



Q4 and FY 2023 FINANCIAL RESULTS

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CEO Vincent Erenst

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HIGHLIGHTS 2023

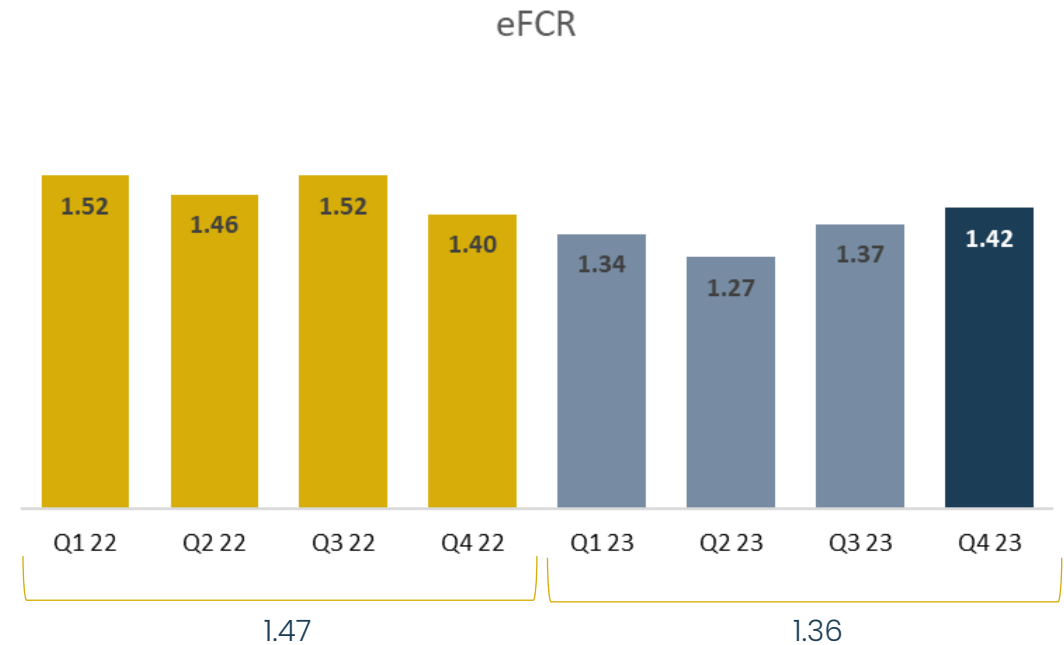
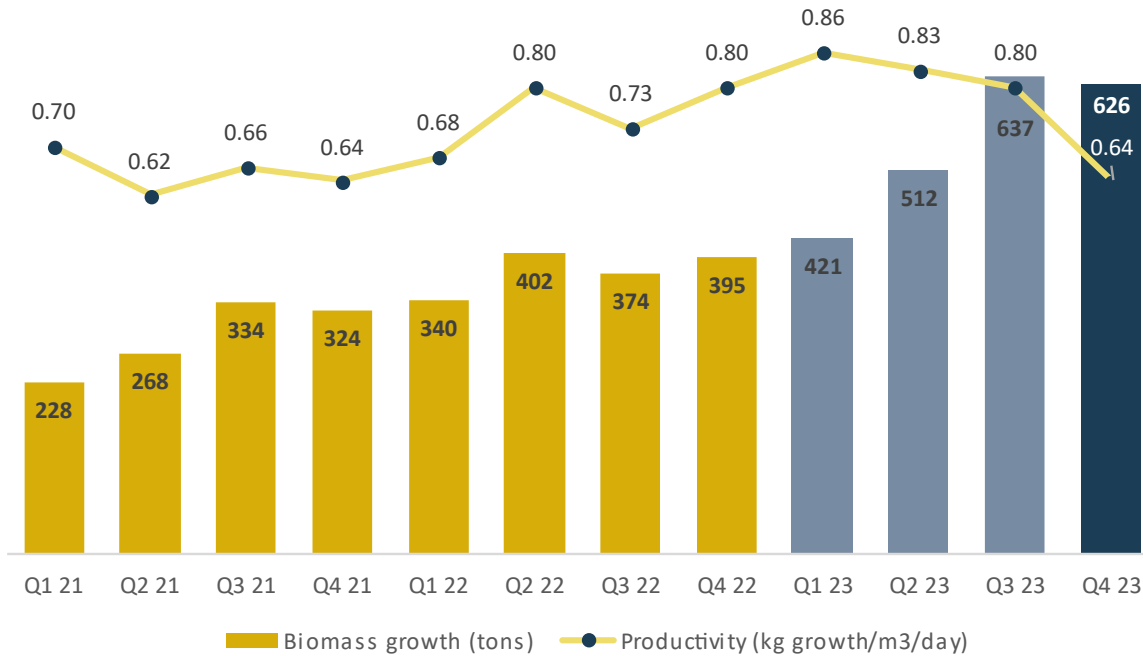
2023 a pivotal year paving the way for future growth

