



Operational Efficiency & Financial Performance

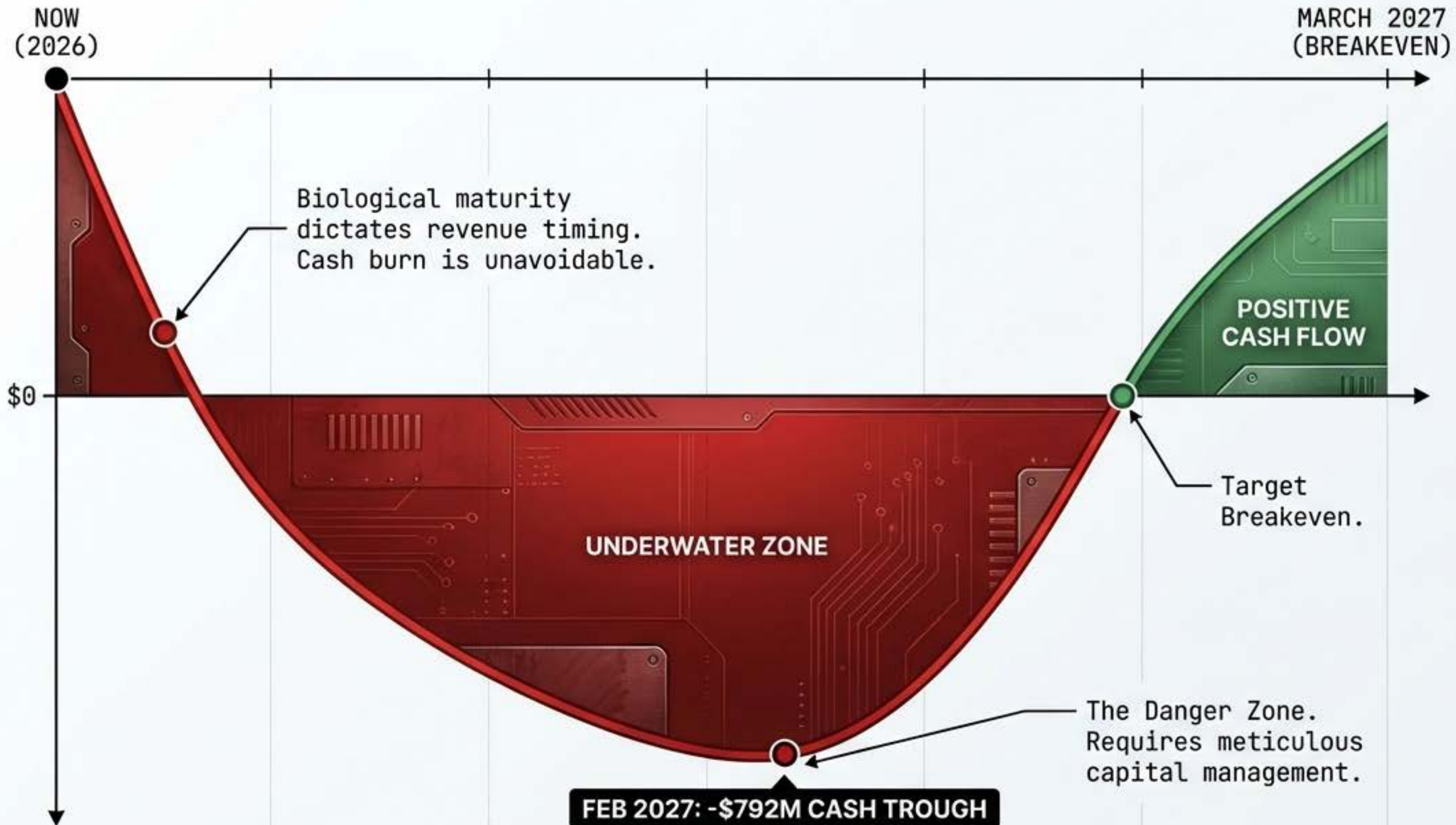


Financial Performance

THE TURNAROUND PLAYBOOK

Navigating the \$792M Cash Trough
to Breakeven by March 2027.

