improving confidence supported private consumption. Available data for Q3 suggests that momentum remained healthy, although growth is expected to wane from Q2's of 2017 peak. Industrial production accelerated and the unemployment rate inched down in August, while the manufacturing PMI rose in September. Moreover, the Ural oil price soared in September, recording the highest average monthly price since September 2015. The improving economic backdrop, along with a weak USD, has caused the ruble to gain ground this year and appreciate over 6.0% year-to-date. Meanwhile, the Ministry of Finance released a prudent fiscal plan for 2018–2020 in September, with a conservative USD 40 per barrel oil price and a target deficit of 1.4% of GDP in 2018.

Ukraine: The recovery deteriorated further in Q2 2017 after annual growth halved in Q1 2017. The trade blockade with the eastern regions continued to dampen activity and, together with poor agricultural production, caused exports to plummet. Growth is expected to decelerate further in Q2, and incoming data for Q3 2017 has been mixed. On a positive note, the country had a successful return to capital markets in September, raising USD 3 billion through a 15-year Eurobond, the country's first bond issue since 2015. The return illustrated investors' reinvigorated confidence in the economy; however, there is a risk that the successful issue could reduce authorities' resolve to comply with the IMF program. The government has been dragging its heels in pursuing mandated reforms, particularly to address corruption. While pension reform is expected to be passed, the bill has been severely watered down by amendments. Slow reform momentum is delaying the next tranche of IMF loans, and the government's 2018 budget was drafted based on approval of the pension reform—meaning that the government cannot vote on the budget until the reform is passed.

Romania: Romania drew attention in Q1 2017 as the fastest-growing country in the region, defying expectations. However, political wrangling has recently dominated headlines as the government attempts to lay out fiscal policies for public sector wage hikes, tax cuts, and increased infrastructure spending. Contentious discussions over 2018 tax cuts are creating the impression of unpredictability in the political arena, which could push away investors. Business sentiment has worsened, and analysts were more pessimistic about current economic and business conditions in August. Furthermore, without significant amendments, the government's ambitious spending plans could put it over the European Commission's established 3% of GDP deficit ceiling, which could result in an excessive deficit procedure and hurt Romania's markets and credit ratings. Chaotic policy-making could put the economy at risk of overheating if economic growth is unsustainable.

This region also includes Moldova, Azerbaijan, Georgia, Kazakhstan, Estonia, Latvia and Lithuania, but promotions are centered in Ukraine and Romania.

Trade Servicing/PR

Ambassador's Event in Vilnius, Lithuania: An ambassador's representational event took place in Vilnius, Lithuania on May 18, 2017. US food and drinks were promoted such as Alaska seafood, beef, bourbon, wine, and prunes. Ambassador Anne Hall hosted an outdoor reception for key political and business contacts from Lithuania – around 70 guests were present. ASMI got an opportunity to include relevant fish contacts to the invite list. ASMI educational materials in English were printed for this and other events in the Baltics. Materials will be stored in the Baltics to simplify coordination of future events. ASMI donated fish for the Ambassador's reception.

Taste Ambassadors Food & Drink Show, Bucharest Romania: Taste Ambassadors Food & Drink Show was organized by the Romanian Chef Association, Bartender Association, as well as several B2B magazines. The target audience was HRI

specialists, retailers and importers. The show also welcomed students of Romanian culinary colleges that participated in contests. ASMI exhibited at the USDA booth along with other US cooperators. US Ambassador to Romania, Hans Klemm, made a welcome speech that mentioned Alaska Seafood stating, “One of the sponsors of today’s program is the Alaska Seafood Marketing Institute, and I want to welcome them here today, they have brought to Romania examples of delicious American wild salmon and black cod.”. ASMI provided the set of ASMI materials in Romanian, including recipe books, educational brochures, and leaflets. ASMI provided Alaska sockeye, chum salmon roe and black cod for the event.

Results:

- About 100 guests attended an ASMI workshop, more than 500 attended the trade show over two days. The audience showed interest in the seafood presented at the events and received information on its availability and quality. Trade leads are in process.

Ocean Fish Truck Branding, Romania: Ocean Fish is a leading fish importer in Romania (www.oceanfish.ro). The company’s imports from Alaska includes pink, keta, ikura and salmon roe, black cod, and Alaska pollock. Ocean Fish owns more than 50 trucks that deliver seafood to the stores in the capital and across the regions of Romania. ASMI sponsored the branding of seven trucks and the design includes logos of ASMI and Ocean Fish, plus an image of Alaska wildlife and slogan “From here we bring you the best fish.” The design will be placed on trucks for over a year.



