



THE
**KINGFISH
COMPANY**

Q3 2024 Financial Results

November 6, 2024

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AGENDA

Highlights Q3 2024

Production

Sales

Profitability

Financing

Concluding Remarks

Highlights Q3 2024

Kingfish reporting another quarter of robust growth

- Volume sold increased 37% to 514 tons
- Sales and Marketing team fully strengthened, effective Q4
- Temporary reduction in productivity to align with current sales volume
- On track for profitability and operational cash break-even by 2025
- Installed capacity estimate increased to 4,000 tons per year
- First batch of next generation fingerlings successfully produced in the hatchery



Hatchery making significant steps forward

Breeding program expanded with next generation larvae and new genes

Next generation larvae

- Successful production of a new generation on site
- New generation expected to accelerate growth rates, enhance feed efficiency, and provide overall higher quality

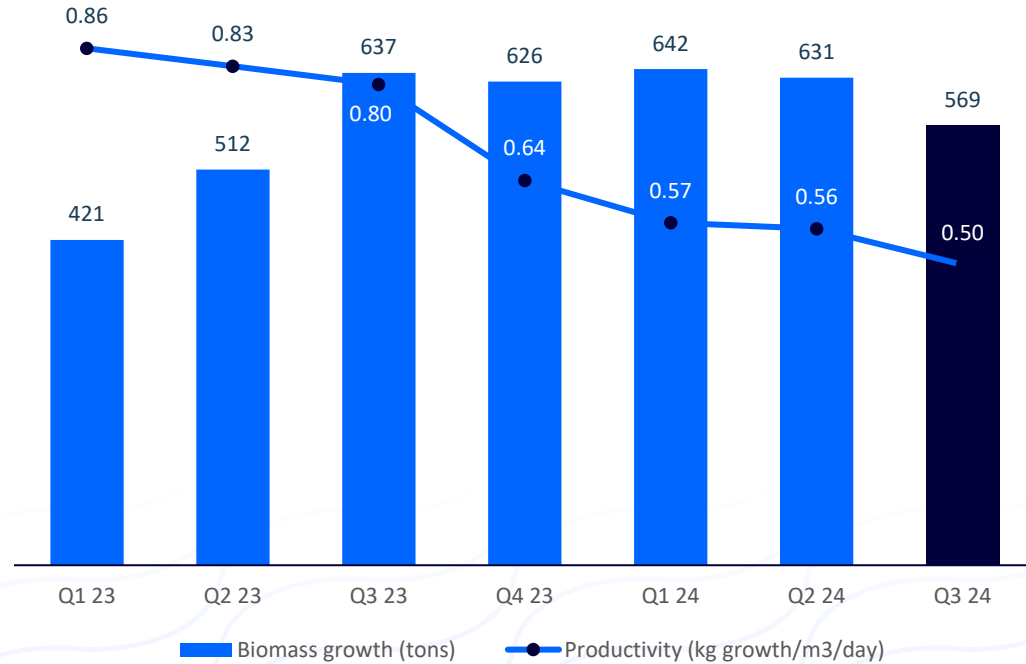
New genes

- Transfer and culture of eggs from a new sub-population successfully completed
- New genes broaden the genetic bases of our breeding program, increasing the potential of the breeding program



