ADMISSION DOCUMENT

THE KINGFISH COMPANY

The Kingfish Company N.V.

(*a public limited liability company (naamloze vennootschap) incorporated under the laws of the Netherlands*)

Admission to trading of ordinary shares on the Merkur Market

This admission document (the "**Admission Document**") has been prepared by The Kingfish Company N.V. ("**Kingfish**" or the "**Company**", and together with its subsidiaries, the "**Group**") solely for use in connection with the admission to trading of the Company's 67,740,195 ordinary shares, each with a par value of EUR 0.01 (the "**Shares**") on the Merkur Market (the "**Admission to Trading**").

The Shares have been admitted to trading on the Merkur Market, and it is expected that the Shares will start trading on or around 25 November 2020 under the ticker symbol "KING-ME". The beneficial interests in the Shares are registered with the VPS in book-entry form. Unless indicated otherwise, or the context otherwise requires, references in this Admission Document to "Shares" are to the beneficial interests in the Shares registered in book-entry form with the VPS. All of the Shares rank *pari passu* with one another and each Share carries one vote.

The Merkur Market is a multilateral trading facility operated by Oslo Børs ASA. The Merkur Market is subject to the rules in the Norwegian Securities Trading Act and the Norwegian Securities Trading Regulations that apply to such marketplaces. These rules apply to companies admitted to trading on the Merkur Market, as do the marketplace's own rules, which are less comprehensive than the rules and regulations that apply to companies listed on Oslo Børs and Oslo Axess. The Merkur Market is not a regulated market and is therefore not subject to all provisions set out in the Norwegian Securities Trading Act and the Norwegian Securities Trading Regulations. Investors should take this into account when making investment decisions.

THIS ADMISSION DOCUMENT SERVES AS AN ADMISSION DOCUMENT ONLY, AS REQUIRED BY THE MERKUR MARKET ADMISSION RULES. THIS ADMISSION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT HERETO.

Investing in the Shares involves a high degree of risk. See Section 1 "*Risk factors*".

Merkur Advisors

DNB Markets, a part of DNB Bank ASA

Arctic Securities AS

Swedbank Norge, a branch of Swedbank AB (publ)

24 November 2020

IMPORTANT NOTICE

This Admission Document has been prepared solely by the Company, only to provide information about the Group, its business and the Shares in relation to the Admission to Trading. This Admission Document has been prepared solely in the English language. For definitions of terms used throughout this Admission Document, see Section 14 "*Definitions and Glossary of Terms*".

The Company is incorporated under the laws of the Netherlands. In order to facilitate the registration and trading of the Shares on the Merkur Market, the Company has entered into a registrar agreement (the "**Registrar Agreement**") with DNB Bank ASA (the "**VPS Registrar**"). Under the Registrar Agreement, the VPS Registrar is registered as holder of such Shares in the shareholders' register that the Company is required to maintain in the Netherlands pursuant to the Dutch Civil Code (*burgerlijk wetboek*; the "**DCC**"). Under the Registrar Agreement, the VPS Registrar has registered the beneficial interests in such Shares in book-entry form in the VPS. Therefore, it is not the Shares issued in accordance with the DCC that will be subject to trading on the Merkur Market, but the beneficial interests in such Shares that are registered in the VPS (in book-entry form). Unless indicated otherwise, or the context otherwise requires, references in this Admission Document to "Shares" are to the beneficial interests in the Shares registered in book-entry form with the VPS. For a further description of the VPS registration of the Shares, see Section 10.8.

The Company has furnished the information in this Admission Document. This Admission Document has been prepared to comply with the Merkur Market Admission Rules. Oslo Børs ASA has reviewed and approved this Admission Document in accordance with the Merkur Market Admission Rules. Oslo Børs ASA has not controlled or approved the accuracy or completeness of the information included in this Admission Document, but has from the Merkur Advisors received a confirmation of the Admission Document having been controlled by the Merkur Advisors. The approval by Oslo Børs ASA only relates to the information included in accordance with pre-defined disclosure requirements. Oslo Børs ASA has not made any form of control or approval relating to corporate matters described, or referred to, in this Admission Document.

All inquiries relating to this Admission Document should be directed to the Company or the Merkur Advisors. No other person has been authorized to give any information, or make any representation, on behalf of the Company and/or the Merkur Advisors in connection with the Admission to Trading, if given or made, and such other information or representation must not be relied upon as having been authorized by the Company and/or the Merkur Advisors.

The information contained herein is as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Company or its subsidiaries subsequent to the date of this Admission Document. Any new material information and any material inaccuracy that might have an effect on the assessment of the Shares arising after the publication of this Admission Document and before the Admission to Trading will be published and announced promptly in accordance with the Merkur Market Admission Rules. Neither the delivery of this Admission Document nor the completion of the Admission to Trading at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Group's affairs since the date hereof or that the information set forth in this Admission Document is correct as of any time since its date.

The contents of this Admission Document shall not be construed as legal, business or tax advice. Each reader of this Admission Document should consult its own legal, business or tax advisors as to legal, business or tax advice. If you are in any doubt about the contents of this Admission Document, you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

The distribution of this Admission Document may in certain jurisdictions be restricted by law. Persons in possession of this Admission Document are required to inform themselves about, and to observe, any such restrictions. No action has been taken or will be taken in any jurisdiction by the Company that would permit the

possession or distribution of this Admission Document in any country or jurisdiction where specific action for that purpose is required.

The Shares may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Admission Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Admission Document.

Investing in the Shares involves risks. See Section 1 "*Risk Factors*" of this Admission Document.

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APPENDIX A The Articles of Association of The Kingfish Company N.V. dated 17 November 2020

APPENDIX B The Company's interim consolidated financial statements as of and for the six months period ended 30 June 2020

APPENDIX C The Company's interim consolidated management accounts as of and for the nine months period ended 30 September 2020

APPENDIX D The Company's audited consolidated financial statements as of and for the year ended 31 December 2019

APPENDIX E The Company's unaudited consolidated financial statements as of and for the year ended 31 December 2018

1 RISK FACTORS

1.1 Introduction

Investing in the Company involves inherent risks. Prospective investors should carefully consider, among other things, the risk factors set out in this Admission Document before making an investment decision.

The below risk factors are only a summary of all risks applicable to the Company and the Group. A prospective investor should carefully consider all the risks related to the Company and the Group, and should consult his or her own expert advisors as to the suitability of an investment in securities of the Company. An investment in securities of the Company entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. Against this background, an investor should thus make a careful assessment of the Company and its prospects before deciding to invest.

Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on its business, financial condition, results of operations and cash flow. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

The risk factors described in this Section 1 "*Risk factors*" are sorted into a limited number of categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents. The risks that are assumed to be of the greatest significance are described first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, and the fact that a risk factor is not mentioned first in its category does not in any way suggest that the risk factor is less important when taking an informed investment decision. The risks mentioned herein could materialise individually or cumulatively.

The information in this Section 1 is as of the date of this Admission Document.

1.2 Risks associated with the Group's business and the industry in which it operates

Risks relating to the early phase of land-based Yellowtail farming

Land-based Yellowtail farming is a new industry. The Group seeks to benefit from the fish farming knowledge built up from traditional fish farming, even though realizing that land-based fish farming has its own challenges such as limited numbers of independent water systems, management of gas injection (such as oxygen) and gas stripping (such as carbon dioxide) and dependency on constant, uninterrupted electrical power. The Group is actively taking a lead in this development together with the leading suppliers of aquaculture technology and production equipment, as well as other land-based fish farming players. This will impact the success of the Group as well as the development of the whole industry. In addition to the inherent risks involved by being in a development phase in a new industry, such as faults in production, operations, maintenance, etc., there is also a risk that the Group's commercialization strategy proves not to be the best, and that other players in the same industry are able to commercialize in a more rapid pace and/or at more attractive commercial terms than the Group, which may in turn have material adverse effects on the Group's results, financial condition, cash flow and prospects.

The full expansion of the Group's existing land-based Yellowtail facility in the Netherlands and the construction of the contemplated new land-based Yellowtail facility in the United States are not fully financed and are dependent on further equity injections and/or debt financing arrangements in order to be completed

The full expansion of the Group's existing land-based Yellowtail facility in the Dutch province of Zeeland as well as the construction of the new land-based facility in Jonesport, the United States, are not fully financed. Planned

proceeds raised in connection with the Admission to Trading is estimated to only provide the Group with financing for System F. Given that sufficient financing is raised, it is expected that the construction of System F will commence in Q1 2021, with harvest in Q4 2022, whereas construction start of the Jonesport facility is expected at the earliest in H2 2021, with production towards Q4 2022 and harvest in first half of 2023. There is no assurance that the production will provide the economies of scale that a full production (with all construction phases completed) is expected to provide. Moreover, there is no assurance that the Group will raise sufficient financing (equity and/or external loans) that will allow the Group to finalize the remaining construction phases relating to the expansion of the existing facility as well as the construction of the Jonesport facility.

If the Group is not able to raise the required financing, through equity injections or debt financing arrangements to complete and finalize the different phases of the current expansion and construction of the new facility, this could have a material adverse effect on the Group's business, financial condition and prospects. No assurance can therefore be given that the Group will achieve its objectives.

Risk relating to technology

The Group is vulnerable to errors in technology, production equipment and maintenance routines, and dependency on constant, uninterrupted electrical power. Such errors could cause damage to the Group's production and biomass, which is a valuable asset for the Group. Therefore, it is of high importance that the Group holds the ability to implement routines and safety measures to protect its production line and develop its biomass. The Group is partly reliant on third-party suppliers of technical production equipment, as well as sufficient maintenance routines for its production facilities. Despite the security and maintenance measures in place, the Group's facilities and systems, and those of its third-party service providers, may be vulnerable to technical errors, limits in capacity, breaches in routines, lack of surveillance, acts of vandalism, human errors or other similar events.

Risk relating to the significant construction projects

The Group's current and future construction projects are decisive for the Group's business as well as significant and complex. Such projects will be subject to numerous risks, including shortages or delays in equipment, materials or skilled labour, failure of the equipment to meet quality and/or performance standards, inability to obtain or keep required permits and approvals, unanticipated cost increases, design or engineering changes, labour disputes or any events of force majeure, all of which may cause delays or cost overruns. Significant cost overruns or delays, and other aforementioned risks, could have a material adverse effect on the Group's business, results of operations, cash flows, financial condition and/or prospects.

Risk relating to limited operating history or past performance

The Group is in an ongoing developing and commercialization process where the Group's key strategy is to expand its current Yellowtail land-based fish-farming operations. The Group has limited operating history and implementing its strategy requires the management board of directors of the Company (the "**Management Board**") to make complex judgments. Hence, no assurance can be given that the Group will achieve its objectives or other anticipated benefits. Furthermore, risks relating to the successful implementation of the Group's strategies may increase by a number of external factors, such as downturn in Yellowtail prices, increased competition, unexpected changes in regulation or the materialization of any of the risk factors mentioned herein, which may require the Management Board's focus and resources, and which could in turn imply failure or delay in the successful adoption of the Group's business strategy. Failure to implement the Group's business strategy could have a material adverse effect on the Group's results, financial condition, cash flow and prospects.

Risks related to feed costs, quality and supply

Feed quality is instrumental in the productivity, growth, quality and welfare of the livestock and ultimately the cost of production. The Group depends on the ability to source high performance, high quality and cost-efficient

feed suitable for Yellowtail production in RAS systems. The feed industry is characterized by large, global suppliers operating under cost plus contracts, and feed prices are accordingly directly linked to the global markets for fishmeal, vegetable meal, animal proteins and fish/vegetable/animal oils which are the main ingredients in fish feed. The Group may not be able to pass on increased feed costs to its customers. Due to the long production cycle for farmed fish, there may be a significant time lag between changes in feed prices and corresponding changes in the prices of farmed fish and finished products to customers. As the main feed suppliers normally enter into fixed contracts and adapt their production volumes to prevailing supply commitments, there is limited excess of fish feed available in the market. If one or more of the Group's feed contracts were to be terminated on short notice prior to their respective expiration dates, the Group may not be able to find alternative suppliers in the market. Shortage in feed supply may lead to starving fish, accelerated harvesting, loss of biomass and reduced income.

Risk relating to developing necessary customer base and relationship with partners

The Group's commercialization strategy involves entering into customer, distribution, marketing, sales, suppliers and other agreements with third parties. The commercial success of the Group will require such agreements to be entered into with professional third parties on commercially favourable terms. If the Group does not succeed in continuing to attract and retain new customers, it could have a material adverse effect on its results of operations, financial condition, cash flows and prospects.

The Group's business depends on client goodwill, reputation and on maintaining good relationships with clients, partners, suppliers and employees. Any circumstances that publicly damage the Group's goodwill, injure the Group's reputation or damage the Group's business relationships, may lead to a broader adverse effect than solely the monetary liability arising directly from the damaging events by way of loss of business, goodwill, clients, partners and employees.

Risk relating to Yellowtail prices

The Group's financial position and future prospects depend on the price of farmed Yellowtail, wild caught Yellowtail and other comparable species as well as market depth. Farmed Yellowtail is a commodity, and the Group therefore assumes that the market price will continue to follow a cyclical pattern based on the balance between total supply and demand. No assurance can be given that the demand for farmed Yellowtail will not decrease in the future.

Farmed Yellowtail is furthermore generally sold as a fresh commodity with limitation on the time available between harvesting and consumption. Short-term overproduction may therefore result in very low spot prices obtained in the market. The entrants of new producing nations or the issuance of new production licenses could result in a general overproduction in the industry. Short-term or long-term decreases in the price of farmed Yellowtail may have a material adverse effect on the business, financial condition, results of operations or cash flow of the Group.

The Group may not be able to effectively compete with existing fish farming methodologies and may change its current strategy and pursue alternative strategies

The Group may, due to external factors or internal decisions, change its current strategy and pursue alternative strategies. The Group may also fail to execute its strategy due to e.g. changed market conditions, changing regulatory framework, available expertise, available skilled workforce and resources and funding. The Group faces substantial competition from existing, entrenched and potentially lower cost alternatives within sea-based net pen fish farming and may thus not be able to effectively compete with existing fish farming methodologies.

Risk relating to biomass, including diseases

The Group's operations are subject to several biological risks which could have a negative impact on future profitability and cash flows. Biological risks include for instance oxygen depletion, diseases, viruses, bacteria, parasites, algae blooms and other contaminants, which may have adverse effects on fish survival, health, growth and welfare and result in reduced harvest weight and volume, downgrading of products and claims from customers. An outbreak of a significant or severe disease represents a cost for the Group through e.g. direct loss of fish, loss of biomass growth, accelerated harvesting and poorer quality on the harvested fish and may also be followed by a subsequent period of reduced production capacity and loss of income. The most severe diseases may require culling and disposal of the entire stock, disinfection of the farm and a long subsequent fallow period as preventative measures to stop the disease from spreading. Market access could be impeded by strict border controls or by national food safety authorities, not only for Yellowtail from the infected farm, but also for products originating from a wider geographical area surrounding the site of an outbreak. Continued disease problems may also attract negative media attention and public concerns. Fish farming has historically experienced several episodes with extensive disease problems and no assurance can be given that this will not also happen in the future. Epidemic outbreaks of diseases may have a material adverse effect on the business, financial condition, results of operations or cash flow of the Group.

Risk relating to regulatory environment

The Group's activities are subject to extensive international and national regulations, in particular relating to environmental protection, food safety, hygiene and animal welfare. The Group's sale of its products is also subject to restrictions on international trade. Furthermore, Yellowtail farming is strictly regulated by licenses and permits granted by the authorities. Future changes in the domestic and international laws and regulations applicable to the Group can be unpredictable and are beyond the control of the Group. The regulatory framework is subject to constant change and is generally becoming more stringent. The Group's failure to keep and obtain the necessary licenses and permits and to comply with such laws and regulations could have a material adverse effect on the business, financial condition, results of operations or cash flow of the Group.

Risk relating to dependence on qualified and experienced personnel

The Group's Management Board Members, senior management and key employees are important to the development and prospects of the Group. Furthermore, the Group's performance is to a large extent dependent on highly qualified personnel and management, and the continued ability of the Group to compete effectively and implement its strategy depends on its ability to attract new and well qualified employees and retain and motivate existing employees. Any loss of the services of key employees, particularly to competitors, or the inability to attract and retain highly skilled personnel could have a material adverse effect on the Group's business, results of operation, financial condition and/or prospects.

Litigation risk

The Group may in the future be subject to legal claims, including those arising out of normal course of business. The operating hazards inherent in the Group's business increase the Group's exposure to litigation, which may involve, among other things, contract disputes, personal injury, environmental, employment, intellectual property litigation, tax and securities litigation. Any litigation may have a material adverse effect on the Group because of potential negative outcomes, the costs associated with defending the lawsuits, the diversion of the Group's management's resources and other factors.

Risk relating to the global economy and macroeconomics

The Group is exposed to fluctuations in the global economy in general, as well as end-consumers' spending which could result in a higher demand for low-cost alternatives and thus difficulties for the Group in selling its product, which could in turn have a material adverse effect on the Group's business, results of operations, cash flows,

financial condition and/or prospects. As the Group is dependent on the price of farmed Yellowtail, especially substantial fluctuations in Yellowtail prices may have an adverse effect on the Group's financial condition and prospects.

Risks related to the COVID 19 pandemic

The current outbreak of 2019 coronavirus (COVID-19) has resulted in a global pandemic and has severely impacted companies and markets globally. At present, the Netherlands and the rest of the world are facing an adverse financial and economic downturn that may lead to recession. Moreover, due to the uncertain developments of the COVID-19 pandemic, governments may pass new laws and regulations to mitigate negative impacts and consequences of COVID-19 regionally and globally, which may negatively affect the Group's operations, especially when such regulations prevent the personnel of the Group from operating in its normal way. COVID-19 may furthermore infect a significant portion of the Group's personnel which would severely impair the operations of the Group. It is currently not possible to predict the consequences for the Group, its business partners, the seafood industry or global business and markets. Such consequences will also impact the Group and its current and planned operations – as well as its suppliers of goods and services, contractors and constructors, including the Group's ability to raise further capital or secure financing, future customers ability to buy the Group's products at attractive prices or at all, transportation of the Group's products, and its contractors ability to provide goods and services at agreed/schedules terms for the Group's expansion/construction plans. The future of the Group and its business, including the ability for the Group to realise its current plans are therefore more uncertain under such circumstances, results in a material risk and may in the near term in particular have a material adverse effect on the Group's ability to complete and finalize its current expansion/construction plans.

The occurrence of an epidemic or pandemic is beyond the Group's control and there is no assurance that any future outbreak of COVID-19 or other contagious diseases occurring in areas in which the Group or its suppliers, partners or customers operate, or even in areas in which the Group do not operate, will not seriously interrupt the Group's business, including planned expansion/constructions or those of the Group's suppliers or customers. Such event could have a material adverse effect on the Group business, results of operations or financial condition.

Risk relating to availability of capital

The Group's business and future plans are capital intensive and, to the extent the Group does not generate sufficient cash from operations in the long term, the Company may need to raise additional funds through public or private debt or equity financing to execute the Group's growth strategy and to fund capital expenditures. The same applies for inter alia any delays, which may have a significant negative impact, or cost overruns for its construction projects.

Adequate sources of capital funding may not be available when needed or may not be available on favourable terms – or may not be available at all. If the Company raises additional funds by issuing additional equity securities, holdings and voting interests of existing shareholders could be diluted. The Group may not be able to obtain financing to fund the Group's growth or future capital expenditures, including its planned constructions in the United States and the Netherlands, any of which could materially impact the Group's financial condition and results of operations. The Group's existing or future debt arrangements could also limit the Group's liquidity and flexibility in obtaining additional financing, on favourable terms, or at all, and/or in pursuing other business opportunities. Furthermore, the Group's future ability to obtain bank financing or to access the capital markets for any future debt or equity offerings may be limited by the Group's financial condition at the time of such financing or offering, as well as by adverse market conditions resulting from, among other things, general economic conditions and contingencies and uncertainties that are beyond the Group's control. The Group's failure to obtain funds for future capital expenditures could impact the Group's results of operations, financial condition and prospects.

The Group's intellectual property rights are valuable, and any inability to protect them could reduce the value of its business and products

The Group's success depends in large part on its proprietary technology, know-how, trade secrets, trademarks and other intellectual property rights. The Group relies on, and expects to continue to rely on, a combination of trademark, copyright and trade secret laws, as well as confidentiality and license agreements with its employees, contractors, consultants and third parties with whom it has relationships, to establish and protect its business and intellectual property rights. The Group's long-term competitive advantage depends, in part, on its ability to protect its know-how and other intellectual property rights. However, there can be no assurance that the Group's intellectual property rights will be sufficient to protect against other facilities that are substantially similar to the Group's and that compete with its business.

The Group's intellectual property rights may be challenged, which could result in them being narrowed in scope or declared invalid or unenforceable. In order to protect the Group's intellectual property rights, the Group may be required to spend significant resources to monitor and protect these rights. Litigation brought to protect and enforce the Group's intellectual property rights could be costly, time consuming and distracting to the Management Board and could result in the impairment or loss of portions of its intellectual property. Furthermore, the Group's efforts to enforce its intellectual property rights may be met with defences, counterclaims and countersuits attacking the validity and enforceability of its intellectual property rights. The Group's failure to secure, protect and enforce its know-how and other intellectual property rights could seriously damage its business.

Changes in tax laws of any jurisdiction in which the Group operates, or any failure to comply with applicable tax legislation may have a material adverse effect for the Group

The Group is subject to prevailing tax laws, treaties and regulations in the jurisdictions in which it operates, and the interpretation and enforcement thereof. The Group's income tax expenses are based upon its interpretation of the tax laws in effect at the time that the expense is incurred. If applicable laws, treaties or regulations change, or if the Group's interpretation of the tax laws is at variance with the interpretation of the same tax laws by tax authorities, this could have a material adverse effect on the Group's business, results of operations or financial condition. If any tax authority successfully challenges the Group's operational structure, intercompany pricing policies, the taxable presence of its subsidiaries in certain countries, or if taxing authorities do not agree with the Group's and/or any subsidiaries' assessment of the effects of applicable laws, treaties and regulations, or the Group loses a material tax dispute in any country, or any tax challenge of the Group's tax payments is successful, the Group's effective tax rate on its earnings could increase substantially and the Group's business, earnings and cash flows from operations and financial condition could be materially and adversely affected.

The Group's insurances, including general liability and project insurance, may not provide sufficient coverage for losses and liabilities

The Group has insurance policies in place, including general liability and project insurance, which it considers customary for the industry in which it operates. However, the Group's insurance may not be adequate to cover all losses or liabilities that it might incur in its operations. Furthermore, the Group's insurance may not adequately protect it against liability from all of the hazards of its business. In addition, for certain of these risks, such as the loss of eggs or biomass, there are limited insurance carriers in the market. As a result of market conditions, premiums and deductibles for certain of the Group's insurance policies may substantially increase. In some instances, certain insurances could become unavailable or available only for reduced amounts of coverage. The Group also is subject to the risk that it may be unable to maintain or obtain insurance of the type and amount it desires at a reasonable cost. If the Group was to incur a significant liability for which it was uninsured or for which it was not fully insured, it could have a material adverse effect on the Group's financial position, results of operations and cash flows.

Risk relating to restrictive covenants and debt financing agreements
The Group will from time to time adhere to certain financing agreements and arrangements with various lenders. Such agreements and arrangements contain many terms, conditions and covenants that may be challenging to comply with, restrict the Group's freedom to obtain new debt or other financing and/or restrict the Group's freedom to operate. Any non-compliance with debt financing agreements may thus have an adverse effect on the Group's business, financial condition and prospects.

The Group's indebtedness could furthermore affect the Group's future operations, since a portion of the Group's cash flow from operations will be dedicated to the payment of interest and principal on such debt and will not be available for other purposes. Financial covenants require the Group to meet certain financial tests and non-financial tests, which may affect the Group's flexibility in planning for, and reacting to, changes in its business or economic conditions, may limit the Group's ability to dispose of assets or place restrictions on the use of proceeds from such dispositions, withstand current or future economic or industry downturns, and compete with others in the Group's industry for strategic opportunities, and may limit the Group's ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate and other purposes.

1.3 Risks related to the Shares

An investment in the Shares involves risk of loss of capital
The market value of the Shares may fluctuate significantly in response to a number of factors beyond the Group's control, including adverse business developments, variations in operating results, changes in financial estimates and cost estimates, announcements by the Group or its competitors of new development or new circumstances within the industry, lawsuits against any company within the Group, unforeseen events and liabilities, changes in management, changes to the regulatory environment in which it operates or general market conditions, which could cause investors to lose a significant part or all of their investment.

Risks relating to illiquid market for trading Shares
Prior to the Admission to Trading, there is no market for trading of the Shares. No assurances can be made that there will be a liquid market for the Shares nor that the Shares may be resold at or above the subscription price in the Private Placement (see Section 6 below).

Future issuances of Shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares
It is likely that the Company may decide to offer new shares or other securities in order to finance new capital-intensive investments in the future in connection with unanticipated liabilities or expenses, or for any other purposes. Any such offering could reduce the proportionate ownership and voting interests of shareholders as well as the earnings per Share and the net asset value per Share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares.

The Company may deviate from shareholders' pre-emptive right to subscribe for such securities. In addition, securities laws in certain jurisdictions may prevent shareholders in such jurisdictions from participating in such securities offerings.

Shareholders may suffer dilution if they are unable to exercise pre-emptive rights in future offerings
In the event of an increase in the Company's ordinary share capital, shareholders are generally entitled to full pre-emptive rights unless these rights are limited or excluded either by virtue of Dutch Law, a resolution of the general meeting, or by a resolution of the supervisory board of directors of the Company (the "**Supervisory Board**"), if the Supervisory Board has been designated by the general meeting or the Articles of Association for

this purpose. However, the exercise of pre-emptive rights by certain foreign shareholders (including, but not limited to those in the United States) may be restricted by applicable law, practice or other considerations, and such shareholders may not be entitled to exercise such rights, unless the rights and Shares are registered or qualified for sale under the relevant legislation or regulatory framework. Foreign shareholders who are not able or not permitted to exercise their pre-emptive rights in the event of a future equity or other offering may suffer dilution of their shareholdings.

Risk relating to future dividends

Due to its early phase, the Company does not expect to pay dividends in the near future. Distribution of dividend may take place only after the adoption of the Company's annual accounts referred to in article 2:391 of the DCC by the general meeting which show that the distribution is allowed. The Company may make distributions to its shareholders insofar as the Company's equity exceeds the sum of the paid-in and called-up part of the issued share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association. Because the Company is a holding company that conducts its operational business mainly through its subsidiaries, the Group's ability to pay dividends depends directly on the Company's operating subsidiaries' distributions to the Company. The amount and timing of any distributions will depend on the laws of the subsidiaries' respective jurisdictions.

The Company will incur increased costs as a result of being a publicly traded company

Upon the Admission to Trading, the Company will be required to comply with applicable reporting and disclosure requirements and with corporate governance requirements. The Company will incur additional legal, accounting and other expenses to comply with these and other applicable rules and regulations, including hiring additional personnel. The Company anticipates that its incremental general and administrative expenses as a publicly traded company will include, among other things, costs associated with annual and interim reports to shareholders, shareholders' meetings, investor relations, incremental director and officer liability insurance costs and officer and director compensation. Any such increased costs, individually or in the aggregate, could have a material effect on the Group's business, operating income and overall financial condition.

Dutch law may limit shareholders' ability to bring an action against the Company

The Company is incorporated and exists under the laws of the Netherlands. Accordingly, the Company's corporate structure as well as the rights and obligations of the shareholders may be different from and may not be as clearly established as the rights and obligations of shareholders of companies under the laws of other jurisdictions. The exercise of certain shareholder rights by shareholders outside the Netherlands may be more difficult and costly than the exercise of rights in companies under the laws of other jurisdictions. Resolutions of the general meeting may be adopted with majorities different from the majorities required for adoption of equivalent resolutions in companies under the laws of other jurisdictions. Any action to contest any of the Company's corporate actions must be filed with, and will be reviewed by, a Dutch court, in accordance with Dutch law.

In addition, it may be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in jurisdictions other than the Netherlands. In particular, in case of the Company's insolvency, shareholders may face difficulties in pursuing claims due to differences in insolvency, reorganization, liquidation, administration, arrangement or other scheme with creditors regimes in the Netherlands. For those reasons, investors may encounter difficulties in the conduct of proceedings with respect to the Company.

Risks related to the registration of beneficial interests in the Shares in the VPS

For the purpose of enabling trading in the Shares on the Merkur Market, the Company has entered into the Registrar Agreement with DNB Bank ASA as VPS Registrar. The VPS Registrar is registered as holder of the Shares in the Company's shareholders' register that the Company is required to maintain in the Netherlands. Under the Registrar

Agreement, the VPS Registrar registers the beneficial interests in such Shares in book-entry form in the VPS. Accordingly, it is not the Shares issued in accordance with the DCC and the Articles of Association that will be subject to trading on the Merkur Market, but the beneficial interests in such Shares registered in the VPS. In accordance with market practice in Norway and system requirements of the VPS, the beneficial interests in the Shares will be registered in the VPS under the category of a "share". Although each "share" registered with the VPS will represent evidence of beneficial ownership of one Share, and the Company pursuant to its Articles of Association acknowledges the holders of beneficial interests in the Shares in the VPS as shareholders of the Company (see Section 10.5), such beneficial ownership may not necessarily be recognised by a Dutch Court. As such, investors may have no direct rights against the Company and its officers and directors and may be required to obtain the co-operation of the VPS Registrar in order to assert claims against the Company and its officers and directors, and to look solely to the VPS registrar for the payment of any dividends, for exercise of voting rights attaching to the underlying Shares and for all other rights arising in respect of the underlying Shares. The Company cannot guarantee that the VPS Registrar will be able to execute its obligations under the Registrar Agreement, including that the beneficial owners of the Shares will receive the notice of a general meeting in time to instruct the VPS Registrar to either effect a re-registration of their Shares or otherwise vote their Shares in the manner desired by such beneficial owners. Any such failure may inter alia, limit the access for, delay or prevent, the beneficial shareholders being able to exercise the rights attaching to the underlying Shares.

