How High is the Ceiling?

Growing Sales for Alaska Seafood

Chris DuBois
EVP and Practice Leader

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Today’s Discussion

01 2023 Economic Drivers and Consumer Impact
02 2023 Seafood Retail Landscape
03 Keys For Alaska Seafood Growth
04 2024 Crystal Ball
Growing Sales for Alaska Seafood

Economic Drivers & Consumer Impact
Food prices are 30% higher than pre-pandemic and wage growth has not kept pace.

Quarterly Average Price Percent Change vs. the Same Quarter Prior Year & 2019 and Wage Growth vs. 2019

*Wage data through Q1 2023. Source: Circana/Point-of-Sale First Read Data/Limited Release (general merchandise), CircanaTotal Market View MULOC (F&B/Nonedible CPG), Average price per unit Bureau of Labor Statistics Employment Cost Index for Wages and Salaries of All Workers Dec 2005 = 100, Seasonally Adjusted (current quarter vs. avg of 2019), Moody’s Analytics – Wage growth
Food CPI begins to stabilize month-over-month. Monthly F&B Inflation, % Change vs. YA


AT-HOME
Jun '23 vs. YA: +4.7%
Jun '23 vs. May '23: 0.0%

AWAY-FROM-HOME
Jun '23 vs. YA: +7.7%
Jun '23 vs. May '23: +0.4%
Beyond inflation...
Other economic factors impacting the ability for consumers to spend

01 Cost of Consumer Credit Rapidly Rising

Cost of servicing new loans, or existing loans with variable interest rates, along with credit card interest are a rapidly building burden on consumers.

02 Depleting Pandemic-Related Excess Savings

Throughout 2022 and early 2023, the cumulative excess savings declined an average of -$54B per month.

03 Increasing Household Debt, Driven by Credit

In Q1 2023, total household debt rose to $17T. Credit Card balances increased 17% vs. prior year, surpassing the pre-pandemic high of $927 billion.

04 Cost of Housing is Shifting

The average monthly rent in May 2023 fell -0.6% compared to last year, the largest annual decline since early 2020. As of 2019, renters accounted for 36% of the nation’s 123 million households.

Source: U.S. Bureau of Labor Statistic, Source: New York Federal Reserve (Excess Personal Savings); Redfin Monthly Rental Market Data
Lower income households have depleted most excess savings from the pandemic.

Accumulated Excess Personal Savings from Jan. 2020 by Income Quartile ($B)

Of the $1.71T excess savings as of Q2 2022, 79% of that was with top two income quartiles.

Contributions to Excess Savings by Income Quartile

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Income</th>
<th>Fiscal Support</th>
<th>Reduction in Outlays</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottom</td>
<td>(2)</td>
<td>817</td>
<td>(722)</td>
<td>92</td>
</tr>
<tr>
<td>2nd</td>
<td>(16)</td>
<td>695</td>
<td>(411)</td>
<td>268</td>
</tr>
<tr>
<td>3rd</td>
<td>(74)</td>
<td>450</td>
<td>148</td>
<td>524</td>
</tr>
<tr>
<td>Top</td>
<td>(382)</td>
<td>(233)</td>
<td>1,440</td>
<td>825</td>
</tr>
</tbody>
</table>


Bottom 2 quartiles increased spending by $1.13T from Jan 2020 through Q2 2022, which was funded by $1.5T increased fiscal support.
Discretionary spend areas continue to see unit decline

<table>
<thead>
<tr>
<th>Retail Segments YTD Sales % Change vs. YA</th>
</tr>
</thead>
<tbody>
<tr>
<td>------------</td>
</tr>
<tr>
<td>Dollars</td>
</tr>
<tr>
<td>Avg Price</td>
</tr>
<tr>
<td>Unit/Vol</td>
</tr>
<tr>
<td>Units / Vol % chg vs. 2019</td>
</tr>
</tbody>
</table>

Note: Volume sales and price per volume shown for CPG segments. Unit trends shown for general merchandise. Source: Circana/Retail Early Indicator, 29WE 7/22/23 vs. YA (general merchandise); Circana Omnichannel (F&B/nonedible CPG) YTD ending 7/16/23. Circana Thought Leadership.
Affected SNAP households are reducing spend by ~35%

- SNAP household spending on retail food & beverage drops behind all household trends.

