

# **Fish Kelong** **Business** **Deck**

# Vision / Mission

## Vision

To become a fully integrated and self sustaining fish farm that provides consistent supply of fishes to the South East Asian Market.

## Mission

Create efficiencies that would allow maximum usage of the invested infrastructure, resulting in lower cost in operating a fish farm.

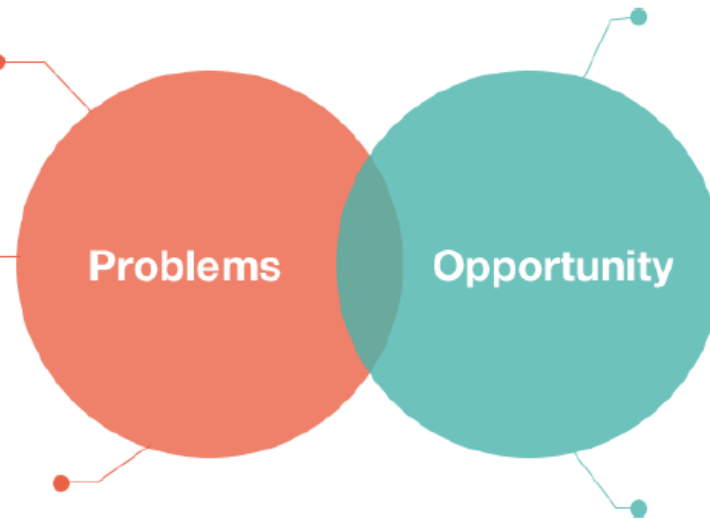
Establish a chain of fish farms in the Bintan region that would collectively allow for greater purchasing power, hence increase investor returns.

# PROBLEMS / OPPORTUNITIES

Commercial Fishing is getting more difficult due to climate irregularities

There are lack of fish supply Globally and within the region due to exponential population growth

Local Fish Farm in Bintan are operated by small “mom & pop” enterprises that lack financial backing and are not attaining economies of scale