The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions

The Shares have not been registered under the U.S. Securities Act or any U.S. state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable securities laws. In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

2 STATEMENT OF RESPONSIBILITY

The Management Board of Directors and the Supervisory Board of Directors of The Kingfish Company N.V. accept responsibility for the information contained in this Admission Document. The members of the Management Board and of the Supervisory Board of Directors confirm that, after having taken all reasonable care to ensure that such is the case, the information contained in this Admission Document is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import of this Admission Document.

Kats, the Netherlands, 24 November 2020

On behalf of
The Management Board of Directors of The Kingfish Company N.V.

Ohad Maiman
Chairman of the Management Board and CEO

Kees Kloet
Management Board Member and COO

The Supervisory Board of Directors of The Kingfish Company N.V.

Hans den Bieman
Chairman of the Supervisory Board

Alexandre Van Der Wees
Supervisory Board Member

Jeroen Scheelbeek
Supervisory Board Member

Helge Moen
Supervisory Board Member

Martin Jansen
Supervisory Board Member

3 GENERAL INFORMATION

3.1 Other important investor information

The Company has furnished the information in this Admission Document. No representation or warranty, express or implied, is made by the Merkur Advisors as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Admission Document is, or shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The Merkur Advisors assume no responsibility for the accuracy or completeness or the verification of this Admission Document and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Admission Document or any such statement.

Neither the Company nor the Merkur Advisors, or any of their respective affiliates, representatives, advisors or selling agents, is making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

3.2 Presentation of financial and other information

3.2.1 Financial information

The Company's consolidated financial statements as of and for the years ended 30 December 2019 and 2018 have been prepared in accordance with the provisions of Title 9, Book 2 of the DCC and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ("**Dutch GAAP**") (the "**Annual Financial Statements**"). The annual financial statements for 2019 were approved by the Company's extraordinary general meeting on 30 October 2020 (the "**EGM**").

The Company's interim consolidated financial statements as of and for the six months period ended 30 June 2020 with comparable figures as of and for the six months period ended 30 June 2019 (the "**H1 Financial Statements**"), and the Company's interim consolidated management accounts as of and for the nine months period ended 30 September 2020 with comparable figures as of and for the nine months period ended 30 September 2019 (the "**Q3 Management Accounts**") have been prepared in accordance with Dutch GAAP (together, the "**Interim Financial Statements**").

The annual financial statements for 2019 have been audited by Baker Tilly (Netherlands) N.V. ("**Baker Tilly**"), while the annual financial statements for 2018 and the Interim Financial Statements are unaudited. The annual financial statements for 2018 and the H1 Financial Statements have been subject to a review by Baker Tilly.

The Company presents the Annual Financial Statements and Interim Financial Statements in EUR.

Reference is made to Section 8 "*Selected financial information and other information*" for more information on the Company's financial statements.

The Annual Financial Statements and Interim Financial Statements are attached hereto as Appendices B-E.

3.2.2 Industry and market data

In this Admission Document, the Company has used industry and market data obtained from independent industry publications, market research and other publicly available information. Although the industry and market data is inherently imprecise, the Company confirms that where information has been sourced from a third party, such

information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Admission Document that was extracted from industry publications or reports and reproduced herein.

Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such data and statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Admission Document (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 1 "*Risk factors*" and elsewhere in this Admission Document.

Unless otherwise indicated in the Admission Document, the basis for any statements regarding the Company's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

3.3 Cautionary note regarding forward-looking statements

This Admission Document includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry in which the Group operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Admission Document. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. For a non-exhaustive overview of important factors that could cause those differences, please refer to Section 1 "*Risk factors*".

These forward-looking statements speak only as at the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable

to the Group or to persons acting on the Group's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Admission Document.

4 REASONS FOR THE ADMISSION TO TRADING

The Company believes that the Admission to Trading will:

a) Further diversify the shareholder base and enable other investors to take part in the Company's potential value creation;

b) further enhance the Company's profile with investors, business partners and customers;

c) further enhance the ability of the Company to attract and retain key management and employees;

d) provide access to the capital markets; and

e) allow for a liquid market for the Shares going forward.

5 DIVIDENDS AND DIVIDEND POLICY

5.1 Dividends policy

The Company has not established any dividend policy beyond a general consensus that the Company's goals and focus are to increase shareholder value and contribute to an attractive market for its Shares.

The Company has not distributed any dividends during the financial years 2019 and 2018. The Company's intention is to retain future earnings, if any, to finance operations, acquisitions and expand the business. Any future decision to pay a dividend will depend on the Company's financial position, operating profit and capital requirements.

5.2 Legal and contractual constraints on the distribution of dividends

Under Dutch law, the Company may only make distributions to its shareholders insofar as the Company's equity exceeds the sum of the paid-in and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association. Under the Articles of Association, any distribution of profits may only be made after the adoption of the Company's annual accounts from which it appears that such distributions are legally permitted for the respective financial year, without prejudice to any of the other provisions of the Articles of Association. For the purposes of determining the allocation of profits, any Shares or depository receipts held by the Company and to which the Company has usufruct shall not be taken into account.

The profits of the Company shall be at the disposal of the general meeting. The Company's general meeting may resolve to add the profits to the reserve or to distribute it among the shareholders. The Management Board can make a proposal for that purpose.

The general meeting may resolve to declare interim dividends. A resolution to declare an interim distribution from the profits realized in the current financial year may also be passed by the Supervisory Board. Interim distributions may only be made insofar as the Company's equity exceeds the sum of the paid-in and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association, as evidenced by an interim statement of assets and liabilities as referred to in Section 2:105 paragraph 4 of the DCC.

Unless the general meeting sets a different term for that purpose, dividends shall be made payable within thirty days after they are declared. A general meeting declaring a dividend may direct that it is to be satisfied wholly or partly by the distribution in kind. Any deficit may be set off against the undistributable reserves only if and to the extent that doing so is permitted by law.

For a description of certain taxation issues with respect to dividends, see Section 11 below.

5.3 Manner of dividend payments

For the Company's shareholders registered in the Norwegian Central Securities Depository (Nw.: *Verdipapirsentralen ASA*, the "**VPS**") who have a NOK account linked to their VPS account, any future payment of dividends will be credited directly to such NOK account. Dividends will however be resolved and paid by the Company in EUR as the accounting currency of the Company. Shareholders who reside in Norway but have not linked a NOK account to the VPS account will receive dividend by giro payment. With respect to shareholders registered in the VPS whose address is outside Norway and who have not supplied its VPS account manager with

details of any NOK account, payment of dividends will be denominated in the currency of the bank account of the relevant shareholder, and will be paid to the shareholder through the VPS Registrar. Shareholders registered in the VPS who have not supplied their VPS account manager with details of their bank account, will not receive payment of dividends unless they register their bank account details on their VPS account, and thereafter inform the VPS Registrar about said account. Any dividend will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the relevant shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownerships. Shareholders' right to payment of dividend will lapse three years following the payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company. Exchange of funds will be executed in accordance with the standard procedures of the VPS Registrar. The exchange rate(s) that is applied will be the VPS Registrar's exchange rate on the payment date.

6 THE PRIVATE PLACEMENT

6.1 Details of the Private Placement

On 10 November 2020, the Company completed a private placement consisting of an issuance of 26,042,000 new Shares, each with a par value of EUR 0.01, at a subscription price of approximately NOK 20.6 (equivalent to EUR 1.92) per Share, raising gross proceeds of approximately NOK 535.5 million (equivalent to approximately EUR 50 million) (the "**Private Placement**"). The Private Placement was carried out by the Supervisory Board by use of the delegated authority to issue Shares as granted by the EGM on 30 October 2020, please refer to Section 10.3.3. below.

The bookbuilding period for the Private Placement took place from 09:00 CET to 16:30 CET on 9 November 2020. Notifications of allocation were issued on 10 November 2020, and delivery and payment for the Shares took place on 23 November 2020.

The Private Placement included participation from inter alia the following cornerstone investors who were allocated shares for approximately NOK 408 million:

i) Creadev International S.A.S., the Company's largest shareholder ("**Creadev**"), was allocated shares for approximately NOK 97.5 million;
ii) Rabo Participaties B.V., the Company's second largest shareholder ("**Rabo**"), was allocated shares for approximately NOK 75.3 million;
iii) Claris B.V. was allocated shares for approximately NOK 69.6 million;
iv) Tycoon Industrier AS, a company controlled by Øystein Spetalen, was allocated shares for approximately NOK 64.3 million;
v) Cibus Enterprise Fund LP, as advised by ADM Capital Europe LLP, was allocated shares for approximately NOK 52.7 million;
vi) Kverva Finans AS, a privately-owned Norwegian investment company specialising in aquaculture and marine resources, was allocated shares for approximately NOK 37 million;
vii) Lin AS, a company controlled by Leif Inge Nordhammer, was allocated shares for approximately NOK 5.4 million; and
viii) Sortun Invest AS, a company controlled by Supervisory Board Member Helge Moen, was allocated shares for approximately NOK 5.4 million.

6.2 Shareholdings upon completion of the Private Placement

After completion of the Private Placement, shareholders holding more than 5% of the Company's share capital are as set out in Section 10.4 below.

6.3 Use of proceeds

The net proceeds from the Private Placement will primarily be used to fully fund new capacity expansion in the Europe facility (the Netherlands, System F, see Section 7.4 below), general corporate purposes at the current site in Netherlands, and acceleration of permitting and engineering for the US (Maine) roll-out plan as further discussed in Section 8.10 below.

6.4 Lock-up

In connection with the Private Placement and to the benefit of DNB Markets, a part of DNB Bank ASA (as sole global coordinator and joint bookrunner in the Private Placement, cf. Section 13.4 below, "**DNB Markets**"), the Company, Ohad Maiman (CEO), Christo du Plessis (Acting CFO), Kees Kloet (COO), Hans den Bieman (Chairman of the Supervisory Board) and the Company's largest shareholders, Creadev and Rabo, have entered into customary lock-up undertakings, subject to certain exceptions. Pursuant to these undertakings, there is expected to be a six month lock-up period starting from the date of the Admission (with 12 months for Mr. Maiman, Mr. du Plessis and Mr. Kloet) during which Shares, options to acquire Shares or other instruments convertible into Shares may not be issued, sold, pledged or otherwise disposed over (as applicable) without the prior written consent of DNB Markets as further set out in the relevant undertakings.

7 BUSINESS OVERVIEW

This Section provides an overview of the Group's business as of the date of this Admission Document. The following discussion contains forward-looking statements that reflect the Group's plans and estimates, see Section 3.3 "*Cautionary note regarding forward-looking statements*" above, and should be read in conjunction with other parts of this Admission Document, in particular Section 1 "*Risk factors*".

7.1 Introduction

Kingfish was incorporated in 2015 and is optimally located on the shores of the Eastern Scheldt estuary, in the Dutch province of Zeeland. With an active on-site R&D facility and advanced grow-out system design and construction, Kingfish produces a high quality, antibiotic-free marine finfish species: the Dutch Yellowtail (Seriola Lalandi/Pacific Yellowtail/Hiramasa/often used interchangeably with close cousin Hamachi).

In 2016, the Company sanctioned the 1st phase of its 1st project: approximately 520 tonnes per annum production facility for the production of the premium fish species 'Yellowtail Kingfish'. The plot secured can support several onsite expansions up to a total capacity of approximately 5,000 tonnes per annum. The Company adopted a technologically advanced approach, using recirculation aquaculture systems ("**RAS**") which offer a reliable, sustainable, and fully controlled production environment. The plant became operational in 2018 and since built its livestock levels to maturity and commenced sales activity. The current production exceeds the design capacity and lays the foundation for further expansion, both in the Netherlands and in the United States. The Company also operates a Best Aquaculture Practices ("**BAP**") and BRC certified processing and packing facility for its own fish.

The Company's Dutch Yellowtail is a high-grade sashimi, a grilled or smoked classic, and a 'Green Choice' recommended by the Good Fish Foundation as an excellent sustainable alternative. Now available fresh from the Netherlands all year round, with daily deliveries across the EU. Kingfish offers the only Aquaculture Stewardship Council ("**ASC**") and BAP certified source of Yellowtail/Kingfish/Hiramasa (Seriola Lalandi).

Sustainability and respect for its fish and the environment are key values of Kingfish and form the basis for the Company's design, operations and technology decisions. The Company's sustainability measures include:

- No antibiotics and no vaccines are applied to the fish.
- The Company uses 100% renewable energy from wind-powered, solar and biogas.
- To minimise energy use for heating, the Company's warm outflow water transfers heat to its incoming water through a state-of-the-art-heat-exchange system custom designed for marine water use.
- The Company's outflow water is rich in nutrients before it is biologically purified in its internal water treatment systems to minimise its discharge. The Company also plans to maximise the use of its outflow as fertiliser for Salicornia crops and Algae production.
- By using only sea water in its production, Kingfish does not waste a precious and rare resource.
- The Company's wastewater treatment with incorporated solids removal ensures the safe discharge of its outflow water. As an additional safety measure, the discharge of the Company's hatchery and quarantine units is sterilised by powerful UV and ozone treatment, ensuring that the Company's farm has no biological impact on its natural surroundings.
- Unlike traditional cage farming, the farm of Kingfish is based on land. The Company's output treatment system ensures that it is technically impossible for its fish to escape and mix with the natural surroundings. Even if it was possible for the fish to escape, the natural sea temperature in Zeeland is too cold for the Dutch Yellowtail to survive.

- Based on the results of a 3-year independent research project focusing on animal welfare, permission was granted for the commercial production of the Dutch Yellowtail in the Netherlands in 2012. Kingfish continues to implement further improvements based on existing and new know-how, primarily out of respect for the fish itself as well as being part of the Company's social responsibility.

Kingfish' mission is to be a leader in technology-driven aquaculture and to establish the Company as a market leader in the sustainable production of premium marine seafood.

7.2 History and important events

The table below shows the Group's key milestones from its incorporation to the date of this Admission Document:

Year	Main Events
2012	Permission for the commercial production of the Dutch Yellowtail is granted in the Netherlands
2015	The Company is founded by Ohad Maiman (CEO), Itay Young (CFO), Kees Kloet (COO) and Hans den Bieman (Chairman of the Supervisory Board)
2016	The Company's site and permits are secured in the Netherlands, including a strategic takeover of neighbouring site
2016	Debt financing secured with Rabobank
2016	The Company confirms the 1st phase of its 1st project: approximately 520 tonnes per annum production facility for the production of the premium fish species 'Yellowtail Kingfish'
2016	The Company converts to a Dutch limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*)
2017	First fingerling shipped into R&D site
2017	Operational in-house hatchery
2017	Yellowtail Kingfish breeding program commences
2018	The Company's plant becomes operational
2018	Standing stock target reached and commercial harvest commenced
2019	Demand exceeds production capacity (Q1)
2019	Significant KPI enhancement across all aspects of business
2019	US hatchery in Main commenced
2019	East coast site in Jonesport, Maine announced
2019	Funding from Creadev International, Rabo and Nutreco commenced
2020	The Company converts to a Dutch public limited liability company (*naamloze vennootschap*)
2020	Completion of the Private Placement
2020	The Shares are admitted to trading on the Merkur Market

7.3 Group structure

Please refer to Section 10.2 for the chart setting out the Group's legal structure as of the date of this Admission Document.

7.4 Vision and strategy

It is the Group's mission to become a leader in technology-driven aquaculture and establish its position as a market leader in the sustainable production of premium marine seafood.

It is envisaged to initiate further expansion of the business in the Netherlands in Q1 2021, including hatchery upsizing and establishment of an on-site packaging house. The next phase of the expansion is named System F and is estimated to take the production capacity in the Netherlands up to 3,000 tonnes WFE. Currently the Company is building out its System E which is expected to take the Company's production capacity in the Netherlands up to 1,250 tonnes WFE versus current capacity of 650 tonnes WFE. System E is estimated to be completed Q1 2021 and is fully financed. The Group further targets to initiate construction and expansion of its business in the US during H2 2021.

7.5 Material Agreements

Below is a summary of the material agreements entered into by the Group during the past two years, as well as other agreements entered into containing rights or obligations of material importance for the Group, apart from agreements entered into as part of the Group's ordinary course of business.

7.5.1 Agreement with the Company's contractors

The Company has entered into several contractor agreements for the System E expansion of the Company's production site (the "**System E expansion**"), including for the building of a new facility that, amongst others, contains a RAS. The main contractors under the System E expansion are Billund Aquaculture A/S ("**Billund**") and Van der Straaten Aannemingsmaatschappij B.V. ("**Van der Straaten**"), which in turn have entered into agreements with several subcontractors which are under the supervision and responsibility of Billund and Van der Straaten, respectively. Furthermore, the Company has entered into several agreements with their own sub-contractors, such as inter alia Aquaculture Consultancy & Engineering (ACE) B.V., Heras B.V., A-Consult Agro A/S, Logisticon Water Treatment B.V., Reijnhout Elektro B.V. and Bouwkundig Buro Laban B.V.

The management and the execution of the System E expansion as well as the coordination of the various contractor agreements are essential to the Company.

7.5.2 Contemplated agreements with Skretting France SAS

The Company has with effect from 22 October 2019 entered into a legally binding letter of intent (the "**LoI**") with Skretting France SAS ("**Skretting**"). Pursuant to the LoI, the Company and Skretting shall within three months after the parent company of Skretting, Nutreco Investments B.V. ("**Nutreco**"), unconditionally commits to invest EUR 2.5 million in the Company enter into (i) a joint development agreement for development of specialized high-performance feed for the production of Kingfish Yellowtail via RAS production, and (ii) a feed supply agreement under which the Company shall be obliged to buy at least 70% of its feed on an annual basis from Skretting upon Skretting's successful development of the specialized high-performance feed.

The aforementioned commitment was made by Nutreco on 29 November 2019, but as of the date of this Admission Document, these contracts have not yet been entered into. The Company expects to enter into the contracts during the first quarter of 2021.

7.6 Market overview

7.6.1 Supply

Today, Yellowtail Kingfish is predominately produced in the Asia Pacific with Japan being the main producer of farmed Yellowtail. Majority volume is farmed Yellowtail, while there is also some wild-caught volume. Total

farmed production in Japan is approx. 140,000 tonnes and is based on juveniles caught in the wild. In addition there is approx. 2,600t farmed production in Australia. Production is primarily produced for the domestic market, but there is also some export to overseas markets. Production within Kingfish' core end markets is today low and vast majority of consumption is imported yellowtail from Japan and Australia.

Source: Kontali

Consumption / capita	75 grams	11 grams	96 grams	1,000 grams
5-year CAGR	11%	21%	21%	n/a

Source: Cleanseas Q1 2020 Roadshow Presentation

Consumption per capita is today highest in the markets where production is located. There has been a strong growth in consumption in all major market last five years.

7.6.2 End markets

The Company's product is today sold mostly sold to the European Union with Italy, the Netherlands and France being the key markets within EU, constituting approx. 70% of the sold volume in 2019. The product is sold to the HORECA segment for consumption in high-end Asian fusion & fine-dining market and directly to consumers through an increasing retail presence through branded products. The product is sold in four size categories as the various end markets prefer different sizes.

Weighted average sales price per size category (EUR / Kg WFE, ex plant price, net of commissions and transport costs)

Price varies between size categories with larger fish achieving the highest price per kilogram. Apart from Q1 and Q2 2020 which was impacted by the COVID-19 pandemic, there has been a strong price development for all size categories during 2019.

Sales volume by size category

7.6.3 Competitive landscape

The Company's main competitors today is frozen, imported volume from net-pen farmers in Japan and Australia. There is limited available information on other land-based producers of Yellowtail and to the Company's knowledge, the production volume from similar producers in Europe is limited. In addition to Kingfish, there is one known producer of land-based Yellowtail in Europe, which is Sashimi Royale based in Denmark. Sashimi Royale is owned by Nordic Aquafarms and claim an annual production of 1,200 tonnes of Yellowtail. In addition there is a smaller, land-based farm in Germany called Fresh Corporation. Fresh Corporation's production capacity is not known, but assumed volume is limited.

7.7 Business-critical agreements, patents etc.

The Group currently has obtained the permits as set out below. It is the Company's opinion that the Group's existing business and profitability are dependent upon these permits, as well as the agreements described in Section 7.5 above, which are considered to be of material importance to the Group.

	Issuing authority	Legal basis	Description
The Kingfish Company N.V.			
Environmental permit No. O2016004 2016.00898	Municipality of Noord-Beveland (*Gemeente Noord-Beveland*)	General Provisions for Environmental Law Act (*Wet Algemene Bepalingen Omgevingsrecht 'Wabo'*)	Construction and exploitation of an indoor fish farm for the production of Yellowtail Kingfish. These permits include (within the meaning of Environmental Permitting (General Provisions) Act (*Wabo*)): • the (re)construction of a building; • the erection, alteration or modification of the operation or functioning of an establishment or mining work; • the renovation of the pump house (activity of building a structure); • deviate from the zoning plan (the use of land or construction works contrary to a zoning plan); • the expansion of the company building; • deviation from the zoning plan; and • the layout and operation of an establishment or mining work.
Environmental permit No. O2019072 012172	Municipality of Noord-Beveland (*Gemeente Noord-Beveland*)	General Provisions for Environmental Law Act (*Wet Algemene Bepalingen Omgevingsrecht 'Wabo'*)	
Environmental permit No. O2018127 010413	Municipality of Noord-Beveland (*Gemeente Noord-Beveland*)	General Provisions for Environmental Law Act (*Wet Algemene Bepalingen Omgevingsrecht 'Wabo'*)	
Water permit RWS-2019/1474	Water management (*Rijkswaterstaat*)	The Dutch Water Act (*Waterwet*)	Permit for wastewater on the Eastern Scheldt and the abstraction of surface water from the Eastern Scheldt.
Aquaculture license (B-site: Colijnsplaatse Groeneweg 2, Kats, The Netherlands) NVWA/653670.01	Dutch Food and Consumer Product Safety Authority (*NVWA*)	Aquaculture regulation (*Aquacultuur regeling*)	License for aquaculture production in accordance with the Aquaculture regulation.
Aquaculture license (A-site: Oost-Zeedijk 13, Kats, The Netherlands) NVWA/783765	Dutch Food and Consumer Product Safety Authority (*NVWA*)	Aquaculture regulation (*Aquacultuur regeling*)	License for aquaculture production in accordance with the Aquaculture regulation.
Kingfish Maine Inc			
Submerged Lands Lease and Dredging Lease	Maine Bureau of Parks and Lands	Leased to Kingfish Maine, Inc. to enable the construction of intake and discharge pipelines. The lease includes the right to dredge 550 yards of material in the intertidal area, for the purpose of burying the pipes in that section so they are not visible and not an obstruction when exposed at low tide.	

In addition, in September 2020, the Company received critical pipeline permits for the US Maine Phase 1, and the Company is working to secure additional permits which would be required to be obtained prior to construction. Furthermore, the Netherlands System F licensing permit was approved in October 2020. For further details, please see Section 8.10 below.

The Group's intellectual property includes know-how, trademarks, domain names, copy rights, as well as trade secrets. Notwithstanding that certain intellectual property are important in taking advantage of opportunities in the Group's market, the Company believes that the Group does not depend on any single proprietary technology, know-how or other intellectual property.

7.8 Related party transactions

Below is a summary of the Group's related party transactions for the periods covered by the historical financial information included in this Admission Document as Appendices B-E and up to the date of this Admission Document.

i) From time to time, Hans den Bieman and Noam Kleinfeld, Chairman of the Supervisory Board and member of the board of directors preceding the Management Board and Supervisory Board respectively, provide consultancy services to the Group. For the period from the start of 2018 to the date of this Admission Document, Hans den Bieman has received a total of EUR 88,848 in fees and Noam Kleinfeld has received a total of EUR 86,251 in fees for such services.

ii) From 2018 until the date of this Admission Document, the Company has granted loans to its wholly owned subsidiaries, Kingfish Maine Inc. and Yellowtail Hatchery USA Inc, for an aggregate total amount of EUR 750,078.44 and EUR 294,684.36 respectively.

7.9 Legal and arbitrational proceedings

Neither the Company, nor any other company in the Group is, nor has been, during the course of the preceding 12 months involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

8 SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

8.1 Introduction and basis for preparation

The Company's consolidated financial statements as of and for the years ended 30 December 2019 and 2018 have been prepared in accordance with Dutch GAAP (the "**Annual Financial Statements**"). The annual financial statements for 2019 were approved by the EGM on 30 October 2020.

The Company's interim consolidated financial statements as of and for the six months period ended 30 June 2020 with comparable figures as of and for the six months period ended 30 June 2019 (the "**H1 Financial Statements**"), and the Company's interim consolidated management accounts as of and for the nine months period ended 30 September 2020 with comparable figures as of and for the nine months period ended 30 September 2019 (the "**Q3 Management Accounts**") have been prepared in accordance with Dutch GAAP (together, the "**Interim Financial Statements**").

The annual financial statements for 2019 have been audited by Baker Tilly, while the annual financial statements for 2018 and the Interim Financial Statements are unaudited. The annual financial statements for 2018 and the H1 Financial Statements have been subject to a review by Baker Tilly.

The selected financial information presented in Section 8.3 to Section 8.6 below has been derived from the Annual Financial Statements and the Q3 Management Accounts, and should be read in connection with, and is qualified in its entirety by reference to, the Annual Financial Statements and the Interim Financial Statements which are attached hereto as Appendices B-E.

8.2 Summary of accounting policies and principles

For accounting policies and explanatory notes, please refer to note 1 in the Annual Financial Statements, attached hereto as Appendices D-E.

8.3 Selected statement of income

The table below sets out selected data from the Group's statement of income as included in the Q3 Management Accounts and the Annual Financial Statements:

(in EUR 1,000)	YTD Q3 2020 *(unaudited)*	YTD Q3 2019 *(unaudited)*	FY 2019 *(audited)*	FY 2018 *(unaudited)*
Revenue	3.524,9	3.757,1	4.995,6	791,6
Costs	(7.068,2)	(5.773,1)	(6.811,9)	(5.686,9)
EBITDA	(3.543,3)	(2.016,0)	(1.816,4)	(4.895,3)
Depreciation	(1.070,9)	(1.044,7)	(1.463,2)	(477,2)
EBIT	(4.614,2)	(3.060,7)	(3.279,6)	(5.372,5)
IFRS inventory adjustment	1.253,8	-	(440,9)	1.885,7
EBIT after IFRS	(3.360,3)	(3.060,7)	(3.720,5)	(3.486,8)
Net financials	(301,3)	(525,3)	(649,2)	(321,7)
EBT	(3.661,6)	(3.586,0)	(4.369,7)	(3.808,5)
Taxes	-		1.333,9	593,1

Net income		(3.661,6)	(3.586,0)	(3.035,7)	(3.215,4)

		2019		2018	
		€	€	€	€
Net Turnover		4.995.581		791.606	
Changes in inventories and live fish stock		-440.918		1.885.723	
Production value			4.554.663		2.677.329
Cost of raw materials		2.198.682		2.164.857	
Expenses work contracted out and other external expenses		592.238		-	
Wages and salaries	18	1.344.604		907.978	
Social security premiums and pensions cost	19	391.895		251.112	
Depreciation of property, plant and equipment	20	1.463.244		477.270	
Other operating expenses	21	2.284.368		2.362.871	
Total of sum of expenses			8.275.031		6.164.088
Total of operating result			-3.720.368		-3.486.759
Release from revaluation reserve			65.516		19.855
			-3.654.852		-3.466.904
Financial income and expense	22		-714.827		-341.631
Total of result of activities before tax			-4.369.679		-3.808.535
Taxation			1.333.937		593.146
Total of result after tax			-3.035.742		-3.215.389

8.4 Selected statement of financial position

The table below sets out selected data from the Group's balance sheet as included in the Q3 Management Accounts and the Annual Financial Statements:

(in EUR 1,000)	YTD Q3 2020 *(unaudited)*	YTD Q3 2019 *(unaudited)*	FY 2019 *(audited)*	FY 2018 *(unaudited)*
Fixed assets	27.054,7	19.709,5	23.655,0	21.851,0
Inventories	3.976,0	2.886,0	2.652,4	2.886,0
Account receivables	864,9	912,1	1.408,1	591,5
Cash & cash equivalents	1.712,7	(2.341,8)	10.555,2	39,0
Total assets	**33.608,4**	**21.165,8**	**38.270,7**	**25.367,6**
	-			
Equity	21.302,0	10.470,3	25.923,4	9.948,3
Debt	10.921,9	8.881,2	10.977,9	14.895,4
Account payables	1.384,4	1.814,3	1.369,4	523,9
Total equity and liabilities	**33.608,4**	**21.165,8**	**38.270,7**	**25.367,6**

Consolidated balance sheet as at 31 December 2019

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2019

(After distribution of result)

		31-12-2019		31-12-2018	
		€	€	€	€
ASSETS					
FIXED ASSETS					
Property, plant and equipment	1				
Land and buildings		9.293.290		9.587.299	
Plant and equipment		9.434.958		10.349.521	
Other fixed assets		1.357.891		665.603	
Property, plant and equipment in progress and prepayments of property, plant and equipment		885.066		-	
			20.971.205		20.602.423
Financial assets					
Deferred tax assets	2		2.683.747		1.248.637
CURRENT ASSETS					
Inventories and work in progress					
Raw materials and consumables	3	376.274		168.836	
Live fish stock	4	2.141.672		2.717.120	
Harvested fish stock	5	134.529		-	
			2.652.475		2.885.956
Receivables					
Trade debtors	6	637.984		247.204	
Other receivables and accrued assets	7	770.088		344.304	
			1.408.072		591.508
Cash and cash equivalents	8		10.555.146		39.048
Total assets			38.270.645		25.367.572

8.5 Selected statement of cash flow

The table below sets out selected data from the Group's cash flow statement as included in the Q3 Management Accounts and the Annual Financial Statements:

(in EUR 1,000)	YTD Q3 2020 *(unaudited)*	YTD Q3 2019 *(unaudited)*	FY 2019 *(audited)*	FY 2018 *(unaudited)*
Cash flow from operations	(3.638,2)	(2.870,3)	(6.900,0)	(5.637,9)
Cash flow from investments	(8.825,5)	(201,0)	(1.800,0)	(2.832,3)
Cash flow from financing	4.255,4	3.757,3	19.300,0	7.991,3
Net cash flow	**(8.208,3)**	**686,0**	**10.600,0**	**(478,9)**

8.6 Selected statement of changes in equity

Changes in equity are presented in the equity note in the Annual Financial Statements. An overview is included below:

	Issued and Paid-in Capital	Additional Paid-in Capital	Revaluation Reserve	Accumulated Deficit	Total Equity
Balance January 1, 2019	215.320	10.562.342	855.040	(3.935.504)	7.697.198
Issue of shares	204.924	20.195.285			20.400.209
Revaluation live fish stock			130.405	(130.405)	-
Prepaid share premium reserve		826.410		(826.410)	-
Fundraising cost		(1.323.838)			(1.323.838)
Own shares	(5.000)			5.000	-
Result for the period				(3.021.842)	(3.021.842)
Balance December 31, 2019	415.244	30.260.199	985.445	(7.909.161)	23.751.727
Addition	-	-	-	-	-
Fundraising cost		(89.403)			(89.403)
Result for the period	-	-	-	(1.296.604)	(1.296.604)
Balance June 30, 2020	415.244	30.170.796	985.445	(9.205.765)	22.365.720

8.7 Significant changes in the Group's financial or trading position since 30 September 2020

The Group has not carried out any transactions after 30 September 2020 that represent a change of more than 25% in its total assets, revenue or profit or loss.