- With the completion of Phase 2, The Kingfish Company manages:
 - **State-of-the art hatchery** with consistent and reliable output
 - Production capacity increased from 1,500 MT to **3,500 MT**
 - Two discharge water management units
 - Inhouse processing facility
- **Proven** excellent biological performance, with **consistent** production of high-quality larger fish
- Strengthening of our **sales and marketing capabilities**



PRODUCTION UPDATE

New record production of 2,195 tons in 2023



- **Sector leading biological performance** with record production of 2,195 tons in 2023
- **Biomass growth** of 626 tons in Q4, on track to run **steady state in 2025**
- Fully stocked with 3rd generation fish, **shortening the growth period** to 3kg by **up to two months**
- **eFCR was 1.36 in 2023**, a significant improvement from 1.47 in 2022
- Biomass growth in Q4 intentionally managed to **align biomass growth with sales**, leading a controlled reduction of the biological performance (lower productivity, slightly increasing FCR)

KINGFISH LEVERAGING STRENGTHS FOR FUTURE GROWTH

Excellent capabilities driving improvement of the biological performance

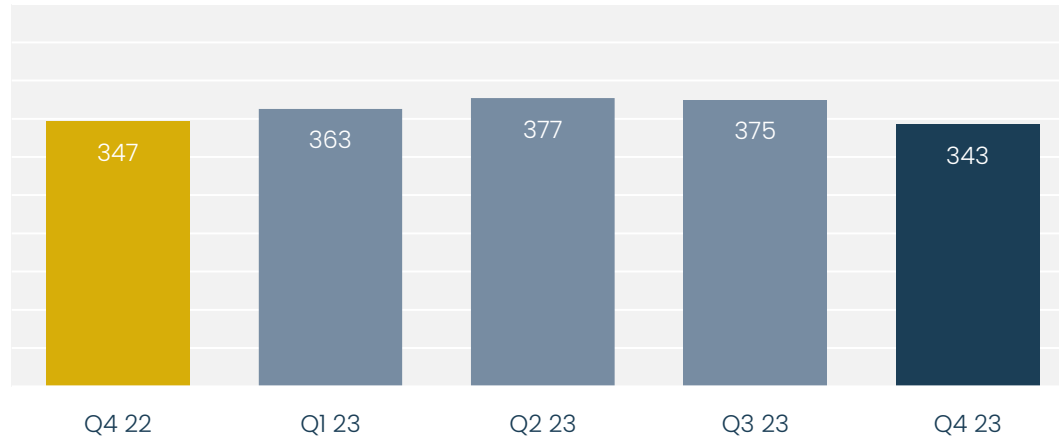
- **State-of-the-art hatchery**, with 400 brood stock producing all-year round over 3 million fingerlings.
- Excellent outcome of the breeding program. 3rd generation fish showing faster growth and lower FCR. **4th generation** will be introduced in the farm within 18 to 24 months.
- **Extensive R&D facilities**, with 4 systems from larvae to grow out. 13 trials conducted in 2023 by an experienced R&D team, with actionable outcomes.



