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2019

Seafood's Top Dealmakers II

*M&A spend closes on \$4bn as conglomerates,
PEs vie with industry giants*

Our second in-depth report on the boom in seafood
M&A looks at the trends and players driving the 400
deals seen since 2015

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undercurrentnews
seafood business news from beneath the surface

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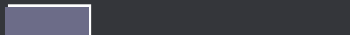





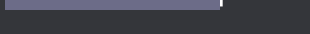







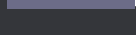

























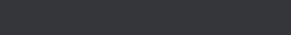
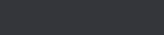
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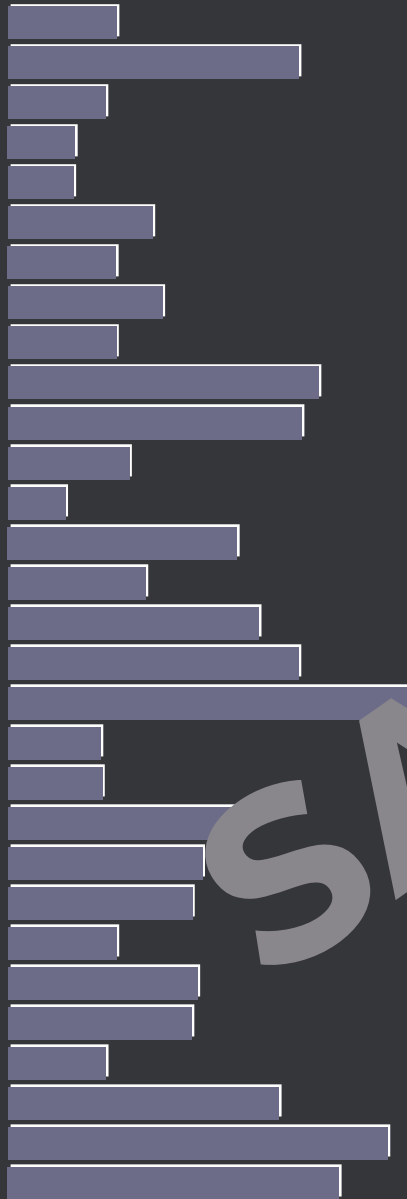
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Top industry consolidators



Deals timeline

April 2017 - December 2018

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UNDERSTANDING SEAFOOD M&A

Introduction

Seafood's Top Dealmakers II: M&A spend closes on \$4bn as conglomerates, PEs vie with industry giants

In 2017, *Undercurrent News* released its first report on mergers and acquisitions (M&A) in seafood, highlighting the increase in cross border and cross sector deals, as companies go outside their core species, sectors and geographies for growth.

Our latest report on the topic, "Seafood's Top Dealmakers II: M&A spend closes on \$4bn as conglomerates, PEs vie with industry giants", shows the amount of cross-sector and border M&A in the sector continues to increase. Also, more conglomerates and private equities are joining big industry players in the deal-making, seeing the overall spend increase dramatically in 2018.

This year's report is split into six major sections. The first contains this introduction, giving an overview of the major trends seen in the sector since our last report was published, as well as a spreadsheet charting more than 100 transactions that have taken place in the sector since January 2015.

Where possible, we've included details of the value and percentage of the deal, as well as the sectors and nationalities of the involved parties. Finally, where known, the advisors involved on either the buy or sell side of the deal have also been named.

Then, we have profiles of the top ten most active advisory firms focused on seafood throughout 2017-18, from seafood specialists like Squarefield, Antarctica Advisors and Pareto, to global players with a wider remit, like Morgan Stanley & Co. We've also interviewed several of the top executives from these firms, to get their insights into the future of seafood M&A. In addition, contact details for the 17 other dealmakers involved in the sector over the period have been provided.

The third section provided profiles of 25 of the top private equity and investment firms involved in the sector during this time. Some, like Portobello Capital and Kverva, have long been major players in the industry while others such as the Ontario Teachers Pension Plan, Gamma Equity and Butterfly Equity, have only just added seafood to their company portfolios. Others, such as Intellex Capital and Camplona Capital Management, are also on the hunt for their first deal in the sector. In addition, we also included contact details for each firm, as well as the assets each investment group has at its disposal. As well as this, there are certain companies consolidating the seafood industry, despite entering from alternative markets and failing to fit the broad definition of a financial or industrial player, which we cover in the report's fourth main section. Six such companies, including Korea's CJ Group and the UK's Hilton Food Group, have been profiled in the report's fourth section, under the all-encompassing banner of 'new capital'. We've also included Fosun International, a giant Chinese investor that has recently picked up two seafood-M&A focused executives from Legend Holdings, the acquisitive owner of the Lenovo computer brand.

Then, the fifth section deals with 30 of the industry's most prominent consolidators over the period covered in this report. We've provided contact details, acquisition history and an insight into their current priorities.

