Market Background and Context

June 2021

Where are we now?

Quarter 1

- National Lockdown
- Roll out of vaccine
- Brexit effects
- Grocery open
- Ecommerce continues to grow along with click & collect
- Non Essential Retail Closed
- Foodservice mainly closed apart from QSR, Delivery and Takeaways
- Schools remain closed

Quarter 2

- Lockdown begins to ease – expected mid to end April
- Schools begin to return full time
- Non-essential retail re-opens
- Grocery stores annualise sales v's 2020
- Vaccine roll out gives certain shoppers confidence to return to stores
- Easter – but don't go on holiday (unless you live in Wales)
- End Q2 we should see Foodservice restrictions begin to lift

Quarter 3

- Hospitality should begin to re-open, but with restrictions (and regionally)
- Foodservice begins to grow and may impact on grocery sales
- Summer holidays may be an option for some but likely staycations will be the choice for the majority
- Some work places may begin to re-open

Quarter 4

- Business support likely to have stopped and will have an impact on jobs
- All adults who want to be vaccinated will have been, boosters begin
- Consumers moving about more freely, albeit hygiene, social distancing and mask wearing might still be priorities
- Christmas celebrations will be enjoyed by all at home and out of home

Market Background
Grocery Retail and Foodservice

Winners and Losers in 2020

According to IGD The UK food and drink market declined by 12% during 2020

Lockdown restrictions caused UK consumers to eat more at home, and spend shifted from foodservice to retail, **reducing foodservice's share of the market from 36% to 19%.**

Online grocery retail was the overall winner

Online sales expanded hugely with more people (mainly older age groups) shopping online for the first time.

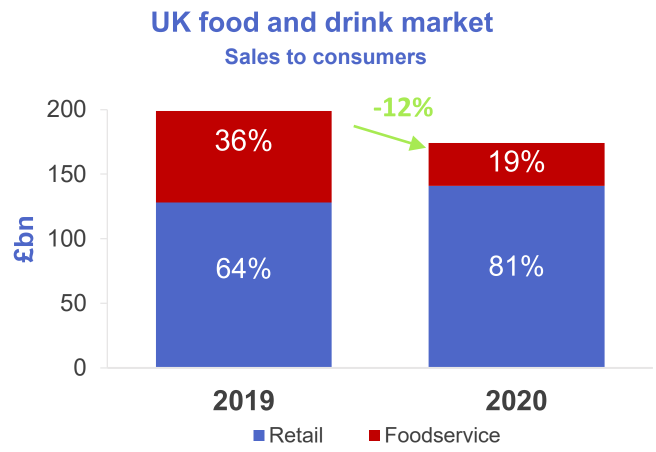
Click & collect became widely used to reach more households

Going into 2021, retailers are focussing on making this channel more profitable.

The Quick Service Restaurant model proved most resilient in foodservice

The convenience, value and social distancing aspects of takeaway, drive thru and delivery, enabled **QSRs to benefit from COVID restrictions.**

Pubs, hotels, leisure and staff catering were hardest hit by restrictions and least able to pivot to new income streams.

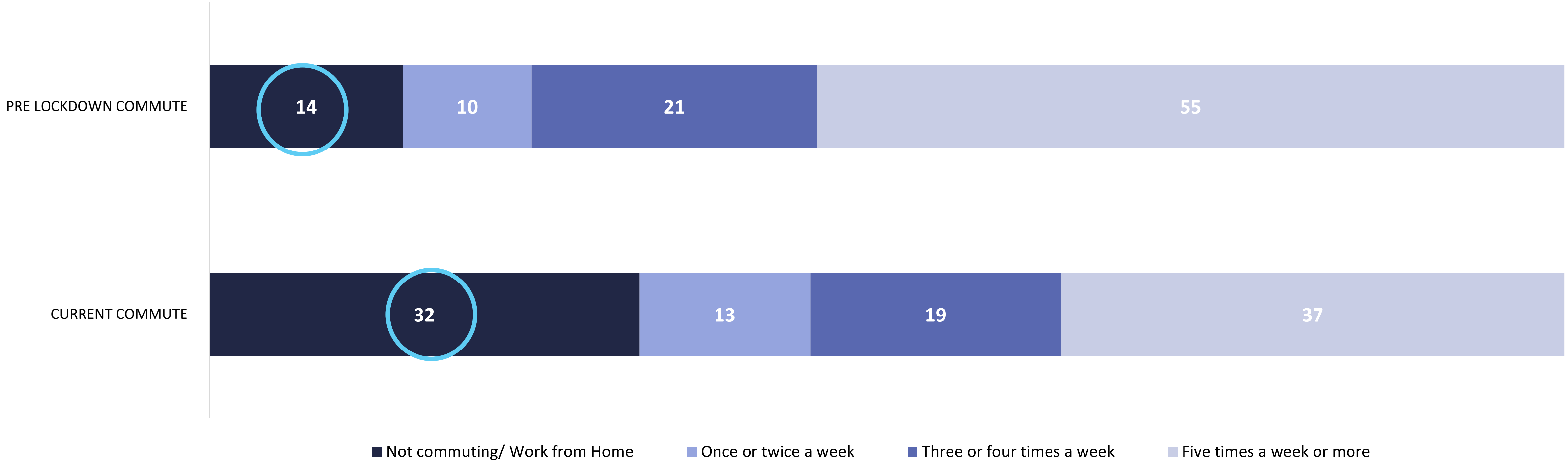


Source: IGD

The proportion of consumers now working from home has more than doubled since the start of lockdown. More flexible working will become the new norm and with workers still being encouraged to work from home where they can will mean consumers will stay closer to home for their shopping and socialising.

"Thinking about your current routine, how often are you commuting to and from work?"

Working - % Buyers



The economy has contracted by 11% this year, the most severe decline in over 300 years, leading to consumer confidence declines. Many people have lost jobs or seen their income fall during Covid. This will impact on how consumers behave when the economy begins to re-open.

For every

-1 point

decline we see in consumer confidence…

… we each have

-0.8

fewer out of home trips per month

Source: Kantar Total OOH | Frequency correlated with Consumer Confidence Index (GFK) | Rolling monthly data from November 2020 to Jan 2018

Covid has created a shock for the foodservice sector who have had to innovate to survive

Dark Kitchens

Outdoor Dining

Drive Thru

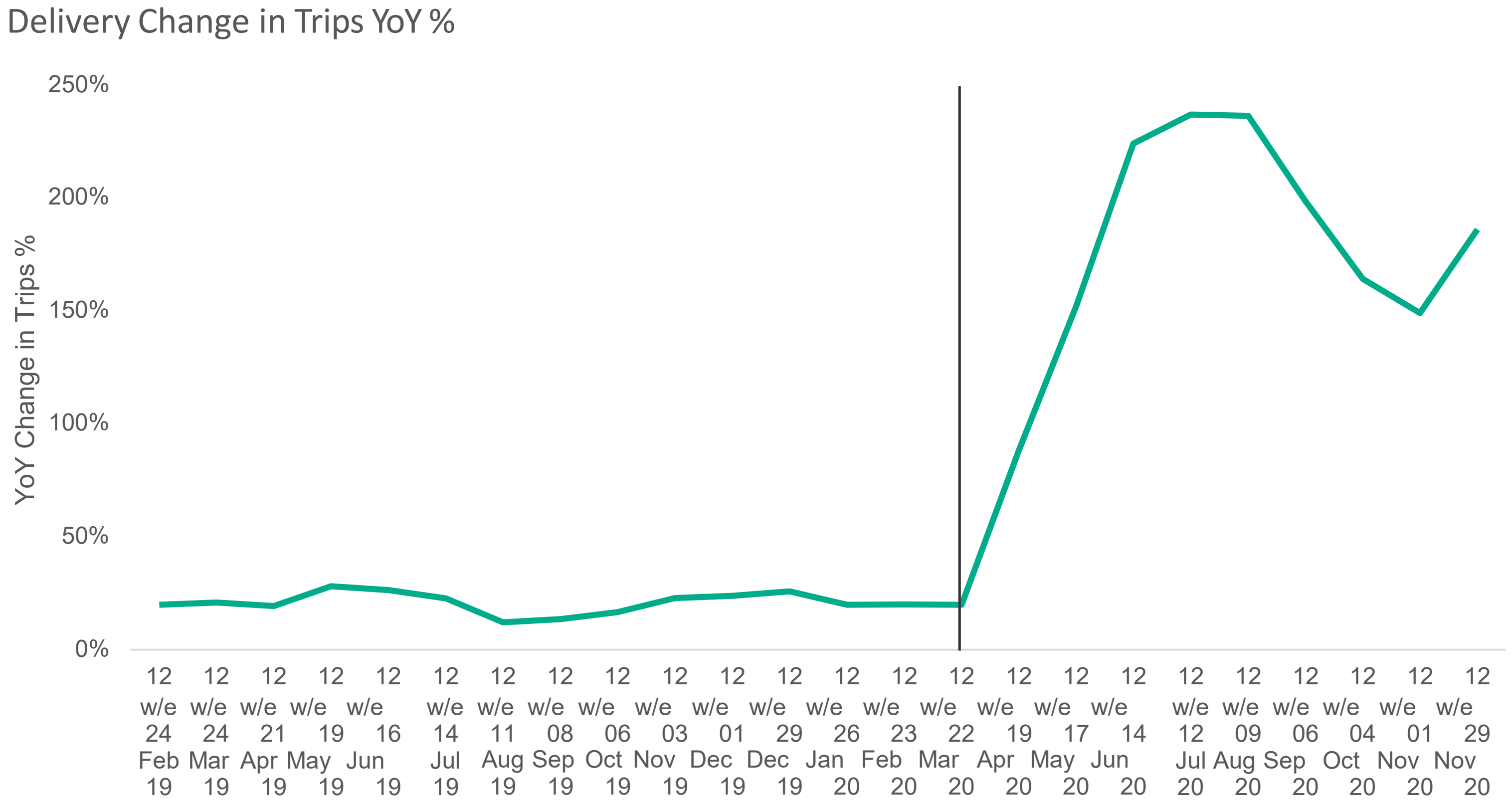
New locations for socialising

Working from home locally

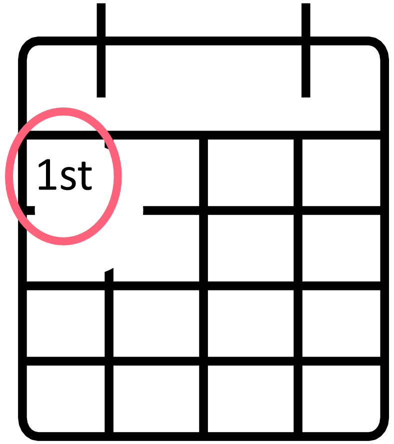
Retail diversification

Source: Eating Out Review December 2020

The home delivery market has exponentially grown during Covid, now worth £5.9bn (+£3.5bn) and we expect the sector to continue to perform. With penetration sitting at 43%, there is plenty of head room to grow