THE 15-MONTH RUNWAY: SURVIVING THE CASH TROUGH

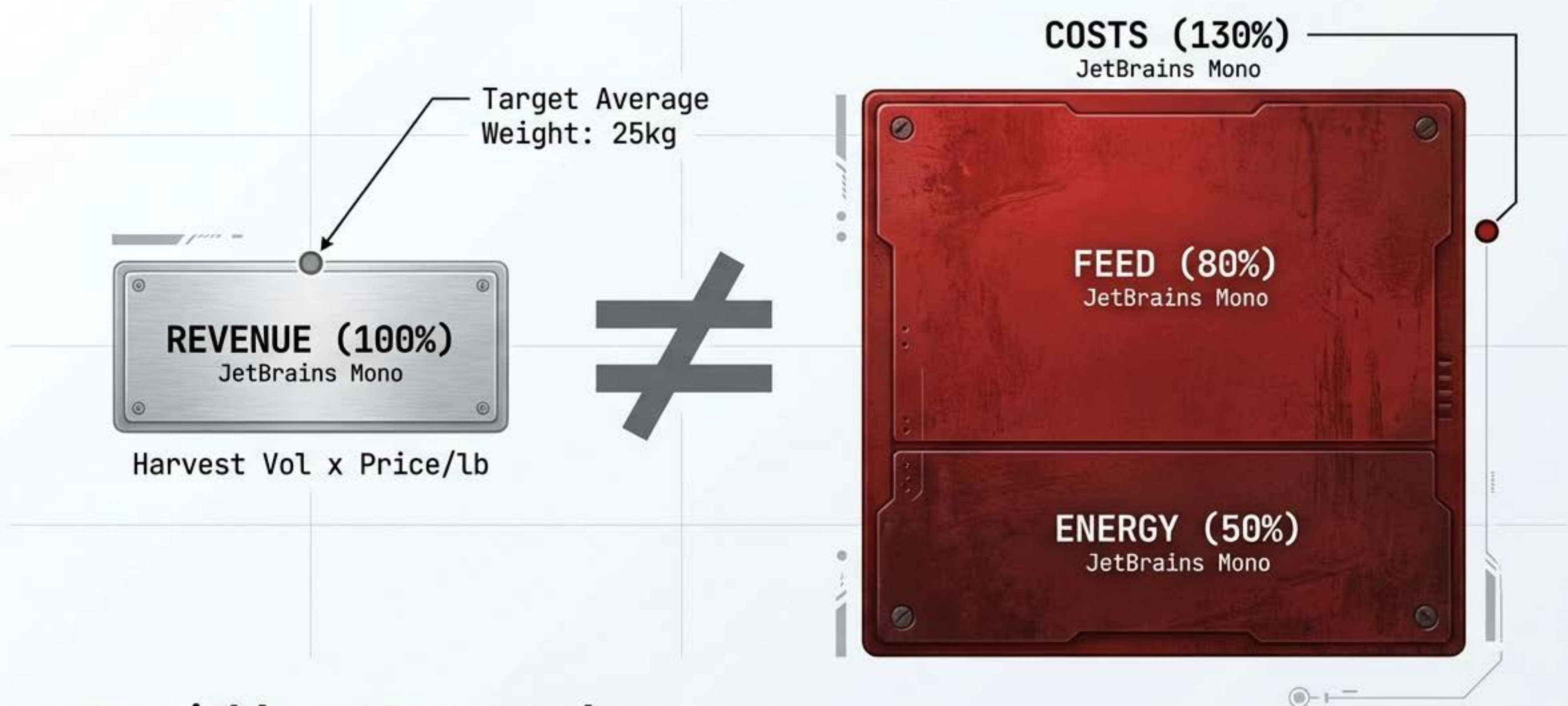


REQUIREMENT:
15 Months of
Runway.