The companies profiled range from familiar names in the seafood M&A game, like Nippon Suisan Kaisha, Parlevliet & Van der Plas, Cooke and Thai Union Group, to Iceland's Utgerðarfélag Reykjavíkur (formerly Brim) and Iceland Seafood International, as well as Spain's Grupo Profand and the Netherlands' W. van der Zwan & Zn.

Each profile is based on our own reporting throughout the year, and in many cases also includes interviews with current management over the firm's future plans.

Finally, this year's report is rounded off with a full timeline of every deal we've covered from April 2017 onwards, when the previous report finished, complete with a brief summary providing background and details on each transaction.

M&A spend closes on \$4bn in 2018, this year set to be even bigger

Just under \$3.90 billion was spent on seafood mergers and acquisitions (M&A) in 2018, more than 2017 (\$1.69bn) and 2016 (\$1.88bn) combined, according to data compiled by *Undercurrent News* from transactions where the sale value was revealed or could be estimated.

Last year could have even rivaled 2015, when \$5.83bn was spent, driven by massive deals for feed firms EWOS Group and Nutreco, if a series of announced deals and open sale processes had closed in the year.

Table 1. Median deal value by quarter 2015-2018

Median deal value by quarter				
	Q1	Q2	Q3	Q4
2015	\$20,000,000	\$21,745,000	\$36,290,000	\$73,050,000
2016	\$8,100,000	\$12,800,000	\$10,000,000	\$9,500,000
2017	\$15,500,000	\$22,200,000	\$13,700,000	\$47,000,000
2018	\$21,500,000	\$18,200,000	\$53,500,000	\$44,600,000

Chart 1. Median deal value by quarter 2015-2018



Table 11. Top dealmakers 2015-2018

Top dealmakers 2015-2018					
Company	Number of deals			Type	Country
	Total	Of which cross-sector	Of which cross-border		
[REDACTED]	13	5	9	Industry	Thailand
[REDACTED]	8	4	8	Industry	Canada
[REDACTED]	8	1	3	Industry	Norway
[REDACTED]	7	3	4	Financial	Spain
[REDACTED]	6	6	N/A	Financial	USA
[REDACTED]	6	1	1	Industry	USA
[REDACTED]	5	2	5	Industry	Thailand
[REDACTED]	5	5	1	Financial	China
[REDACTED]	5	4	2	Industry	The Netherlands
[REDACTED]	5	3	4	Industry	Iceland
[REDACTED]	5	3	3	Industry	South Africa
[REDACTED]	5	N/A	3	Conglomerate / other	USA
[REDACTED]	4	4	N/A	Industry	The Netherlands
[REDACTED]	4	2	N/A	Industry	Iceland
[REDACTED]	4	N/A	3	Industry	Norway
[REDACTED]	4	1	4	Industry	Japan

Table 14. 10 largest deals by value 2016

2016: 10 largest deals by value																		
Based on value available for 31 of 102 deals closed in 2016																		
Date	Acquirer	Target	Seller	Type of deal	% of acquisition	Value of deal	Sell side advisors	Buy side advisors	Acquirer country	Target country	Seller country	Acquirer activity	Target activity	Buyer type	Cross-sector	Cross-border	Acquirer sector	Target sector
Oct 2016	Thai Union Group	Red Lobster Seafood Co	Golden Gate Capital	Investment	N/A	\$575m	N/A	J.P. Morgan	Thailand	USA	USA	Processing	Foodservice, Sales	Industry	Y	Y	Downstream	Downstream
Feb 2016	Sysco Corporation	Brake Bros	Bain Capital	M&A	100%	\$400m **	N/A	N/A	USA	United Kingdom	N/A	IET, Processing, WD	IET, Processing, WD	Conglomerate / other	N	Y	Downstream	Downstream
Jun 2016	Austevoll Seafood (Leroy Seafood Group)	Havfisk, Norway Seafoods	Aker Capital	M&A	100%	\$385m	Nordea Bank Norge	DNB Markets / Pareto Securities	Norway	Norway	Norway	Aquaculture, IET, Processing, WD	Fishing, Processing	Industry	Y	N	Up- and downstream	Up- and downstream
Jun 2016	Yokohama Reito, Hofseth International	Fjordlaks Aqua	Management	M&A	100%	\$120m	N/A	N/A	Norway, Japan	Norway	Norway	IET, Processing, WD	Aquaculture, Processing	Industry	Y	Y	Downstream	Up- and downstream
Apr 2016	Shanghai Fisheries General Corporation	Conservas Albo	Albo family	M&A	100%	\$68.9m	N/A	N/A	China	Spain	Spain	Fishing, IET, Processing, WD	Processing, Sales, WD	Industry	Y	Y	Up- and downstream	Downstream
Dec 2016	Dongwon Industries	Dongbu Express	KTB Private Equity / Q Capital Partners	M&A	100%	\$50m **	N/A	N/A	South Korea	South Korea	South Korea	Fishing, Processing	WD	Industry	Y	N	Up- and downstream	Downstream
Aug 2016	Abris Capital Partners	Graal	Various	M&A	56%	\$34.4m	N/A	N/A	Poland	Poland	Poland	Finance, Processing	Processing	Financial	Y	N	Downstream, Finance	Downstream
Aug 2016	Norway Royal Salmon	Arctic Fish	Jerzy Malek, others	M&A	50%	\$32.5m	N/A	DNB Markets	Norway	Iceland	Poland, Iceland	Aquaculture, Processing	Aquaculture	Industry	N	Y	Up- and downstream	Upstream
Nov 2016	Alibaba, Legend Holdings	Gfresh	N/A	Investment	N/A	\$20m	N/A	N/A	China	China	N/A	Finance, Retail, Sales	Retail, Sales	Financial	Y	N	Downstream, Finance	Downstream
Nov 2016	Charoen Pokphand Foods	Bellisio Foods	Centre Partners Management	M&A	100%	\$20m **	Morgan Stanley & Co. / Moelis & Company	N/A	Thailand	USA	USA	Aquaculture, Feed, Processing	Processing	Industry	Y	Y	Up- and downstream	Downstream