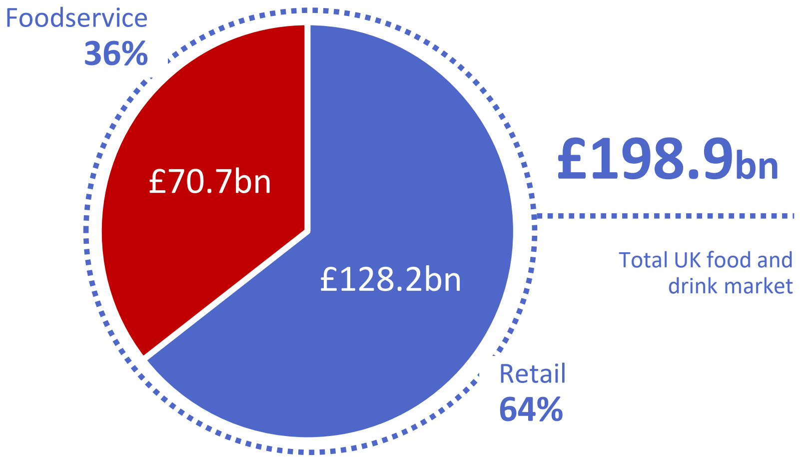
£1.6m
on average, more spent on delivery in **January** than compared to the rest of the year



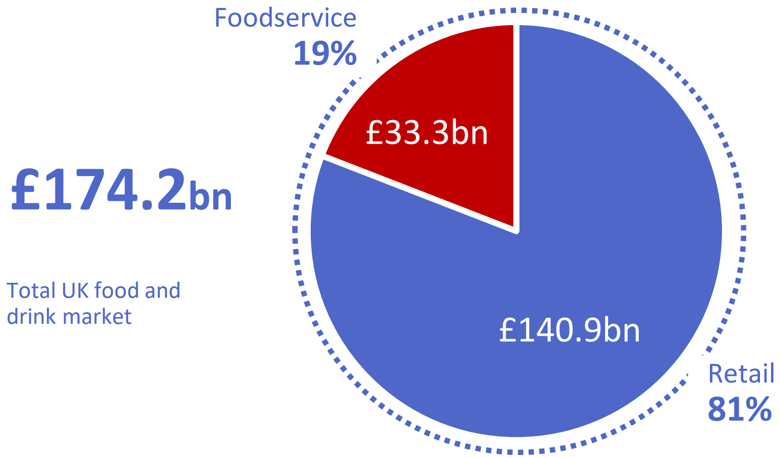
Dominoes reported 9.8% sales increase in Oct 2020

Source: KWP Out of Home Purchase | Delivery | Trips YoY Change % | rolling 12 w/e 29th November 2020 Link Q survey Wave 3 and IBISWorld

In normal times, the foodservice (out of home market represents around a third of spend on food and drink, in 2020, the share dropped to 19%. It is expected that the sector will recover, albeit consumers will engage in different ways initially. It is also expected that the trends that were prevalent pre-Covid will begin to re-emerge as we move through 2021 into 2022



2019

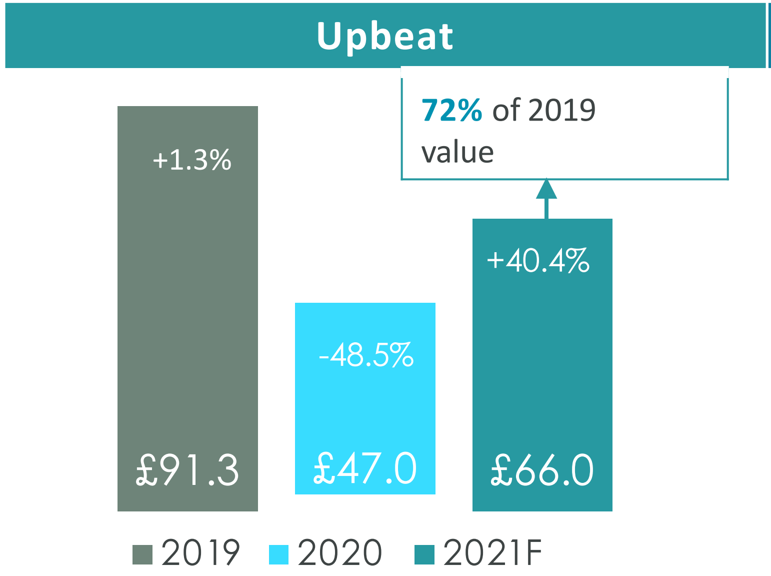


2020

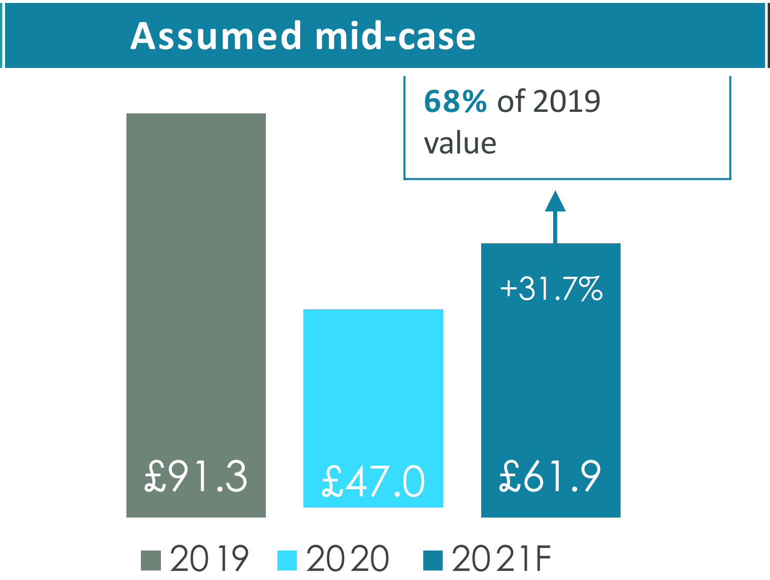
Source: IGD

Total Eating Out Market growth forecasts, 2021

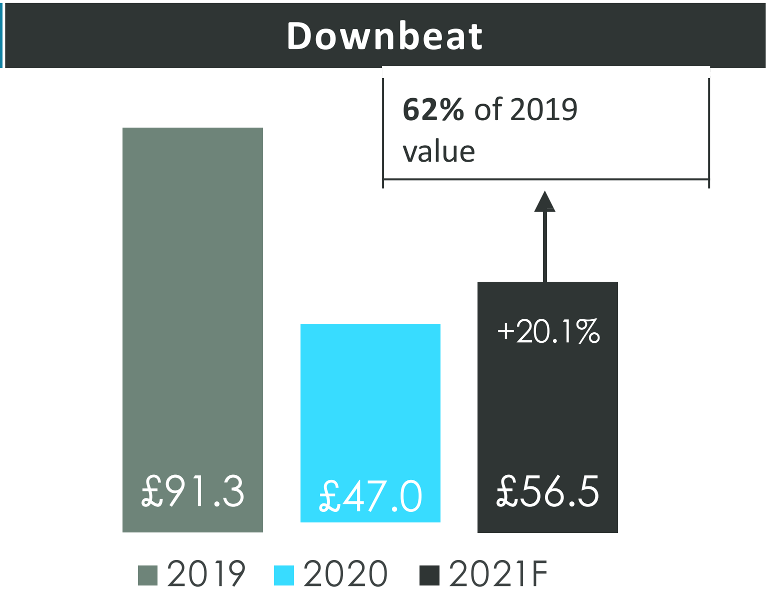
UK Eating Out Market expected to recover to £61.9 billion in 2021



The upbeat forecast includes assumptions around a mid May opening for indoor hospitality and a stronger second half of the year with few restrictions on household mixing.



The mid-case scenario is assuming hospitality remains closed for indoor until late May and restrictions relaxed from August.



The downbeat scenario is a worst case scenario for the hospitality industry with restrictions easing by October but some needing to be reintroduced by December.

Source: The Knowledge Bank – Foodservice State of the Nation: April 2021 – Lumina Intelligence Market Sizing (Figures in Billions)

The mature megatrends influencing consumer behaviour in the out of home market place

Four trends which remain important but have evolved through the pandemic

Health

The pandemic has led to consumers placing even greater importance on their health, as the Government introduced a new health-kick campaign as part of their new Obesity Strategy.

Digitalisation and Technology

Technology continues to streamline services and improve efficiency in the market, but now must be implemented in unison with social interaction.

Sustainability

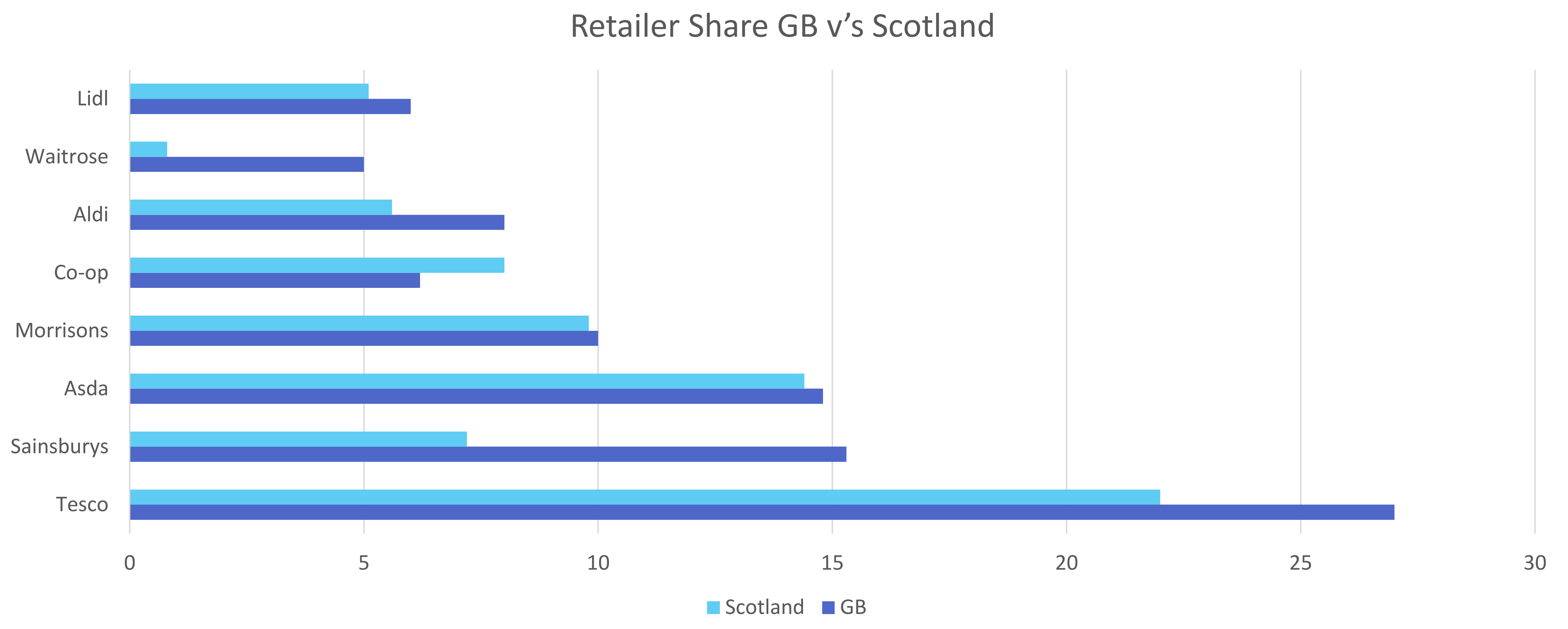
A trend that continues to pick up speed and grow in importance. This year consumers place greater focus on food waste as many single-use initiatives are paused with the prioritisation of hygiene.