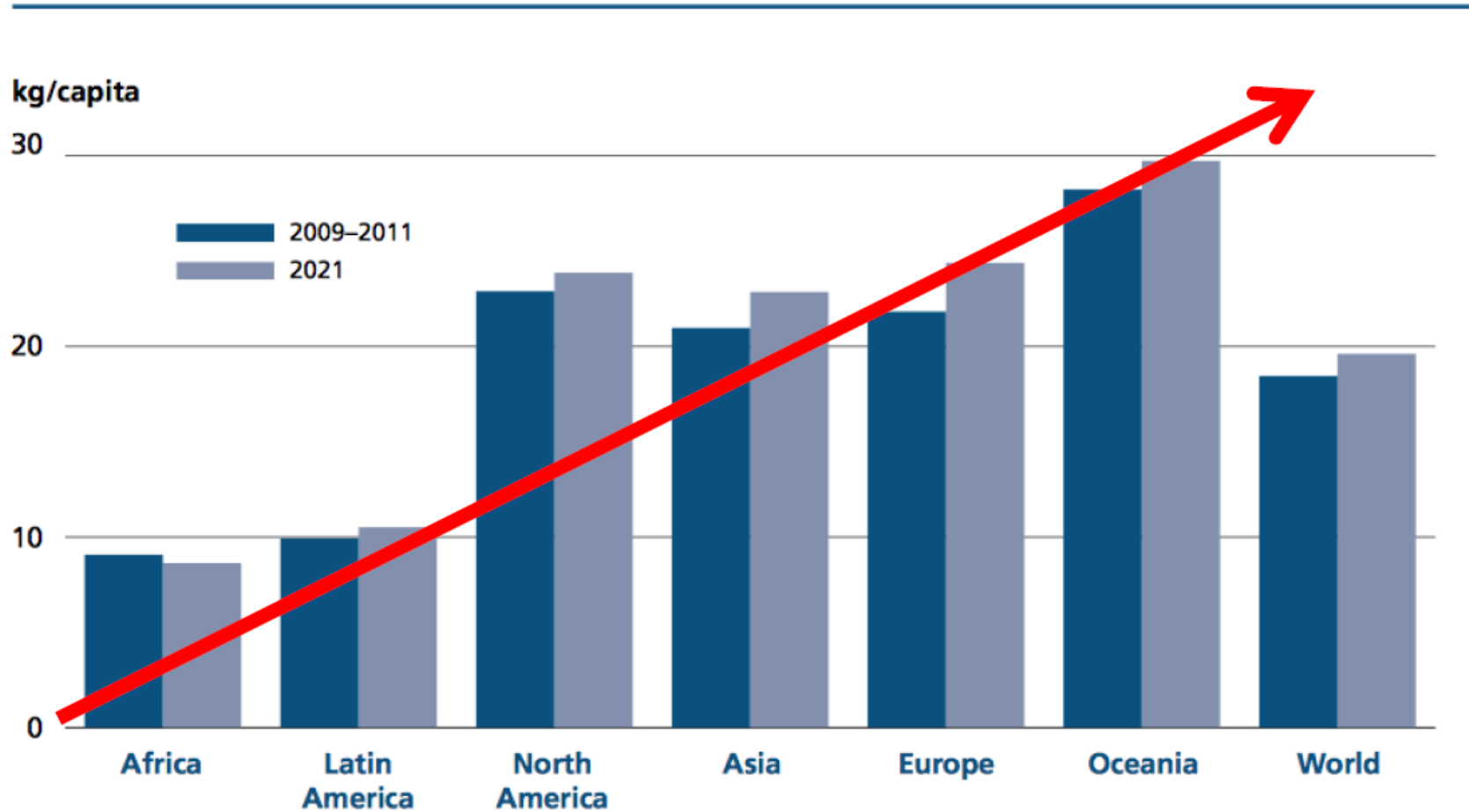


It's predicted that by 2030 the Regional Fish demand would far exceed the current fish supply by 40%

With a pool of Kelongs operated with foreign investment and expertise, it will create efficiencies and increase buying power and sustainability

# INCREASED FISH CONSUMPTION

Per capita fish consumption



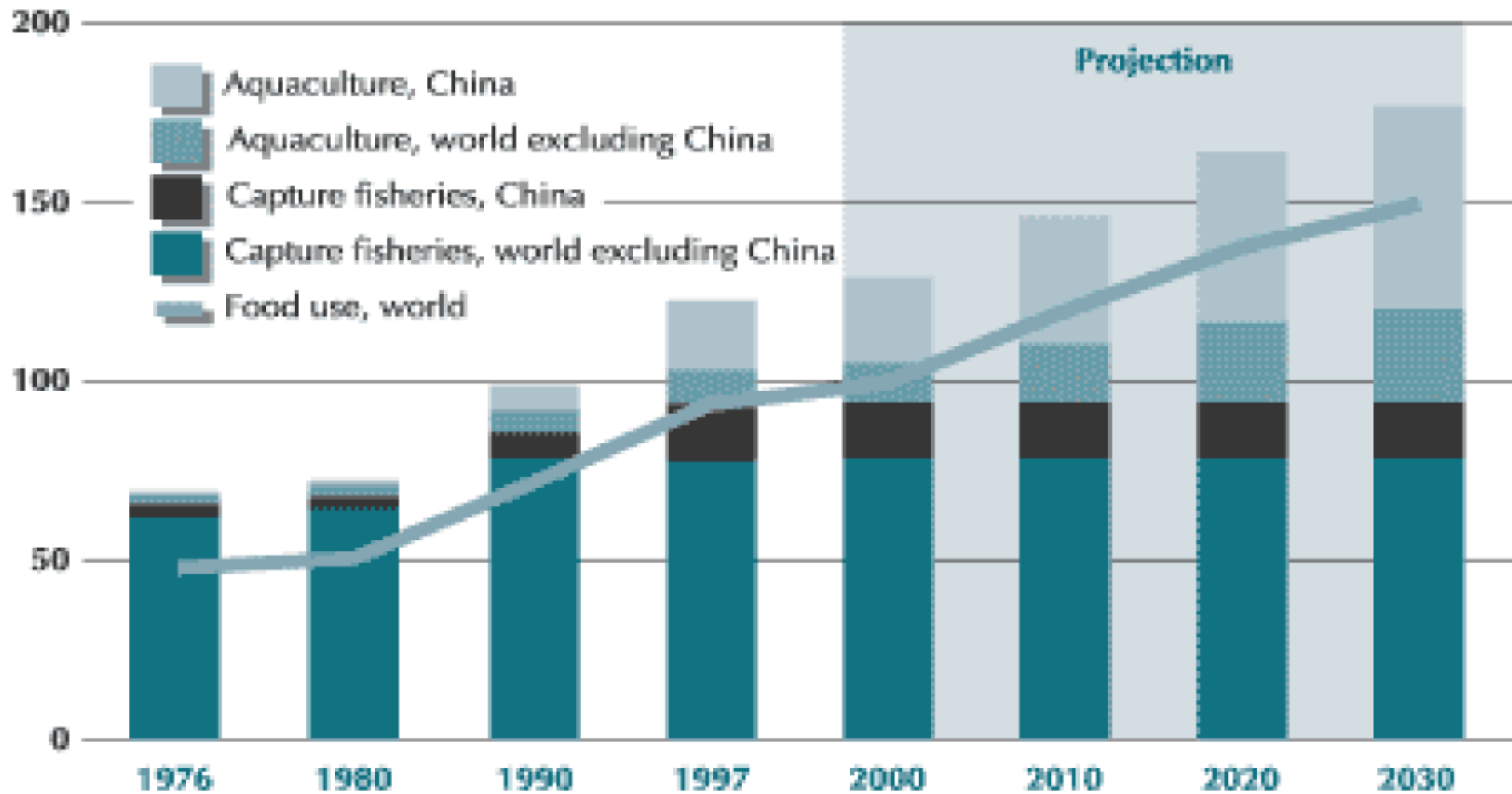
Source: [www.fao.org](http://www.fao.org)