8.8 Material borrowings

As of the date of this Admission Document, the Company has the following material interest bearing debt:

8.8.1 EUR 6,100,000 loan facility with Rabobank

The Company has a EUR 6,100,000 loan with Coöperatieve Rabobank U.A. ("**Rabobank**"). The loan has a floating 3M Euribor interest rate. Repayment takes place in instalments of EUR 75,000 per quarter and a repayment of EUR 3,100,000 due on 30 June 2029. As a result of the Covid-19 pandemic the Company received a lenience on the repayment of the loan. Therefore, no repayment has occurred during the first six months of 2020 and further repayments have been postponed with 3 months. Securities are granted in the form of a right of mortgage and in the form of deeds of pledge. Other key terms or restrictive covenants include certain minimum solvability and debt service ratios, negative pledge, restrictions on dividend payments as well as restrictions on certain actions which may have an adverse effect on the Company's ability to fulfil its obligations towards the bank, making any material

amendments to its core business or selling or in any other way transferring any of its assets or business in whole or in part without prior written consent of the bank.

8.8.2 EUR 750,000 loan facility with Rabobank

The Company has a EUR 750,000 loan facility with Rabobank. Redemption is due in full on 31 December 2021. The loan has a floating Euribor interest rate. Securities are granted in the form of a right of mortgage and standard security rights based on the general conditions and general banking conditions of Rabobank.

8.8.3 EUR 3,000,000 credit facility with Rabobank

The Company has a working capital facility at Rabobank with a maximum current account credit of EUR 3,000,000. The account credit consists of a fixed base limit in an amount EUR 1,500,000 and a related additional limit of maximum EUR 1,500,000 based upon the value of the pledged inventory. The fixed base limit of EUR 1,500,000 will be removed on 31 December 2021, the total maximum will then be based upon the value of the pledged inventory. The facility has a floating interest rate. As per 29 October 2020 the Company had drawn EUR 469,000 of the credit limit.

8.8.4 EUR 1,000,000 factoring facility with Rabobank

The Company has a factoring agreement in place with a limit of EUR 1,000,000 with the purpose of financing working capital. The costs consist of a floating Euribor interest rate on the advance financing withdrawn through factoring, increased with a surcharge, a commission of 0.15% of invoice turnover (with a yearly minimum amount of EUR 7,500) and a commitment fee of 0.0625% of the unused factoring limit every quarter. Currently, the factoring facility is not being used by the Company, the Company has a EUR 498,000 debit balance. The agreement is for two years as of August 2019 and will be extended with one year unless terminated. Securities granted under the factoring agreement are a right of pledge. Rabobank is also granted standard security rights based on the general conditions and general banking conditions of Rabobank.

8.8.5 EUR 4,000,000 loan facility with Rabobank

The Company has a EUR 4,000,000 loan with Rabobank. The loan has a floating 3M Euribor interest rate and a surcharge. The loan has a redemption of EUR 105,263 instalments per quarter. Securities are granted in the form of a third right of mortgage and a right of pledge. Other key terms or restrictive covenants include minimum solvability ratios and debt service ratios.

8.8.6 Lease liability with Rabobank

The Company entered a sale and lease back agreement with Rabobank for the total amount of EUR 3,258,000. Legal ownership of the assets under financial leasing has been transferred to Rabobank. After expiration of the fixed term of 72 months, the Company may 1) purchase and acquire title to the assets at the price of EUR 260,640; 2) renew the agreement by one year; or 3) return the assets to the lessor. The lease instalments to be paid are divided into a repayment and an interest portion, using the annuity method. As per June 2020, the remaining liabilities under the lease amounted to EUR 1,824,094.

8.8.7 EUR 500,000 loan with Visserij Investeringsfonds Nederland

The Company has a EUR 500,000 loan with Visserij investeringsfonds Nederland. The loan has a fixed interest rate and needs to be repaid in October 2021.

8.8.8 EUR 300,000 loan Visserij Investeringsfonds Nederland

The Company has a EUR 300,000 loan with Visserij investeringsfonds Nederland. The loan has a fixed interest rate and needs to be repaid in January 2021.

8.9 Grants

As of the date of this Admission Document, the Company receives the following grants from the Dutch government:

8.9.1 Operational Program EFRO 2014-2020 Zuid-Nederland

1. EUHightech - OPZUID 1b2 (active until 30 June 2021)
    - Committed subsidy amount and percentage: EUR 166,152 / 25%
    - The development, implementation and testing of: a high-tech water purification system for surface water; an innovative fish-friendly transport system; and an innovative, reliable anesthetic system that realizes a fish-friendly breeding process for Yellowtail Kingfish.

2. AquaValley - OPZUID 1b1 (active until 1 March 2021)
    - Committed subsidy amount and percentage: EUR 447,745.48 / 35% + 5% co-financing by Zeeland
    - Structuring knowledge sharing and collaboration to reduce the technical risk of each company in the cluster and to promote the development and implementation of knowledge and techniques with a common interest. And to inspire other companies to participate in the 'Aqua Valley cluster'.

8.9.2 Netherlands Enterprise Agency (Rijksdienst voor Ondernemend Nederland)

3. Sustainable - Innovation projects aquaculture 2017 (active until 13 June 2021)
    - Committed grant amount and percentage: EUR 283,289.28 / 50%
    - The main goal of this project is to make the Yellowtail farming system more sustainable. To achieve this, current knowledge about the breeding of Yellowtail will be expanded with applied research on a number of crucial points (gaps in current knowledge). The generated knowledge will then be translated into innovative technical adjustments in the breeding system and new protocols that contribute to making the breeding of Yellowtail more sustainable. The knowledge development of this project can lead to valuable insights and knowledge that will serve as a basis when similar research is carried out for other fish species. The results of the research will lead to a more sustainable and animal friendly culture with a naturally improved growth of Yellowtail and thus maintaining a unique market position.

4. Sustainable - Innovation projects aquaculture 2019 (active until 13 June 2023)
    - Committed subsidy amount and percentage: EUR 500,000 / 50%
    - The goal of this project for Kingfish is to improve the welfare and health of the Yellowtail and to improve the water quality in the Kingfish husbandry system by developing new nutrition (protocols).

8.9.3 Provincie of Zeeland (Provincie Zeeland)

5. 'Zeeland in Acceleration' (*Zeeland in Stroomversnelling*)
    - Automatic fish deformity detection system (Main applicant is Kramer Machines)

- Committed subsidy amount and percentage for Kingfish: EUR 16,459 / 50%
- Investigating the feasibility of early detection of deformations using Machine Vision Techniques and automatically selecting identified fish.

6. 'Zeeland in Acceleration' (*Zeeland in Stroomversnelling*)
    - Live feeding (Main applicant is Stichting Zeeschelp)
    - Committed subsidy amount and percentage for Kingfish: EUR 18,250 / 50%
    - To investigate the feasibility of developing a fully automated live feed system for the larval phase of farmed fish

8.10 Working capital statement

Following completion of the Private Placement as discussed in Section 6 above, the Company has sufficient liquidity to continue its business activities in accordance with its current scale of operations and for at least one year from the planned date of the Admission to Trading.

As set out in Section 6.3 above, the majority of the funds from the Private Placement are intended to be used to fund the expansion of System F on the current site in Netherlands (currently estimated to a capital expenditure of approximately EUR 45 million). The construction is estimated to commence in Q1 2021. While the funds from the Private Placement are expected to fully finance System F with equity, the Company expects to add debt financing, leaving room for proceeds from the Private Placement to be used towards design, engineering and pre-funding of the US Maine Phase 1, in addition to general corporate purposes.

The Company is planning to commence construction of the first phase (approximately 6,500t WFE capacity) of its Maine site in the United States during H2 2021, and the Company does not currently have sufficient liquidity for the capital expenditure relating to the contemplated expansion. The Company will not initiate construction of the Maine facility unless sufficient capital has been raised prior to construction. The expansion is expected to be financed through a combination of debt and equity capital. The total capital expenditure pertaining to such expansion is estimated to be in the range of EUR 170 million to EUR 190 million, and the total amount of financing necessary to be raised by way of debt and/or equity is expected to be in the range of EUR 170 million to EUR 190 million.

9 THE MANAGEMENT BOARD, SUPERVISORY BOARD AND CORPORATE GOVERNANCE

9.1 Introduction

The Company has a two-tier board structure consisting of the Management Board and the Supervisory Board. Each member of the Management Board and the Supervisory Board owes a duty to the Company to properly perform the duties assigned to such member and to act in the Company's corporate interest. Under Dutch law, the Company's corporate interest extends to the interests of all its stakeholders, including the shareholders, creditors, employees and clients.

The Management Board is the statutory executive body (*raad van bestuur*) and is responsible for the day-to-day management of the Company, which includes, among other things, formulating the Company's strategies and policies and setting and achieving the Company's objectives. The chairman of the Management Board shall have the title of chief executive officer ("**CEO**").

The Supervisory Board (*raad van commissarissen*) supervises the Management Board and the general course of affairs in the Company and the business connected with it. The Supervisory Board shall further assist the Management Board by giving advice.

9.2 The Management Board

9.2.1 Introduction

The Articles of Association provide that the Management Board shall comprise one or more individuals. The general meeting shall determine the precise number of Management Board Members and the titles of such members. The general meeting shall appoint the Management Board Members upon recommendation by the Supervisory Board.

The Company's registered address, Oost-Zeedijk 13, 4485 PM Kats, the Netherlands, serves as business address for the Management Board Members as regards their positions in the Company.

9.2.2 Overview of the Management Board

The table below sets out the names of the current members of the Management Board.

Name	Position	Employed since	Shares
Ohad Maiman[1]	Chairman of the Management Board and CEO	2015	4,600,000
Christo du Plessis[2]	Management Board Member and acting CFO	2019	8,850
Kees Kloet[3]	Management Board Member and COO	2015	1,850,000

1) Shares held through Terra Mare B.V.
2) Christo du Plessis is currently the acting CFO of the Company and will in due course formally replace Itay Young as CFO. Itay Young is as of the date of this Admission Document formally still a member of the Management Board. Itay Young's future involvement in the Company is not decided at the moment, but the Company will engage in discussions with Mr. Young for a potential strategic advisory role going forward.
3) Shares held through C.J. Kloet Beheer B.V.

Expect as set out in Section 9.5 below, no member of the Management Board owns any options or other securities exchangeable for Shares.

9.2.3 Brief biographies of the Management Board Members

Set out below are brief biographies of the members of the Management Board.

Ohad Maiman, Chairman of the Management Board and CEO
Ohad Maiman is the Chairman of the Management Board and CEO of the Company. In his former position as Vice President Business Development at the Merhav Group, Mr. Maiman has had the opportunity to evaluate, develop, and manage multiple operations in the Oil & Gas, Petrochemical, Water treatment and Agricultural industries, and that was where he first encountered the land-based aquaculture sector. Impressed by the potential of the nascent field, Mr. Maiman left his former position and dedicated himself to study the opportunity in depth, culminating in the founding and launch of Kingfish in 2015. Mr. Maiman graduated from Columbia University in 2003.

Christo du Plessis, Management Board Member and acting CFO
Christo du Plessis is the Company's acting CFO and a member of the Management Board. Having trained as a Chartered Accountant, Mr. du Plessis gained experience in the agricultural industry as CFO at fast-growing companies and in specialist roles. Mr. du Plessis then spent 12 years at Abagold Limited, the largest land-based aquaculture operation in Southern Africa, first as CFO and then CEO. He joined Kingfish in January 2019 as Head of Sales and Operations, was promoted to General Manager at the end of 2019 and is currently acting CFO. Mr. du Plessis holds degrees in Accounting from the University of South Africa and the University of Stellenbosch.

Kees Kloet, Management Board Member and COO
Kees Kloet is the Company's COO and a member of the Management Board. Mr. Kloet is a pioneer in the land-based field and the first to build and operate a Yellowtail Kingfish RAS farm (Silt B.V.). He was involved in the start-up of approximately 30 RAS fish farms worldwide, and responsible for the training of staff and for the first production of a range of different species. In 1993, he also co-founded and served as the commercial director at Coppens International BV. Mr. Kloet holds a Masters in Aquaculture (Msc) from Wageningen University.

9.3 The Supervisory Board

9.3.1 Introduction

The Articles of Association provide that the Supervisory Board shall comprise five to seven individuals. However, the Supervisory Board shall in first instance consist of five individuals and an increase to six or seven individuals is subject to approval by the Supervisory Board by way of a 66.67% qualified majority vote in favour of such increase. The general meeting shall determine the precise number of Supervisory Board Members and appoint one of the Supervisory Board Members as chairman of the Supervisory Board.

The Company's registered address, Oost-Zeedijk 13, 4485 PM Kats, the Netherlands, serves as business address for the Supervisory Board Members as regards their directorships with the Company.

The Company has appointed a nomination committee, see Section 9.3.5 below. The Company does not have an audit committee or a remuneration committee, but will consider the need to appoint such committees going forward.

9.3.2 Overview

As of the date of this Admission Document, the Company's Supervisory Board consists of the following individuals:

Name	Position	Served since	Shares
Hans den Bieman	Chairman of the Supervisory Board	November 2015	2,171,331
Alexandre Van Der Wees[1]	Supervisory Board Member	December 2019	-
Jeroen Scheelbeek[2]	Supervisory Board Member	December 2019	-
Helge Moen[3]	Supervisory Board Member	November 2020	260,417
Martin Jansen[4]	Supervisory Board Member	November 2020	547,439

1) Nominated by Creadev, cf. Section 10.6.4 below.
2) Nomination by Rabo, cf. Section 10.6.4 below.
3) The Shares are held by Mr. Moen through his 100% owned company Sortun Invest AS. Mr. Moen also serves as a board member of Kverva AS, owning 100% of the shares in Kverva Finans AS, which in turn owns 1,822,917 Shares (equal to 2.7% of the Company's share capital).
4) The Shares are held by Mr. Jansen through his 100% owned company GRIL II Limited.

No member of the Supervisory Board owns any options or other securities exchangeable for Shares.

9.3.3 Brief biographies of the Supervisory Board Members

Set out below are brief biographies of the Supervisory Board Members, including their managerial expertise and experience, in addition to an indication of any significant principal activities performed by them outside of the Company.

Hans den Bieman, Chairman of the Supervisory Board
Hans den Bieman is the Chairman of the Supervisory Board and served on the Company's 1-tier board of directors prior to the conversion of the Company to a public limited liability company (see Section 10.1 below). Mr. den Bieman is currently a shareholder and director of Sealand – the largest smolt producer in Chile. Amongst various top management positions in the field, Mr. Den Bieman served as COO of Nutreco Aquaculture (2000 to 2005) and as CEO of the Netherlands-based Marine Harvest, the world's largest fish-farming company, listed on Oslo Børs (now Mowi ASA) (2005-2007). Mr. Den Bieman holds a Masters in Aquaculture (Msc,) from Wageningen University.

Alexandre Van Der Wees, Supervisory Board Member
Alexandre van der Wees is a member of the Supervisory Board and served on the Company's 1-tier board of directors prior to the conversion of the Company to a public limited liability company (see Section 10.1 below). Mr. van der Wees is an Investment Associate at Creadev International S.A.S. where he specialises in aquaculture and agriculture investments, and from where he invested amongst others in InnovaFeed, M2i Life science and Toopi organics. Previously to joining Creadev, Mr. van der Wees worked as financial advisor in Accuracy in Paris. Mr. van der Wees holds a Masters in Finance (Msc,) from Grenoble Graduate School of Business (GGSB).

Jeroen Scheelbeek, Supervisory Board Member
Jeroen Scheelbeek is a member of the Supervisory Board and served on the Company's 1-tier board of directors prior to the conversion of the Company to a public limited liability company (see Section 10.1 below). Mr. Scheelbeek currently works at Bauhinia, an independent financial advisory boutique. He advises a number of family offices on financial matters. In addition, he acts as senior financial advisor to the Dutch Ministry of Economic Affairs. He is also board member and chairman of the risk committee of Moza Banco, a regulated

financial institution in Mozambique. Mr Scheelbeek served, amongst other roles, as global head of structured finance, head of corporate clients and head of corporate finance Asia, in the Rabobank wholesale clients division. He has also acted as member of the highest credit risk committees of the bank. Mr. Scheelbeek has participated in executive management courses at Harvard, IMD, Insead and Kellogg University. He holds a Master's degree in Business Administration from the Free University of Amsterdam.

Helge Moen, Supervisory Board Member
Helge Moen is a member of the Company's Supervisory Board. Mr. Moen has extensive experience within aquaculture and marine resources, including from Kverva AS (board member and former CEO). Mr. Moen also holds positions in Sortun Invest AS (chairman and CEO), Patogen AS (board member), Kvefi AS (board member and CEO), Pelagia Holding AS (board member) and SpareBank 1 Kapitalforvaltning AS (board member). Previously, Mr. Moen has been a portfolio manager at Centra Klaveness and senior analyst at First Securities. He has also been a member of the nomination committee of SalMar ASA (chairman), Bakkafrost and Ayanda. Mr. Moen holds a Bachelor in Finance from Trondheim Business School and a Master of Science in Economics and Finance from Warwick Business School.

Martin Jansen, Supervisory Board Member
Martin Jansen is a member of the Company's Supervisory Board and served on the Company's 1-tier board of directors prior to the conversion of the Company to a public limited liability company (see Section 10.1 below). Mr. Jansen has 30 years of FMCG experience in Marketing, Sales and General Management in developed, developing and emerging markets in Europe, Africa and Asia for Family and Multi-National Companies. He has a proven track record of engaging and motivating people, to create and execute a joint vision and build strong, sustainable and profitable businesses, and extensive experience as CEO and as a Non-executive director of both non listed and listed companies. Mr. Jansen holds an HES-Groningen Bachelor in Business Administration and Commercial Economics and has completed the Executive Development Program on Kellogg's Business School/North Western University.

9.3.4 Management and Supervisory Board Members' independence

Alexandre Van Der Wees and Jeroen Scheelbeek have been nominated to the Supervisory Board by Creadev and Rabo respectively, the largest and second largest shareholders of the Company holding 18.21% and 14.07% of the Shares. Mr. Van Der Wees is currently also an employee of Creadev. Accordingly, Mr. Van Der Wees and Mr. Scheelbeek are not independent of major shareholders of the Company.[1] Furthermore, as discussed in Section 7.8 above, the Chairman of the Supervisory Board Hans den Bieman provides consultancy services to the Company and receives a monthly fee of EUR 40,000 for such services. As such Mr. den Bieman is not independent of the Management Board.

Other than the above, all Supervisory Board members are independent of the Company's Management Board and material business contacts and of the Company's main shareholders.

[1] In addition, Supervisory Board Member Helge Moen owns 100% of the shares in Sortun Invest AS, which in turn owns 260,417 Shares (equal to 0.38% of the Company's share capital) and serves as a board member of Kverva AS, owning 100% of the shares in Kverva Finans AS, which in turn owns 1,822,917 Shares (equal to 2.69% of the Company's share capital). These shareholders do however not qualify as major shareholders.

9.3.5 Nomination Committee

The Company has appointed a nomination committee currently consisting of Jean-Baptiste Bachelerie as chair and Francis Quint and Hans den Bieman as members (the "**Nomination Committee**"). According to the Articles of Association, the Nomination Committee shall consist of a minimum of three members and a maximum of four members where the majority of the members shall be independent of the Supervisory and Management Board. The general meeting determines the precise number of members of the Nomination Committee which shall be appointed for a term of two years unless the general meeting decides otherwise. The Nomination Committee gives recommendations to the general meeting for the appointment of Supervisory Board Members and of members to the Nomination Committee, in addition to recommendations for the remuneration of Supervisory Board Members and the members of the Nomination Committee. On 30 October 2020, the EGM adopted rules governing the Nomination Committee's way of practice, responsibilities and duties.

9.4 Benefits upon termination

Pursuant to the Management Board contracts entered into by the Company and each of the Management Board Members, each Management Board Member is entitled to receive a maximum of four additional months of wage (*vertrekregeling*) if such member is dismissed as a Management Board Member by the general meeting in accordance with Dutch Law.

Other than as set out above, no members of Management Board or the Supervisory Board are entitled to any additional remuneration following the termination of their employments/service.

9.5 Employees and employee stock option plan

As per the date of this Admission Document, the Company has 50 employees and 2 full-time consultants, while the Group has approximately 53 employees and 3 full-time consultants.

On 30 October 2020, the EGM approved an employee stock option plan (the "**ESOP**"), pursuant to which options for a total of 4,006,762 Shares may be rewarded to members of the Company's mid- and senior management and key employees, equivalent to approximately 5.9% of the Company's current share capital on a fully diluted basis. A four-year vesting schedule applies to each grant under the ESOP (in principle, one-year cliff, thereafter monthly vesting over a period of 36 months, provided that accelerated vesting will apply to options approved by the Company's general meeting and the Supervisory Board prior to the Admission for certain change of control events as defined in the ESOP) and contains leaver provisions.

As per the EGM, the shareholders have delegated to the Supervisory Board the authority to issue a total of 2,827,499 options with an exercise price of EUR 1.2788 for allocation as set out in the table below. Furthermore, based on the resolutions by the EGM, a total of 1,179,263 options are reserved for allocation to eligible employees up until 31 December 2021. As stated above, the Supervisory Board has been delegated the authority to issue a certain maximum number of Shares and to approve individual allocations (granting) of options to acquire Shares in accordance with the ESOP. The exercise price for options, other than the reserved allocations set out below, is equal to the subscription price in the Private Placement, see Section 6.1 above.

Please see below an overview of the total number of options reserved for allocation as of the date of this Admission Document:

Name	Position	Exercise price	Total number of options reserved for allocation
Ohad Maiman	CEO	EUR 1.2788	887,862
Christo du Plessis	Acting CFO	EUR 1.2788	227,657
Kees Kloet	COO	EUR 1.2788	705,736
Sander Ruizeveld de Winter	Hatchery Manager	EUR 1.2788	150,254
Bram Rohaam	Product Manager	EUR 1.2788	150,254
Itay Young	CFO	EUR 1.2788	705,736
Unallocated/not reserved		*EUR 1.92*	*1,179,263*
In total			**4,006,762**

9.6 Corporate governance requirements

The Supervisory Board has a responsibility to ensure that the Company has good corporate governance.

As the Company is not listed on any regulated market and does not meet the relevant balance sheet value threshold under Dutch requirements, no mandatory Dutch or Norwegian corporate governance code applies. The trading of the Shares on the Merkur Market does not provide specific requirements in terms of corporate governance code, such as the Norwegian Code of Practice for Corporate Governance and/or the Dutch Corporate Governance Code (the "**DCGC**"). However, the Company intends to maintain a high level of corporate governance standards and will consider the implications of the Norwegian Code of Practice and DCGC going forward.

9.7 Conflicts of interests etc.

During the last five years preceding the date of this Admission Document, none of the members of the Management Board or the Supervisory Board have, or had, as applicable:

a) any convictions in relation to indictable offences or convictions in relation to fraudulent offences;

a) received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or

b) been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, director or manager of a company.

There are no family ties between any of the members of the Management Board and/or the Supervisory Board.

Except as disclosed in Section 7.8 "*Related Party Transactions*", none of the members of the Supervisory Board have service contracts with the Company or any of its subsidiaries.

10 CORPORATE INFORMATION AND DESCRIPTION OF SHARE CAPITAL AND SHAREHOLDER MATTERS

10.1 Corporate Information

The legal and commercial name of the Company is The Kingfish Company N.V. The Company is incorporated under the laws of the Netherlands and registered with the Trade Register of the Dutch Chamber of Commerce with number 64625060, having its statutory seat in Amsterdam and its registered office at Oost Zeedijk 13, 4485 PM Kats, the Netherlands. The Company was incorporated on 24 November 2015 as Kingfish Zeeland Coöperatie U.A. and was converted to a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid,* B.V.) on 28 December 2016. Pursuant to a resolution by the EGM on 30 October 2020, the Company converted into a public limited liability company (*naamloze vennootschap,* N.V.) on 17 November 2020.

Upon the conversion of the Company to a public limited liability company, the governance structure of the Company was changed to reflect a two-tier structure consisting of the Management Board (*bestuur*) and the Supervisory Board (*raad van commissarissen*). For further details, please refer to Section 9.1 above.

The Company's registered address is Oost-Zeedijk 13, 4485 PM Kats, the Netherlands, while Colijnsplaatse Groeneweg 2, 4485 PA Kats, the Netherlands is the Company's principal place of business. The telephone number to the Company's principal offices is +31 (0) 113 74 54 61 and the website is https://www.the-kingfish-company.com/.

The beneficial interests in the Shares are registered in book-entry form with the VPS under ISIN NL 001 50001S5. The Company's register of shareholders with the VPS is administrated by the VPS Registrar, DNB Bank ASA. The Company's LEI code is 9845004WD3997B9F1061.

10.2 Legal structure

The Company is the parent company of the Group, which comprises of the Company, together with its two wholly-owned subsidiaries, Kingfish Maine Inc. and Yellowtail Hatchery USA Inc. The business is mainly carried out through the Company.

The following chart sets out the Group's legal structure as of the date of this Admission Document:

The Company intends to optimise the Groups' operations and create new subsidiary companies in the Netherlands by way of an internal reorganisation. One of these subsidiaries will become the operating company for the Netherlands. A second subsidiary will become a property holding company for the current real estate assets. A third subsidiary will be founded for future real estate assets. The Company will act as a holding company for the different

jurisdictions in which it is active. The Company has obtained tax and legal advice on the reorganisation and the reorganisation was approved by the Management Board on 30 October 2020 and by the Supervisory Board on 19 November 2020. Please find below the Group's legal structure upon completion of the reorganisation which is envisaged to take place in the fourth quarter of 2020.

10.3 Share capital and share capital history

10.3.1 Overview

The Shares of the Company have been created under the laws of the Netherlands and are validly issued and fully paid. As of the date of this Admission Document, the registered share capital of the Company is EUR 677,401.95, divided into 67,740,195 Shares, each with a par value of EUR 0.01.

The Company has one class of shares, and there are no differences in the voting rights among the Shares.

The beneficial interests in the Shares registered with the VPS are freely transferable, with delivery and settlement through the VPS system.

10.3.2 Share capital history

The table below shows the development in the Company's share capital for the period from 1 January 2018 and to the date of the Admission Document. There have not been any other capital increases in the Company other than as set out in the table below, neither by way of contribution in cash nor in kind during the aforementioned period.

Date	Event	Capital increase /decrease (EUR)	Par value (EUR)	Share capital (EUR)	New shares issued	Total no. of shares
02.05.2018	Share issue	3,115.88	0.01	203,199.62	311,588	20,319,962
04.10.2018	Share issue	5,193.22	0.01	208,392.84	519,322	20,839,284
05.10.2018	Share issue	6,924.26	0.01	215,317.10	692,426	21,531,710
14.03.2019	Share issue	6,924.26	0.01	222,241.36	692,426	22,224,136
03.12.2019[2]	Share issue	193,004.75	0.01	415,246.11	19,300,475	41,524,611
24.03.2020	Share issue	1,735.84	0.01	416,981.95	173,584	41,698,195
10.11.2020	The Private Placement	260,420.00	0.01	677,401.95	26,042,000	67,740,195

[2] At the end of 2019 all former preference shares of the Company were converted to ordinary shares, and the Company currently has one class of Shares.

10.3.3 Authorisation to issue additional Shares

The Company may only issue Shares pursuant to a resolution of the general meeting – taken with a majority of at least two thirds of the votes cast – or the Supervisory Board, in case the Supervisory Board is designated to do so by a resolution of the general meeting – taken with a majority of at least two thirds of the votes cast – for a fixed period, not exceeding five years. Such designation shall further specify the number of Shares that may be issued and may be extended, from time to time, for periods not exceeding five years. Unless such designation provides otherwise, it may not be withdrawn.