Provenance

Having had to ‘stay at home’ for a prolonged period, consumers are more conscious of where their food comes from, seeking transparency and British produce, especially as Brexit takes effect.

Source: The Knowledge Bank – Foodservice State of the Nation: April 2021 – Lumina Intelligence Market Sizing (Figures in Billions)

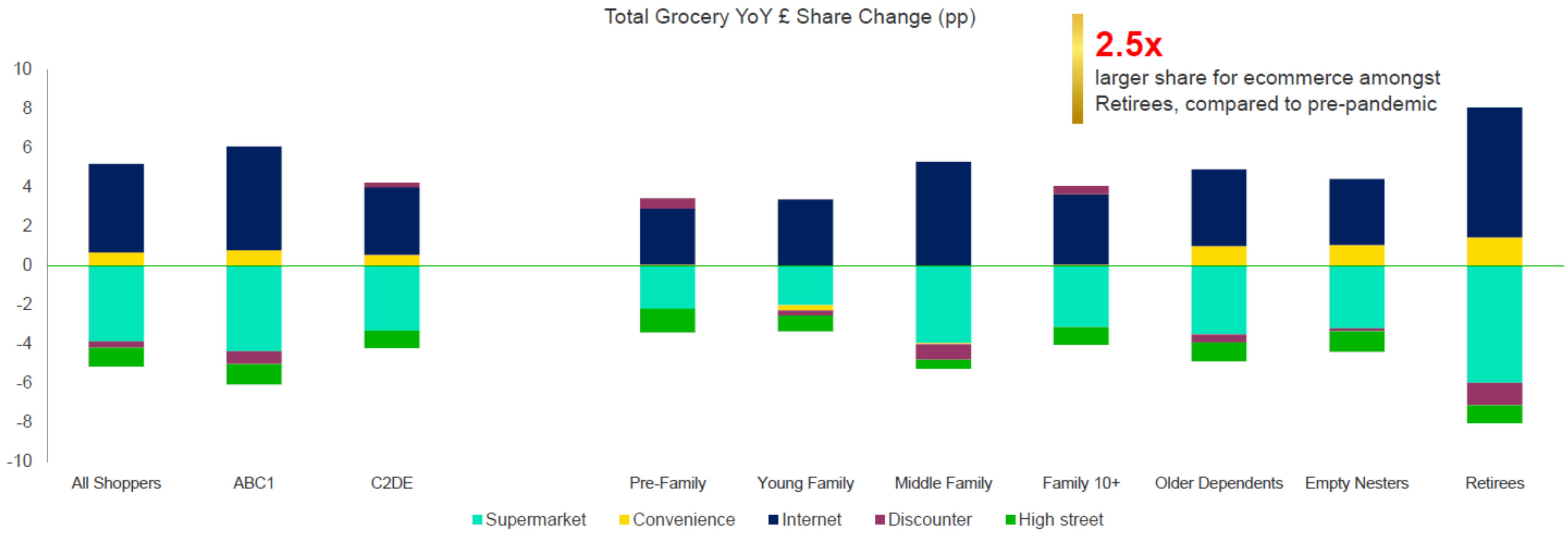
The total food and grocery market in GB is worth £179bn and has seen significant growth over the last 14 months due to Covid, lockdown and the closure of significant parts of the foodservice channel. Key grocery channels include supermarkets, convenience, discounters and online. Tesco is the biggest UK grocery retailer.



Source: IGD and Kantar 12 w/e 18/4/21

In the last 12 months, the growth in grocery has been driven by predominantly by online but also convenience (local shops)

Online shopping growth is biased towards those with greater means.



Kantar, FMCG panel, Grocery, 52we 21st February 2021

Shopping online is likely to stick if the conditions that created it remain…. Trips to stores remain unappealing for some, more time at home makes it easier to accommodate deliveries, barriers to entry are already overcome and delivery costs remain competitive

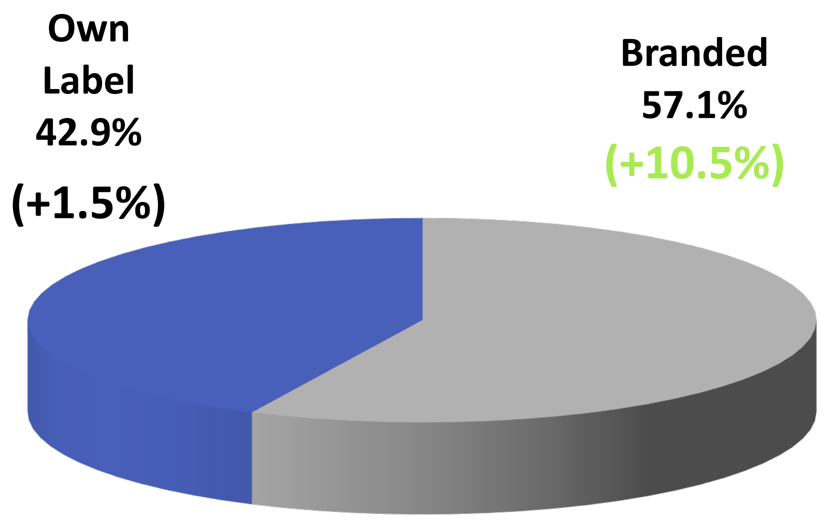
E-commerce made a decade's worth of gains in 6 months.

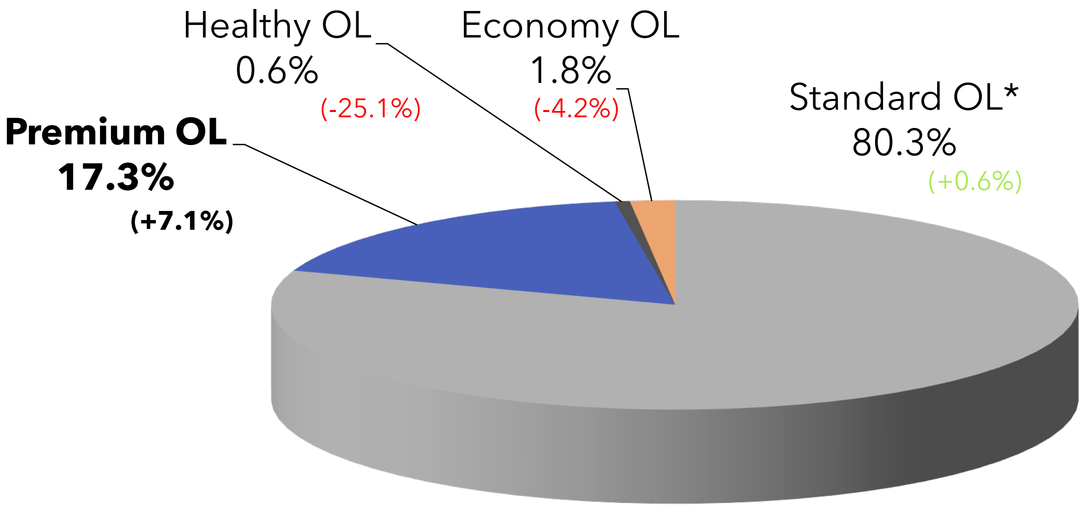
Online share of Take Home UK FMCG: £%

2008		Jan 2020		Jul 2020
3%	+5% in 12 years	8%	+5% in 6 months	13%

Source: Kantar

Brands outpeformed own label in 2020 ..with premium the fastest growing segment of private label and as shopper behaviour slowly ‘normalises’ in 2021, it is forecast that Own Label growth will gain momentum as retailers focus on comparative value and differentiating their offer against high comparatives and also to improve shopper loyalty.





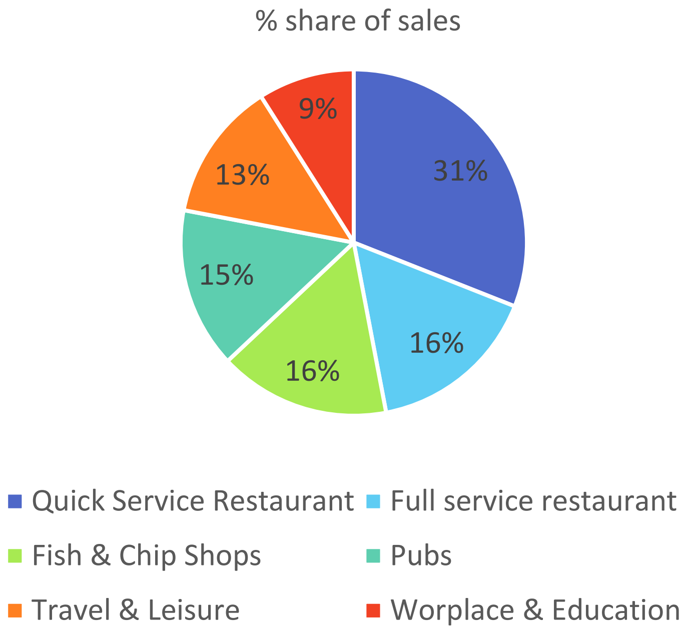
Source: Nielsen Scantrack: Total GB - 52 w/e 28thDecember 2020 vs Year Ago

Seafood Market in GB

The seafood supply chain is comprised of many parts – consumption, processing and imports and exports. Sales of seafood in the UK total £9bn and we export £944m of which c.60% is salmon, it is also our biggest food export. We also import £3.5bn of seafood

Grocery Retail: £4.2bn

Out of home: £4.82bn



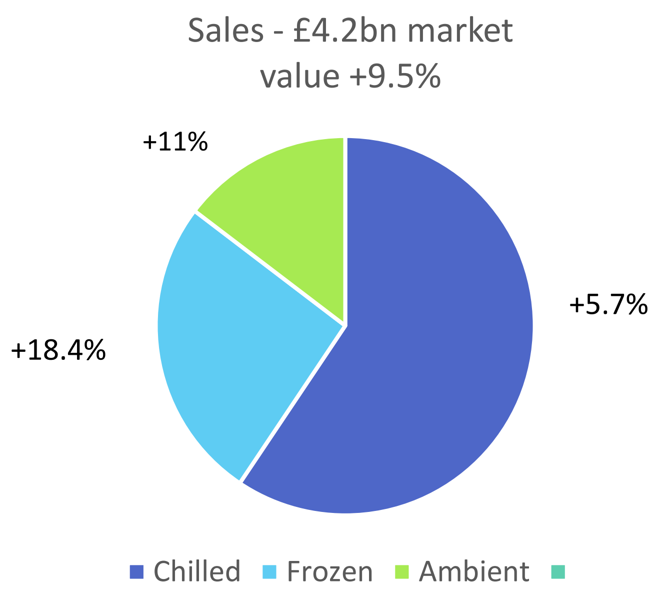
Sector	Estimated Scottish Exports Value in 2018
Drinks	£4.36bn
Fish	**£944m**
Cereals	£179m
Animal Feed	£174m
Meat	£99m
Fruit & Veg	£62m
Dairy & Eggs	£49m
Misc	£41m
Sugar	£23m
Coffee, Tea	£21m
Oils & Fats	Negligible

Source: Seafish Factsheets – Seafood Supply Chain

The take home Seafood sector in GB is worth £4.2bn, with chilled the dominant category. Whilst the overall market has grown, chilled has lost share to both frozen and ambient as we saw different purchasing habits during lockdown.