Food and Agriculture Organization  
of the United Nations

# World Fish Production & Food use Consumption 1976 - 2030

Million tonnes



Source: [www.fao.org](http://www.fao.org)



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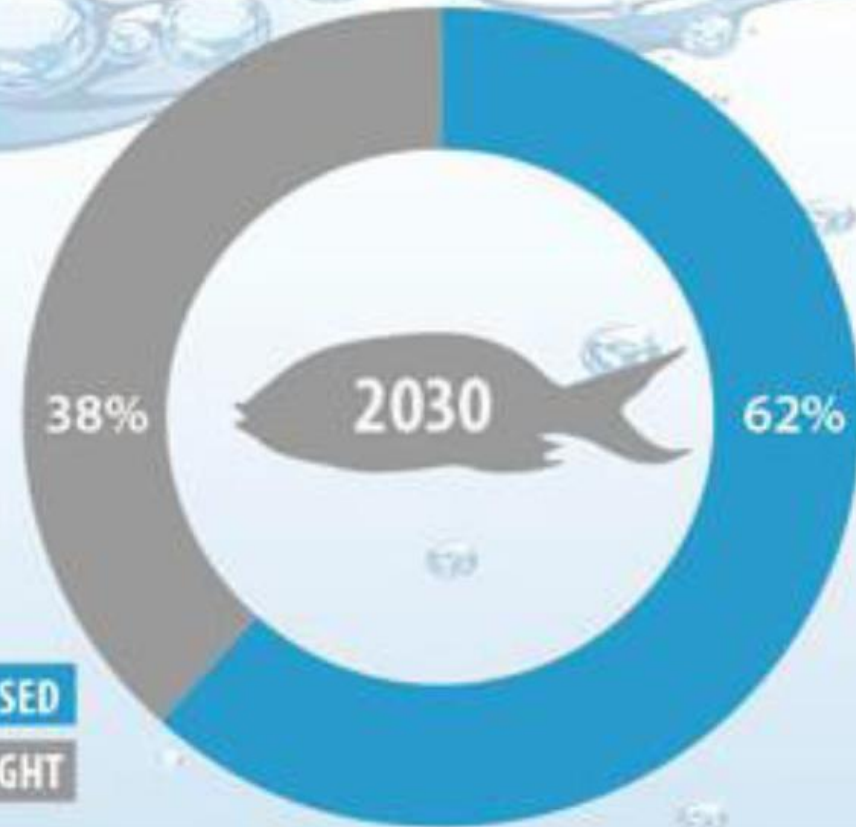
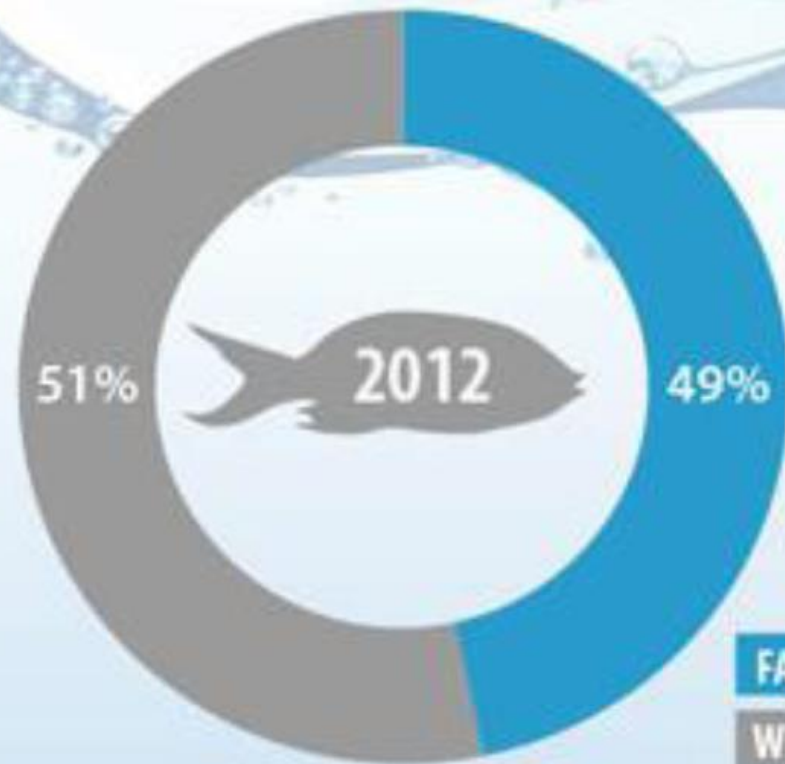
# FARM RAISED FISHES WILL OUT WEIGH COMMERCIAL FISHING