Production

Biomass growth and productivity

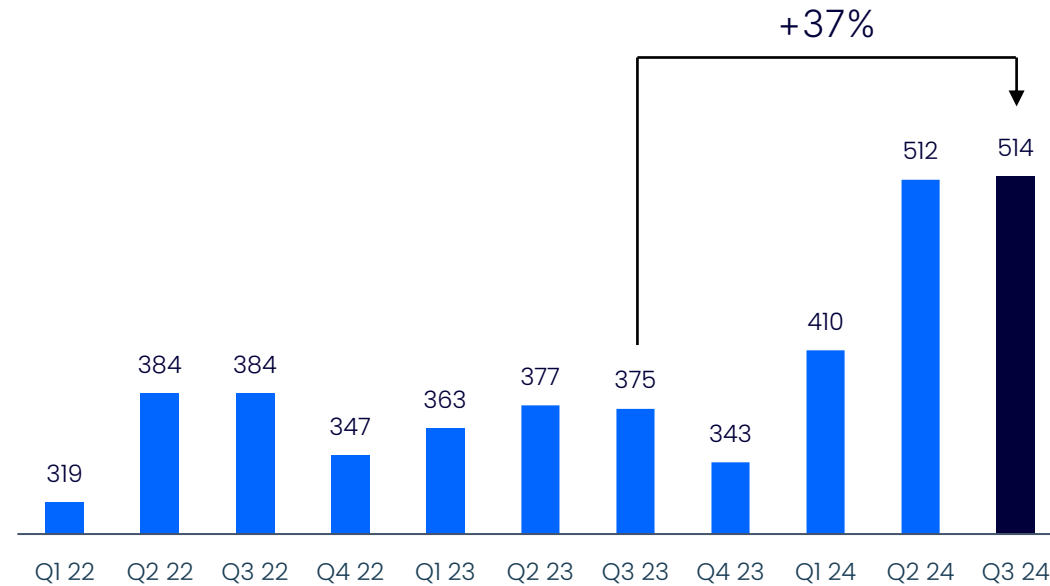


- Standing biomass at 1,063 tons
- Company continues to align production with market demand, implementing growth control measures
- Resulting in a temporary decrease in productivity and higher FCR
- Optimal production will be at 3.5x biomass



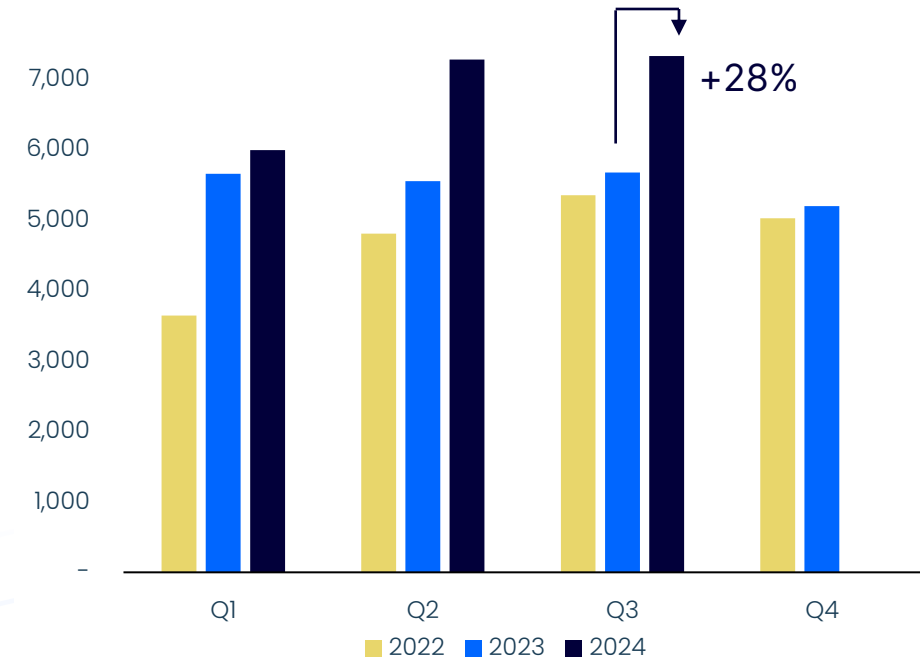
Sales volume and revenue

Sales volume



- Volumes sold stable compared to Q2 2024, but Fresh/Frozen ratio increased, in line with strategy
- Volumes sold higher across US and Europe
- Number of distribution hubs in the US increasing
- Setting up new distribution network in the US to create countrywide coverage

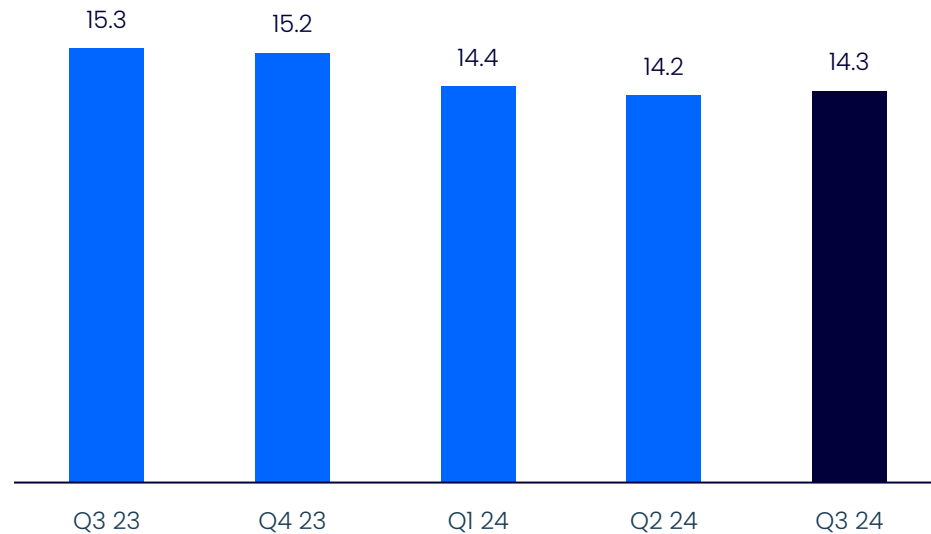
Sales per quarter



- Revenue increase driven by more favorable size and product mix
- Sales growth continues to accelerate, fueled by targeted investments in sales and marketing initiatives
- Sales team expanded