Selida Lux Promotion, Moldova: Selida Lux is an import company based in Hincesti, Moldova. The company specializes in frozen fish and seafood, which is 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. The Alaska assortment includes keta, sockeye and pink salmon, salmon roe, pollock, cod, flatfish. Selida’s fish store “Ocean Product” is among a top destination to source fish and seafood in Chisinau, the capital of Moldova. ASMI started its retail promotional activities with Selida Lux in autumn 2016, the Ocean Product store windows were decorated with Alaska themed posters. In Q4, ASMI developed branded fridge magnets as a gift for purchase of Alaska seafood. Magnets were distributed in the supermarkets among final consumers.



Seafood Group Keta Promotion, Georgia: Seafood Group, a medium-sized fish importer. Assortment: frozen, fresh, chilled fish and seafood products from all continents. Experience with Alaska fish exceeds ten years. Goodwill operates eight stores across Georgia, two hypermarkets and six supermarkets. In preparation for the promotion, ASMI prepared a leaflet on Alaska seafood in the Georgian language. The leaflet was distributed during the promotion. The leaflet contained information on Alaska seafood, its health benefits, and a recipe with keta salmon. The promotion also included placement of the Alaska seafood banner in the fish department of Goodwill. The banner was placed over the fish display. The duration of the placement will be three months. Alaska fish was given enhanced shelf-space for the same period.

Results:

- During the two weeks of promotion in April, 340 kg of keta steaks were sold, which is about 300% more than during the same period in 2016

Branded Selida Lux Food Truck: Selida Lux is a frozen fish importer that operates its own specialized store “Ocean Product.” The company is one of the biggest importers and processors of salmon roe in Moldova. The Alaska assortment includes keta, sockeye and pink salmon, salmon roe, pollock, cod, flatfish. ASMI partnered with Selida Lux in 2016-17, branding Selida's store with Alaska Seafood pictures and logo, developing leaflets and magnets as a gift for purchase. This year,

ASMI continues to partner with the company, planning to brand Selida's food truck with ASMI pictures and logo. The food truck will sell products in different parts of Moldova.

BRAZIL

Market Update: On September 28th of 2017, Normative Instruction No. 21 published by the Ministry of Agriculture of Brazil (MAPA), which establishes new sensorial, physical-chemical and microbiological characteristics for frozen fish products, officially entered into force. Also, Normative Instruction No. 38 published in the same date also expands physical-chemical requirements for frozen seafood products.

For the 1st quarter of FY2018, U.S. seafood exports to Brazil topped over 263.4 tons valued at \$73.7 thousand. Compared to the same period of 2016, both imported volume and value decreased 50% and 46% respectively. Shipments arriving to Brazil in the 2Q will bring numbers up, close to the ones seen in 2016.

The Brazilian Government and seafood industry are starting to dig into Russia and rumors of opening of the Brazilian market for Russian seafood start are becoming stronger.

The Brazilian Ministry of Agriculture's inspections are becoming more rigorous with the presence of parasites in imported seafood, mainly consumer ready products imported from China. No problem with shipments from Alaska has been seen so far.

Retail Merchandising

Keta In-Store Promotions: ASMI Brazil conducted in-store promotions to promote Alaska keta salmon in outlets of twelve retail chains in São Paulo/SP, Brasília/DF, Belo Horizonte/MG, Recife/PE and Salvador/BA. All professionals were properly trained to educate consumers on the wild, natural and sustainable aspects; they wore ASMI uniforms and used ASMI branded material, such as tablecloths and napkins. The Alaska Nanook bear was also positioned at the demo spots. Samples of Alaska keta salmon, as well as ASMI recipe flyers were distributed to consumers.

Komdelli In-Store Promotions: ASMI organized in-store promotions in partnership with Komdelli to promote the recently launched wild Alaska salmon line, including Alaska pink, coho and keta salmon for 13 days in a total of four retail chains. All professionals were properly trained to educate consumers on the wild, natural and sustainable aspects of Alaska seafood; they wore ASMI uniforms and used ASMI branded material, such as tablecloths and napkins. The Alaska Nanook bear was also positioned at the demo spots. Samples of Alaska products, as well as ASMI recipe flyers were distributed to consumers.

Walmart Holy Week Promotions: ASMI organized promotional activities in partnership with Noronha Pescados and Walmart during Holy Week/Easter. The Walmart chain promoted Alaska keta salmon products at special prices during the campaign period in São Paulo and Rio de Janeiro, boosting sales during the season. The supermarket chain featured the product in its set of TV advertisements (aired nationally), as well as in product booklets offered in stores.