Key

** Represents our estimate for the seafood portion of the deal, not the total deal value

Brackets: indicate the name of the subsidiary that carried out the deal

§ Represents an average, where the deal value was given as a range

Acquirer and target sector: refers to primary activity of the acquiring and target company, respectively. For a list of activities and their abbreviations, see corresponding chapter

Cross-sector: denotes transactions where the target operates in a different sector, and/or species, than the acquirer

Cross-border: denotes transactions where the target is based in a different country than the acquirer

N/A: reflects data that we were either unable to procure, or that is not applicable in that particular case (such as the seller in a JV agreement)

For the country, where this was ambiguous, we applied the 'mind and management' test. Hence Nomad Foods is listed as UK, for instance, despite being registered in the BVI.

List of M&As, JVs and investments in seafood, 2015 - 2018

Date	Acquirer	Target	Seller	Type of deal	% of acquisition	Value of deal	Sell side advisors	Buy side advisors	Acquirer country	Target country	Seller country	Acquirer activity	Target activity	Buyer type	Cross-sector	Cross-border	Acquirer sector	Target sector
Jul 2017	Champlain Financial	Riverside Lobster International, Cheticamp Fisheries	David Deveau	M&A	100%	N/A	Ascendant Capital Markets	N/A	Canada	Canada	Canada	Finance	Processing, WD	Financial	Y	N	Finance	Downstream
Aug 2017	PRFoods	Trio Trading	Ville Sammallahti / Mats Stobjork / Heikki Sammallahti	M&A	100%	\$3.52m	N/A	N/A	Estonia	Finland	Finland	Aquaculture, Processing, WD	Processing, WD	Industry	Y	Y	Up- and downstream	Downstream
Aug 2017	Newport Organization	Crocker & Winsor Seafoods	John Parker	M&A	100%	N/A	N/A	N/A	USA	USA	USA	IET, WD	IET, WD	Industry	Y	N	Downstream	Downstream
Aug 2017	Aker Biomarine	Neptune Technologies & Bioresources IP	Management	M&A	100%	\$34m	N/A	N/A	Norway	Canada	Canada	Fishing	Medical NU	Conglomerate / other	Y	Y	Upstream	Peripheral
Aug 2017	Sea Harvest Group	HB Grandi trawler	HB Grandi	M&A	100%	\$13.5m	N/A	N/A	South Africa	Iceland	Iceland	Fishing, Processing, WD	Fishing	Industry	N	Y	Up- and downstream	Upstream
Aug 2017	AquaGen	AquaSearch ova	Management	M&A	51%	N/A	N/A	N/A	Norway	Denmark	Denmark	Aquatech	Aquatech	Industry	N	Y	Peripheral	Peripheral
Aug 2017	Schwan's Co	tru Shrimp Systems (Ralco)	N/A	Investment	N/A	N/A	N/A	N/A	USA	USA	USA	Food processing	Aquaculture	Conglomerate / other	Y	N	Other	Upstream
Aug 2017	LM Foods	Aquamar	N/A	M&A	50/50	N/A	N/A	N/A	USA	USA	USA	Processing, WD	Processing, WD	Financial	N	N	Downstream	Downstream
Aug 2017	Yokohama Reito	Agrobest	Management	M&A	100%	\$22.86m	N/A	N/A	Japan	Malaysia	Malaysia	Aquaculture, Processing, WD	Aquaculture	Industry	Y	Y	Up- and downstream	Upstream
Aug 2017	Kverva (Insula)	Nordic Group, Batsfjordbruket	Terje Korsnes	M&A	96%, 83%	N/A	N/A	N/A	Norway	Norway	Norway	Processing, WD	Processing, WD	Industry	N	N	Downstream	Downstream
Aug 2017	One Thousand & One Voices	SanLei	Management	Investment	100%	N/A	N/A	N/A	USA	Lesotho	Lesotho	Finance	Aquaculture	Financial	Y	Y	Finance	Upstream
Aug 2017	Seafood Sourcing	Fraserburgh processing plant	Young's Seafood	M&A	100%	N/A	N/A	N/A	United Kingdom	United Kingdom	United Kingdom	Processing, WD	Processing, WD	Industry	N	N	Downstream	Downstream
Sep 2017	Corbion	TerraVia Holdings	Management	M&A	100%	\$20m	Rothschild & Co., Davis Polk & Wardwell	N/A	Ireland	USA	USA	Medical NU, Processing other	Medical NU, Processing other	Industry	N	Y	Downstream	Downstream
Sep 2017	Creation Gardens	Bluefin Seafoods	Management	M&A	100%	N/A	N/A	N/A	USA	USA	USA	Processing, WD	Processing, WD	Industry	Y	N	Downstream	Downstream
Sep 2017	Isfiskur	HB Grandi plant	HB Grandi	M&A	100%	\$3.25m	N/A	N/A	Iceland	Iceland	Iceland	Processing, WD	Processing, WD	Industry	N	N	Downstream	Downstream
Sep 2017	Yoshimura Food Holdings	Yamani Noguchi Fishery	Management	M&A	>50%	\$0.779m	N/A	N/A	Japan	Japan	Japan	Food processing	Processing, WD	Conglomerate / other	Y	N	Other	Downstream
Sep 2017	Vinnlustodin	Okada Suisan	The Okada family	M&A	100%	N/A	N/A	N/A	Iceland	Japan	Japan	Fishing, Processing, WD	Processing, WD	Industry	Y	Y	Up- and downstream	Downstream
Sep 2017	BioMar Group	Alimentsa	Alimentsa	M&A	70%	\$121m	N/A	N/A	Denmark	Ecuador	Ecuador	Feed	Feed	Industry	N	Y	Feed	Feed
Sep 2017	Fisk Seafood	Soffanias Cecilsson	Management	M&A	100%	N/A	N/A	N/A	Iceland	Iceland	Iceland	Fishing, Processing, WD	Processing	Industry	N	N	Up- and downstream	Downstream
Sep 2017	Thai Union Group	Pakfood	Management	M&A	22%	\$24.5m	N/A	N/A	Thailand	Thailand	Thailand	Processing, WD	Processing, WD	Industry	N	N	Downstream	Downstream