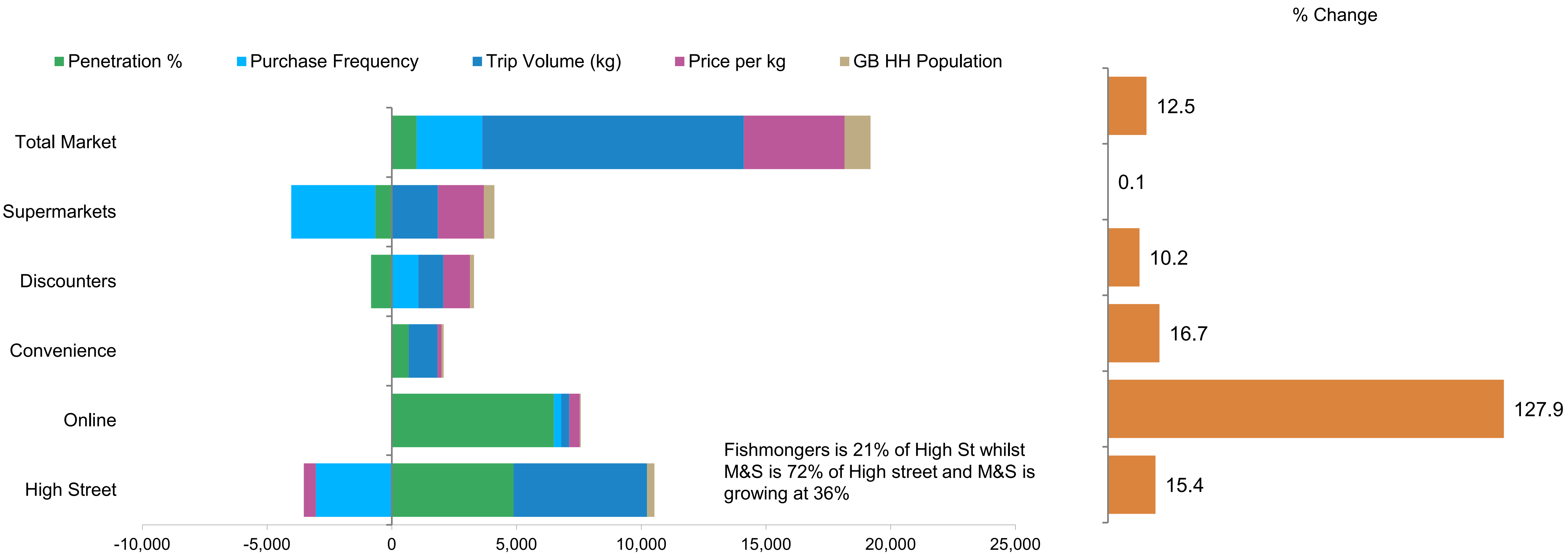
- Chilled seafood dominates UK multiple retail and is worth £2.46bn, with a volume of 188k tonnes and an average price of £13.09/kg
  - Salmon dominates chilled seafood with warm water prawns the second most popular chilled species
- Ambient is the smallest sector and is worth £619m. Until lockdown it was in general decline but the category saw sales boosted with panic buying and stockpiling
  - Tuna accounts for 66% of sales
- Typically a flat category, frozen seafood sales benefitted from shoppers re-discovering the convenience, quality and value for money aspect of frozen seafood
  - Coated seafood remains popular, whilst cod is the most purchased species

UK Seafood Share



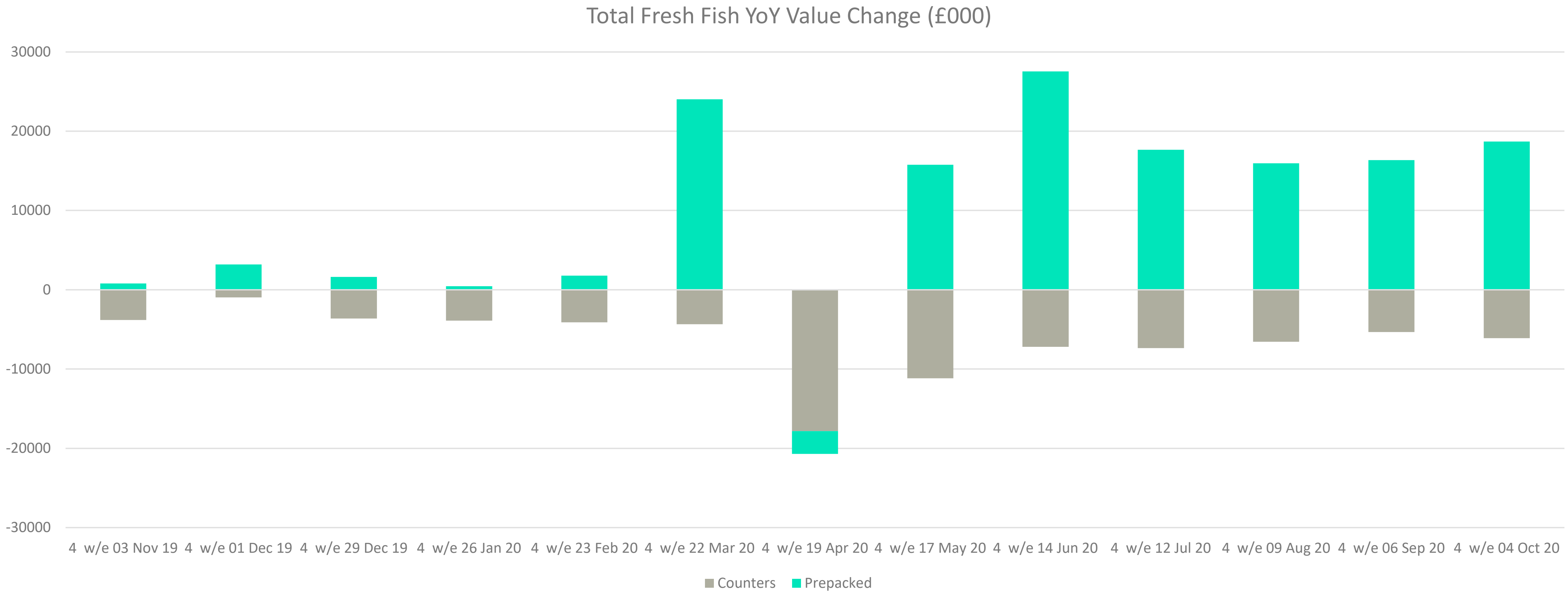
Source: Seafish Category Reports 2020

In Scotland in the last 12 months chilled fish sales have increased and have been driven by online sales which have more than doubled. Convenience and High street (which includes M&S) have also performed strongly which is understandable considering shopping habits during lockdown



Source: Kantar Worldpanel - Chilled Fish, Scotland 52 w/e 27th December 2020

During Lockdown we saw how prepacked fish performed strongly driven by a change in shopping habits. The closure of counters in supermarkets did have an impact on the market.

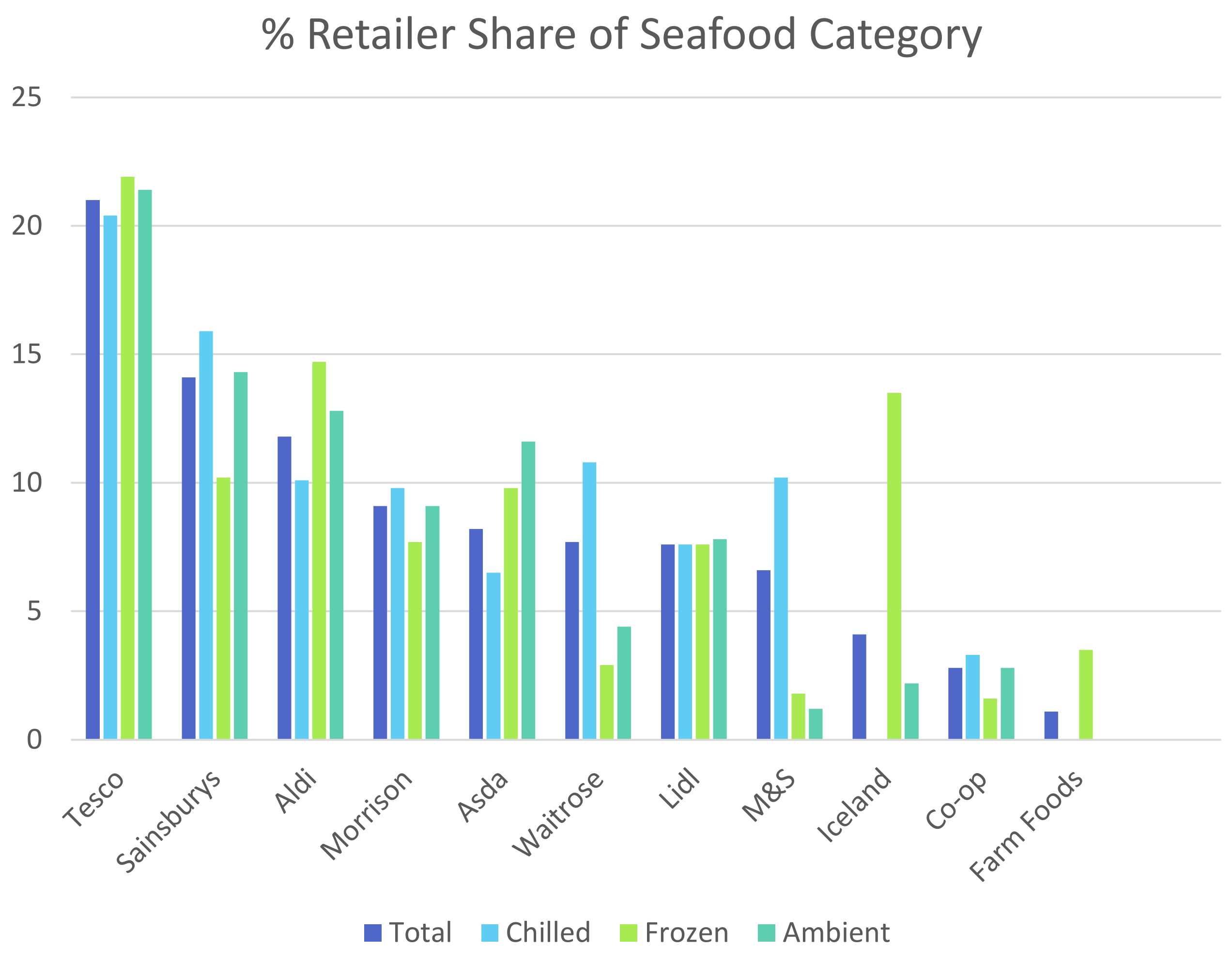


Source: Kantar - Total Fresh Fish | Total Market | 4 w/e Rolling

Tesco is the biggest retailer of seafood in GB and is aligned with their position at the biggest supermarket. Aldi is the 3rd biggest retailer of seafood which outperforms their total market position where they are 5th

