

NORTH ATLANTIC SEAFOOD FORUM 2022
FROZEN WHITEFISH USA
FOODSERVICE

Frank Bodin, Vice President/CFO
Nordic Group, Inc.



NORDIC GROUP

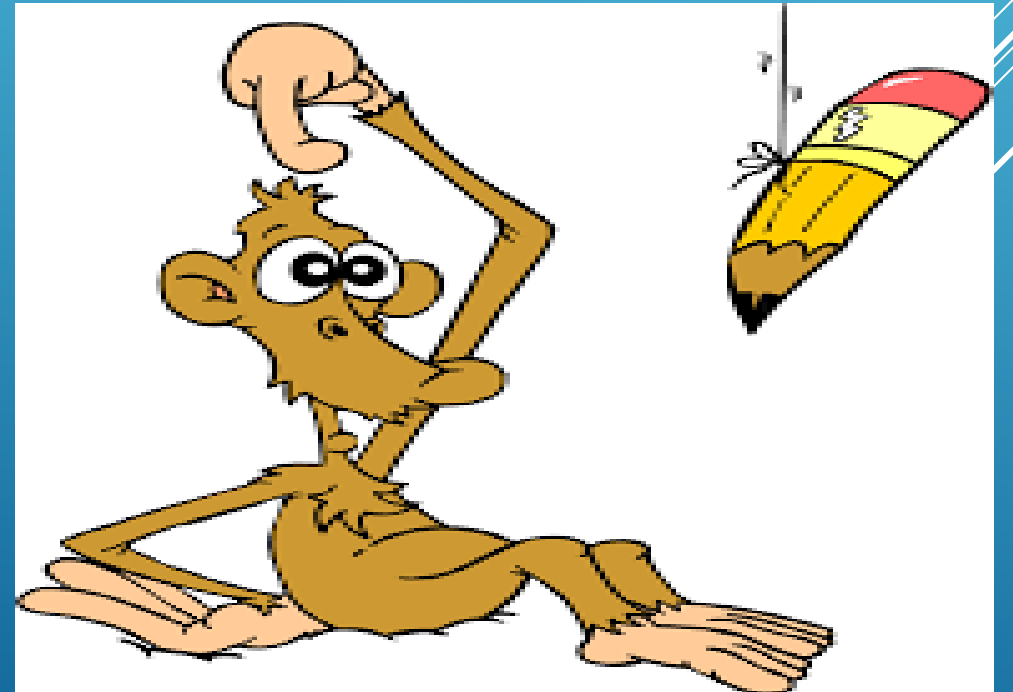
Nordic Group USA is an
Importer and Distributor of
Cod, Haddock, Pollock,
Salmon, Pike Perch and Perch
Products

Over 50 Years history of serving
Foodservice and Chain
Restaurants market in the US.