Fish Week In-Store Promotions: ASMI Brazil conducted in-store promotions during Fish Week to promote Alaska cod, Alaska pollock, Alaska pink, keta and sockeye salmon in outlets of 21 retail chains in São Paulo/SP, Recife/PE, Salvador/BA, Rio de Janeiro/RJ, Brasília/DF, Belo Horizonte/MG, Florianópolis/SC, Criciúma/SC and Curitiba/PR. In addition to the distribution of samples of Alaska products and ASMI recipe flyers to consumers, institutional flyers on Fish Week (with ASMI logo), provided by the its Organizer Committee, were also distributed to the public.

Sustainable Alaska Seafood line launch with GPA: ASMI organized two launching events of the Sustainable Alaska Seafood line in partnership with Grupo Pão de Açúcar (GPA; largest Brazilian retail group) and Noronha Pescados (importer/processor). GPA is adding Alaska cod and Alaska pollock to their portfolio, available in more than 500 stores of Pão de Açúcar and Extra chains nationwide. Launching events were held at two different locations:

- August 29 - In São Paulo at Jamie's Italian restaurant (by Jamie Oliver) for 100 people
- August 30 - In Recife at Chicama restaurant for 60 people

Both events were a joint effort of ASMI, GPA and Noronha Pescados, to highlight Alaska species with customized menus developed by chefs especially for the events, aiming to reach 160 top Grupo Pão de Açúcar clients, journalists and bloggers. ASMI, Noronha and GPA had the opportunity to educate the audience about Alaska seafood species with special emphasis on sustainably sourced seafood, Alaska/Noronha Pescados products and the 2017 Fish Week campaign. ASMI distributed branded communications and promotional/educational materials, including recipe books, flyers and Alaska pollock and keta salmon. Alaska Nanook bear participated in the event held in São Paulo.

Fish Week Launch Event: ASMI participated in the Fish Week Launch event organized by the Federation of Industries of São Paulo (FIESP). The event consisted of a reception and seminars entitled “Health and Taste – Fisheries serving the gastronomy.” Renowned players in the Brazilian seafood industry such as representatives from the Brazilian Committee of Fisheries & Aquaculture Supply Chain (COMPESCA) and the public distribution center CEAGESP, as well as renowned chefs, such as Jun Sakamoto, provided insights regarding the current market. At the same time, the nanook bear actor was positioned outside the organization to approach the public in order to spread the word about the Fish Week campaign and Alaska seafood products.

Alaska Pollock Video: ASMI Brazil developed one promotional video featuring Alaska pollock and its pure, natural and sustainable aspects, as well as higher quality if compared to pollock processed in other origins. Chef Ambassador Carla Elage starred in the video, comparing Alaska pollock imported directly from Alaska to other pollock available in the market (visual aspect, thaw, smell, taste, water content, cooking comparison). Video will be available for promotions in the 2Q.

Q4 Results:

- Sales of 24.67 tons of Alaska pollock, Alaska cod and Alaska pink, coho and keta salmon valued at \$299,718 were reported during the campaign.
- Increased consumer awareness of seafood from Alaska and its characteristics.

Q1 Results:

- Sales of 2.38 tons of Alaska pollock, Alaska cod and Alaska pink, keta and sockeye salmon valued at \$ 41,464 were reported during the campaign.
- Increased consumer awareness about seafood from Alaska and its characteristics.
- Supported Fish Week national campaign to boost seafood consumption.
- Organized two launch events for new line of Alaska seafood products in São Paulo/SP and Recife/PE.

Trade PR

APAS Supermarket Business Show: ASMI Brazil participated with an Alaska Seafood pavilion in the APAS 2017 supermarket business show on May 2-5, 2017 in Sao Paulo, Brazil. ASMI Brazil secured a 42 sqm booth in the White Pavilion. APAS is renowned as Latin America’s leading supermarket and retail trade show. The Alaska Seafood booth focused on messages of wild Alaska seafood’s superior flavor, healthiness and sustainability through videos, printed materials, banners, posters, display, pamphlets and chef demonstrations. ASMI coordinated with Alaska seafood export companies and local traders to participate to promote Alaska products. Three recipe videos (Alaska wild pink, king salmon, and Alaska cod) were recorded during the show and posted on ASMI Brazil social media channels. A total of 45 new qualified leads were generated.



Social Media: ASMI Brazil continued using social media, mainly two Facebook pages (fb.com/peixesdoalasca and fb.com/bacalhauoalasca), one profile on Instagram (@peixesdoalascabrazil) and one Youtube channel (Alaska Seafood Brasil) to promote the Alaska Seafood industry, species and Bacalhau do Alasca. Both Facebook pages use custom audience targeting, such as restaurant owners, foodservice, HRI, chefs, housewives, traders, culinary schools, processors, restaurant goers, Japanese restaurants, fish, seafood processors, recipes, among others. ASMI Brazil own channels campaign target people who are most likely to respond to our ads and engage in ASMI business. Ads, videos and stories were placed on Facebook using "Facebook Ads", which are paid messages. ASMI Brazil created several ads and target people based on location, demographics and interests to increase the number of pages' fans and interactions. Peixes do Alasca's Facebook has more than 788 thousand likes. ASMI Brazil created several posts and the Instagram profile already has over 2,720 followers. Two new videos were produced and will be added to ASMI Brasil Youtube channel. The content was also posted on both ASMI Facebook pages.