CONSTRAINT:
Nature cannot
be rushed.

GOAL:
Positive cash
flow post-Feb
2027.

THE UNIT ECONOMICS ARE CURRENTLY INVERTED



**Current variable costs exceed revenue.
Controlling FCR is not optional; it is survival.**

KPI: MORTALITY RATE

PLUG THE LEAK.

THE REALITY

100%

Projected 2026 Mortality. Zero Yield.



<10% Industry Target

THE MATH

$$\text{Dead Fish} \div \text{Total Stocked}$$

THE IMPACT



Each dead fish increases cost of survivors.

100% loss = Root Cause Analysis required.

THE FIX

- [] Daily visual checks before 9:00 AM.
- [] Isolate batches >1% daily loss.
- [] Deploy water quality sensors.

KPI: JUVENILE SURVIVAL RATE

SECURING THE SUPPLY CHAIN.

THE REALITY

150% LOSSES

Implies broken hatchery.

>90% Survival

THE MATH

$(\text{Net Juveniles} \div \text{Total Offspring}) \times 100$

THE IMPACT



Low survival forces external purchases.
If you can't grow stock, you can't scale.

THE FIX

- Strict biosecurity protocols.
- Genetics selection for resistance.
- Real-time sensor feeding.

KPI: FEED CONVERSION RATIO (FCR)

CONTROLLING THE 80% COST DRIVER.

THE REALITY

12:1

Target Ratio (12 lbs Feed = 1 lb Fish)

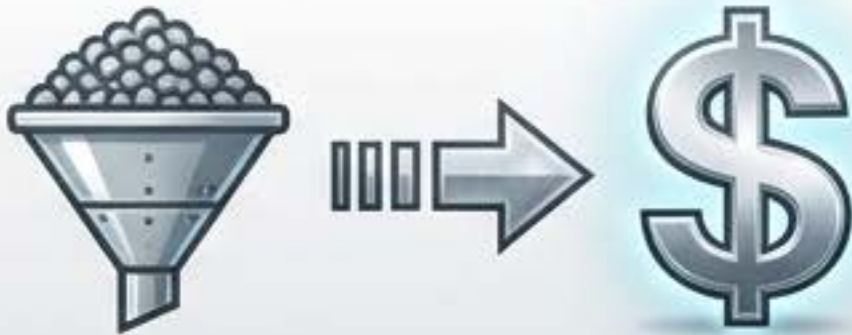
Feed is the single largest expense.

THE MATH

Total Feed Input (kg) ÷ Total Weight Gain (kg)



THE IMPACT



Reducing FCR by 0.1 saves millions.

THE FIX

- ✓ Lock feed sourcing contracts.
- ✓ Real-time biomass feeding (No overfeed).
- ✓ Shorten cycles to 182 days.

KPI: COST OF GOODS SOLD (COGS) %

Managing Variable Efficiency.

BENCHMARK

Target direct costs <50% of revenue.

CURRENT STATUS

>130% (Upside Down)

THE EQUATION

$(\text{Total Direct Costs} \div \text{Total Revenue}) \times 100$



Insight: You cannot fix COGS by 'spending less.'
You fix COGS by improving FCR and Energy efficiency.

KPI: PRODUCTION CYCLE TIME

MAXIMIZING ASSET TURNOVER (\$765M CAPEX).