NORDIC GROUP

WHITEFISH MARKET 2020-2021 +
2022 OUTLOOK

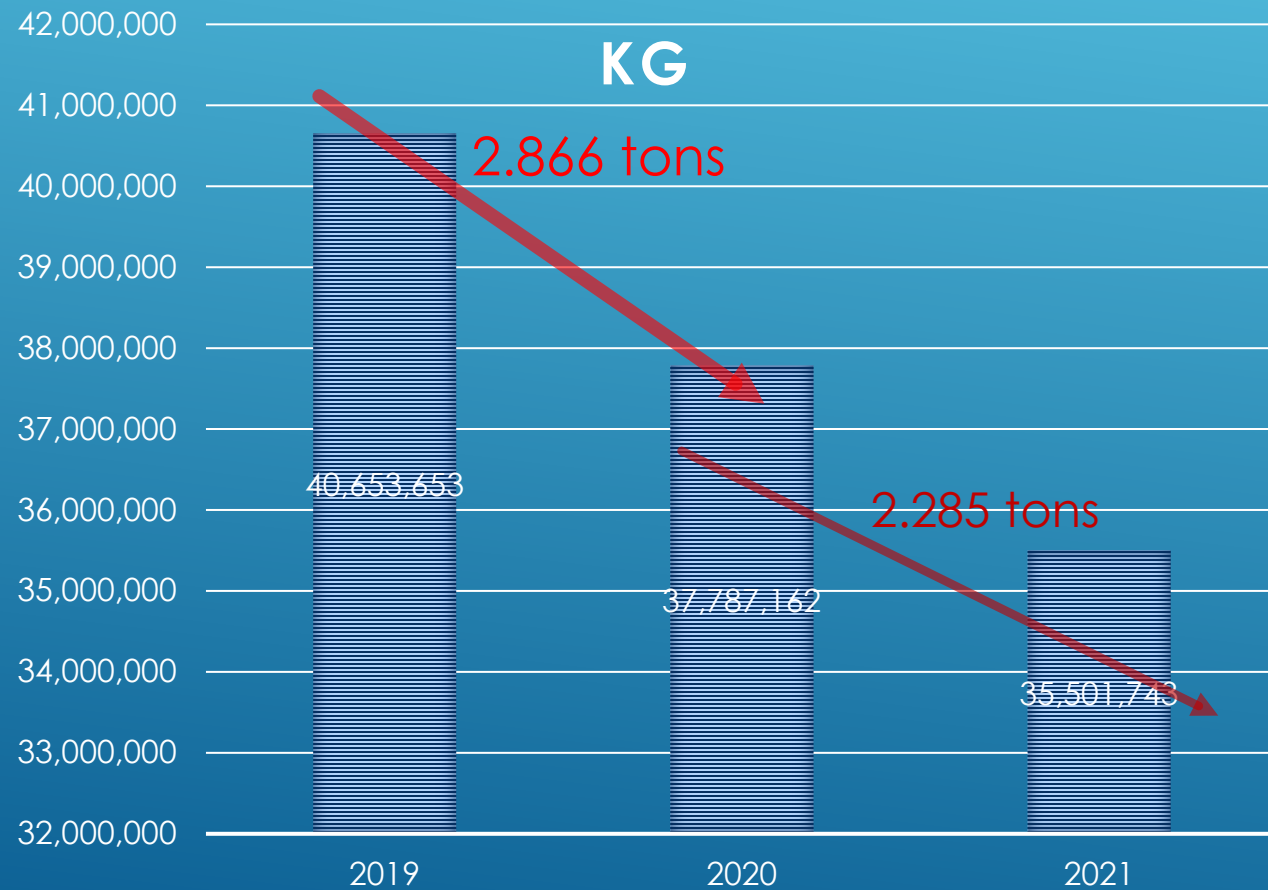


SUPPLY ISSUES CONTINUES

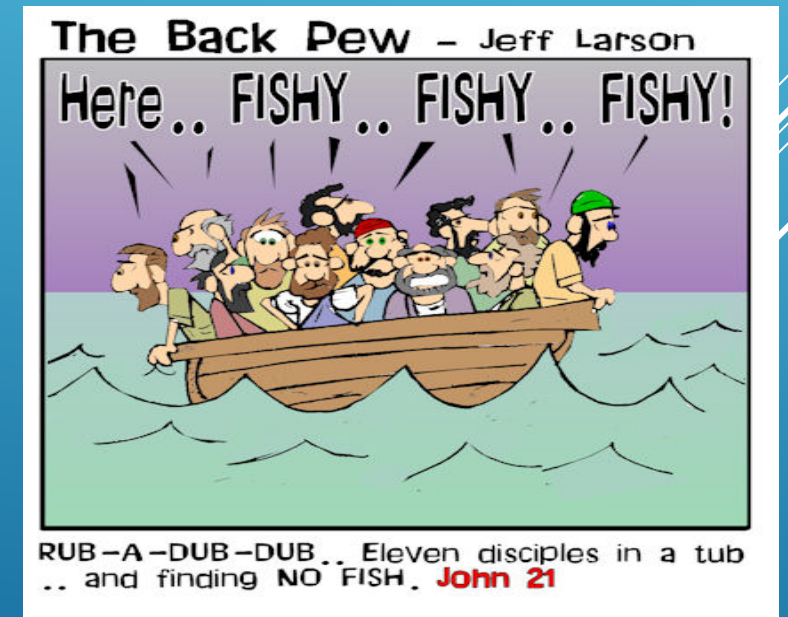
- ZERO COVID TOLERANCE IN CHINA.
- LABOR SHORTAGES IN US.
- UKRAINE WAR.
- FREIGHT COSTS REMAIN HIGH.
- PIPELINE VIA CHINA TWICE AS LONG.



