



Welcome!

Quarterly update
Q3 2024

bonafide



Q3 2024 Quarterly update

When Salmon Meets Netflix: A Journey into the World of the Blue Economy



Bonafide: On Location for Business, Not Family Drama – Even with a Billionaire Island Backdrop!



Ocean Farm 1 - The future of aquaculture?



Cod Farming – A business model for the future?



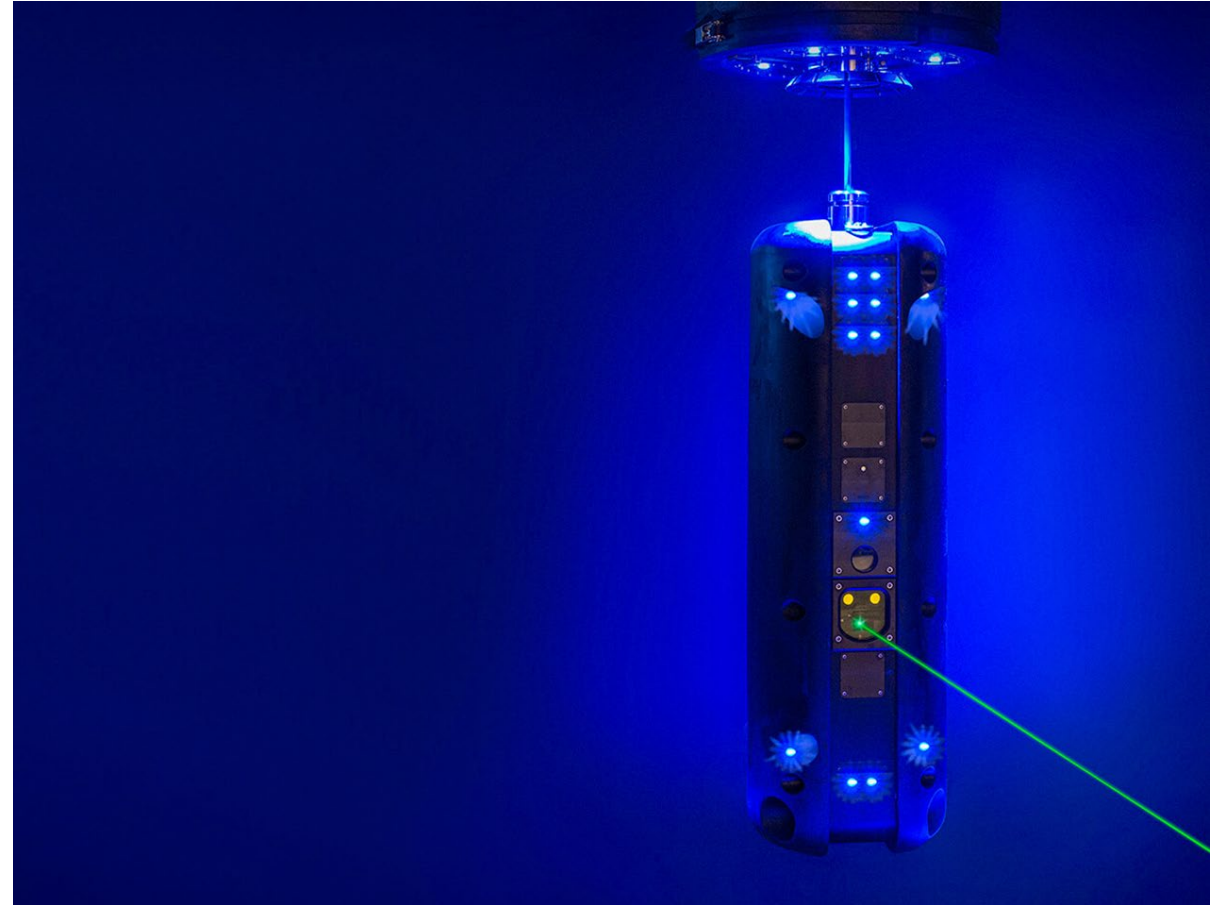
Automation – Where do we stand today?

Where Smart Money invests...

Novo Holdings, with assets of €149 billion (\$163 billion USD) at the end of 2023, is owned by the Novo Nordisk Foundation and holds majority stakes in Novo Nordisk and Novonesis.

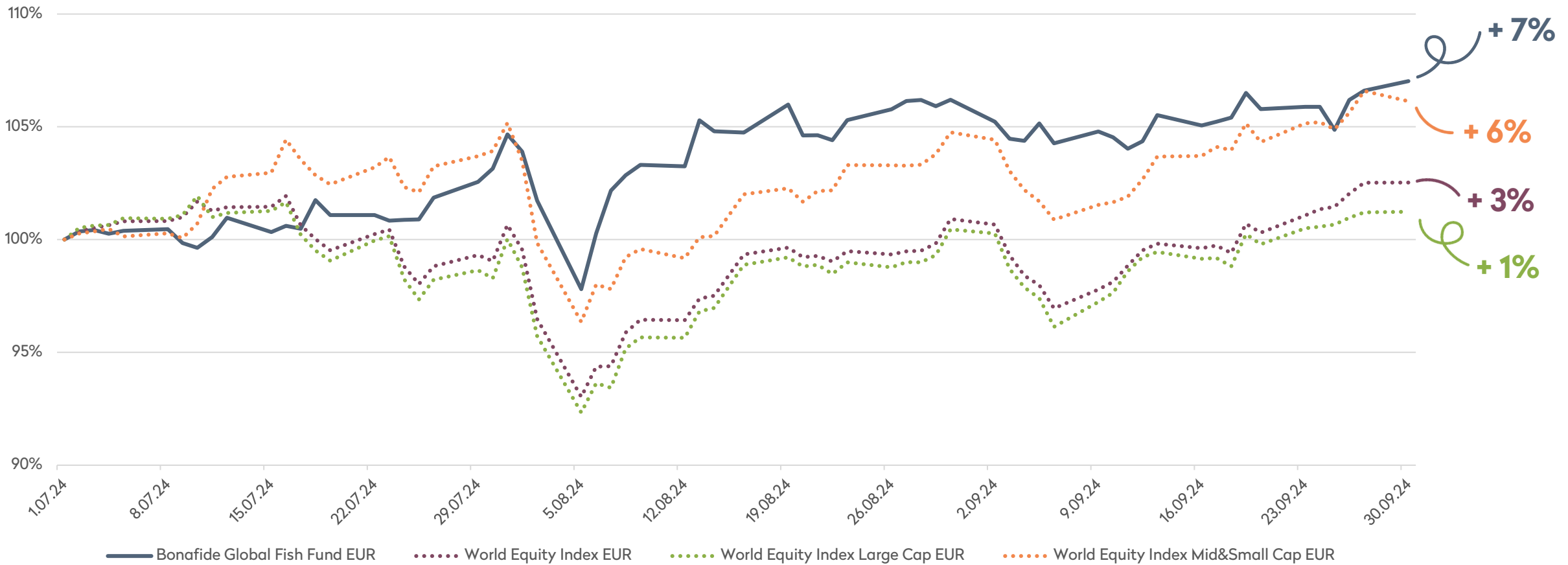
The latest investment in Stingray Marine Solutions comes from the Planetary Health Investments team and marks the team's first venture into aquaculture technology.