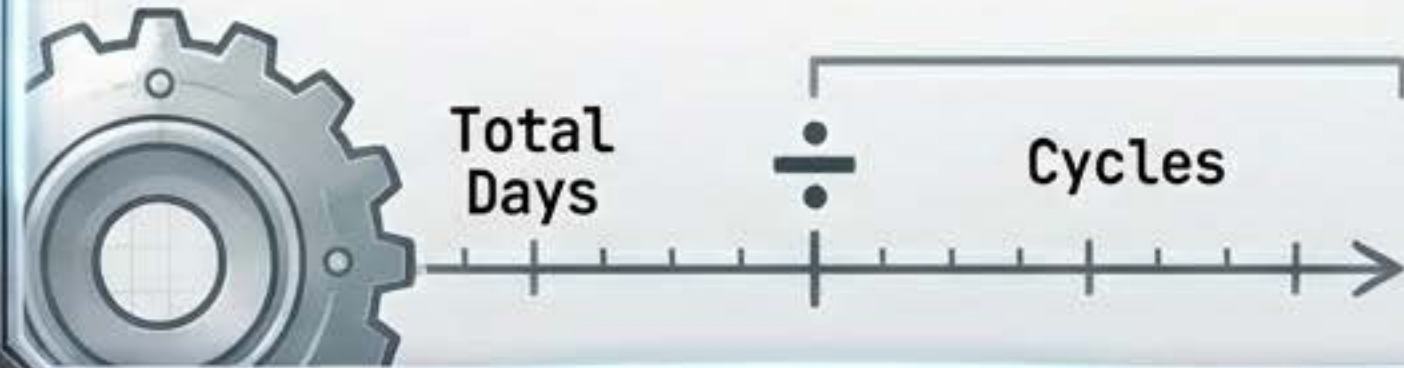
THE REALITY

2026:
15 Cycles
(243 Days) → **20 Cycles**
(182 Days)

Cycles per year (Days per cycle)

THE MATH

365 Days ÷ Cycles Per Year



THE IMPACT



Faster cycles =
Faster Asset Payback.

High utilization is
non-negotiable.

THE FIX

- ✓ Superior genetics (fast maturation).
- ✓ Environmental growth controls.
- ✓ Streamline restocking downtime.

KPI: PRODUCTION YIELD (HARVEST WEIGHT)

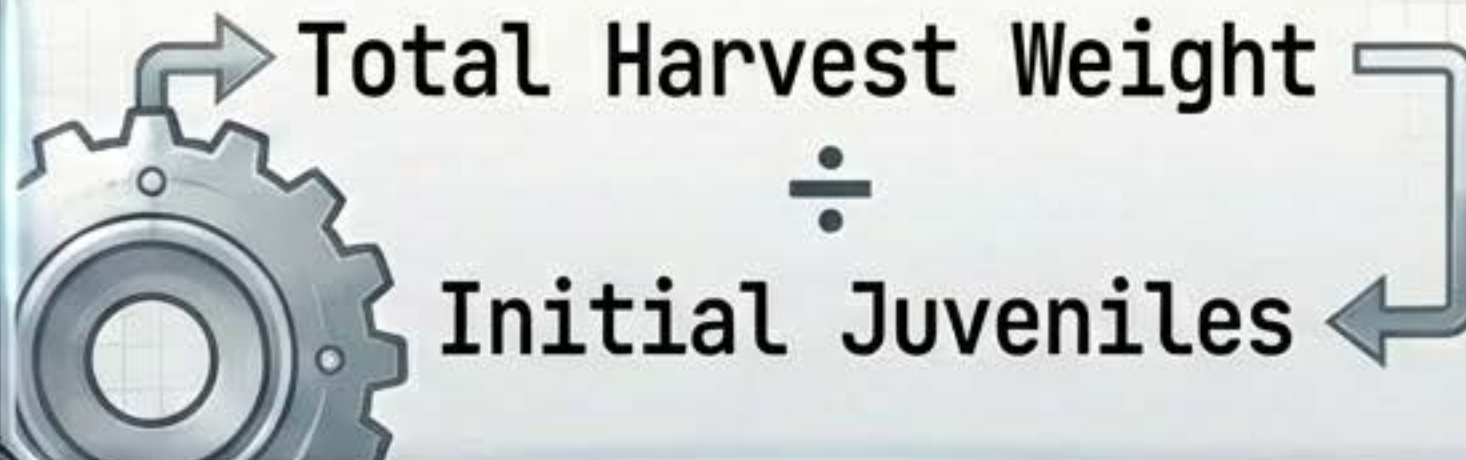
PHYSICAL EFFICIENCY & REVENUE.