The general meeting may, each time in respect of one particular issuance of Shares, resolve to limit or to exclude the pre-emptive right to subscribe for Shares. Irrespective of what part of the issued capital is represented, a resolution to limit or exclude the pre-emptive rights may only be adopted by at least two thirds of the votes cast. Any proposal to limit or exclude the pre-emptive right must contain a written explanation of the reasons for the proposal and the choice of the proposed price of issue. The pre-emptive rights may also be limited or excluded by the Supervisory Board, if the Supervisory Board by resolution of the general meeting – irrespective of what part of the issued capital is represented adopted by at least two thirds of the votes cast – has been designated for a period not exceeding five years as the body of the Company having the power to limit or exclude pre-emptive subscription rights. Such designation may be renewed for subsequent periods not exceeding five years each. Unless the terms of the designation provide otherwise, it cannot be revoked.

On 30 October 2020, the EGM resolved to delegate to the Supervisory Board the authority to (i) for a period of six weeks as of 30 October 2020 issue up to 26,302,084 Shares for an aggregate issue price of up to EUR 50,000,000 (based on the conversion rate from NOK to EUR on the payment date) and to exclude pre-emptive rights relating to such Shares, for the purpose of the Private Placement, (ii) for a period of 18 months as of 30 October 2020 issue Shares equal to up to 20% of the existing paid up and issued Shares (following the Private Placement) and to exclude pre-emptive rights relating to up to 10% of the paid up and issued Shares (following the issue of new Shares in relation to the Private Placement). As set out in Section 6.1 above, the Private Placement was carried out by use of the authorisation to the Supervisory Board mentioned under (i) above.

Other than this, the Management Board and/or the Supervisory Board have no authorisations to increase the Company's share capital.

10.3.4 Other financial instruments issued by the Company

Other than the options issued under the ESOP described in Section 9.5 above, neither the Company nor any of its subsidiaries have issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares in the Company or its subsidiaries.

10.4 Ownership Structure

As at the date of this Admission Document, there are a total of 126 persons in the VPS holding Shares.

The table below shows the 10 largest shareholders in the Company as registered in the VPS on the date of this Admission Document.

	Shareholder	Number of Shares	% of the Company's share capital
1)	Creadev International S.A.S.	12,332,607	18.21%
2)	Rabo Participaties B.V.	9,527,694	14.07%

3)	Terra Mare B.V.	4,600,000	6.79%
4)	Claris B.V.	3,387,500	5.00%
5)	Noam Kleinfeld	3,169,754	4.68%
6)	Tycoon Industrier AS	3,125,000	4.39%
7)	Selzer Investments Pty Ltd.	2,972,340	4.39%
8)	Cibus Enterprise Fund LP	2,565,104	3.79%
9)	Tyros International Group Ltd.	2,210,511	3.26%
10)	HDB Beheer B.V.	2,171,331	3.21%
	In total	**46 061 841**	**67.77%**

As per the date of this Admission Document, neither the Company nor any of its subsidiaries hold any Shares in the Company.

There are no arrangements known to the Company that may lead to a change of control in the Company.

10.5 Shareholder rights

The Company has one class of shares in issue, and all Shares provide equal rights in the Company, including the rights to any dividends. Each of the Shares carries one vote. The rights attached to the Shares are further described in Section 10.6 "*The Articles of Association*" and Section 10.7 "*Certain aspects of Dutch corporate law*".

According to the Articles of Association, the Company acknowledges the holders of beneficial interests in the Shares in the VPS as shareholders of the Company. The Articles of Association further state that beneficial interests in the Shares registered in the VPS, and the persons/parties in whose name the beneficial interests in the Shares are registered, are understood to be Shares or shareholders in connection with the determination of the shareholding of parties/persons and the acknowledgement of rights attaching to Shares or accruing to any Shareholder or any person/party under the Articles of Association or Dutch law, including in connection with voting and meeting rights relating to general meetings, the right to call general meetings and put items on the agenda of general meetings, the right to make nominations for the appointment of members to the Supervisory Board, pre-emptive rights upon the issue of Shares and the right to receive (through VPS) any distributions to which a holder of Shares is entitled.

10.6 The Articles of Association

The Articles of Association are enclosed in Appendix A to the Admission Document, a summary of which is given below:

10.6.1 Objective of the Company

The objects for which the Company is established are:

a. to set up and run one or more recirculation aquaculture systems (RAS) production facilities, as well as run one or more fish farm facilities;
b. to incorporate, to participate in any way whatsoever, to manage and to supervise the businesses and companies;
c. to finance businesses and companies;
d. to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with the aforementioned;

e. to supply advice and to render services to enterprises and companies with which the company forms a group and to third parties;
f. to render guarantees, to bind the company and to pledge its assets for obligations of the companies and enterprises with which it forms a group and on behalf of third parties;
g. to obtain, alienate, manage and exploit registered property and items of property in general; and
h. to develop and trade in patent, trade-marks, licenses, know-how and other industrial property rights, as well as everything pertaining to the foregoing, relating thereto or conducive thereto, all in the widest sense of the word.

10.6.2 Share capital and par value of each Share

The Company's registered share capital is EUR 677,401.95, divided into 67,740,195 Shares, each with a par value of EUR 0.01.

The Company may only issue Shares pursuant to a resolution of the general meeting – taken with a majority of at least two thirds of the votes cast – or the Supervisory Board in case the Supervisory Board was designated to do so by a resolution of the general meeting, taken with a majority of at least two thirds of the votes cast, for a fixed period, not exceeding five years. Such designation shall specify the number of Shares that may be issued. The designation may be extended, from time to time, for periods not exceeding five years. Unless such designation provides otherwise, it may not be withdrawn. The aforementioned procedure shall apply mutatis mutandis to the granting of rights to subscribe for Shares, but shall not apply to the issue of Shares to a person who exercises a previously-acquired right to subscribe for Shares.

The Company's general meeting may, each time in respect of one particular issuance of Shares, resolve to limit or to exclude the pre-emptive right to subscribe for Shares. Irrespective of what part of the issued capital is represented, a resolution to limit or exclude the pre-emptive right may only be adopted by at least two thirds of the votes cast. Any proposal to limit or exclude the pre-emptive right must contain a written explanation of the reasons for the proposal and the choice of the proposed price of issue. The pre-emptive right may also be limited or excluded by the Supervisory Board if the Supervisory Board by resolution of the general meeting, irrespective of what part of the issued capital is represented adopted by at least two thirds of the votes cast, has been designated for a period not exceeding five years as the body of the Company having the power to limit or exclude pre-emptive subscription rights. Such designation may be renewed for subsequent periods not exceeding five years each. Unless the terms of the designation provide otherwise, it cannot be revoked.

The general meeting may resolve to reduce the issued capital by cancelling Shares or reducing the par value of the Shares by amending the Articles of Association. A resolution for reduction of capital shall require a majority of at least two thirds of the votes cast, if less than one half of the issued capital is represented at the meeting.

10.6.3 The Management Board

The Management Board shall consist of one or more Management Board Members. The general meeting shall determine the precise number of the Management Board Members and the title of such managing directors. The general meeting shall appoint the members of the Management Board upon recommendation by the Supervisory Board. A member of the Management Board may at any time be suspended by the Supervisory Board and/or the general meeting and may at any time be dismissed by the general meeting.

Subject to the restrictions imposed by the Articles of Association, the Management Board shall be entrusted with the management of the Company and is entrusted with the day to day business of the Company and the enterprise connected thereto.

The Management Board may lay down rules regarding the decision-making process of the Management Board. The adoption or change of such rules requires the prior approval of the Board of Supervisory Directors. Such Management Board rules have been adopted.

10.6.4 The Supervisory Board

The Supervisory Board shall consist of five to seven individuals. However, the Supervisory Board shall in first instance consist of five individuals and an increase to six or seven individuals is subject to approval by the Supervisory Board by way of a 66.67% qualified majority vote in favour of such increase. The general meeting shall determine the precise number of Supervisory Board Members and appoint one of the Supervisory Board Members as chairman of the Supervisory Board.

Pursuant to the Articles of Association, the Company's shareholders, Creadev (currently owning 18.21% of the Shares) and Rabo (currently owning 14.07% of the Shares), shall each for a period of three years as from 16 November 2020 have a right to nominate one candidate to the Supervisory Board as long as they individually, together with their respective group companies, hold at least 10% of the Shares (including the beneficial interests in the Shares). As from 16 November 2023, each of Rabo and Creadev shall (as long as they individually, together with their respective group companies, hold at least 10% of the Shares, including the beneficial interests in the Shares) have the right to nominate such number of candidates to the Supervisory Board as is equal to a percentage of the number of seats on the Supervisory Board as equals the percentage of Shares held by such shareholder. If a nomination is disregarded by the general meeting, the process will be repeated until the seats on the Supervisory Board are filled. No nomination rights apply for other shareholders.

Each member of the Supervisory Board may be suspended or dismissed by the general meeting at any time. Members of the Supervisory Board are required to retire periodically and are appointed by the general meeting for a specific period of time as to be determined by the general meeting.

It shall be the duty of the Supervisory Board to supervise the management of the Management Board, the general course of affairs in the Company and the enterprise connected with it. The Supervisory Board shall further provide the Management Board with advice. In performing their duties, the Supervisory Board shall act in accordance with the interests of the Company and of the enterprise connected with it.

The Supervisory Board may adopt rules regarding the decision-making process of the Supervisory Board. Such Supervisory Board rules have been adopted. Pursuant to the Supervisory Board rules, certain resolutions of the Management Board shall be subject to the approval of the Supervisory Board.

10.6.5 Restrictions on transfer of Shares

Other than lock-up as described in Section 6.4 above, there are no restrictions on transfer of the Shares.

10.7 Certain aspects of Dutch corporate law

10.7.1 General meetings

Through the general meeting, shareholders exercise authority in a Dutch public limited liability company. In accordance with Dutch law, the annual general meeting of shareholders is required to be held at least once per year and within six months from the end of the preceding financial year, unless the articles of association mention a shorter term (which is not the case under the Articles of Association).

Other general meetings are held as often as the Management Board or the Supervisory Board deems necessary. The Management Board must call a general meeting: (a) if one or several shareholders and/or holders of depository receipts jointly representing at least one tenth of the issued capital so request; (b) within three months after the Management Board has considered it plausible that the equity capital of the Company has decreased to an amount equal to or less than one-half of the paid and called up part of the capital. If the general meeting is not held within six weeks after the request referred to under (a), the applicants themselves may call the general meeting – with due observance of the applicable provisions of the law and the Articles of Association – without for that purpose requiring authorisation from the President of the District Court.

The shareholders and everyone in whom the receipt holder's rights are vested, have admittance to the general meeting. Save any Managing Board Member or Supervisory Board Member who has been suspended, the Managing Board and Supervisory Board are entitled to attend the general meeting.

Other than in accordance with proxies from beneficial shareholders registered in the VPS, the VPS Registrar will not attend or vote at the Company's general meetings for the Shares formally registered in the name of the VPS Registrar. The VPS Registrar will, as agreed with the Company, notify the beneficial shareholders of general meetings and upon request from beneficial shareholders registered in the VPS provide a proxy to such shareholders to attend and vote in general meetings personally or to exercise any other shareholder rights, as agreed with the Company.

The term of notice for the general meeting must be at least fifteen (15) days before the date on which the meeting is held. Dutch law requires that the notice must include, among other items, an agenda indicating the place and time of the meeting, the items for discussion and voting, the procedure for participation and voting in the general meeting through a proxy, as well as the agenda with topics to be covered. Shareholders representing alone or in aggregate at least 1% of the Company's issued and outstanding share capital may, pursuant to the DCC, request that an item is added to the agenda.

The agenda of the annual general meeting shall contain at least the following subjects: (a) if an annual report on the past financial year is required: discussion of the annual report; (b) adoption of the annual accounts of the past financial year; (c) allocation of the profits realised in the past financial year, or determination of the manner whereby any loss sustained in that financial year is to be cleared; (d) release from liability of the Management Board and Supervisory Board for services rendered in the past financial year.

The Management Board, with the prior approval of the general meeting, may lay down conditions for the use of the electronic means of communications by holders of meeting rights. Such conditions shall be made known in the notice of the meeting. Each Shareholder and everyone in whom the receipt holder's rights are vested shall be entitled, in person of by way of proxy, to participate in a general meeting by an electronic means of communication and to address the meeting, provided that: (a) he can be identified through the electronic means of communication; (b) he can directly take note of the proceedings; and (c) he – in case he has voting rights – can exercise his voting rights.

The general meeting may be held at in the municipality where the Company's registered office is situated or in Amsterdam, Rotterdam, The Hague or at Schiphol Airport in the municipality of Haarlemmermeer. Any resolution passed at a general meeting held elsewhere shall be valid only if the entire issued capital is represented, provided such resolution is adopted in the Netherlands.

10.7.2 Voting rights – amendments to the articles of association

Each Share carries one vote. In general, decisions shareholders are entitled to make under Dutch law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections or appointments (e.g. to the Management Board or the Supervisory Board), the person(s) who receive(s) the greatest number of votes cast is elected.

However, as required under Dutch law, certain decisions, including resolutions to amend the Articles of Association, approve a merger or demerger of the Company, dissolve the Company, issue Shares, acquire shares or reduce the issued capital by cancelling Shares or reducing the par value of the Shares, must receive the approval of at least two thirds of the aggregate number of votes cast.

10.7.3 Additional issuances and preferential rights

The Company may only issue shares pursuant to a resolution of the general meeting, taken with a majority of at least two thirds of the votes cast, or the Supervisory Board in case the Supervisory Board is designated to do so by a resolution of the general meeting, taken with a majority of at least two thirds of the votes cast, for a fixed period, not exceeding five years. Such designation shall specify the number of Shares that may be issued. The designation may be extended, from time to time, for periods not exceeding five years. Unless such designation provides otherwise, it may not be withdrawn.

Unless it concerns shares as referred to in Section 86c of Book 2 of the DCC, the issuance of Shares requires a deed executed for that purpose before a civil law notary residing in the Netherlands to which the Company and each person to whom Shares are issued are parties.

Save as otherwise provided by law, at the issuance of Shares, including those against contribution in kind, each Shareholder shall have a pre-emptive right pro rata to the total amount of the Shares (including to the beneficial interests in the Shares) held by him on the date of the resolution to issue Shares. The Company will through the VPS Registrar enable the beneficial shareholders registered in the VPS to exercise pre-emptive rights relating to the Shares.

The general meeting may, each time in respect of one particular issuance of Shares, resolve to limit or to exclude the pre-emptive right to subscribe for Shares.

Irrespective of what part of the issued capital is represented, a resolution to limit or exclude the pre-emptive right may only be adopted by at least two thirds of the votes cast.

Any proposal to limit or exclude the pre-emptive right must contain a written explanation of the reasons for the proposal and the choice of the proposed price of issue.

The pre-emptive right may also be limited or excluded by the Supervisory Board if the Supervisory Board by a resolution of the general meeting, irrespective of what part of the issued capital is represented adopted by at least two thirds of the votes cast, has been designated for a period not exceeding five years as the Body of the Company having the power to limit or exclude pre-emptive subscription rights.

10.7.4 Minority rights

One or more shareholders and/or holders of depository receipts who individually or jointly represent at least one percent (1%) of the issued capital have the right to propose items on the agenda of the general meeting to the

Management Board. These items shall be put on the agenda by the Management Board provided that: (a) no important interest (*zwaarwegend belang*) of the Company dictates otherwise; and (b) the proposal to put items on the agenda has been done in writing not later than twenty-eight (28) days before the day of the meeting.

One or several shareholders and/or holders of depository receipts jointly representing at least one tenth of the issued capital have the right to demand that the Management Board convenes an extraordinary general meeting.

10.7.5 Rights of redemption and repurchase of shares

Under the Articles of Association and pursuant to Dutch Law, the general meeting may resolve to reduce the issued capital by cancelling Shares or reducing the par value of the Shares by amending the Articles of Association.

A resolution to cancel Shares may only relate to Shares which are held by the Company itself or to Shares of which the depository receipts issued therefore are held by the Company.

If the general meeting resolves to reduce the par value of the Shares by amending the Articles of Association – irrespective whether this is done without redemption or against partial repayment on the Shares or with or without release from the obligation of payment of calls on Shares – the reduction must be made pro rata on all the Shares. This pro rata requirement may be waived if all the shareholders so agree.

A resolution for reduction of capital shall require a majority of at least two thirds of the votes cast, if less than one half of the issued capital is represented at the meeting.

The notice calling the general meeting at which such a resolution is to be passed shall state the purpose of the reduction of capital and the manner of implementation thereof.

10.7.6 Shareholder vote on certain reorganisations

In the situation of an intended legal merger or demerger, or if the Company intends to enter into certain transactions that are of such significance to the Company that the Management Board requires the approval of the general meeting pursuant to Dutch law (i.e. transactions that fall within the scope of Section 2:107a of the DCC). The general meeting's resolution to merge shall in any event require a majority of at least two thirds if less than half of the issued capital is represented at the meeting. The Articles of Association of the Company state that a merger or demerger may be passed by the general meeting only a majority of at least two thirds of the votes cast.

10.7.7 Liability of board members

Under Dutch law, members of the Management Board and Supervisory Board may be liable for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages to the Company and to third parties for infringement of the Articles of Association or of certain provisions of the DCC. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Members of the Management Board and Supervisory Board and certain of the Company's officers may be insured under an insurance policy against damages resulting from their conduct when acting in the capacities as such members or officers.

10.7.8 Indemnification of board members

The Articles of Association of the Company contain the provision that the general meeting will at the annual general discharge the members of the Management Board and the Supervisory Board of liability of their liability

in respect of their management and in respect of their supervision thereon during the relevant financial year. Members of the Management Board and Supervisory Board and certain of the Company's officers may be insured under an insurance policy against damages resulting from their conduct when acting in the capacities as such members or officers.

10.7.9 Distribution of assets on liquidation

Under the Articles of Association, the Company may be dissolved by a resolution of the general meeting by a majority of at least two thirds of the votes cast.

In the event of dissolution, the Company will be liquidated in accordance with Dutch law and the Articles of Association, and the liquidation shall be arranged by the Management Board as liquidators with the Supervisory Board as supervisors, unless the general meeting appoints other liquidators. During liquidation, the provisions of the Articles of Association will remain in force to the extent possible.

The balance of the remaining assets after payments of debts and liquidation costs will be distributed to the shareholders in proportion to that part of the par value of the Shares which each one has paid on his Shares by virtue of calls made upon the shareholders.

10.8 VPS registration of the Shares

10.8.1 Introduction

In order to facilitate registration of the beneficial interests in the Shares with the VPS, the Company has entered into the Registrar Agreement with the VPS Registrar, DNB Bank ASA, who operates the Company's VPS share register. Pursuant to the Registrar Agreement, the VPS Registrar is registered as holder of the Shares in the shareholders' register in the Netherlands that the Company is required to maintain pursuant to the DCC. The VPS Registrar registers the beneficial interests in the Shares in book-entry form with the VPS. Therefore, it is not the Shares issued in accordance with the DCC and Articles of Association, but the beneficial interests in such Shares in book-entry form, that are registered with the VPS.

The beneficial interests in the Shares are registered in book-entry form with VPS under the category of a "share" and it is such interest in the Shares that will be registered and traded on the Merkur Market. Each such share registered with the VPS will represent evidence of beneficial ownership of one Share. The beneficial interests registered with the VPS are freely transferable, with delivery and settlement through the VPS system in NOK. The Company will through the VPS Registrar enable the beneficial shareholders registered in the VPS to exercise pre-emptive rights relating to the Shares in accordance with the terms of the Registrar Agreement.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership (i.e. the registered VPS securities account holder as recorded in the VPS at any time). To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent, or alternatively hold their interest via a custodian arrangement. Norwegian banks, Norges Bank (Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the party issuing that security (in the case of the Shares, the VPS Registrar) or any third party claiming an interest

in the given security (i.e. via a custodian, being the legal shareholder, and any and all rights available for the holders of beneficial interests in the Shares must be exercised via such custodian).

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS's control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

10.8.2 The Registrar Agreement

Beneficial shareholders must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attaching to the Shares and for all other rights arising in respect of the Shares. In order to exercise any rights as shareholder under Dutch law or the Articles of Association, a shareholder must transfer his shareholding from the VPS to the shareholders' register held in the Netherlands at the cost of the requesting shareholder. Such transfer will disable trading on the Merkur Market, until the Shares are transferred back to the VPS. Shareholders who wish to transfer their Shares from the VPS to their name in the shareholders' register must contact the VPS Registrar.

To enable the beneficial shareholders registered in the VPS to exercise rights as shareholder under the Articles of Association and Dutch law, the VPS Registrar will upon request from beneficial shareholders registered in the VPS provide a proxy to such shareholders to attend and vote in general meetings or to exercise any other shareholder rights, as agreed between the Company and the VPS Registrar and on the terms set out in the Registrar Agreement. The Company will in accordance with the Articles of Association cooperate therewith.

The Company will pay dividends directly to the VPS Registrar, which in turn has undertaken to distribute the dividends to the beneficial shareholders in accordance with the Registrar Agreement. For information on the manner of dividend payments from the Company, see Section 5.3 above.

Other than in accordance with proxies from beneficial shareholders registered in the VPS, the VPS Registrar has undertaken not to attend or vote at the Company's general meeting for the Shares formally registered in the name of the VPS Registrar. The VPS Registrar is only liable for direct financial loss (limited to NOK 500 million for any individual error) which is due to negligence on the part of the VPS Registrar.

Each of the Company and the VPS Registrar may terminate the Registrar Agreement at any time with a minimum of three months' prior written notice, or immediately upon written notice of a material breach by the other party of the Registrar Agreement. In the event that the Registrar Agreement is terminated, the Company will use its reasonable best efforts to enter into a replacement agreement for purposes of permitting the uninterrupted trading of the Shares on the Merkur Market, i.e. appoint an alternative registrar in the VPS or have the holders of beneficial interests in the Shares in the VPS entered into the Company's shareholders' register in the Netherlands.

10.9 Takeover bids and forced transfer of shares

According to Dutch law, since the Merkur Market is not a "regulated market" within the meaning of EU Directive 93/22/EC (as repealed and replaced by EU Directive 2014/65/EU) for the purposes of the EU Directive

2004/25/EC on Takeover Bids, the Company is not subject to any mandatory takeover bids rules in relation to the Shares or squeeze-out or sell-out rules in connection with the same.

Pursuant to Section 2:92a of the DCC, a shareholder who for his or her own account contributes at least 95% of the Company's issued capital may institute proceedings before The Dutch enterprise chamber of the court of appeal in Amsterdam (the "**Enterprise Chamber**") against the other shareholders jointly for the transfer of their Shares to the claimant. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze out in relation to all minority shareholders and will determine the price to be paid for the Shares, if necessary, upon advice of one or three experts. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the Shares shall give written notice of the date and place of payment and the price to the holders of the Shares to be acquired whose addresses are known to him or her. Unless the addresses of all of them are known to him or her, he or she shall also publish the same in a daily newspaper with a national circulation.

10.10 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are admitted to trading, or subject to an application for admission to trading on a Norwegian regulated marketplace, or incitement to such dispositions, must not be undertaken by anyone who has inside information. The same applies in the case of financial instruments that are admitted to trading on a Norwegian multilateral trading facility. Inside information is defined in Section 3-2 of the Norwegian Securities Trading Act and refers to precise information about financial instruments issued by the Company admitted to trading, about the Company admitted to trading itself or about other circumstances which are likely to have a noticeable effect on the price of financial instruments issued by the Company admitted to trading or related to financial instruments issued by the Company admitted to trading, and which is not publicly available or commonly known in the market. Information that is likely to have a noticeable effect on the price shall be understood to mean information that a rational investor would probably make use of as part of the basis for his investment decision. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions. Breach of insider trading obligations may be sanctioned and lead to criminal charges.

11 TAXATION

11.1 Dutch taxation

This Section describes certain tax rules in the Netherlands applicable to shareholders who are resident in the Netherlands for tax purposes ("**Dutch Shareholders**") and to shareholders who are not resident in the Netherlands for tax purposes ("**Non-Dutch Shareholders**").

This summary is based on Dutch tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Admission Document, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

The summary does not address foreign tax laws. The summary is of a general nature and does not purport to be a comprehensive description of all the Dutch tax considerations that may be relevant for a decision to acquire, own or dispose of shares. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisors. Shareholders resident in jurisdictions other than the Netherlands and shareholders who cease to be resident in the Netherlands for tax purposes (due to domestic tax law or tax treaty) should consult with and rely upon their own tax advisors with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in the Netherlands for tax purposes.

This summary does not address the Dutch corporate and individual income tax consequences for:

a) investment institutions ("*fiscale beleggingsinstellingen*");
b) pension funds, exempt investment institutions ("*vrijgestelde beleggingsinstellingen*") or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;
c) corporate shareholders which qualify for the participation exemption ("*deelnemingsvrijstelling*") or which qualify for participation credit ("*deelnemingsverrekening*"). Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption or participation credit if it represents an interest of 5% or more of the nominal paid-up share capital;
d) shareholders holding a substantial interest ("*aanmerkelijk belang*") or deemed substantial interest ("*fictief aanmerkelijk belang*") in the Company and shareholders in the Company of whom a certain related person holds a substantial interest in the Company. Generally speaking, a substantial interest in the Company arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Issuer or 5% or more of the issued capital of a certain class of shares of the Company, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in the Company;
e) persons to whom the Shares in the Company and the income from the Shares in the Company are attributed based on the separated private assets ("*afgezonderd particulier vermogen*") provisions of the Dutch Income Tax Act 2001 ("*Wet inkomstenbelasting 2001*");
f) shareholders which are not considered the beneficial owner ("*uiteindelijk gerechtigde*") of these Shares or the benefits derived from or realised in respect of these Shares; and
g) individuals to whom the Shares or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Please note that for the purpose of the summary below, a reference to a Dutch or Non-Dutch Shareholder refers to the tax residency rather than the nationality of the shareholder. Where this summary refers to the Netherlands, such

reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

11.1.1 Dividend Withholding Tax

Dividends distributed by the Company is generally subject to Dutch dividend withholding tax at a rate of 15%.

The expression "dividends distributed" includes, among other things:

i) distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital not recognized for Dutch dividend withholding tax purposes;
ii) liquidation proceeds, proceeds of redemption of Shares, or proceeds of the repurchase of Shares to the extent such proceeds exceed the average paid-in capital of those Shares as recognized for purpose of Dutch dividend withholding tax;
iii) an amount equal to the par value of the Shares issued or an increase of the par value of Shares, to the extent that it does not appear that a contribution, recognized for purposes of Dutch dividend withholding tax, has been made or will be made; and
iv) partial repayment of the paid-in capital, recognized for purposes of Dutch dividend withholding tax, if and to the extent that the Company has net profits ("*zuivere winst*"), unless the shareholders have resolved in advance at a general meeting to make such repayment and the par value of the shares concerned has been reduced by an equal amount by way of an amendment of the Company's articles of association.

If a shareholder is resident in a country other than the Netherlands and if a double taxation convention is in effect between the Netherlands and such other country, such shareholder may, depending on the terms of that double taxation convention, be eligible for a full or partial exemption from, or refund of, Dutch dividend withholding tax.

Dutch resident individuals and Dutch resident entities can generally credit the Dutch dividend withholding tax against their income tax or corporate income tax liability. The same generally applies to shareholders that are neither resident nor deemed to be resident of the Netherlands if the shares are attributable to a Dutch permanent establishment of such non-Dutch Shareholder.

Pursuant to legislation to counteract "dividend stripping", a reduction, exemption, credit or refund of Dutch dividend withholding tax is denied if the recipient of the dividend is not the beneficial owner as described in the Dutch Dividend Withholding Tax Act 1965. This legislation generally targets situations in which a shareholder retains its economic interest in shares but reduces the withholding tax costs on dividends by a transaction with another party. It is not required for these rules to apply that the recipient of the dividends is aware that a dividend stripping transaction took place. The Dutch State Secretary of Finance takes the position that the definition of beneficial ownership introduced by this legislation will also be applied in the context of a double taxation convention.

11.1.2 Corporate and Individual Income Tax

11.1.2.1 Dutch Shareholders

Dutch corporate shareholders

If a Dutch corporate shareholder is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the shares in the Company are attributable, income derived from the Shares and gains realised upon the redemption or disposal of the Shares are generally taxable in the Netherlands (at up to a maximum rate of 25%).

Dutch individual shareholders

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Shares and gains realised upon the redemption or disposal of the Shares are taxable at the progressive rates (at up to a maximum rate of 49.50%) under the Dutch Income Tax Act 2001 if:

a) the individual is an entrepreneur ("*ondernemer*") and has an enterprise to which the Shares are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise ("*medegerechtigde*"), to which enterprise the Shares are attributable; or

b) such income or gains qualify as income from miscellaneous activities ("*resultaat uit overige werkzaamheden*"), which includes activities with respect to the Shares that exceed regular, active portfolio management ("*normaal, actief vermogensbeheer*").

If neither condition (a) nor condition (b) above applies to the individual shareholder, taxable income with regard to the Shares must be determined on the basis of a deemed return on savings and investments ("*sparen en beleggen*"), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a percentage of the individual's yield basis ("*rendementsgrondslag*") at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold ("*heffingvrij vermogen*"). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Shares will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 30%.

11.1.2.2 Non-Dutch Shareholders

A non-Dutch Shareholder of the Company will not be subject to Dutch taxes on income or on capital gains in respect of any payment under the Shares or any gain realized on the disposal or deemed disposal of the Shares, provided that:

i) such shareholder is neither a resident nor deemed to be resident in the Netherlands for Netherlands tax purposes;
ii) such shareholder does not have an interest in an enterprise or a deemed enterprise (statutorily defined term) which, in whole or in part, is either effectively managed in the Netherlands or is carried out through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Shares are attributable; and

iii) in the event such shareholder is an individual, such shareholder does not carry out any activities in the Netherlands with respect to the Shares that go beyond ordinary asset management and does not derive benefits from the Shares that are taxable as benefits from other activities in the Netherlands.

11.1.3 Transfer taxes

No transfer taxes, stamp duty or similar taxes are currently imposed in the Netherlands on purchase, issuance, disposal or redemption of the Shares.