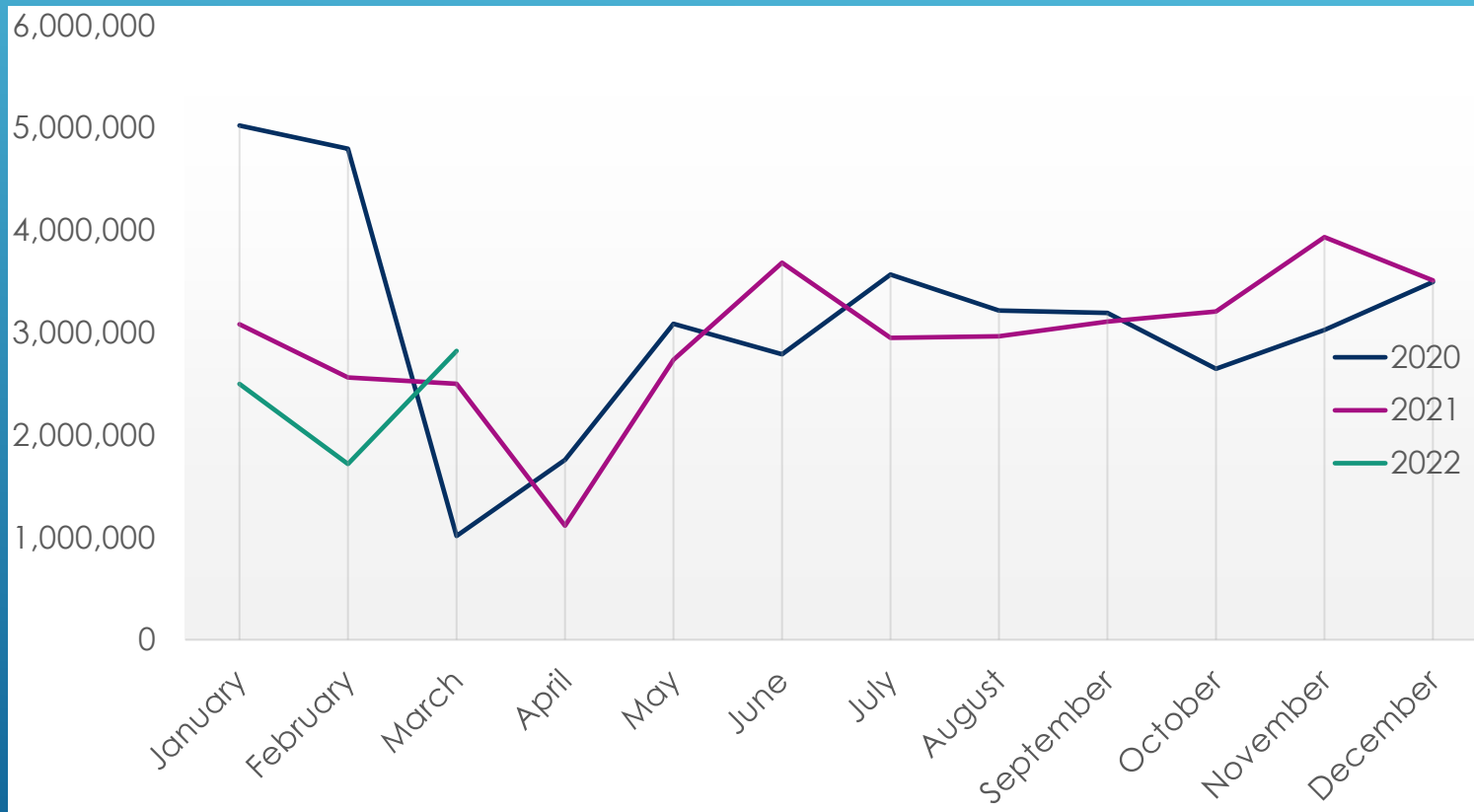
US FROZEN COD IMPORTS CHINA



- 5.151 tons shortfall ??