SALES DEVELOPMENT

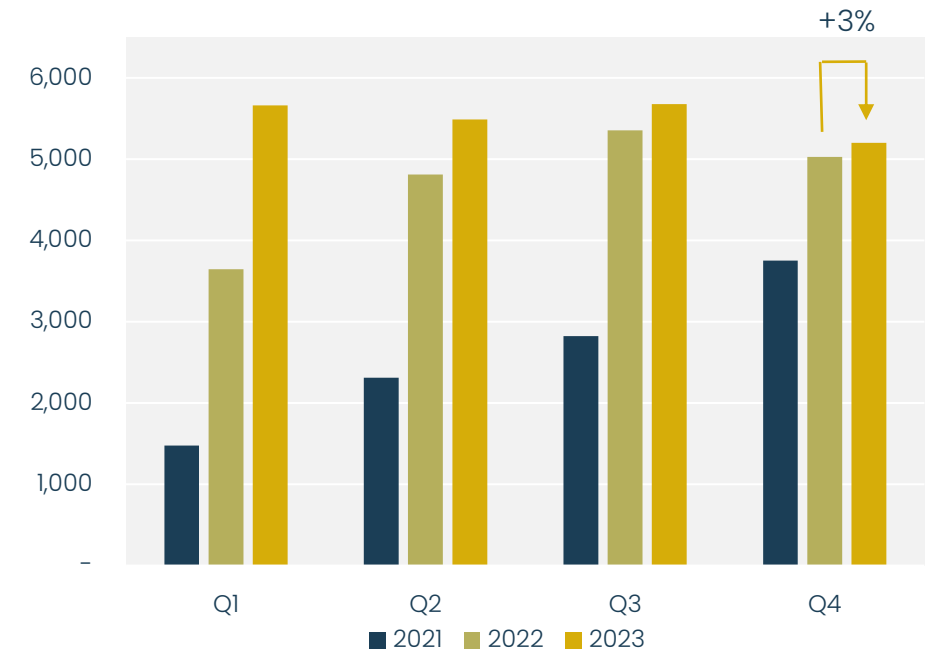
Fresh sales benefiting from strong demand at year-end

Sales volume (tons)



- Revenue up 17% in FY 2023 vs FY 2022
- Production and size mix constraints in the first 3 quarters limited the sales development
- Volume in Q4 stable YoY, with softer markets in October and November, and strong sales in the holiday season

Total sales per quarter (€ '000)

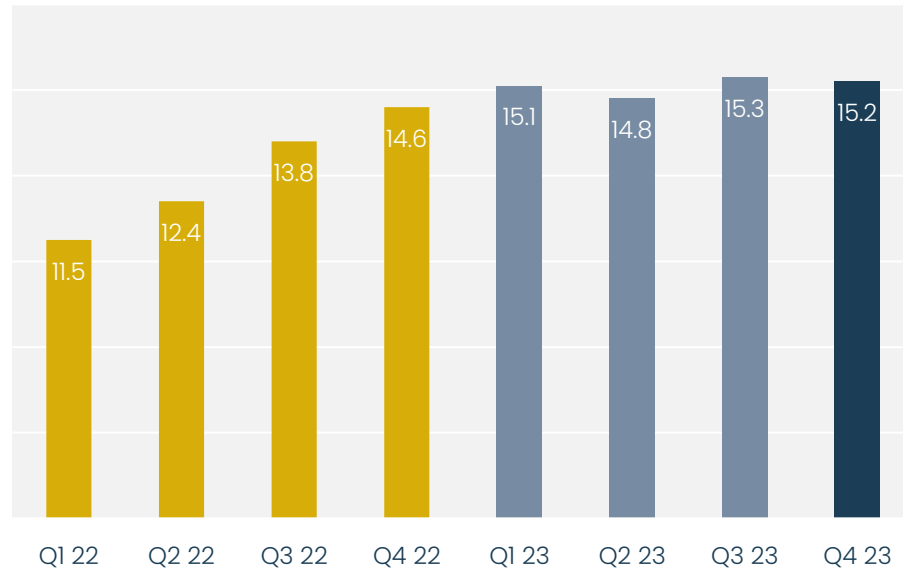


- Strong growth in Fresh Dutch Yellowtail in retail North America
- Competition in Frozen market more intensive, particularly in the US