11.2 Norwegian taxation

This Section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("**Norwegian Shareholders**"). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Admission Document and are subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders refers to the tax residency rather than the nationality of the shareholder.

11.2.1 Taxation of dividends

Norwegian corporate shareholders (i.e. limited liability companies and similar entities; "**Norwegian Corporate Shareholders**") are, as a main rule, comprised by the Norwegian participation exemption. Under the exemption, only 3% of dividend income on shares in Norwegian limited liability companies is subject to tax as ordinary income (22% flat rate as of 2020), implying that such dividends are effectively taxed at a rate of 0.66%. Dividend income from a company resident in a country classified as a low-tax jurisdiction, will however only be comprised by the participation exemption if the company is actually established and carry on genuine economic activities in an EEA state. The Company is tax resident and carries out business activities in the Netherlands, and will thus qualify for the Norwegian participation exemption.

Dividends distributed to Norwegian individual shareholders (i.e. other shareholders than Norwegian Corporate Shareholders; "**Norwegian Individual Shareholders**") are grossed up with a factor of 1.44 before taxed as ordinary income (22% flat rate, resulting in an effective tax rate of 31.68%) to the extent the dividend exceeds a tax-free allowance.

The tax-free allowance is calculated on a share-by-share basis for each individual shareholder on the basis of the cost price of each of the Shares multiplied by a risk-free interest rate. The risk-free interest rate is based on the effective rate of interest on treasury bills (Nw.: *statskasseveksler*) with three months maturity plus 0.5 percentage points, after tax. The tax-free allowance is calculated for each calendar year and is allocated solely to Norwegian Individual Shareholders holding Shares at the expiration of the relevant calendar year. Norwegian Individual Shareholders who transfer Shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the Share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realisation of, see below) the same Share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same Share the following year.

The Shares will not qualify for Norwegian share saving accounts (Nw.: *aksjesparekonto*) for Norwegian Individual Shareholders as the Shares are admitted to trading on the Merkur Market (and not Oslo Børs or Oslo Axess).

11.2.2 Taxation of capital gains

Sale, redemption or other disposal of Shares is considered as a realisation for Norwegian tax purposes. As set out in Section 11.2.1 above, the Company is tax resident and carries out business activities in the Netherlands, and will qualify for the Norwegian participation exemption.

Capital gains derived from the realization of shares qualifying for participation exemption are exempted from taxation, i.e. capital gains on such shares will be fully exempt from Norwegian taxation. Losses incurred upon realisation of such shares are not deductible.

Norwegian Individual Shareholders are taxable in Norway for capital gains derived from realisation of Shares, and have a corresponding right to deduct losses. This applies irrespective of how long the Shares have been owned by the individual shareholder and irrespective of how many Shares that are realized. Gains are taxable as ordinary income in the year of realisation and losses can be deducted from ordinary income in the year of realisation. Any gain or loss is grossed up with a factor of 1.44 before taxed at a rate of 22% (resulting in an effective tax rate of 31.68%). Gain or loss is calculated per Share, as the difference between the consideration received for the Share and the Norwegian Individual Shareholder's cost price for the Share, including costs incurred in connection with the acquisition or realisation of the Share. Any unused tax-free allowance connected to a Share may be deducted from a capital gain on the same Share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance related to a Share cannot be set off against gains from realisation of other Shares.

If a Norwegian shareholder realizes Shares acquired at different points in time, the Shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss. Costs incurred in connection with the purchase and sale of Shares may be deducted in the year of sale.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

11.2.3 Net wealth tax

The value of Shares is taken into account for net wealth tax purposes for Norwegian Personal Shareholders. The marginal net wealth tax rate is currently 0.85% of the value assessed. The value for assessment purposes for the Shares is equal to 65% of the total tax value of the Company as of 1 January of the year before the tax assessment year. However, if the share capital in the Company has been increased or reduced by payment from or to shareholders in the year before the tax assessment year, the value for assessment purposes for the Shares is equal to 65% of the total tax value of the Company as of 1 January of the tax assessment year. The value of debt allocated to the Shares (a proportional part of the shareholder's total debt) for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 65%).

Norwegian limited liability companies and similar entities are exempted from net wealth tax.

12 SELLING AND TRANSFER RESTRICTIONS

12.1 General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares admitted to trading on the Merkur Market.

The Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Admission Document does not constitute an offer and this Admission Document is for information only and should not be copied or redistributed. If an investor receives a copy of this Admission Document, the investor may not treat this Admission Document as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Admission Document, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

12.2 Selling restrictions

12.2.1 United States

The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A or pursuant to another available exemption from the registration requirements of the U.S. Securities Act; or (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and, in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, the Merkur Advisors have represented and agreed that it has not offered or sold, and will not offer or sell, any of the Shares as part of its allocation at any time other than (i) within the United States to QIBs in accordance with Rule 144A or (ii) outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Shares will be restricted and each purchaser of the Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 12.3.1 "*United States*".

12.2.2 United Kingdom

The Merkur Advisors have represented, warranted and agreed that:

a) they have only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA**")) in connection with the issue or sale of any Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

b) they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by them in relation to the Shares in, from or otherwise involving the United Kingdom.

12.2.3 European Economic Area

In no member state (each a "**Relevant Member State**") of the European Economic Area (the "**EEA**") have Shares been offered and in no Relevant Member State other than Norway will Shares be offered to the public pursuant to an offering, except that Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

a) to persons who are "qualified investors" within the meaning of Article 2(e) in the EU Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per Relevant Member State, with the prior written consent of the Merkur Advisors for any such offer; or

c) in any other circumstances falling under the scope of Article 3(2) of the EU Prospectus Regulation;

provided that no such offer of Shares shall result in a requirement for the Company or the Merkur Advisors to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares.

This EEA selling restriction is in addition to any other selling restrictions set out in this Admission Document.

12.2.4 Other jurisdictions

The Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Switzerland, Japan, Canada, Australia or any other jurisdiction in which it would not be permissible to offer the Shares.

In jurisdictions outside the United States and the EEA where an offering would be permissible, the Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

12.3 Transfer restrictions

12.3.1 United States

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Admission Document and such other information as it deems necessary to make an informed investment decision and that:

a) The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

b) The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, subject to certain exceptions, may not be offered or sold within the United States.

c) The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Shares, was located outside the United States at the time the buy order for the Shares was originated and continues to be located outside the United States and has not purchased the Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Shares or any economic interest therein to any person in the United States.

d) The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

e) The purchaser is aware of the restrictions on the offer and sale of the Shares pursuant to Regulation S described in this Admission Document.

f) The Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

g) The Company shall not recognize any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above restrictions.

h) If the purchaser is acquiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements in behalf of each such account.

i) The purchaser acknowledges that the Company, the Merkur Advisors and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Shares within the United States purchasing pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Admission Document and such other information as it deems necessary to make an informed investment decision and that:

a) The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

b) The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.

c) The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Shares, as the case may be.

d) The purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.

e) If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Shares, or any economic interest therein, as the case may be, such Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in

accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

f) The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

g) The purchaser will not deposit or cause to be deposited such Shares into any depositary receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Shares are "restricted securities" within the meaning of Rule 144(a) (3) under the U.S. Securities Act.

h) The purchaser acknowledges that the Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Shares, as the case may be.

i) The purchaser acknowledges that the Company shall not recognize any offer, sale pledge or other transfer of the Shares made other than in compliance with the above-stated restrictions.

j) If the purchaser is requiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

k) The purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and that Company, the Merkur Advisors and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

12.3.2 European Economic Area

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Shares under, the offers contemplated in this Admission Document will be deemed to have represented, warranted and agreed to and with the Merkur Advisors and the Company that:

a) it is a qualified investor within the meaning of Articles 2(e) of the EU Prospectus Regulation; and

b) in the case of any Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Shares acquired by it in an offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Merkur Advisors has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on terms of an offering and the Shares to be offered, so as to enable an investor to decide to acquire any Shares.

13 ADDITIONAL INFORMATION

13.1 Admission to trading on the Merkur Market

The Company applied Oslo Børs ASA for the Admission to Trading on the Merkur Market on 10 November 2020. The first day of the Admission to Trading is expected to be on or around 25 November 2020.

13.2 Information sourced from third parties and expert opinions

In this Admission Document, certain information has been sourced from third parties. The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

The Company confirms that no statement or report attributed to a person as an expert is included in this Admission Document.

13.3 Independent auditors

The Company's independent auditor is Baker Tilly (Netherlands) N.V. ("**Baker Tilly**"), with business registration number 24425560 and registered address Stationspark 8, 4460 AB Goes, the Netherlands. Baker Tilly is granted a license to perform statutory audits in accordance with the Audit Firms Supervision Act with AFM license number 13000741. The Royal Netherlands Institute of Chartered Accountants (the "**NBA**") is the professional body for accountants in the Netherlands. The NBA registration numbers of Baker Tilly's individual professionals can be found on the AFM website: https://www.afm.nl/en/professionals/registers/vergunningenregisters/registered.

Baker Tilly has been the Company's independent auditor since 12 August 2020. Prior to this date, the Company's financial statements were not required to be audited under Dutch law and Baker Tilly was engaged solely for compiling the financial statements.

13.4 Advisors

The Company has engaged DNB Markets, a part of DNB Bank ASA, with business registration number 984 851 006 and registered address Dronning Eufemias gate 30, 0191 Oslo, Norway ("**DNB Markets**"); Arctic Securities AS, with business registration number 991 125 175 and registered address Haakon VIIs gate 5, 0161 Oslo, Norway ("**Arctic Securities**"), and Swedbank Norge, a branch of Swedbank AB (publ), with business registration number 880 824 872 and registered address Filipstad brygge 1, 0252 Oslo, Norway ("**Swedbank**") as Merkur Advisors.

In connection with the Private Placement, DNB Markets acted as sole global coordinator and joint bookrunner together with Arctic Securities, Swedbank and Coöperatieve Rabobank U.A., a cooperative with excluded liability incorporated under the laws of the Netherlands, having its statutory seat in Amsterdam, the Netherlands, and its registered address at Croeselaan 18, 3521 CB Utrecht, The Netherlands ("**Rabobank**"). Each of Swedbank and Rabobank acted in cooperation with its respective distribution partner Kepler Cheuvreux SA.

De Roos Advocaten Coöperatief U.A, with business registration number 53736753 and registered address Hamerstraat 19-1, 1021 JT Amsterdam, the Netherlands, is acting as Dutch legal counsel to the Company, and

Wikborg Rein Advokatfirma AS, with business registration number 916 782 195 and registered address Dronning Mauds gate 11, 0250 Oslo, Norway, is acting as Norwegian legal counsel to the Company and the Merkur Advisors.

14 DEFINITIONS AND GLOSSARY OF TERMS

Admission or **Admission to Trading**	The admission to trading of the Shares on the Merkur Market, expected to take place on or around 25 November 2020
Admission Document	This admission document dated 24 November 2020
Annual Financial Statements	The Group's audited consolidated financial statements as of and for the year ended 31 December 2019 and the Group's unaudited consolidated financial statements as of and for the year ended 31 December 2018, prepared in accordance with Dutch GAAP, attached hereto as Appendices D and E, respectively
Articles of Association	The Articles of Association of the Company as of 17 November 2020
ASC	Aquaculture Stewardship Council
BAP	Best Aquaculture Practices
Billund	Billund Aquaculture A/S
CEO	The Company's chief executive officer, being the chairman of the Management Board
CFO	Chief Financial Officer
Company or **Kingfish**	The Kingfish Company N.V., a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands and registered with the Trade Register with number 64625060, having its statutory seat in Amsterdam and having its registered office at Oost Zeedijk 13, 4485 PM Kats, the Netherlands
COO	Chief Operating Officer
Creadev	Creadev International S.A.S.
DCC	The Dutch Civil Code (*burgerlijk wetboek*)
DCGC	The Dutch Corporate Governance Code
Dutch GAAP	Accounting in accordance with the provisions of Title 9, Book 2 of the DCC and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EBT	Earnings before taxes
EEA	European Economic Area
EGM	The Company's extraordinary general meeting held on 30 October 2020
Enterprise Chamber	The Dutch enterprise chamber of the court of appeal in Amsterdam
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended
Foreign Corporate Shareholders	Foreign Shareholders that are corporate shareholders (i.e. limited liability companies and similar entities)
Foreign Individual Shareholders	Foreign Shareholders that are individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders)
Foreign Shareholders	Shareholders who are not resident in Norway for tax purposes
FSMA	Financial Services and Markets Act 2000
Group	The Company and its subsidiaries
H1 Financial Statements	The Company's interim consolidated financial statements as of and for the six months period ended 30 June 2020 with comparable figures as of and for the six months period ended 30 June 2019
Interim Financial Statements	The H1 Financial Statements and the Q3 Management Accounts, prepared in accordance with Dutch GAAP, attached hereto as Appendices B and C
Management Board or **Management Board Members**	The statutory executive body (*raad van bestuur*) of the Company
Merkur Advisors	DNB Markets, a part of DNB Bank ASA, Arctic Securities AS and Swedbank Norge, a branch of Swedbank AB (publ)
Merkur Market	A multilateral trading facility operated by Oslo Børs ASA (to be renamed Euronext Growth Oslo on or around 30 November 2020)
NOK	Norwegian Kroner, the lawful currency of Norway
Nomination Committee	The nomination committee of the Company
Norwegian Code of Practice	The Norwegian Code of Practice for Corporate Governance last updated on 17 October 2018
Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain similar entities) domiciled in Norway for tax purposes

Norwegian Individual Shareholders	Norwegian Shareholders other than Norwegian Corporate Shareholders
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (Nw.: *verdipapirhandelloven*)
Norwegian Securities Trading Regulation	The Norwegian Securities Trading Regulations of 29 June 2007 no. 876, as amended
Norwegian Shareholders	Shareholders who are resident in Norway for tax purposes
Nutreco	Nutreco Investments B.V., the parent company of Skretting
Private Placement	A private placement consisting of an issuance of 26,042,000 new Shares, each with a par value of EUR 0.01, at a subscription price of approximately NOK 20.6 (equivalent to EUR 1.92) per Share, raising gross proceeds of approximately NOK 535.5 million (equivalent to approximately EUR 50 million)
Q3 Management Accounts	The Company's interim consolidated management accounts as of and for the nine months period ended 30 September 2020 with comparable figures as of and for the nine months period ended 30 September 2019
Rabo	Rabo Participaties B.V.
Rabobank	Coöperatieve Rabobank U.A.
RAS	recirculation aquaculture systems
Relevant Member State	Each Member State of the European Economic Area which has implemented the EU Prospectus Regulation
R&D	Research and development
Share(s)	The shares of the Company, consisting as at the date of this Admission Document of 67,740,195 ordinary shares each with a par value of EUR 0.01
Skretting	Skretting France SAS
Supervisory Board or **Supervisory Board Members**	The supervisory board of directors of the Company (*raad van commissarissen*)
System E expansion	The system E expansion of the Company's production site, including the building of a new facility that, amongst others, contains a RAS
United States	The United States of America
Van der Straaten	Van der Straaten Aannemingsmaatschappij B.V.
VPS Registrar	DNB Bank ASA
VPS	The Norwegian Central Securities Depository (Nw.: *Verdipapirsentralen ASA*)

THE
KINGFISH
COMPANY

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The Netherlands
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https://www.dutch-yellowtail.com/

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Dronning Eufemias gate 30
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Arctic Securities AS
Haakon VIIs gate 5
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Swedbank Norge, a branch of Swedbank AB (publ)
Filipstad brygge 1
0252 Oslo
Norway
https://www.swedbank.no/

Coöperatieve Rabobank U.A.
Croeselaan 18
3521 CB Utrecht
The Netherlands
https://www.rabobank.com/en/home/index.html

Kepler Cheuvreux SA
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1071 DK Amsterdam
The Netherlands
https://www.keplercheuvreux.com/

Wikborg Rein Advokatfirma AS
Dronning Mauds gate 11
0250 Oslo
Norway
https://www.wr.no/

Appendix A – Articles of Association

corporate
real estate

2020.1649/OH

NOTE ABOUT TRANSLATION:

This document is an English translation of a document prepared in Dutch. In preparing this document, an attempt has been made to translate as literally as possible without jeopardizing the overall continuity of the text. Inevitably, however, differences may occur in translation and if they do, the Dutch text will govern by law.

In this translation, Dutch legal concepts are expressed in English terms and not in their original Dutch terms. The concepts concerned may not be identical to concepts described by the English terms as such terms may be understood under the laws of other jurisdictions.

DEED OF AMENDMENT
(The Kingfish Company N.V.)

On the seventeenth day of November two thousand twenty appears before me, Oscar Willem Jan Hoefnagels, civil law notary in Amsterdam:
Lucas Leopoldus Bernadette Maria Sturm, born in Etten-Leur on the twenty-seventh day of May nineteen hundred and seventy-five, working at Core Notariaat B.V., the Netherlands, a private limited liability company, having its registered office at Rietlandpark 301, 1019 DW Amsterdam.
The person appearing is known to me, civil law notary.
The person appearing declares the following:

- according to the attached resolution, dated the twelfth day of November two thousand twenty, the general meeting of shareholders of: **The Kingfish Company N.V.**, a limited liability company (*naamloze vennootschap*), having its statutory seat in Kats, the Netherlands, and offices at Oost-Zeedijk 13, 4485 PM Kats, the Netherlands, registered with the trade register of the Chamber of Commerce under number: 64625060 (the "**Company**"), has resolved to amend the articles of association of the Company as well as to authorize the person appearing to execute this deed; and
- the articles of association of the Company have lastly been amended by a notarial deed of amendment and conversion executed before O.W.J. Hoefnagels, civil law

notary in Amsterdam, the Netherlands, on the sixteenth day of November two thousand twenty.

Pursuant to the resolution, the person appearing subsequently declares to partially amend the articles of association of the Company as follows:

The following article will be added:

"Article 35

Miscellaneous

The Company will acknowledge the holders of beneficial interests in the Shares registered in book entry form with the Norwegian Central Securities Depository (*Verdipapirsentralen*) ("VPS") as Shareholders. Beneficial interests in the Shares registered in book entry form with VPS and the persons/parties in whose name the beneficial interests in the Shares are registered in the VPS are understood to be Shares respectively Shareholders in connection with the determination of the shareholding of parties/persons and the acknowledgement of rights attaching to Shares or accruing to any Shareholder or any person/party under these Articles of Association or Dutch law, including without limitation in connection with voting and meeting rights relating to General Meetings, the right to call General Meetings and put items on the agenda of General Meetings, the right to make nominations for Supervisory Directors, pre-emptive rights upon the issue of Shares and the right to receive (through VPS) any distributions to which a holder of Shares is entitled."

The person appearing subsequently declared that as a result of the aforesaid the articles of association of the Company now read in full as follows:

ARTICLES OF ASSOCIATION

Article 1

Definitions

1.1 In these Articles of Association:

(a) "Shares" means: shares in the capital of the Company.

(b) "Shareholder" means: a holder of Shares.

(c) "General Meeting" means: the Body of the Company formed by its Shareholders, and also meetings of that body.

(d) "Restricted Right" means: a right of usufruct within the meaning of Section 8 of Book 3 of the Dutch Civil Code, or a right of pledge within the meaning of Section 9 of Book 3 of the Dutch Civil Code.

(e) "Book 2" means: Book 2 of the Dutch Civil Code.

(f) "Receipt Holders' Rights" means: the rights which by law vest in holders of depository receipts issued with the concurrence of the Company, including but not limited to the right to receive notice of General Meetings, the right to attend General Meetings and the right to take the floor at General Meetings.

(g) "(Holder of) Depository Receipts" means: a (holder of) depository receipts issued with concurrence of the Company.

(h) "Supervisory Director" means: a member of the Board of Supervisory Directors.

(i) "Board of Managing Directors" means: the Body of the Company charged with the management of the Company's business within the meaning of Book 2.

(j) "Managing Director" means: a member of the Board of Managing Directors.

(k) "Subsidiary" means: a subsidiary, within the meaning of Section 24a of Book 2, of the Company.

(l) "Group Company" means: a group company, within the meaning of Section 24b of Book 2, of the Company.

(m) "Annual Accounts" means: the balance sheet, the profit and loss account, cash flow statement and the explanatory notes thereon.

(n) "Board of Supervisory Directors" means: the Body of the Company charged with the supervision of the Managing Directors within the meaning of Book 2.

(o) "Shareholder's Register" means: the register(s) of Shareholders within the meaning of Section 85 of Book 2.

(p) "Company" means: the body corporate governed by these Articles of Association.

(q) "Body of the Company" means: the General Meeting, the Board of Managing Directors and the Board of Supervisory Directors.

1.2 The expressions "written" and "in writing" used in these Articles of Association mean: by letter, telecopier, e-mail, or by a legible and reproducible message otherwise electronically sent, provided that the identity of the sender can be sufficiently established.

1.3 Save where the context shows otherwise or as evidently otherwise intended, words or expressions in the singular shall include the plural and vice versa.

1.4 Save where the context shows otherwise or as evidently other intended, words or expressions in the masculine form shall include the feminine form and vice versa.

Article 2

Name. Registered Office

2.1 The Company is a limited liability company and its name is:
The Kingfish Company N.V.

2.2 The Company has its registered office in Kats.
The Company may have branch offices elsewhere, also outside the Netherlands.

Article 3

Objects

3.1 The objects for which the Company is established are:

a. to set up and run one or more recirculation aquaculture system (RAS) production facilities, as well as run one or more fish farm facilities;

b. to incorporate, to participate in any way whatsoever, to manage and to supervise the businesses and companies;
c. to finance businesses and companies;
d. to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with the aforementioned;
e. to supply advice and to render services to enterprises and companies with which the company forms a group and to third parties;
f. to render guarantees, to bind the company and to pledge its assets for obligations of the companies and enterprises with which it forms a group and on behalf of third parties;
g. to obtain, alienate, manage and exploit registered property and items of property in general; and
h. to develop and trade in patent, trade marks, licenses, know how and other industrial property rights,

as well as everything pertaining to the foregoing, relating thereto or conducive thereto, all in the widest sense of the word.

3.2 The Company may not grant security, give price guarantees, commit itself in any other way or declare itself jointly or severally liable with or for others with a view to enabling third parties to take or acquire Shares or depository receipts issued therefore, except as set out in Section 98c of Book 2.

Article 4

Capital

The authorised share capital of the Company is two million euro (€ 2,000,000.00), divided into two hundred million (200,000,000) shares of a par value of one eurocent (EUR 0.01) each.

Article 5

Shares. Depository receipts issued for Shares. Restricted Rights

5.1 All Shares shall be registered shares. No share certificates shall be issued. The Board of Managing Directors may number the Shares in consecutive order, starting from number 1. Subject to the provision in the preceding sentence the Board of Managing Directors may change the numbering of the Shares.

5.2 Shares may be encumbered with usufruct. The Shareholder shall have the right to vote in respect of the Shares in which a usufruct has been created. However, the beneficiary of a usufruct shall be entitled to vote, if this was so provided for at the creation of the usufruct.

5.3 Shares may be pledged as security. The Shareholder shall have the right to vote in respect of the Shares which have been pledged. However, the voting rights shall accrue to the pledgee, if this was so provided for at the creation of the pledge.

5.4 The Receipt Holder's Rights shall vest in a Shareholder who in consequence of usufruct or a pledge created on his Shares is not entitled to vote, and in usufructuaries and pledgees who are entitled to vote. The Receipt Holder's Rights shall not vest in usufructuaries and pledgees who are not entitled to vote.

Article 6

Transferability of Shares

The transfer of Shares is not restricted in any way.

Article 7

Transfer of Shares. Exercise of Shareholders' Rights

7.1 Unless it concerns shares as referred to in Section 86c of Book 2, the transfer of Shares and the transfer of a Restricted Right on Shares requires a deed executed for that purpose before a civil law notary residing in the Netherlands to which the transferor and the transferee are parties.

7.2 Save if the Company itself has been a party to the transaction, as referred to in paragraph 7.1, the rights attached to the Shares concerned may not be exercised until the transaction has been acknowledged by the Company or until the deed has been served upon the Company in compliance with the provisions of Section 86b of Book 2, or until the transaction has been acknowledged by the Company by the registration thereof in the Shareholder's Register.

Article 8

Addresses. Shareholder's Register

8.1 Shareholders, holders of pledge and usufructuaries of Shares and Holders of Depository Receipts must supply their addresses to the Company in writing.

8.2 The Board of Managing Directors shall keep one or more Shareholder's Registers.

8.3 If required under applicable law or stock exchange regulations, the Company shall allow the competent authorities or stock exchange to inspect the Shareholder's Register of the Company and shall, furthermore, furnish such information regarding its Shareholders and Holders of Depository Receipts as may be required to comply with applicable law and stock exchange regulations.

8.4 If Shares are transferred or issued to an institution to include these Shares in a collective deposit under foreign law in order to be traded among participants in a multilateral trading facility, the name and address of such institution will be entered in the Shareholders' Register, mentioning the date on which the shares concerned were transferred or issued to such institution, the date of acknowledgement or service, as well as the amount-paid on each Share.

Article 9

Issuance of Shares

9.1 The Company may only issue shares pursuant to a resolution of the General Meeting - taken with a majority of at least two thirds (2/3) of the votes cast - or the Board of

Supervisory Directors in case the Board of Supervisory Directors is designated to do so by a resolution of the General Meeting - taken with a majority of at least two thirds (2/3) of the votes cast - for a fixed period, not exceeding five years. Such designation shall specify the number of Shares that may be issued. The designation may be extended, from time to time, for periods not exceeding five years. Unless such designation provides otherwise, it may not be withdrawn.

9.2 Within eight days following a resolution by the General Meeting to issue Shares or to designate the Board of Supervisory Directors, the Company shall file the full text of such resolution at the office of the Commercial Register with which the Company is registered.
Within eight days after each issue of Shares, the Company shall report the same to the office of said Commercial Register.

9.3 The provisions of paragraphs 9.1 and 9.2 shall apply mutatis mutandis to the granting of rights to subscribe for Shares, but shall not apply to the issue of shares to a person who exercises a previously-acquired right to subscribe for shares.

9.4 Unless it concerns shares as referred to in Section 86c of Book 2, the issuance of Shares requires a deed executed for that purpose before a civil law notary residing in the Netherlands to which the Company and each person to whom Shares are issued are parties.

9.5 The Company cannot subscribe for Shares.

9.6 Unless otherwise agreed to in accordance with Dutch law, on subscription for a Share, payment must be made for its par value and, in addition, if the Share is subscribed at a higher amount, the difference between such amounts.

9.7 Payment on shares in a foreign currency is only permitted with the consent of the Company. The obligation to pay is fulfilled to the extent of the sum for which the payment is freely convertible into euro. The basis of determination shall be the rate of exchange on the date of the payment. The Company may demand that payment is made at the rate of exchange on a fixed day within two months before the last day on which payment must be made, provided the Shares or depository receipts will, upon issue, be listed without delay on a regulated market or multilateral trading facility as referred to in Section 1:1 of the Dutch Financial Supervision Act (*Wet op het Financieel Toezicht*), for which a permit has been issued in another member state, or which has a similar system comparable with a regulated market or multilateral trading facility in a state which is not a member state.

9.8 The Body of the Company which has the power to resolve to issue Shares may resolve that payment on Shares shall be made by some other means than payment in cash.

Article 10

Pre-emptive Rights

10.1 Save as otherwise provided by law, at the issuance of Shares, including those against contribution in kind, each Shareholder shall have a pre-emptive right pro rata to the total amount of the Shares held by him on the date of the resolution to issue Shares.

10.2 If a Shareholder fails to exercise his pre-emptive right or does not exercise it on time or in full, the pre-emptive right in respect of the Shares thus becoming available shall enure to the benefit of the other Shareholders in the proportion referred to in paragraph 10.1.

10.3 If as a result of the ratio between the Shareholders' respective holdings one or several of the Shares to be issued cannot be allotted to a Shareholder or Shareholders, said Share(s) shall be allotted to the Shareholders by ballot.

10.4 The General Meeting may, each time in respect of one particular issuance of Shares, resolve to limit or to exclude the pre-emptive right to subscribe for Shares.
Irrespective of what part of the issued capital is represented, a resolution to limit or exclude the pre-emptive right may only be adopted by at least two thirds (2/3) of the votes cast.
Any proposal to limit or exclude the pre-emptive right must contain a written explanation of the reasons for the proposal and the choice of the proposed price of issue.
The pre-emptive right may also be limited or excluded by the Board of Supervisory Directors if the Board of Supervisory Directors by resolution of the General Meeting - irrespective of what part of the issued capital is represented adopted by at least two thirds (2/3) of the votes cast - has been designated for a period not exceeding five years as the Body of the Company having the power to limit or exclude pre-emptive subscription rights.
Such designation may be renewed for subsequent periods not exceeding five years each.
Unless the terms of the designation provide otherwise, it cannot be revoked.
Within eight days following a resolution by the General Meeting to limit or exclude the pre-emptive right or to designate the Board of Supervisory Directors, the Company shall file the full text of such resolution at the office of the Commercial Register.

10.5 The provisions of the preceding paragraphs of this Article shall mutatis mutandis apply to the grant of rights to take Shares.

Article 11

Acquisition by the Company of Shares or depository receipts issued therefor, the transfer thereof and the creation of Restricted Rights on Shares or depository receipts issued therefor held by the Company

11.1 Any acquisition by the Company of partly-paid Shares shall be null and void.

11.2 Unless it concerns Shares that have been acquired by the Company by way of universal succession, the Company - provided that the General Meeting, pursuant to a

resolution taken with a majority of at least two thirds (2/3) of the votes cast, has given the Board of Managing Directors authorisation for this purpose - may acquire fully paid-up Shares, otherwise than for no consideration, provided that the Company's equity capital, reduced by the acquisition price, is not less than the sum of the issued and paid-up capital and the reserves to be maintained pursuant to the law or the Articles of Association.