Key

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Cross-sector: denotes transactions where the target operates in a different sector, and/or species, than the acquirer

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Cross-border: denotes transactions where the target is based in a different country than the acquirer

For the country, where this was ambiguous, we applied the 'mind and management' test. Hence Nomad Foods is listed as UK, for instance, despite being registered in the BVI.

TOP ADVISORS

DNB Markets

DNB Markets' seafood M&A team, led by Per Even Hauge, were once again kept busy in 2017-18 advising Northern Harvest Sea Farms on its sale to salmon farming giant Mowi (then Marine Harvest) – a deal which wasn't officially completed until July 2018, despite first being announced the previous year.

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DEALS IN 2017-2018

Atlantic Sapphire launches IPO, May 2018, sell side | Mowi (then Marine Harvest) buys Northern Harvest Sea Farms, July 2018, sell side | SalMar buys 4% stake in Salmus (Arnarlax), July 2018, sell side | Antin Infrastructure Partners buys Silver Lake Farms (Sustainable), September 2018, sell side

The deal, which gave Mowi control of 40% of Canada's total salmon production, was one of many made involving the sector during the past 18 months. It's a sector that's been rife with opportunities, Hauge told *Undercurrent News*.

"We have seen strong activity within salmon farming, both within land-based and traditional net-pen farming," he said. "In addition, we have experienced strong activity within the mission-critical service industry, which is part of the salmon farming value chain."

Two months prior to the closure of the Northern Harvest deal, DNB Markets had also acted as sell-side advisors to US, Miami-based fish farmers Atlantic Sapphire, as the company launched its IPO on Oslo's Merkur market.

The company's ultimate goal is to hit 90,000 metric tons of

production at its land-based recirculating aquaculture system facility, with 10,000t the initial target and then 30,000t by 2022. The total value of the shares released by Atlantic Sapphire came to NOK 700m (\$81.8m).

DNB also acted as the sell-side advisor to Norwegian wellboat company Solvtrans as it was acquired by French private equity firm Antin Infrastructure Partners in September 2018. For Hauge, the presence of an infrastructure firm in the seafood sector is a matter of real interest.

