



Welcome!

Quarterly update
Q2 2022

Ocean of opportunities

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Press of the negative kind - "Wall Street's worst half-year since 1970"

BREAKING • MARKETS

Stocks Close Out Worst First Half Of A Year Since 1970

Sergei Klebnikov Forbes Staff
I cover markets and business news.

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Jun 30, 2022, 04:00pm EDT

MARKETS | U.S. MARKETS

S&P 500 Posts Worst First Half of Year Since 1970

Stocks fell to wrap up a grueling second quarter

Global markets post worst first-half performance in decades - as it happened

MARKETS

This was the worst first half for the market in 50 years and it's all because of one thing — inflation

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Press of the negative kind - *"Inflation and higher interest rates"*

Jurisdiction	Jan 2022 Inflation	May 2022 Inflation	Jan 2022 Policy Rate	Jun 2022 Policy Rate
UK	5.50%	9.10%	0.25%	1.25%
U.S.	7.50%	8.60%	0.00%-0.25%	1.50%-1.75%
Euro Area	5.10%	8.10%	0.00%	0.00%
Canada	5.10%	7.70%	0.25%	1.50%
Sweden	3.90%	7.20%	0.00%	0.25%
New Zealand	5.90%	6.90%	0.75%	2.00%
Norway	3.20%	5.70%	0.50%	1.25%
Australia	3.50%	5.10%	0.10%	0.85%
Switzerland	1.60%	2.90%	-0.75%	-0.25%
Japan	0.50%	2.50%	-0.10%	-0.10%

Source: CNBC, The New York Times

ECONOMY

Raising interest rates is the wrong solution to the inflation problem, analyst says

PUBLISHED MON, JUL 4 2022-9:38 PM EDT

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STRATEGIES

How Do Higher Interest Rates Bring Down Inflation?

Our columnist is responding to readers' questions. This week, he focuses on inflation, with the help of a bond maven and a Nobel laureate.



**Selective equity analysis
is more important than
ever before**

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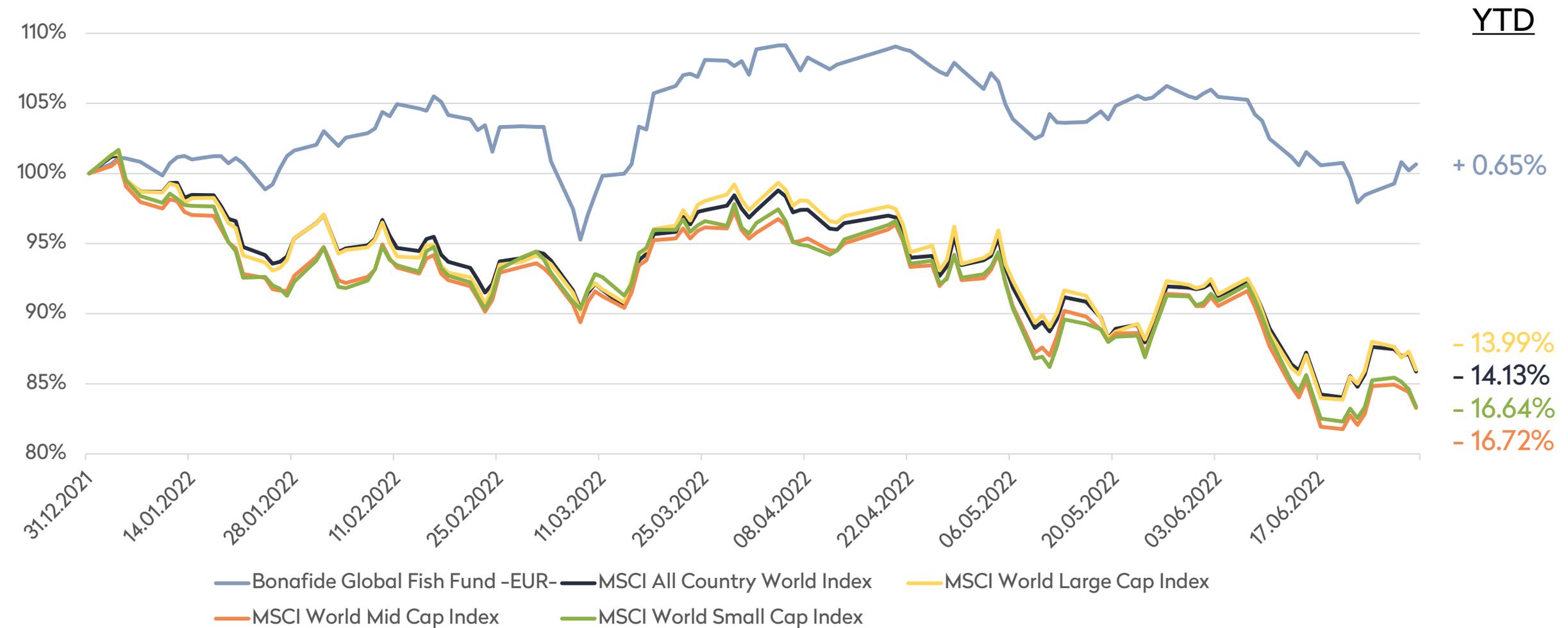
A strong team of experts