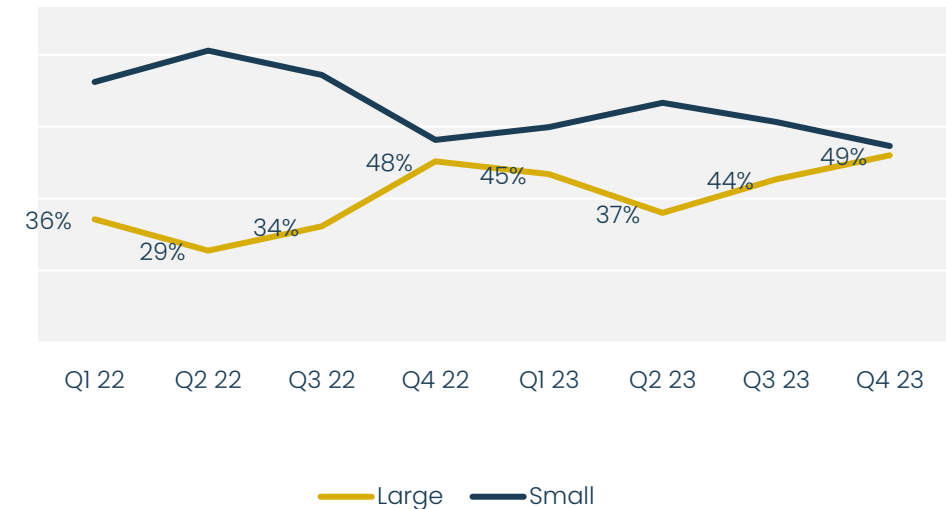
PRICE AND MIX

Positive impact from improved size and market mix

Revenue per kg



Ratio large/small fish

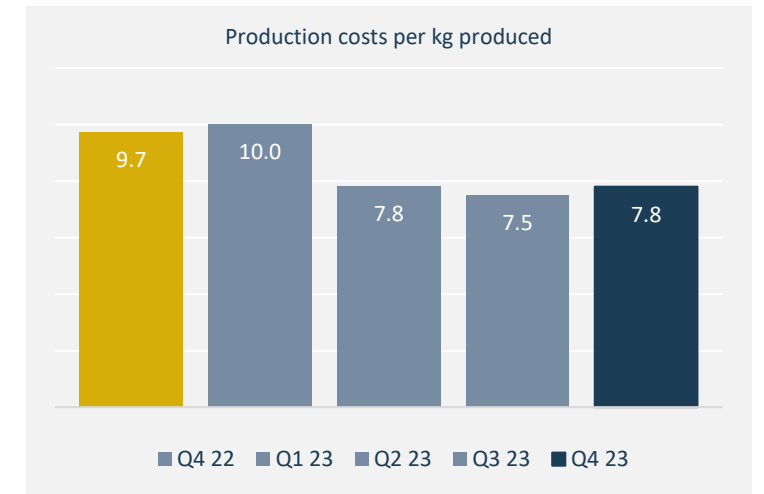
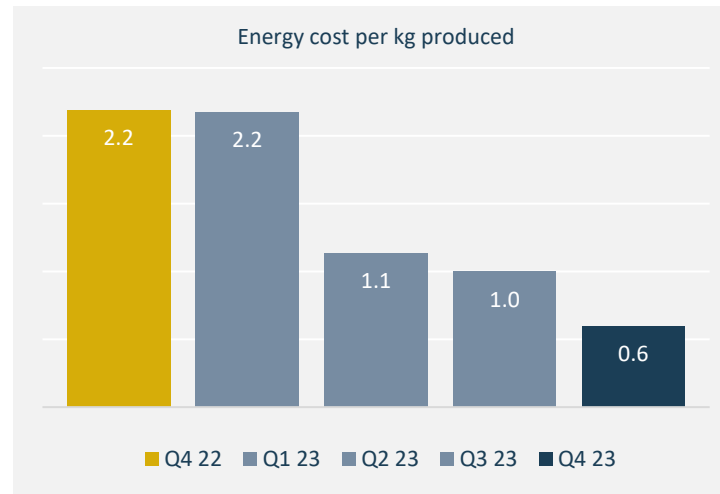
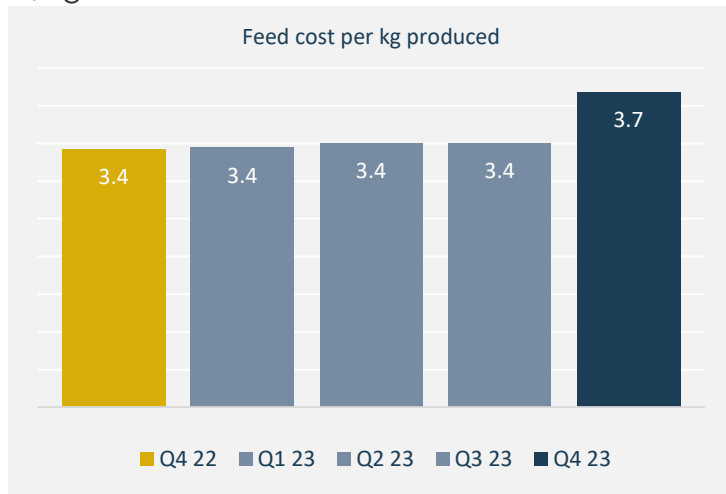