- We estimate impacted households are reducing their total monthly F&B spend by about 35% of cut benefits (~$70 of $200) in these initial months, by drawing money from other areas of discretionary spend to cover lost food benefits.

- To-date, consumers do not appear to be reallocating other spend to cover reduced F&B spending.

- SNAP buyers exhibit consistently lower growth rates in non-edible CPG pre- and post-SNAP cuts.

SNAP households seeing sales growth decelerate in F&B

F&B dollar per HH % change vs YA

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>All HHs</td>
<td>6.9%</td>
<td>6.9%</td>
<td>8.0%</td>
<td>9.4%</td>
<td>9.1%</td>
<td>8.1%</td>
<td>7.0%</td>
</tr>
<tr>
<td>SNAP HHs</td>
<td>-1.6%</td>
<td>-1.0%</td>
<td>-1.7%</td>
<td>-0.5%</td>
<td>-1.6%</td>
<td>-1.0%</td>
<td>-1.7%</td>
</tr>
</tbody>
</table>

Final elimination of emergency allotment benefits

Note: SNAP HH’s includes household across all states, including those where extra benefits were eliminated in 2021 & 2022. Source: Circana OmniConsumer™ Receipt Panel, YTD ending 7/16/23, Total Omni Chanel, F&B excludes fresh, SNAP HHs identified as buyers who have at least EBT 3 transactions in Q1 2023 and Q2 2023 (as well as in Q1 and Q2 2022). Circana Thought Leadership.
Evolving consumer demand – retail F&B volumes slowly decline

1. Based on latest rate of de-escalation, population growth, and assumption of at-home share remaining elevated. Note: Dollar-weighted volume change across categories. Omnichannel estimated across POS (majority, MULO+C) and Panel data assets (pure play ecom and other miscellaneous). Prepared deli foods excluded due to lack of volume consistency. Source: Circana POS and panel data, ending 7/2/23.
Shift in brands - consumers still splurge as incomes are strong, but private label is growing.

F&B categories where shoppers are trading up to private label, 13 w/e 7/16/23

### Categories Where Consumers Are TRADING UP

<table>
<thead>
<tr>
<th>Category</th>
<th>Premium tier % Volume Shr.</th>
<th>Prem. Ppt. chg. vs. YA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sports Drinks</td>
<td>11.4%</td>
<td>4.1</td>
</tr>
<tr>
<td>Dry Fruit Snacks</td>
<td>22.6%</td>
<td>3.4</td>
</tr>
<tr>
<td>Dried Meat Snacks</td>
<td>2.8%</td>
<td>2.1</td>
</tr>
<tr>
<td>Luncheon Meats</td>
<td>20.3%</td>
<td>1.7</td>
</tr>
<tr>
<td>Frozen Fruit</td>
<td>2.6%</td>
<td>1.4</td>
</tr>
<tr>
<td>Canned Fruit</td>
<td>10.8%</td>
<td>1.4</td>
</tr>
<tr>
<td>Frozen Appetizers</td>
<td>19.7%</td>
<td>1.4</td>
</tr>
<tr>
<td>Pasta Sauce</td>
<td>14.5%</td>
<td>1.4</td>
</tr>
<tr>
<td>Frozen Novelties</td>
<td>17.3%</td>
<td>1.3</td>
</tr>
<tr>
<td>RTD Tea/Coffee</td>
<td>22.3%</td>
<td>1.3</td>
</tr>
</tbody>
</table>