THREE ACTIVE PARTNERS
for over 10 years



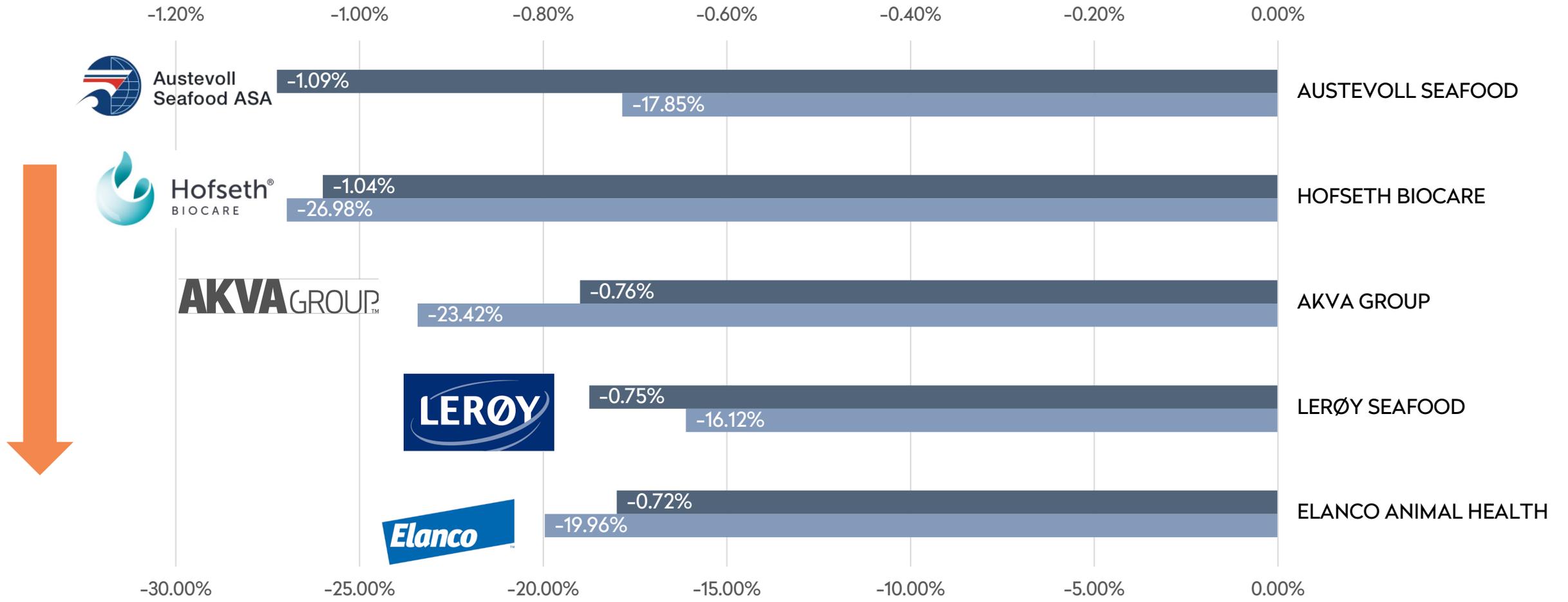
**A TEAM OF ANALYSTS WITH A LOT
OF KNOW-HOW**
the team was expanded further

The Bonafide Global Fish Fund swims against the stream



Source: Bloomberg

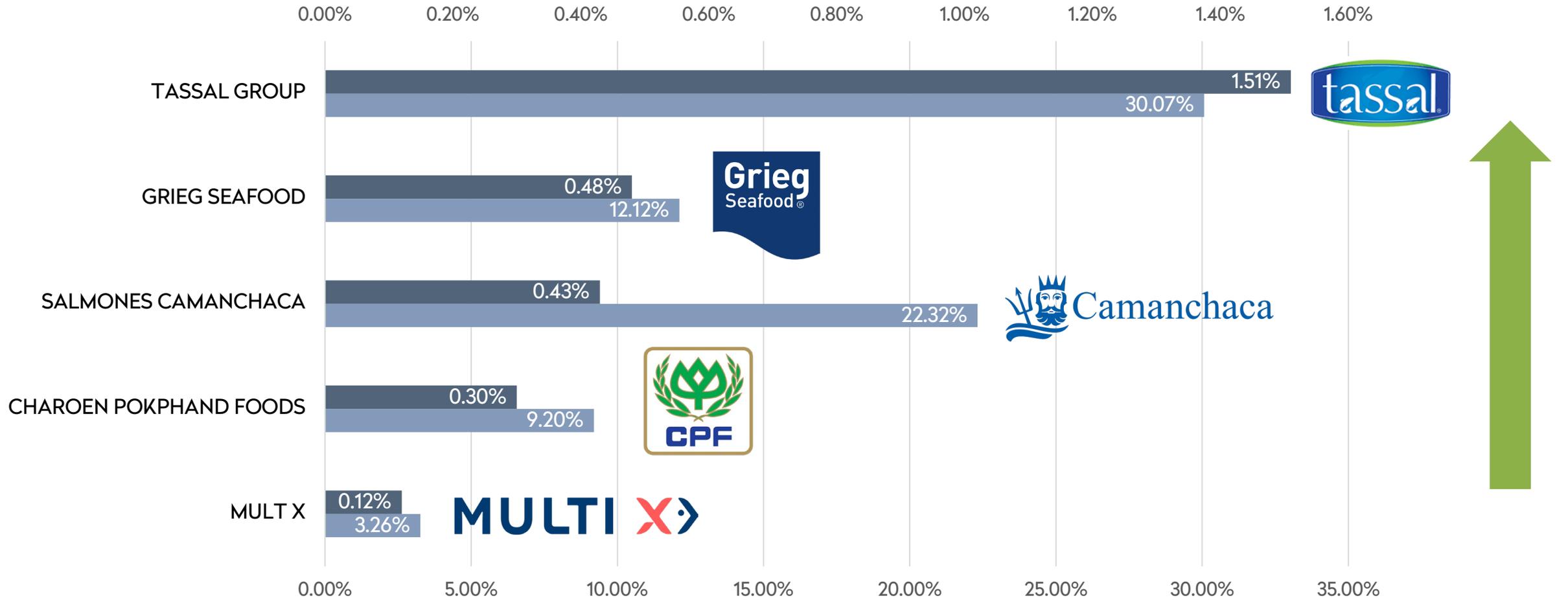
Worst Performers



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**«Stay the course, even when
the waves are higher.»**