11.3 For the purpose of paragraph 11.2, the amount of the equity capital as shown in the most recently adopted balance sheet shall be determined, reduced by the acquisition price of the Shares, the amount of any loans outstanding as meant in Section 98c paragraph 2 of Book 2 and any payments from profit or reserves to others which may have become due by the Company and its Subsidiaries since the date of the balance sheet. If more than six months of a financial year have passed without the Annual Accounts having been adopted, the acquisition of Shares under paragraph 10.2 shall not be permitted.

11.4 The authorisation of the General Meeting, referred to in paragraph 11.2, which shall be valid for a maximum of eighteen months only, must specify how many Shares are permitted to be acquired, the manner in which they may be acquired and the permitted upper and lower limits of the price.

11.5 Any acquisition of Shares made in breach of the provisions of paragraph 11.2 shall be null and void.

11.6 The Body of the Company which has the power to resolve to issue Shares shall also have the power to resolve:

(a) to transfer Shares held by the Company;

(b) to enter into contracts whereby the Company is committed to transfer Shares held by it;

(c) to create a Restricted Right on Shares held by the Company.

11.7 The word Shares where used in this Article shall include depository receipts issued therefor.

Article 12

Reduction of Capital

12.1 The General Meeting may resolve to reduce the issued capital by cancelling Shares or reducing the par value of the Shares by amending the Articles of Association. In that resolution the Shares to which it relates must be specified and provisions for its implementation must be set out.

12.2 A resolution to cancel Shares may only relate to Shares which are held by the Company itself or to Shares of which the depository receipts issued therefore are held by the Company.

12.3 If the General Meeting resolves to reduce the par value of the Shares by amending the Articles of Association - irrespective whether this is done without redemption or

against partial repayment on the Shares or with or without release from the obligation of payment of calls on Shares - the reduction must be made pro rata on all the Shares. This pro rata requirement may be waived if all the Shareholders so agree.

12.4 A resolution for reduction of capital shall require a majority of at least two thirds (2/3) of the votes cast, if less than one half of the issued capital is represented at the meeting.

12.5 The notice calling the General Meeting at which a resolution as referred to in this Article is to be passed shall state the purpose of the reduction of capital and the manner of implementation thereof. The provisions of paragraph 33.2 and 33.3 shall apply mutatis mutandis.

Article 13

Joint Ownership

If a Share, a Depository Receipt, a Restricted Right on a Share or a Depository Receipt is held by more than one person jointly, the Company may require such joint holders to give one person a written power of attorney to represent them against the Company.

BOARD OF MANAGING DIRECTORS AND BOARD OF SUPERVISORY DIRECTORS

Article 14

Board of Managing Directors

14.1 The Board of Managing Directors shall consist of one or more Managing Directors. The General Meeting shall determine the precise number of Managing Directors and the title of such Managing Directors.

14.2 The General Meeting shall appoint the Managing Directors upon recommendation by the Board of Supervisory Directors.

14.3 A Managing Director may at any time be suspended by the Board of Supervisory Directors.

14.4 A Managing Director may at any time be suspended or dismissed by the General Meeting.

14.5 The General Meeting shall determine the remuneration policy of the Board of Managing Directors. The remuneration and further conditions of employment for each individual Managing Director shall be determined by the Supervisory Board in accordance with the remuneration policy.

Article 15

Duties and Powers of the Managing Directors. Decision Making.

15.1 Subject to the restrictions imposed by these articles of association, the Board of Managing Directors shall be entrusted with the management of the Company, and is entrusted with the day to day business of the Company and the enterprise connected thereto.

15.2 The Managing Directors may lay down rules regarding the decision making process of the Board of Managing Directors. The adoption or change of such rules requires the

prior approval of the Board of Supervisory Directors.

15.3 A Managing Director may not participate in the deliberation and the decision-making process of the Board of Managing Directors if it concerns a subject in which this Managing Director has a direct or indirect personal interest which conflicts with the interest of the Company and its business enterprise. In this case, the other Managing Directors shall be authorised to adopt the resolution.
If all Managing Directors have a conflict of interest as mentioned above, the Board of Supervisory Directors shall be authorised to adopt the resolution.

15.4 Resolutions of the Board of Managing Directors shall be adopted with a simple majority. Each Managing Director shall have one vote, except for the CEO who shall at all times have such number of votes as the other Managing Directors jointly hold. In case voting is equally divided, a proposal is rejected. Resolutions of the Board of Managing Directors may - with due observance of the provisions of this article - at all times be adopted unanimously and in writing, provided the proposal concerned is submitted to all Managing Directors then in office and none of them objects to this manner of adopting resolutions.

15.5 The Board of Managing Directors may determine the duties with which each Managing Director will be charged in particular.

Article 16

Representation. Absence or prevention.

16.1 The Board of Managing Directors shall be authorised to represent the Company. The authority to represent the Company shall also be vested in a Managing Director with the title of CEO acting jointly with a Managing Director with the title of CFO or a Managing Director with the title of COO.

16.2 The Board of Managing Directors may appoint staff members with general or limited power to represent the Company. Each staff member shall be competent to represent the Company with due observance of any restrictions imposed on him. The Board of Managing Directors shall determine their titles.

16.3 If a Managing Director is absent or prevented from performing his duties, the remaining Managing Directors shall be temporarily entrusted with the entire management of the Company. If all Managing Directors are absent or prevented from performing their duties, the management of the Company shall be temporarily entrusted to the person designated for this purpose by the Board of Supervisory Directors – if necessary from its midst - .

Article 17

Restrictions in the authority to manage

17.1 The prior approval of the General Meeting will be required for resolutions of the Board of Managing Directors on a major change of the identity or the character of the Company or the enterprise, including in any case:

(a) transfer of the enterprise or almost the entire enterprise to a third party;
(b) conclusion or severance of permanent cooperation of the Company or a subsidiary with an other legal entity or Company either as fully liable partner in a general partnership, in case said cooperation or severance will be of far-reaching importance to the Company; and
(c) taking or disposing of a participation in the capital of a company worth at least one third of the amount of the assets in accordance with the balance sheet with explanatory memorandum or, in case the Company will draw up a consolidated balance sheet, in accordance with the consolidated balance sheet with explanatory memorandum in accordance with the latest adopted annual accounts.

17.2 The Board of Supervisory Directors is entitled to require certain resolutions of the Managing Directors to be subject to the approval of the Board of Supervisory Directors. Such resolutions shall be clearly specified and notified to the Managing Directors in writing.

17.3 The absence of any approval required pursuant to this article shall not affect the power of representation referred to in Article 16.1.

17.4 The Board of Managing Directors may resolve to perform the transactions identified in Section 94 of Book 2.

Article 18

Nomination Committee

18.1 The Company has a Nomination Committee consisting of a minimum of three members and maximum four members where the majority of the members shall be independent of the Board of Supervisory Directors and the Board of Managing Directors. The General Meeting determines the precise number of members of the Nomination Committee.

18.2 The members of Nomination Committee are appointed and dismissed by the General Meeting. The members of the Nomination Committee, including the chairperson thereof, is appointed for a term of two years unless the General Meeting decides otherwise.

18.3 The Nomination Committee shall give recommendations to the General Meeting for the appointment of Supervisory Directors, including the chairman of the Board of Supervisory Directors, and for the appointment of members to the Nomination Committee, in addition to recommendations for the remuneration of Supervisory Directors and the members of the Nomination Committee.

18.4 The General Meeting adopts rules governing the Nomination Committee's way of practice, responsibilities and duties.

Article 19

Board of Supervisory Directors

The Company shall have a Board of Supervisory Directors, consisting of five to seven individuals. The General Meeting shall determine the precise number of Supervisory Directors.

Article 20

Appointment Supervisory Directors. Chairman. Remuneration.

20.1 The Supervisory Directors shall be appointed by the General Meeting. Rabo Participaties B.V., a private company with limited liability having its statutory seat in Utrecht, the Netherlands, registered with the trade register of the Chamber of Commerce under number: 30169249 ("Rabobank") and Creadev International S.A.S., a private company with limited liability under the laws of France, having its statutory seat in Roubaix, France, registered with the register of the chamber of commerce in France under number: 493 504 302 R.C.S. Lille Métropole ("Creadev") shall for a period of three years as from the sixteenth day of November two thousand twenty each have a binding right to nominate one candidate for the Supervisory Board to be appointed by the General Meeting, as long as Rabobank together with its Group Companies respectively Creadev together with its Group Companies individually holds at least ten percent (10%) of the total issued and outstanding share capital in the Company. As from the sixteenth day of November two thousand twenty-three, each of Rabobank and Creadev shall, as long as Rabobank together with its Group Companies respectively Creadev together with its Group Companies individually holds at least ten percent (10%) of the total issued and outstanding share capital in the Company, have the binding right to nominate such number of candidates for the Supervisory Board to be appointed by the General Meeting as is equal to a percentage of the number of seats on the Supervisory Board rounded up or down to the nearest number of seat as equals the percentage of shareholding held in the total issued and outstanding share capital of the Company by such Shareholder. If a nomination is disregarded by the General Meeting, this nomination and appointment process will be repeated until the Supervisory Board seats are filled.

20.2 The General Meeting shall appoint one of the Supervisory Directors as chairman of the Board of Supervisory Directors.

20.3 The General Meeting shall determine the remuneration of the Board of Supervisory Directors.

Article 21.

Suspension and dismissal Supervisory Directors. Retirement.

21.1 Each Supervisory Director may be suspended or dismissed by the General Meeting at any time.

21.2 Supervisory Directors are required to retire periodically and are appointed by the General Meeting for a specific period of time as to be determined by the General Meeting.

Article 22.

Duties and powers Board of Supervisory Directors.

22.1 It shall be the duty of the Board of Supervisory Directors to supervise the management of the Board of Managing Directors and the general course of affairs in the Company and in the business connected with it. It shall assist the Board of Managing Directors with advice. In performing their duties the Supervisory Directors shall act in accordance with the interests of the Company and of the business connected with it.

22.2 The Board of Managing Directors shall supply the Board of Supervisory Directors in due time with the information required for the performance of its duties.

22.3 The Board of Supervisory Directors as well as each Supervisory Director individually shall have access to the buildings and premises of the Company and shall be authorised to inspect the books and records of the Company. The Board of Supervisory Directors may designate one or more persons from among its members or an expert to exercise these powers. The Board of Supervisory Directors may also in other instances be assisted by experts.

Article 23.

Proceedings and decision making process Board of Supervisory Directors

23.1 In the absence of the chairman of the Board of Supervisory Directors at a meeting, the meeting shall itself designate a chairman. The chairman shall for each meeting appoint a secretary, who need not be a member of the Board of Supervisory Directors.

23.2 The Board of Supervisory Directors shall meet whenever the chairman, or any other individual Supervisory Director, or the Board of Managing Directors, deem(s) such necessary.

23.3 The secretary shall keep minutes of the proceedings at meetings of the Board of Supervisory Directors. The minutes shall be adopted in the same meeting or in a following meeting of the Board of Supervisory Directors and shall be signed by the chairman and the secretary as evidence thereof.

23.4 All resolutions of the Board of Supervisory Directors shall be adopted by a simple majority of the votes cast. Each Supervisory Director has one vote notwithstanding that the chairman has a casting vote in case voting on a resolution is equally divided.

23.5 Resolutions of the Board of Supervisory Directors shall only be valid if passed at a meeting at which the majority of the Supervisory Directors are present or represented.

23.6 A Supervisory Director may be represented by a co-member of the Board of Supervisory Directors authorised in writing. A Supervisory Director may not act as representative for more than one co-member.

23.7 The Board of Supervisory Directors may also adopt resolutions without a meeting, provided the proposal concerned is submitted to all Supervisory Directors and each Supervisory Director has had the opportunity to deliberate on the proposal or none of them objects to this manner of adopting resolutions. The secretary shall draw up a

report regarding a resolution thus adopted and shall attach the replies received to the report, which shall be signed by the chairman and the secretary.

23.8 A Supervisory Director may not participate in the deliberation and the decision-making process of the Board of Supervisory Directors if it concerns a subject in which this Supervisory Director has a direct or indirect personal interest which conflicts with the interest of the Company and its business enterprise. In this case, the other Supervisory Directors shall be authorised to adopt the resolution. If no resolution can be adopted because all Supervisory Directors have a conflict of interest as mentioned above, the decision shall be taken by the General Meeting.

Article 24

Absence or prevention Supervisory Directors

If a Supervisory Director is absent or prevented from performing his duties, the remaining Supervisory Directors shall be temporarily entrusted with the performance of the duties and the exercise of the authorities of that Supervisory Director. If all Supervisory Directors, or the sole Supervisory Director, are absent or prevented from performing their duties, the performance of the duties and the exercise of the authorities of that Supervisory Director shall be temporarily entrusted to the person designated for this purpose by the General Meeting.

GENERAL MEETING

Article 25

Notice and Venue of the General Meeting

25.1 Without prejudice to the provisions of Article 31, General Meetings shall be held as frequently as the Board of Managing Directors or the Board of Supervisory Directors may wish. The power to call the General Meeting shall vest in the Board of Managing Directors and the Board of Supervisory Directors.

25.2 The Board of Managing Directors must call a General Meeting:

(a) if one or several Shareholders and/or Holders of Depository Receipts jointly representing at least one tenth of the issued capital so request the Board of Directors, that request to specify the subjects to be discussed and voted upon;

(b) within three months after the Board of Managing Directors has considered it plausible that the equity capital of the Company has decreased to an amount equal to or less than one-half of the paid and called up part of the capital.

If the General Meeting is not held within six weeks after the request referred to under (a), the applicants themselves may call the General Meeting - with due observance of the applicable provisions of the law and the Articles of Association - without for that purpose requiring authorisation from the President of the District Court. The provisions of paragraph 25.3 shall apply mutatis mutandis to the procedure of calling a General Meeting referred to in the preceding sentence.

25.3 The term of notice must be at least fifteen clear days before the date on which the meeting is held.

25.4 One or more shareholders and/or Holders of Depository Receipts who individually or jointly represent at least one percent (1 %) of the issued capital have the right to propose items on the agenda to the Board of Managing Directors. These items shall be put on the agenda by the Board of Managing Directors provided that:

(a) no important interest (*zwaarwegend belang*) of the Company dictates otherwise;

(b) the proposal to put items on the agenda has been done in writing not later than twenty-eight (28) days before the day of the meeting.

25.5 If the term of notice has not been observed or if notice has not been given or has not been served in the appropriate manner, resolutions may nevertheless be validly passed, also on subjects which were not announced or the announcement of which had not been made in the prescribed manner, provided that any such resolution be passed unanimously at a General Meeting at which the entire issued capital is represented.

25.6 General Meetings shall be held in the municipality where the Company's registered office is situated or in Amsterdam, Rotterdam, The Hague or at Schiphol Airport in the municipality of Haarlemmermeer. Entirely without prejudice to the provisions of paragraph 25.5, any resolution passed at a General Meeting held elsewhere shall be valid only if the entire issued capital is represented, provided such resolution is adopted in the Netherlands.

Article 26

Admittance to and Chairmanship of the General Meeting

26.1 The Shareholders and everyone in whom the Receipt Holder's Rights are vested, have admittance to the General Meeting. Save any Managing Director or Supervisory Director who has been suspended, the Managing Directors and Supervisory Directors also are entitled to admittance, as is any person who has been invited by the Chairman of the meeting concerned to attend the General Meeting or any part of that meeting.

26.2 Each Shareholder and everyone in whom the Receipt Holder's Rights are vested shall be entitled, in person of by way of proxy, to participate in a General Meeting by an electronic means of communication and to address the meeting, provided that:

a. he can be identified through the electronic means of communication;

b. he can directly take note of the proceedings; and

c. he – in case he has voting rights – can exercise his voting rights.

The Board of Managing Directors, with the prior approval of the General Meeting, may lay down conditions for the use of the electronic means of communications by holders of meeting rights. Such conditions shall be made known in the notice of the meeting.

26.3 The General Meeting shall be chaired by the Chairman of the Board of Supervisory Directors or, in his absence, by a person, whether or not one of the Supervisory

Directors, to be designated by the Board of Supervisory Directors. If the Chairman of the Board of Supervisory Directors is absent and the Board of Supervisory Directors has not designated another person as aforesaid, the General Meeting itself shall appoint its chairman.

26.4 The Chairman's conclusion, pronounced by him at the meeting, as to the result of any vote shall be decisive. This applies also to the content of any resolution passed, to the extent that the vote taken related to a proposal not recorded in writing. However, if immediately after the pronouncement of the Chairman's conclusion that conclusion is called into question, another vote shall be taken if so desired by the majority at the meeting or - if the original vote was not taken on a poll or by a secret ballot - by any person present who is entitled to vote. Such new vote shall override the legal consequences of the original vote.

26.5 Unless an official record of the business done at the meeting is drawn up by a notary or unless the Chairman himself wishes to keep the minutes, the Chairman shall designate a person charged with keeping the minutes. The minutes shall be confirmed by the General Meeting at the same meeting or at a subsequent meeting, in evidence of which the minutes shall be signed by the Chairman and the Secretary of the meeting at which the minutes were confirmed. If the General Meeting or the Board of Managing Directors resolves to instruct a notary to draw up an official record of the proceedings at a General Meeting, or if one or several Shareholders jointly representing at least one tenth of the issued capital so decide, the Board of Managing Directors shall instruct a notary to draw up such official record. The cost of the notarial record shall be borne by the Company.

26.6 The Board of Managing Directors shall keep a minute book in which the confirmed minutes of each General Meeting shall be entered and in which shall further be inserted a copy of each notarial record made of any General Meeting. The minute book shall be open to the inspection of the Shareholders and to everyone in whom the Receipt Holder's Rights are vested at the registered office of the Company. Upon request any Shareholder and anyone in whom the Receipt Holder's Rights are vested, shall be issued a copy of or an extract from the minutes of any General Meeting, at a charge not exceeding cost.

Article 27

Voting rights. Decision-making

27.1 Each Share carries the right to cast one vote.

27.2 At the General Meeting no votes can be cast for Shares which are held by the Company or Subsidiaries, nor for depository receipts issued for Shares which are held by the Company or Subsidiaries. Usufructuaries and pledgees of Shares which belong to the Company or Subsidiaries shall not, however, be excluded from the right to vote if the usufruct or pledge was created before the Shares concerned came to be held by

the Company or a Subsidiary. The Company or a Subsidiary can not cast votes for Shares in respect of which the Company or the Subsidiary possesses a pledge or usufruct.

27.3 For the purpose of determining to which extent Shareholders cast votes, are present or are represented, or to which extent the share capital is represented, the Shares in respect of which no votes can be cast shall not be taken into account.

27.4 The Managing Directors and Supervisory Directors shall, as such, have the right to render advice in the General Meeting.

27.5 Unless the law or these Articles of Association stipulate a larger majority, all resolutions of the General Meeting shall be passed by a simple majority of the votes cast.

27.6 Blank votes and invalid votes shall not be counted.

27.7 If the voting for and against any proposal is equally divided, that proposal shall be rejected.

Article 28

Decision-making outside a Meeting

28.1 Unless there is anyone in whom the Receipt Holder's Rights are vested, any resolution which Shareholders entitled to vote can pass at a General Meeting may also be passed by them outside a meeting, provided that they in writing declare themselves in favour of the proposal concerned and that prior thereto they have consulted the Managing Directors and Supervisory Directors. The persons who have passed a resolution outside a meeting shall promptly inform the Board of Directors and Board of Supervisory Directors of that resolution.

28.2 Any resolution passed outside a meeting shall be announced at the next General Meeting. During that General Meeting the documents showing the manner of decision-making outside a meeting shall be open to the inspection of the Shareholders and everyone in whom the Receipt Holder's Rights are vested; said documents shall subsequently be inserted in the minute book.

Article 29

Financial Year. Annual Accounts

29.1 The financial year of the Company shall be the calendar year.

29.2 Each year within five months after the end of the Company's financial year, save where this term is extended by a maximum of five months by the General Meeting on account of special circumstances, the Board of Managing Directors shall draw up Annual Accounts on that financial year.

29.3 The Annual Accounts shall be signed by each of the Managing Directors and Supervisory Directors. If the signature of any of the Managing Directors or Supervisory Directors is missing, this and the reason for such absence shall be stated.

29.4 The Company shall ensure that the Annual Accounts and, if required, the annual report

and the particulars added by virtue of Section 392 shall be available at the registered office of the Company as soon as possible but not later than as from the date of notice calling the General Meeting intended for the discussion and approval thereof. Shareholders and everyone in whom the Receipt Holder's Rights are vested, may inspect said documents at the business office of the Company and obtain copies thereof free of charge.

Article 30

Auditor

30.1 The General Meeting shall give a chartered accountant or other expert within the meaning of Section 393 of Book 2 - both referred to herein as the "Expert" - or, as the case may be, an organisation in which such Experts work together, instruction to audit the Annual Accounts. If the General Meeting fails to give such instruction the Board of Supervisory Directors shall be authorised and required to do so. The General Meeting may at any time revoke the instruction as first referred to in this paragraph and give it to another Expert. The same applies to the Board of Supervisory Directors in case it has appointed the Expert.

30.2 The Expert shall report on his audit to the Board of Managing Directors and Board of Supervisory Directors and shall set out the result of his audit in a certificate.

30.3 In cases in which the law so permits, the instruction referred to in paragraph 1 may be dispensed with or the instruction may be given to another person than the Expert referred to therein.

Article 31

Annual Meeting. Adoption of Annual Accounts

31.1 Each year at least one General Meeting shall be held, that meeting to be held within six months after the end of the Company's last expired financial year; this General Meeting is referred to hereinafter as the "Annual Meeting". The agenda of the Annual Meeting shall contain at least the following subjects:

(a) if an annual report on the past financial year is required: discussion of the annual report;

(b) adoption of the Annual Accounts of the past financial year;

(c) allocation of the profits realized in the past financial year, or determination of the manner whereby any loss sustained in that financial year is to be cleared;

(d) release from liability of the Managing Directors and Supervisory Directors for services rendered in the past financial year.

31.2 The subjects listed in paragraph 31.1 need not be stated in the agenda of the Annual Meeting if the term for preparing the Annual Accounts has been extended or if a proposal to extend said term is on the agenda.

31.3 The Annual Accounts shall be adopted by the General Meeting.

31.4 If an auditor's certificate on the Annual Accounts is required and if the General

Meeting has not had the opportunity of inspecting that certificate, the Annual Accounts cannot be adopted unless the other, added particulars include a statement giving a lawful reason for the absence of the certificate.

31.5 If the Annual Accounts are adopted after they have been amended, copies of the amended Annual Accounts may be obtained by the Shareholders and everyone in whom the Receipt Holder's Rights are vested free of charge.

31.6 Adoption of the Annual Accounts shall not constitute a release from liability of a Managing Director or Supervisory Director.

Article 32

Profits and Losses

32.1 The profits of the Company shall be at the disposal of the General Meeting.

32.2 The Company may distribute profits only if and to the extent that its equity capital is greater than the aggregate of the paid and called-up part of the issued capital and the reserves which must be maintained by law.

32.3 Dividends may be paid only after adoption of the Annual Accounts which show that they are justified.

32.4 For the purposes of determining the allocation of profits any Shares or depository receipts issued therefore held by the Company and any Shares or depository receipts issued therefore of which the Company has usufruct shall not be taken into account.

32.5 The General Meeting may resolve to declare interim dividends. A resolution to declare an interim dividend from the profits realized in the current financial year may also be passed by the Board of Supervisory Directors.
Dividend payments as referred to in this paragraph may be made only if the provision in paragraph 32.2 has been met as evidenced by an interim statement of assets and liabilities as referred to in Section 105 subsection 4 of Book 2.

32.6 Unless the General Meeting sets a different term for that purpose, dividends shall be made payable within thirty days after they are declared.

32.7 A General Meeting declaring a dividend may direct that it is to be satisfied wholly or partly by the distribution in kind.

32.8 Any deficit may be set off against the undistributable reserves only if and to the extent that doing so is permitted by law.

Article 33

Amendment of the Articles of Association. Merger. Division

33.1 A resolution to amend the Articles of Association or a resolution for a merger or division in the terms of Part 7 of Book 2 may be passed by the General Meeting only by a majority of at least two thirds (2/3) of the votes cast. An article of these Articles of Association which grants rights to a specific person cannot be amended without the consent of that person.

33.2 If a proposal to amend the Articles of Association is to be made to the General

Meeting, this must be stated in the notice calling the General Meeting. The persons giving such notice must at the same time deposit a copy of that proposal, containing the verbatim text of the proposed amendment, at the business office of the Company for inspection by the Shareholders and everyone in whom the Receipt Holder's Rights are vested. Failing this no resolution can be validly passed on the proposal unless the requirements set out in Article 25.5 have been fulfilled.

33.3 From the day of deposit of the proposal to amend the Articles of Association and until the end of the General Meeting at which that proposal will be discussed and voted upon, the Shareholders and everyone in whom the Receipt Holder's Rights are vested, must be given the opportunity to obtain copies of that proposal. The copies shall be issued free of charge.

Article 34

Dissolution and Winding up

34.1 The General Meeting has the power to resolve to dissolve the Company, provided with due observance of the requirements set out in Article 33.1.

34.2 In the event of its voluntary dissolution the Company shall continue in existence for such period of time as the liquidation of its assets and liabilities may require.

34.3 In any document issued and notice served by the Company in the course of its winding up the words: "in liquidation" must be added to its name.

34.4 Unless otherwise resolved by the General Meeting or unless otherwise provided by law, the Managing Directors of the Company shall be the liquidators of the Company. The Board of Supervisory Directors will supervise the dissolution of the Company.

34.5 The reports and statements relating to the dissolution and the winding up as required by law shall be filed by the liquidators at each and any Commercial Register Office where the Company must be registered.

34.6 The surplus assets remaining after all the Company's liabilities have been satisfied shall be divided among the Shareholders in proportion to that part of the par value of the Shares which each one has paid on his Shares by virtue of calls made upon the Shareholders.

34.7 After completion of the winding up, during the safe-keeping period prescribed by law the books, records and other data carriers of the dissolved Company shall remain in the custody of the person whom the liquidators have appointed for that purpose in writing.

Article 35

Miscellaneous

The Company will acknowledge the holders of beneficial interests in the Shares registered in book entry form with the Norwegian Central Securities Depository (*Verdipapirsentralen*) ("VPS") as Shareholders. Beneficial interests in the Shares registered in book entry form with VPS and the persons/parties in whose name the beneficial interests in the Shares are

registered in the VPS are understood to be Shares respectively Shareholders in connection with the determination of the shareholding of parties/persons and the acknowledgement of rights attaching to Shares or accruing to any Shareholder or any person/party under these Articles of Association or Dutch law, including without limitation in connection with voting and meeting rights relating to General Meetings, the right to call General Meetings and put items on the agenda of General Meetings, the right to make nominations for Supervisory Directors, pre-emptive rights upon the issue of Shares and the right to receive (through VPS) any distributions to which a holder of Shares is entitled.

FINAL PROVISIONS

This deed, drawn up to be kept in the civil law notary's custody, was executed in Amsterdam on the date first written above.

Before reading out, a concise summary of the contents of this deed was given to the person appearing and clarified to him. He then declared that he had taken note of and agreed with the contents of this deed and did not want a full reading thereof. Thereupon, after limited reading, this deed was signed by the person appearing and by me, civil law notary.

Appendix B – The Company's interim consolidated financial statements as of and for the six months period ended 30 June 2020

Kingfish Zeeland B.V.
at Kats

Interim report H1 2020

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Highlights

The Groups net result in the first half of 2020 increased to € 1,296 million negative, or 34.4%, compared with € 1,976 million negative in the same period of 2019. The increase was primarily caused by increase in operating income (increase in production) and an relatively increase in gross-margin.

The result before tax increased 32.0% to € 1,704 million from € 2,507 million in the first half of 2019, predominantly due to higher operating income. Income increased 18.9% as the production process had just been started in late 2018 and therefore the first half of 2019 much more effort was needed to generate a clientele base compared to the first half of 2020. Operating expenses increased with € 415,397, or 9.8%, on the first six months of 2020, mainly due to to higher cost of raw materials caused by higher production level in 2020.

Financial income and expenses decreased by € 153,467 due to leniencies provided by the bank, due to Covid-19.

Refinancing

In May 2020 the loans with Rabobank were restructured. The loan of € 750,000 which was due at the end of December 2019 has been renewed for another year and is now due the end of December 2020. However, the expectations are that the loans will restructured again late 2020.

In addition, an additional loan agreement has been signed at the end of May 2020 for an amount of € 4,000,000 with Rabobank for the investment of the expansion in the Netherlands. This loan has been drawn down in July and August 2020 and is repayable in 10 years with a fixed quarterly amount of € 105,263.

Covid-19

The Group has been impacted by the market disruption from Covid-19 from late Q1 2020. Various countries and local governmental authorities across the world have introduced measures aimed at preventing the further spread of Covid-19, such as bans on public events with over a certain number of attendees, closures of places where larger groups of people gather such as bars and restaurants, lockdowns, border controls and travel and other restrictions. Such measures have caused a decline in demand and resulted in a decline in sales and a rise of inventory of frozen fish.

In addition to measures aimed at preventing the further spread of the Covid-19 virus, governments in various countries have introduced measures aimed at mitigating the economic consequences of the outbreak. The Group has used some of the available financial measures in the Netherlands and the USA. These financial aids have been reported as other income in the Condensed consolidated statement of profit or loss. The Group has also received repayment leniencies from its long-term debt providers.

Despite the disruption caused by Covid-19 the Group has been able to continue its expansion plans in the Netherlands and the USA. In addition, the Group has seen a rise in sales since the last two months of the second quarter of 2020. The corona crisis is [illegible] a further negative strong effect on the result of the Group for the rest of 20[illegible] will also depend on how the coronavirus outbreak can be controlled. Due to the great uncertainty it is

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difficult to map out the different scenarios. As a result, the expected impact of the coronavirus outbreak on our operations is not yet clear.

