

2016-2017

NUEVA PESCANOVA ANNUAL REPORT



GRUPO NUEVA
PESCANOVA

PESCANOVA





REPORT 2016-2017



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SCANOVA®

Langostino
namei



L - GRANDE | **24 / 40** piezas

Peso neto
800g

Garantía de calidad y sabor hasta la fecha de consumo preferente.

Peso neto
800g

| VALORES NUTRITIVOS | Por 100g | 1 Langostino alvacol* |
|-------------------------|---------------|--------------------------|
| Valor Energético | 102 kcal/100g | 25 kcal |
| Grasas | 1,6 g | 0,4 g |
| de las cuales Saturadas | 0,2 g | 0,1 g |
| Hidratos de Carbono | 1,1 g | 0,3 g |
| de los cuales Azúcares | 0,1 g | 0,0 g |

Penaeus spp (Penaeus)

De cría de: Ver cues

INGREDIENTES:

Langostino, sal, a

(E 202) (antioxid)

INTRODUCTION

Freshness from the sea to the table

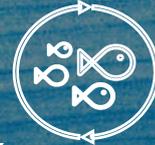
We are very proud to present this first Nueva Pescanova Group Activities Report. The last two years have shown that not only have we recovered the strength of our Pescanova brand, but we have also reinvented its value as a global benchmark. And we achieved this by integrating the values shared by each and every one of the persons who form part of this exciting project.

In 2016 and 2017 we invested, innovated and grew. They were years of effort, creativity and team work. In short, it was a period of intensive work which allowed us to continue to win the heart of millions of people who, trusting in our products, enjoy the freshness of the sea on their table.

NUEVA PESCANOVA
MILESTONE MAP

2017

TALENT



ÁBACO PROJECT
Implementation of a SAP
Talent Management Model

EBITDA
+18%

EBITDA OF 80M IN 2017
Up 18% on 2016



TOP TEN

WE ROSE 2 POSITIONS

We entered the Top Ten as the
9th most-chosen Consumer
Packaged Goods brand in Spain

MILESTONE 17'



RESTORATION
OF THE EQUITY
POSITION

After the capital
increase of €135 million,
share capital grew
from €12 million to
€147 million

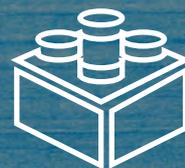
NEW CSR

DEPARTMENT



Creation of a new
CSR Department

Legonova



Start of development of
LEGONOVA as the new
SAP management tool



20+ new
innovation
products

REVENUE

€1,081

MILLION

+2%

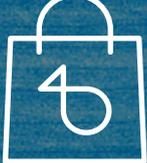
Compared to €1,060 million in 2016

Debt reduction

-35%

Reduction of 35% of
the nominal value of
restructured debt through
the capital increase

RETAIL



+6.3%

Increase in
retail sales

€24.9

MILLION
IN INVESTMENT IN
2017



15 diplomas

We have obtained the most
prestigious international
sustainability and
good practices
certifications

“The results achieved in 2017 can only be described as satisfactory. We increased sales by 2% and Ebitda reached €80 million (up 18% on 2016 and 128% on 2015)”

“We are quickly becoming a company that not only sells what it fishes or farms, but also what the consumer wants”

LETTER FROM THE CHAIRMAN



2017 was the second full year of management of the Nueva Pescanova Group. We continue to make strides towards positive normality. Together we were able to consolidate the significant turning point achieved in the first year of management.

The results achieved in 2017 can only be described as satisfactory. They reflect an adequate level of equity and, for the first time, profit. We recorded a 2% increase in sales, 3% in seafood products and, most importantly, higher margins as reflected in Ebitda. Ebitda reached €80 million in 2017, up 18% on the previous year and 128% on 2015, the year before our management. % respecto a 2015, el año previo a nuestra gestión.

“The Nueva Pescanova Group has found its course. We still have a long way to go, but we have the energy, confidence and team to continue advancing”

These data indicate that the Nueva Pescanova Group has found its course. We still have a long way to go, but we have the energy, confidence and team to continue advancing.

We reassert ourselves in our vision of an integrated, commercially well-positioned company that fishes, farms, purchases, prepares and sells high-quality seafood products with exceptional traceability. We have gone one step further and are quickly becoming a company that not only sells what it fishes or farms, but also what the consumer wants. We fish, farm and seek the best product wherever it is, giving it the highest possible added value. Without this transformation we would be closer to an industrial raw materials company.

Nothing described in this letter would have been possible without the commitment and collaboration of each and every one of the more than 11,000 Group employees, many of whom work in extreme geographic regions, our partners, suppliers, customers and, naturally, the millions of people who allow us to enter their home every day. To all of them, thank you for trusting in this project and for allowing the Nueva Pescanova Group to continue advancing and navigating in the right direction.

Jacobo González-Robatto
Chairman of the Nueva Pescanova Group

INTERVIEW WITH THE CEO



“Nueva Pescanova is an exciting project for everyone”

How is the Nueva Pescanova Group?

Above all, it is a new company which has inherited everything good from Pescanova and has added enthusiasm, professionalism and a desire to grow. We refer to Nueva Pescanova as a startup which has already recorded billion-figure sales and has a consolidated brand, but there is much to rebuild and create.

We have to recover all the good things the company did, because there were things it did quite well. Such as the fleet (we have 72 vessels), an exciting aquaculture project in Central America and Ecuador, perfectly integrated with the natural surroundings, 16 plants and a brand we refer to as a 'love brand', which has accompanied us from the early days and is a much-loved brand.

In short, an exciting project for everyone in which we firmly believe.

What has been your experience in these first two years since the creation of the Nueva Pescanova Group?

These last two years have been, without a doubt, the most intensive and gratifying of my life. First of all we developed a Strategic Plan 2016-2020 to establish our development objectives, priorities and strategies to recover our growth drive and position the company where it deserves to be.

The truth is that we are very satisfied with its implementation to date: we have achieved growth in sales and profitability and, above all, we are especially proud of having achieved our objectives

“Pescanova is a consolidated brand, a love brand, which has established strong ties with consumers and still has much to offer”

“We have achieved our objectives a year ahead of the plan, thanks to the incredible work of all the teams”

a year ahead of the plan and this is essential for shareholders, employees and customers.

We have set ourselves the general plan objective of increasing sales by 50% and quadrupling profitability, and have ended the first year with revenue of €1,081 million and gross profit of €80 million. We are on the right track, the plan is being fulfilled and the business model works, is clearly forward-looking and winning.

What are the main lines of the Strategic Plan?

It is supported on four main pillars. The first pillar is to increase revenue, which implies selling in new countries, launching the brand where we were present without a brand; targeting new channels such as food services; and innovate. The second pillar is related to the cost structure. This is not a company, but rather 50 separate companies that work together synergistically to create added value. The third pillar is to fill the factories. The company's plants have an average occupation of 50%. The fourth pillar is to take full advantage of vertical integration, which is the company's competitive edge.

In order to implement the plan, the capital increase carried out in 2017 was essential to its implementation, growing from a share capital of slightly over €12 million to a total of €147.6 million,

thereby strengthening our own resources and considerably reducing debt.

The company is committed to recovering innovation as an essential part of our DNA has been a reality from the start. An innovation that is present in all areas of the company and which is increasingly patent in our new market launches.

Specifically, in 2017 we launched 23 new products and entered the refrigerated product segment, which means we are positioning ourselves in a space, the refrigerator, which is opened twenty-five times a day, instead of twice a week like the freezer. We are currently enjoying great momentum, in which the people who form part of the company have a very strong drive and it is the right time to make new proposals.

In our strategy we are also firmly committed to corporate social responsibility as an indispensable part of the business. Therefore, we have created the Nueva Pescanova Group CSR Department, with the aim of multiplying our efforts in this area and continuing to drive and communicate support and development projects in all the Communities where we operate.

How are the new launches doing?

We are targeting new population segments, listening and adapting to their needs, i.e. up until now we had not offered consumption alternatives for people aged under 30. Now we are capable of following snacking trends and approaching that consumer segment with innovative ranges such as “Dippeo”, boiled shelled prawns accompanied by dipping sauces, which I consider a paradigm because it has everything: out of the freezer and into the fridge, ready-to-eat product, aimed at the younger generation and targets a consumer segment that excluded prawns.

It is true that the success rate of new products on the market is only 10%. However, we believe that the important thing about this innovation is for the consumer to see that Pescanova is an innovative company that launches new proposals beyond frozen hake or prawns. That is something which our consumers value. In fact, Pescanova has positioned itself as the fifth Consumer Packaged Goods brand with the highest penetration in Spanish households, according to the 2018 Brand Footprint Report published by Kantar Worldpanel, and the fourth most-chosen food brand by Spanish households. This gives us great drive and motivation to continue working on innovative products to offer our consumers.

“The Pescanova Biomarine Center or the renewal of the fleet clearly evidence the Group’s commitment to innovation and future growth”

“Nueva Pescanova must take the lead in Aquaculture 4.0; it is our responsibility as leaders and is a field in which we have extensive experience”



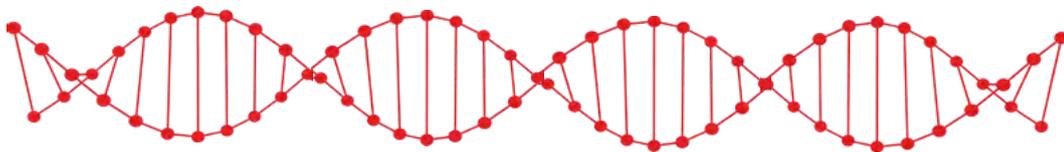
In addition to the focus on product innovation, what new projects is the company undertaking?

Right now we have several projects under way. One is the renewal of our fishing fleet with seven new vessels, which we have begun to build in Galicia and will be navigating before 2020. Specifically, we are building three trawlers, large hake ships, for the Namibia fleet; and another four smaller beam trawlers for prawn fishing in Mozambique. They will be equipped with high energy-efficient engines and equipment that will improve the on-board processing system and working and living conditions for the crew.

We are implementing SAP through the Legonova Program to simplify unified or standard work processes and methods, creating a unique multinational management model to expedite the decision-making process with the best possible results for the company.

Furthermore, we strive to optimize the efficiency of our production plants and lines at the Industrial Centers through the Excellence System program. This requires investment in new equipment, more efficient processes, innovation and a decisive commitment to new technologies.

Mention must also be made of the Pescanova Biomarine Center, which is set to become an international benchmark in aquaculture R&D&i. Here we will research the farming of commercial marine species in terms of genetics, nutrition, handling and health. In recent years, world fish consumption has grown exponentially and our marine resources are finite. Therefore, aquaculture is key to meeting these consumption needs demanded by the market, through cutting-edge technology. Nueva Pescanova must take the lead in Aquaculture 4.0; it is our responsibility as leaders.



Our DNA

The Nueva Pescanova Group, like a living organism that adapts to its environment, has undergone a comprehensive transformation process to achieve sustainable leadership over time and gain international recognition in all its activities.

This process has generated a new DNA which has infused new life and meaning into the company as a whole.

It is our purpose, for which each of us strive every day. Our *raison d'être*.