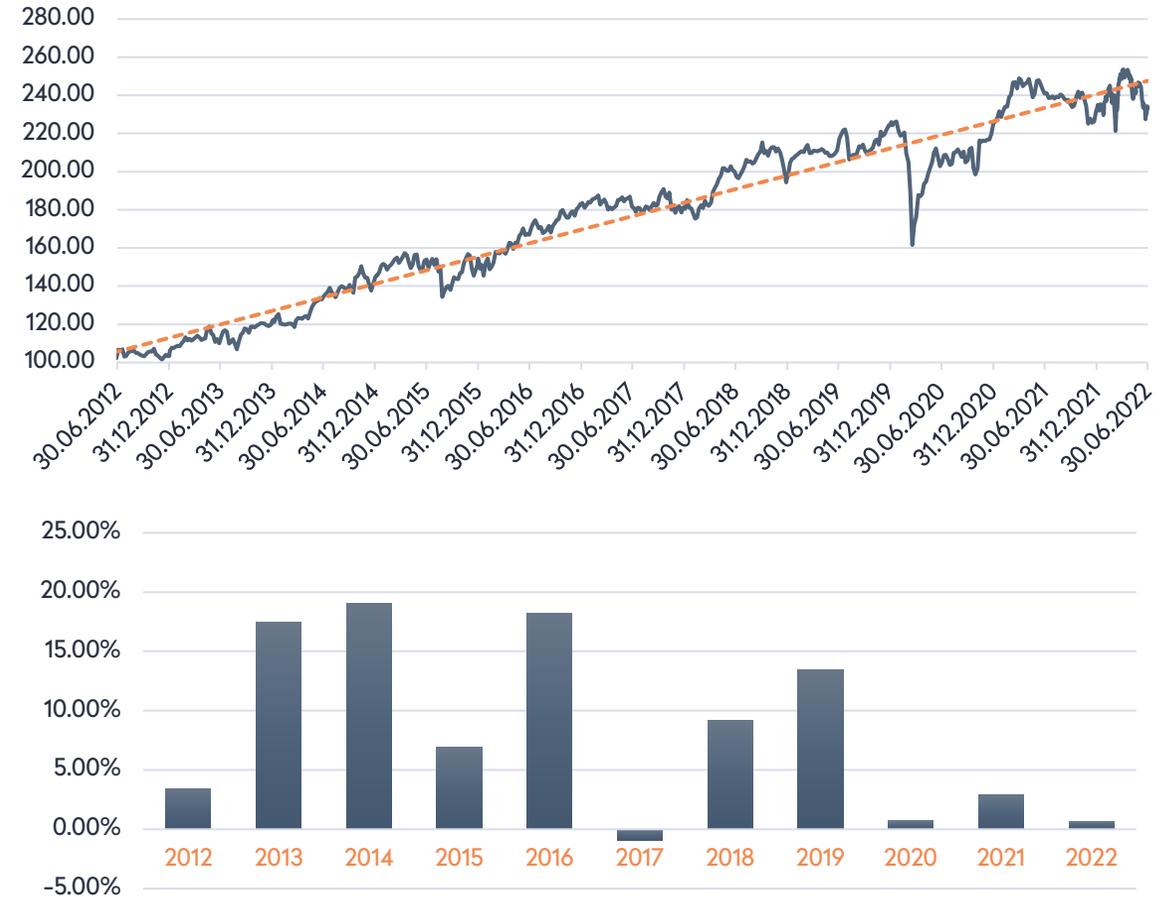
Best Performers



A superb satellite

Historical performance EUR tranche

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2022	2.05	1.29	3.55	0.34	-1.91	-4.47							0.65
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
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
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
2018	-1.57	2.35	-0.16	6.14	3.8	-0.25	0.27	1.74	3.17	0.62	0.10	-6.84	9.17
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
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
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
2014	-0.9	-0.06	1.45	1.92	5.13	1.69	2.83	1.78	-0.31	4.59	-0.47	0.09	19.03
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
2012						2.28	0.72	2.89	-2.26	2.04	-3.10	0.95	3.40



The facts speak for themselves

Market Yields	Global Fish Fund	MSCI World	Food-Multis (Ø)
Price-Earnings-Ratio expected 2022	13.85	16.90	21.96
Dividend Yield expected	3.04%	2.34%	2.61%
EV/EBITDA	9.99	12.14	13.98
P/B	1.62	2.69	3.93

Source: Bloomberg Juni 2022

- ➔ **MSCI World:** World 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 active in the consumer staples sector and are actively traded on the stock exchange.

Global macro trends



The industry finally meets again



Hot topics at the North Atlantic Seafood Forum:

- New technology for fish farming
- Land-based or offshore?
- Farming of new species
- Price development for proteins
- Commodity inflation

LINDA LITLEKALSØY AASE, CEO of SalMar presents at the NASF in Bergen.

On-site visit and numerous interesting exchanges



Seafood is an important sector on the Oslo Stock Exchange

Market capitalisation of seafood stocks listed on Oslo Børs



Source: Pareto Securities

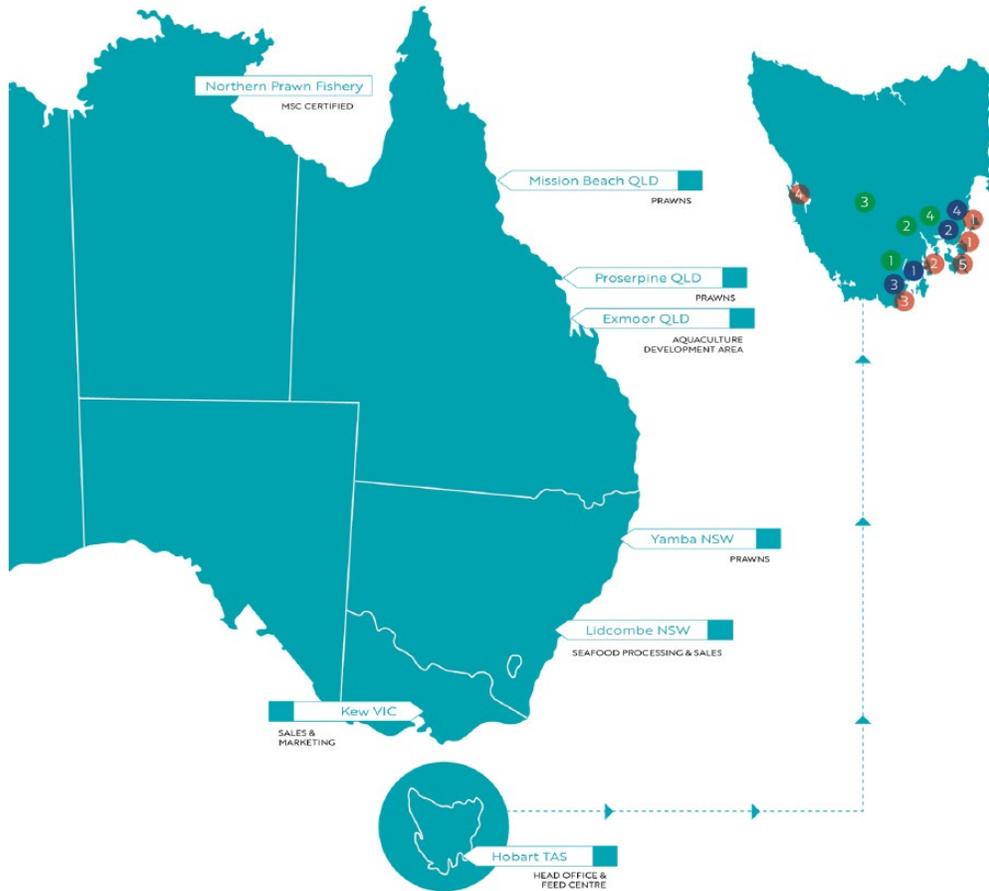


TASSAL GROUP
a better tomorrow

Merger & Acquisition: Tassal Group

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Merger & Acquisition: Tassal Group