Source: SeafoodSource, Stingray Marine Solutions



Bonafide Global Fish Fund EUR vs. World Equity

Q3:
+6.83%



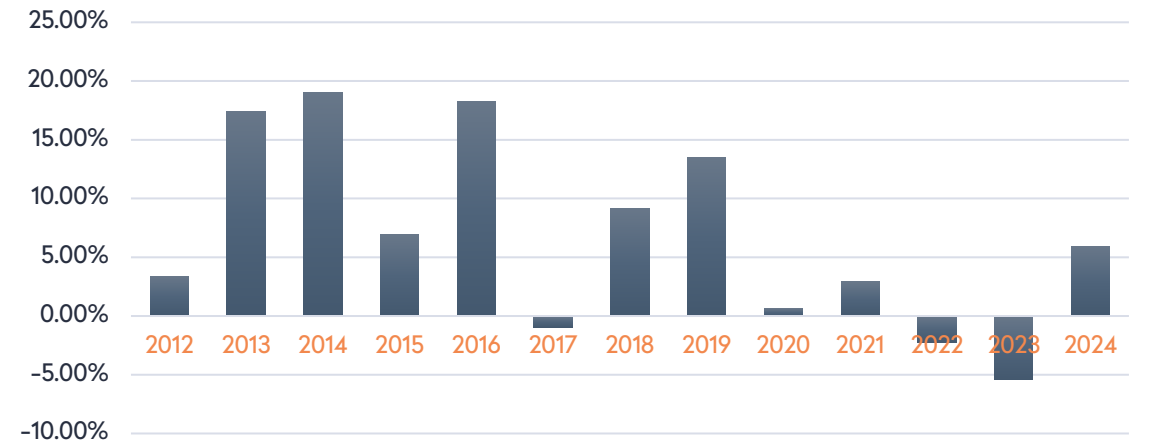
Source: Bonafide, Bloomberg

Successful Quarter for the Bonafide Global Fish Fund

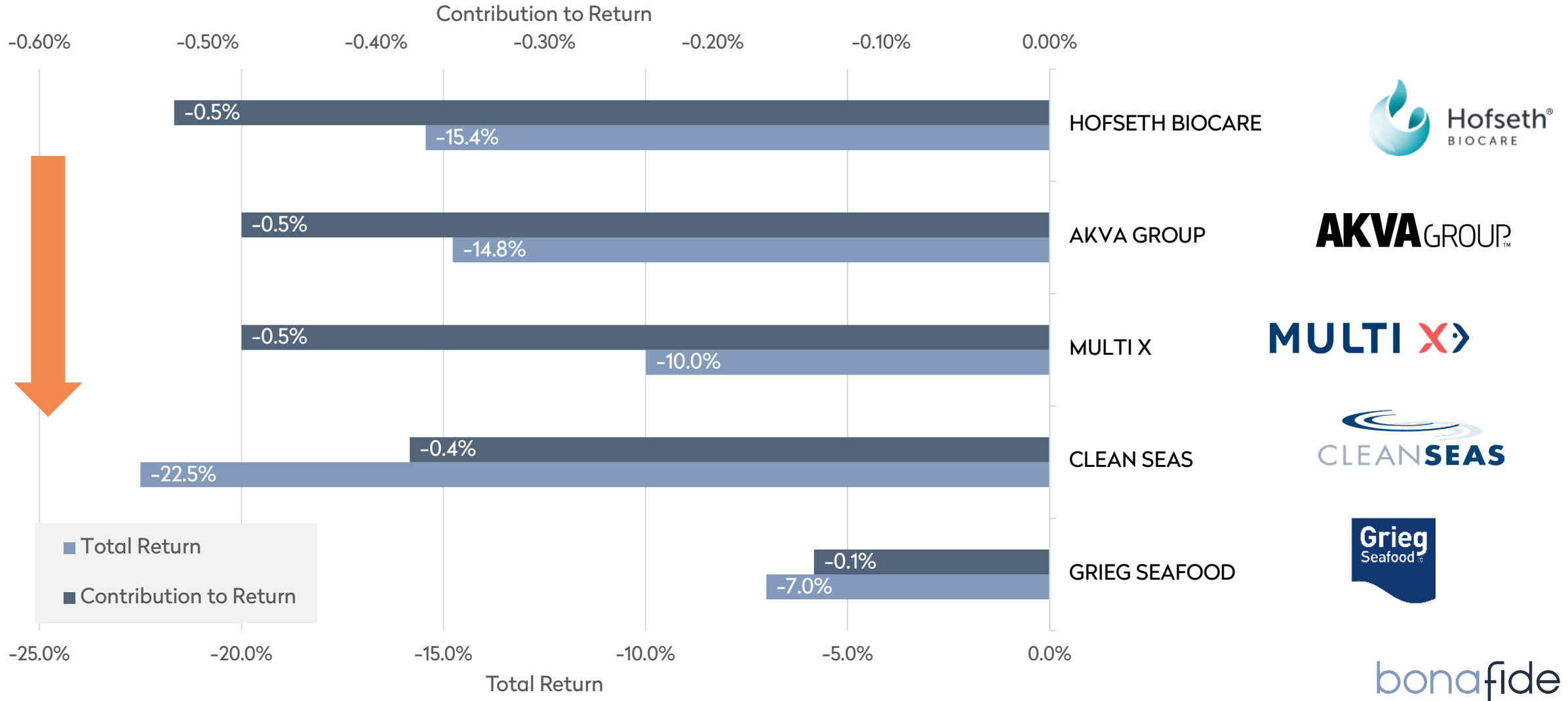
6.91%
p.a.

Historical performance EUR tranche

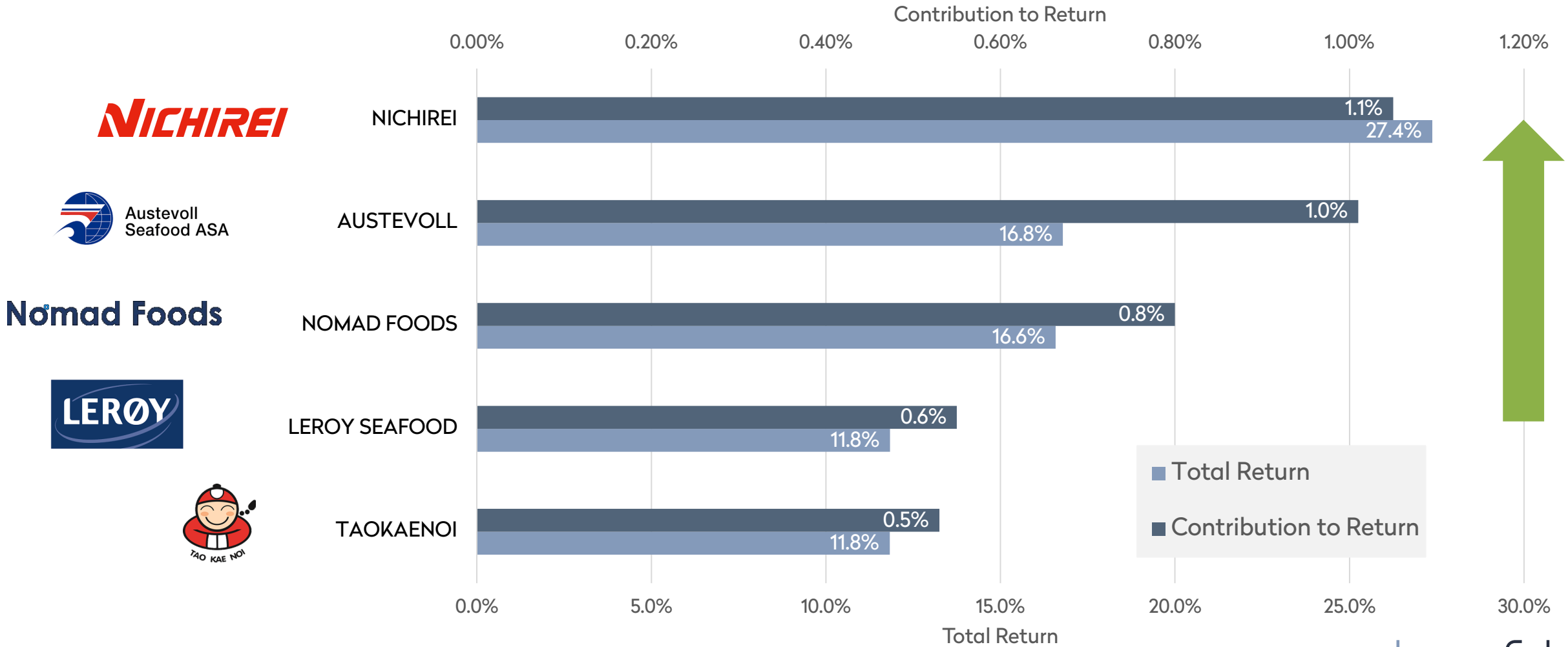
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	World Equity
2024	1.45	2.85	2.04	-2.20	0.08	-4.84	4.48	1.47	0.77				5.94	17.57
2023	3.92	-4.95	-1.12	0.69	-0.10	-4.68	2.61	2.34	-2.10	-5.98	1.69	2.77	-5.39	16.01
2022	2.05	1.29	3.55	0.34	-1.91	-4.47	4.67	-3.13	-14.84	2.68	4.65	4.66	-2.25	-14.70
2021	1.26	4.62	4.05	-0.88	-2.41	0.09	-0.59	0.39	-1.99	2.63	-3.17	-0.82	2.90	25.19
2020	-1.36	-5.23	-17.87	12.54	5.69	-0.99	0.35	4.04	-2.72	-3.59	8.95	4.35	0.68	5.15
2019	5.42	0.91	-0.16	0.60	-1.42	1.47	3.23	-4.52	2.94	-0.84	4.04	1.46	13.49	25.97
2018	-1.57	2.35	-0.16	6.14	3.80	-0.25	0.27	1.74	3.17	0.62	0.10	-6.84	9.17	-6.57
2017	0.72	1.36	-1.68	-1.16	1.71	-1.54	-0.33	-0.52	1.44	2.48	-4.60	1.41	-0.94	6.89
2016	-1.38	-0.07	3.96	2.46	2.47	0.41	3.20	-1.49	2.00	3.96	-0.40	1.96	18.24	9.21
2015	4.88	-0.27	0.65	0.25	2.65	-2.06	-1.41	-11.21	5.13	3.97	6.84	-1.44	6.90	6.26
2014	-0.90	-0.06	1.45	1.92	5.13	1.69	2.83	1.78	-0.31	4.59	-0.47	0.09	19.03	15.70
2013	5.08	4.19	-0.83	-0.56	3.21	-4.53	-0.19	-2.65	10.25	0.42	1.84	0.78	17.45	14.70
2012						2.28	0.72	2.89	-2.26	2.04	-3.10	0.95	3.40	9.52