1 Together we work

to be the best food company in the market, bringing the freshness of the sea to consumers' tables

2 We rely

on our brand and innovation, fishing, farming, processing and selecting the best product wherever it may be

3 We believe

our responsibility is the sustainability of natural resources and of our partner communities, whose trust we build and maintain acting ethically and creating value



PESCANOVA

PESCANOVA

Anillos a la Romana

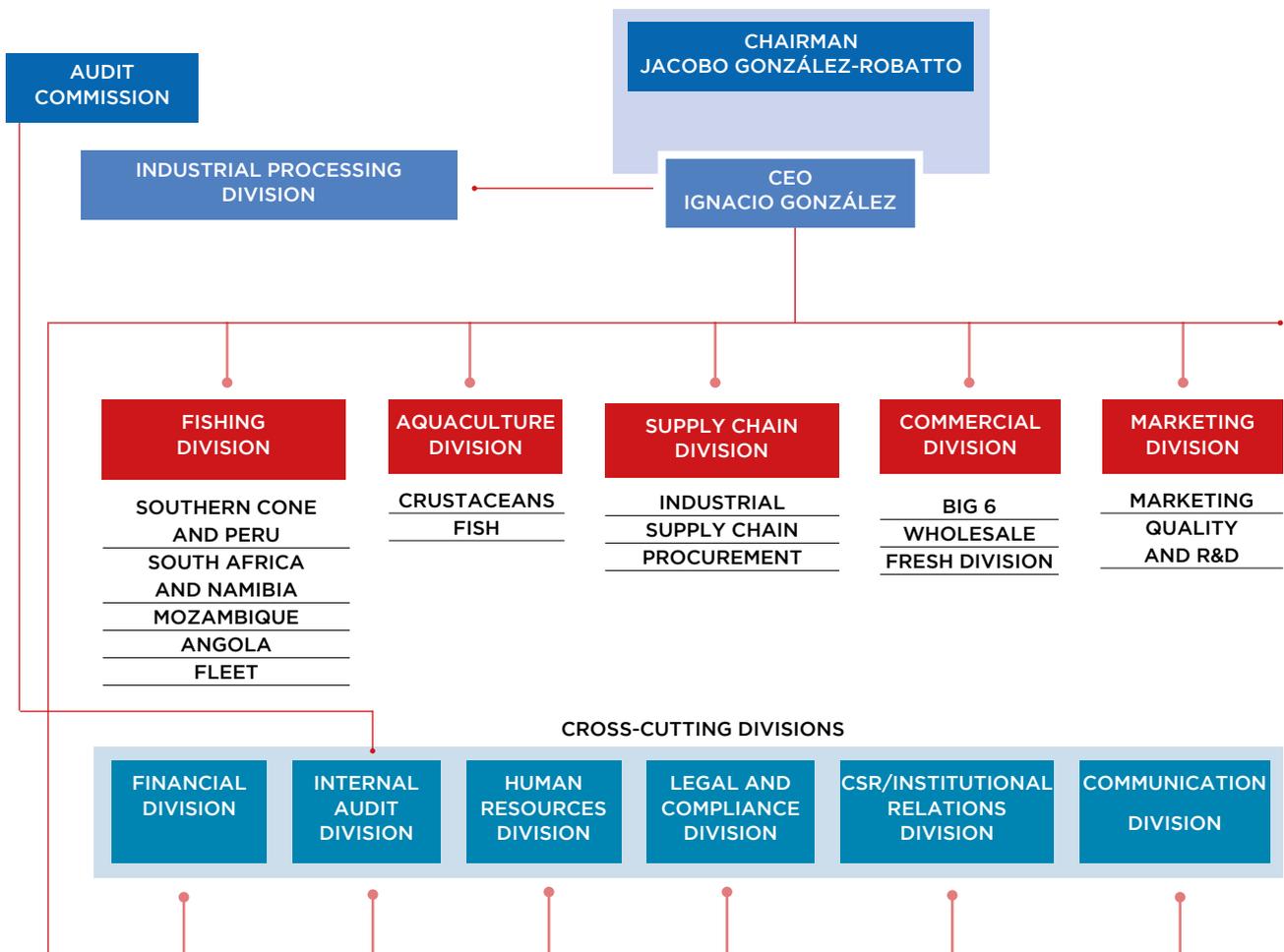
PESCANOVA

10 Varitas

PESCANOVA

10

ORGANIZATION CHART





THE MODEL

The Nueva Pescanova Model

We operate in all the stages of production. Over the past two years, the implementation of our 2020 Strategic Plan has allowed us to advance decisively in innovation, sustainability and quality in each of our areas of activity (fishing, aquaculture, preparation and marketing).

We foster the ethical leadership of our Corporate Governance and of all our people, guaranteeing the transparency and integrity of our work, as well as transparent and continuous communication with all our stakeholders

2.1. THE NUEVA PESCANOVA GROUP

AN EXPECTATION THAT DROPS ANCHOR IN MILLIONS OF HOUSEHOLDS

Over 11,000 employees on four continents bring the freshness of the sea to consumers' tables guided by sustainable innovation. We operate worldwide with 72 vessels, farm 7,500 ha dedicated to aquaculture and market more than 70 fish and shellfish species in 80 countries



Born from a growth and innovation project under a corporate restructuring process in 2015, we have become a benchmark multinational in the fishing, farming, processing and marketing of seafood products.

From the first vessel operated by Pescanova in the 60s, we have navigated towards innovation, sustainability, commitment to improving society and environmental respect.

These pillars support all our activities through sustainable vertical integration that allows us to be one of the few companies that currently guarantees the quality of their products from the start of the process to the moment they reach millions of households around the world.

All with one of the most loved and well-known consumer brands: Pescanova.



QUALITY AND RESPONSIBILITY FROM THE SEA TO THE TABLE

Our vertical business model sets us apart. The traceability and quality of our products are guaranteed and internationally certified in all stages of their production. For us, innovation is synonymous to sustainability,

which is why we fulfill the principles and rules of the FAO Code of Conduct for Responsible Fisheries, and equip all our vessels and factories guaranteeing environmental protection. Sustainability is, in turn,

synonymous to a rich and healthy diet: we bring the best and freshest seafood products to millions of households. Along with our commitment to our planet and to product quality, another priority

of our Corporate Social Responsibility strategy and Code of Ethics is community development through the generation of wealth, job opportunities and training for people wherever we are present.

11,000

EMPLOYEES

More than 11,000 employees on four continents



72

VESSELS



WE FISH

72 vessels operating in the Southern Hemisphere

16 Factories



WE PROCESS

our products in 16 factories worldwide



40,000

Tm of shrimp

We are one of the leading world shrimp producers

7,500 ha



WE FARM

7,500 ha destined to the farming of marine species

€1,081 M



WE MARKET in 80 countries. In 2017 we earned revenue of €1,081 million

FROM FREEZING ON BOARD TO THE PESCANOVA BIOMARINE CENTER

On-board freezing -designed and implemented by Pescanova on a global scale in 1961- was the great revolution of the Pescanova brand. Favoring the global development of the fishing industry, its effectiveness allowed the company to enter the international market, positioning Galicia and Spain at the head of the sector. Combining tradition and modernity,

to the sustainability and protection of the sea. At present, we are one of the leading producers of Vannamee shrimp in the world.

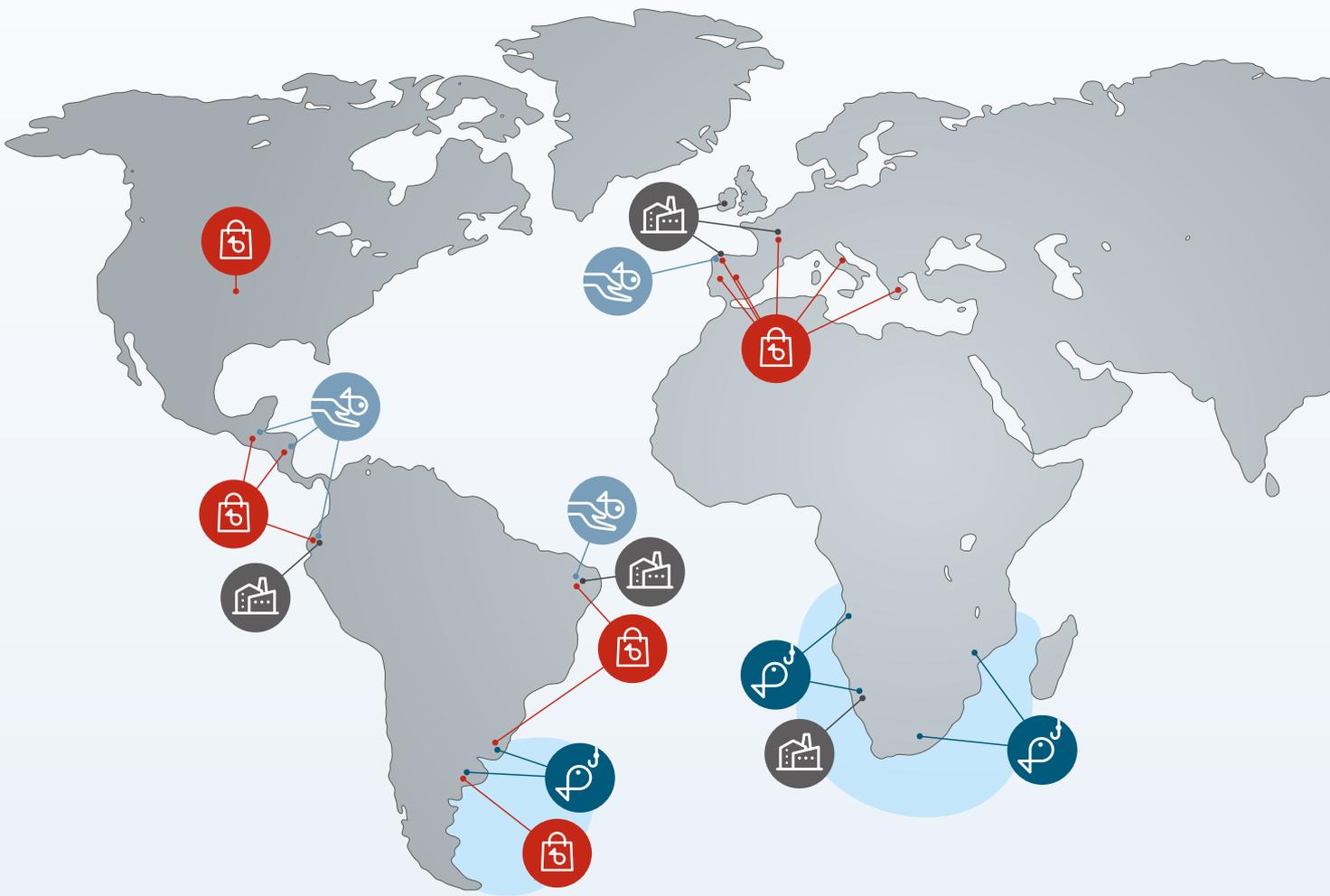
Our Strategic Plan 2016-2020 defines the Nueva Pescanova Group's innovative vocation through strategic actions

throughout our value chain: from the modernization of our fleet to the start-up of the Pescanova Biomarine Center, which is set to become an international benchmark in aquaculture R&D&I.

Recreation of the new Pescanova Biomarine Center that we will build in O Grove (Galicia)

2.2. GLOBAL PRESENCE OF THE GROUP

A GREAT FAMILY ACROSS THE GLOBE



FISHING

72 vessels operate in the best fishing grounds in the Southern Hemisphere

SOUTHERN CONE. **Argentina** Argentine red shrimp, shortfin squid and black hake, **Uruguay** Argentine hake, Atlantic pomfret, searobin and shortfin squid

AFRICA. **Mozambique** tiger, banana, speckled, Western king and jumbo prawn, **Angola** red prawn, white prawn and crab and **Namibia and South Africa** hake, monkfish, Atlantic pomfret and kingklip



PROCESSING

16 processing plants distributed across nine countries (where we prepare shellfish, pre-cooked products, surimi,... and also function as logistics centers and warehouses):

Spain, Peru, Ecuador, France, Namibia, Nicaragua, Guatemala, Argentina and Ireland.

We strive to protect the ocean and bring the best of the sea to our consumers' tables. And we can achieve this because we are present in all the necessary places.

Our fishing vessels, aquaculture centers, factories and distribution channels make up our great family, which is present in 24 countries on four continents.

We want our brand to be synonymous to maximum quality. To this end, the Nueva Pescanova Group acts under a single integrated vision in all its facilities, subject to the highest certification standards. We have a clear objective: be the best at the local and global level, both in our commercial activity and in our contribution to people's well-being.