## GLOBAL SEAFOOD CONSUMPTION

NOW

VS

FUTURE



FARM RAISED

WILD CAUGHT

Sources: FAO FIPS (2014) // Fish to 2030 (2013)

#Fish2030

# WHY GET INTO FISH FARMING?



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of the United Nations

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## Fish farms to produce nearly two thirds of global food fish supply by 2030

New joint report by World Bank, FAO, and the International Food Policy Research Institute looks at prospects for fisheries and aquaculture



A fish vendor and his wares, Rome, Italy.

**5 February 2014, Washington/Rome** - Aquaculture — or fish farming — will provide close to two thirds of global food fish consumption by 2030 as catches from wild capture fisheries level off and demand from an emerging global middle class, especially in China, substantially increases.

These are among the key findings of "Fish to 2030: Prospects for Fisheries and Aquaculture," a collaboration between the World Bank, Food and Agriculture Organization of the United Nations (FAO) and the International Food Policy Research Institute (IFPRI), released today. The report highlights the extent of global trade in seafood which tends to flow heavily from developing to developed countries.

According to FAO, at present 38 percent of all fish produced in the world is exported and in value terms, over two thirds of fishery exports by developing countries are directed to developed countries. The "Fish to 2030" report finds that a major and growing market for fish is coming from China which is projected to account for 38 percent of global consumption of food fish by 2030. China and many other nations are increasing their investments in aquaculture to help meet this growing demand.

Asia — including South Asia, South-East Asia, China and Japan — is projected to make up 70 percent of global fish consumption by 2030. Sub-Saharan Africa, on the other hand, is expected to see a per capita fish consumption decline of 1 percent per year from 2010 to 2030 but, due to rapid population growth of 2.3 percent in the same period, the region's total fish consumption will grow by 30 percent overall.