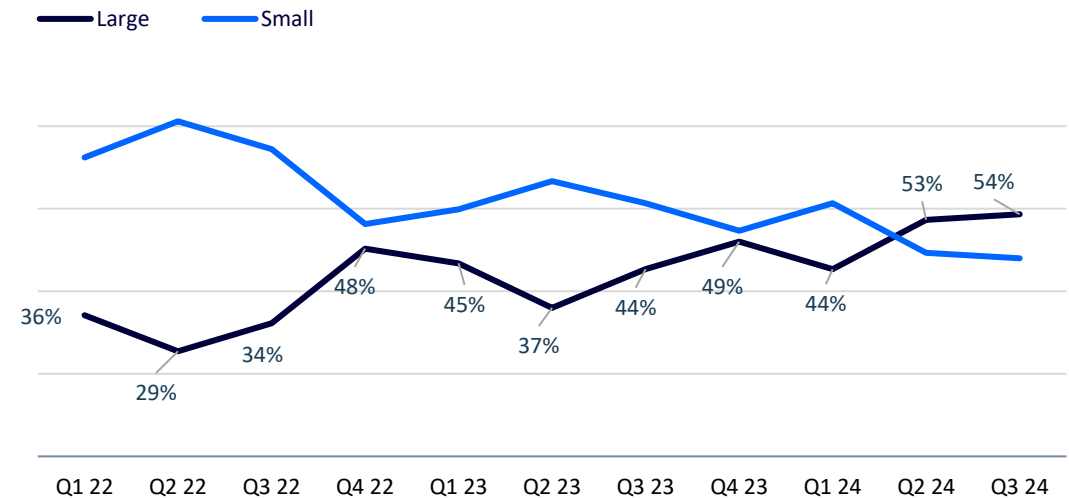
Price and size mix

Revenue in € per kg



- Price level reflects mix Fresh/Frozen and promotions in retail
- Reported revenue per kg is a blend of the sales price for Fresh (small and large) and Frozen

Ratio Large / Small - Fresh

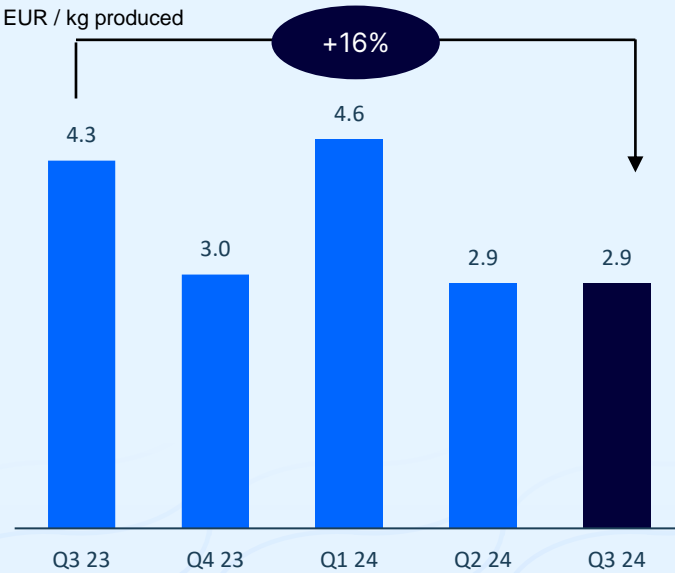


- Percentage large fish continues to increase in line with strategic goal of increasing large/small ratio
- Price and margin more attractive for Fresh large (3-5kg)