"When it comes to Solvtrans it is interesting to notice that an infrastructure fund ended up as the new owner," Per said. "Antin's acquisition marks a new trend with such funds acquiring companies in the salmon farming value chain, as infrastructure funds typically have a lower return requirement which in turn drives valuation of the target companies."

Hauge also noted the “strong interest” from private equity sponsors in both of the sales DNB facilitated this year.

“Value-added processing companies, especially the ones with a strong brand and distribution network would also attract strong interest,” Hauge told *Undercurrent*. “In addition, there is strong interest from private equity towards the service sector of the salmon farming value chain, especially within well boats, service vessels, fish feed carriers, equipment suppliers and other technology-oriented companies with exposure to the fast-growing seafood sector.”

DNB expects many more M&As to follow in Iceland and Norway over the next few years. In Iceland especially, Hauge said, salmon farming is expected to “grow fast in the coming years”.

“We have seen an interesting development in the build-up of the salmon farming industry on the island,” Hauge said. “We advised Arnarlax in their private placement in July directed towards Norwegian investors. [The placement was] a swift process with strong demand from Norwegian institutional investors and family offices.”

Meanwhile, in Norway, DNB expects “continued strong M&A activity”, with the firm believed to be involved in another sell-side deal within the salmon farming value chain at the time of writing.

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TOP FINANCIAL CONSOLIDATORS

Alantra Partners

Alantra is a Madrid, Spain-based global investment banking and asset management firm focused on the mid-market with offices across Europe, the US, Asia and Latin America. They came to the attention of the seafood industry earlier last year with the acquisition of Spanish seafood distributor Union Martin.

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N/A

INVESTMENTS TO BE CONFIRMED
N/A

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CURRENT SEAFOOD INVESTMENTS
Union Martin, April 2018

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The acquired firm, who act as suppliers for retail chain Mercadona, specializes in octopus, squid, fish and others. According to a report in the Spanish newspaper El Economista, the value of the deal, which was finalized in April 2018, came to roughly €86.6m–\$99m.

According to several sources, the approach of Union Martin for Alantra was its international sales channels. The company, headquartered in Las Palmas, is known to export to Japan, China, Singapore, Uruguay, the US, Italy and Greece.

Union Martin also has four freezer fishing vessels operating in Morocco, alongside numerous agreements with the main ship owners of Morocco and Mauritania. Its sales are around €100m, "with strong annual increases", and its gross operating result was €8m as last reported.

It remains to be seen whether Alantra intends to expand further into the seafood sector. There was some speculation that the private equity firm would be interested in the acquisition of Grupo Iberica de Congelados from Portobello Capital in April 2018, although a source suggested this was unlikely due to Alantra's lack of a pan-European presence.



Cargill

US-based Cargill is a 150-year-old conglomerate with some 150,000 employees. It remains active in the food and bio-industrial ingredients, agricultural supply chain and animal nutrition sectors, although the company retains plans to break into the up- and downstream farmed salmon and shrimp sectors.

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ACQUISITIONS IN 2017-2018 Diamond V, October 2017		

Cargill initially entered the aquafeed sector in August 2015 with a €1.5 billion deal for Ewos Group, one of the biggest salmon producers in the world. With the deal, Cargill acquired seven feed manufacturing facilities across Europe, Chile and Vietnam.

However, during 2017-18, Cargill's sole noteworthy acquisition in fish feed came with its purchase of Diamond V, announced in October 2017. Diamond V is an Iowa, US-based manufacturer of feed ingredients and immune support technologies, which includes a substantial aquaculture component.

The transaction, which was formally completed in January 2018, came hot on the heels of Cargill's investment in Delacon, a plant-based phytogenic additives maker.

Cargill chairman David MacLennan admitted at the time that the deal for Diamond V was part of the company's drive to be a global leader in products related to animal health and

production. Amongst other products, Diamond V also produces DIVAQUA, a feed additive for farmed fish and shrimp which strengthens the immune system and promote a healthy digestive system.

"Our combined businesses will accelerate growth, build industry-leading capabilities and natural solutions for animal health and food safety, and help fulfill Cargill's purpose to nourish the world in a safe, responsible and sustainable way," MacLennan said in a statement.

And yet as the market continues to change, Cargill has admitted that it will need to alter its position as a middleman for the protein market, a position that has been upended as more and more of its producers switch to digital trading platforms. Although it is already the world's largest supplier of ground beef, and the second-largest beef packer in the US, the company announced its intent in August 2018 to aggressively expand its current aquaculture operations.

Einar Wathne, who announced he was stepping down as president of Cargill Aqua Nutrition that same month, said the company was exploring the sectors that would work best with its existing business model.

“Salmon and shrimp are the areas we have most emphasis on for the feed side and that will clearly color our focus for the wider range. We are also a company that works to scale, so these big sectors are where Cargill works best,” he told *Undercurrent News*.