US FROZEN COD IMPORTS CHINA 1ST QUARTER



Trend continues into 2022
1.106 tons behind 2021

TOTAL IMPORTS COD Ex Salted Dried

70,000,000

60,000,000

50,000,000

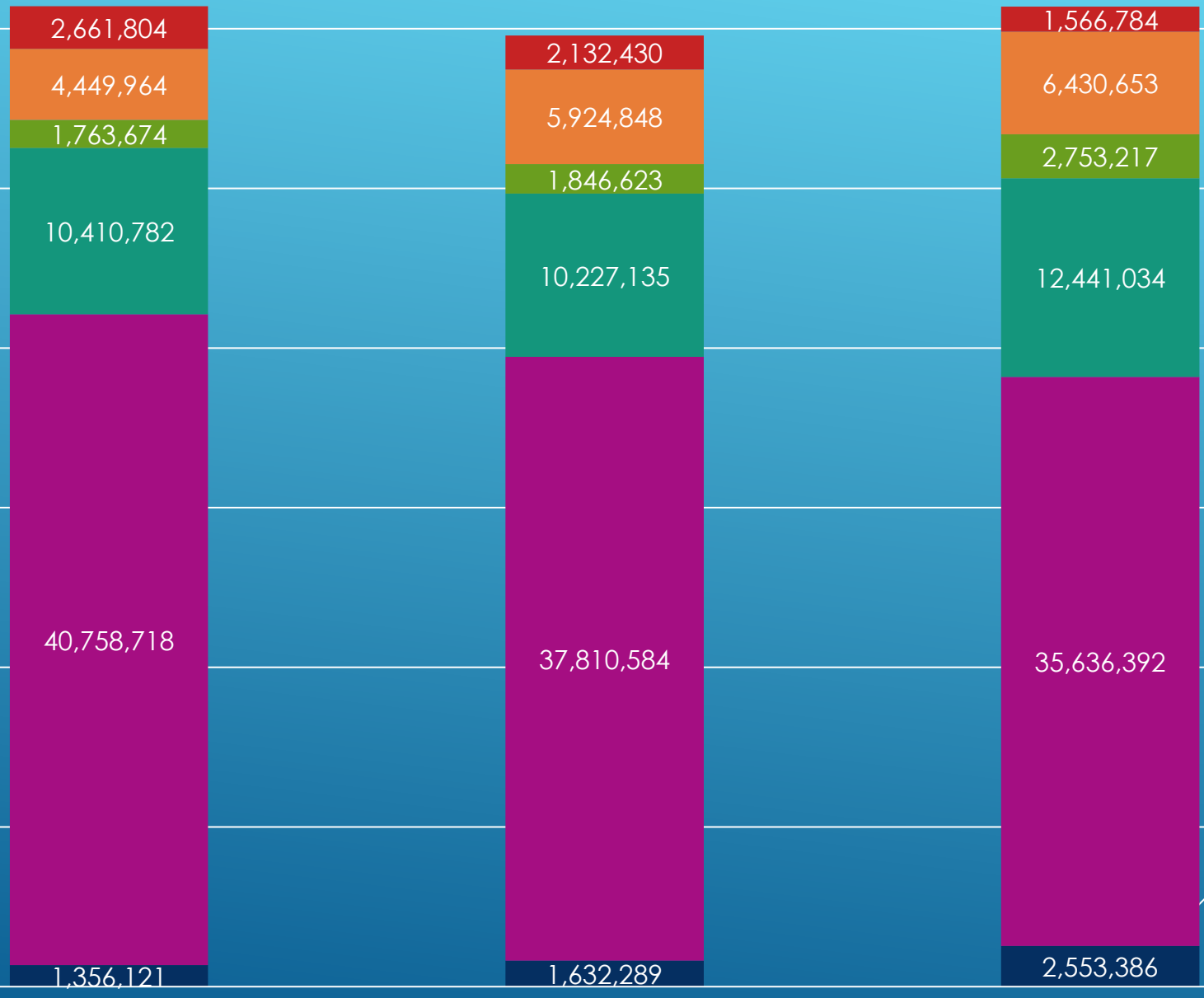
40,000,000

30,000,000

20,000,000

10,000,000

0



- VIETNAM
- RUSSIAN FEDERATION
- NORWAY
- ICELAND
- CHINA
- CANADA

TOTAL Imports COD

1st Quarter

EX Salted dried

16,000,000

14,000,000

12,000,000

10,000,000

8,000,000

6,000,000

4,000,000