Worst Performers



Best Performers



Nomad Foods



■ Total Return
■ Contribution to Return

Research
Tailwinds for a robust portfolio



Carry trades - Yen and currency robust business models

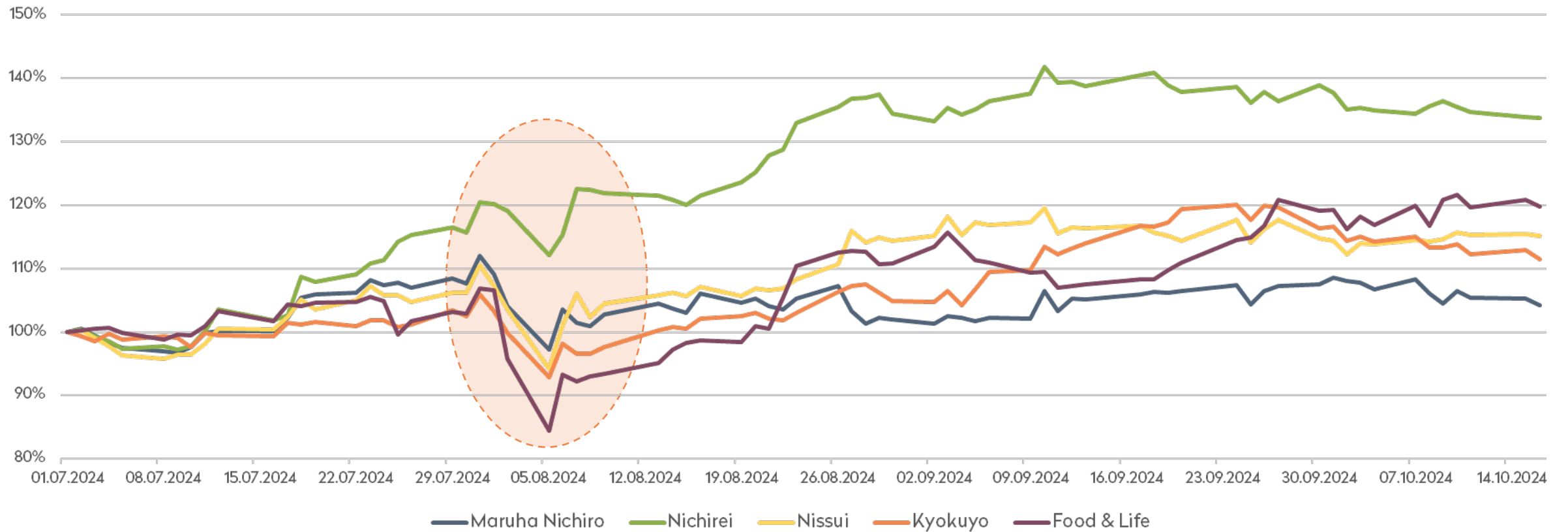


- Currency impacts a **central part** of analyzing business models
- **Natural hedge** was in place caused by balanced investments abroad and domestic
- **Stronger Yen** beneficial for domestic production (lower resource cost) and consumption (more affordable)
- **Japanese still love fish, but became expensive!**

Source: Bloomberg, September 29, 2024

Short term irrationality switched to proper analysis of JPY appreciation

Share price development of japanese stocks (in EUR)



Capital Markets Day of MOWI – Site visit with complete management team



Own feed production



„Post-smolt“ farming (~700gr)



„Grow-out“ farming (~5kg)

Capital Markets Day of MOWI – Site visit with complete management team



Primary Processing



Strategy update



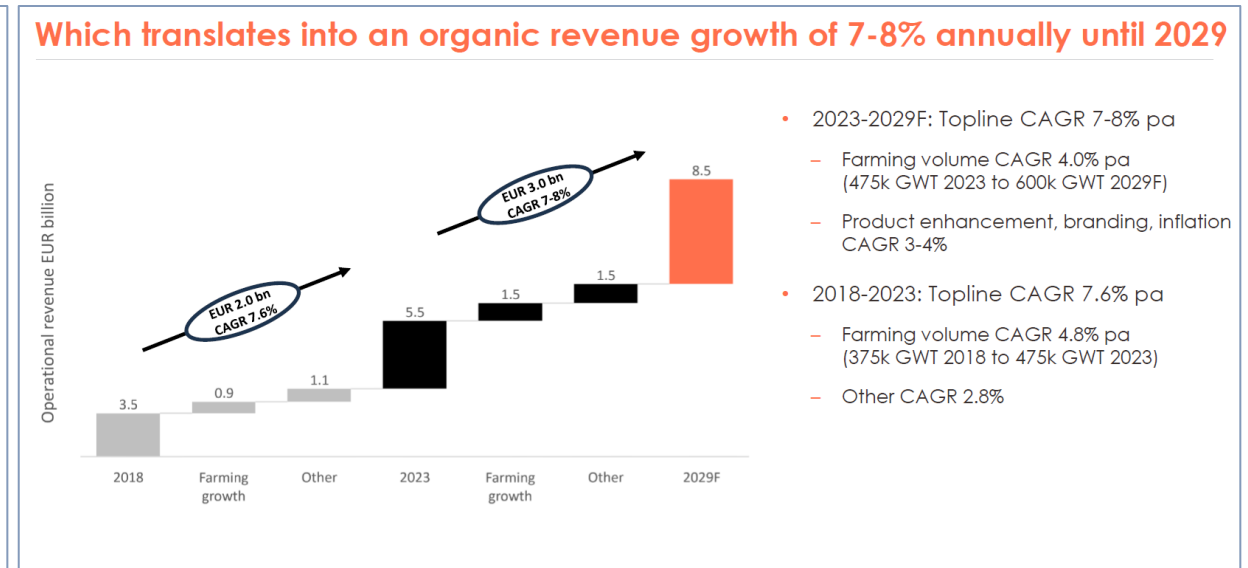
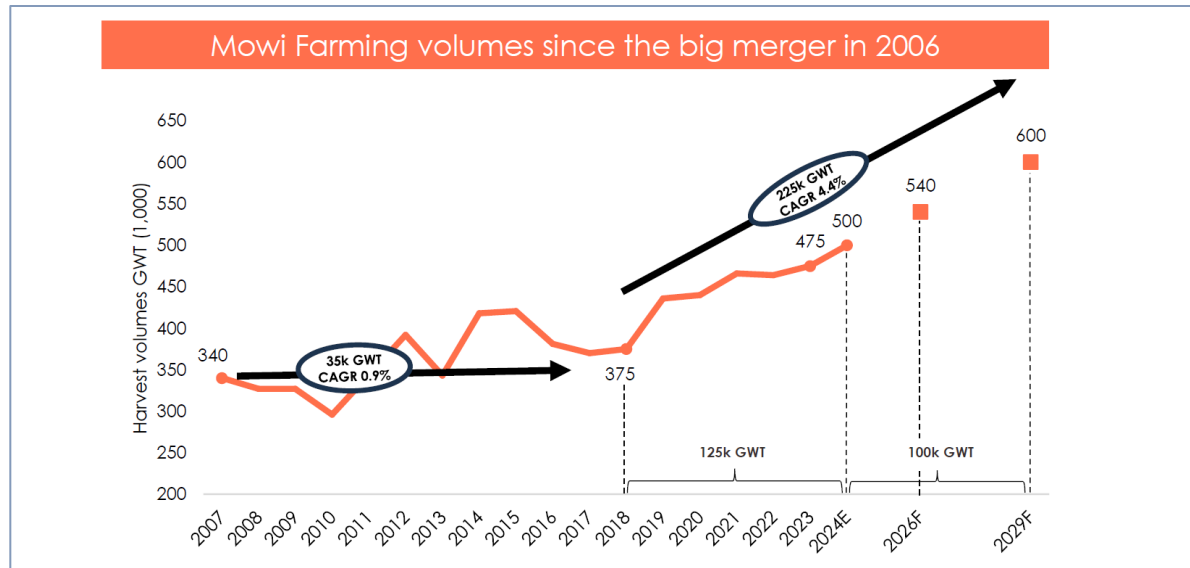
Product tasting

Capital Markets Day of MOWI – Strategy update

- A proven strategy takes next step to **600'000t** (CAGR of 4% p.a.)
- CAPEX ~**600mln EUR** over next 5 years (Investment of EUR 6/kg vs. EBIT of EUR 2/kg)

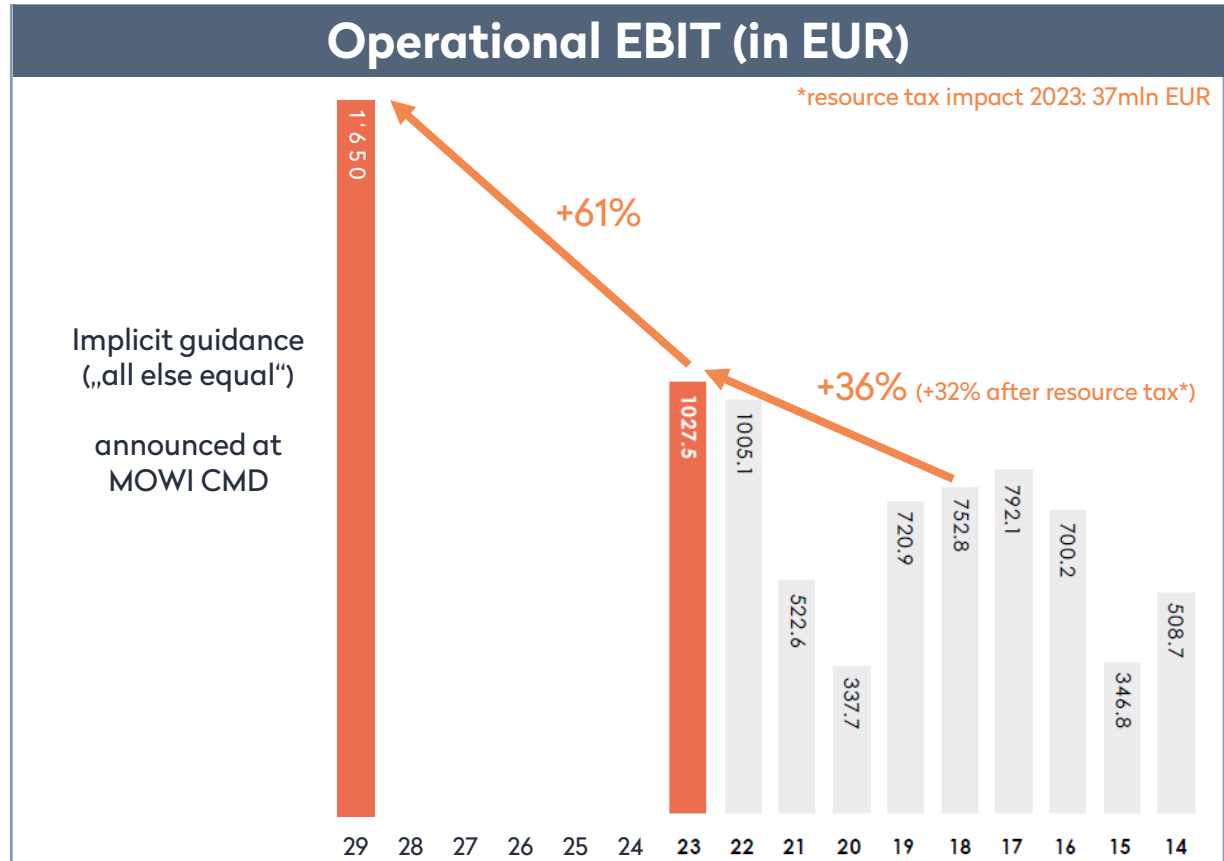
- Revenue target of **8.5 billion EUR** in 2029 (2.5x 2018 level)