OUR GROUP

EUROPE

France | Nueva Pescanova France
 Greece | Pescanova Hellas
 Ireland | Eiranova
 Italy | Pescanova Italia
 Portugal | Pescanova Portugal
 Spain | Nueva Pescanova,
 Pescanova España and Insuiña

AMERICA

Argentina | Argenova
 Brazil | Pescanova Brasil
 Ecuador | Promarisco
 Guatemala | Novaguatemala
 Nicaragua | Camanica
 Peru | Novaperú
 Uruguay | Belnova
 USA | Pescanova USA

AFRICA

Angola | Marnova
 Mozambique | Pescamar
 Namibia | NovaNam
 South Africa | Novagroup

ASIA

Japan | Pescanova Japan



AQUACULTURE

Ecuador, Guatemala and Nicaragua
 Vannamei shrimp

Spain
 Turbot hatchery and farming

Brazil
 Tilapia farming



SELLING

We sell in 80 countries on five continents

Our commercial offices are located in Spain, France, Greece, Italy, Portugal, Japan, USA and Brazil.

2.3. STRATEGY AND FUTURE

THE KEY TO OUR SUCCESS, THE STRATEGIC PLAN 2020

After defining our project, we decided to anchor our DNA in the achievement of an ambitious and demanding growth plan. We have been managing this new phase with large doses of enthusiasm. All Nueva Pescanova employees work under the same theme, “All in Sync”, to keep up this pace of growth until 2020 and beyond any horizon.



The milestones achieved in 2017 were based on our Strategic Plan 2016-2020, which aims to increase the values of our group at all levels: quadruple Ebitda over a four-year period, develop a new commercial ambition in the so-called Big 5 (Spain, Portugal, France, Italy and USA), to which we have added Greece, optimize costs, improve process management and centralize all the company's subsidiaries in a single vertical organization.

We are firmly committed to the “Pescanova” brand and to the quality of our products, always preserving their freshness from the sea to the table. But also to innovating in a sustainable, responsible and committed way to society and the environment. In short, our objective is to consolidate the leadership of Nueva Pescanova as a worldwide benchmark in fishing, farming, preparation and expansion of the best seafood products across the globe.

WE INNOVATE



Innovation for the consumer

Development of 23 new products in 2017 in Spain according to market trends and consumer needs

For our employees

Implementation of SAP: LegoNova Project
Ábaco, Inicia, Avanza and Lidera: training and talent development Programs



EVERY PLAN HAS
A MAJOR THEME

All in Sync!

Our 2020 Strategic Plan was set in motion under the theme "All in Sync!" This is not surprising, since the successful completion of our project requires the involvement of our more

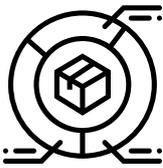
than 11,000 employees worldwide. It is an integrated and systemic strategy, which applies to all the steps of our value chain in the short, medium and long term: with the renewal of

our brand, launch of new products, improvement in the equipment of our fishing fleet and start-up of major technological and environmental innovation projects.

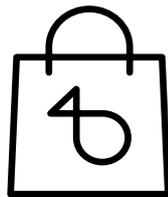
We have also doubled our commitment to society through the new Corporate Social Responsibility Department based on four main pillars: Planet, People, Product and Communities.

STRATEGIC PLAN MILESTONES ACHIEVED IN 2017

EBITDA
+18%



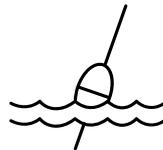
We achieved EBITDA of €80 million, up 18% on 2016.



1,081M

REVENUE

EQUITY
POSITION



WE RESTORED the Group's equity position through a capital increase of €135 million.

5TH BRAND

The fifth brand most widely found in Spanish consumers' HOMES



Looking ahead in Fishing and Aquaculture

- R&D&i in Aquaculture in the era of Industry 4.0: Pescanova Biomarine Center in O Grove for research in nutrition and health, breeding of new farm species and sustainability; and new aquaculture techniques in the production of vannamei shrimp.
- At the forefront of Fishing methods: Renewal of the fleet with seven new vessels equipped with cutting-edge technology.

2.4. TRANSPARENCY AND INTEGRITY

EMPATHY MUST BE EFFECTIVE

Commitment and empathy must be properly managed. At the Nueva Pescanova Group we have the reliable systems for motivating, controlling and guaranteeing our social responsibility. For us, ethics is a natural way that defines the direction of our strategy.



The most important 'filter' of our vision of change is our ethical commitment. It is a universe of action to which we apply a 360-degree perspective, like the broad, open and infinite horizon we can see from our vessels. Our good governance practices and transparency ensure that we can incarnate the values of Nueva Pescanova on a daily basis, anywhere and with the people around us. Our

Strategic Plan decisively drives a corporate culture that guarantees our responsibility and establishes effective information and communication channels with stakeholders, from consumers and suppliers to employees, public organisms, communities and other institutions. Honesty, integrity and transparency differentiate and consolidate us, and guarantee trust in our products and activities.

OUR CODE OF ETHICS

Approved in 2017, the Code of Ethics lies at the center of our Regulatory Corporate Governance and Compliance System. Our Code establishes the action principles and rules of conduct that guarantee the compliance culture of all our employees under any circumstance.



CORPORATE GOVERNANCE

Nueva Pescanova's social responsibility is subject to an exhaustive control led by our Board of Directors, which makes up our Corporate Governance.

This Board is organized in three commissions:

- Governance and Corporate Responsibility
- Audit, Control and Finance
- Strategy and Planning

HUMAN RIGHTS AND SUSTAINABILITY

The rules that govern all our activities are consistent with human and labor rights principles, and our legally compliant conduct is exemplary. Parallel to our Code of Ethics, we have drawn up the Pescanova Group Supplier's

Ethical and Social Charter. The principles of this document guarantee that all our suppliers are aligned with our conduct policies. In 2017 we also approved other regulations, namely:

- Corporate Policy of Good Business Practices in Food Contracting.
- The Action Protocol for Donations and Food.
- The Decalogue of Our Code of Ethics and the Supplier's Ethical and Social Decalogue.

BOARD OF DIRECTORS-COMMISSIONS

CHAIRMAN OF THE GROUP



Jacobo González-Robatto Fernández

GOVERNANCE AND CORPORATE RESPONSIBILITY



Miguel Ruiz-Gallardón García de la Rasilla

AUDIT, CONTROL AND FINANCE



José Luis Sáenz de Miera Alonso

TRADE AND STRATEGY



Fernando Valdés Bueno



Antonio Couceiro Méndez



Mariano Riestra Mañeru



Ramón Mas Sumalla



Elena Salgado Méndez



Ricard Iglesias Baciana



Ignacio González Hernández

2.5. COMMUNICATION WITH STAKEHOLDERS

EFFECTIVE AND TRANSPARENT COMMUNICATION

Effective and responsible communication with our stakeholders allows us to grow and innovate. At the Nueva Pescanova Group we have developed communication initiatives that adapt to each interlocutor and consolidate our credibility.



The desire to listen to each stakeholder and identify their needs has led us to promote the ethical and technological quality of our communication channels, in order to enable an effective and transparent dialog with them. Because it is they who will help us to grow and improve, and being aware of their needs

allows us to constantly innovate, effectively manage our risks and opportunities and improve the soundness of our decisions. Our commitment to all those related to Nueva Pescanova has materialized in 2017 in actions to become involved in our strategic development.

CORPORATE COMMUNICATION

In 2016 and 2017 we designed a large number of channels, from the **corporate intranet** for all employees on four continents to the **corporate website** of the Nueva Pescanova Group, in addition to all our **social networks**.

We are committed to ensuring more open, transparent and friendly communication and, for the second consecutive year, have been included in the **Top 50 Companies with the Best Reputation in Spain**, according to the Reputation Institute, which confirms citizens' increasingly favorable consideration of.

our company since we embarked on our new journey in 2015

MEDIA RESULTS IN 2017:

-1,900 impacts on media managed by the Communication Department

-333.5 million people making up the total audience

-Estimated advertising value of €11.5 million

PESCANOVA IN SOCIAL NETWORKS



+ 700 followers on corporate Twitter
@pescanovaCorp
twitter.com/PescanovaCorp



+ 9,600 followers on product Twitter
@pescanova_es
twitter.com/pescanova_es



+ 13,000 followers on LinkedIn
linkedin.com/company/nuevapescanova



+ 160,000 followers on Facebook
facebook.com/pescanova/

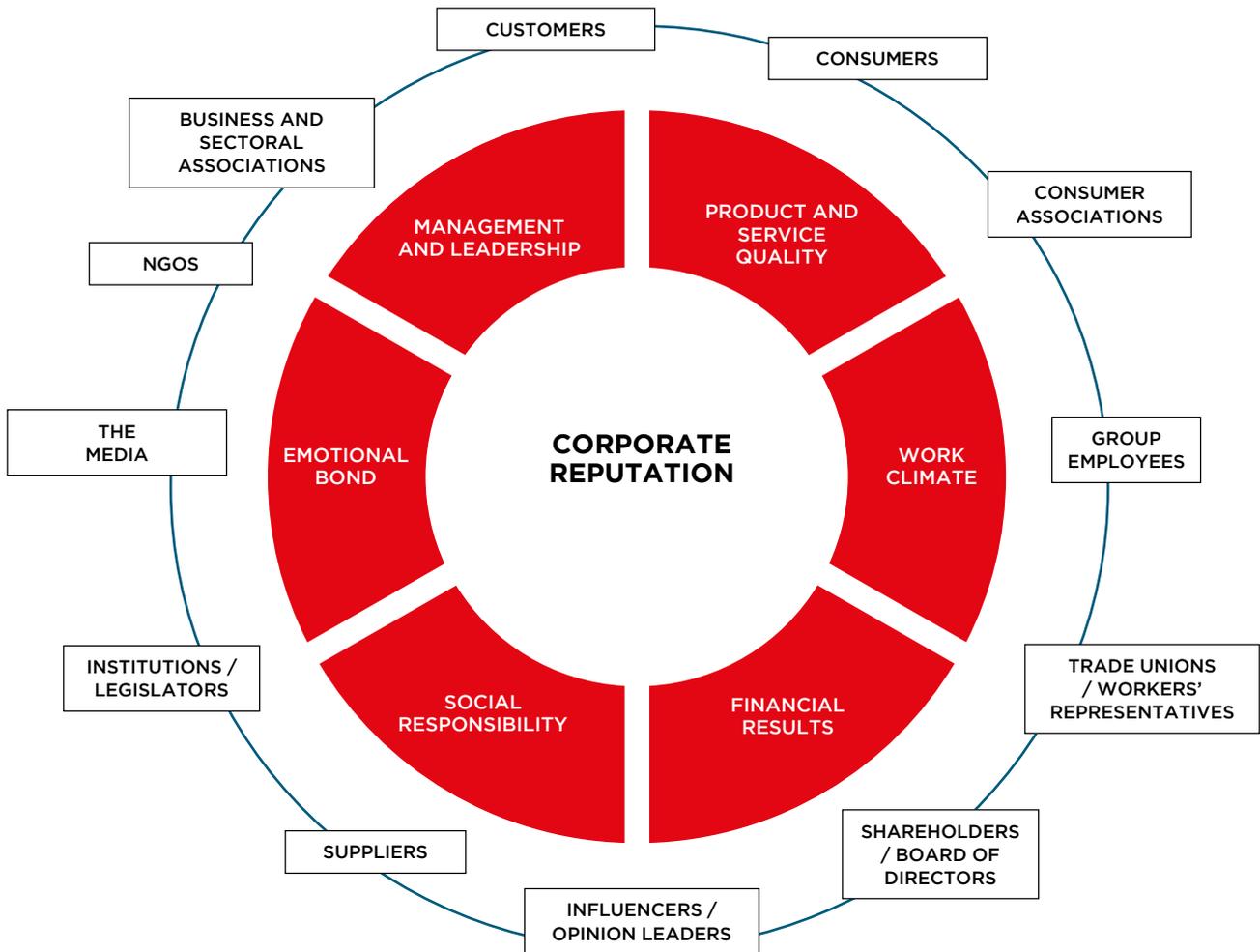


+ 10,300 followers on Instagram
instagram.com/pescanova_es/



+ 4,600 subscribers on Youtube
<http://www.youtube.com/user/videorecetas>

AUDIENCE MAP



COMMUNICATION CHANNELS BY STAKEHOLDER

Consumers

- Website
- Social networks
- Customer care service (Telephone and email)

Customers

- Website
- Social networks
- Trade fairs, forums and conferences
- Climate and leadership surveys

Suppliers

- Website
- Social networks
- Trade fairs, forums and conferences
- Meetings and regular visits

Group employees

- Breakfasts with the CEO
- Email
- Intranet and websites
- Internal publication (NovaNews)
- Social networks
- Departmental and inter-departmental meetings
- Information panels and posters
- Internal surveys

Public authorities

- Website
- Trade fairs, forums and conferences
- Meetings and encounters
- Email

Media

- Website
- Social networks
- Email
- Regular meetings
- Encounters with journalists

Sectoral associations

- Website
- Social networks
- Trade fairs, forums and conferences
- Regular meetings
- Association committees

Shareholders

- Email
- Annual General Meeting



Consumer Support Telephone Number: 902 999 333



www.nuevapescanova.com
www.pescanova.es



VALUE CHAIN

Vertical and Horizontal Sustainability

Our Strategic Plan has materialized in significant investment in each of the activities of our value chain. Common denominators include the guarantee of sustainable, environmentally friendly practices, the use of innovative, highly efficient technologies, and the creation of new product lines based on consumers' needs.