### Categories Where Consumers Are TRADING DOWN

<table>
<thead>
<tr>
<th>Category</th>
<th>Premium tier % Volume Shr.</th>
<th>Prem. Ppt. chg. vs. YA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cream Cheese</td>
<td>37.0%</td>
<td>7.6</td>
</tr>
<tr>
<td>Frozen Seafood</td>
<td>60.0%</td>
<td>5.0</td>
</tr>
<tr>
<td>Shortening &amp; Oil</td>
<td>59.1%</td>
<td>4.4</td>
</tr>
<tr>
<td>Bottled Water</td>
<td>52.4%</td>
<td>4.0</td>
</tr>
<tr>
<td>Frozen Plain Vegetables</td>
<td>62.0%</td>
<td>3.4</td>
</tr>
<tr>
<td>Pasta</td>
<td>36.2%</td>
<td>3.4</td>
</tr>
<tr>
<td>Fresh Eggs</td>
<td>71.4%</td>
<td>3.3</td>
</tr>
<tr>
<td>Asian Food</td>
<td>11.6%</td>
<td>3.3</td>
</tr>
<tr>
<td>Rfg Entrees</td>
<td>37.5%</td>
<td>3.1</td>
</tr>
<tr>
<td>Plant Based Milk</td>
<td>19.0%</td>
<td>3.0</td>
</tr>
</tbody>
</table>

Note: Price tiers determined by line extension avg. price per volume vs. corresponding subcategory avg. price per volume. Premium > 1.25* avg, Value <0.75* avg based on MULO. Source: IRI POS data ending 7/16/23, MULO. Circana Thought Leadership.
Shift in where consumers shop - post-pandemic, Walmart is dominating food growth

### CPG Channel Growth vs. YA, $B Change and Fair Share Index

<table>
<thead>
<tr>
<th></th>
<th>2021-2022</th>
<th>Q1 2023 vs. YA</th>
<th>Q2 2023 vs. YA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$B chg. vs. YA</td>
<td>Fair-share index</td>
<td>$B chg. vs. YA</td>
</tr>
<tr>
<td></td>
<td>F&amp;B</td>
<td>Non-Ed</td>
<td>F&amp;B</td>
</tr>
<tr>
<td>Grocery</td>
<td>22</td>
<td>30</td>
<td>71</td>
</tr>
<tr>
<td>Walmart</td>
<td>22</td>
<td>5</td>
<td>163</td>
</tr>
<tr>
<td>Target</td>
<td>3</td>
<td>2</td>
<td>151</td>
</tr>
<tr>
<td>Club</td>
<td>11</td>
<td>2</td>
<td>133</td>
</tr>
<tr>
<td>Pure-Play ecom</td>
<td>1</td>
<td>2</td>
<td>189</td>
</tr>
<tr>
<td>Drug</td>
<td>1</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Dollar</td>
<td>2</td>
<td>1</td>
<td>149</td>
</tr>
<tr>
<td>Convenience</td>
<td>7</td>
<td>0</td>
<td>83</td>
</tr>
</tbody>
</table>

*Note: Pure eCom includes Amazon 1P, 3P and other e-commerce only retailers (e.g., Boxed, Fresh Direct, etc). Store-fulfilled e-Commerce, i.e., store delivery and pickup, included in respective channels. Omnichannel based on POS and Panel data. Source: IRI Omnichannel data ending 6/18/23. Circana Thought Leadership.*
Evolving consumer demand...
Every income group is purchasing differently

Meal components or scratch cooking ingredients are among winners with low income households

Baking products are winning with middle income households, along with meal components

Discretionary categories like Beverages and Snacks are winning among high income households
At-home still dominates, but a.m. meal and p.m. snack has grown at away-from-home locations

Quarterly At-Home Share Occasions

<table>
<thead>
<tr>
<th>Year</th>
<th>At-Home Share Occasions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>83%</td>
</tr>
<tr>
<td>2023</td>
<td>86%</td>
</tr>
</tbody>
</table>