- **Cost improvement** potential of 300-400 million EUR through productivity increase



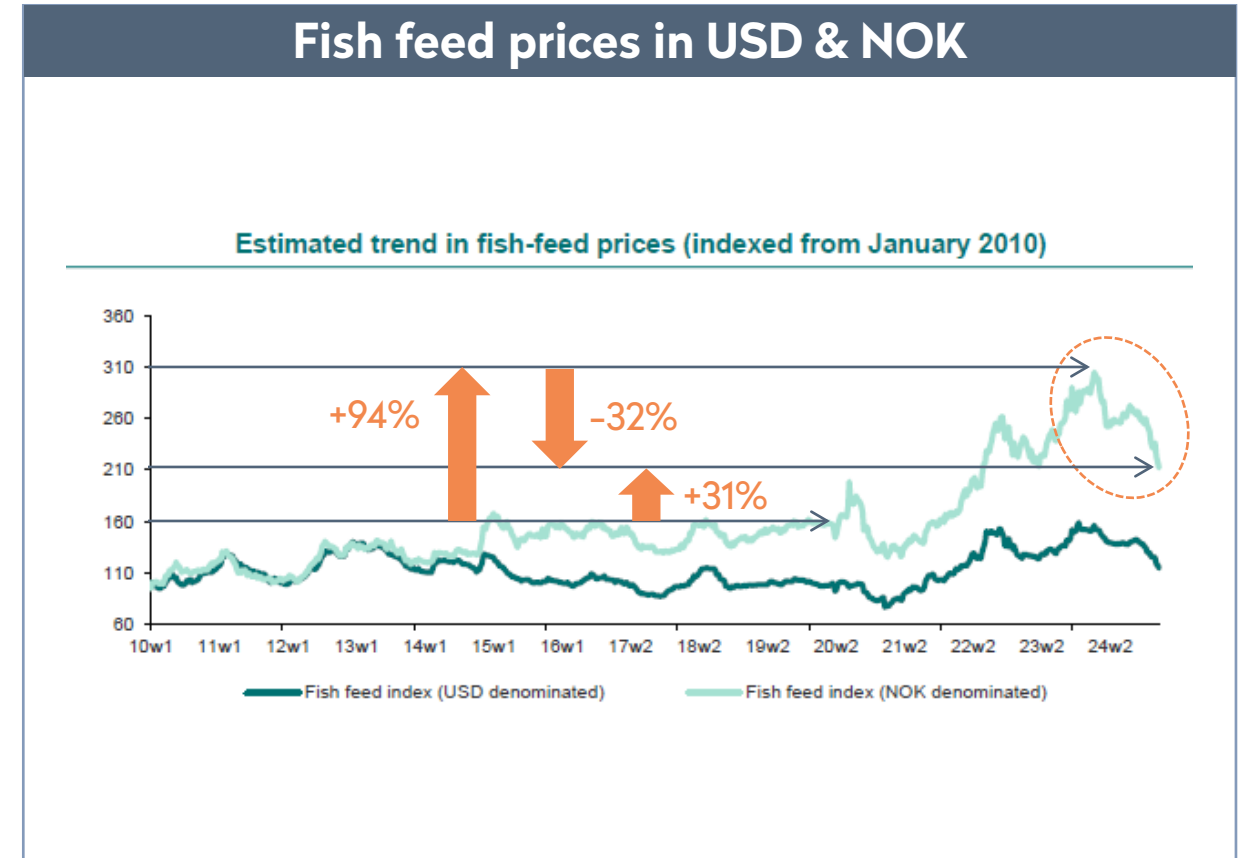
Source: MOWI CMD presentation 2024

Capital Markets Day of MOWI – And the stock market?



Steadily lower feed costs

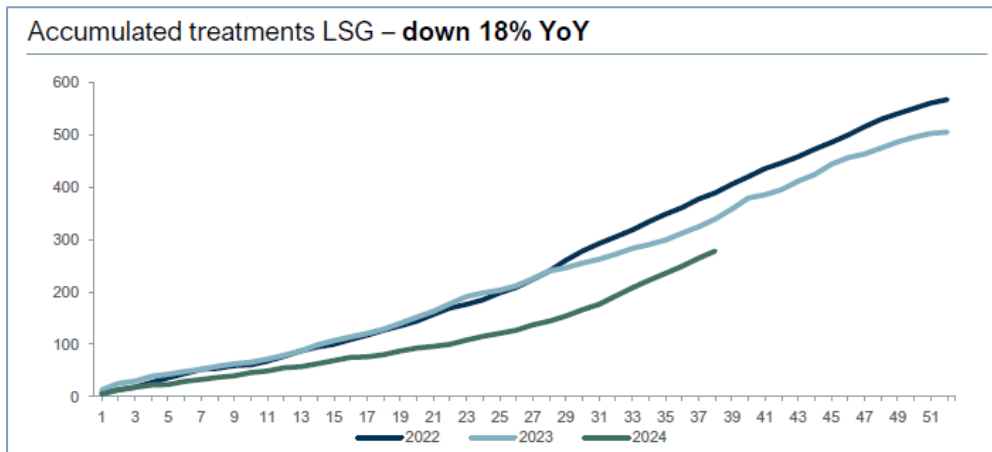
- **Recovered global supply** lowers market prices of fish oil & fish meal
- Full cost benefit **visible in P&L in 2025 & 2026** since fish is grown over 18 months in sea phase
- Market still focus on short-term figures, **ignoring 2025 earnings uplift**



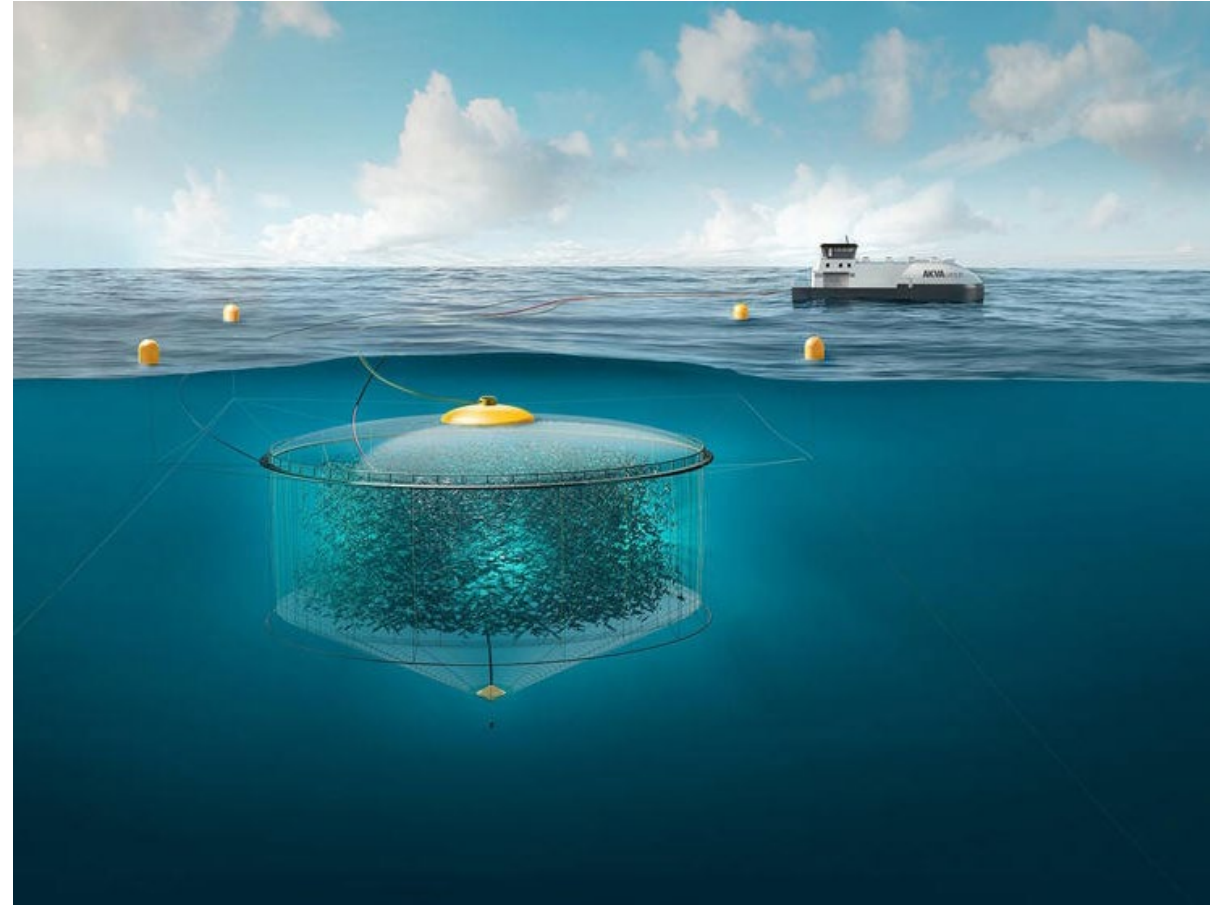
Source: DnB Fat Trout Weekly, 4th October 2024

