Why are we here today? MOWI

- Global brand strategy – propose new company name MOWI
- Integrated value chain important for the success of the brand
- Increased value creation for consumers and our share holders
- Increased focus on quality and differentiation
- The future of salmon, MOWI
Branding Objectives

€ 35m  Brand investment in next 2 years

€ 1bn  in branded turnover by 2025

€ 100m  additional EBIT (cash break even by 2022)
The MOWI value chain

- Breed
- Feed
- Smolt
- At sea
- Harvesting
- Processing
- New product development
- Food
MOWI breeding network

- MOWI BREEDING CANADA EAST
- MOWI BREEDING CANADA WEST
- MOWI BREEDING NORWAY
- MOWI BREEDING UK
- MOWI BREEDING CHILE
MOWI - clear benefits to control breeding

- Mowi fish can be selected from a large population – capacity 450 mill eggs
- Mowi fish can through careful selection become very special
- Quality traits have high heritability
- Our own breed and feed make a difference on the end product.
Animal Breeding - Heritability

| Heritability ($h^2$) | $h^2 = 1$ means everything is explained by genetics  
|                     | $h^2 = 0$ means everything is explained by environment |

Genotype  | Environment  | Phenotype
The good news for MOWI

Good news: Quality traits highly heritable

**GROWTH**

\[ H^2 = 0.35 \]

**COLOUR**

\[ H^2 = 0.47 \]

Good news: Breeding can permanently impact the quality of the salmon
MOWI feed

MOWI FEED NORWAY

MOWI FEED UK
MOWI feed

• “MOWI recipe”
• High in Omega 3
• Specific mix of vitamins and natural color
• Proactive food safety programs, such as marine oil cleaning
MOWI farming network
MOWI fish will be raised in selected MOWI farms
Our farmers are out there every day caring for the fish you eat.
MOWI VAP processing, sales & marketing network
MOWI – Processing and sales

- Efficient processing facilities in 24 countries, close to the consumer
- High level on food safety and traceability, all certified.
- Competent teams dedicated to product development in all markets
- Through advanced grading and specific quality criteria we can select the best MOWI fish for you.
- Highly competent marketing/sales organization with global outreach
- Specialized our branding capability
Key drivers in MOWI products

- Taste
- Convenience
- Health
MOWI Summary

- Increased value creation for consumers and our shareholders
- Company name the same as the brand
- Long term projects with clear targets, 2025 > EUR 1 BN of sales as branded, > EUR 100 m EBIT above normal salmon
- Increased focus on quality
- The value chain responsible for the success of the brand

- We have built inhouse branding competence, and will in 2019 launch the MOWI concept that is the salmon for the future
- The MOWI story and content is impossible to copy
- We can through our people and our unique value chain, offer the consumer a salmon experience no one can match!
Thanks
The category opportunity
Our commercial strategy

• **What?**
  - achieve a price/margin above our competitors in the market

• **How?**
  - Strategic partnership with key clients based on MHG unique capabilities
  - Brands
Our global VAP processing, sales & marketing network
Category Opportunity

Marine Harvest Sales & Marketing: top line growth and improved margins

Turnover EUR millions)
Branding will turn our integrated value chain into shareholders value

Value added capabilities

Develop farming and bulk salmon capabilities

Develop PL and feed capabilities

Future
Profitably increase value-adding with branded salmon in retail

Branded salmon helps MH protect margins in cases of lower consumer demand or in excess supply situations

Companies with strong consumer brands are typically valued at higher multiples

Branded salmon will enable MH to build shareholder returns in the long run

Management quotes
Key consumer trends supporting the MOWI brand

- **Consumer trends in food**
  - Health
  - Transparency
  - Sustainability
  - Authentic taste experience
MOWI Branding Strategy
MOWI Branding Strategy

- Creating unique salmon products with superior
  - Health benefits
  - Transparency
  - Food enjoyment
MOWI Branding Strategy

• Based on our unique value chain
MOWI Branding Strategy

• And delivering the message in an engaging and relevant way
  - Going from re-active to pro-active communication
Branding Objectives

€ 35m  Brand investment in next 2 years

€ 1bn  in branded turnover by 2025

€ 100m  additional EBIT (cash break even by 2022)
MOWI Expansion plan

2019:
Launch in Europe

As from 2020:
Continued roll-out in Europe, North America & Asia
Thanks
Value creation with a global brand

MH Capital Markets Day
Edinburgh, 13th November 2018
There is nothing more powerful than an idea whose time has come

Victor Hugo – French writer 1802-1885
So, what do we have today?

• A beautiful thriving business
• With powerful competitive advantages
• Leading edge compliance and working within the natural environment
We want to continue growing…faster than the food industry and our competitors.