- Sainsbury's, Waitrose and M&S outperform in the chilled category where their customer demographics with match those buying into the category

- Iceland and Farm Foods are major players in the frozen category. Aldi performs well in this category too, whilst Sainsbury's underperforms



Source: Nielsen, Year Ending 2020

Top 10 Species in GB Grocery

1. Salmon - £1.17bn

2. Cod - £545m

3. Tuna - £457m

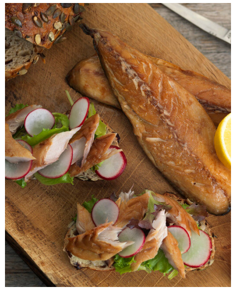
4. Warm Water Prawns - £383m

5. Haddock - £264m

6. Mixed Seafood - £188m

7. Pollock - £184m

8. Cold Water Prawns - £175m



9. Mackeral - £141m

10. Sea Bass - £87m

18. Mussels - £24m

21. Scallops - £19m

Source: Nielsen Homescan MAT 28/11/20

Mussels sales are worth £25.4m, whilst scallops are worth £18.8m

	Rank	Value Sales ('000)				Volume Sales ('000 KG)				Unit Sales ('000)				Price per KG		Price per Unit	
		MAT 2YA	MAT YA	MAT TY	MAT % Chg YA	MAT 2YA	MAT YA	MAT TY	MAT % Chg YA	MAT 2YA	MAT YA	MAT TY	MAT % Chg YA	MAT TY	MAT % Chg YA	MAT TY	MAT % Chg YA
FISH		**£3,832,072**	**£3,854,176**	**£4,222,151**	**9.5**	**393,665**	**393,731**	**432,003**	**9.7**	**1,472,956**	**1,476,202**	**1,627,453**	**10.2**	**£9.77**	**-0.2**	**£2.59**	**-0.6**
TOTAL SALMON	1	£1,070,250	£1,086,881	£1,173,530	8.0	62,292	62,958	70,304	11.7	277,748	281,847	309,576	9.8	£16.69	-3.3	£3.79	-1.7
COD	2	£490,526	£480,216	£544,755	13.4	61,638	58,516	64,735	10.6	175,181	167,849	184,396	9.9	£8.42	2.5	£2.95	3.3
TUNA	3	£408,268	£416,062	£457,053	9.9	60,312	62,688	69,914	11.5	191,779	188,301	227,835	21.0	£6.54	-1.5	£2.01	-9.2
WARM WATER PRAWNS	4	£342,692	£349,521	£383,431	9.7	23,609	24,768	26,554	7.2	111,928	118,694	129,808	9.4	£14.44	2.3	£2.95	0.3
HADDOCK	5	£246,015	£240,320	£264,722	10.2	25,902	24,998	27,438	9.8	82,003	78,695	85,697	8.9	£9.65	0.4	£3.09	1.2
MIXED SEAFOOD	6	£187,396	£190,655	£188,867	-0.9	20,798	20,439	20,307	-0.6	61,368	60,449	58,168	-3.8	£9.30	-0.3	£3.25	2.9
POLLOCK	7	£136,661	£154,406	£184,370	19.4	29,852	31,716	35,791	12.8	75,819	83,962	91,219	8.6	£5.15	5.8	£2.02	9.9
COLD WATER PRAWNS	8	£170,235	£164,016	£175,236	6.8	14,172	13,379	13,926	4.1	62,114	60,653	64,181	5.8	£12.58	2.6	£2.73	1.0
MACKEREL	9	£131,438	£131,026	£140,967	7.6	18,022	17,252	18,225	5.6	101,228	102,532	112,101	9.3	£7.73	1.8	£1.26	-1.6
SEA BASS	10	£68,700	£69,304	£87,371	26.1	4,242	4,303	5,276	22.6	17,208	18,193	23,576	29.6	£16.56	2.8	£3.71	-2.7
OTHER	11	£78,231	£79,427	£81,927	3.1	15,123	15,867	16,394	3.3	42,018	43,181	44,339	2.7	£5.00	-0.2	£1.85	0.5
BASA	12	£61,670	£61,459	£80,202	30.5	7,827	7,890	10,441	32.3	25,434	24,946	31,173	25.0	£7.68	-1.4	£2.57	4.4
SCAMPI	13	£58,923	£57,283	£73,497	28.3	5,572	5,150	6,843	32.9	24,612	22,463	28,197	25.5	£10.74	-3.4	£2.61	2.2
SARDINES	14	£39,793	£41,368	£44,794	8.3	8,474	8,556	9,595	12.2	69,992	71,177	79,695	12.0	£4.67	-3.4	£0.56	-3.3
CRABSTICK	15	£39,081	£41,094	£42,738	4.0	9,111	10,053	10,513	4.6	38,430	41,964	43,904	4.6	£4.07	-0.5	£0.97	-0.6
TROUT	16	£35,973	£36,059	£32,382	-10.2	2,641	2,456	2,048	-16.6	9,743	9,571	8,113	-15.2	£15.81	7.7	£3.99	5.9
SOLE	17	£28,579	£29,991	£32,074	6.9	2,192	2,419	2,629	8.7	8,390	9,042	9,800	8.4	£12.20	-1.6	£3.27	-1.3
MUSSELS	18	£24,988	£24,488	£25,414	3.8	4,485	4,199	4,522	7.7	12,780	12,599	12,565	-0.3	£5.62	-3.6	£2.02	4.1
CRAB	19	£27,527	£24,915	£24,348	-2.3	1,492	1,206	996	-17.4	8,458	7,064	6,462	-8.5	£24.45	18.3	£3.77	6.8
SQUID (CALAMARI)	20	£17,459	£16,695	£18,902	13.2	1,331	1,386	1,543	11.3	6,175	5,999	6,747	12.5	£12.25	1.7	£2.80	0.7
SCALLOPS	21	£16,749	£17,450	£18,765	7.5	740	726	761	4.8	3,459	3,502	3,678	5.0	£24.66	2.7	£5.10	2.4
PLAICE	22	£23,535	£18,112	£18,439	1.8	2,291	1,587	1,568	-1.2	7,711	5,549	5,461	-1.6	£11.76	3.0	£3.38	3.4
ANCHOVY	23	£13,001	£12,965	£16,929	30.6	772	753	997	32.3	10,494	10,526	13,869	31.8	£16.98	-1.3	£1.22	-0.9
HERRING	24	£12,946	£13,506	£14,883	10.2	1,971	2,036	2,433	19.5	7,471	8,003	8,892	11.1	£6.12	-7.8	£1.67	-0.8
SEA-BRM	25	£16,292	£14,790	£14,298	-3.3	1,111	1,073	1,031	-3.9	3,969	3,759	3,288	-12.5	£13.87	0.6	£4.35	10.5

Oyster sales total £1.4m increasing +5.1% since 2019

	Rank	Value Sales ('000)				Volume Sales ('000 KG)				Unit Sales ('000)				Price per KG		Price per Unit	
		MAT 2YA	MAT YA	MAT TY	MAT % Chg YA	MAT 2YA	MAT YA	MAT TY	MAT % Chg YA	MAT 2YA	MAT YA	MAT TY	MAT % Chg YA	MAT TY	MAT % Chg YA	MAT TY	MAT % Chg YA
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KIPPER	26	£14,706	£14,660	£13,953	-4.8	1,820	1,724	1,651	-4.2	10,119	9,626	9,109	-5.4	£8.45	-0.6	£1.53	0.6
SHRIMPS	27	£8,321	£10,755	£12,134	12.8	442	649	710	9.5	1,823	2,644	2,991	13.1	£17.09	3.0	£4.06	-0.2
LOBSTER	28	£9,190	£6,825	£8,333	22.1	325	241	309	28.3	1,152	833	962	15.5	£27.00	-4.8	£8.66	5.7
PILCHARDS	29	£6,002	£5,953	£6,306	5.9	1,950	1,924	1,994	3.6	8,478	8,143	8,485	4.2	£3.16	2.2	£0.74	1.6
HAKE	30	£8,305	£6,988	£6,245	-10.6	602	494	433	-12.3	2,260	1,965	1,771	-9.9	£14.41	1.9	£3.53	-0.8
COCKLES	31	£5,824	£5,366	£5,224	-2.6	542	467	476	1.8	3,029	2,740	2,829	3.3	£10.98	-4.4	£1.85	-5.7
MONKFISH	32	£3,777	£4,077	£4,508	10.6	85	89	106	19.3	524	564	641	13.7	£42.47	-7.3	£7.04	-2.7
CRAYFISH	33	£6,616	£4,894	£2,775	-43.3	254	175	86	-50.7	2,110	1,568	853	-45.6	£32.11	14.9	£3.25	4.2
HALIBUT	34	£1,137	£1,522	£2,303	51.3	45	49	64	30.9	131	161	243	50.9	£35.73	15.6	£9.46	0.3
LANGOUSTINE	35	£915	£1,180	£1,715	45.3	49	65	87	33.1	155	201	273	35.7	£19.81	9.1	£6.28	7.1
SKAT/RY	36	£2,549	£2,038	£1,533	-24.8	87	67	49	-26.0	621	477	353	-26.0	£31.02	1.7	£4.34	1.7
COD ROE	37	£1,344	£1,691	£1,511	-10.6	140	140	137	-1.8	776	865	860	-0.5	£11.03	-9.0	£1.76	-10.1
OYSTERS	38	£1,239	£1,325	£1,393	5.1	55	51	59	15.0	457	454	493	8.6	£23.65	-8.6	£2.83	-3.2
TILAPIA	39	£686	£989	£1,313	32.8	79	86	106	24.0	159	213	269	26.3	£12.38	7.1	£4.87	5.2
CLAMS	40	£833	£881	£1,137	29.0	113	119	151	26.4	204	207	270	30.2	£7.54	2.1	£4.21	-0.9
OCTOPUS	41	£769	£863	£1,063	23.3	53	53	57	8.8	314	324	358	10.5	£18.59	13.3	£2.97	11.5
LUMPFISH ROE	42	£909	£992	£1,032	4.0	27	28	28	-1.5	358	369	372	1.0	£37.38	5.7	£2.77	3.0
SWORDFISH	43	£1,541	£1,423	£1,018	-28.5	47	44	26	-39.9	328	303	189	-37.8	£38.53	19.0	£5.40	14.9
SURIMI	44	£103	£460	£972	111.3	7	64	112	74.5	24	215	370	72.2	£8.66	21.1	£2.63	22.7
SILD	45	£721	£814	£969	19.1	60	79	80	1.4	546	645	730	13.2	£12.07	17.5	£1.33	5.3
CAVIAR	46	£618	£811	£924	14.0	14	15	15	4.4	170	176	174	-1.4	£60.99	9.2	£5.31	15.6
COLEY	47	£1,538	£1,029	£853	-17.1	187	115	91	-20.6	505	317	245	-22.6	£9.39	4.5	£3.48	7.2
EEL	48	£1,262	£1,025	£817	-20.3	82	69	56	-18.5	481	401	301	-24.9	£14.63	-2.2	£2.71	6.2
SPRATS	49	£880	£702	£766	9.1	105	74	74	0.2	747	562	567	1.0	£10.31	8.8	£1.35	8.0
WHITEBAIT	50	£2,028	£1,570	£688	-56.2	343	316	130	-58.8	881	775	297	-61.7	£5.28	6.2	£2.32	14.4