Away from Home Traffic Share

- Morning Meal: 21% Brunch, 4% A.M. Snack, 16% Breakfast
- Lunch: 29%
- Dinner: 30%
- P.M. Snack: 8% Evening Snack, 12% Afternoon Snack

Away from Home Traffic PCYA

- Breakfast: 4%
- A.M. Snack: 1%
- Brunch: 14%
- Afternoon Snack: 2%
- Evening Snack: 5%

Source: Circana/CREST®, 3 ME Jun 2023
Shift from capturing growth to winning share with rapidly evolving consumer behaviors.

**INVESTMENT STRATEGIES**
Need integrated investment strategies across different vehicles, accounts and brands.

**GRANULAR APPROACH TO PRICING**
Understand where price can still be pushed to drive profitability and where consumers may be on the brink.

**SHIFTING CONSUMER SENSITIVITIES**
Do not only rely only on backward looking elasticities when making pricing decisions.

**PROMOTION**
Monitor promo effectiveness at a granular level to avoid investments that erode profitability.

**INNOVATION**
Still plenty of premiumization happening, innovation will be key to driving share growth and premiumization, but...

**CONSUMER WILLINGNESS TO PAY**
Leverage granular "consumer willingness to pay" framework to understand attributes that can drive premiumization as you look to innovate.
Growing Sales for Alaska Seafood

2023 Seafood Retail Landscape
Total 4-year seafood sales growth is well-balanced across different segments.

- Refrigerated Finfish: 27.0%
- Frozen Finfish: 35.9%
- Sushi: 67.8%
- Refrigerated Shellfish: 10.2%
- Frozen Shellfish: 35.0%
- Shelf Stable Seafood: 14.3%

Total Store Seafood Sales (last 4 years): +30.2%
Refrigerated Finfish sales were slightly soft, with a decrease in sales of -0.3%, volume of -3.5%, price per volume of +3.3%, and average items per store per week of +0.2%

But items per store increased over the last year.
Refrigerated
Shellfish pricing has finally
moderated; it’s time to bring lost buyers back

-6.3% sales
-0.7% volume
-5.6% price per volume
-0.2 average items / store / week
Frozen Finfish’s higher shelf prices helped elevate sales, and inflation pulled down volume.

-0.3% sales

-6.6% volume

+6.7% price per volume

-1.6 average items / store / week
Frozen Shellfish had lower sales, but higher volume due to a major shift to discount retailers in 2023.

-5.1% sales

+3.1% volume

-7.9% price per volume

+0.5 average items / store / week
Sushi continued to power higher across the U.S.

Despite price increases, sales and assortment both increased

+0.3% sales
-3.4% volume
+3.9% price per volume
+0.5 average items / store / week
Shelf Stable Seafood had higher sales. This was supported by price increases; more items sold on shelf in the U.S.

+3.0% sales
-2.8% volume
+5.9% price per volume
+2.3 average items / store / week
### Alaskan Species of Refrigerated Finfish Sales

<table>
<thead>
<tr>
<th></th>
<th>Cod</th>
<th>Flounder</th>
<th>Halibut</th>
<th>Pollock</th>
<th>Salmon</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 YEAR DOLLAR SALES</strong></td>
<td>-3%</td>
<td>-0.1%</td>
<td>-11%</td>
<td>0.7%</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>4 YEAR DOLLAR SALES</strong></td>
<td>+5%</td>
<td>65%</td>
<td>-9%</td>
<td>21%</td>
<td>-4%</td>
</tr>
</tbody>
</table>
### Who is the Alaskan Refrigerated Fish consumer?