Q4 Results:

- ASMI participated in APAS 2017 with a 42 sqm booth, assisted by four Brazilian distribution partners. A total of 45 trade leads were generated.
- Peixes do Alasca Facebook gained over 20K new likes on its fan page, totaling over 759K likes.
- Bacalhau do Alasca Facebook gained over 5K new likes on its fan page, totaling over 233K likes.
- Alaska Seafood Brasil Instagram profile gained over 150 followers, totaling over 2,650 followers.

Q1 results:

- Continued working with Chef Carla Elage, who is acting as Alaska Seafood brand ambassador, to promote Alaska species for retail through the production of promotional videos. One promotional video featuring Alaska pollock was developed in this quarter.
- Placed five full-page Alaska seafood ads, sponsored website, banner newsletter and suppliers guide in Seafood Brasil Magazine (editions #19 and #20) and on its website.
- Peixes do Alasca Facebook gained over 29K new likes on its fan page, totaling over 788K likes.
- Bacalhau do Alasca Facebook gained over 9K new likes on its fan page, totaling over 242K likes.
- Alaska Seafood Brasil Instagram profile gained over 70 followers, totaling over 2,720 followers.
- Two new videos were added to Alaska Seafood Brasil YouTube channel, totaling 29 videos.

Foodservice Promotions

Collaboration with USDA on #USFoodExperience Easter Event: #US Food Experience is an initiative conducted by the U.S. Foreign Agricultural Service (FAS), to promote U.S. gastronomy and high-quality food products. This quarter, ASMI continued to participate in the event by organizing the festival U.S. Food Experience: Easter, event under USDA's #USFoodExperience umbrella, which was held from April 14 to 16 in eight restaurants in Sao Paulo. All restaurants

developed special Easter menus with Alaska cod. For this quarter, ASMI negotiated with restaurants, worked with a PR agency recommended by FAS and provided trainings for restaurants in partnership with Chef Ambassador Carla Elage, which includes Aguzzo, Amadeus, Chiado, Felix Bistrot, Micaela, Miya, Picchi and Torero Valesse. A workshop on Alaska seafood species was offered to journalists and bloggers to promote the Easter festival. Alaska products promoted during the festival activities were donated by importers or offered with impressive discounts by the partners. Menus with sponsors/partner's logos and fliers with Alaska seafood recipes were distributed during the workshop.

Brazilian Association of Japanese Gastronomy Seminar: ASMI attended the monthly meeting of the Brazilian Association of Japanese Gastronomy (ABGJ), providing a seminar about Alaska species and its presence in the Brazilian HRI sector. The meeting was attended by 50 guests, including seafood distributors such as Vivenda do Camarão and Mitsubishi, as well as restaurants including Tatá Sushi and Guinza Sushi. Alaska HRI kits were provided to all guests during the seminar. Chef Ambassador Fernando Corsi provided sampling services after the meeting, working alongside Chef Marc Maeda with two recipes including two Alaska keta and sockeye salmon dishes. ASMI provided products for sampling and branded material, such as counters and napkins. The Alaska Nanook bear was also positioned at a demo spot.

Foodservice Training and Consulting Services: ASMI met with Guinza Sushi to discuss menu ideas and answer questions regarding Alaska salmon species. Mr. Maurício Nishimori developed interest in Alaska sockeye salmon and has plans to implement the products in the next few months. ASMI will assist with menu revision and chef training; the revamp is already underway.

Q4 Results:

- Organized one cooking demo in partnership with Chef Ambassador Carla Elage during APAS 2017.
- Continued to cooperate with the FAS in the #USFoodExperience events since the end of March.
- Continued working with Chef Carla Elage, who is acting as an Alaska Seafood brand ambassador, promotion of Alaska seafood products available in the market for introduction in local restaurant menus, development of customized recipes, consumer outreach, and creating awareness about Alaska Seafood's sustainability.

Q1 Results:

- Organized one HRI seminar and product sampling during the Brazilian Association of Japanese Gastronomy (ABGJ) Monthly Meeting.
- Partnered with one new restaurant.
- Continued working with Chef Ambassador Fernando Corsi to promote of Alaska seafood products available in the market for introduction in local restaurant menus, development of customized recipes outreaching consumers and creating awareness about Alaska Seafood industry sustainable aspects.