IGUAKO CAPITAL · Sector brief

Aquaculture & Marine: sector brief

Aquaculture is constrained by water rather than by capital. A licensed marine site is finite, mapped and rationed by the authority that grants it. New licences are issued slowly and rarely in the places where temperature

KIND	EXPOSURE	POSITIONS
Origination	US$74 million across 4 positions	4

DIVISIONS
Private Equity, Commercial Finance

Overview

Aquaculture is constrained by water rather than by capital. A licensed marine site is finite, mapped and rationed by the authority that grants it. New licences are issued slowly and rarely in the places where temperature, current and depth are right. IGUAKO Capital treats the site licence as the asset under management and the standing biomass as working stock.

The 4 positions total US$74 million. One holds licensed marine sites together with a hatchery that supplies its own juveniles. One formulates feed for cold-water species. One is a processing and freezing plant sited within a short haul of harvest. The fourth sells containment, net cleaning and inspection services to farms the firm does not own.

Biological risk is the reason most capital stays away, and it is priced accordingly. A single disease event can remove a year of production. The Risk & Valuation Committee requires stocking density limits, independent veterinary oversight and insurance cover on every site before capital is committed. The loss the firm is prepared to accept is written down at entry and tested each quarter.

Thesis

Water rights do not multiply. Demand for cold-water protein grows, the number of licensed sites does not, and the operators who hold them are usually undercapitalised. IGUAKO Capital funds the equipment, the veterinary programme and the working stock, then takes its return from a harvest that competitors have no site on which to grow.

Themes

- Licensed marine sites in cold and temperate water
- Hatchery genetics and juvenile supply
- Specialist feed formulation for cold-water species
- Processing and freezing capacity close to harvest
- Containment, net cleaning and site services

Case studies

Case	Year	Jurisdiction
Marlin Bank Aquaculture	2021	Mauritius

Research

- 2021-03-17: What a hatchery is worth
- 2022-07-19: Pricing the generation clock in a hatchery sale
- 2024-03-05: Financing the growth cycle: working capital in aquaculture
- 2025-04-08: Pricing the mortality tail: two series in one harvest record

Colophon

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