THE REALITY

→ **25 KG**

Target Head Weight by 2026.

THE MATH


$$\frac{\text{Total Harvest Weight}}{\text{Initial Juveniles}}$$

THE IMPACT



High yield on dead fish is useless.

Must pair with Mortality Rate.

THE FIX

- ✓ Genetics for size potential.
- ✓ Maximize yield per cubic meter (Density).
- ✓ Forecast based on yield data.

KPI: OPERATING CASH BURN

The Scorecard for Survival.

THE DRIVER:

Massive upfront costs
(Juveniles + Feed)
vs. Biological
Revenue Lag.

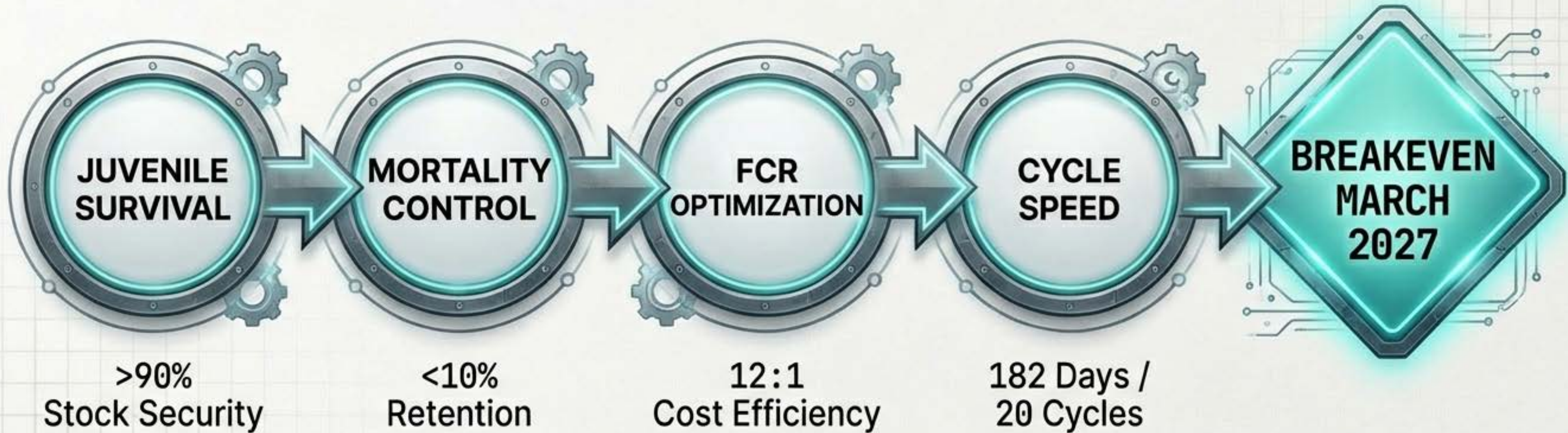


THE STRATEGY:

Model a 10% feed
cost increase. Every
wasted kg of feed
deepens this hole.

Net Income + Non-Cash Expenses - Working Capital Changes

The Cycle of Improvement



Executive Checklist: Immediate Interventions



LOCK FEED CONTRACTS: Secure pricing to manage the 80% revenue cost driver.



THE 9:00 AM RULE: Implement daily visual tank checks for all staff.



BIOSECURITY PROTOCOLS: Isolate batches with **>1% daily loss** immediately.



YIELD TRACKING: Target **25kg** weight; monitor density per cubic meter.



CASH MODELING: Stress-test Feb 2027 trough against **10%** feed hike.



CYCLE MAPPING: Plan the operational shift from **15** to **20** cycles.



EFFICIENCY IS THE ONLY STRATEGY.

If you don't nail Mortality and FCR, everything else is just noise.