- ✓ Right time to enter Fish Farming
- ✓ Ahead of the future trend
- ✓ Competitive landscape makes it hard for commercial fishing
- ✓ Increase Global Fish Consumption
- ✓ Current Shortage of Fish Supply

# WHERE IS IT LOCATED?



- ✓ 1.5 hours away from Singapore
- ✓ 20 mins boat ride from Tanjung Pinang
- ✓ Smaller islands shelter from monsoon
- ✓ Away from Industrial Pollutants
- ✓ Away from Commercial Fishing Zone
- ✓ Location FREE of Algae Bloom





# FISHING VILLA



- Clear Water free from Industrial Pollutions
- Calm waters great for Fish Cultivation
- Potential to retrofit for home-stay, generating additional revenue

# KELONG EXTERIOR



- Reinforced Jati Wood Construction
- Location is safe from Algae Bloom
- Surrounding Small Islands shelter from Monsoon

# FISH DRUMS



- 30 Fish Drums
- Motorized Netting System for Easy Maintenance
- Quality Wood used for construction

# KELONG INTERIOR

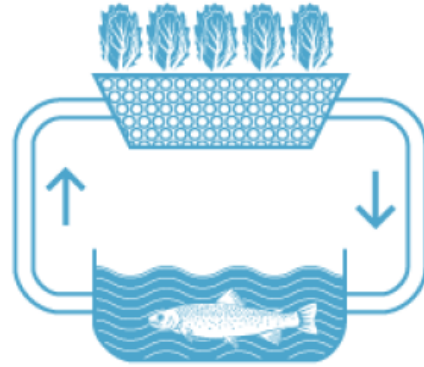


- Reinforced Jati Wood Construction
- Can easily accommodate 15 pax
- Potential to retrofit for home-stay, generating additional revenue

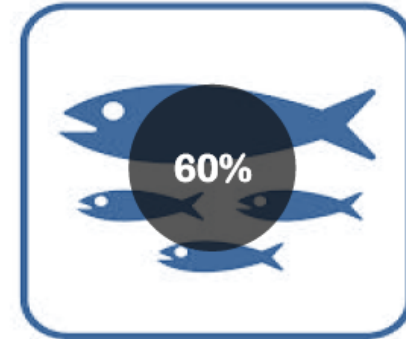
# BUSINESS MODEL



Buy 3,000 baby fishes per month, cost: **\$4,000**



Feed & Cultivate fishes, food cost: **\$500**



Sell first batch at 9<sup>th</sup> month generating **\$21,000** in Revenue

8 months cycle

# FINANCIALS PROJECTIONS

<i>Yearly Break Down</i>	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Investment	175,000					
Revenue	0	84,000	252,000	259,560	267,347	275,367
<i>Operating Cost</i>	0	104,760	104,760	115,236	126,760	139,436
<i>EBT</i>	0	-20,760	147,240	144,324	140,587	135,932
<i>Profit Sharing</i>	0	0	36,810	36,081	35,147	33,983
<i>Tax</i>	0	0	0	0	0	0
<b>Net Profit</b>	-175,000	-20,760	110,430	108,243	105,440	101,949
<b>Cumulative Net Profit</b>	-175,000	-195,760	-85,330	22,913	128,353	230,302