Source – ScanTrack MAT - Top Species – Total Fish 28.11.20

If we examine the top species by category (chilled, frozen and ambient) we can see fluctuations in the popularity of species

FISH CHILLED	£2.5bn
CHILLED TOTAL SALMON	1
CHILLED WARM WATER PRAWNS	2
CHILLED COD	3
CHILLED HADDOCK	4
CHILLED MIXED SEA FOOD	5
CHILLED COLD WATER PRAWNS	6
CHILLED SEA BASS	7
CHILLED MACKEREL	8
CHILLED TUNA	9
CHILLED CRABSTICK	10
CHILLED OTHER	11
CHILLED TROUT	12
CHILLED SOLE	13
CHILLED CRAB	14
CHILLED MUSSELS	15
CHILLED BASA	16
CHILLED SEA-BRM	17
CHILLED PLAICE	18
CHILLED SCALLOPS	19
CHILLED POLLOCK	20
CHILLED KIPPER	21
CHILLED HERRING	22
CHILLED SCAMPI	23
CHILLED SQUID (CALAMARI)	24
CHILLED HAKE	25

0.8% share
+1.1%

0.5% share
+0.1%

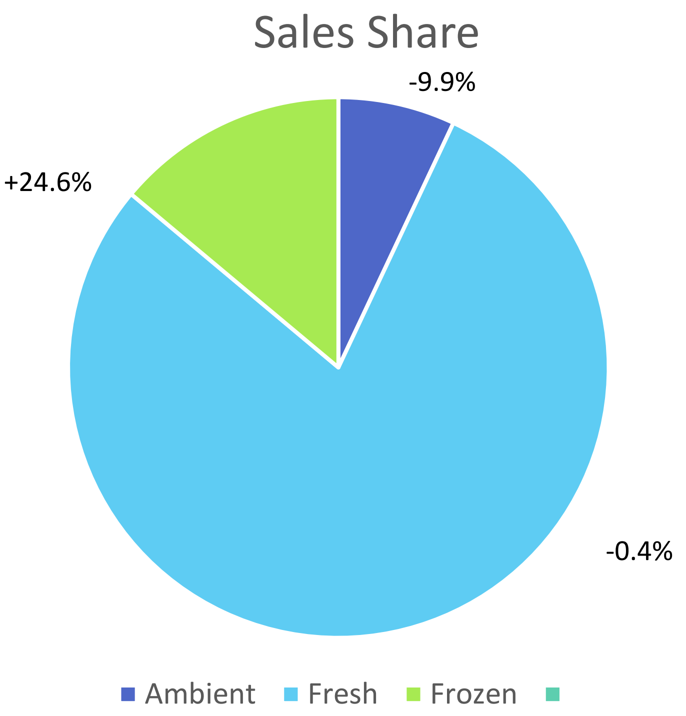
FISH FROZEN	£1.1bn
FROZEN COD	1
FROZEN POLLOCK	2
FROZEN OTHER	3
FROZEN WARM WATER PRAWNS	4
FROZEN HADDOCK	5
FROZEN COLD WATER PRAWNS	6
FROZEN TOTAL SALMON	7
FROZEN SCAMPI	8
FROZEN BASA	9
FROZEN MIXED SEAFOOD	10
FROZEN SOLE	11
FROZEN PLAICE	12
FROZEN TUNA	13
FROZEN SCALLOPS	14
FROZEN SQUID (CALAMARI)	15
FROZEN MUSSELS	16
FROZEN KIPPER	17
FROZEN LOBSTER	18
FROZEN COLEY	19
FROZEN CRABSTICK	20
FROZEN SEA BASS	21
FROZEN WHITING	22
FROZEN MACKEREL	23
FROZEN CRAB	24
FROZEN HAKE	25

FISH AMBIENT	£618m
TUNA AMBIENT	1
TOTAL SALMON AMBIENT	2
MACKEREL AMBIENT	3
SARDINES AMBIENT	4
ANCHOVY AMBIENT	5
PILCHARDS AMBIENT	6
HERRING AMBIENT	7
COCKLES AMBIENT	8
CRAB AMBIENT	9
KIPPER AMBIENT	10
MUSSELS AMBIENT	11
COD ROE AMBIENT	12
OTHER AMBIENT	13
COD AMBIENT	14
SILD AMBIENT	15
LUMPFISH ROE AMBIENT	16
OYSTERS AMBIENT	17
CAVIAR AMBIENT	18
SALMON ROE AMBIENT	19
POLLOCK AMBIENT	20
SPRATS AMBIENT	21
SQUID (CALAMARI) AMBIENT	22
OCTOPUS AMBIENT	23
MIXED SEAFOOD AMBIENT	24
SCALLOPS AMBIENT	25

Source – ScanTrack MAT - Top Species – Total Fish 28/11/20

Mussel sales in GB grocery total £24m, with fresh accounting for 79% of total sales

- 2.9m mussel shoppers
- £24m category values
- 4.6m kilos of mussels
- 3 sub categories – fresh, ambient and frozen
- Added value products are the most popular

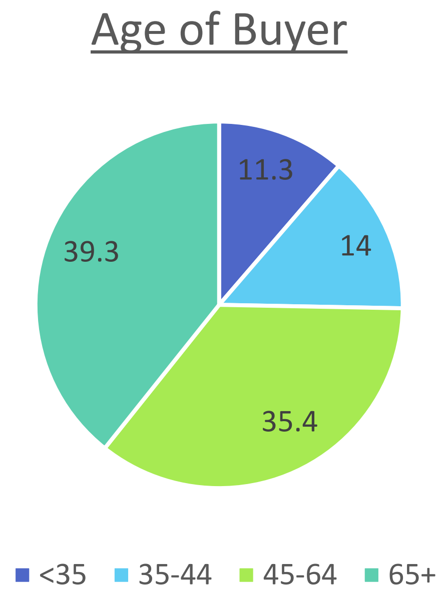


Source: Nielsen Scantrack and Homescan 2020

Who’s buying mussels in Grocery?

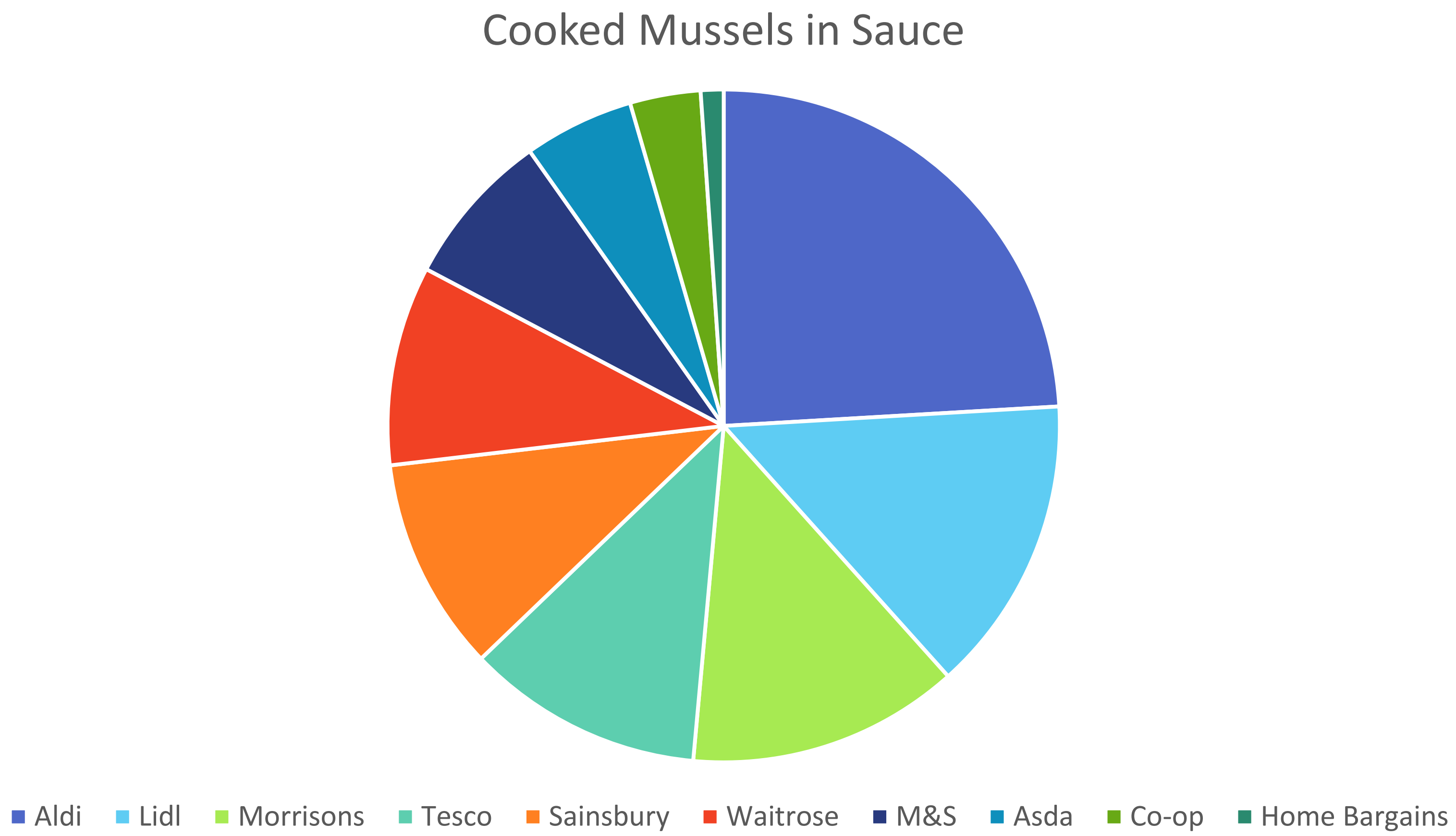
- Just over 2.9m people bought mussels in December 2020, a decline of 3.5% versus the year before
- Whilst fresh mussel shoppers make up the majority (76%), it is the frozen category which has attracted new shoppers over the last 12 months (+15%).
- 739.7k shoppers bought frozen mussels v’s 2.2m who bought fresh
- AB’s are the most important buying demographic account for 33.1% of mussel buyers
- All demographic groups with the exception of D’s have seen the number of buyers decline
- 65+ age group account for 39% of buyers, with the 45-64 year old group represent 35%. Between them they total almost 75% of buyers