2,000,000

0

480,436

636,001

477,653

1,403,792

11,067,834

185,293

667,759

1,030,991

295,914

1,473,280

10,894,629

402,188

554,714

910,485

438,984

2,066,830

8,171,004

525,112

614,436

2,171,672

2,413,278

1,656,818

7,039,193

227,951

2019

2020

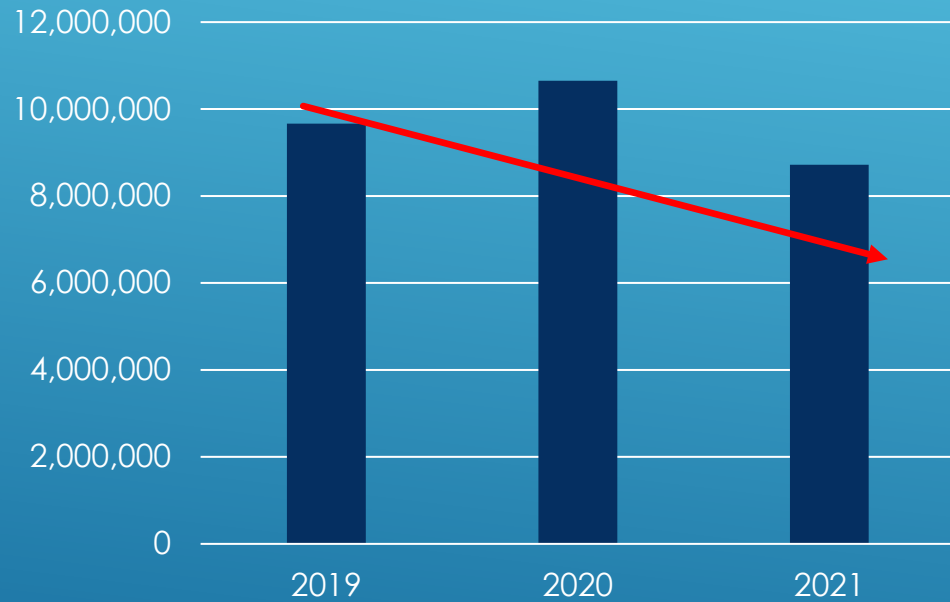
2021

2022

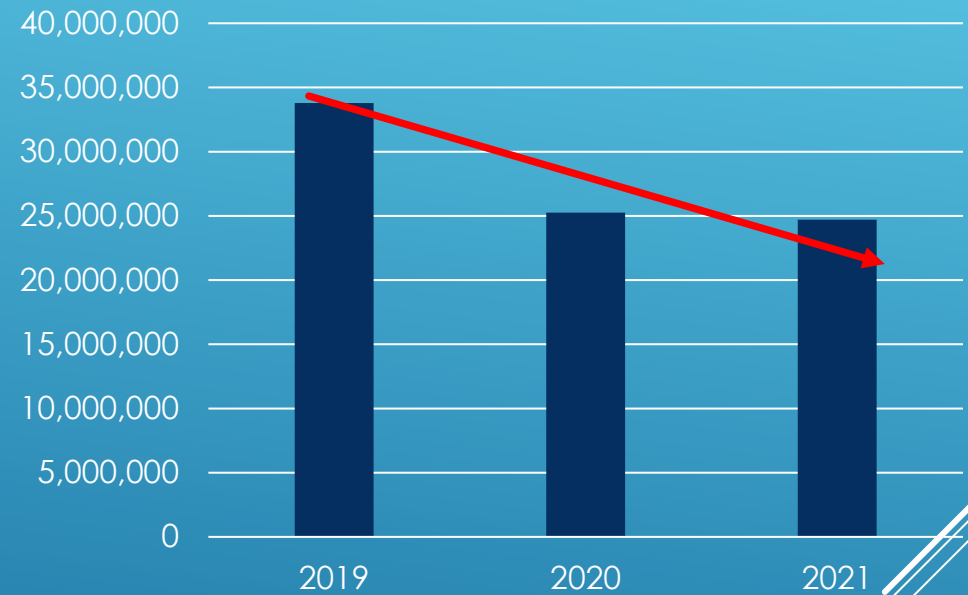
- VIETNAM
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HADDOCK & POLLOCK IMPORTS