<table>
<thead>
<tr>
<th></th>
<th>Upper Income</th>
<th>Older Singles</th>
<th>HH Income 60-69.9K</th>
<th>HH Income 100K+</th>
</tr>
</thead>
<tbody>
<tr>
<td>132</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>135</td>
<td></td>
<td></td>
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<tr>
<td>148</td>
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<tr>
<td>131</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1 Person Household</th>
<th>Household Age 65+</th>
<th>Younger Singles</th>
<th>Older Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td>122</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>131</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>123</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>153</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Alaskan Species of Refrigerated Shellfish Sales

#### Who is the Alaska Refrigerated Shellfish Consumer?

<table>
<thead>
<tr>
<th></th>
<th>1 year $ sales</th>
<th>4 year $ sales</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CRAB</strong></td>
<td>14.1%</td>
<td>+39.2%</td>
</tr>
<tr>
<td>Household</td>
<td>132</td>
<td>208</td>
</tr>
<tr>
<td>Age 65+</td>
<td>-2.5%</td>
<td>+131%</td>
</tr>
<tr>
<td>Household</td>
<td>121</td>
<td>120</td>
</tr>
<tr>
<td>Older Boomers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HH Income</td>
<td>124</td>
<td></td>
</tr>
<tr>
<td>$60-$69.9K</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Circana Omnichannel NCP data for year ending 9/8/2023
<table>
<thead>
<tr>
<th></th>
<th>1 Year Dollar Sales</th>
<th>4 Year Dollar Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cod</td>
<td>-8%</td>
<td>+4%</td>
</tr>
<tr>
<td>Flounder</td>
<td>28%</td>
<td>-53%</td>
</tr>
<tr>
<td>Halibut</td>
<td>+0.7%</td>
<td>+5%</td>
</tr>
<tr>
<td>Pollock</td>
<td>14%</td>
<td>54%</td>
</tr>
<tr>
<td>Salmon</td>
<td>-4%</td>
<td>+13%</td>
</tr>
</tbody>
</table>
### Who is the Alaskan Frozen Fish consumer?

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Income HHs</td>
<td>120</td>
</tr>
<tr>
<td>HHs with Older Children</td>
<td>124</td>
</tr>
<tr>
<td>Asians</td>
<td>147</td>
</tr>
<tr>
<td>African Americans</td>
<td>153</td>
</tr>
<tr>
<td>Larger Person HHs</td>
<td>210</td>
</tr>
<tr>
<td>Children 12-17 Only</td>
<td>127</td>
</tr>
<tr>
<td>Children &lt;6 and 12-17</td>
<td>134</td>
</tr>
</tbody>
</table>
Alaskan frozen crab sales skyrocketed from a low base

Alaskan frozen scallop sales remain high vs. historical levels

Who is the Alaska Frozen Shellfish Consumer?

<table>
<thead>
<tr>
<th></th>
<th>1 year $ sales</th>
<th>4 year $ sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRAB</td>
<td>+133%</td>
<td>+58%</td>
</tr>
<tr>
<td>SCALLOPS</td>
<td>-12%</td>
<td>+265%</td>
</tr>
</tbody>
</table>

- Alaskan frozen crab sales sales
- Alaskan frozen scallop sales remain high

Circana Omnichannel NCP data for 1 year ending 9/8/2023
Alaskan Species of Shelf Stable Salmon Sales

$197M salmon sales

-6% L52 weeks

+4% L4 years

Who is the Alaska Shelf Stable Salmon Consumer?

<table>
<thead>
<tr>
<th>231</th>
<th>183</th>
<th>285</th>
</tr>
</thead>
<tbody>
<tr>
<td>African American</td>
<td>Lower Income</td>
<td>Larger Person Households</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>242</th>
<th>142</th>
<th>156</th>
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</thead>
<tbody>
<tr>
<td>HH w/Children Multi Age Groups</td>
<td>Younger Boomers</td>
<td>Older Boomers and Couples</td>
</tr>
</tbody>
</table>
Growing Sales for Alaska Seafood

Keys For Alaska Seafood Growth
F&B promotion levels are returning, but promo response lags despite promo depth increasing.