- Australian seafood company with salmon farming in Tasmania and shrimp farms in Western Australia as well as downstream activities
- Business figures since COVID-19 heavily burdened by high logistics costs for export (few international flights from Australia) → recovery within reach
- Second pillar with shrimp business under construction; investment costs spent; period of high cash flows begins

Source: Tassal Group, Investor Presentation

Merger & Acquisition: Tassal Group

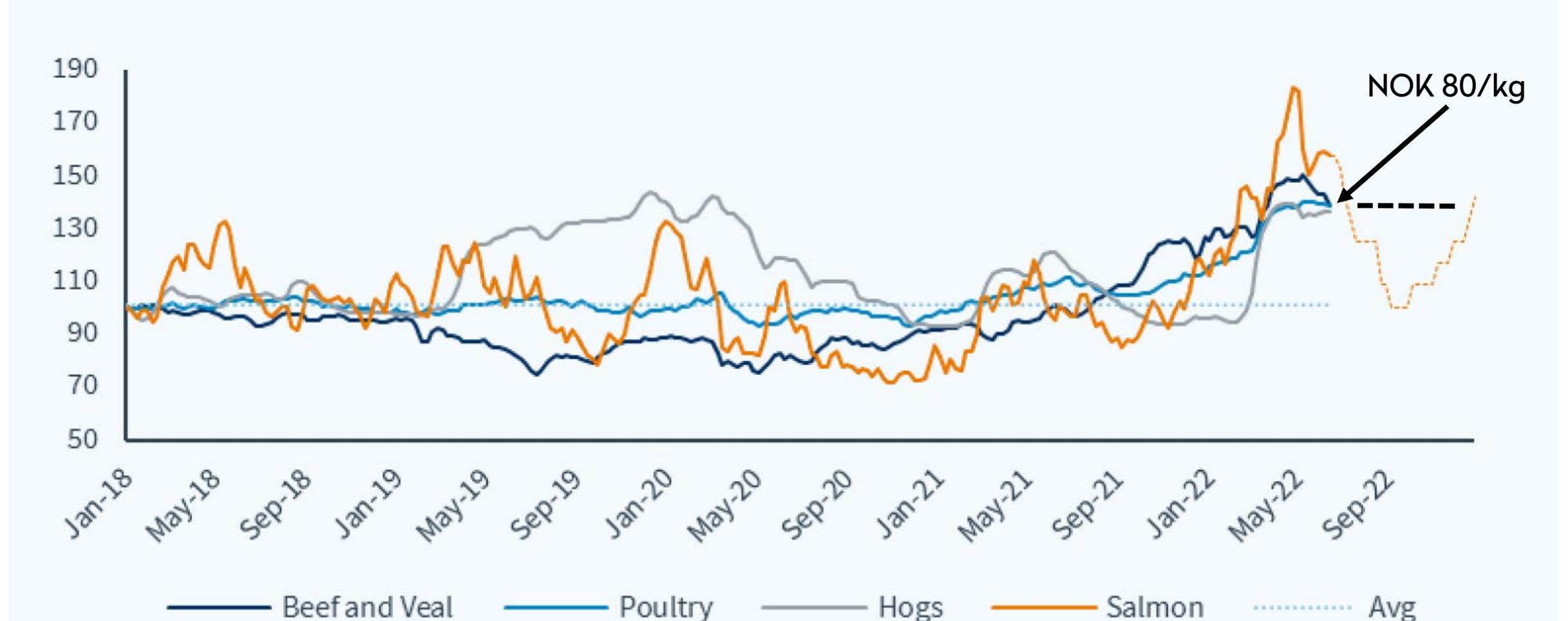
- 5% position in Global Fish Fund since August 2021 (switch from acquisition proceeds of Huon Aquaculture).
- Purchase offer(s) from Canadian seafood company Cooke Inc.
- Given the growth options (shrimp) as well as the earnings recovery (post-COVID), Tassal's board also rejected the third offer at \$4.85 per share as too low

Source: Bloomberg



Prices of animal proteins

Chart 9: Salmon price relative to other protein prices (rebased at 100 Jan 2018)



Sustainability

**The Principal Adverse Impacts (PAIs)
under SFDR**



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SFDR requires classification of funds' sustainability strategy