3.1. FROM THE SEA TO THE TABLE: WE FISH

THE ANCIENT ART THAT KNOWS THE SEA'S SECRETS

Fishing is the most emblematic flagship of the Nueva Pescanova Group, which led us to achieve a leadership position over 50 years ago and continue to be an international benchmark. Our vessels operate in the best fishing grounds with a single purpose: bring the freshness of the sea to our consumers' tables.



Since 1961 we have sailed the seas in search of the best fishing grounds in the world. We were pioneers in the construction of the first vessel to include on-board freezing technology. It was followed by others which, at the time, were the largest freezer vessels and the first to process fish in the open sea. This event revolutionized the fishing industry and consolidated the Pescanova brand in a leadership marked by innovation and the guarantee of always preserving the freshness and quality of its product.

Today we continue to be a benchmark and aspire to improve. Our fleet currently consists of 72 vessels -both freezer and refrigeration- that operate in the main fishing grounds in the Southern Hemisphere. Our vessels combine an ancient activity, such as the capture and

selection of the best marine species, with the modernity of a technology that guarantees the responsible use of the ecosystems of seas and oceans. Over 4,500 people work in the Fishing area of the Nueva Pescanova Group, hanks to whom we have achieved the most important quality and sustainability certificates.



WE RENEW OUR FLEET

Our clear commitment to Innovation and continuous improvement in all our areas of activity led to the renewal of part of our fleet until 2020 with the construction of seven new vessels: three for the Namibian subsidiaries Novanam and Lalandii, and four for Pescamar, the Mozambican subsidiary. It is an innovative and responsible commitment, since they will have high energy-efficient engines, improved equipment for on-board processing and greater comfort for the crew's living and working conditions. They are being built in Galicia -creating 200 jobs- and are expected to be operational between 2019 and 2020.

STRATEGIC PLAN
2020

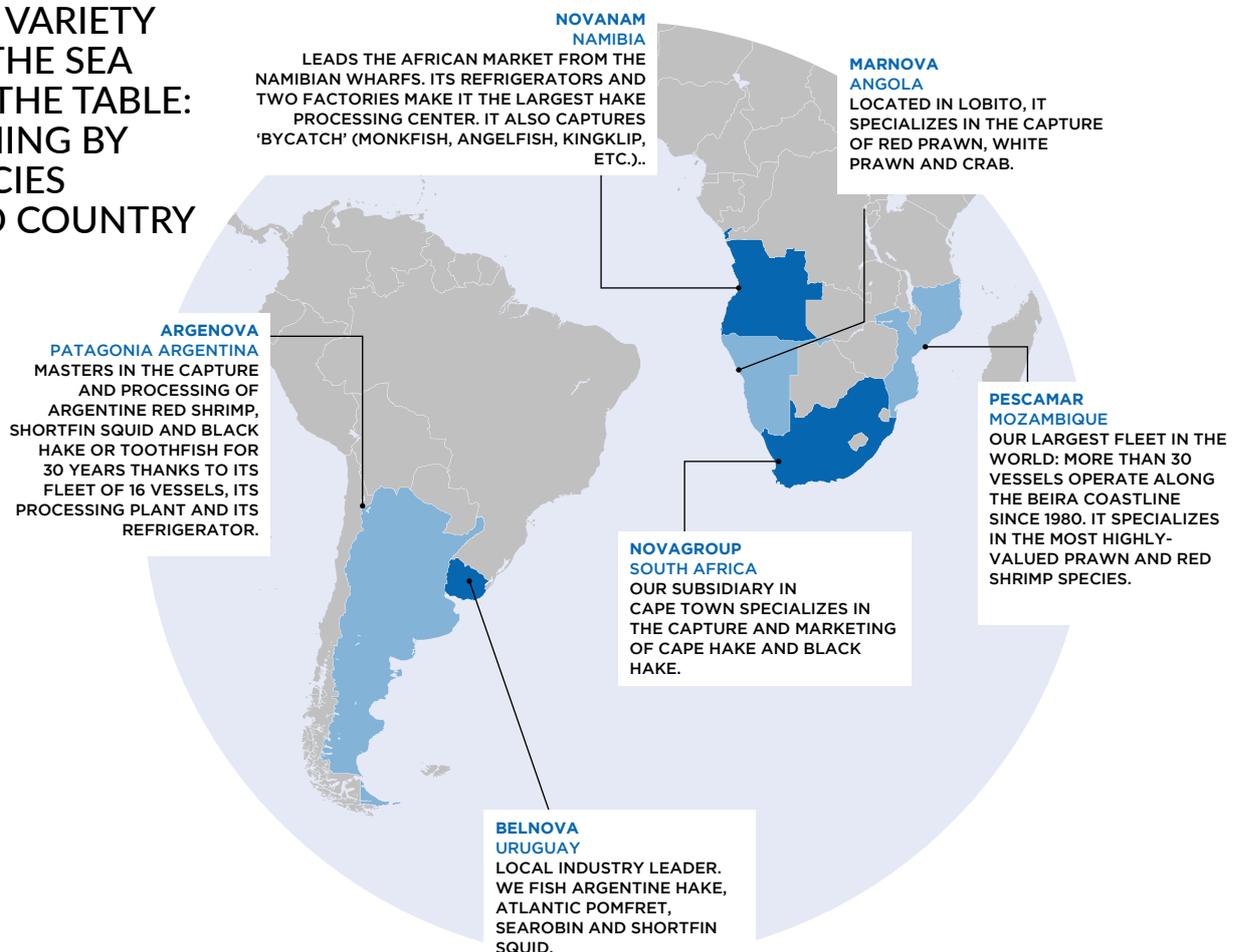
Everyone is aligned to achieve our objectives



In 2016 and 2017 our priority was to improve operability and increase the efficiency of our fishing activity. Another primary objective was to achieve maximum integration between the different fishing subsidiaries that form part of our company, both

in our work method -always focused on bringing the highest quality of the Pescanova brand to consumers- and in the fulfillment of our Code of Ethics and the various commitments arising from our Corporate Social Responsibility policy.

THE VARIETY OF THE SEA ON THE TABLE: FISHING BY SPECIES AND COUNTRY



3.2. AQUACULTURE

SUSTAINABILITY BASED ON THE VALUE CHAIN

Nueva Pescanova is one of the leading world producers of Vannamei shrimp, integrating all the activities of the value chain through full traceability that guarantees quality. We also farm Turbot in Spain and Tilapia in Brazil.



At the Nueva Pescanova Group we know that innovating does not only mean being at the forefront of technology, but also guaranteeing the sustainability and protection of our resources. The growing consumer demand for fish is impossible to meet by only sea fishing, which is why aquaculture has become an essential activity for Pescanova. Our 2020 Strategic Plan has envisaged heavy investment in our aqua-

culture plants. One of the most important actions in 2017 was the creation of Camanica, our subsidiary in Nicaragua, responsible for more than 50% of prawn production and exports, in which we have invested €8 million in the construction of new infrastructures that will allow us to increase production capacity by 7,000 tons.



Vannamei shrimp

We are one of the largest turbot producers in the world of this species. We integrate all our activities in the value chain, from the production of select larvae to the preparation of products, which offers us absolute traceability and quality guarantee. Some of our bio production zones have obtained BIO certifications from external laboratories.

| |
|----------------|
| CAMANICA |
| 4,500 hectares |
| 30,000 Tm/year |
| NOVAGUATEMALA |
| 141 hectares |
| 5,000 Tm/year |
| PROMARISCO |
| 3,000 hectares |
| 90,000 Tm/year |



turbot

Our turbot facilities are the most important in the world. Located in Galicia, the turbot is born and grows in the best environmental conditions.

| |
|-----------------------|
| INSUIÑA |
| 63,300 m ² |
| 2,800 Tm/year |



tilapia

It lives in warm freshwater regions. The production of this species is destined for the country's local consumption. Its production has become widespread as a result of its nutritional qualities and excellent taste.

| |
|------------------|
| PESCANOVA BRAZIL |
| 4,000 Tm/year |

*Tm/year indicates production capacity

AT THE FOREFRONT OF WORLD R&D&I

We will shortly be commencing construction on the Pescanova Biomarine Center, an international benchmark in Aquaculture R&D&I. It is located in O Grove (Galicia, Spain) and we will also carry out research to improve the farming of commercial marine species in terms of genetics, nutrition, handling and health.



RESPONSIBILITY

Our commitment to sustainability is a value rooted in our DNA, which is why we promote aquaculture as a guarantee for preserving the aquatic ecosystem and offering safe, healthy and controlled resources. All our farms comply with the most stringent quality and sustainability standards, which guarantee the adequacy of the practices followed.



7,500

HECTARES DEVOTED TO FARMING
(equivalent to 15,000 soccer fields)

4,808

EMPLOYEES

Ecuador larvae farming guarantee

SHRIMPS
BIO
PRODUCTION
ZONES

NICARAGUA,
THE LARGEST
PRODUCTION
CENTER IN
AMERICA

IN FIVE
COUNTRIES
FARMING
SHRIMPS, TURBOT
AND TILAPIA

CERTIFICATES:
GLOBAL G.A.P,
IFS, BAP,
ISO 9001,
ISO 14001



3.3. WE PROCESS

FOCUS ON CONSUMERS

We prepare our products in 16 processing plants distributed across nine countries in Africa, America and Europe. They are ultimately focused on consumer satisfaction and equipped with cutting-edge technology, being continuous improvement processes, quality and innovation key aspects in the development of our industrial strategy.