FROZEN HADDOCK IMPORTS - CHINA

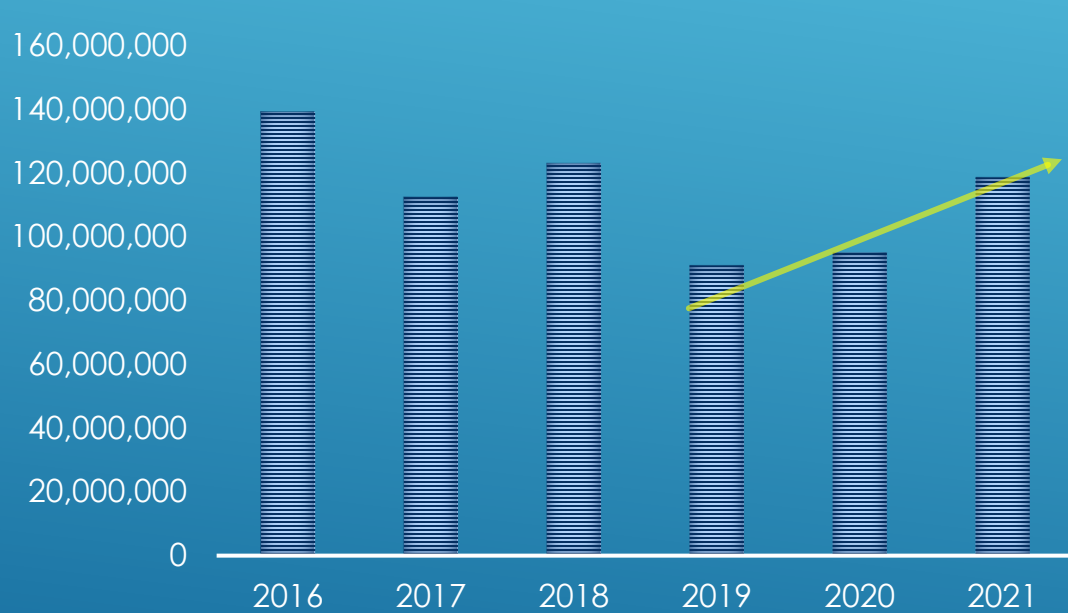


POLLOCK IMPORTS - CHINA

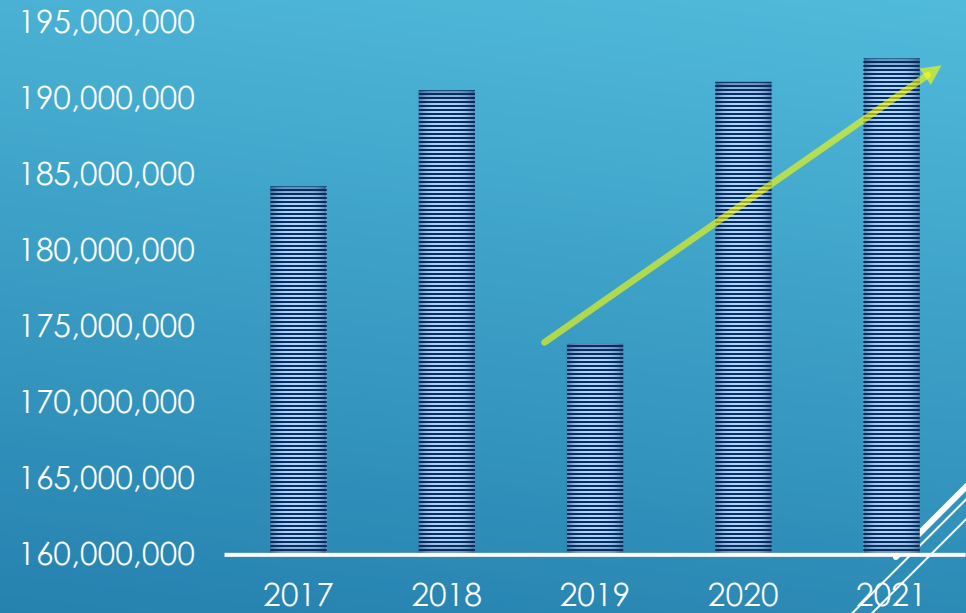


ARE THERE SUBSTITUES?