- **Revenue / kg up by 15%** in FY 2023, as compared to FY 2022
- Revenue / kg during 2023 remained steady:
 - Increased revenue / kg in Fresh driven by size mix
 - Price pressure on Frozen products
- **Increasing sales and marketing effort** to accelerate market developments in EU, North America and selected export markets

PRODUCTION AND OPERATIONS

Production costs benefiting from improved biological performance and scale-up effect

€/kg



- **Input prices higher** in 2023:
 - Feed prices up 24%
 - General inflation impact on fixed costs in the range of 10–15%
 - Q4 2023 impacted by slightly higher FCR, and feed mix
- Electricity price very favorable in 2023.
- Q4 2023 positively impacted by a one-off subsidy
- Base **energy price expected to increase in 2024**, partially offset by increased production and better efficiency.
- Production processes and **operational efficiency** continued to improve. Fixed production costs per kg benefiting from production scale up.

PROFITABILITY

Substantial year-on-year improvement in gross margin

- **Path to profitability** confirmed, benefiting from scale up impact and lower production costs
- **Gross margin per kg up 84%** in Q4 2023 YoY
- SG&A in Q4 2023 impacted by one-off adjustment and non-recurring expenses. Structural **reduction of SG&A / kg confirmed.**
- Investments in **Sales and Marketing** offset by higher volume sold

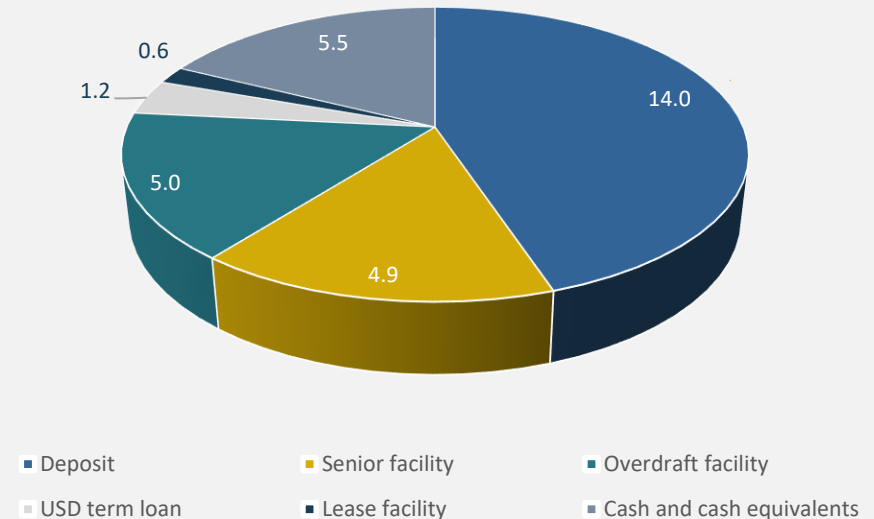


FINANCING AND LIQUIDITY

- **Total liquidity** and committed financing facilities amounting to **€ 31.2 MM** at 31 December 2023 (30 September 2023: € 38.2 MM)
- Q4 2023 **cash usage** was €-7.0 MM:
 - € -2.7 MM Phase 2 capex
 - € -4.4 MM operating cash flow driven by increase in inventory and **biomass growth** (€+2.4 MM)
- Company closely monitoring liquidity development to ensure the growth remains fully financed