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INTERIM FINANCIAL STATEMENTS

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Consolidated statement of financial position

		30 June 2020	31 December 2019
ASSETS			
Non-current assets			
Tangible fixed assets	1	21.930.088	18.231.846
Deferred tax asset	2	3.064.453	2.657.015
Total non-current assets		24.994.541	20.888.861
Current assets			
Inventory	3	4.145.640	2.652.475
Trade Accounts Receivable	4	722.624	637.984
Other receivables and prepaid expenses	5	885.939	770.089
		5.754.202	4.060.549
Cash and cash equivalents	6	2.798.814	10.555.145
Total current assets		8.553.016	14.615.694
Total assets		33.547.557	35.504.555

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		30 June 2020	31 December 2019
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Total equity	7	22.365.720	23.751.727
Non-current liabilities			
Long Term Loans		8.518.343	8.681.577
Total non-current liabilities	8	8.518.343	8.681.577
Current liabilities			
Shareholder loan		221.980	221.980
Trade Accounts Payable		921.762	1.639.464
Income tax payable		414.757	110.848
Other liabilities and accrued expenses	9	1.104.995	1.098.959
Total current liabilities		2.663.494	3.071.251
Total equity and liabilities		33.547.557	35.504.554

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Consolidated profit and loss account

		1 January until 30 June 2020	1 January until 30 June 2019	31 December 2019
Revenues		1.946.172	2.248.621	4.995.580
Changes in inventories and live fish stock		1.367.483	-	(440.918)
Total operating income		3.313.655	2.248.621	4.554.662
Operating expenses				
Cost of raw materials		1.680.964	1.480.362	2.198.683
Expenses work contracted out and other external expenses		228.323	302.791	592.236
Wages and salaries	10	848.402	549.612	1.344.604
Social security premiums and pension cost		279.386	170.912	391.895
Depreciation of property, plant and equipment		689.952	679.746	1.383.828
Other operating expenses	11	1.118.381	1.246.588	2.284.366
Total operating expenses		4.845.407	4.430.010	8.195.612
Operating result		(1.531.752)	(2.181.389)	(3.640.951)
Financial income and expense	12	(172.291)	(325.758)	(714.828)
Result before income taxes		(1.704.043)	(2.507.147)	(4.355.779)
Income tax credit/(charge)		407.439	530.651	1.333.937
Result for the year		(1.296.604)	(1.976.496)	(3.021.842)

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Consolidated statement of changes in equity

	Issued and Paid-in Capital	Additional Paid-in Capital	Revaluation Reserve	Accumulated Deficit	Total Equity
Balance January 1, 2019	215.320	10.562.342	855.040	(3.935.504)	7.697.198
Issue of shares	204.924	20.195.285			20.400.209
Revaluation live fish stock			130.405	(130.405)	-
Prepaid share premium reserve		826.410		(826.410)	-
Fundraising cost		(1.323.838)			(1.323.838)
Own shares	(5.000)			5.000	-
Result for the period				(3.021.842)	(3.021.842)
Balance December 31, 2019	415.244	30.260.199	985.445	(7.909.161)	23.751.727
Addition	-	-	-	-	-
Fundraising cost		(89.403)			(89.403)
Result for the period	-	-	-	(1.296.604)	(1.296.604)
Balance June 30, 2020	415.244	30.170.796	985.445	(9.205.765)	22.365.720

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Consolidated cashflow statement

	1 January until 30 June		31 December
	2020	**2019**	**2019**
Cash flows from operating activities			
Result for the period from continuing operations	(1.296.604)	(1.976.496)	(3.021.842)
Adjustments to reconcile result for the period to net cash provided in operating activities			
Depreciation property, plant and equipment	689.952	679.746	1.383.828
Release revaluation reserve	-	-	-
Deferred income tax movement	(407.439)	(530.651)	(1.333.937)
IFRS adjustment live fish stock	(192.752)	65.520	26.850
Changes in working capital			
Inventory	(1.493.164)	-	233.481
Short term receivables	(84.639)	(478.447)	(843.415)
Short term payable	(407.757)	(850.536)	(3.348.433)
Net cash provided by operating activities	(3.192.403)	(3.090.864)	(6.903.468)
Cash flows from investing activities			
Capital expenditures	(4.400.694)	(195.071)	(1.840.530)
Net receipt from the disposal of investments	-	-	8.500
Change of accounting policies			
Net cash used in investing activities	(4.400.694)	(195.071)	(1.832.030)
Cash flows from financing activities			
Proceeds from share offering, net of expenses	-	-	19.076.371
Long term lending	(163.234)	170.014	175.224
Net cash (used in)/provided by financing activities	(163.234)	170.014	19.251.595
Net decrease in cash and cash equivalents	(7.756.331)	(3.115.921)	10.516.097
Cash and cash equivalents, beginning of the year	10.555.145	39.048	39.048
Cash and cash equivalents, end of the year	**2.798.814**	**(3.076.873)**	**10.555.145**

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of Kingfish Zeeland B.V. is Colijnsplaatse Groeneweg 2, 4485 PA in Kats. Kingfish Zeeland B.V. is registered at the Chamber of Commerce under number 64625060. These Condensed consolidated interim financial statements, as at and for the six months period ended 30 June 2020, comprise Kingfish Zeeland B.V. (the Parent company) and its subsidiaries, together referred to as the Group.

The most important activities of the entity

Established in 2015, the Kingfish Company engages in the production and supply of sustainable, safe and high quality seafood in its target markets.

In 2016 the company sanctioned its first project - a commercial scale pilot farm in the Netherlands for the production of more than 500 tons per annum of the supply constrained lucrative fish species 'Yellowtail Kingfish' via a proprietary recirculating aquaculture system. Since then the company completed the construction of the farm, closed the 'production cycle' and reached industry leading operational results.

In 2019 the company initiated its scale-up plan, targeting to reach production levels of Yellowtail Kingfish of 20,000 tons per annum by 2025. As part of the scale-up plan two new entities where created to service Northern America;

- Kingfish Maine Inc.
- Yellowtail Hatchery Inc.

The companies are fully owned by Kingfish Zeeland B.V..

The Kingfish Company continues to explore additional market opportunities across various species and production methods.

General notes

Disclosure of going concern

The negative results up to the first half year of 2020 mainly occurred due to the fact that the company is in startup phase. The startup phase is financed by shareholders' equity and bank debt. The shareholders' equity per 30 June 2020 amounts € 22,365,720 positive.

The board of Kingfish Zeeland B.V. has made a cash flow forecast up until the end of 2030 and shows a net cash flow which is sufficient to meet the short term payment obligations. The company has sufficient funds to reach budgeted cash flows positive. Given this information, the condensed interim financial statements have been prepared on the basis of the going concern assumption of the Group.

Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Kingfish Zeeland B.V. make different estimates and judgments tha[illegible] the amounts disclosed in the financial statements. If it is necessary [illegible] the transparency required under Book 2, article 362, paragraph 1, the nature of these [illegible]ates and judgments, including related assumptions, is disclosed in the notes to the relevan[illegible] financial

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statement item.

Disclosure of consolidation

Kingfish Zeeland B.V. is at the head of a group of companies. The group includes Kingfish Maine Inc.(100%) and Yellowtail Hatchery USA Inc (100%).

The following entities are included in the consolidation:
- Kingfish Maine Inc.(100%);
- Yellowtail Hatchery USA Inc. (100%).

Changes in accounting policies

The Group re-assessed its accounting policy for property, plant and equipment with respect to measurement of buildings after initial recognition. The Group had previously measured it building in Kats using the fair value model whereby, after initial recognition, the building was carried at actual cost less accumulated depreciation and accumulated impairment losses.

On 1 January 2020, the Group elected to change the method of accounting for buildings, as the Group believes that the cost less accumulated depreciation and impairment losses model provides more relevant information to the users of its financial statements as it is in line with the policy choice adopted by its main competitors. In addition, the cost model provides more reliable information due to the specific nature of the buildings. The Group applied the cost model retrospectively.

After initial recognition, buildings are measured at cost less subsequent accumulated depreciation and any subsequent accumulated impairment losses.

The impact of this change in accounting policy on group equity amounts to € 2,251,049. The effect on the result in the period 1 January 2020 until 30 June 2020 amounts to nil, as the depreciation on the revaluation was off-set by the release of the revaluation reserve and deferred tax liability.

Overview of impact on financial figures:

*000 EUR	**Tangible fixed assets**	**Deferred Tax Liability**	**Equity**	**Profit & Loss**
Bookvalue 01-01-2019	**20,602**	**(493)**	**(9,948)**	**-**
Change in accounting policy	*(2,839)*	*493*	*2,251*	*95*
Revised bookvalue 01-01-2019	**17,634**	**-**	**(7,697)**	**-**

General accounting principles

The accounting standards used to prepare the financial statements

The Condensed consolidated interim financial statements have been prepared in

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Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

These condensed consolidated interim financial statements ('interim financial statements') for the six months ending 30 June 2020 have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board (further: Dutch GAAP) in general and in specific article 394 of the Dutch GAAP.

These interim financial statements and should be read in conjunction with the Consolidated Annual Report 2019 as this document does not include all the information and disclosures required in the annual financial statements.

The applied accounting policies are in line with those as described in the Consolidated Annual Report 2019 except for the impact of the changes in accounting policies as described above. These interim financial statements have been reviewed by the external auditor of Kingfish.

Certain figures may not tally exactly due to rounding. In addition, certain percentages may have been calculated using rounded figures.

In preparing the Interim Financial Statements, Kingfish has applied the concept of materiality to the presentation and level of disclosures. Only essential and mandatory information is disclosed which is relevant to a reader's understanding of these Interim Financial Statements

*Revenues and Cost measurement*The company didn't recognize a seasonally, cyclically or occasionally trend regarding the revenues and the cost incurred during the financial period. The measurement of the interim report doesn't affect the measurement of the annual results.

Finance leases

The Group has lease contracts whereby it retains substantially all the risks and rewards of ownership of these assets. These assets are recognized on the balance sheet upon commencement of the lease contract at the lower of the fair value of the asset or the discounted value of the minimum lease payments. The lease installments to be paid are divided into a repayment and an interest portion, using the annuity method. The liabilities under the lease, excluding the interest payments, are included under long-term debts.

The interest component is included in the consolidated profit and loss account for the duration of the contract on the basis of a fixed interest percentage of the average remaining redemption component. The assets are depreciated over the remaining economic life or, if shorter, the duration of the contract.

Operating leases

The Group has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the corporation. These lease contracts are recognized as operational leasing. Lease payments are recorded on a[illegible]s, taking into account reimbursements received from the lessor, in the consc[illegible]s ac-count for the duration of the contract.

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Accounting principles

Property, plant and equipment

Buildings are valued at acquisition cost less straight line depreciation based on the expected life. Land is not depreciated. Impairments expected on the balance sheet date are taken into account.

Other tangible fixed assets are valued at acquisition or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

Interest expenses directly attributable to qualifying assets are capitalized during the manufacturing period. Other interest expenses are recognized directly in the income statement.

Financial assets

Deferred tax assets are recognized for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognized insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Impairment of non-current assets

On each balance sheet date, Kingfish Zeeland B.V. assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realizable value and the value in use.

An impairment loss is directly recognized in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realizable value is initially based on a binding sale agreement; if there is no such agreement, the realizable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

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If it is established that an impairment that was recognized in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill is not reversed.

Inventories

Raw materials and consumables

Inventories of raw materials and consumables are valued at cost price, based on the FIFO method, or lower realizable value. The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current conditions. The realizable value is the estimated sales price less directly attributable sales costs. In determining the realizable value the obsolescence of the inventories is taken into account.

Live fish stock

The live fish stock classify as biological assets. Dutch GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Harvested fish stock

The harvested fish stock classify as biological assets. Dutch GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortized cost price. If there is no premium or discount and there are no transaction costs, the amortized cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Non-current liabilities

On initial recognition long-term debts are recognized at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognized at the amortized cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortized cost price is the same as the nominal value of the debt.

Current liabilities

On initial recognition current liabilities are recognized at fair value. After initial recognition current liabilities are recognized at the amortized cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal

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value.

Accounting principles for determining the result

The result is the difference between the realizable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognized in the year in which they are realized.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realized income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Wages

The benefits payable to personnel are recorded in the consolidated profit and loss account on the basis of the employment conditions.

Applied policy of pension costs

The Company pays contributions to the sector pension plan managed by BPL Pensioen. The premium payable during the reporting year is recorded as an expense. The contributions are recorded as personnel costs from the date that they become payable.

Income tax expense

Tax on the result is calculated based on the result before tax in the non-consolidated profit and loss account, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

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1. Tangible fixed assets

(€)	Land and Buildings	Plant and equipment	Other fixed assets	Assets under construction	Total
Book value January 1 2020	6.553.927	9.434.958	1.357.891	885.070	18.231.846
Additions/Transfers	61.549	33.580	7.604	4.297.961	4.400.694
Disposals			(12.500)		(12.500)
Depreciation	(67.690)	(599.151)	(23.111)	-	(689.952)
Book value June 30 2020	6.547.786	8.869.387	1.329.884	5.183.031	21.930.088
Original cost	6.905.193	10.965.754	1.485.283	5.183.031	24.539.261
Accumulated depreciation	(357.407)	(2.096.367)	(155.399)	-	(2.609.173)
Book value June 30 2020	6.547.786	8.869.387	1.329.884	5.183.031	21.930.088

(euro thousands)	Land and Buildings	Plant and equipment	Other fixed assets	Assets under construction	Total
Book value January 1 2019	6.748.671	10.349.521	665.603	-	17.763.795
Additions/Transfers	-	211.629	743.831	885.070	1.840.530
Disposals	-	-	(19.750)	-	(19.750)
Depreciation	(194.744)	(1.126.192)	(37.882)	-	(1.358.818)
Depreciation on disposals	-	-	6.089	-	6.089
Book value December 31 2019	6.553.927	9.434.958	1.357.891	885.070	18.231.846
Original cost	6.843.644	10.932.174	1.490.179	885.070	20.151.067
Accumulated depreciation	(289.717)	(1.497.216)	(132.288)	-	(1.919.221)
Book value December 31 2019	6.553.927	9.434.958	1.357.891	885.070	18.231.846

The other fixed assets include breeding stock for an amount of € 1,079,500 at 30 June 2020 (€ 1,092,000 as per 31 December 2019). Impairment of the breeding stock as a result of mortality is not presented separately.

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2. Deferred tax asset

The deferred tax asset refers to losses made in 2016 until the first half of 2020. The Group expects to offset these losses with expected future profits within the settlement periods as set by the Tax Authorities. At 30 June 2020 deferred income tax assets on carry-forward losses have been recognized for an amount of €3,064,453 (2019: €2,657,015). The losses are recognized based on taxable temporary differences or future expected results taking into consideration the expiration date of historical losses and other tax regulations. The related income tax losses amount to €14,195,042 (2019: €12,490,999).

3. Inventory

(€)	30 June 2020	31 December 2019
Live fish stock	2.881.120	2.141.672
Frozen fish stock	775.064	134.529
Freed	326.117	225.938
Packaging materials	62.980	41.822
Other inventory	100.358	108.514
Total	4.145.640	2.652.475

Biological Assets

Under the provisions of IAS 41, Agriculture and IFRS 13, Fair Value Measurement, biological assets ("biomass") are measured at fair value less cost to sell, unless fair value is not readily measured. Biomass comprise of live fish in tanks from fry to adult grow-out. All fish held in tanks are considered saleable and are therefore measured at fair value less cost to sell.

The cost of biological assets ("biomass costs") includes all costs required to raise fish from larvae to harvest. Key biomass costs are generally recognized on a historical basis and include fish feed, other raw materials, salary and personnel costs, utilities, and other overhead from production.

The valuation of biological assets under IAS 41 is based on an implied estimated fair value of the fish in a hypothetical market. The estimate of the unrealized fair value adjustment under IFRS 13 is based on several factors such as changes in the final market destinations of fish sold, changes in forward market price and biomass costs, changes in biology, and differences in anticipated quality and size. The key element in approximating fair value is the assumed market price expected to be achieved on the future date in which the fish is to be harvested. Such market prices are based on a variety of sources including, but not limited to, the Companies historical sales prices achieved. The market prices are then reduced for harvesting and freight costs required to sell to arrive at a net value back to farm. The difference between the fair value and the associated cost to sell is recognized under fair value adjustments in the accompanying consolidated statements of operations.

Incident-based mortality is recognized when the facility experiences elevated or substantial mortality due to an incident out of expected normal capacity. In such cases, mortality expense is included as part of cost of materials in the accompanying consolidated statements of operations, and the fair value associated with the affected biomass is [illegible] fair value adjustments in the Company's statements of operations.

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Fair Value Measurement of Biological Assets

Under the provisions of IAS 41, the fair value of the Companies biological assets is calculated based on the market price for the relevant fish quality and size on the reporting period date. As the biomass input is mostly unobservable, biomass valuation is categorized at Level 3 in the fair value hierarchy under IFRS 13. The estimated market price in each market is normally derived from the development in recent market prices. The valuation model for the Company's biological assets calculates the net present value of the expected cash flow from harvested biomass based on the actual number of fish as a starting point. The time to market for live fish is based on a growth table for each generation of fish. The Company considers a live fish weight between 700 grams and 4 kilograms to be the optimal harvest weight with an expected growth period between 4 to 12 months. Expected mortality rates are used to estimate the expected volume of biomass that will reach optimal harvest weight. On average, an estimated of more than 95% of fingerlings is expected to reach the optimal harvest weight and takes into consideration both mortality and culling. Observable market prices are used where available.

As of 30 June 2020 and 2019, the companies biological assets consisted of the following:

(EUR 1,000)	2020	2019
Cost of biological assets	1.461	1.033
Fair value adjustments	1.420	1.109
Total biological assets	**2.881**	**2.142**

The following represents a reconciliation of changes in the carrying amount of the company's biological assets for the years ended 30 June 2020 and 2019:

(EUR 1,000)	2020	2019
Biological assets at beginning of year	**2.142**	**2.717**
Increases due to production and purchases	4.495	7.093
Decreases due to harvest	-3.607	-6.702
Decreases due to mortality	-148	-313
Gain or loss arising from changes in fair value less costs to sell	-	-653
Biological assets at end of year	**2.881**	**2.142**

As of 30 June 2020 and 2019, the companies physical volumes of biological assets consisted of the following:

(EUR 1.000)	2020	2019
Live weight of biomass (in tons)	218	166
Number of fish (thousand)	342	259
Volume of fish harvested during the year (tons whole round weight)	273	485

Sensitivity Analysis

Although the Company has expertise in assessing various factors rega
estimate of unrealized fair value adjustment under IFRS 13 is based o

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assumptions, and the realized profit ultimately achieved upon the sale of inventory may differ from the calculations of fair value accordingly. Such assumptions include biomass volume and growth rate, biomass quality and size distribution, biomass costs, fish mortality, and market price.

Biomass Volume and Growth Rate:

Biomass volume and growth rate is estimated from the changes between known tank density prior to the release of fish in tanks and the current tank density with live fish. The difference in densities is then used to estimate growth between any given period, which gives uncertainty with respect to biomass volume and growth rate.

Biomass Quality and Size Distribution:

Biomass quality prior to harvest is estimated based on periodic samples obtained throughout the life of a given batch. However, the actual bio-mass quality for the entire batch population is difficult to assess prior to harvest and some degree of variation of quality is expected. Fair value is first assessed as superior quality fish and the estimated price per kg is reduced on downgraded ordinary and production grade fish based on standard rates from historical benchmarks. Biomass size distribution prior to harvest is estimated from counting and grading systems prior to harvest. Although some degree of variation is expected, actual fish size is not expected to deviate substantially from the average distribution for the overall batch and therefore, the companies estimated value of biomass with this respect.

Biomass Costs:

Estimated future biomass costs are based on the company's forecasts taking into consideration factors such as uncertainty with feed prices or other biomass cost developments. Changes in the company's estimation towards biomass costs would influence the value of biomass and is recognized accordingly as part of the fair value adjustments in the accompanying consolidated statements of operations.

Fish Mortality:

Mortality under normal capacity is expected and directly affects the fair value estimates as it ultimately results in a reduction in harvestable biomass volumes. Further, overall biomass costs for a given batch includes the cost of fish that will perish under expected mortality.

Market Price:

The key element in the fair value model of biological assets is the estimated forward market price that is expected to be received in the future when the fish is harvested. An increase in anticipated forward market prices would increase the fair value of the biological assets and vice versa. A change in biomass costs will generally have lesser impact on the estimated fair value calculation that a similar change in anticipated forward market prices.

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The fair value of the company's biological assets was calculated based on different parameters. As of 30 June 2020 and 2019, the estimated effect on the book value of biological assets was as follows:

(EUR 1,000)	Increase	2020	2019
Change in biomass size	5%	3.067	2.289
Change in forward price	5%	3.025	2.249

Incident-Based Mortality

No significant mortality incidents were noted for the years ended 30 June 2020 and 2019.

4. Trade accounts receivable

(€)	30 June 2020	31 December 2019
Gross trade accounts receivable at December 31	747.624	662.984
Doubtful debt provision at December 31	(25.000)	(25.000)
Net trade accounts receivable at December 31	722.624	637.984

(€)	30 June 2020	31 December 2019
Doubtful debt provision at January 1	(25.000)	-
Addition to provision	-	(25.000)
Utilization of provision	-	-
Doubtful debt provision at December 31	(25.000)	(25.000)

(€)	30 June 2020	31 December 2019
Aging between 1-30 days	460.143	420.655
Aging between 31-60 days	177.393	137.229
Aging more than 60 days	85.088	80.100
Total trade accounts receivable	722.624	637.984

Trade accounts receivable as presented under current assets, mature within one year. The carrying amount of trade accounts receivable approximates its fair value and are non-interest bearing. The Company had a credit insurance on the trade accounts receivable and expects to receive the payments for the overdue amounts, therefore these amounts are not provided for. The doubtful debt provision is related to disputes.

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5. Other receivables and prepaid expenses

(€)	30 June 2020	31 December 2019
Receivable from shareholders	16.988	128.279
VAT receivable	389.790	292.407
Other receivables	625.314	376.254
Total	1.032.092	796.940

The other receivables include a factoring facility provided by Rabobank. The factoring limit is € 1,000,000 and is based on 90% of the qualifying outstanding debtors. The economic ownership of the debtors remains with Kingfish Zeeland B.V.. The following guarantees are given for the factoring facility:
- Pledge on all current and future receivables;
- Pledge on all rights and claims credit insurances.

6. Cash and cash equivalents

The maximum current account credit is € 3,000,000. The account credit consists of a fixed base limit in an amount € 1,500,000 and a related additional limit of maximum € 1,500,000 based upon the value of the pledged inventory. The fixed base limit of € 1,500,000 will be removed on December 31th 2021, the total maximum will then be based upon the value of the pledged inventory. The interest rate is based on 1 month Euribor plus a markup of 2,85%. For the securities provided we refer to note 12 regarding the Rabobank loan.

7. Group equity

The Revaluation Reserve live fish stock has increased with € 130.512 due to a rise in numbers of live fish stock. During the first 6 months of 2020 the price per fish increased with an average of €0.31 per kilogram.

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8. Non-current liabilities

(€)	30 June 2020	31 December 2019
Loan Rabobank (0050021680)	5.841.741	5.839.821
Lease liability	1.824.094	1.986.216
Loan Rabobank (0050099049)	750.000	750.000
Loan Visserij Investeringsfonds Nederland (430005020)	500.000	500.000
Loan Visserij Investeringsfonds Nederland (430004020)	300.000	300.000
Loan Rooftop Energy B.V.	9.498	16.508
	9.225.332	9.392.545
Repayment due within 12 months	706.989	710.968
Long term loan at December 31	8.518.343	8.681.577

Loan Rabobank (0050021680)

(€)	30 June 2020	31 December 2019
Balance as at January 1	5.839.821	5.985.982
Repayment of loans	-	(150.000)
Amortization transaction cost	1.920	3.839
Interest charged	78.761	175.375
Interest paid	(78.761)	(175.375)
Outstanding amount	5.841.741	5.839.821
Repayment due within 12 months	(300.000)	(300.000)
Balance as at December 31	5.541.741	5.539.821

The principle amount of the loan is € 6,100.000. The repayment term amounts to € 75,000 per quarter as from 30 June 2019 and an additional repayment of € 3,100,000 on 30 June 2029. The transaction costs attributable to the loan amount € 46,750 and are deducted from the amount received. The transaction costs will be amortized during the duration of the loan. As a result of the Covid-19 pandemic the Company received a lenience on the repayment of the loan. Therefore no repayment has occurred during the first 6 months of 2020 and further repayments have been postponed with 3 months.

The interest rate is based on 3 months Euribor plus a markup of 3.25%. The markup of 3.25% is fixed for the duration of three years. The facility is a 20 year mortgage, ending after 10 years.

Besides the loan the company also has a working capital facility at Rabobank with a maximum current account credit of € 3,000,000. The maximum current account credit is € 3,000,000. The account credit consists of a fixed base limit in an amount € 1,500,000 and a related additional limit of maximum € 1,500,000 based upon the value of the pledged inventory. The fixed base limit of € 1,500,000 will be removed on December 31th 2021, the to[illegible] will then be based upon the value of the pledged inventory. The interest rate is [illegible] Euribor plus a markup of 2,85%.

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Guarantees:
- First mortgage for an amount of € 6,100,000 on the land and the company hall at Oostzeedijk 11, 4485 OM Colijnsplaat;
- Pledge on insured stock;
- Pledge on all current and future stocks;
- Pledge on all current and future inventories.

The following conditions apply to the loan:
- Satisfy a solvency ratio of at least 45% (as from 31 December 2021);
- Satisfy a debt service ratio of at least 1.3 (as from 31 December 2021);
- Compliance with the negative pledge and pari passu;
- Compliance with a 'No Change of Control';
- Non-dividend statement.

An additional loan agreement has been signed with Rabobank at the end of May 2020 for an amount of €4.000.000, for the investment of the expansion in the Netherlands. This loan has been drawn down in July and August 2020 and is repayable in 10 years with a fixed quarterly amount of €105.263. The following guarantees are given for this additional loan:

- A third right of mortgage on the fish farm at Oost-Zeedijk 13, Kats;
- A second right of mortgage on the Colijnsplaatse Groenweg 2, Kats up to an amount of EUR 5,000,000;
- Pledge on the rights pursuant to the CAR-insurance.

Lease liabilities
Kingfish Zeeland B.V. entered a sale and lease back agreement with Rabobank for the total amount of € 3,258,000. Legal ownership of the assets under financial leasing has been transferred to Rabobank. After expiring of the fixed term of 72 months, the company will be entitled to:
- purchase and acquire title to the Asset at the price of € 260,640; or
- renew the agreement by one year; or
- return the asset to the lessor to a location in the Netherlands designated for that purpose by the lessor.

Movement in first half of 2020 consist only of repayments.

Loan Rabobank (0050099049)
During May 2020 repayment term of the loan is extended to 31 December 2021.

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9. Other liabilities and accrued expenses

(€)	30 June 2020	31 December 2019
Short term portion of long term liabilities	706.989	710.968
Prepaid subsidies	119.392	-
Consulting fees	-	88.000
Compensation accruals	102.402	110.932
Accrued interest	22.690	22.690
Other accrued liabilities	153.522	166.370
Total other liabilties and accrued liabilities	1.104.995	1.098.959

Off balance sheet rights, obligations and arrangements

Disclosure of off balance sheet commitments

Rent and operating lease commitments

Rent and operating lease expenses amounted to approximately € 66.000 per annum. The main part of future rent commitments relates to the renting of office and storage space and forklifts. The majority of these contracts have an indefinite term and can be terminated with a few weeks' notice.

Off balance sheet liabilities relating to purchase commitments

The group has committed itself for purchased regarding the expansion of the production facility amounting to € 6,500,000, which is part of a €10,000,000 CAPEX program. In first half of 2020, the company already invested approximately a €4,500,000 on behalf of this CAPEX program.

SUBSEQUENT EVENTS

The coronavirus outbreak during the first months of 2020 has major consequences for the global economy. The consequences of the coronavirus outbreak are included in the 2020 H1 Interim report. Due to the outbreak of the corona virus and the resulting corona crisis, the results of the company during 2020 have decreased compared to what was budgeted. This decrease has mainly occurred from March 2020.

The corona crisis is expected to have a further negative strong effect on the result of the legal entity for the rest of 2020. However, this will also depend on how the coronavirus outbreak can be controlled. In addition to measures aimed at preventing the further spread of the Covid-19 virus, governments in various countries have introduced measures aimed at mitigating the economic consequences of the outbreak. The Group has used some of the available financial measures in the Netherlands and the USA. Despite the disruption caused by Covid-19 the company has been able to continue its expansion plans in the Netherlands and the USA. In addition, the company has seen a rise in sales since the last two months of the second quarter of 2020. However, due to the great uncertainty, it is difficult to map out the different scenarios. As a result, the expected impact of the coronavirus outbreak on our operations is not yet clear.

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10. Wages and salaries

The presentation in the profit and loss account of an operating government grant is not prescribed under Dutch GAAP. Presenting the wage costs subsidy as 'other operating income' or deducting the wage costs subsidy from the relevant costs are prescribed options, as an accounting policy choice. The Company has decided to present the COVID-19 related grant as a deduction of the relating wage and salary costs as the grant is to cover ongoing wage and salary costs. The amount received for the Netherlands operations is € 249,543.

Wages and salaries also include a grant of € 41,856 (1 January 2019 until 30 June 2019: € 41,856) which the Company received as part of the ongoing Research & Development program of Rijksdienst voor Ondernemend Nederland (RVO).