Article 6

- Sustainability risks are integrated into investment decisions

Article 8

- Promotes environmental or social characteristics

Article 9

- Has sustainable investments as its objective

MiFID II requires classification of investors' sustainability preferences

Min. principle
adverse impacts

- Funds considering significant adverse impacts

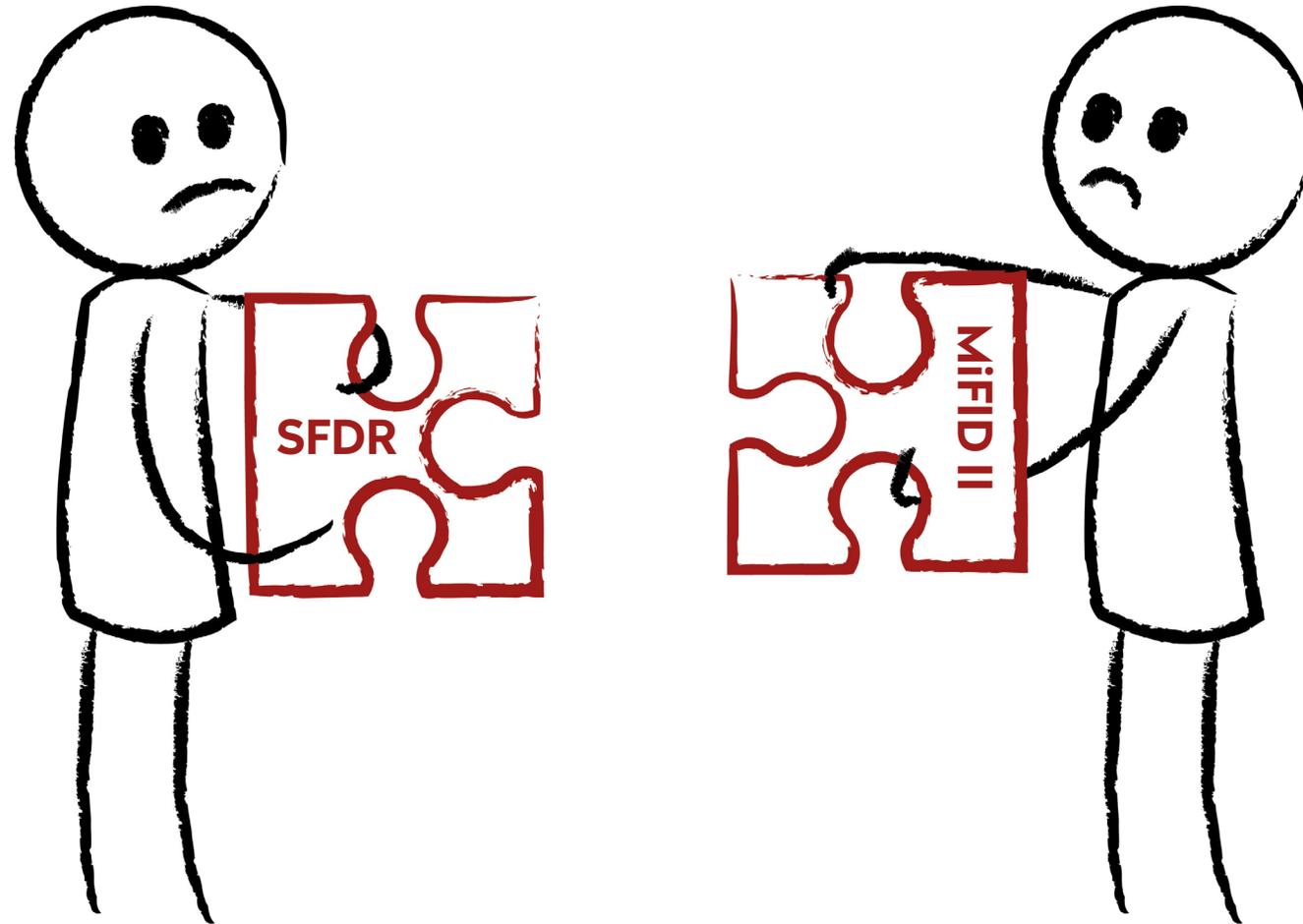
Sustainable
investments

- Funds with a minimum share of sustainable investments as defined by SFDR Art. 2 No. 7

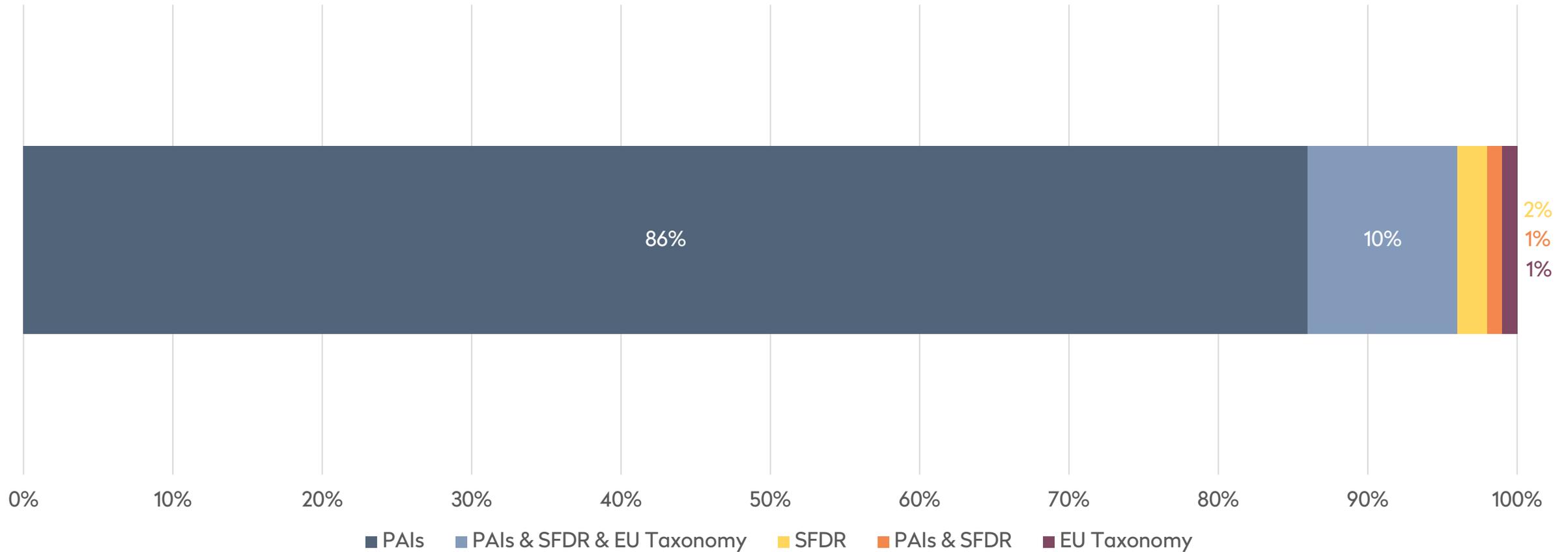
Taxonomy
alignment

- Funds with a minimum alignment with the EU Taxonomy

SFDR and MiFID II classifications don't match



86% of German funds rely only on PAIs to comply with MiFID II



Source: FNG



Results for climate-related PAIs

Official PAIs	(Un)official metrics	Mandatory	Assessment
GHG emissions	Scope 1 GHG emissions	Yes	Market perform
GHG emissions	Scope 2 GHG emissions	Yes	Market perform
GHG emissions	Scope 3 GHG emissions	Yes	Outperform
GHG emissions	Total GHG emissions	Yes	Outperform
Carbon footprint	Scope 1+2+3 per Mio EUR Enterprise Value	Yes	Outperform
GHG intensity of investee companies	Emissions Intensity - Scope 1, 2 & 3 Emissions (EUR)	Yes	Outperform
Exposure to companies active in the fossil fuel sector	Fossil Fuel - Involvement (PAI)	Yes	Outperform
Share of non-renewable energy consumption and production	Energy use - Coal/nuclear/unclear energy sources	Yes	Outperform
Share of non-renewable energy consumption and production	Non- renewable energy consumption	Yes	Market perform
Share of non-renewable energy consumption and production	Non- renewable energy production	Yes	Outperform
Energy consumption intensity per high impact climate sector	Energy consumption intensity (GWh/mEUR)	Yes	Depends on sector
Emissions of air pollutants	Total air emissions (Metric tonnes)	No	Outperform
Investments in companies without carbon emission reduction initiatives	Companies without Carbon Emission Reduction initiatives	No	Outperform