Liquidity and committed financing facilities²

€ 31.2 MM



In mio €

²Excluding € 0.7 million facility for interest payments

QUALITY AND SUSTAINABILITY

Steady progress in the sustainable farming of Kingfish

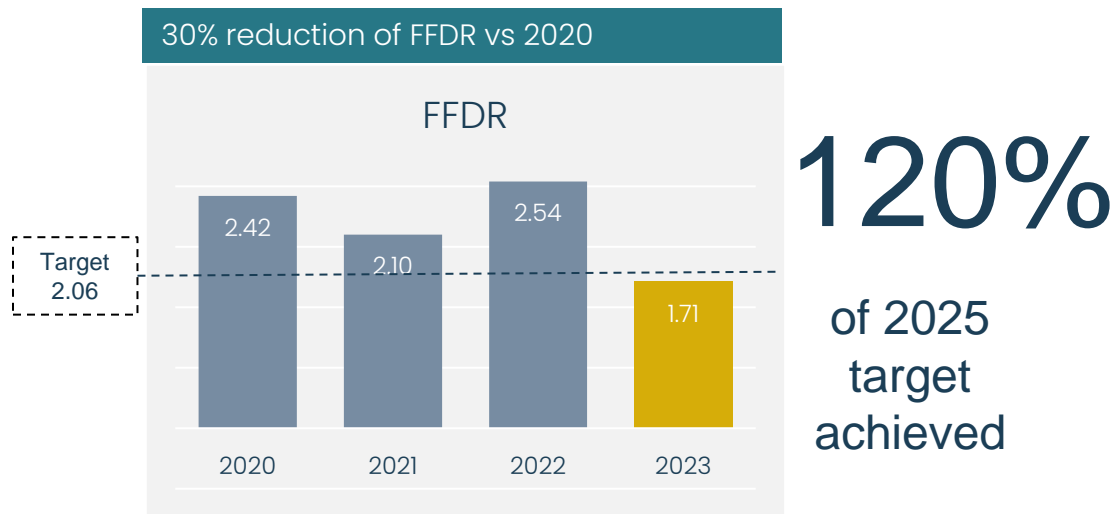


Zero antibiotics and GMO free

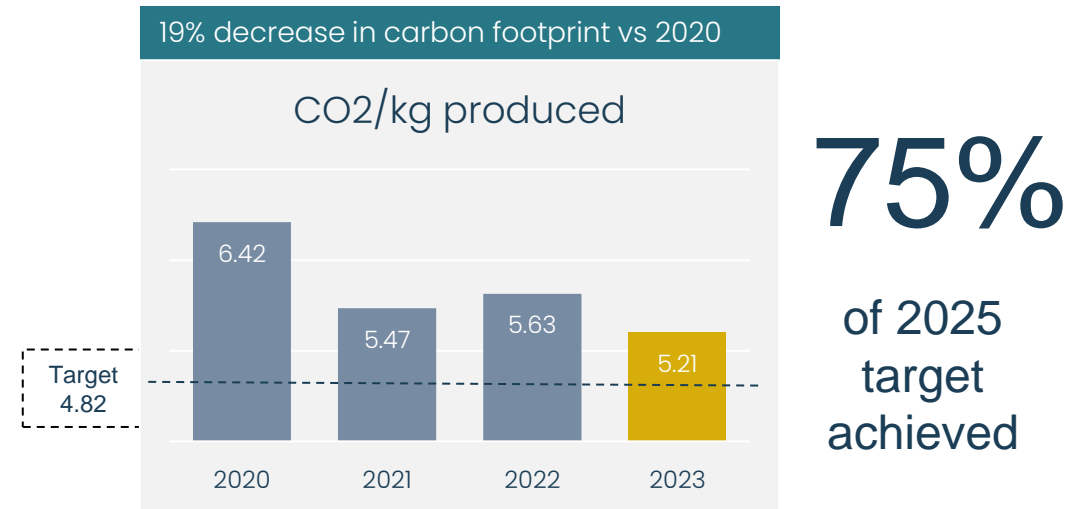


100% certifications maintained:
ASC, BAP, BRCGS Food Safety, Friend of the Sea

30% reduction of FFDR vs 2020



19% decrease in carbon footprint vs 2020



CONCLUDING REMARKS

Summary & outlook

- Our **technical capabilities and know-how** form a solid base to accelerate the growth of the company
- Continued investing in sales and marketing to **expand our customer base** and accelerate revenue growth
- **Scale benefits** and further improvement in operations and productivity will drive profitability and cash generation
- Priority is to **optimize operations in the Netherlands**, while the Company continues to investigate expansion plans





DUTCH
YELLOW
TAIL



**THE FUTURE OF
FISH IS HERE**