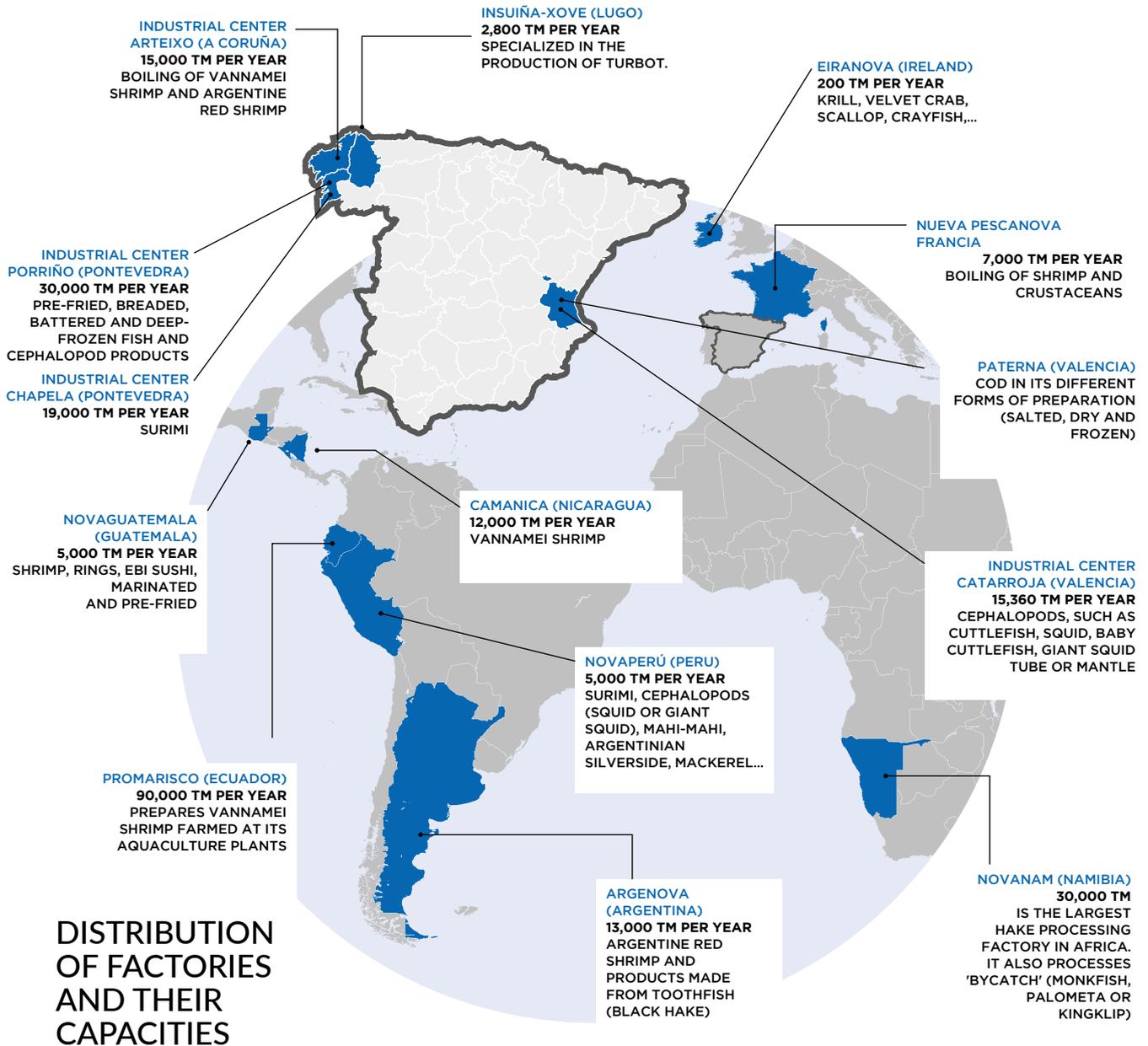
The last two years have been essential to innovate in our preparation and transformation processes.

The Pescanova brand's reputation is built on the freshness, quality and nutritional value of its products, and our Group has identified the opportunity of reinforcing this merit by investing in a new organizational model.

Our challenge was to achieve the objectives established in the 2020 Strategic Plan through the real commitment of the people who work in our factories,

and have implemented it through the Excellence System program. This new work paradigm has allowed us to optimize costs, improve our work organization and achieve greater sustainable operability, with the aim of maintaining the highest quality and meeting new market demands through surprising and especially attractive product ranges (see section 3.4).

At Pescanova we innovate, providing added value to our products to adapt to new market trends.



DISTRIBUTION OF FACTORIES AND THEIR CAPACITIES



EXCELLENCE SYSTEM

Based on Lean methodologies, we have generated new work dynamics with a focus on people. We foster team work, constant self-improvement, proactivity and respect as basic values to focus on the well-being of our customers and consumers. This is the nature of the Nueva Pescanova Excellence System.

SIX KEYS TO ACHIEVING EXCELLENCE

1 DEMAND PLANNING

We strive to streamline the demand planning process through effective management and team work

2 INNOVATION

New technologies to guarantee safe environments and preserve food freshness

3 EFFICIENCY

We invest in energy efficiency and optimization to reduce costs in all areas and drive sustainability and profitability

4 PARTICIPATION

We foster the commitment and motivation of all our teams

5 QUALITY

Food traceability and safety are essential, which is why we certify all our activities

6 GLOBAL SUPPLY NETWORK

What we do not obtain from our fishing vessels is provided by rigorously selected suppliers

3.4. OUR PRODUCTS

THE SECRET TO OUR PRODUCT RANGE

We have been bringing the best seafood products and their freshness to millions of tables around the world for nearly 60 years, making innovation, freshness and quality the hallmarks of the Pescanova brand. Today, our products are present in 80 countries on five continents.



Pescanova pioneered the introduction of frozen seafood products in Spanish households and in many other countries in the 60s and 70s. We fish or farm the best fish, crustaceans and shellfish, which makes us one of the few multinational companies to control the entire value chain, from the sea to the table, and with a loved and well-known brand.

With this innovation, Pescanova gave families access to fish any day of the week, given the health benefits of its consumption. Now we have a new purpose, to continue to bring the freshness of the sea to households but adapting to new consumer-focused trends: easy-to-

prepare dishes, refrigerated (fridge) seafood products, new traditional recipes from other countries and “home snacking” moments, without sacrificing health, pleasure, freshness and quality.

We sell over 500 varieties of more than 70 species worldwide and have commercial offices in Spain, USA, Japan, Greece, France, Brazil and Portugal, through which we market on the five continents. Innovation, quality and brand value are the differential values of our international leadership, especially in Spain and Portugal, where we are indisputably the preferred industry brand.

CONSUMER FOCUS

In line with our 2020 Strategic Plan, we have reinvented our product range. Innovating is a continuous improvement challenge: we are aware that we live in a society undergoing permanent change and at such an accelerated pace that many people find it impossible to maintain a healthy diet. That is why we have put consumers at the center of our innovation strate-

gy with four key aspects: provide tasty, very healthy, easy-to-prepare food products certified in terms of sustainability and quality.

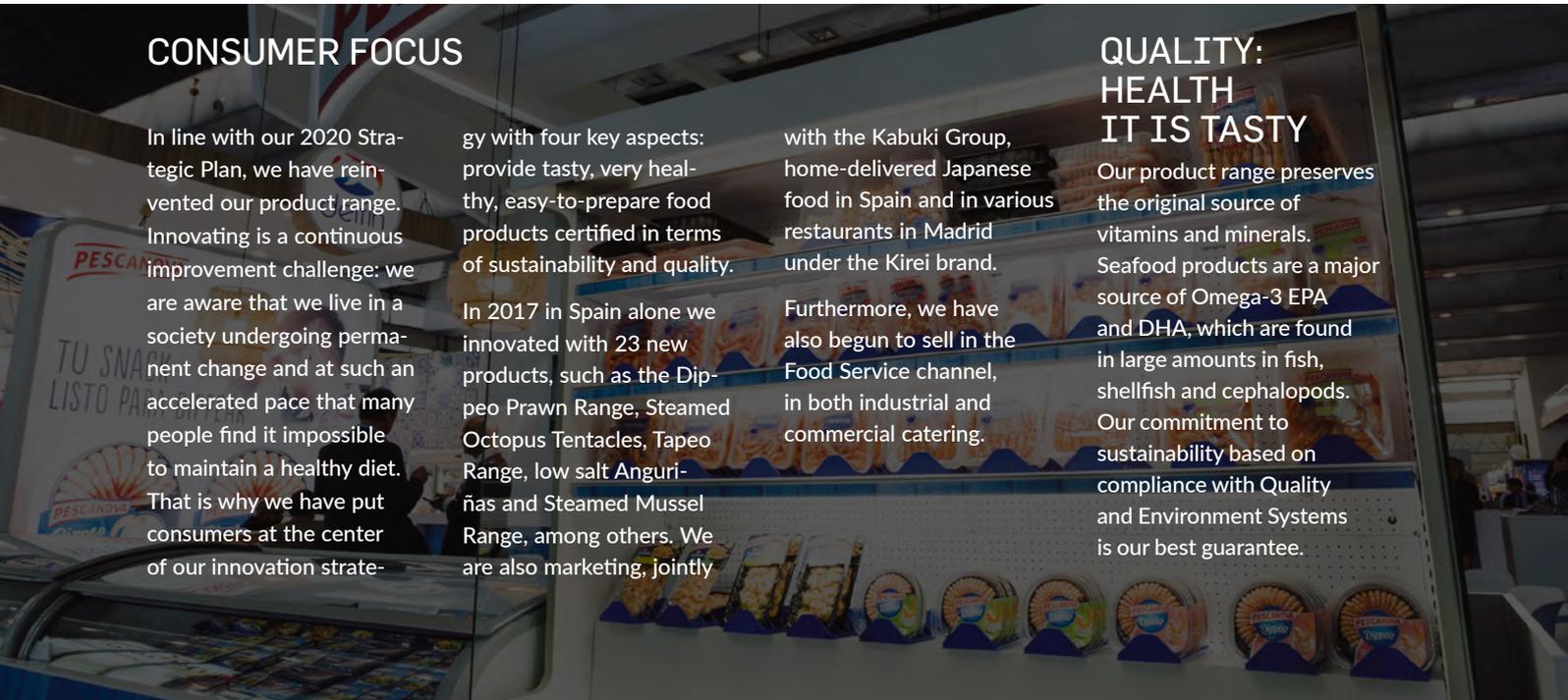
In 2017 in Spain alone we innovated with 23 new products, such as the Dippeo Prawn Range, Steamed Octopus Tentacles, Tapeo Range, low salt Anguriñas and Steamed Mussel Range, among others. We are also marketing, jointly

with the Kabuki Group, home-delivered Japanese food in Spain and in various restaurants in Madrid under the Kirei brand.

Furthermore, we have also begun to sell in the Food Service channel, in both industrial and commercial catering.

QUALITY: HEALTH IT IS TASTY

Our product range preserves the original source of vitamins and minerals. Seafood products are a major source of Omega-3 EPA and DHA, which are found in large amounts in fish, shellfish and cephalopods. Our commitment to sustainability based on compliance with Quality and Environment Systems is our best guarantee.



FROM IDEA TO DISH: HOW WE INNOVATE AT NUEVA PESCANOVA

We organize projects that integrate professionals along our entire value chain. Together we define a strategy and prepare a systematic plan

We explore: we think and research the trends and needs of society

We develop new concepts: we dare to change what is established

We create products: we test over and over until we are convinced

We take the plunge: we present consumers with a healthy, tasty and quality product

We observe: we study the results and strive for continuous improvement



RENEWING THE PESCANOVA BRAND



With the creation of Nueva Pescanova we decided to relaunch our brand, which we renewed in 2017. The new image promotes its personality more, transmitting emotion, movement, novelty and modernity, capable of connecting with the most loyal buyers while being suggestive, attractive and novel for younger buyers.

The new logo is inspired in the freshness of marine environments and in the dynamism transmitted by flags flying in the wind. This allows us to transmit the company's new DNA at a glance, which seeks to bring the freshness of the sea to consumers' tables with the same quality as over each and every one of its 57 years of history.

PESCANOVA INSPIRES TRUST

Pescanova is a much-loved consumer brand. Pescanova moved up the ranks in 2016 and 2017, becoming the fifth Consumer Packaged Goods brand with the greatest penetration in Spanish households. Pescanova is present in 64% of Spanish households through its variety of frozen and refrigerated products. We continue innovating in products and targeting more spontaneous, convenient consumption moments adapted to current trends.

TOP 50

Nueva Pescanova, ranked among the 50 companies with the best reputation in Spain

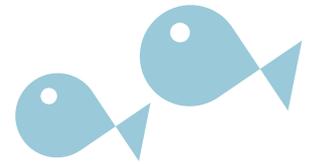
55TH BRAND

we are the fifth brand in spanish households

700,000

In 2017 we entered 700,000 households in Spain





PRESENT AT THE BEST TRADE FAIRS

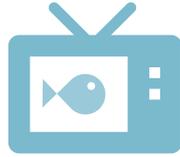
We participate in the most important trade fairs of the industry in those markets we consider strategic to the company's growth. The Boston and Brussels Seafood Expos, and the Conxemar Fair in Vigo, are some of the sectoral exhibitions where Pescanova usually stands out.



