



**HUMBOLDT**

WORKING CAPITAL

PESQUERA CAPRICORNIO



## Company Background

- Pesquera Capricornio (PC) was created in 1981 and is privately owned by Mr. Giovanni Mandriotti, The Company is dedicated to the extraction and transformation of hydro biological resources, producing primarily prime quality fishmeal and fishoil.
- The company is located in the Callao bay, 10 kms away from Jorge Chavez International airport and 6.4 kms from the port of Callao (Peru's main airport and port) with a privileged geographic location that facilitates export logistics.
- PC produces PRIME QUALITY fishmeal as a result of the proximity of the fishing areas to the processing plant as well as the efficiency recovery rate of its fishing fleet.
- Currently, PC is the only fishing company in Peru that has been permissioned to build the first fishmeal plant for direct human consumption.
- PC is also the only fishing company with a fish farm within the plant and with a continued interest and effort to develop new fish based foods and technology.

## Business Position/ Overview/ Operations

### Business Units

- ▶ Fishmeal: PRIME, S.P. & FAQ, Fishoil
- ▶ Fishmeal for human consumption
- ▶ Frozen Fish Plant: Jurel, Caballa, Anchoveta
- ▶ Aquiculture: Fortuno, Chita

### Facilities and Plant Capacity

- ▶ Fishmeal plant capacity: 30MT/hour (45MT 4Q.2018)
- ▶ Fishing quote: 0.76%
- ▶ Fishmeal human consumption plant (project): 120Ton/day
- ▶ Frozen-warehouse: 3,312 Tons
- ▶ Frozen-tunnels: 120 Tons/day

### Integration concept

- ▶ Proximity of the fishing area to the plant as well as the port (transportation, exports)
- ▶ Only one plant with all the facilities included for the four business units.

## Industry Opportunities

### Aquaculture

WORLD Statistics	Average Thousand Tonnes/year		Avg.growth
	2013/15	2025	2025vs.2013/15
Fisheries	93,584	94,143	0.6%
Aquaculture	73,305	101,768	38.8%
Total	166,889	195,911	17.4%

Latin America & Caribbean	Average Thousand Tonnes/year		Avg.growth
	2013/15	2025	2025vs.2013/15
Fisheries	11,722	12,465	6.3%
Aquaculture	2,702	3,780	39.9%
Total	14,424	16,245	12.6%

PERU	2013/15	2025	2025vs.2013/15
Fisheries	4,797	5,000	4.2%
Aquaculture	117	111	(5.1%)
Total	4,914	5,111	4.0%

Source: The State of World Fisheries/Aquaculture, 2016, F.A.O

### Fishmeal for human consumption

Peru is home to the world's largest hydrological biomass of over 95 MM tons of anchovy (*Engraulis ringens*). These have not been used traditionally for direct human consumption in the past. During the last 7 seven years PC has been working with the *United Nations* and the *Cayetano Heredia University* to develop a healthy and taste neutral fishmeal to better serve this untapped market. Production is expected for the 4Q of 2017.

PC has started producing fishmeal for human consumption for the Ancash Region. Ancash has a high level of malnutrition in its population. This nutrition-model will be escalated to the several undernourished regions in Peru.

## Strategy & Investments

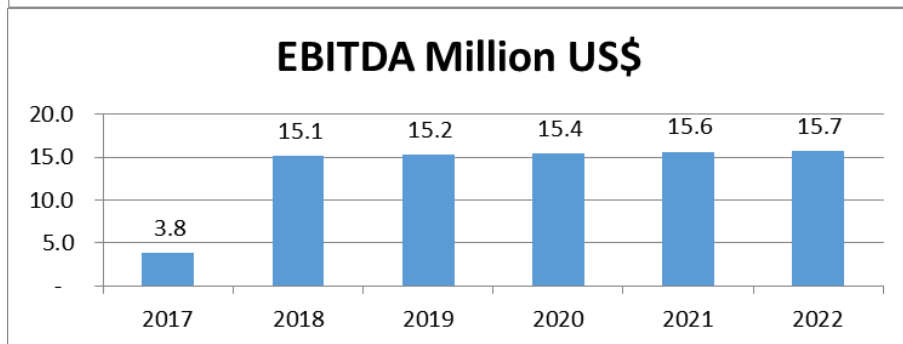
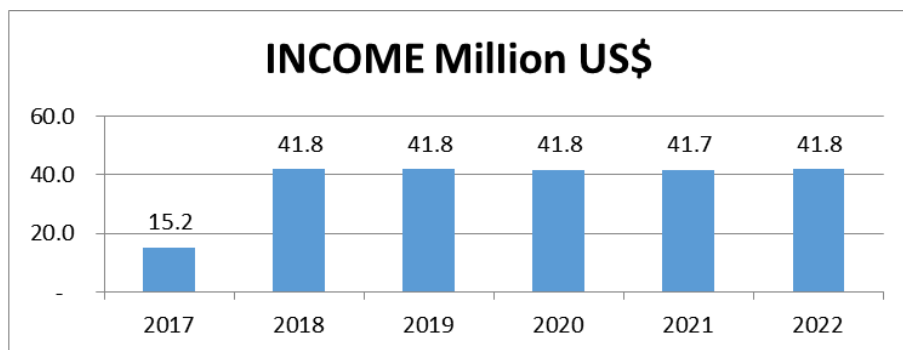
Our interest: To sell up to 65% of the company to a financial or strategic partner or company to develop two new business lines: (i) fish meal for direct human consumption and (ii) aquaculture

### Our VISION

- 5-year plan towards 2022: Revenue of US\$42MM and EBITDA \$15.7million
- To migrate the current fishing business model to the following:
- CAPEX: We expect to invest US\$1.0 million for improving our fishmeal direct human consumption plant (The capacity will be increased from 3MT/hour to 10 MT/hour)

Production mix	2017	2022
Fishmeal (industrial)	78%	16%
Fishmeal for human consumption	22%	38%
Aquaculture	0%	46%
TOTAL	100%	100%

## Financial Projections



## Valuation and Financial Metrics

Currently, PC has an enterprise value of approximately USD65MM and asset value amounting to USD106MM. During the 3Q 2017 Direct Human Consumption fishmeal production will commence with an expectation of reaching 3,750 MT of yearly production by 2018 year end. Similarly, with the projected investments in the aquaculture and on site salt water fish farm, PC is expected to sell approximately 3,000 MT of Fortuno in 2018 while Chita growth is currently under development through a joint venture with the “Imarpe”.

Main assets US\$ million	
▶ Fishing license (0.76)	61.0
▶ Land 30,000 m2	15.0
▶ Frozen plant	15.0
▶ Factory	10.0
▶ Unloading boat/equipment	2.0
▶ Dock (50%)	2.0
▶ Fish farm facilities	0.6
▶ Fishmeal DHC plant	0.4
<b>Grand Total</b>	<b>106.0</b>