Leroy Seafood successfully implemented new (cheap) technology

- Some 10–15 meter **below surface temperature is more stable** (lower in summer, higher in winter)
- In addition, salmon **avoid sealice** belt which is near surface meaning **less treatment cost and healthier fish**



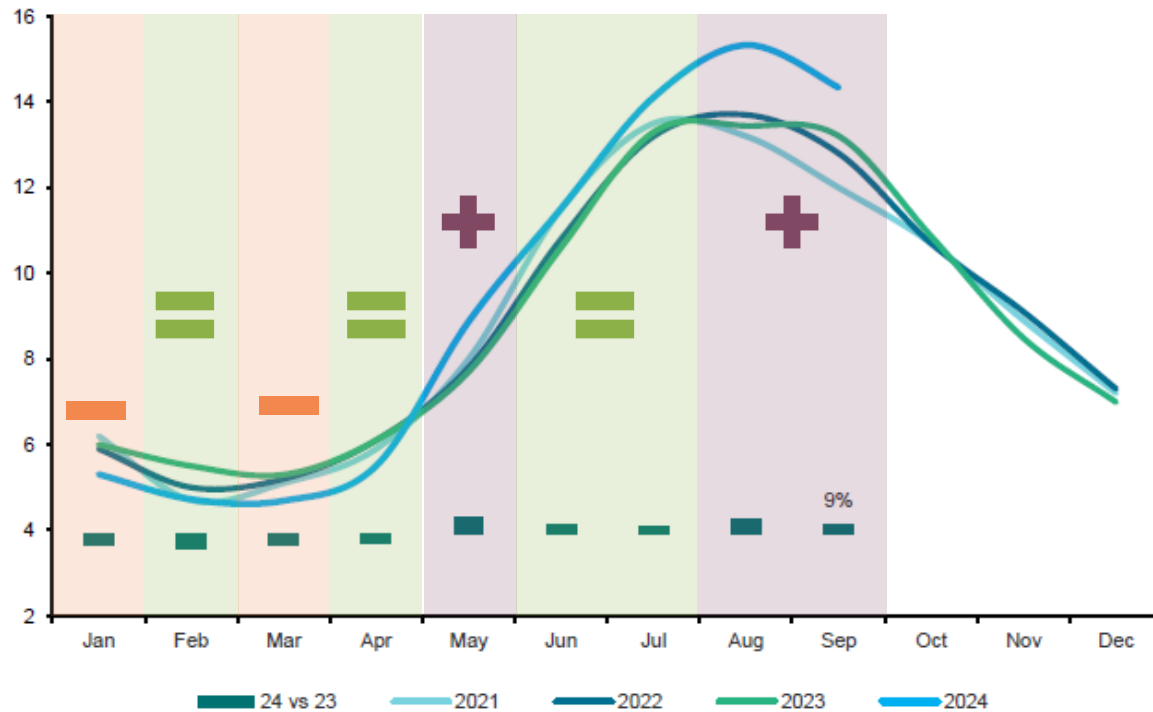
Source: Pareto Securities



Source: AKVA Group

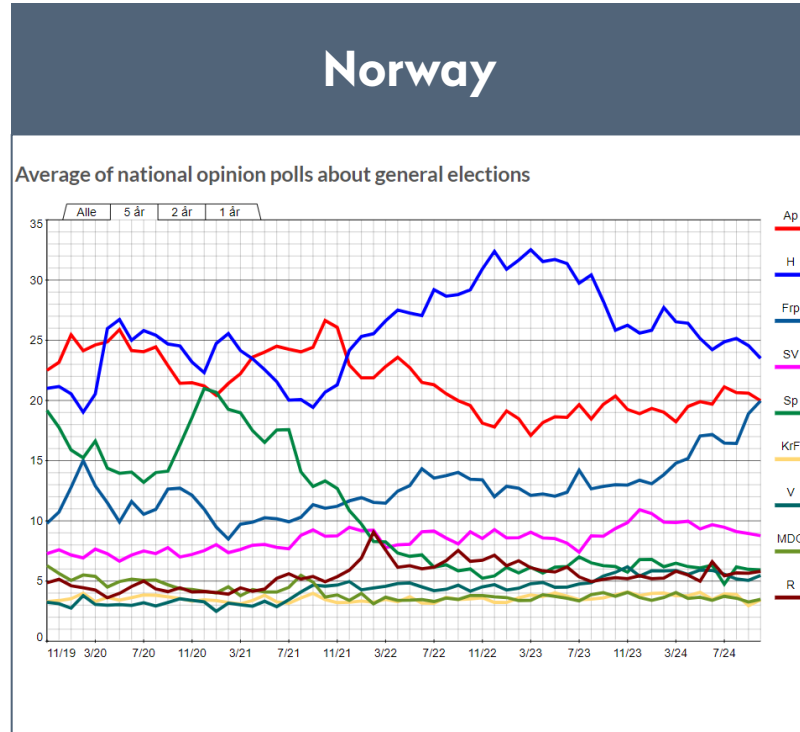
Better biology and better prepared into winter season

Sea temperatures in Norway (°C)

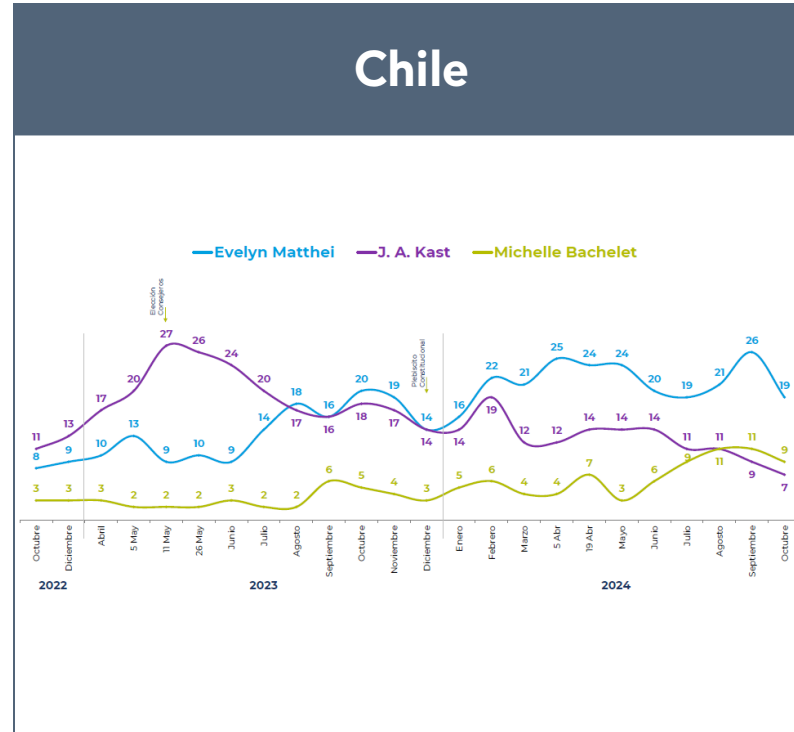


- Water **temperatures affected by weather phenomenon El Niño** until summer 2024 causing pressure on biology
- Mean reversion and departure of El Niño should lead to a **winter with normalized temperatures**
- **New vaccine** for winter wounds is finally available in huge quantities, vaccinated cohorts showed promising results last winter
- **Better biology = more volume & lower costs**

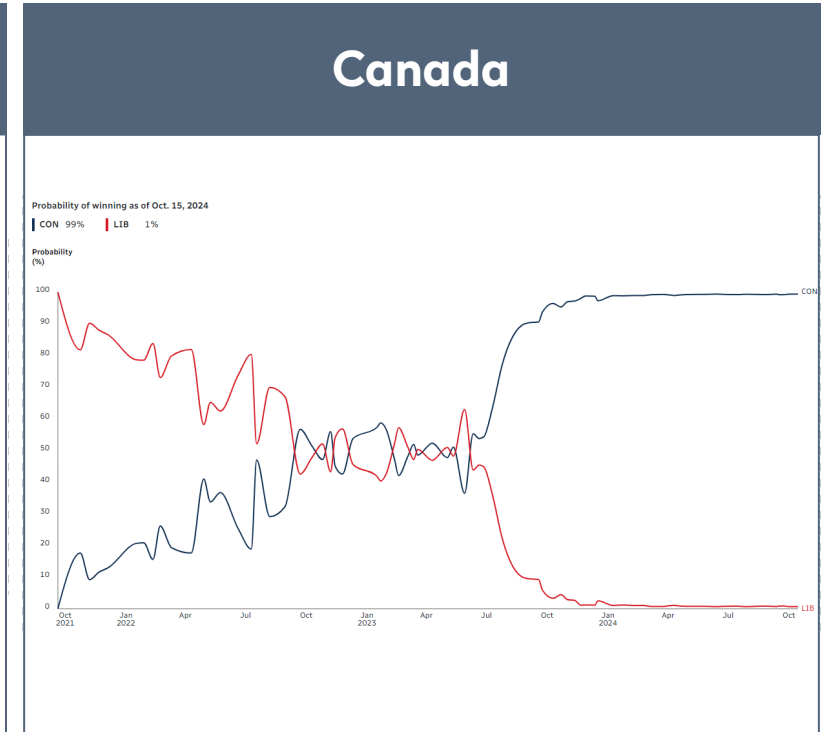
Politics – Wind of change in key aquaculture countries