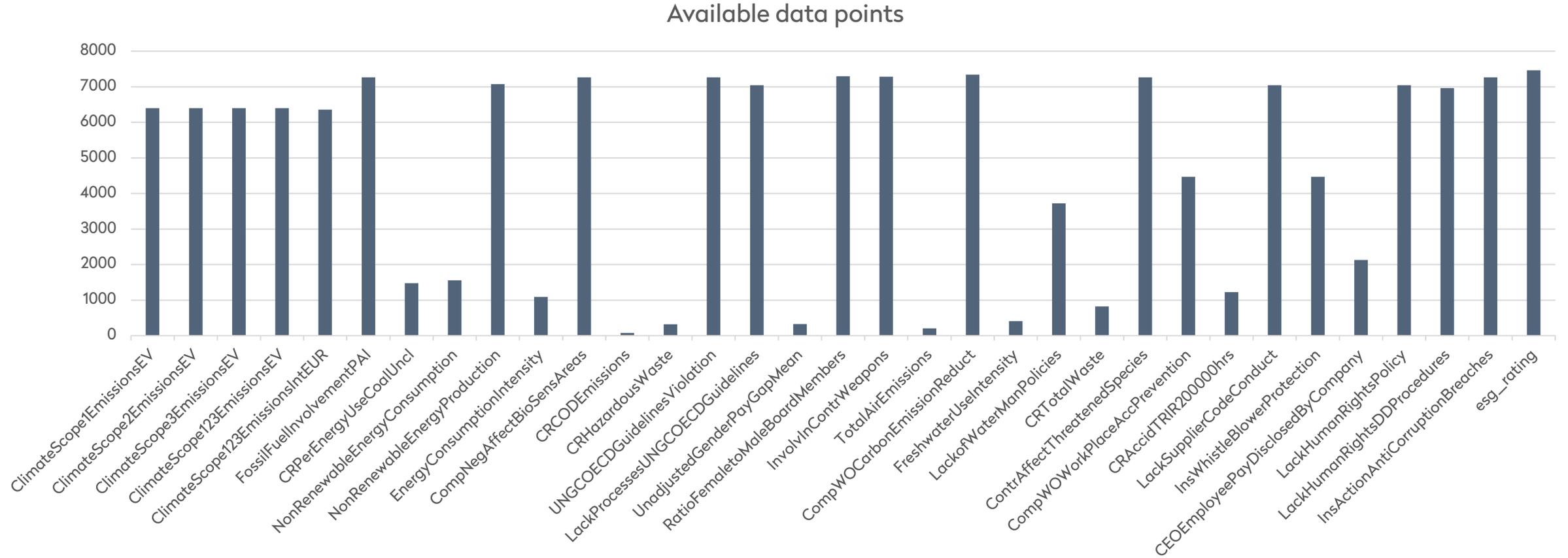
Results for environmental PAIs

Official PAIs	(Un)official metrics	Mandatory	Assessment
Activities negatively affecting biodiversity-sensitive areas	Companies negatively affecting biodiversity-sensitive areas	Yes	Outperform
Emissions to water	COD emissions	Yes	Outperform
Hazardous waste ratio	Hazardous waste	Yes	Outperform
Water usage and recycling	Freshwater use intensity (cubic metres per Mio EUR of revenue)	No	Market perform
Investments in companies without water management policies	Lack of water management policies	No	Market perform
Non-recycled waste ratio	Total waste	No	Outperform
Natural species and protected areas	Controversies affecting threatened species	No	Outperform