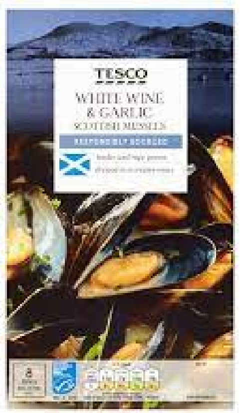
	No. of Buyers 28/12/19	No of Buyers 26/12/20	Buyers Change %
Total GB	3,019,834	2,913,539	-3.5%
AB	33.0	33.1	-3.1%
C1	24.8	24.4	-5%
C2	21.7	22.2	-1.7%
D	8.0	9.6	+15.1%
E	12.5	10.8	-16.8%



Source: Nielsen 52 w/e 26/12/2020

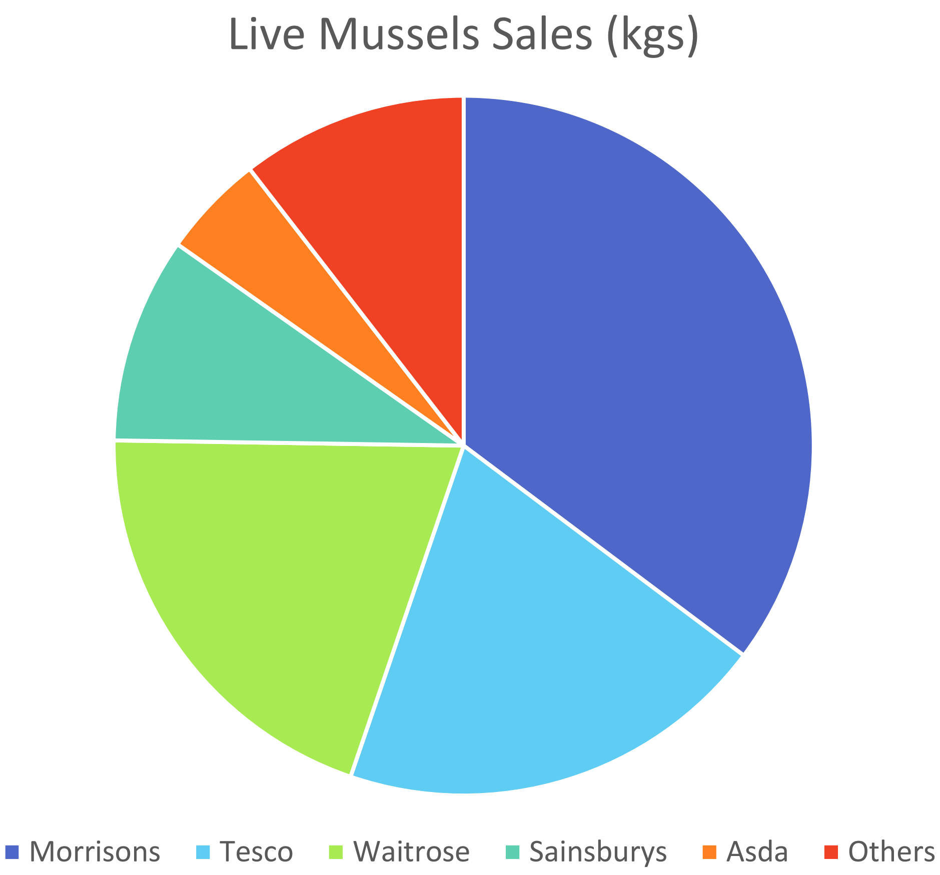
In GB Cooked Mussels in Sauce sold in grocery totalled 7.3m units and account for 58% of packets sold. Aldi and Lidl together account for more than one third of sales.

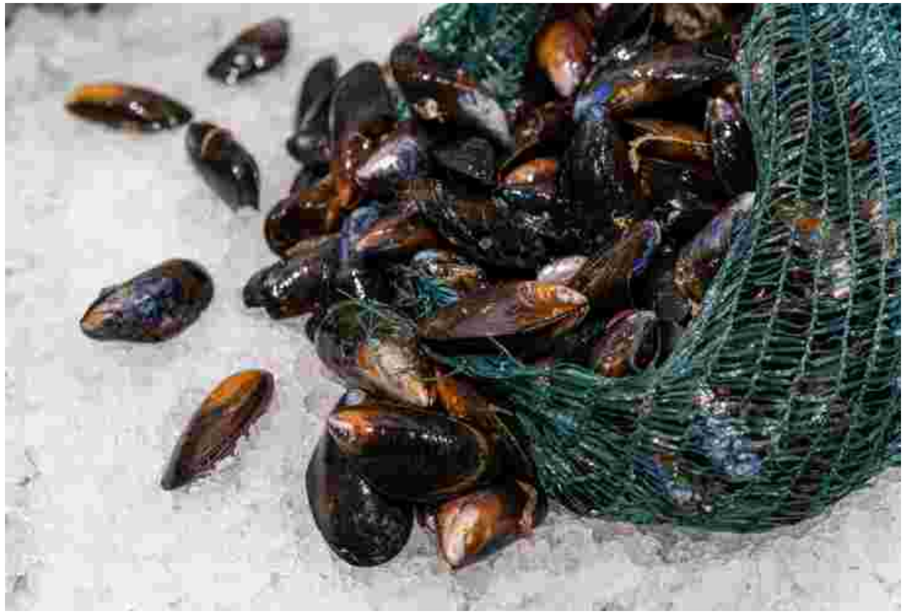




Source: Nielsen Source of Trade August 2020

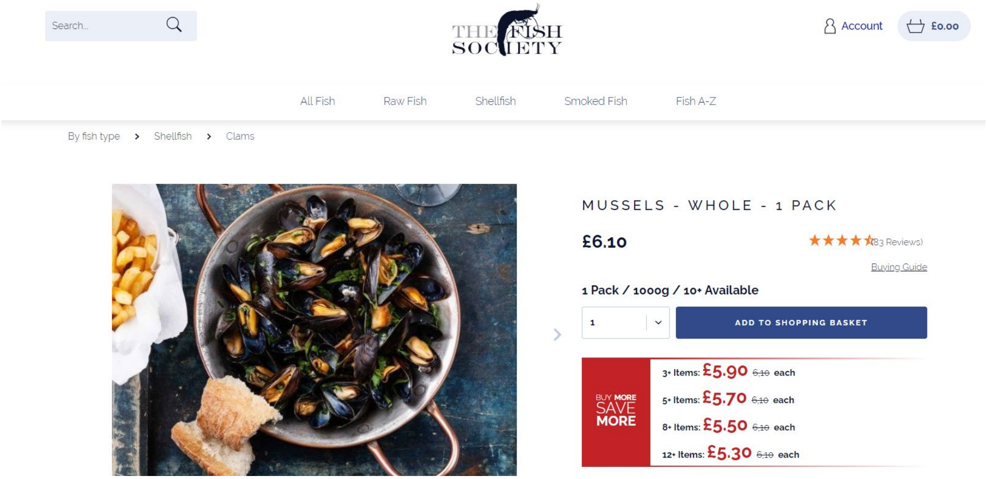
The live mussel market in GB grocery is worth 858k kgs.

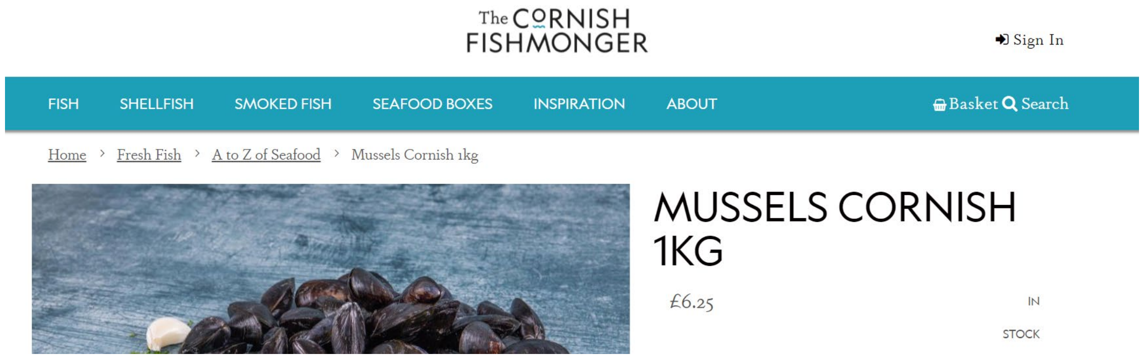




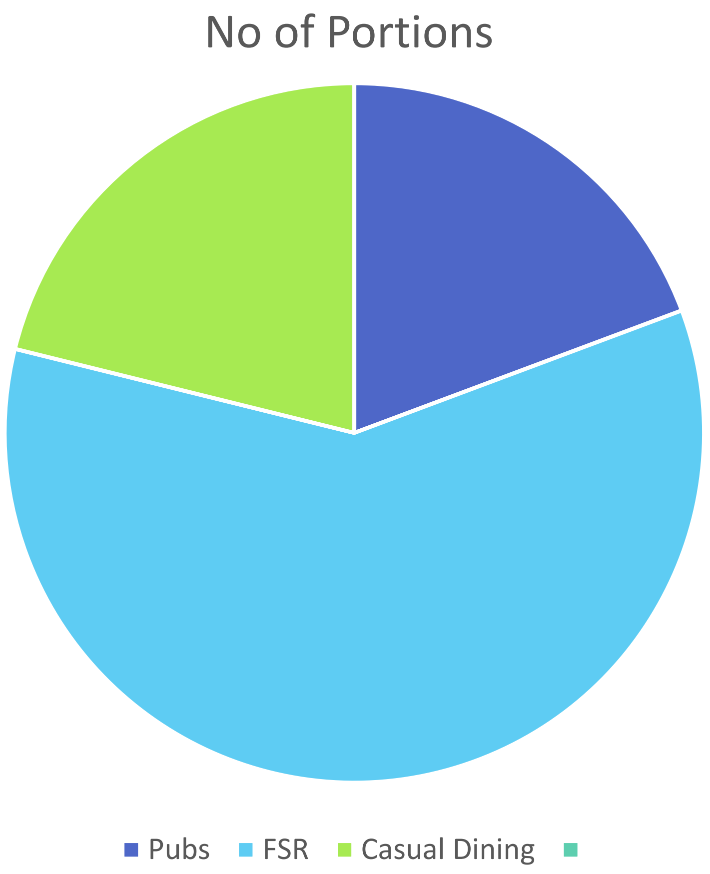
Source: Nielsen Source of Trade August 2020

Direct to consumer sales of seafood have been growing over the last 15 months, some of which were initially driven by Covid and lockdown, however the trend of online shopping, remains for now, a popular option for some shoppers





In the out of home market, consumers are most likely to eat mussels in a restaurant which account for 60% of portions consumed or 4.67m meals. This equates to penetration of 0.35% and tonnage of 2.3k – 3.5k*



"EAT, DRINK & RELAX in Dundee's Award Winning City Centre Pub!" www.ticketyboos.co.uk

Starters

Soup of the Day £2.95
Homemade Soup of the Day, served with a crusty baguette wedge & butter.