- „Pro salmon“ parties H & FrP together leading for parliament election in September 2025
- Høyre party disclosed intention to **reduce salmon tax from 25% to 15%** and less bureaucratic process



- „Pro salmon“ president candidate Evelyn Matthei leading in polls for elections in late 2025



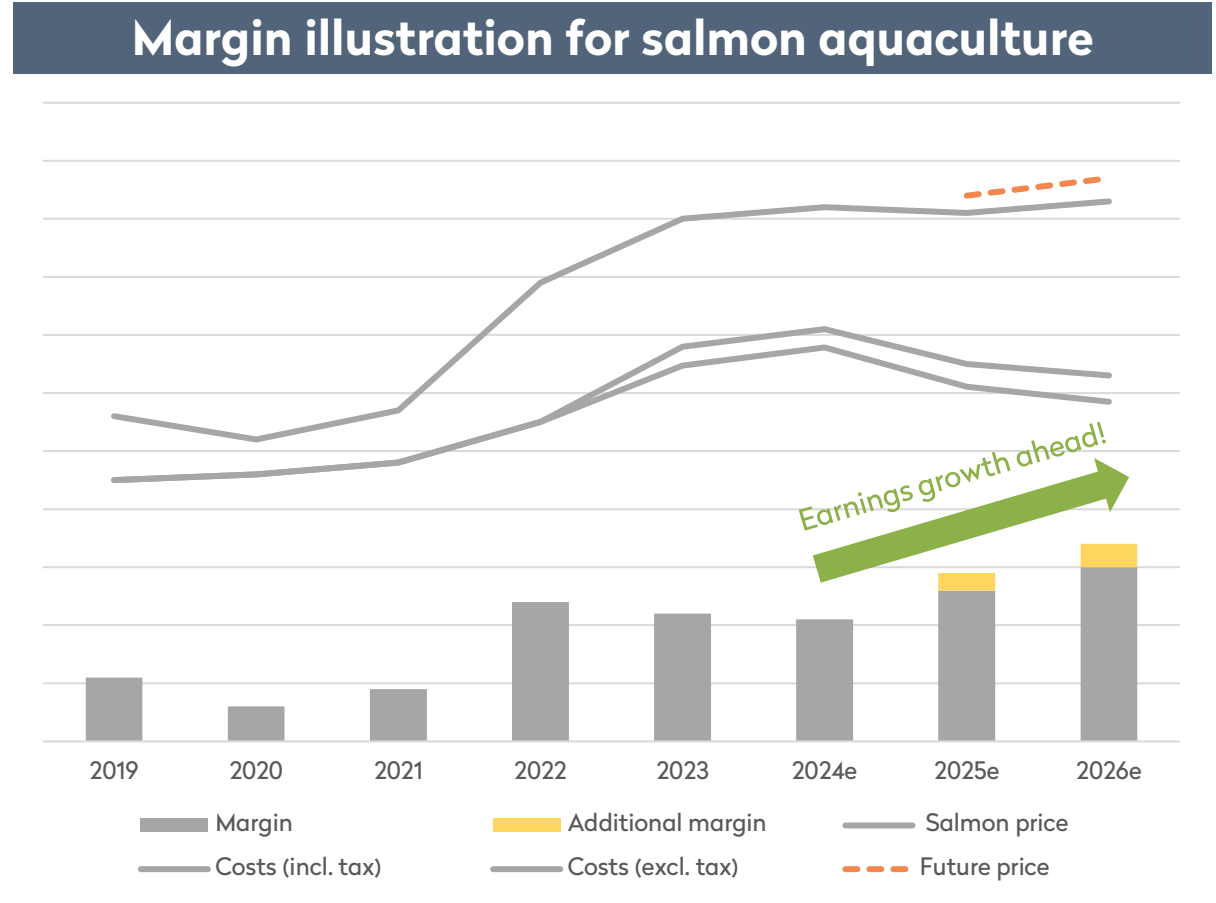
- Probability of winning federal elections by Conservatives stands at 99%
- Hope that science is taken into consideration when deciding about aquaculture

Earnings growth ahead!

- ➔ Earnings growth for 2025 caused by **lower feed prices, better biology** and good demand for salmon in combination with muted supply
- ➔ Outlook for **lasting higher margin environment**

Name	Weighting	2025e consensus EPS growth YoY
MOWI	6.25%	+38%
Austevoll Seafood	6.00%	+18%
SalMar	5.25%	+40%
Nomad Foods	5.00%	+9%
Leroy Seafood	4.50%	+39%

Source: Bloomberg, Bonafide



Attractive valuation while low correlated to markets

1. Key figures

	Global Fish Fund	Global Equity ETF*	Food-Multis (Ø)**
PE-Ratio expected 2025	13.02	25.75	22.18
Dividend Yield expected 2025	4.16%	2.01%	2.82%
EV/EBITDA	10.54	16.70	15.48
P/B	1.41	5.94	6.81

2. Volatility

	1Y	3Y	5Y
Global Fish Fund	11.74%	12.96%	14.31%
Global Equity ETF*	10.98%	13.51%	16.78%
Food Multis (Ø)**	8.08%	9.35%	12.01%

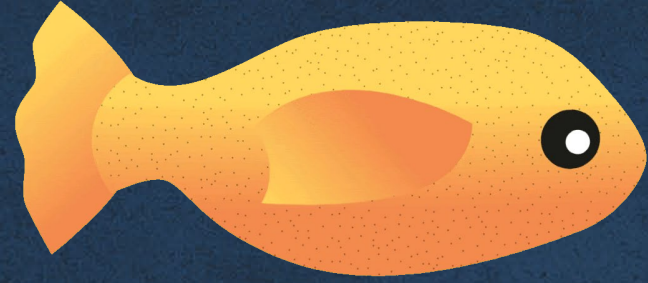
3. Correlation (3 years)

	Global Fish Fund	Global Equity ETF*	Food Multis (Ø)**
Global Fish Fund	1	0.47	0.39
Global Equity ETF*	0.47	1	0.65
Food Multis (Ø)**	0.39	0.65	1

Source: IFM / Bloomberg, October 2024, ISIN LI0181468138

* **Global Equity ETF:** Global equity index ETF comprising developed and emerging markets (Bloomberg ticker: ACWI US).

** **Food-Multis:** Companies with a market capitalization of over 5,000 million, which are in the consumer staples sector and are traded on the stock exchange.