GASTROBUS, SHOWCASING PESCANOVA ACROSS SPAIN



In 2017 a Pescanova Gastrobus began to cross Spain, bringing our brand and our new products with a fresh and updated image to a young audience at concerts, sporting events... both selling and sampling our products.



We return to television

Pescanova reinvested in marketing and advertising in 2017. In the sales channel we renewed our product packaging at global level. Product and brand campaigns were also launched on Spanish television as part of a digital and public relations strategy. We announced our prawn dips with the slogan “Nova: catching the shrimp ring”. The Christmas campaign was “The message of the queens”.



3.5. CERTIFICATIONS

HIGHEST QUALITY INTERNATIONALLY ENDORSED

Our activities and facilities are endorsed by the most prestigious international certifications, since quality and environmental protection are the differential values of our company.



At the Nueva Pescanova Group we are committed to maximum quality, food safety and environmental protection. The globalized world allows us to subject

ourselves to legal frameworks and certifications valid for all the countries where we are present, which help us to achieve this objective.



| | |
|---|--|
|  VANNAMEI AQUACULTURE |  FISHING COMPANIES |
| <p>NOVAGUATEMALA — IFS - BAP</p> <p>CAMANICA — IFS - GLOBAL GAP - BAP</p> <p>PROMARISCO — IFS - GLOBAL GAP - BAP</p> <p>ABAD OVERSEAS PVT. LTD. — IFS</p> | <p>NOVANAM (DOP) — IFS</p> <p>NOVANAM (SCT) — IFS</p> <p>NOVAPERÚ — BRC</p> |
|  TURBOT AQUACULTURE |  INDUSTRIAL CENTRES |
| <p>INSUIÑA MOUGAS — ISO 9001 - GLOBAL GAP ISO 14001 - EMAS</p> <p>INSUIÑA XOVE — IFS - GLOBAL GAP ISO 14001 - EMAS</p> | <p>ARTEIXO (SP) — IFS - ISO 14001</p> <p>CHAPELA (SP) — IFS - ISO 14001</p> <p>PORRIÑO (SP) — IFS - ISO 14001</p> <p>PATERNA (SP) — IFS - ISO 14001</p> <p>CATARROJA (SP) — IFS</p> <p>BOULOGNE (FR) — IFS</p> <p>LORIENT (FR) — IFS</p> |



OUR PRIORITY

People, at the center of our project

A company's employees are the basis and driving force of its entire structure. At Nueva Pescanova we value our employees above all else, since they incarnate our company's ideals in their daily activity. With the aim of promoting and developing their talent, in 2016 and 2017 we carried out a large-scale deployment of prevention training and labor policies; we also renewed the People Leadership Department model to favor the comprehensive development of our staff.

4.1. EMPLOYEES WORLDWIDE

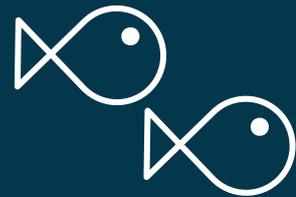
OVER 11,000 PEOPLE ON FOUR CONTINENTS



11,423
TOTAL
EMPLOYEES



4,882
PEOPLE IN
OUR FISHING
ACTIVITIES



4,808
PEOPLE IN THE
AQUACULTURE
AREA



334
PEOPLE BRINGING
THE FRESHNESS
OF THE SEA TO
THE TABLE IN OUR
COMMERCIAL
TEAM



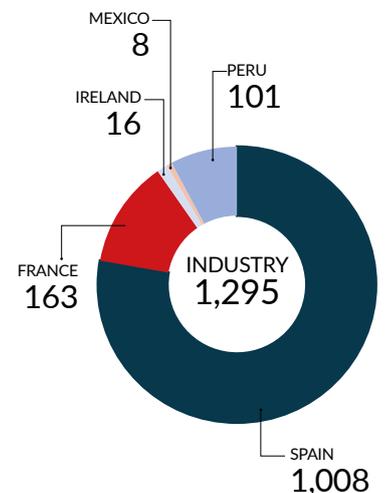
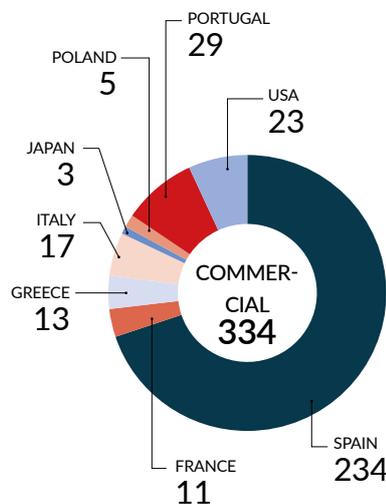
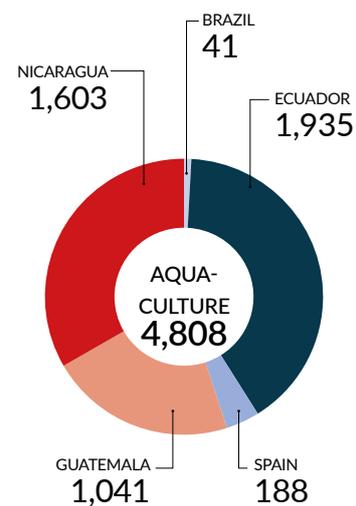
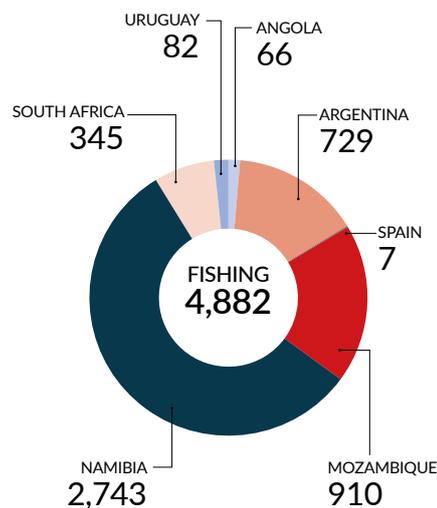
4,352
WOMEN FORM
PART OF
OUR STAFF
WORLDWIDE

People are our company's greatest asset. The effort and enthusiasm of each member of this great team are essential for the Nueva Pescanova Group to continue being an international benchmark due to the quality of its products and its ethical and social commitment. We are committed to the development of individual and collective talent, team work and commitment to excellence. At Nueva Pescanova we learn how to improve every day thanks to the thousands of women and men to whom we owe what we are.

EMPLOYEES BY COUNTRY AND AREA OF ACTIVITY

11,423 PEOPLE
HEADCOUNT AT THE
END OF 2017

LESS THAN 5%
ARE EXTERNAL
PERSONNEL



*Factory personnel in the countries where we fish and farm are included in these areas.

4.2. OUR HUMAN RESOURCES POLICIES

TEAMING UP IN EXCELLENCE AND COMMITMENT

11,000 employees make up our most valuable asset and are our quality guarantee. At Nueva Pescanova we assign major resources to develop the talent of each person, inviting them to become drivers of transformation at our company because we know that, not only do we benefit from their enthusiasm and effort, but we can also achieve excellence and contribute value to society.



Our work culture focuses on developing leadership in teams and people: we manage talent flexibly: believe in meritocracy and reward employees in accordance with their results. The joint commitment of our staff is materialized in the alignment of each employee with our responsibility towards the planet and communities, as well as towards constantly improving product quality.

We believe that our company is a door to the personal and professional growth of our employees, which is why we invest in an exciting training and talent development program. In this regard, in 2016-2017 our greatest investment was the implementation of the Ábaco project and the various training programs (Inicia, Avanza and Lidera). Moreover, we have successfully invested in the improvement of our prevention policy.

PEOPLE ORGANIZATION DEPARTMENT MODEL



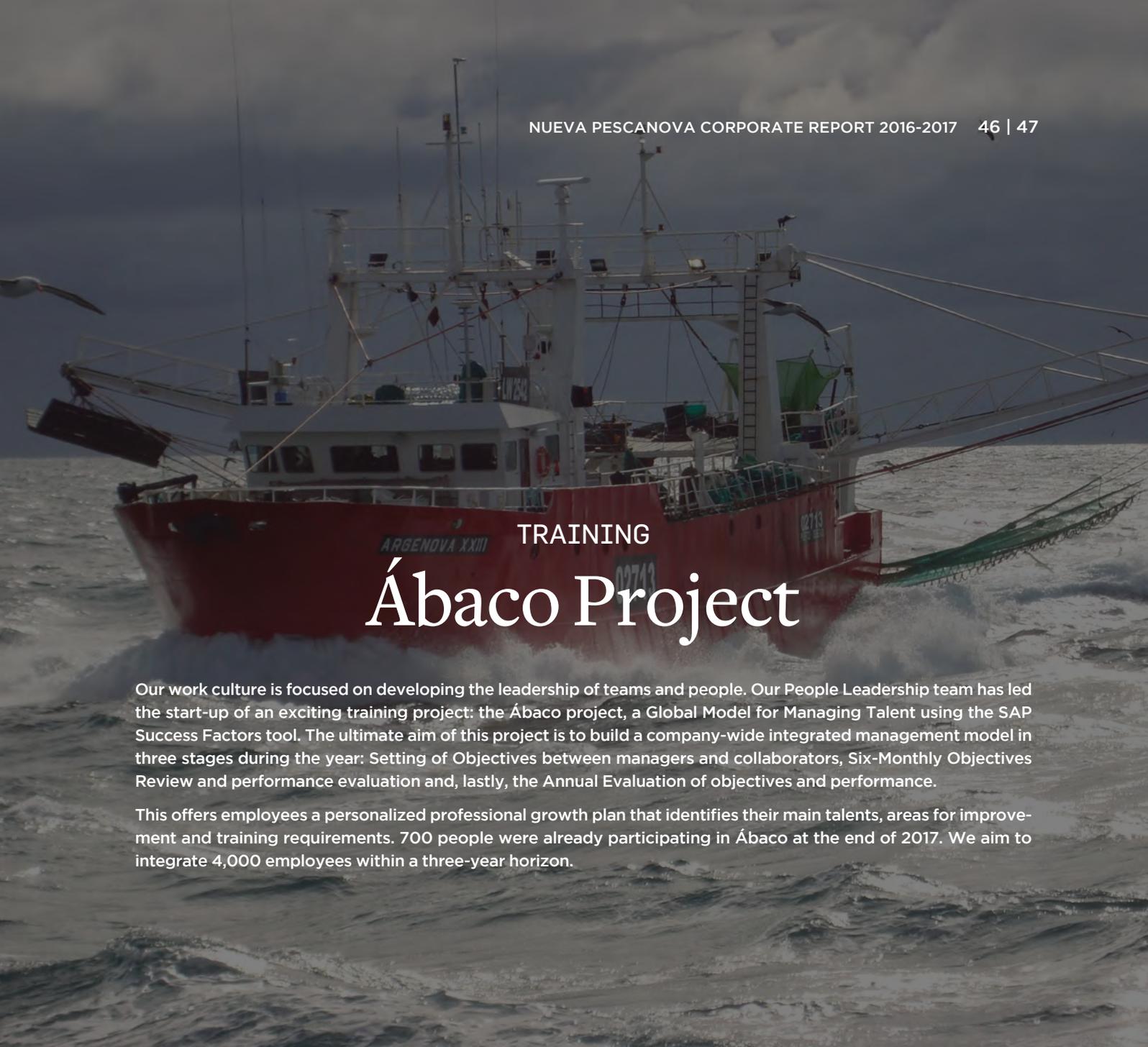
TRANSFORMING THE COMPANY FROM THE INSIDE OUT

We have designed a new people service model. Integration was the key concept for setting our in people management and leadership objectives for 2020. Our vision is to consolidate interconnection, wherein the work environments reinforce the

relationship between teams, promote training, simplify processes and consolidate the leadership of the responsible persons. We are moving towards a more creative, innovative and agile culture in the daily lives of our employees.