Wathne said that in the months before his departure, he would be devoting much of his time to determining where in the value chain would make the most sense for Cargill to make its entry.

“The entire chain is open. We will, of course, be more concise in the future. That is what I am going to do in the coming months, together with a large strategy team, but the outcome is not ready yet.”

“In this strategy work, we are going to identify where in this global chain we can add the most value. We know a lot about feed, but we want to explore other unmet needs in the entire seafood chain. It’s quite a broad approach because of the growth of the sector and the need for seafood globally, this is interesting for Cargill,” he said.

Cargill is looking at acquisition but is also open to joint ventures and investments, he told *Undercurrent*. However, for Cargill, bigger is better, a fact demonstrated with the 2015 Ewos deal, which remains the second biggest acquisition the company has ever done. Prior to this, however, the company went the joint venture route in Ecuador on a feed plant, with Naturisa.

The company has also looked at going outside of feed in aquaculture in the past when it was linked to a deal for Regal Springs, the world’s largest tilapia farmer and processor.

Nothing came from this, however, with Regal Springs ultimately bought by Golden Springs Group in September 2015.

Deep pockets are needed for investing in the sector. Valuations for salmon companies, especially in Norway, are very high and the sector is also pretty consolidated. The shrimp sector, which salmon farmers Tassal Group and Cooke have entered via acquisitions, is another fairly highly valued market despite the current low prices, Wathne said.

“The shrimp sector is less consolidated, in an earlier stage of consolidation. But, if you look at valuations across the world, shrimp is pretty high at the moment also. It’s an area where there is a lot of attention. There are many who would look at the consolidation that is in that sector,” he told *Undercurrent*.

Wathne, who was CEO of Ewos before the deal, said being involved first gives a good overview of the sector to evaluate further expansion.

“We have had three years in feed, which is a fantastic watching post, as we have the connections in the value chain. “Also, we have the links downstream in other proteins and upstream in seafood,” he said.

“We are looking at different ways of doing our expansion, with the growth ambition Cargill has, that’s needed. But, we have our preferred models and it’s difficult for Cargill to sit in a small position and invest a lot of money. We have preferences for having a controlling position over time.” Wathne would ultimately depart Cargill on Jan. 10, 2019.

DEALS TIMELINE

September 2017

1 SEPTEMBER 1, 2017
Regional food distributor buys Kentucky's Bluefin Seafoods
 Regional broadline foodservice distributor Creation Gardens, based in Louisville, Kentucky, expanded into the seafood business when it acquired Kentucky state distributor Bluefin Seafoods.

3 SEPTEMBER 5, 2017
Japanese food conglomerate buys salmon smoker
 Japan's Yoshimura Food Holdings, a conglomerate that is acquiring small and mid-sized food manufacturers in the country, acquired a stake in salmon smoker Yamani Noguchi Fishery, Yoshimura said.

5 SEPTEMBER 13, 2017
BioMar completes deal for Ecuador's Alimentsa
 Danish feed maker BioMar Group formally completed its previously announced deal for Ecuador's Alimentsa, adding to the firm's capacity in the major shrimp producing nation.

7 SEPTEMBER 19, 2017
Investment firm Blackrock ups stake in Marine Harvest past 5%
 US-based investment firm Blackrock increased its shareholding in Norwegian salmon farmer Marine Harvest.

9 SEPTEMBER 19, 2017
Codfather has buyer lined up for \$16m stake in fishing fleet
 Carlos 'Codfather' Rafael lined up a buyer for the sale of his stake in 13 groundfish vessels that the US government instead wanted forfeited due to their use in criminal activity, court records had shown.

11 SEPTEMBER 21, 2017
New partnership puts millions in play to fund aquaculture projects
 A new joint venture between a Wall Street firm and a Norwegian lender announced its aim to make millions available for medium- and large-scale fishing and fish farming projects.

13 SEPTEMBER 26, 2017
Codfather fleet sale on hold as judge mulls forfeiture
 Carlos Rafael received his 46 month prison sentence, but what would happen to his massive commercial fishing operation -- one of the largest in the United States -- remained to be seen.

15 SEPTEMBER 28, 2017
Wastewater firm passed from one PE to another
 Wastewater and water management systems company Evac announced they were to be acquired by European private equity Bridgepoint Europe V.

2 SEPTEMBER 1, 2017
Isfiskur buys processing plant from HB Grandi
 Icelandic processing firm Isfiskur bought a plant from HB Grandi forISK 340 million (\$3.25m), according to a press release.

4 SEPTEMBER 6, 2017
Iceland's VSV buys into Japanese capelin processor
 Westmann Islands, Iceland-based Vinnslustodin became co-owner of Okada Suisan, an importer and processor with a near-50% market share for capelin products in Japan.