# INITIAL INVESTMENT



**\$190,000**



**\$75,000**  
Working Capital

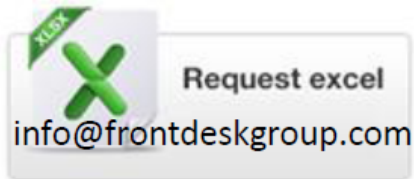
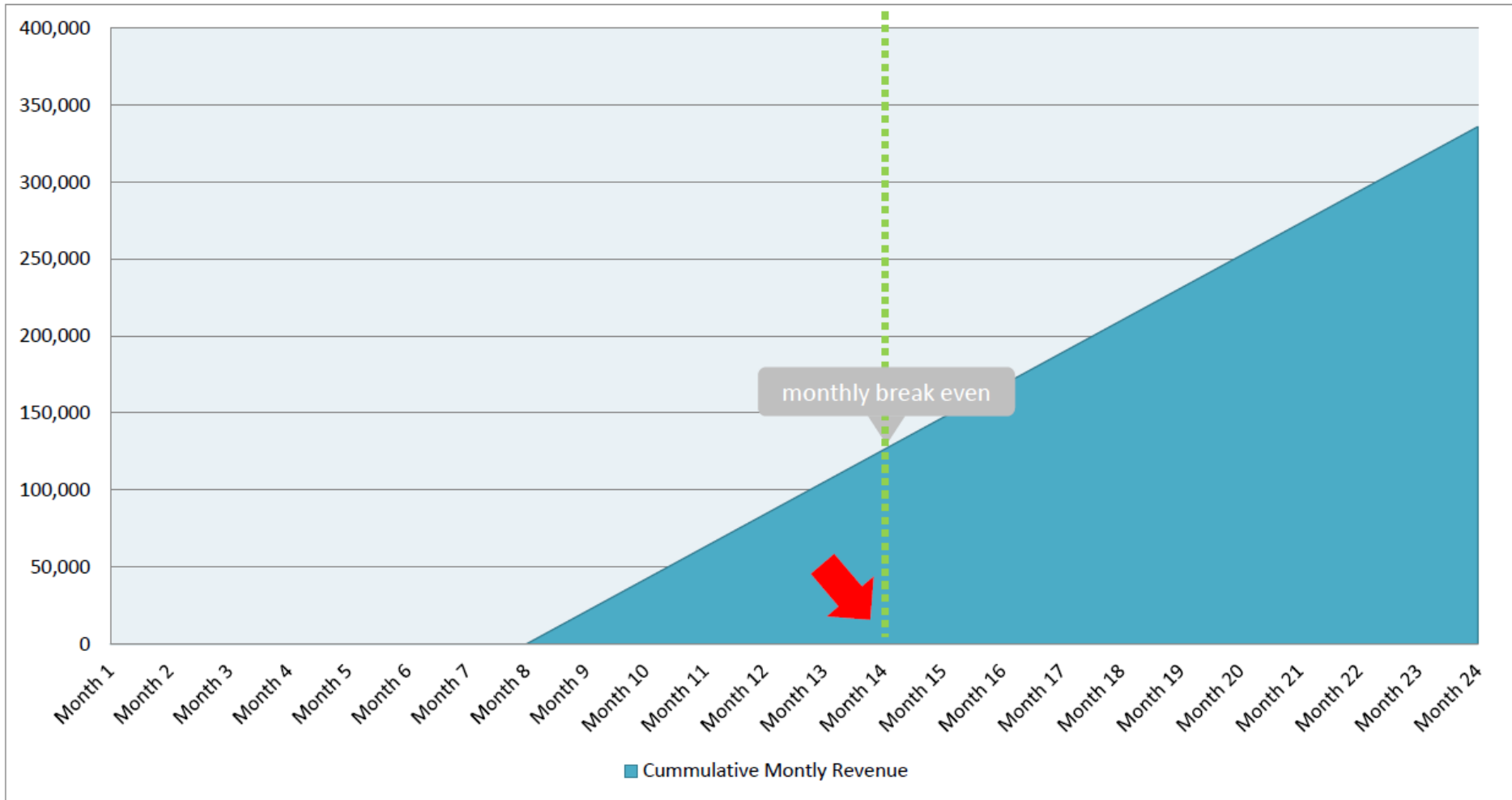
- Staff Salary
- Food for Staff
- Diesel for Electricity
- Boat / Generator Maintenance
- Fish (3,000 Frey)
- Fish Food
- Management Allowance



**\$115,000**  
Capital Expenditure

- Kelong Villa
- Power Boat
- Fish Nets
- Fish Reservoirs
- Electric Generator

# REVENUE FORECAST



Forecast based on a \$115,00 Initial Investment and only 60% fish survival rate which is extremely conservative. In the 9<sup>th</sup> month, Fish Farm will generate a revenue of \$21,000.



# RETURN ON INVESTMENT



- ✓ Return on Investment in 1.5 years
- ✓ Generate Monthly Revenue of **\$21,000** after 8<sup>th</sup> Month
- ✓ Annual ROI of **31.25%**
- ✓ Internal Rate of Return: **29%**
- ✓ Net Present Value: **\$133,266**
- ✓ Terminal Value Exceeds \$115,000 in 5 years
- ✓ Able to Resell Kelong at a much **HIGHER** price due to 100% ownership of Sea Space

**THANK YOU**

# Questions and Answers



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