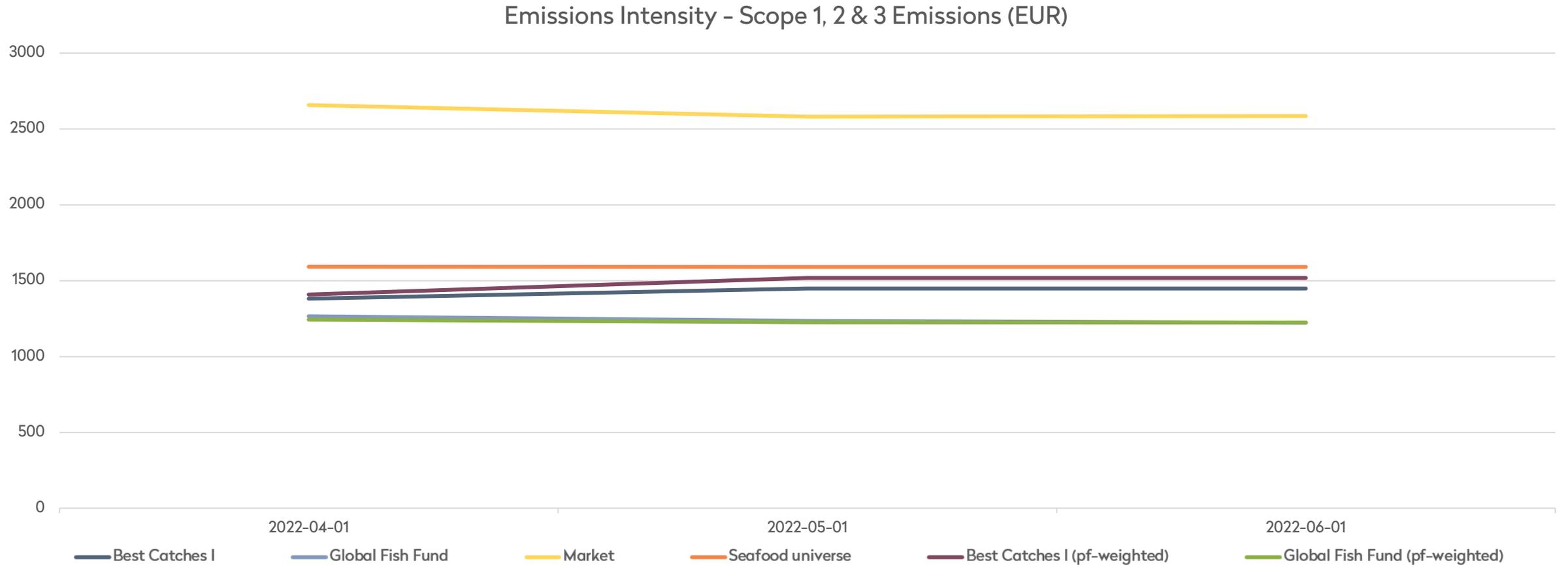
Results for social PAIs

Official PAIs	(Un)official metrics	Mandatory	Assessment
Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises	UNGC / OECD Guidelines Violation	Yes	Outperform
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Lack of processes monitoring UNGC and OECD Guidelines compliance	Yes	Outperform
Unadjusted Gender Pay gap	Unadjusted Gender Paygap (mean)	Yes	No data
Board gender diversity	Ratio of female to male board members	Yes	Outperform
Exposure to controversial weapons (anti -personnel mines, cluster munitions, chemical weapons and biological weapons)	Controversial weapons involvement (APM, CM, Bio, Chem)	Yes	Outperform
Investments in companies without workplace accident prevention policies	Companies without workplace accident prevention policies	No	Outperform
Rate of accidents	Total recorded incident rate per 200.000 working hours	No	Underperform
Lack of a supplier code of conduct	Lack of a supplier code of conduct	No	Market perform
Insufficient whistleblower protection	Insufficient whistleblower protection	No	Outperform
Excessive CEO pay ratio	CEO / Median Employee pay ratio	No	Market perform
Lack of a human rights policy	Lack of a human rights policy	No	Market perform
Lack of due diligence	Lack of human rights due diligence procedures	No	Underperform
Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Insufficient action taken to address anti-corruption breaches	No	Outperform

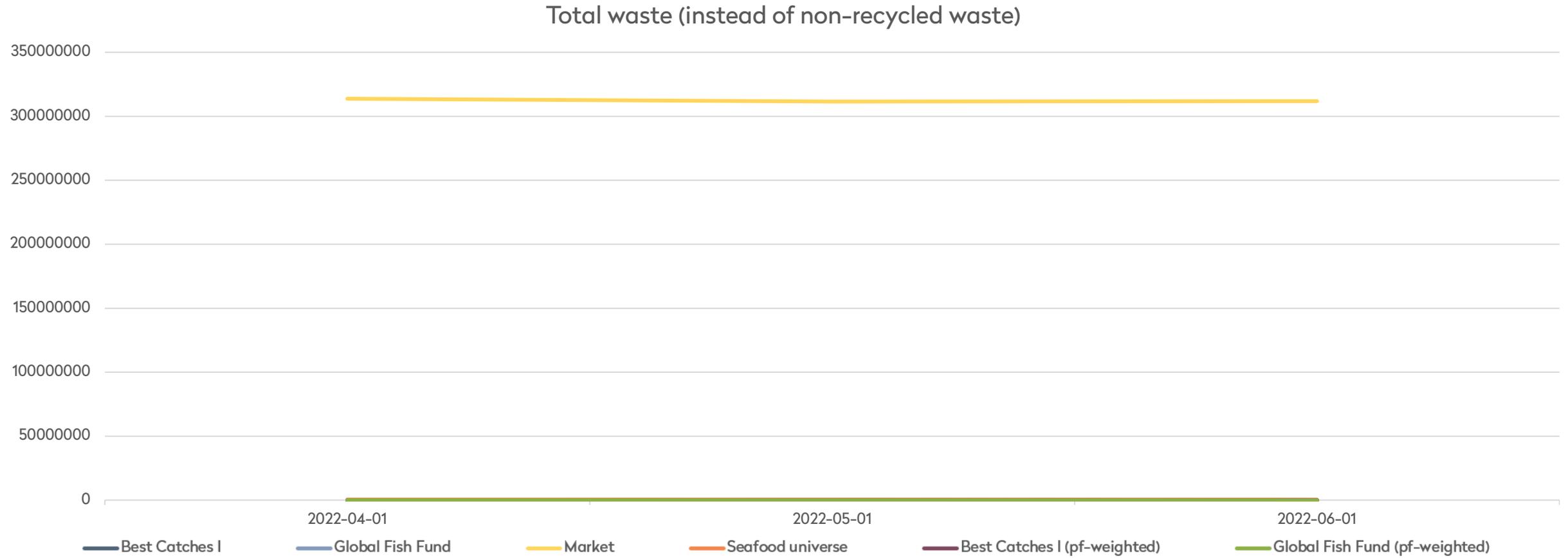
1) Data availability can be an issue for select PAIs