Haggis Balls £3.95
Haggis balls dipped in batter and deep fried until golden crisp. Served with a garlic mayo, BBQ or sweet chilli dipping pot. Accompanied with side salad.

Mushrooms in Garlic Butter (v) £3.75
Fresh mushrooms sliced and cooked in garlic butter. Served with side salad.

Hot 'n' Kicking Chicken Wings £4.25
Chicken Wings in a light spicy crisp coating, served with side salad and your choice of garlic mayo, BBQ or sweet chilli dipping pot.

Whole Shell Mussels £5.45
Mussels cooked in a garlic & white wine sauce. Served with a crusty baguette wedge.

Pate & Crusty Baguette £4.95
Today's choice of pate served with a crusty baguette wedge, side salad & chutney.

Why not check out our 'Specials Board' for today's additional courses!

* Source Seafish research. Tonnage estimates are based on 500b portion and 750g portion and 4.67m meals

The future?

Lasting legacies of the coronavirus pandemic
Five new trends born in 2020

Promoting mental health and recognising diversity and inclusion is now a necessity for retailers and suppliers.

The coronavirus pandemic saw a rise in home-working, local-living and a ‘chase for outdoor space’ as there was a max exodus from cities.

2020 accelerated new routes to market with consumers shifting to online.

Having an omnichannel presence became more important for grocery and foodservice brands in 2020. Hospitality dine-in closures saw “makeaway” kits explode in the market, whilst increased home working forced a repositioning of food to go.

The UK entered a recession for the first time in 11 years in August 2020. Retailers and suppliers will have to contend with savvier shopping behaviours whilst also trying to retain newly acquired shoppers.

Source: The Knowledge Bank – Foodservice State of the Nation: April 2021 – Lumina Intelligence Market Sizing (Figures in Billions)

We **now may be**, at the **start** of the **beginning** of a ‘**new normal’** as lifestyles are **slowly re-adapted** over the next 6 months.

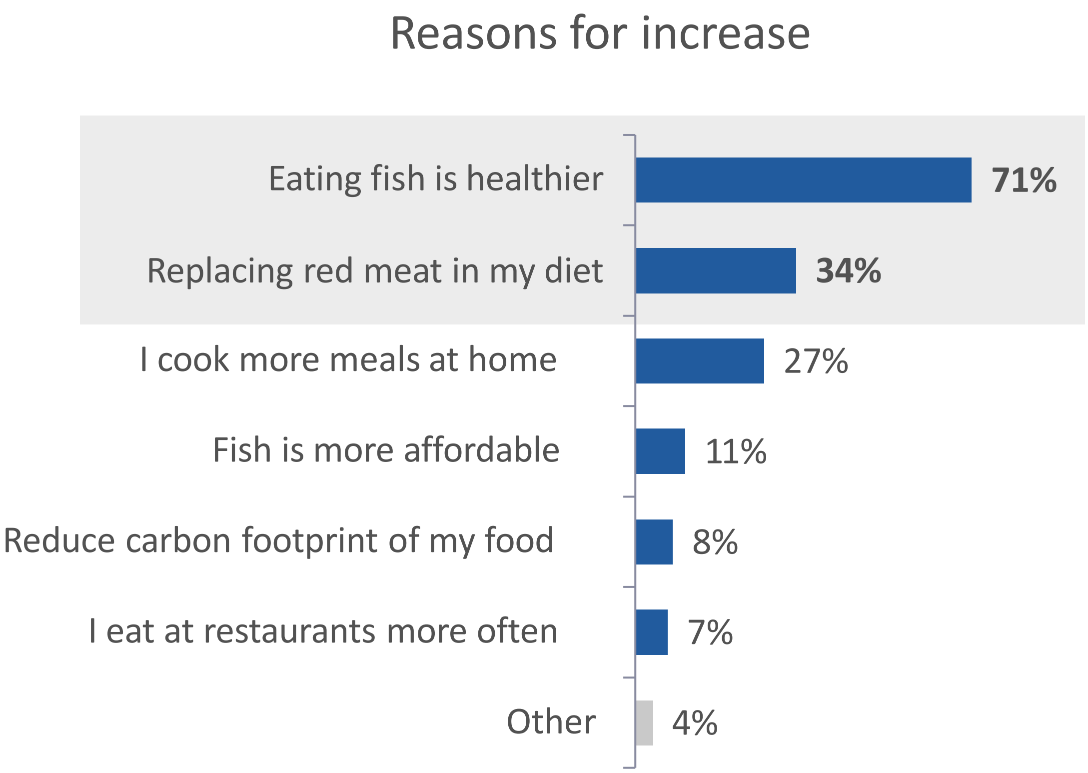
With many households **uncertain** about their **personal finances**, **if prices start to rise** then shoppers may become **more price sensitive**.

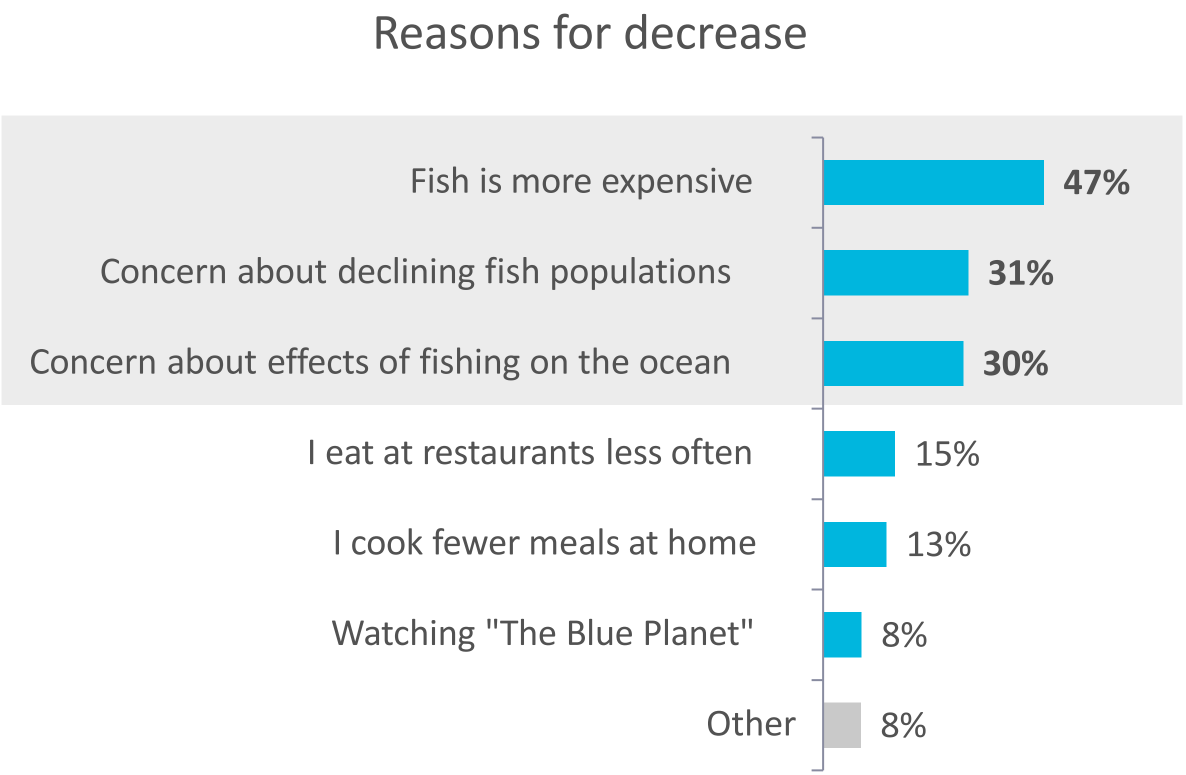
With the economy **re-opening** we will also start to see a **re-balancing** of **consumer spend** as much of the **incremental food and drink sales** of the last 12 months, starts to **return** to the **out of home channels**.

With a desire to **support local** and with **personal finances squeezed**, this **may bode well** for the **Discounters** and **High Street Value** retailers who may have been dropped from shoppers repertoires during lockdown.

Health is the most cited reason for increase in seafood consumption, followed by replacing red meat.

Reasons for change, Europe





Source: The Rise of the Conscious Food Consumer: Globescan November 2020

Base: Seafood consumers who say they have increased their consumption, Europe, *n*=3,505; Seafood consumers who say they have decreased their consumption

Q 4.7a: What are the reasons for this change? [Increase] / Q4.7b: What are the reasons for this change? [Decrease]

There is a thirst for more information on sustainability and traceability of fish and seafood products.

Attitudes toward ocean sustainability issues, “describes opinion well,” top three (5+6+7 on 7-pt scale), Europe

87%

want **better information** so they can be confident that they are **not buying unsustainable** fish or seafood products*

71%

would like to **hear more from companies** about the **sustainability** of their fish and seafood products

66%

want to know that the fish they buy can be **traced back to a known and trusted source**

Source: The Rise of the Conscious Food Consumer: Globescan November 2020

Base: Seafood consumers, Europe, *n*=11,512

*Q11.3: Please indicate how much you agree or disagree with the following statements; “agree” (3+4 on a 4-pt scale)

Q5.1: How well does each of the following statements describe your opinions?

Mussel Production

SCOTLAND PRODUCTION

6,699 tonnes
Value £6.8m

Shetland = 79%

UK PRODUCTION

25-30k tonnes

EUROPEAN PRODUCTION

c. 550,000 tonnes

1. Spain – 200k tonnes
2. France – 80k tonnes
3. Italy – 65k tonnes

Sources: Scottish Government Marine Scotland Science, Scottish Shellfish Production Survey 2019).
Food & Agriculture of the UN – Globefish Analysis

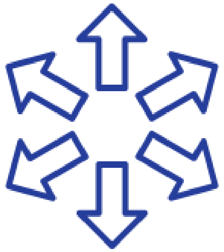
Imports and Exports

IMPORTS

£14.88m
19,431 tonnes

1. New Zealand – 28%
2. Chile – 22%
3. France – 17%
4. Denmark – 15%
5. Ireland – 6.4%

EXPORTS



£3.79m
3,568 tonnes

1. France – 46%
2. Netherlands – 25%
3. Ireland – 16%
4. USA – 7%
5. UAE – 2%

Source: UK Seafood Trade and Tariff Tool by Seafish – 2019 data

Spanish Examples

From Chile

Irish