F&B promotion levels indexed to 2019 / Total U.S. Grocery

Note: Promotion investment is value of promo markdown as a % of dollar sales, driven by both frequency and depth of promotion. Lift calculated as % increase in volume on Any Merch. Frequency as % of base dollar sales sold on Any Merch. Depth as % price reduction on Any Merchandising condition. All measures done at a category level then dollar weighted up to get to edible results.

Source: Circana POS data ending 10/1/23. Circana CPG Thought Leadership.
Seafood looks slightly different as depth is greater than pre-pandemic and consumer response is significantly improved.

Fresh Seafood Promotion Levels Indexed to 2019 / Total U.S. Grocery

Overall Promotion Investment

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>YTD</td>
<td>100</td>
<td>103</td>
<td>82</td>
<td>120</td>
<td>155</td>
</tr>
</tbody>
</table>

Frequency

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>YTD</td>
<td>100</td>
<td>96</td>
<td>74</td>
<td>82</td>
<td>94</td>
</tr>
</tbody>
</table>

Volume Lift

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>YTD</td>
<td>100</td>
<td>109</td>
<td>123</td>
<td>202</td>
<td>228</td>
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</table>

Depth

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>YTD</td>
<td>100</td>
<td>104</td>
<td>103</td>
<td>116</td>
<td>127</td>
</tr>
</tbody>
</table>

Note: Promotion Investment is value of promo markdown as a % of dollar sales, driven by both frequency and depth of promotion. Lift calculated as % increase in volume on Any Merch. Frequency as % of base dollar sales sold on Any Merch. Depth as % price reduction on Any Merchandising condition. All measures done at a category level then dollar weighted up to get to edible results.

Source: Circana POS data ending 10/1/23. Circana CPG Thought Leadership.
Fz Seafood investment levels have come back. Despite depth coming back, lifts are lagging pre-pandemic levels.

**Fz Seafood Promotion Levels Indexed to 2019 / Total US Grocery**

- **Overall Promotion Investment**
  - 2019: 100
  - 2020: 82
  - 2021: 76
  - 2022: 74
  - 2023 YTD: 92

- **Frequency**
  - 2019: 100
  - 2020: 80
  - 2021: 87
  - 2022: 86
  - 2023 YTD: 97

- **Depth**
  - 2019: 100
  - 2020: 99
  - 2021: 92
  - 2022: 90
  - 2023 YTD: 100

- **Volume Lift**
  - 2019: 100
  - 2020: 90
  - 2021: 75
  - 2022: 79
  - 2023 YTD: 83

Note: Promotion Investment is value of promo markdown as a % of dollar sales, driven by both frequency and depth of promotion. Lift calculated as % increase in volume on Any Merch. Frequency as % of base dollar sales sold on Any Merch. Depth as % price reduction on Any Merchandising condition. All measures done at a category level then dollar weighted up to get to edible results. Source: Circana POS data ending 10/1/23. Circana CPG Thought Leadership.
The top 25% Refrigerated Seafood retailers have broader assortments from Alaska

<table>
<thead>
<tr>
<th></th>
<th>Top Retailers</th>
<th>Remaining Retailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Items Sold (Average)</td>
<td>83</td>
<td>43</td>
</tr>
<tr>
<td>Items Sold from Alaska (Average)</td>
<td>8</td>
<td>6.4</td>
</tr>
<tr>
<td>Different Salmon Items Sold</td>
<td>21</td>
<td>14</td>
</tr>
<tr>
<td>Different Salmon Items Sold from Alaska</td>
<td>3</td>
<td>2.6</td>
</tr>
</tbody>
</table>
The top 25% Frozen Seafood retailers maintain aggressive price gaps to the competition