2) An absolute benchmark might be more suitable sometimes

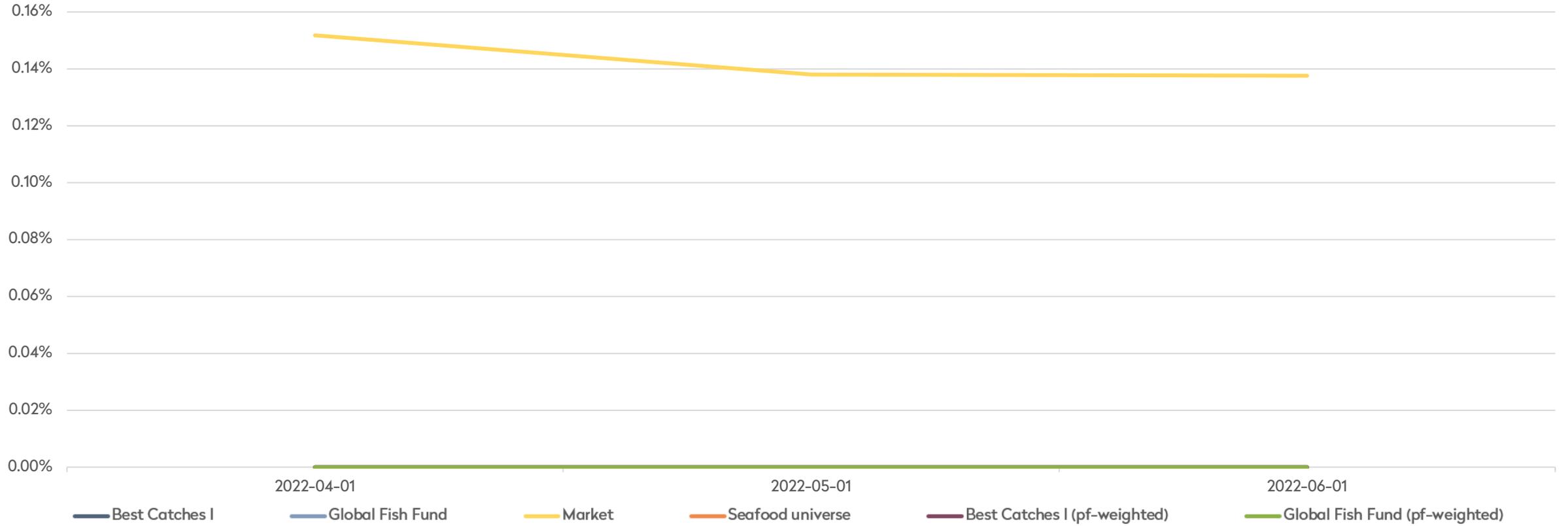


3) Be wary of unofficial metrics

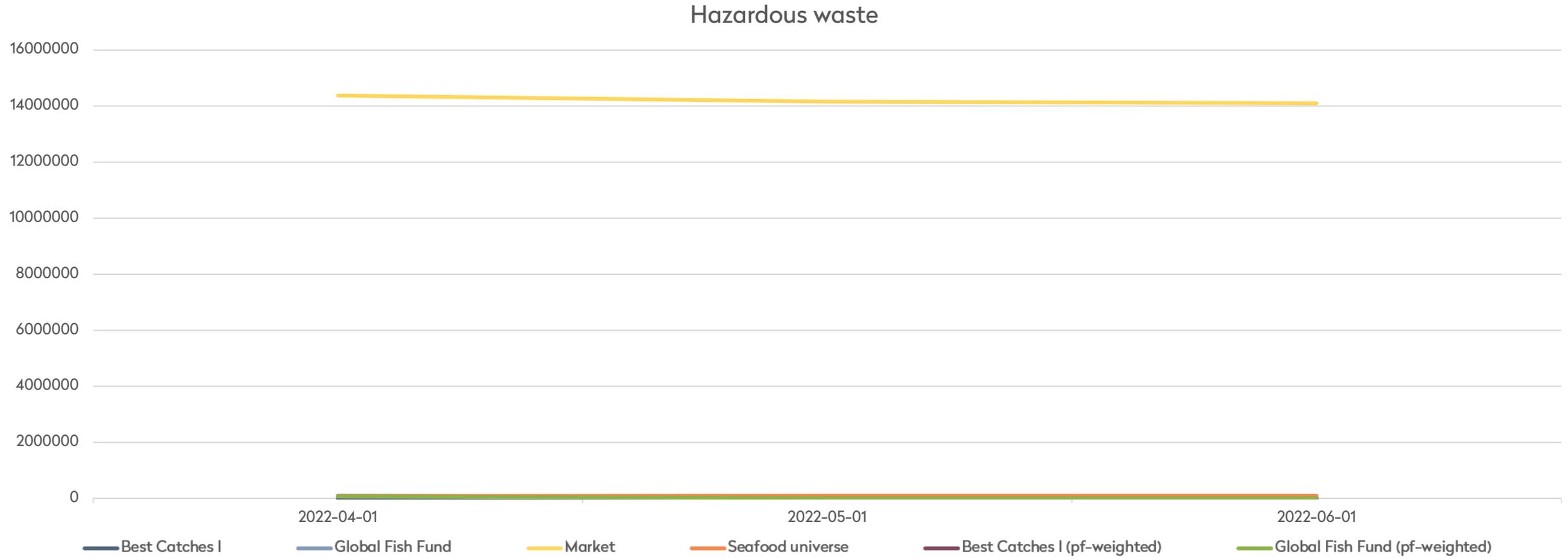


4) Official metrics require second guessing, too

Companies negatively affecting biodiversity-sensitive areas



5) Comparing different sectors with each other may be misleading



Outlook

- Engage portfolio companies on metrics where they underperform
- Get a better grasp on climate-related PAIs by publishing a TCFD report
- Fine tune the benchmarking system
- Fill in the European ESG Template
- Upload the PAIs to our website

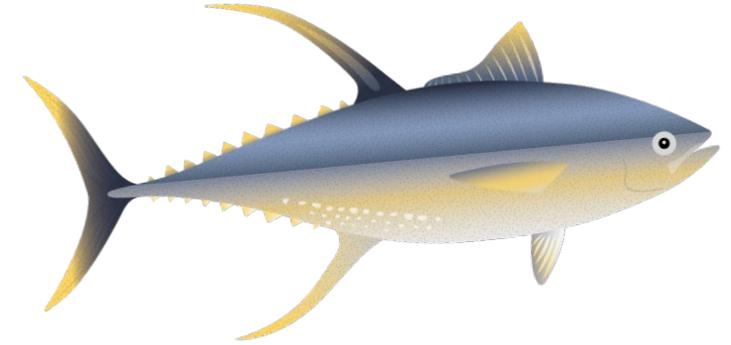
A photograph of two men fishing on a wooden dock by a lake. The man on the left is wearing a blue shirt and a grey bucket hat, and the man on the right is wearing a light blue shirt. They are both holding fishing rods. In the foreground, there are two brown beer bottles, a green fishing net, and a fishing net on the dock. The background shows a calm lake reflecting the surrounding green trees and hills under a soft, golden light.

A GOOD CATCH FOR YOUR PORTFOLIO

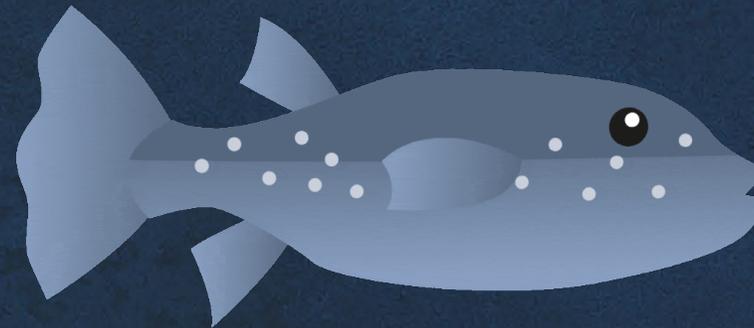
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The Bonafide Global Fish Fund offers you in a challenging market environment...

- ... **active management** by experienced managers who have been working in the sector for more than 10 years.
- ... an attractively valued portfolio in a **strongly growing market**, which will receive even more attention in the coming years.
- ... a **young and fragmented industry** in which there will be further M&A transactions.
- ... defensive equity investments that offer **inflation protection**.
- ... investing in a **healthy protein** that has clear **efficiency advantages** over its peer group.
- ... a **sustainable investment** that helps to supply the world's growing population with healthy proteins.
- ... a **topic that is easy to understand**, but which affects all people in this world → **feeding the world**



Q & A





Feed the World
with healthy
Food out of the
Ocean

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