Production and operations

Feed cost

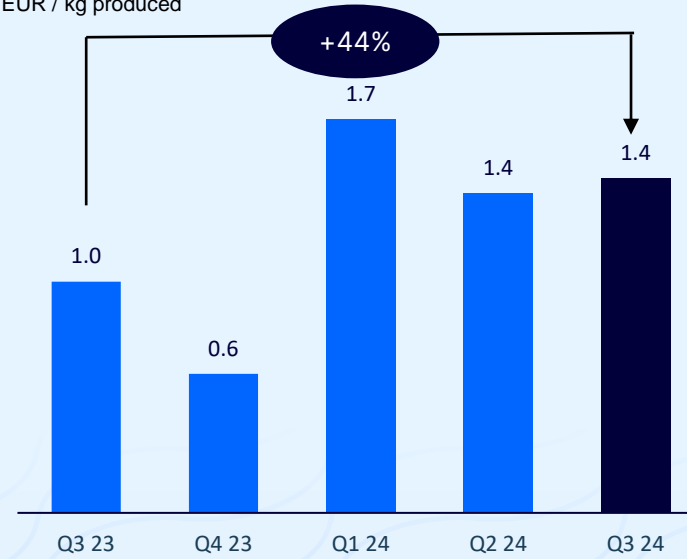
EUR / kg produced



- While feed prices have continued to go down in Q3, increased FCR has temporarily affected feed cost

Energy cost

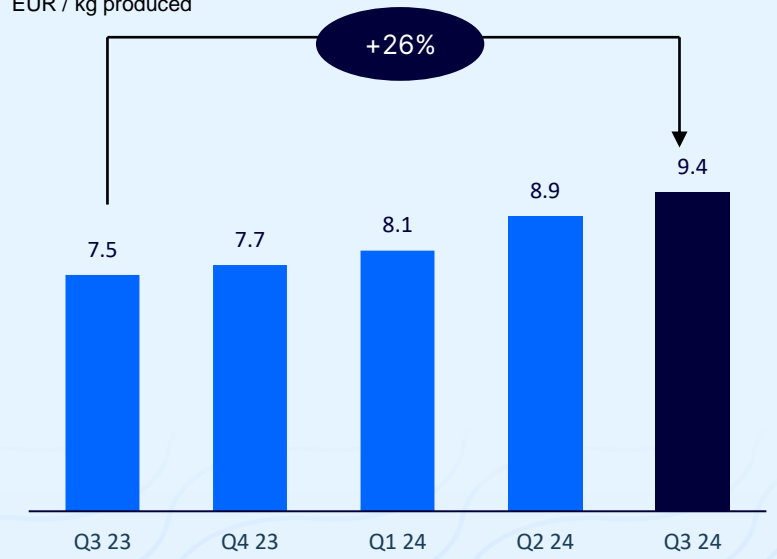
EUR / kg produced



- Long-term hedging strategy to ensure stable electricity price
- Fixed energy consumption that does not fluctuate based on produced volume
- Ongoing developments aimed at optimizing energy consumption

Production cost

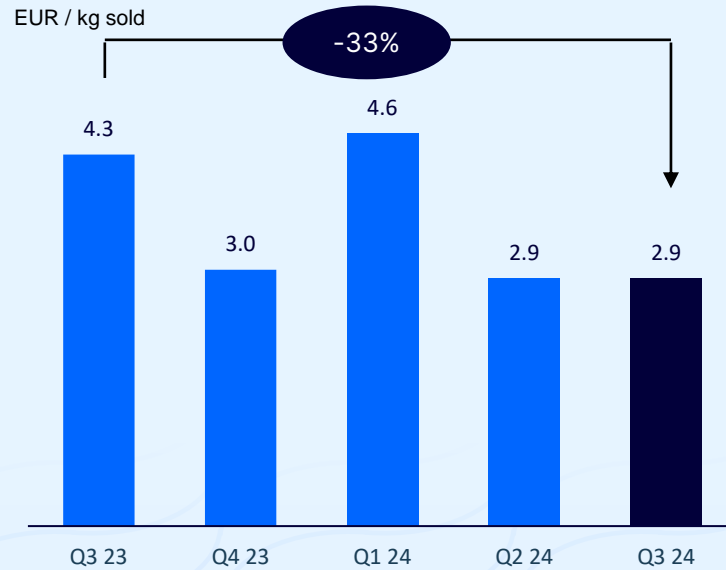
EUR / kg produced



- Unit production costs up as a result of lower biomass growth than in previous quarters and higher than normal FCR