6 SEPTEMBER 14, 2017
Iceland's Fisk inks deal for Soffanias Cecilsson
 Icelandic fishing and processing firm Fisk Seafood agreed to a deal for a rival, Soffanias Cecilsson, according to a press release.

8 SEPTEMBER 19, 2017
Canadian salmon farmer, US processor up for sale in package deal
 A Canadian salmon farmer and a large US processor linked through common ownership were put up for grabs in a possible package deal, four sources with knowledge of the deal told *Undercurrent News*.

10 SEPTEMBER 21, 2017
Chinese two-hour fresh delivery service raises \$230m in funding
 A fresh produce e-commerce platform in China raised \$230 million in a series C+ fundraising round, led by US investment firm Tiger Global Management and China's Genesis Capital, reported Deal Street Asia.

12 SEPTEMBER 26, 2017
Insula's purchase of Apetit's seafood ops delayed
 Norwegian competition authorities were still processing the sale of Finnish firm Apetit's seafood business to Insula in late September 2017, according to a statement from the former.

14 SEPTEMBER 27, 2017
Thai Union snaps up Pakfood shares
 Thai Union Group invested TBH 780 million (\$24.5m) in Thai seafood processing company Pakfood PPC, according to a company announcement.

16 SEPTEMBER 29, 2017
Icelandic producers acquire Spanish bacalao house
 Icelandic producers GPG Seafood and IceMar made a move into vertical integration, with the acquisition of salted cod firm Elaborados del Bacalao (Elba) in Barcelona.

1. Regional food distributor buys Kentucky's Bluefin Seafoods

Creation Gardens sells meat, produce, dairy, paper products and other supplies to thousands of restaurants across Kentucky, Indiana and Ohio. The value of the deal for Bluefin, which has a 12,000-square-foot facility in Louisville and sells 300 fresh and frozen seafood products across four states, was not disclosed.

The acquisition came at a time when the biggest US foodservice distributors were eyeing deals in the seafood sector, seeking to buy specialty seafood distributors, an area they'd often left alone in the past.

2. Isfiskur buys processing plant from HB Grandi

HB Grandi planned to move its processing from Akranes, the plant being acquired by Isfiskur, to its factory in Reykjavik.

Isfiskur, which was founded in 1980, would start processing in Akranes at the beginning of 2018. The company is based in Kopavogur where its annual processing volume was around 4,000 metric tons of cod and haddock prior to the deal.

Meanwhile, Nordfiskur, wholly owned by HB Grandi, will rent one floor in the plant in Akranes for part of its activities for at least the next three years. In addition, HB Grandi will rent a large part of the warehouse in the plant for the same period.

3. Japanese food conglomerate buys salmon smoker

The acquirer paid JPY 85 million (\$778,855) for a stake in Yamani, which is based in Hokkaido, Japan, and uses traditional smoking methods to prepare locally caught salmon for its products.

Yamani's main product is a "salmon and

bamboo" offering, Yoshimura said in a stock exchange filing.

Yoshimura, on the other hand, was formed in 2008 to support and expand small food companies in Japan. Its holdings include companies that make noodles, pork cutlets, water, beer, peanut butter and frozen tuna.

4. Iceland's VSV buys into Japanese capelin processor

VSV's CEO Sigurgeir Kristgeirsson hoped this would strengthen and promote sales and promotional work for Icelandic seafood products generally in Japan.

VSV described Okada Suisan as a "superpower" in the production and sale of capelin products in Japan. At the time of the deal, the company owned four factories in Japan, one in China, and was in collaboration with five other manufacturers in China, Thailand and Indonesia.

The company sells capelin and capelin products to most stores in Japan, but mainly convenience stores, which number some 50,000, VSV said.

With the acquisition, VSV will participate in Okada Suisan's marketing and sales work in Japan, and will be involved in product development, it said.

5. BioMar completes deal for Ecuador's Alimentsa

BioMar said in a release that the DKK 800 million (\$121m) deal for 70% of the company, first announced in June, would allow it to marry its own R&D capabilities with Alimentsa's resources to better serve the country's shrimp farmers.

The acquisition saw BioMar, which is wholly owned by the Danish industrial conglomerate Schouw & Co, expand further in shrimp feed, which was a new area for the firm. Since 2016

BioMar has been servicing Latin American shrimp farmers from its factory in Costa Rica. Alimentsa had 145 employees and generated revenue of about DKK 500m in 2016. The current owners would continue as minority shareholders of the company, said BioMar. Alimentsa accounted for 10-15% of Ecuador's shrimp feed production at the time of purchase.

6. Iceland's Fisk inks deal for Soffanias Cecilsson

The deal included Soffanias Cecilsson's assets in Grundarfjordur and Saudarkrokur. In July, *Undercurrent* sources had tipped Fisk as a likely player in the consolidation in Icelandic fisheries that many had seen coming.