<table>
<thead>
<tr>
<th></th>
<th>Top Retailers</th>
<th>Remaining Retailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frozen Seafood Prices</td>
<td>-$1.90</td>
<td>+$0.10</td>
</tr>
<tr>
<td>Frozen Seafood Prices from Alaska</td>
<td>-$0.87</td>
<td>-$0.14</td>
</tr>
<tr>
<td>Frozen Salmon Prices</td>
<td>-$0.82</td>
<td>+$0.22</td>
</tr>
<tr>
<td>Frozen Salmon Prices from Alaska</td>
<td>-$0.83</td>
<td>+$0.89</td>
</tr>
</tbody>
</table>
The top 25% Shelf Stable Seafood retailers have strong shelf presence of Alaskan products.

<table>
<thead>
<tr>
<th></th>
<th>Top Retailers</th>
<th>Remaining Retailers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaskan Dollar Share of Shelf Stable Seafood</td>
<td>8.1%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Alaskan Dollar Share of Shelf Stable Salmon</td>
<td>80%</td>
<td>73%</td>
</tr>
</tbody>
</table>
Top Markets for Alaska Seafood Growth

- Seattle
- Spokane
- Portland
- Boise
- Sacramento
- SF/Oakland
- Los Angeles
- San Diego
- Raleigh
- Philadelphia
- New York City
- Hartford
Value-Added Seafood is a major contributor to top retailer outperformance.

The Top 10% of U.S. Seafood Retailers Compared to the Total U.S.

- **32% vs. 30%** of sales are gained from value added seafood
- **66 vs. 47** sell a larger variety of value added seafood items
- **$9.69 vs. $8.66** more money earned per item
Sushi contributes strongly to overall Prepared Foods sales at retail.

The Top 10% of U.S. Prepared Foods Retailers Compared to the Total U.S.

<table>
<thead>
<tr>
<th>482 vs. 274 items</th>
<th>29 vs. 12 items</th>
<th>$6.65 vs. $5.32</th>
</tr>
</thead>
<tbody>
<tr>
<td>have larger prepared foods departments</td>
<td>sell a larger variety of sushi items</td>
<td>more money earned per sushi item</td>
</tr>
</tbody>
</table>
Targeting high value seafood buyers is extremely important as a small number buy most U.S. Seafood.

Only 51% of households purchase Seafood, but the top 10% of seafood purchasers are very important.

- **45%** of all seafood is purchased by the top 10% of seafood purchasers.
- **4x** more trips are made per year by the top 10% of seafood purchasers.
- **2x** as much is purchased by the top 10% of seafood purchasers.
62% of seafood buyers are seeking to increase consumption over the next year.

Why are they choosing seafood?

- 78% say it’s healthier
- 50% want more protein
- 43% choose seafood because of easy preparation

Source: Circana Survey 2023 for The Alaska Seafood Marketing Institute (ASMI)
53% of top seafood buyers prefer wild caught
15% prefer farmed
32% have no preference

Where do they get their information?
- 40% rely on seafood counter person
- 42% websites / recipes
- 40% friends and family

Source: Circana 2023 Survey for The Alaska Seafood Marketing Institute (ASMI)
The U.S. dominates country sourcing

<table>
<thead>
<tr>
<th>USA</th>
<th>66%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Preference</td>
<td>33%</td>
</tr>
<tr>
<td>Norway</td>
<td>4%</td>
</tr>
<tr>
<td>China</td>
<td>0%</td>
</tr>
<tr>
<td>Russia</td>
<td>0%</td>
</tr>
</tbody>
</table>

Alaska dominates U.S. preferences

31% Alaska
11% Maine
11% Florida / Keys
32% No Preference

Source: The Alaska Seafood Marketing Institute (ASMI); Circana Survey 2023
Growing Sales for Alaska Seafood

2024 Crystal Ball
Our 2024 POV was developed using econometric demand models

- Leveraged Circana Demand Forecasting Platform to develop causal based econometric demand model for each F&B department
- Leveraged 100+ variables to test hypotheses for each model developed
- Machine learning algorithm and over 500 Random Forest models to determine most important causal variables
- Models finalized based on best fit, significance levels and intuitiveness
- Developed forward looking input variable assumptions using historical trends and industry experts
- Platform allows us to run scenarios and estimate future sales and decomposition of its drivers
While retail F&B dollar sales growth will moderate in 2024, we may see volume growth for first time in 3 years.