Profitability

Gross margin



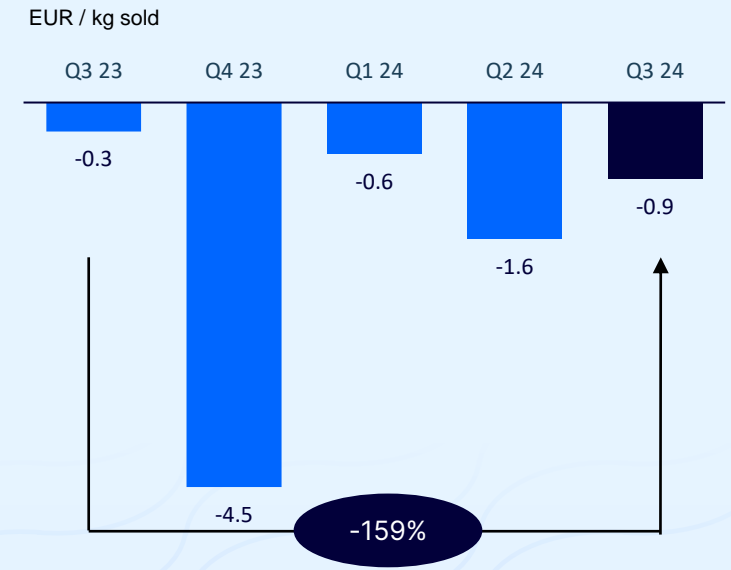
- Gross margin will increase by:
 - Sales mix improvement
 - Improvement in FCR and feed price reduction
 - Scaling Impact on fixed costs, as the farm moves towards full utilization

SG&A



- The full sales team in place as of Q4 to support increased market penetration and growth acceleration
- Reinforced marketing investment during the ramp-up phase, to support both awareness and sales initiatives in targeted segments
- The G&A organization is structured to support growth

Operational EBITDA



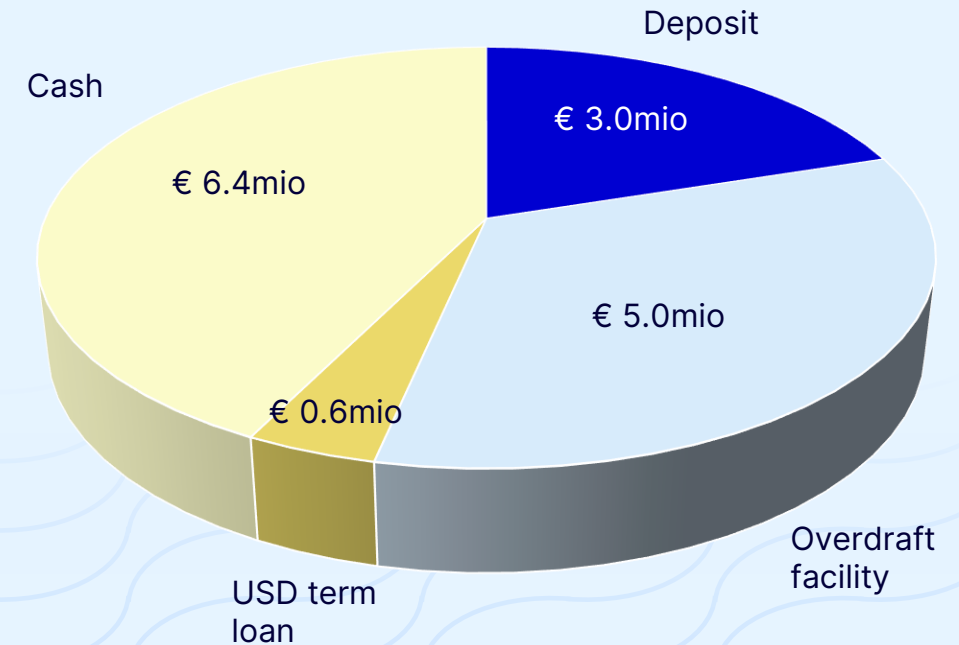
- Path to profitability by 2025 driven by:
 - Volume growth acceleration
 - Sales mix optimization as the share of large fish is increasing
 - Operational excellence in farming
 - Scaling impact from the full utilization of the farm capacity

Financing and liquidity

Liquidity, operational cash flow and interest

- Total liquidity of EUR 15 million at end of Q3 2024
- Q3 2024 cash usage was € 3.3 million:
 - € 0.4 million capex
 - € 1.6 million interest
 - € 1.0 million increase in frozen product inventory and biomass growth
- Closely monitoring liquidity position as we navigate our sales ramp-up phase to ensure the company remains fully financed

Financing structure



Concluding remarks

- Our strategic investments in sales and marketing are driving strong growth, as evidenced by a 37% increase in sales volume and a 28% increase in revenue
- The successful production of the next-generation fingerlings marks a new milestone, underscoring 15 years of advancements in our sustainable broodstock program
- The company remains on a steady path toward profitability, with expectations to reach EBITDA and cash from operations break-even by 2025

Q&A

The Kingfish Company