..fueled by CONSUMER INSIGHTS
Food consumption habits are changing

36% of consumers want to reduce their meat consumption

32% of consumers want to increase their fish consumption

2 times/week

Recommended fish intake by international Health Authorities

Source: 2018 Seafood Report Kantar TNS / Kantar Worldpanel
Demand for high quality opens up value opportunities

- **62%** choose high quality products more frequently
- **60%** are willing to pay more for a high quality product
- **91%** want more transparency on food products
- **91%** are sensitive to animal welfare
- **72%** think we should only consume fish products that are harvested in a sustainable manner

Source: Kantar TNS FOOD 360° 2018

Marine Stewardship Council (2016): 16,876 consumers who purchased fish or seafood in the last two months
Introducing

...a global brand launch
Why a global brand?

• Builds competitive advantages
• Generates people’s loyalty
• Yields higher margins
• Drives Category growth
• Protects category reputation

...engaging the targets through

COMMUNICATION and CREATIVITY
Building Brand Love

CREATES VALUE
And VALUE means Higher price and margin
So, how to achieve these objectives with MOWI?

Leveraging Consumer Insights, Communication & Creativity
A winning credible idea
With a superior product and competitive edge
And a superb and consistent brand appearance
That tells our story in a credible way
Building occasions to expand the category
Through a cutting-edge in-store presence
And an ambitious expansion plan
A winning idea that it is better, different and unique compared to competition
A winning concept
Overall rating and purchase intention scores in planned launch markets

MOWI®
(Top 2 winning concepts average in planned launch markets)

Leading competitor
(Average in planned launch markets)

Organic
(Average in planned launch markets)

40.2%
32.5%
30.5%
Our heritage is about caring.

We are pioneers of farmed Atlantic salmon with over 50 years of care and craftsmanship in everything we do.
We care for our salmon

We care for our MOWI salmon throughout the value chain, from feed to plate
We care for the environment

We breed our salmon sustainably to keep the impact on our surroundings to a minimum.
We care for our consumers

We care - because good food is about caring for yourself and for the ones you love.

Therefore, we offer a salmon that is extra-nutritious and healthy, truly delicious and convenient to enjoy.
There are salmon

SALMON IS GOOD

There's MOWI

MOWI IS GOODNESS
A winning credible idea

**With a superior product and competitive edge**

And a superb and consistent brand appearance

That tells our story in a credible way

Building occasions to expand the category

Through a cutting-edge in-store presence

And an ambitious expansion plan
So, what’s the MOWI winning product formula?

**MOWI > (Ω3 + P27 + Mbl)**

- Higher Omega 3
- Redder color
- Softer Marbling
- Careful Selection
So, what’s the MOWI winning product formula?

MOWI > (Ω3 + P27 + Mbl) 

Superior Health  
Superior Quality & Taste  
Superior Care
A premium range to satisfy all consumer needs

Delicious high quality salmon ready to cook

Delicious high quality salmon ready to eat in a variety of preparations

The absolute epitome of salmon quality, our hand picked broodstock salmon for the top stores and restaurants
Something you will taste in a few minutes…
A winning credible idea

With a superior product and competitive edge

And a superb and consistent brand appearance

That tells our story in a credible way

Building occasions to expand the category

Through a cutting-edge in-store presence

And an ambitious expansion plan
What do we want from packaging?

- Let the **product talk**
- **Maximize** consumer **experience**
- **Iconize** the brand
- Bring **trust** and **confidence**
Caring means full transparency

We will do that through full traceability
24/7 full-time transparency on your screen

The longest TVC in the world: MOWI Screen Saver
A winning credible idea
With a superior product and competitive edge
And a superb and consistent brand appearance

That tells our story in a credible way

Building occasions to expand the category
Through a cutting-edge in-store presence
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MOWI - The book
(Silver Harvest)
A winning credible idea

With a superior product and competitive edge

And a superb and consistent brand appearance

That tells our story in a credible way

**Building occasions to expand the category**

Through a cutting-edge in-store presence

And an ambitious expansion plan
WE ARE HERE TO RESCUE YOU FROM THE EVERYDAY DINNER SEA OF SAMENESS.

MOWI is Goodness.
TURNS THE MONDAY FAMILY SUPPER INTO AN ELEGANT DINNER. TURNS AN ELEGANT DINNER INTO A MONDAY FAMILY SUPPER.
I NEVER ASKED TO BE A ROLL MODEL.
"WAITER! THERE'S AN ORDINARY POTATO NEXT TO MY MOWI SALMON!!"
IT’S NOT JUST ANOTHER SALMON ROLL. IT’S A ROCK AND SALMON ROLL!
A winning credible idea
With a superior product and competitive edge
And a superb and consistent brand appearance
That tells our story in a credible way
Building occasions to expand the category

Through a cutting-edge in-store presence

And an ambitious expansion plan
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And an ambitious expansion plan
Nielsen test results in planned launch markets

Est. +28% of Marine Harvest Retail market value after 2 years
ALL THIS WHILE TRANSFORMING THE COMPANY
Thank you

(and hope you agree with Victor Hugo)