### Retail F&B Point of View, Omni Market

<table>
<thead>
<tr>
<th>Historical Baseline</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023YTD</th>
<th>2023F</th>
<th>2024F</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.0 - 3.0</td>
<td>2.8</td>
<td>14.8</td>
<td>2.6</td>
<td>8.7</td>
<td>5.6</td>
<td>4.9</td>
<td>2.6</td>
</tr>
</tbody>
</table>

### Dollar Sales

<table>
<thead>
<tr>
<th>Historical Baseline</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023YTD</th>
<th>2023F</th>
<th>2024F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5 - 2.5</td>
<td>1.8</td>
<td>3.5</td>
<td>5.2</td>
<td>11.7</td>
<td>7.4</td>
<td>6.5</td>
<td>1.6</td>
</tr>
</tbody>
</table>

### Price Per Volume

<table>
<thead>
<tr>
<th>Historical Baseline</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023YTD</th>
<th>2023F</th>
<th>2024F</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.5 - 0.8</td>
<td>1.0</td>
<td>11.0</td>
<td>-2.7</td>
<td>-2.8</td>
<td>-1.7</td>
<td>-1.6</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Note: Forecast does not include Liquor department; Historical baseline based on 2010-2019; Source: Circana Demand Forecasting Platform using up to 208 weeks of historical data to build department level models. For each forecast the platform uses machine learning algorithm and over 500 Random Forest models to determine most important causal variables based on MSE. Over 100 causal variables initially evaluated across POS measures, Moody’s macro economic and holiday/seasonality. Models also include variables for mobility, key COVID weeks and SNAP.
Seafood will perform on par with F&B growth, but Frozen and Meat will most likely lag.

**Retail F&B 2024 Point of View – Expected Department Performance**

<table>
<thead>
<tr>
<th>Expected to outperform total F&amp;B volume growth</th>
<th>Expected to perform on par with total F&amp;B volume growth</th>
<th>Expected to underperform total F&amp;B volume growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beverages</td>
<td>Bakery, Refrigerated, Produce</td>
<td>Frozen, Meat, Liquor</td>
</tr>
<tr>
<td>Deli</td>
<td>General Food, Seafood</td>
<td></td>
</tr>
</tbody>
</table>

Note: Forecast does not include Liquor department. Historical baseline based on 2010-2019. Source: Circana Demand Forecasting Platform using up to 208 weeks of historical data to build department level models. For each forecast the platform uses machine learning algorithm and over 500 Random Forest models to determine most important causal variables based on MSE. Over 100 causal variables initially evaluated across POS measures, Moody’s macro economic and holiday/seasonality. Models also include variables for mobility, key COVID weeks and SNAP.
Seafood should be relatively flat in 2024 as downward and upward pressures even out.

<table>
<thead>
<tr>
<th>Fresh Seafood Point of View</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Dollar Sales</td>
</tr>
<tr>
<td>Price Per Volume</td>
</tr>
<tr>
<td>Volume Sales</td>
</tr>
</tbody>
</table>

Note: Forecast does not include Liquor department; Historical baseline based on 2010-2019; Source: Circana Demand Forecasting Platform using up to 208 weeks of historical data to build department level models. For each forecast the platform uses machine learning algorithm and over 500 Random Forest models to determine most important causal variables based on MSE. Over 100 causal variables initially evaluated across POS measures, Moody’s macro economic and holiday/seasonality. Models also include variables for mobility, key COVID weeks and SNAP.
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Thank you