CATFISH IMPORTS



TILAPIA IMPORTS



CONSUMER REMAINS STRONG

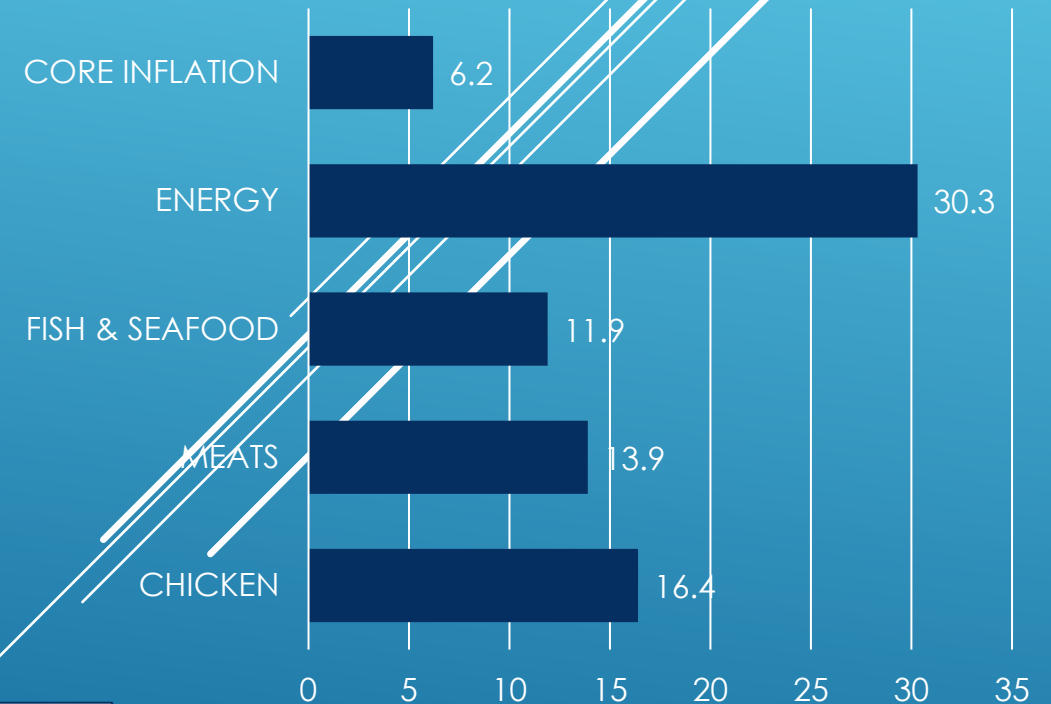
- **COVID RELIEF 5+ Trillion USD.**
- **Unemployment Rate 3,6% (April)**
- **Increased Wages**

BUT

- **HIGH INFLATION.**
- **SAVINGS RATE DROPPING** to levels before Covid, Q1 22

COD LOIN CHINA INCREASED 40-50% since 2019

12 MONTH CPI ENDED APRIL 2022



RAPIDLY SHIFTING CONSUMER BEHAVIOR

| 2019 -2021 | 2022 - |
|--------------|------------------|
| STAY AT HOME | TIRED OF NESTING |



COMPANIES HAVE HAD TO REACT FAST TO CHANGING CONSUMER HABITS IN A LONG AND SLOW SUPPLYCHAIN

RESTAURANT OPERATOR 2022

1. **COSTS ARE “MANAGEABLE”.**
 1. **Reduce Portions Size.**
 2. Change Menu.
 3. Costs have to all been pushed through, yet.
2. **LABOR SHORTAGE BIGGEST PROBLEM.**



RETAILER 2022

1. **SHIFTING PURCHASING BEHAVIOUR CAUSING INVENTORY MISMATCH.**
2. **NOT PUSHED ALL COSTS THROUGH. (Freight etc.)**
3. **OVERHIRED.**



OUTLOOK 2022 AND ABOVE

SUPPLY SIDE

- **Zero Covid Policy China Easing Off.**
- **US Economy Normalizing Slowly.**
- **War in UKRAINE – biggest uncertainty.**
- **Whitefish Supply will remain very tight.**

DEMAND SIDE

- **Consumer Remains Strong for the moment.**
- **Businesses and Banks are Solid.**
- **Consumer will spend through the Summer Months**
- **Inflation Eating up Purchasing Power.**
- **Savings Rates are coming Down**
- **Credit Debt beginning to rise.**
- **WILL THEY START SLOWING AFTER LABOR DAY.**