It had been less than a year since Fisk's previous investment, albeit on the downstream side; it had been part of Solo Seafood, the entity which Fisk and fellow fishing firms Jakob Valgeir and Nesfiskur used to acquire Icelandic

Iberica from the latter at the end of 2016.

7. Investment firm Blackrock ups stake in Marine Harvest past 5%

On Sept. 18 it had acquired 461,902 shares, and voting rights, resulting in a shareholding of 24.7 million shares, or 5%. Prior to the fresh investment Blackrock had held 4.01%.

8. Canadian salmon farmer, US processor up for sale in package deal

New Brunswick, Canada-based Northern Harvest Sea Farms and North Coast Seafoods, a processor and distributor headquartered in Boston, Massachusetts, were offered for sale as a combined deal, or individually, the sources said.

North Coast, run by Norman Stavis, owned around half of Northern Harvest, with the Ingalls family holding the rest, sources said.

The combined turnover of the two businesses was said to be around \$300 million, with earnings before interest, taxes, depreciation and amortization (ebitda) of around \$40m. Given industry multiples driven by high salmon prices, the valuation of the business would be greater than ten times this figure.

9. Codfather has buyer lined up for \$16m stake in fishing fleet

The potential buyer for the \$16.3 million deal was named in the documents, but the record was sealed per the order of US District Court judge William Young, in Boston. The individual or company had a "spotless" compliance record, Rafael's lawyers wrote.

Rafael, who earlier in 2017 had mulled a deal that could see him leave seafood entirely, was working with the purchaser and the government to arrange the deal.

10. Chinese two-hour fresh delivery service raises \$230m in funding

Three-year-old startup Beijing Missfresh E-Commerce guarantees two-hour delivery of fresh fruit, vegetables, meat, eggs and seafood, from the US, Chile and Australia, to Chinese consumers.

It planned to use the latest proceeds to deploy more freezers in more cities and residential areas around China, and to invest \$45m to place 100,000 snack bars and freezers in office buildings in major cities.

11. New partnership puts millions in play to fund aquaculture projects

The effort between New York City-based Simpler Funding and Oslo, Norway's Lighthouse Finance planned to bring the seafood sector access to an estimated \$300 million to \$400m annually via a method known as asset finance that serves as an alternative

to conventional methods, the firms' executives told *Undercurrent News*.

The JV is focused on the "middle market", which Howard Tang, the CEO of Simpler Funding defined as companies generating \$300m to \$2 billion in sales annually. The projects the JV had been exploring required investments ranging from \$30m to \$200m.

12. Insula's purchase of Apetit's seafood ops delayed

As a consequence, Apetit had amended its initial estimate of the date when the transaction would be closed; the updated estimate stated that the transaction would be completed in the final quarter of the year.

On June 29, Apetit announced that it had signed an agreement to sell its seafood business in Finland, Sweden and Norway to Insula, with the transaction initially expected to be completed in Q3 2017.

13. Codfather fleet sale on hold as judge mulls forfeiture

William Kettlewell, one of Rafael's attorneys, confirmed during the hearing that Raymond and Richard Canastra had agreed to purchase at least some of his 32 fishing vessels and 44 permits, as *Undercurrent News* had predicted. However, the deal with the two brothers, who were Rafael's long-time friends and owned Buyers and Sellers Exchange, a New Bedford, Massachusetts-based electronic seafood auction firm, had hit a "hump," Kettlewell said.

Primarily, a decision over exactly how much of the fleet was to be forfeited had not yet been reached, with matters complicated by the fact that some not involved with the crimes owned a percentage share of the vessels. The sale would therefore have to wait until a decision had been reached.

14. Thai Union snaps up Pakfood shares

Thai Union's board resolutions approved the acquisition of 7.36m shares in Pakfood -- a seafood processor and exporter based in the central Thailand province of Samutsakorn -- or 22.3% of the firm's overall shares.

The deal for the shares took TU's shareholding in the company to 99.7%.

15. Wastewater firm passed from one PE to another

Headquartered in Espoo, Finland, Evac was established in 1979 and to date had successfully completed over 20,000 marine, 2,000 offshore, and 2,000 building projects for customers around the world.

Since 2014 Evac had been owned by the IK VII Fund. In the course of the fund's ownership, Evac achieved strong growth, with turnover

increasing by 55% and, in 2016, exceeding €100 million for the first time in the company's history, it said.

Bridgepoint made its first investment in January 2015, and typically focuses on acquiring well-managed companies in attractive sectors.

16. Icelandic producers acquire Spanish bacalao house

The move was consistent with GPG Seafood and IceMar's focus on vertical integration and diversification in terms of markets and geography, the firms said in a press release issued to *Undercurrent*.

Elba supplies over 2,500 metric tons per year of single frozen Atlantic cod to over 500 customers in Spain and Southern Europe, they said. The company also focuses on delivering lightly-salted frozen products to Spain and other markets.