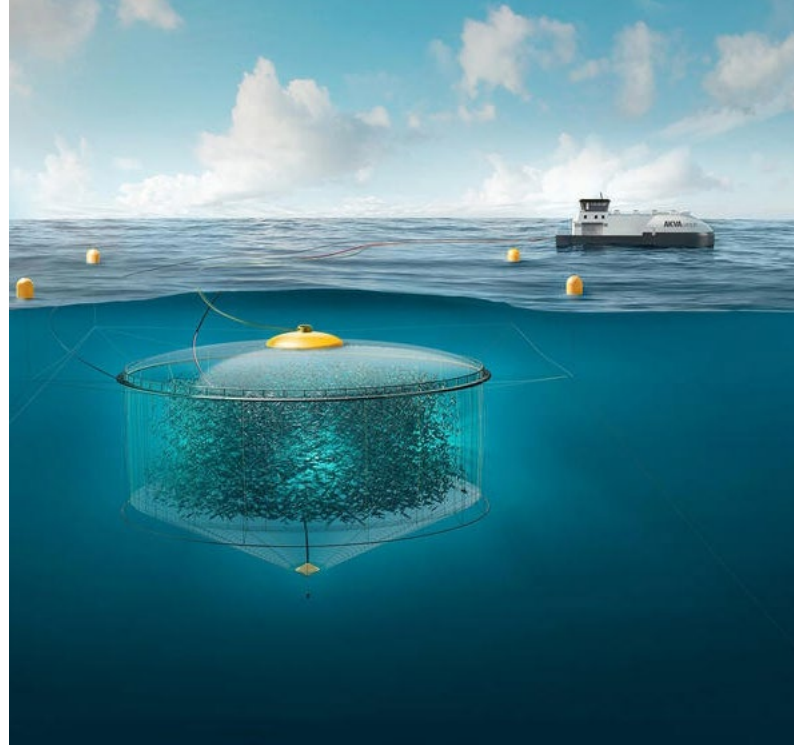


Sustainability
Health of fish stocks

Technological progress paving the way



Ocean farm
pioneered by SalMar



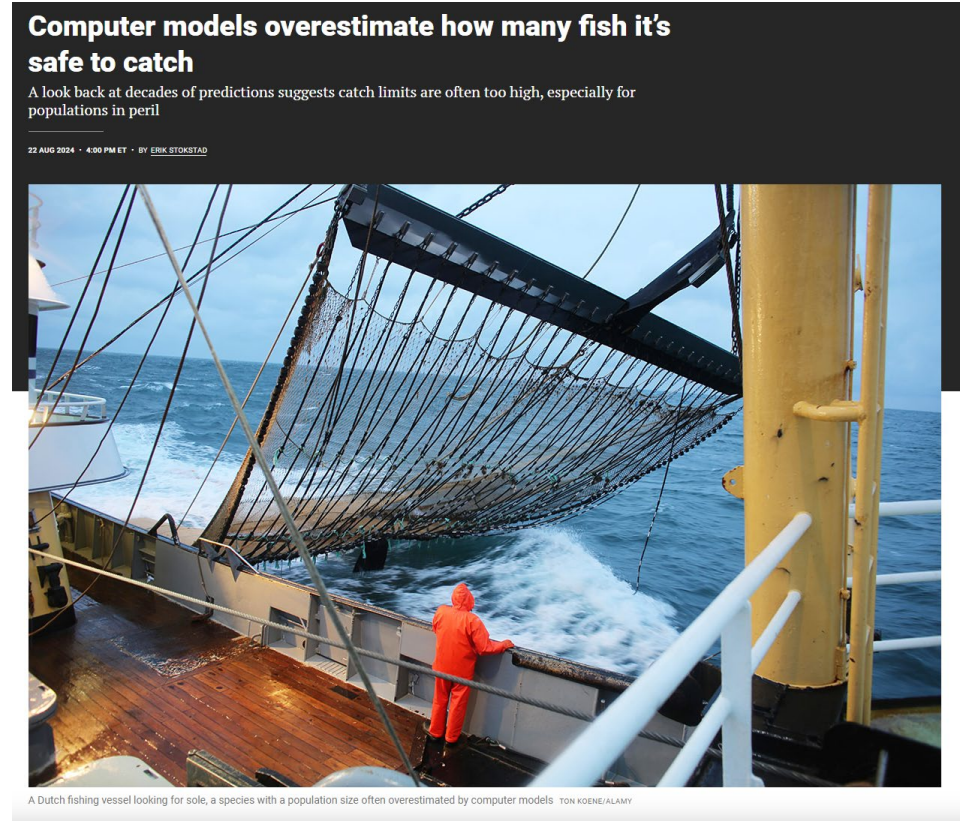
Submersible cages
pioneered by Leroy



Post smolt
pioneered by Mowi

Study reveals health of fish stocks systematically overestimated

- Size estimates for 230 commercially caught stocks analyzed
 - Revisions of historical estimates (for all but the biggest fish stocks)
 - are not decreasing in magnitude
 - tend to be downward revisions more often than not
- quality of estimation models put into question



Science Adviser

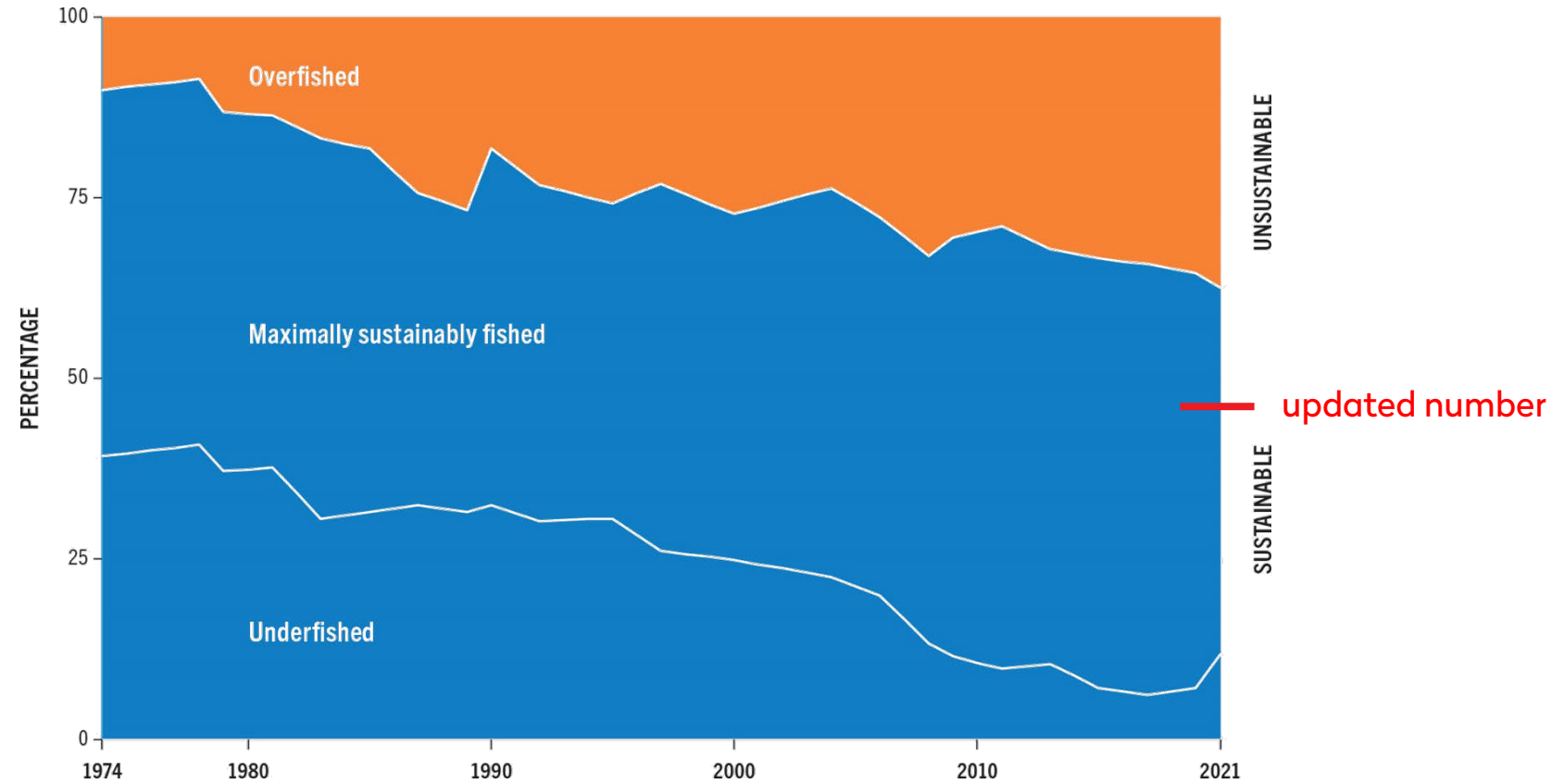
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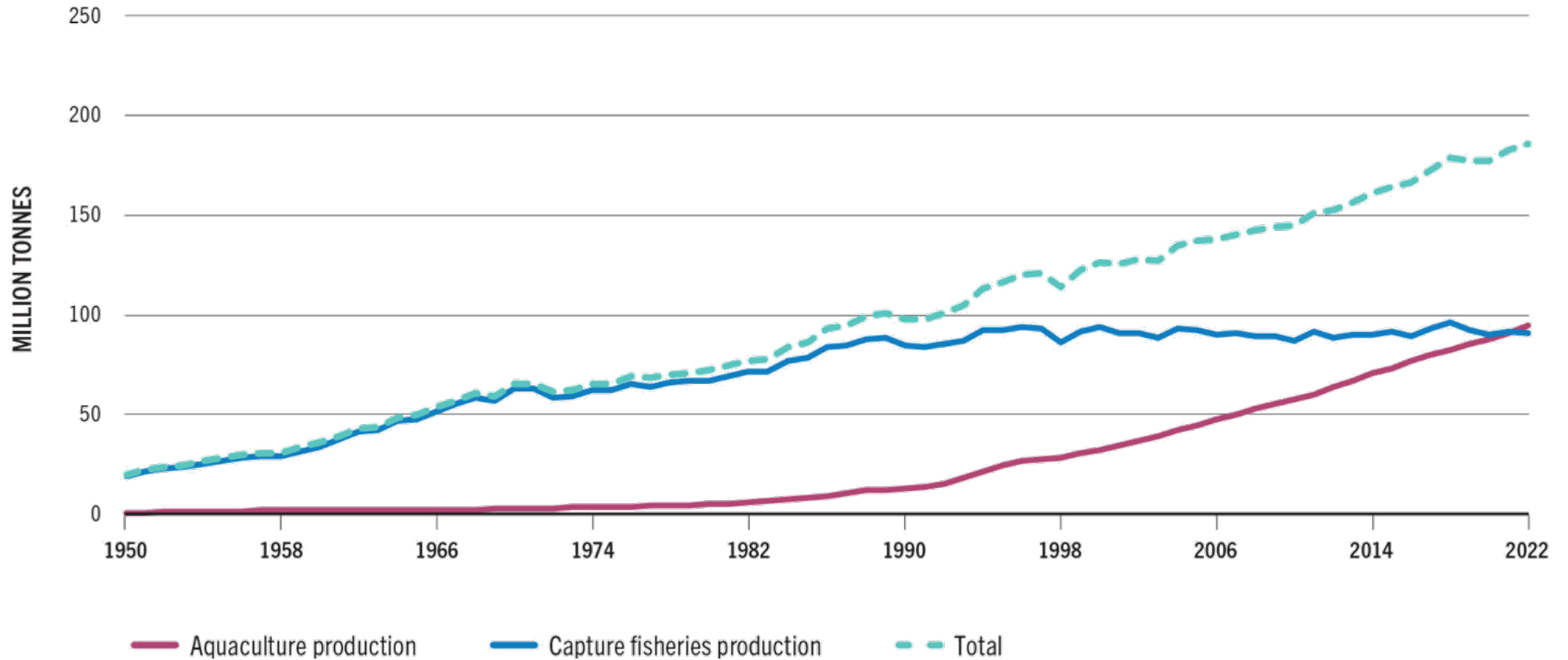