To this end, we have restructured and reinvented the organization of our People Leadership Department, interconnecting its three areas: program and process design, definition of strategies by area and staff programs.

It is a commitment to service to people as a way of becoming a high performance company, driven by inspirational leadership and a team strengthened in all its dimensions.



TRAINING

Ábaco Project

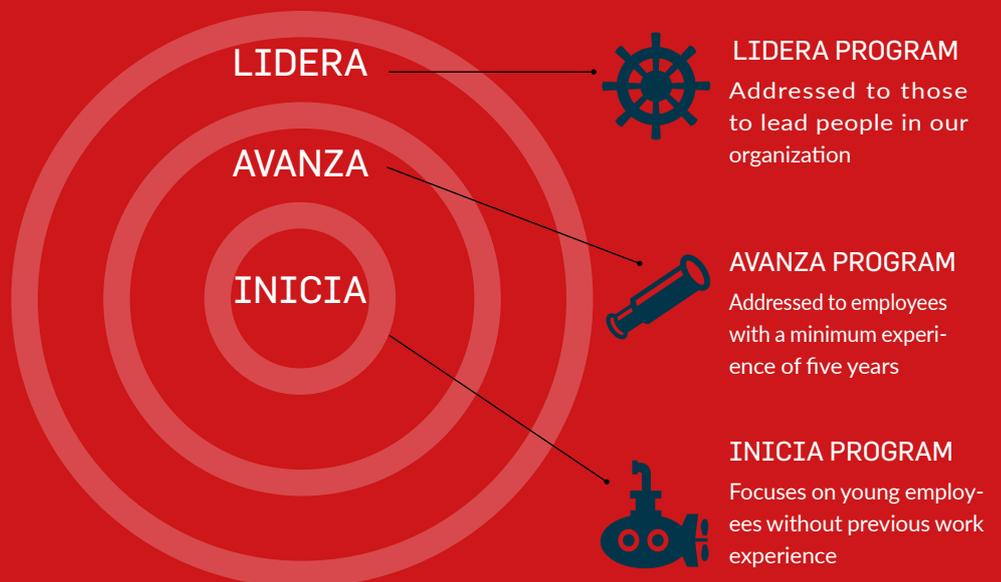
Our work culture is focused on developing the leadership of teams and people. Our People Leadership team has led the start-up of an exciting training project: the Ábaco project, a Global Model for Managing Talent using the SAP Success Factors tool. The ultimate aim of this project is to build a company-wide integrated management model in three stages during the year: Setting of Objectives between managers and collaborators, Six-Monthly Objectives Review and performance evaluation and, lastly, the Annual Evaluation of objectives and performance.

This offers employees a personalized professional growth plan that identifies their main talents, areas for improvement and training requirements. 700 people were already participating in Ábaco at the end of 2017. We aim to integrate 4,000 employees within a three-year horizon.

COMMITTED TO TALENT

We have invested in specific training and talent development programs at each stage of our employees' professional career.

These programs work with cross-cutting competencies for each professional stage, such as team work, change management, negotiation and leadership competencies, with the objective of implementing new talent management models within our Group.



WE BELIEVE IN A SOLID AND LONG-TERM RELATIONSHIP WITH OUR EMPLOYEES

Talent Management

In 2017 we approved the Corporate Talent Management Policy in the Group, which includes new internal promotion (with equal opportunities between employees), performance evaluation and succession policies

7

COLLECTIVE BARGAINING AGREEMENTS



We have approved seven new collective bargaining agreements

59,176 hours of training

Argentina 895
Ecuador 7,655
Spain 13,000
France 1,247
Guatemala 1,585
Ireland 124
Mozambique 22,352
Namibia 3,145
Nicaragua 6,755
Peru 1,137
Portugal 1,281

STAR VALUES

Commitment, investment and sustainability

1

DNA

We encourage our employees to integrate the company's values, fostering their participation in the social actions organized by Nueva Pescanova.

2

reconciliation

We support and facilitate work-life balance. We have started up the creation of an equality plan to avoid any labor injustice that puts any member of the company in a position of inferiority of opportunities.

3

promotion

We encourage each employee to achieve individual and collective milestones, rewarding and recognizing their achievements.

4

training

We have proposed specific talent management programs at all stages. We believe in a solid and long-term relationship with our collaborators.

5

regulations

We regularly revise and evaluate Labor Risk regulations and improve our prevention policy plan.



PREVENTION

Anticipation and Safety



The quality of our activities is not based solely on environmental protection, but also on guaranteeing our employees' optimal safety conditions. The ultimate aim of our ongoing effort to improve prevention policies is to reduce employee accident rates to zero; therefore, this has been one of the Group's main areas of action in the last two years.

During this period we have reviewed and improved Labor Risk regulations, regularly assessing our facilities and investing in action plans, implementation and training in preventive culture. In 2017, we reduced occupational accidents by 16% with respect to 2016 (from 437 to 367), in addition to their Frequency Rate, which fell by 30%. Workdays lost due to accidents fell by 48.3% (from 10,400 to 5,371).

DIVERSITY, EQUALITY AND CORPORATE CULTURE



The principles that guide our employee policies are defined by our Corporate Social Responsibility. In addition to promoting a safe and healthy work environment and continuous training plans for our employees, we have established respect for diversity and the creation of a common corporate culture as drivers for creating our Human Resources programs. Equal opportunities and pride of belonging to the Group ensure that we maintain a relationship of trust with suppliers, customers, consumers and communities.

ACTION AREAS

- Measurement, professional growth and empowerment plans.
- Promotion of elementary education programs in developing countries and inclusive work systems.
- Implementation of medical examination and healthy habit programs; recognition of veterans and pensioners; development of equality and diversity plans.



5 SENSES

- I SEE WITH MY EYES
- I HEAR WITH MY EARS
- I SMELL WITH MY NOSE
- I TASTE WITH MY TONGUE
- I TOUCH WITH MY HAND

Days of the Week

PRINCESS OF everything!

10

CSR

Planet, People, Product and Communities

At the Nueva Pescanova Group we develop CSR on the basis of four pillars to efficiently put our commitment to society and the environment into practice. In chapters 3 and 4 we detailed our strategy on the basis of two of those pillars: products and people. In this chapter we expound our action plans for our planet and communities.

5.1. OUR PLANET AND SUSTAINABILITY

WE ARE ALL RESPONSIBLE FOR THE FUTURE OF OUR PLANET

Sustainable management is the only way of achieving balance between our activity and the sustainability of ecosystems.

Earth and its oceans are our best legacy for future generations.



Our Corporate Social Responsibility focuses systematically and globally on the protection of four pillars: plant, products, people and communities.

We have designed the “Pescanova Blue” program in order to certify the results of these programs. We use this program to certify the sustainability of all the activities of our value chain through proprietary or third-party seals

accredited by the GSSI (Global Sustainable Seafood Initiative) and through fishing improvement projects (FIPs) and available scientific information. All the products we market under the “Pescanova Blue” seal guarantee the sustainable origin of their raw materials and regulatory compliance at each stage of our activity, from origin to their distribution.



PRODUCTS OF OUR VALUE CHAIN



Fishing

We comply with international fishing measures, whether minimum lengths, prohibitions or biological stoppages and selective fishing arts to guarantee the conservation of fishing grounds

We implement and promote fishing stock management initiatives such as NGOs, the Sustainable Fisheries Partnership (SFP) and the Global Sustainable Seafood Initiative (GSSI). We also participate in international fishing improvement projects (FIPs)



Aquaculture

We have Global G.A.P and B.A.P certificates, internationally renowned as best industry practices and endorsed by the GSSI

We collaborate with research centers and universities in relation to nutrition and health



Processing

We invest in more efficient equipment and processes in all our production lines

We are committed to the certification of all our Industrial Centers through the "Pescanova Blue" program (including ISO, IFS and BRC certificates)



Selling

We integrate sustainability with supplier and customer relationship management best practices ethics

We support and sign commercial good practices codes and self-regulation and responsible communication programs in the distribution process

KEYS TO OUR SOCIAL COMMITMENT AND RESPONSIBILITY

CSR

Our Corporate Social Responsibility strategy will be based on four pillars: planet, products, people and communities, which govern all our actions.

COLLABORATION

We cooperate with government institutions, NGOs, private associations and institutions in order to improve the legal and biological management of marine resources.

IMPLEMENTATION

We have deployed our own process and product action and improvement project guidelines. We evidence their sustainability through external certification bodies (GSSI).

INVESTMENT

We innovate in processes and new technologies to increase the efficiency of our activities.

ETHICAL WORK MODELS

Our fishing and aquaculture activities strictly fulfill the principles established by the FAO Code of Conduct for Responsible Fisheries. We integrate the United Nations Sustainable Development Goals in our business model.

ACTION AREAS

Compliance with sustainability regulations and certifications; reduction of electricity and water consumption and greenhouse gas emissions; organic fishing waste recovery projects; waste management, reduction and reuse plans; industrial optimization and efficiency plans; minimization of food waste; responsible use of containers and packaging.

5.2. PEOPLE AND COMMUNITIES



FOCUSED ON PROMOTING LOCAL DEVELOPMENT



The social and responsible identity of the Nueva Pescanova Group is deeply committed to our people and to the communities where we operate. We are involved in the development of a sustainable civil and ethical society in order to generate richness, job opportunities and training in all areas where we are present, in close collaboration with government institutions, NGOs and private bodies.

THE FOUR PILLARS OF OUR CSR



In 2016 and 2017 we supported specific social, educational, commercial and cultural actions and projects in the countries where we are present. The three main pillars of our development activities are:

-Promotion and creation of stable, quality employment that includes a continuous training system for professional development. We are concerned about the professional career and continuous improvement of each of our employees.

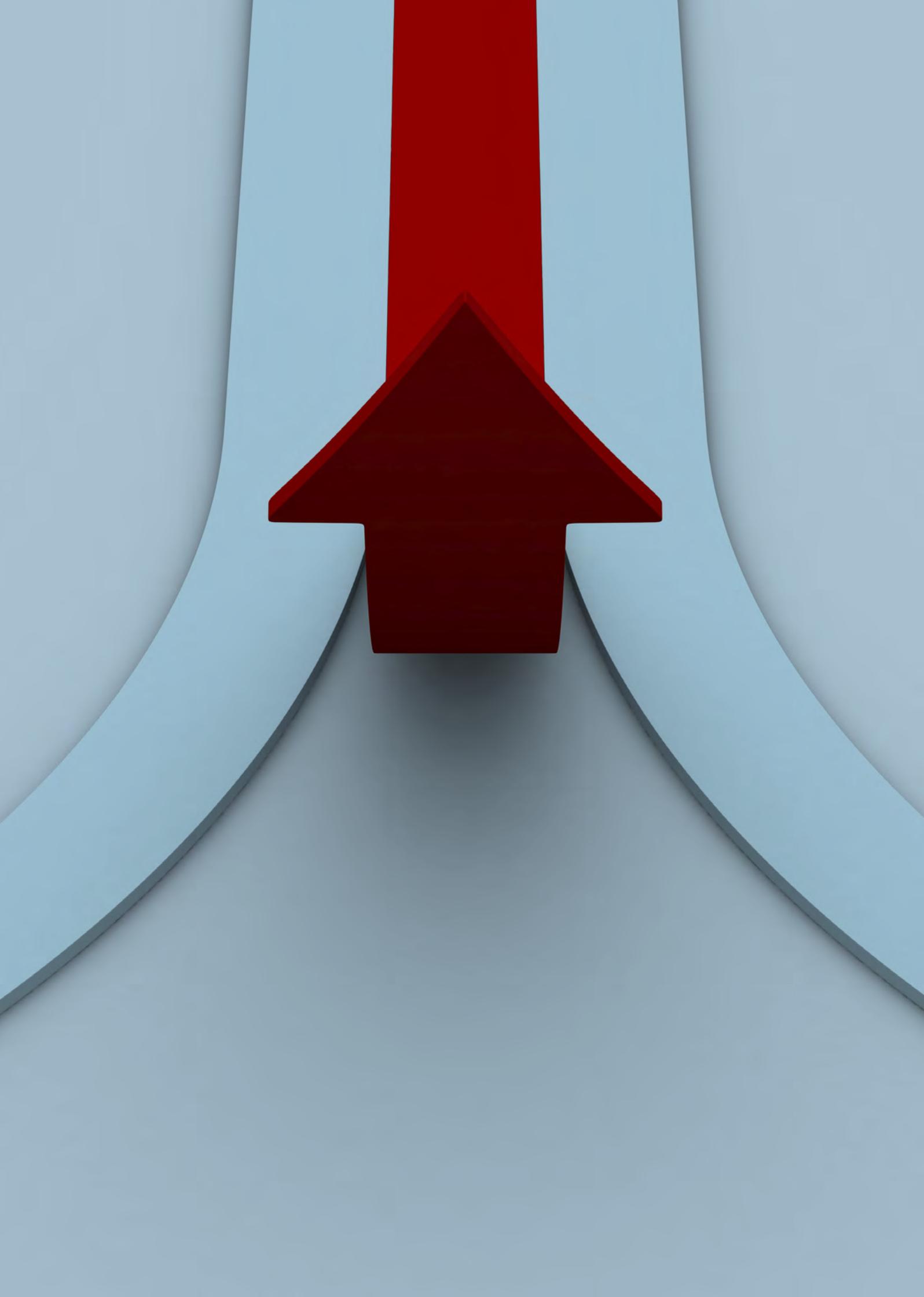
-Investment in quality assets that favor a productive, efficient and sustainable model and, therefore, in alignment with our Code of Ethics and our Fishing Responsibility, Aquaculture, Industrial, Commercial and Environment programs.