Less than 50% of fish stocks (by number!) are actually sustainable



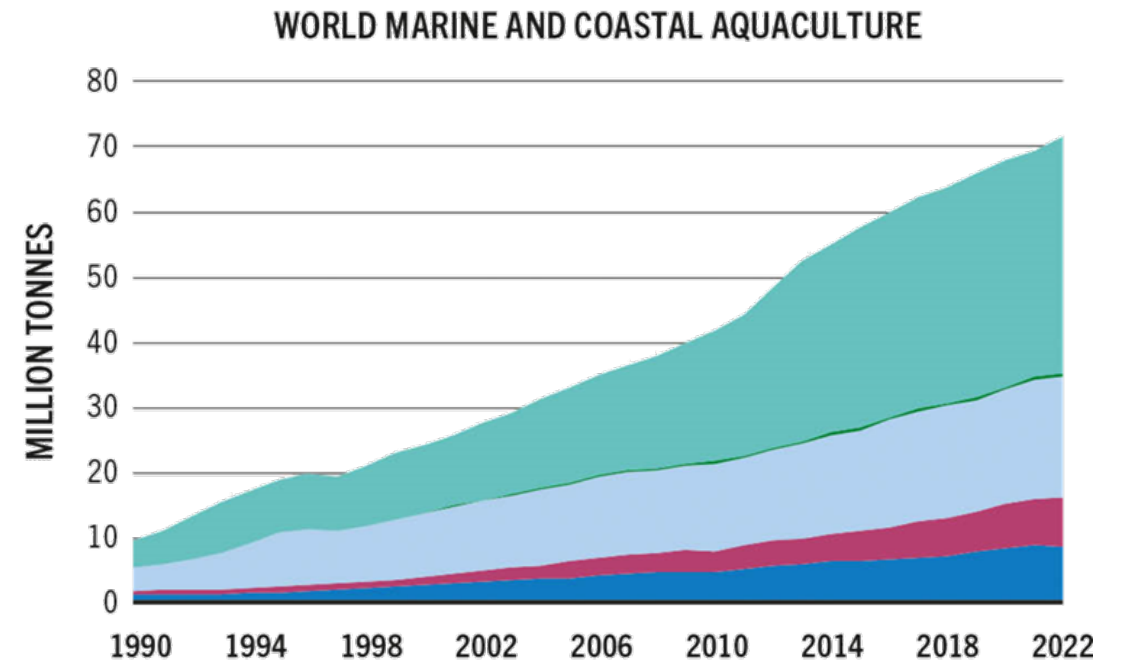
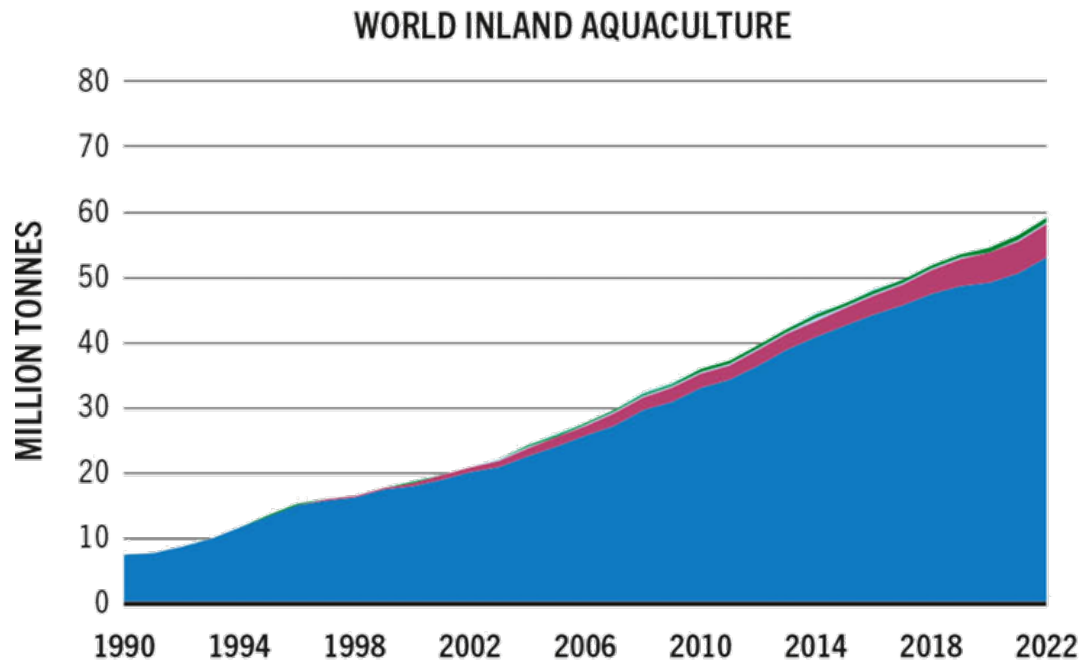
Growth must come from aquaculture

EXCLUDING ALGAE*



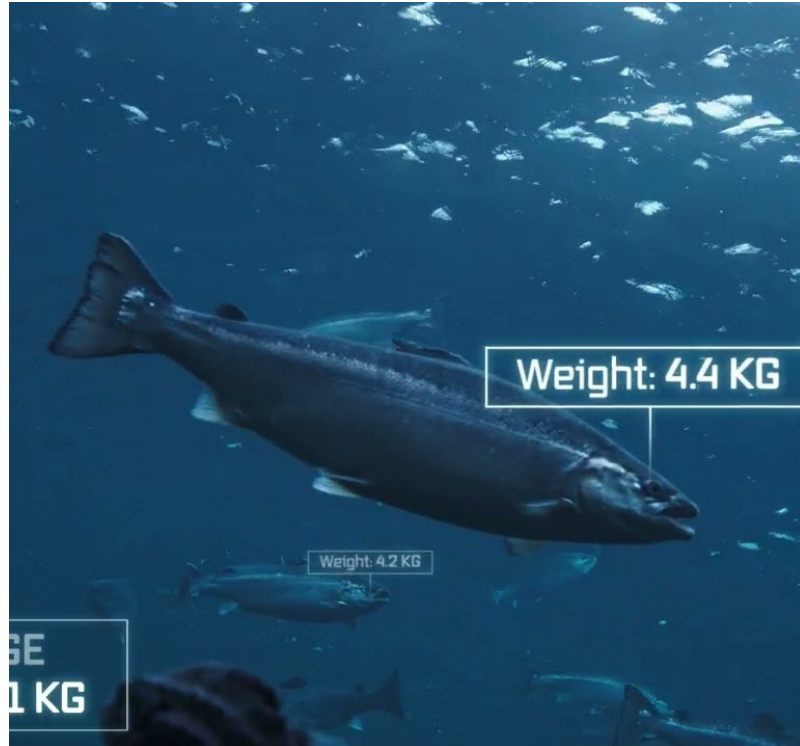
Source: FAO

Farming of salt-water fish still in its infancy

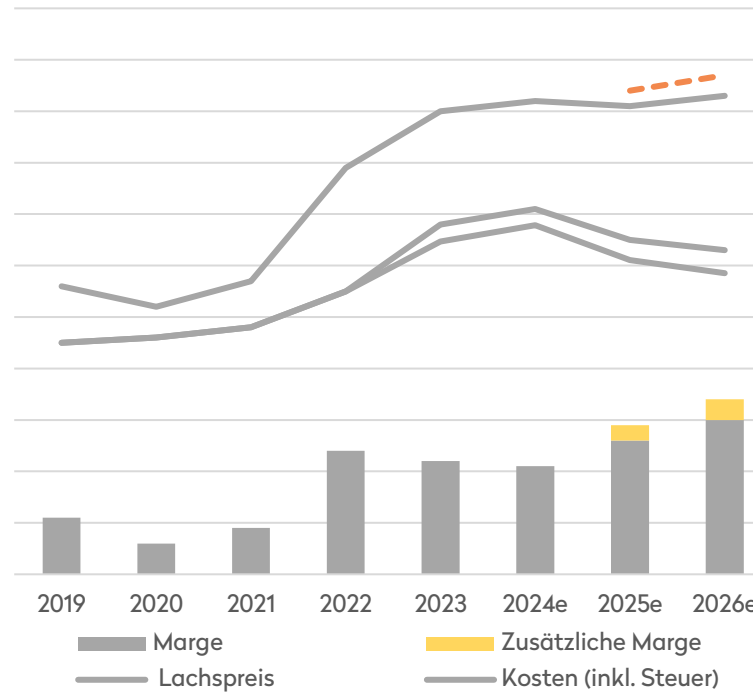


■ Finfish
 ■ Crustaceans
 ■ Molluscs
 ■ Other aquatic animals
 ■ Algae

The Course is Set for a Strong 2025 in the Fish & Seafood Sector!



Technology as a Catalyst for Efficiency Gains

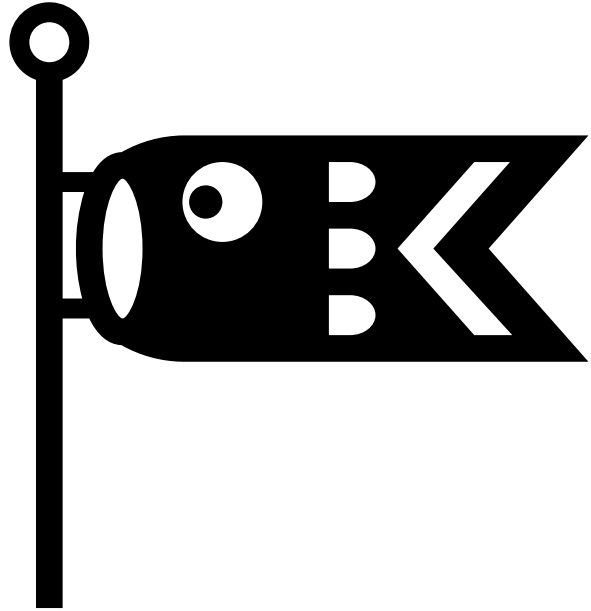


Sustainable Profit Growth as a Value Driver



Political Frameworks Support the Blue Revolution

Q & A



Questions?

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