-Support and implementation of social projects aimed at improving the quality of life of the environments where we carry out our activity, based on educational improvement and well-being and infrastructure investment programs.



ACTION AREAS

- Contribution to the consumption of fish in markets.
- Promotion of history and culture-related activities in the countries of origin.
- Promotion of new trades and training through programs such as professional cooperation technician training.
- Investment in housing, pre-schooling and schooling programs.
- Support for communities at risk.



Financial Statements

2017 marked a turning point in the Nueva Pescanova Group's course, since we achieved profit one year ahead of our Strategic Plan. Ebitda reached €80 million, up 18% on 2016, sales rose and we restored our equity position on the back of a capital increase of €135 million.

THE NEW COURSE IS DELIVERING RESULTS

Revenue stood at €1,081 million, compared to €1,060 million in 2016



The Nueva Pescanova Group ended 2017 with better results than those projected in the 2020 Strategic Plan for that period, achieving profit for the first time. The company's revenue totaled €1,081 million, up 2% on 2016 (€1,060 million).

Retail channel sales, one of the Group's strategic segments, grew 6.3%.

Total sales grew 2% with respect to 2016 (due mainly to the increase in sales volume and the price effect), which was slightly offset by a decrease in other revenue from the divestment of non-strategic businesses.

In addition to seafood, the Group sells other products such as animal feed, flours, maritime services, etc.

Seafood product sales grew at a faster rate than the rest, 3%, growing from €976 million in 2016 to €1,005 million in 2017.

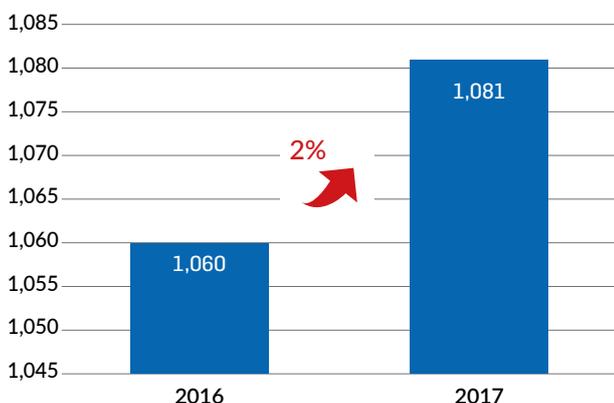
With regard to the aquaculture activity, mention should be made of the increase in prawn production volume with respect to the previous year, despite the fact that production was affected by increased shrimp mortality in the first months of the year.

In fishing, the profitability of both the Southern Cone and Africa grew due to an improved mix of Argentine red shrimp catches, greater volume of Mozambican prawn, shortfin squid and Argentine red shrimp catches. As a result, 2017 was a historical fishing year, recording the best results achieved to date.

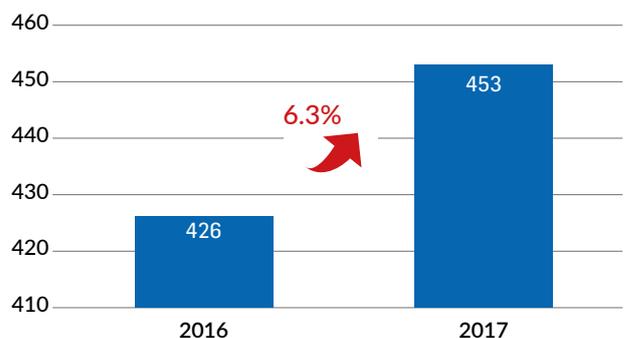
Retail channel sales, one of the Group's strategic segments, grew 6.3%



TOTAL SALES IN MILLIONS OF €



RETAIL SALES OF SEAFOOD PRODUCTS



EBITDA

Management Ebitda grew 18% with respect to the previous year, reaching €80 million.

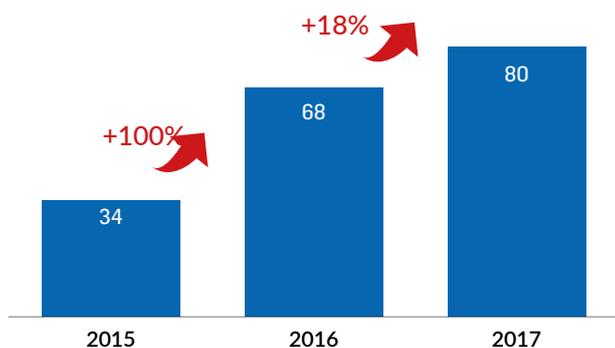
In this way, the Group achieved a positive net result after tax one year ahead of the Strategic Plan, also due to the divestment of various non-profitable assets envisaged in the Plan.

Ebitda was positively impacted by several factors, namely the improved profitability of fishing societies: larger prawn catches and improved black hake fishing methods.

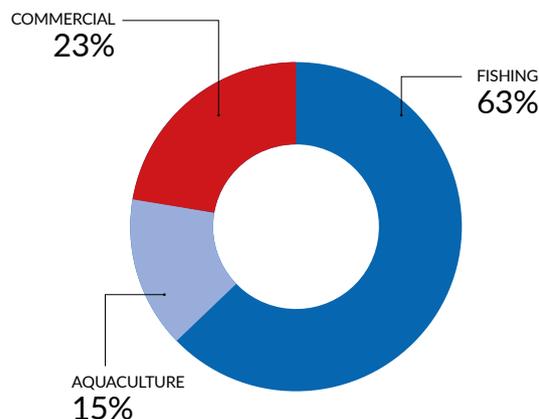
The company recorded Ebitda of €80 million in 2017, up 18% on 2016



EVOLUTION OF EBITDA IN MILLIONS OF €



EBITDA BY BUSINESS AREA (%)



CAPITAL INCREASE

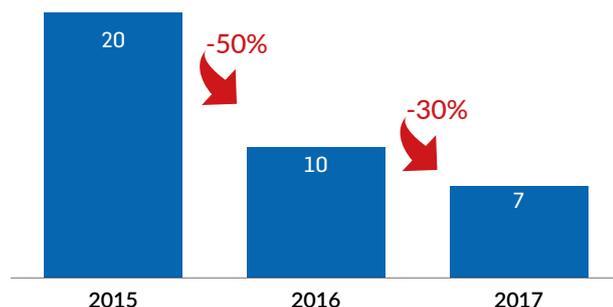
In 2017 we restored the Group's equity position on the back of a capital increase of €135 million



The soundness of the new equity position and reduction in the Group's debt as a result of the capital increase guarantee the resources required to execute the Strategic Plan until 2020. The capital increase performed in 2017 made it possible to increase share capital from €12 million to €146 million.

Similarly, the nominal value of restructured debt was reduced by 35%. Net debt at fair value improved in 2017, reaching a ratio of 6.5.

NET DEBT AS A PERCENTAGE OF EBITDA

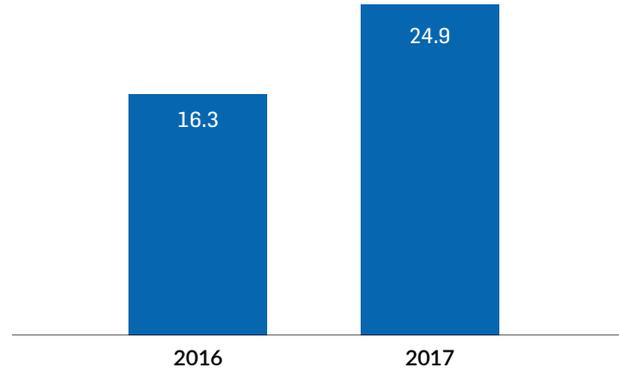


INVESTMENTS

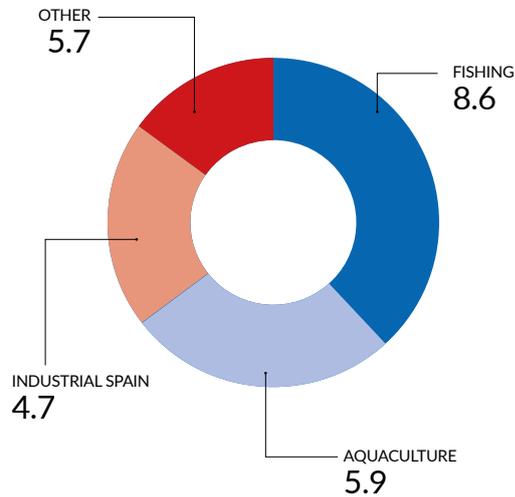
The main investments made in 2017 relate to: cost associated with implementing a new business information and management system (SAP) amounting to €2.1 million and recurring CAPEX amounting to €14.8 million. Additionally, an investment of €7 million in Nicaragua was approved to double the operational hectares and, thus, production.

The Strategic plan approved in 2016 included the renewal of part of the fleet as one of the Group's strategic investments. In 2017 the Group's Management reached an agreement to build seven new vessels, confirming its commitment to maintaining the fishing vocation inherent to the brand, integrating the entire process in the value chain. the freshness of the best seafood products, from capture to consumers' tables.

CAPEX IN MILLIONS OF €



2017 CAPEX IN MILLIONS OF €



DIVESTMENTS

In 2017 various divestment transactions were performed that changed the scope of consolidation of the Nueva Pescanova Group. These transactions formed part of the plan for divesting the non-profitable or non-strategic assets envisaged in the Strategic Plan. The most significant were as follows:

-June 2017: the lender banks of the company Acuinova Actividades Piscícolas, S.A. notified the execution of the guarantee agreement and security interest on shares formalized in previous years. Consequently, it was excluded from the Group. Although up until then the Group's Management had the power to manage the exploitation activities, a firm resolution was adopted to transfer the business to a third party, due to which this company was classified as held for sale in the consolidated financial statements of previous years.

-November 2017: Nueva Pescanova, S.L. sold its entire ownership interest in the capital of the company Hainas y Sémolas del Noroeste, S.A. (Hasenosa).

-December 2017: Novapesca Trading, S.L.U. sold its entire ownership interest in the Group Novahonduras.

The combined profit of these and other transactions totaled €17.1 million, with a net impact on consolidated profit for 2017 of €12.1 million.



GRUPO NUEVA PESCANOVA

C/ Rúa José Fernández López, s/n | 36320 Chapela. Redondela. (Pontevedra) | Spain Tel. +34 986 818 100

www.nuevapescanova.com