Average number of employees in 2020: 44,46 (2019: 34,23)

11. Other operating expenses

	1 January until 30 June	
(€)	**2020**	**2019**
Other employee expenses	261.571	390.979
Selling expenses	178.041	176.155
Operating and machine expenses	289.821	223.380
Housing expenses	101.226	63.635
Car expenses	7.891	16.131
Office expenses	12.586	18.758
General expenses	267.243	357.550
Total other operating expenses	1.118.381	1.246.588

12. Financial income and expense

(€)	**2020**	**2019**
Interest expense – lease liabilities	133.676	183.364
Interest expense – related party	-	111.478
Other interest expences and bank charges	36.696	30.915
Total Interest and other expense	170.372	325.758

13. Related parties

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Balances with related parties as per year-end are disclosed in the statement of financial position and previous notes and in the table below.

	1 January until 30 June	
(€)	**2020**	**2019**
Related Party Revenues	-	-
Related Party Costs	86.251	
Total related party transactions	86.251	-

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Kats,
Kingfish Zeeland B.V.

I. Young	O. Maiman	C.J. Kloet
CFO	CEO	COO

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Auditors

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Reg.no.: 24425560

To the shareholders of
Kingfish Zeeland B.V.

INDEPENDENT AUDITOR'S REVIEW REPORT

Introduction
We have reviewed the accompanying (condensed) consolidated interim financial information for the period from 1 January 2020 to 30 June 2020 of Kingfish Zeeland B.V., based in Kats.

The interim financial information comprises:

1. the consolidated balance sheet as at 30 Juni 2020;
2. the consolidated profit and loss account for the period from 1 January 2020 to 30 June 2020; and
3. the notes, comprising a summary of the accounting policies and other explanatory information.

Management is responsible for the preparation and presentation of this interim financial information in accordance with the Richtlijn voor de Jaarverslaggeving 394 'Tussentijdse Berichten' (Dutch Accounting Standard 394 on Interim Reports). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope
We conducted our review in accordance with Dutch law including the Dutch Standard 2410, 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Dutch Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the interim financial information for the period from 1 January 2020 to 30 June 2020, is not prepared, in all material respects, in accordance with the Richtlijn voor de Jaarverslaggeving 394 'Tussentijdse Berichten' (Dutch Accounting Standard 394 on Interim Reports).

Baker Tilly (Netherlands) N.V. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Baker Tilly (Netherlands) N.V. is a public limited company and is the exclusive contracting party in respect of all commissioned work. The company's general terms and conditions, filed with the registry of the Dutch chamber of commerce under no. 24425560, which include a limitation of liability, are applicable to all work performed and to all legal relationships with third parties.

Goes, 16 October 2020

Baker Tilly (Netherlands) N.V.

Harry van den Burg

Kingfish Zeeland B.V.
at Kats

Equity statement as of 30 June 2020

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Consolidated statement of financial position

		30 June 2020
ASSETS		
Non-current assets		
Tangible fixed assets	1	21.930.088
Deferred tax asset	2	3.064.453
Total non-current assets		24.994.541
Current assets		
Inventory	3	4.145.640
Trade Accounts Receivable	4	722.624
Other receivables and prepaid expenses	5	885.939
		5.754.202
Cash and cash equivalents	6	2.798.814
Total current assets		8.553.016
Total assets		33.547.557

		30 June 2020
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Total equity	7	22.365.720
Non-current liabilities		
Long Term Loans		8.518.343
Total non-current liabilities	8	8.518.343
Current liabilities		
Shareholder loan		221.980
Trade Accounts Payable		921.762
Income tax payable		414.757
Other liabilities and accrued expenses	9	1.104.995
Total current liabilities		2.663.494
Total equity and liabilities		33.547.557

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General notes

Disclosure of going concern

The negative results up to the first half year of 2020 mainly occurred due to the fact that the company is in startup phase. The startup phase is financed by shareholders' equity and bank debt. The shareholders' equity per 30 June 2020 amounts € 22,365,720 positive.

The board of Kingfish Zeeland B.V. has made a cash flow forecast up until the end of 2030 and shows a net cash flow which is sufficient to meet the short term payment obligations. The company has sufficient funds to reach budgeted cash flows positive. Given this information, the condensed interim financial statements have been prepared on the basis of the going concern assumption of the Group.

Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Kingfish Zeeland B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

General accounting principles

The accounting standards used to prepare the equity statement

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

The equity statement as of 30 June 2020 has been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board (further: Dutch GAAP) in general and in specific article 394 of the Dutch GAAP.

Accounting principles

Property, plant and equipment

Buildings are valued at acquisition cost less straight line depreciation based on the expected life. Land is not depreciated. Impairments expected on the balance sheet date are taken into account.

Other tangible fixed assets are valued at acquisition or production cost including directly attributable costs, less straight-line depreciation based on the expected

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impairments.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

Interest expenses directly attributable to qualifying assets are capitalized during the manufacturing period. Other interest expenses are recognized directly in the income statement.

Financial assets

Deferred tax assets are recognized for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognized insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Impairment of non-current assets

On each balance sheet date, Kingfish Zeeland B.V. assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realizable value and the value in use.

An impairment loss is directly recognized in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realizable value is initially based on a binding sale agreement; if there is no such agreement, the realizable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

If it is established that an impairment that was recognized in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill is not reversed.

Inventories

Raw materials and consumables

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Inventories of raw materials and consumables are valued at cost price, based on the FIFO method, or lower realizable value. The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current conditions. The realizable value is the estimated sales price less directly attributable sales costs. In determining the realizable value the obsolescence of the inventories is taken into account.

Live fish stock

The live fish stock classify as biological assets. Dutch GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Under the provisions of IAS 41, Agriculture and IFRS 13, Fair Value Measurement, biological assets ("biomass") are measured at fair value less cost to sell, unless fair value is not readily measured. Biomass comprise of live fish in tanks from fry to adult grow-out. All fish held in tanks are considered saleable and are therefore measured at fair value less cost to sell.

The cost of biological assets ("biomass costs") includes all costs required to raise fish from larvae to harvest. Key biomass costs are generally recognized on a historical basis and include fish feed, other raw materials, salary and personnel costs, utilities, and other overhead from production.

The valuation of biological assets under IAS 41 is based on an implied estimated fair value of the fish in a hypothetical market. The estimate of the unrealized fair value adjustment under IFRS 13 is based on several factors such as changes in the final market destinations of fish sold, changes in forward market price and biomass costs, changes in biology, and differences in anticipated quality and size. The key element in approximating fair value is the assumed market price expected to be achieved on the future date in which the fish is to be harvested. Such market prices are based on a variety of sources including, but not limited to, the Companies historical sales prices achieved. The market prices are then reduced for harvesting and freight costs required to sell to arrive at a net value back to farm. The difference between the fair value and the associated cost to sell is recognized under fair value adjustments in the accompanying consolidated statements of operations.

Incident-based mortality is recognized when the facility experiences elevated or substantial mortality due to an incident out of expected normal capacity. In such cases, mortality expense is included as part of cost of materials in the accompanying consolidated statements of operations, and the fair value associated with the affected biomass is then adjusted under fair value adjustments in the Company's statements of operations.

Fair Value Measurement of Biological Assets

Under the provisions of IAS 41, the fair value of the Companies biological assets is calculated

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based on the market price for the relevant fish quality and size on the reporting period date. As the biomass input is mostly unobservable, biomass valuation is categorized at Level 3 in the fair value hierarchy under IFRS 13. The estimated market price in each market is normally derived from the development in recent market prices. The valuation model for the Company's biological assets calculates the net present value of the expected cash flow from harvested biomass based on the actual number of fish as a starting point. The time to market for live fish is based on a growth table for each generation of fish. The Company considers a live fish weight between 700 grams and 4 kilograms to be the optimal harvest weight with an expected growth period between 4 to 12 months. Expected mortality rates are used to estimate the expected volume of biomass that will reach optimal harvest weight. On average, an estimated of more than 95% of fingerlings is expected to reach the optimal harvest weight and takes into consideration both mortality and culling. Observable market prices are used where available.

Harvested fish stock
The harvested fish stock classify as biological assets. Dutch GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortized cost price. If there is no premium or discount and there are no transaction costs, the amortized cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Non-current liabilities

On initial recognition long-term debts are recognized at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognized at the amortized cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortized cost price is the same as the nominal value of the debt.

Current liabilities

On initial recognition current liabilities are recognized at fair value. After initial recognition current liabilities are recognized at the amortized cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

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To the shareholders of
Kingfish Zeeland B.V.

INDEPENDENT AUDITOR'S REPORT pursuant to Section 2:72, subsection 1 of the Dutch Civil Code

Our opinion
We have audited the equity statement as of 30 June 2020 of Kingfish Zeeland B.V. based in Kats in connection with the intended conversion of this company into a public company limited by shares.

In our opinion the shareholder's equity as of 30 June 2020 on the basis of valuation methods generally accepted in the Netherlands was at least equal to the paid and called-up part of the issued capital pursuant to the deed of conversion, being € 416,982.

Basis for our opinion
We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the equity statement' section of our report.

We are independent of Kingfish Zeeland B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Restriction on use
This auditor's report is solely issued in connection with the aforementioned conversion of the company into a public company limited by shares and therefore cannot be used for other purposes.

Responsibilities of management for the equity statement
Management is responsible for the preparation of the equity statement in accordance with Part 5 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the equity statement that is free from material misstatement, whether due to fraud or error.

As part of the preparation of the equity statement, management is responsible for assessing the company's ability to continue as a going concern. Based on the applicable financial reporting framework,

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Baker Tilly (Netherlands) N.V. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

management should prepare the equity statement using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the equity statement.

Our responsibilities for the audit of the equity statement
Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this equity statement. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the equity statement, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the equity statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the equity statement, including the disclosures; and
- evaluating whether the equity statement represent(s) the underlying transactions and events free from material misstatement.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Goes, 16 October 2020

Baker Tilly (Netherlands) N.V.

drs. H.J. van den Burg

Appendix C – The Company's interim consolidated management accounts as of and for the nine months period ended 30 September 2020

Kingfish Zeeland B.V

The tables below set out abridged financial results and statements from the Group's Q3-2020 Management accounts and the Audited Annual Financial Statements for 2019 and 2018:

Abridged Statement of Income and Expenses

(in EUR 1,000)		YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	FY 2019 (audited)	FY 2018 (audited)
Total Production Value		**4.778,7**	**3.757,1**	**4.554,7**	**2.677,3**
Revenue		*3.524,9*	*3.757,1*	*4.995,6*	*791,6*
Change in inventories and live fish stock		*1.253,8*	*-*	*(440,9)*	*1.885,7*
Cost		**(7.068,2)**	**(5.773,1)**	**(6.811,9)**	**(5.686,9)**
Cost of raw materials		*(2.853,8)*	*(2.411,3)*	*(2.780,9)*	*(2.164,8)*
Employment costs		*(2.596,4)*	*(1.631,9)*	*(1.736,5)*	*(1.159,1)*
Other operating expense		*(1.618,0)*	*(1.729,9)*	*(2.284,4)*	*(2.2362,8)*
EBITDA		**(2.289,5)**	**(2.016,0)**	**(2.257,2)**	**(3.009,6)**
Depreciation		(1.070,9)	(1.044,7)	(1.463,2)	-477,2
EBIT		(3.360,4)	(3.060,7)	(3.720,4)	(3.486,9)
Net financials		(301,3)	(525,3)	(649,2)	(321,7)
EBT		(3.661,6)	(3.586,0)	(4.369,7)	(3.808,5)
Taxes		-		1.333,9	593,1
Net income		(3.661,6)	(3.586,0)	(3.035,7)	(3.215,4)

Abridged Statement of Assets and Liabilities

(in EUR 1,000)		YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	FY 2019 (audited)	FY 2018 (audited)
Fixed assets		27.054,7	19.709,5	23.655,0	21.851,0
Inventories		3.976,0	2.886,0	2.652,4	2.886,0
Account receivables		864,9	912,1	1.408,1	591,5
Cash & cash equivalents		1.712,7	(2.341,8)	10.555,2	39,0
Total assets		**33.608,4**	**21.165,8**	**38.270,7**	**25.367,6**
		-			
Equity		21.302,0	10.470,3	25.923,4	9.948,3
Debt		10.921,9	8.881,2	10.977,9	14.895,4
Account payables		1.384,4	1.814,3	1.369,4	523,9
Total equity and liabilities		**33.608,4**	**21.165,8**	**38.270,7**	**25.367,6**

Abridged statement of Cashflows

(in EUR 1,000)		YTD Q3 2020 (unaudited)	YTD Q3 2019 (unaudited)	FY 2019 (audited)	FY 2018 (audited)
Cash flow from operations		(3.638,2)	(2.870,3)	(6.900,0)	(5.637,9)
Cash flow from investments[1]		(8.825,5)	-201	(1.800,0)	(2.832,3)
Cash flow from financing		4.255,4	3.757,3	19.300,0	7.991,3
Net cash flow		**(8.208,3)**	**686**	**10.600,0**	**(478,9)**

[1] *YTD Q3 2020 cash flow from investments include 6.4m EUR investment in construction of system E (NL).*

Appendix D – The Company's audited consolidated financial statements as of and for the year ended 31 December 2019

Kingfish Zeeland B.V.
at Kats

Financial report 2019

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CONSOLIDATED ACCOUNTS

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Consolidated balance sheet as at 31 December 2019

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2019

(After distribution of result)

			31-12-2019		31-12-2018
		€	€	€	€
ASSETS					
FIXED ASSETS					
Property, plant and equipment	1				
Land and buildings		9.293.290		9.587.299	
Plant and equipment		9.434.958		10.349.521	
Other fixed assets		1.357.891		665.603	
Property, plant and equipment in progress and prepayments of property, plant and equipment		885.066		-	
			20.971.205		20.602.423
Financial assets					
Deferred tax assets	2		2.683.747		1.248.637
CURRENT ASSETS					
Inventories and work in progress					
Raw materials and consumables	3	376.274		168.836	
Live fish stock	4	2.141.672		2.717.120	
Harvested fish stock	5	134.529		-	
			2.652.475		2.885.956
Receivables					
Trade debtors	6	637.984		247.204	
Other receivables and accrued assets	7	770.088		344.304	
			1.408.072		591.508
Cash and cash equivalents	8		10.555.146		39.048
Total assets			38.270.645		25.367.572

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			31-12-2019		31-12-2018
		€	€	€	€
EQUITY AND LIABILITIES					
GROUP EQUITY	9		25.923.360		9.948.247
PROVISIONS					
Deferred tax liabilities	10		594.458		493.284
LONG-TERM LIABILITIES	11				
Payables to banks	12	8.681.578		8.489.695	
Other long-term liabilities	13	-		16.664	
			8.681.578		8.506.359
CURRENT LIABILITIES AND ACCRUALS AND DEFERRED INCOME					
Shareholders loans	14	221.980		1.823.434	
Amounts owed to credit institutions	15	694.460		3.736.968	
Trade payables		1.639.464		523.899	
Payables relating to taxes and social security contributions	16	110.847		50.390	
Other liabilities and accrued expenses	17	404.498		284.991	
			3.071.249		6.419.682
Total liabilities			38.270.645		25.367.572

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CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2019

			2019		2018
		€	€	€	€
Net Turnover		4.995.581		791.606	
Changes in inventories and live fish stock		-440.918		1.885.723	
Production value			4.554.663		2.677.329
Cost of raw materials		2.198.682		2.164.857	
Expenses work contracted out and other external expenses		592.238		-	
Wages and salaries	18	1.344.604		907.978	
Social security premiums and pensions cost	19	391.895		251.112	
Depreciation of property, plant and equipment	20	1.463.244		477.270	
Other operating expenses	21	2.284.368		2.362.871	
Total of sum of expenses			8.275.031		6.164.088
Total of operating result			-3.720.368		-3.486.759
Release from revaluation reserve			65.516		19.855
			-3.654.852		-3.466.904
Financial income and expense	22		-714.827		-341.631
Total of result of activities before tax			-4.369.679		-3.808.535
Taxation			1.333.937		593.146
Total of result after tax			-3.035.742		-3.215.389

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NOTES TO THE FINANCIAL STATEMENTS OF THE CONSOLIDATED ANNUAL REPORT

Entity information

Registered address and registration number trade register

The registered and actual address of Kingfish Zeeland B.V. is Colijnsplaatse Groeneweg 2, 4485 PA in Kats. Kingfish Zeeland B.V. is registered at the Chamber of Commerce under number 64625060.

General notes

The most important activities of the entity

Established in 2015, the Kingfish Company engages in the production and supply of sustainable, safe and high quality seafood in its target markets.

In 2016 the company sanctioned its first project - a commercial scale pilot farm in the Netherlands for the production of more than 500t / annum of the supply constrained lucrative fish species 'Yellowtail Kingfish' via a proprietary recirculating aquaculture system. Since then the company completed the construction of the farm, closed the 'production cycle' and reached industry leading operational results.

The company is currently engaged in expanding its production capacity in W. Europe (Netherlands site) and developing its first N. America site (Maine, US);
The Kingfish Company continues to explore additional market opportunities across various species and production methods.

Disclosure of going concern

The net result after taxation for 2019 amounts € 2,984,681 negative (2018: € 3,215,389 negative).
The negative results up to 2019 mainly occurred due to the fact that the company is in start up phase. The start up phase is financed by shareholders' equity and bank debt. The shareholders' equity per December 31st, 2019 amounts € 25,974,421 positive.

The board of Kingfish Zeeland B.V. has made a cash flow forecast up until the end of 2022 and shows a net cash flow which is sufficient to meet the short term payment obligations. The company has sufficient funds to reach budgeted cash flows positive.

Going concern assumption
Given this information, the financial statements have been prepared on the basis of the going concern assumption of the company.

Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Kingfish Zeeland B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Disclosure of consolidation

Kingfish Zeeland B.V. is at the head of a group of companies. The group includes Kingfish Maine Inc. (100%) and Yellowtail Hatchery USA Inc. (100%).

The following entities are included in the consolidation:
- Kingfish Maine Inc. (100%);
- Yellowtail Hatchery USA Inc. (100%).

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General accounting principles

The accounting standards used to prepare the financial statements

The consolidated financial statement is drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Disclosure of deviation in prior period figures due to a revision

A change has been made in the figures of the prior period. The change regard the processing of subsidy grants. The change has a positive impact on the result of 2018 of € 124,840 (2017: 65,826) and a negative impact on the result of 2019 of € 190,666.The change has the following effects on the figures of the prior period:

Genaral reserve	(+) 190,666
Other liabilities	(-)190,666
Other operating expense	(-)124,840

Finance leases

The corporation has lease contracts whereby it retains substantially all the risks and rewards of ownership of these assets. These assets are recognised on the balance sheet upon commencement of the lease contract at the lower of the fair value of the asset or the discounted value of the minimum lease payments. The lease instalments to be paid are divided into a repayment and an interest portion, using the annuity method. The liabilities under the lease, excluding the interest payments, are included under long-term debts.

The interest component is included in the consolidated profit and loss account for the duration of the contract on the basis of a fixed interest percentage of the average remaining redemption component. The assets are depreciated over the remaining economic life or, if shorter, the duration of the contract.

Operating leases

The corporation has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the corporation. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the consolidated profit and loss account for the duration of the contract.

Accounting principles

Property, plant and equipment

Buildings and land, and plant and equipment are valued at actual cost less straight line depreciation based on the expected life. Land is not depreciated. Impairments expected on the balance sheet date are taken into account. The actual costs concern the actual purchase price or actual production price. The actual purchase price of assets is based on the amount the company, on the date of revaluation, would pay for acquiring the asset if the asset would have the same anility as on the moment of the initial purchase.
The actual production price is based on the cost the company would make if the asset would be produced on the date of revaluation. The increase of value following from a revaluation is processed directly in the shareholders equity through a revaluation reserve. Realization of the revaluation reserve is processed through the profit and loss account.

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

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Interest expenses directly attributable to qualifying assets are capitalized during the manufacturing period. Other interest expenses are recognized directly in the income statement.

Financial assets

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Impairment of non-current assets

On each balance sheet date, Kingfish Zeeland B.V. assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use.
An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill is not reversed.

Inventories

Raw materials and consumables
Inventories (stocks) of raw materials and consumables are valued at cost price, based on the FIFO method. If the net realisable value is lower than the cost price, valuation is at net realisable value.

The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current conditions.

The net realisable value is the estimated sales price less directly attributable sales costs. In determining the net realisable value the obsolescence of the inventories is taken into account.

Live fish stock
Inventories (stocks) of livestock are valued at fair value. The live fish stock classify as biological assets. Dutch-GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

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Harvested fish stock
The harvested product is valued at fair value less expected cost to sell at the point of harvest.
The harvested fish stock classify as biological assets. Dutch-GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Provision for tax liabilities

Deferred tax liabilities are recognised for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax balances are valued at nominal value.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from contracts after deduction of discounts and such like and of taxes levied on the turnover.

Wages

The benefits payable to personnel are recorded in the consolidated profit and loss account on the basis of the employment conditions.

Applied policy of pension costs

Kingfish Zeeland B.V. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

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Income tax expense

Tax on the result is calculated based on the result before tax in the non-consolidated profit and loss account, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

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NOTES TO THE CONSOLIDATED BALANCE SHEET

Fixed assets

1 Property, plant and equipment

	Land and buildings	Plant and equipment	Other fixed assets	Property, plant and equipment in progress and prepayments of property, plant and e-quipment	Total
	€	€	€	€	€
Balance as at 1 January 2019					
Cost or manufacturing price	6.843.644	10.720.545	766.099	-	18.330.288
Accumulated revaluations	2.818.775	-	-	-	2.818.775
Accumulated depreciation	-75.120	-371.024	-100.496	-	-546.640
Book value as at 1 January 2019	9.587.299	10.349.521	665.603	-	20.602.423
Movements					
Additions	-	211.629	743.831	885.066	1.840.526
Depreciation	-214.597	-1.126.192	-37.882	-	-1.378.671
Depreciation revaluations	-79.412	-	-	-	-79.412
Disposals	-	-	-19.750	-	-19.750
Depreciation on disposals	-	-	6.089	-	6.089
Balance movements	-294.009	-914.563	692.288	885.066	368.782
Balance as at 31 December 2019					
Cost or manufacturing price	6.843.644	10.932.174	1.490.179	885.066	20.151.063
Accumulated revaluations	2.739.363	-	-	-	2.739.363
Accumulated depreciation	-289.717	-1.497.216	-132.288	-	-1.919.221
Book value as at 31 December 2019	9.293.290	9.434.958	1.357.891	885.066	20.971.205
Depreciation percentages	0 - 3,33	5 - 14,3	5 - 14,3	0	

The other fixed assets include breeding stock for an amount of € 1,092,000 at 31 December 2019 (2018: € 388,215). Impairment of breeding stock as a result of mortality is not presented separately.

The carrying amounts of assets under financial leasing, which are held without legal title by Kingfish Zeeland B.V. are at 31 December 2019 € 2,738,622 (2018: 3,170,227)

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Financial assets

	31-12-2019	31-12-2018
	€	€
2 Deferred tax assets		
Deferred tax asset	2.683.747	1.248.637

Deferred income tax assets relate to unutilised tax losses of € 12,490,999 (2018: € 7,135,073) in total. which are expected to be offset with future profits. Due to a change in estimated tax rates applicable at the time of settlement of the tax losses the tax rate of the deferred tax asset changed from 17.5% in 2018 to approximately 21% in 2019.

Loss compensation

Year	Compensable loss	Deductable till
	€	
2015	60.549	2024
2016	681.886	2025
2017	2.464.723	2026
2018	3.927.915	2027
2019	5.355.926	2025
	12.490.999	

Calculation taxable amount 2019

		2019
	€	€
Total of result before tax		-4.369.679
Added		
Lower fiscal taxation	190.666	
Higher fiscal other operating expenses (fundraising cost)	-1.323.838	
		-1.133.172
Substracted		
Result Yellowtail Hatchery USA Inc.		140.602
		-5.362.249

	Base amount	%	
Partly deductible amounts			
Application lump sum based on joint taxable wages	1.580.961	0,40	6.323
Taxable amount			-5.355.926

Current assets

Inventories and work in progress

3 Raw materials and consumables

	31-12-2019	31-12-2018
	€	€
Feed	225.938	160.051
Technical inventory	98.831	-
Packaging materials	41.822	-
Chemicals	9.683	8.785
	376.274	168.836

4 Live fish stock

Live fish stock	2.141.672	2.717.120

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Biological Assets
Under the provisions of IAS 41, Agriculture and IFRS 13, Fair Value Measurement, biological assets ("biomass") are measured at fair value less cost to sell, unless fair value is not readily measured. Biomass comprise of live fish in tanks from fry to adult grow-out. All fish held in tanks are considered saleable and are therefore measured at fair value less cost to sell.

The cost of biological assets ("biomass costs") includes all costs required to raise fish from larvae to harvest. Key biomass costs are generally recognized on a historical basis and include fish feed, other raw materials, salary and personnel costs, utilities, and other overhead from production.

The valuation of biological assets under IAS 41 is based on an implied estimated fair value of the fish in a hypothetical market. The estimate of the unrealized fair value adjustment under IFRS 13 is based on several factors such as changes in the final market destinations of fish sold, changes in forward market price and biomass costs, changes in biology, and differences in anticipated quality and size. The key element in approximating fair value is the assumed market price expected to be achieved on the future date in which the fish is to be harvested. Such market prices are based on a variety of sources including, but not limited to, the Companies historical sales prices achieved. The market prices are then reduced for harvesting and freight costs required to sell to arrive at a net value back to farm. The difference between the fair value and the associated cost to sell is recognized under fair value adjustments in the accompanying consolidated statements of operations.

Incident-based mortality is recognized when the facility experiences elevated or substantial mortality due to an incident out of expected normal capacity. In such cases, mortality expense is included as part of cost of materials in the accompanying consolidated statements of operations, and the fair value associated with the affected biomass is then adjusted under fair value adjustments in the Company's statements of operations.

Fair Value Measurement of Biological Assets
Under the provisions of IAS 41, the fair value of the Companies biological assets is calculated based on the market price for the relevant fish quality and size on the reporting period date. As the biomass input is mostly unobservable, biomass valuation is categorized at Level 3 in the fair value hierarchy under IFRS 13. The estimated market price in each market is normally derived from the development in recent market prices. The valuation model for the Company's biological assets calculates the net present value of the expected cash flow from harvested biomass based on the actual number of fish as a starting point. The time to market for live fish is based on a growth table for each generation of fish. The Company considers a live fish weight between 700 grams and 4 kilograms to be the optimal harvest weight with an expected growth period between 4 to 12 months. Expected mortality rates are used to estimate the expected volume of biomass that will reach optimal harvest weight. On average, an estimated of more than 95% of fingerlings is expected to reach the optimal harvest weight and takes into consideration both mortality and culling. Observable market prices are used where available.

As of 31 December 2019 and 2018, the companies biological assets consisted of the following:

(EUR 1,000)	**2019**	**2018**
Cost of biological assets	1.033	1.766
Fair value adjustments	1.109	951
Total biological assets	**2.142**	**2.717**

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The following represents a reconciliation of changes in the carrying amount of the company's biological assets for the years ended 31 December 2019 and 2018:

(EUR 1,000)	2019	2018
Biological assets at beginning of year	**2.717**	**845**
Increases due to production and purchases	7.093	4.011
Decreases due to harvest	-6.702	-1.457
Decreases due to mortality	-313	-629
Gain or loss arising from changes in fair value less costs to sell	-653	-53
Biological assets at end of year	**2.142**	**2.717**

As of 31 December 2019 and 2018, the companies physical volumes of biological assets consisted of the following:

(EUR 1.000)	2019	2018
Live weight of biomass (in tons)	166	184
Number of fish (thousand)	259	210
Volume of fish harvested during the year (tons whole round weight)	485	64

Sensitivity Analysis
Although the Company has expertise in assessing various factors regarding biomass, the estimate of unrealized fair value adjustment under IFRS 13 is based on several uncertain assumptions, and the realized profit ultimately achieved upon the sale of inventory may differ from the calculations of fair value accordingly. Such assumptions include biomass volume and growth rate, biomass quality and size distribution, biomass costs, fish mortality, and market price.

Biomass Volume and Growth Rate:

Biomass volume and growth rate is estimated from the changes between known tank density prior to the release of fish in tanks and the current tank density with live fish. The difference in densities is then used to estimate growth between any given period, which gives uncertainty with respect to biomass volume and growth rate.

Biomass Quality and Size Distribution:

Biomass quality prior to harvest is estimated based on periodic samples obtained throughout the life of a given batch. However, the actual bio-mass quality for the entire batch population is difficult to assess prior to harvest and some degree of variation of quality is expected. Fair value is first assessed as superior quality fish and the estimated price per kg is reduced on downgraded ordinary and production grade fish based on standard rates from historical benchmarks. Biomass size distribution prior to harvest is estimated from counting and grading systems prior to harvest. Although some degree of variation is expected, actual fish size is not expected to deviate substantially from the average distribution for the overall batch and therefore, the companies estimated value of biomass with this respect.

Biomass Costs:

Estimated future biomass costs are based on the company's forecasts taking into consideration factors such as uncertainty with feed prices or other biomass cost developments. Changes in the company's estimation towards biomass costs would influence the value of biomass and is recognized accordingly as part of the fair value adjustments in the accompanying consolidated statements of operations.

Fish Mortality:

Mortality under normal capacity is expected and directly affects the fair value estimates as it ultimately results in a reduction in harvestable biomass volumes. Further, overall biomass costs for a given batch includes the cost of fish that will perish under expected mortality.

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Market Price:

The key element in the fair value model of biological assets is the estimated forward market price that is expected to be received in the future when the fish is harvested. An increase in anticipated forward market prices would increase the fair value of the biological assets and vice versa. A change in biomass costs will generally have lesser impact on the estimated fair value calculation that a similar change in anticipated forward market prices.

The fair value of the company's biological assets was calculated based on different parameters.
As of 31 December 2019 and 2018, the estimated effect on the book value of biological assets was as follows:

(EUR 1,000)	**Increase**	**2019**	**2018**
Change in biomass size	5%	2.289	2.879
Change in forward price	5%	2.249	2.853

Incident-Based Mortality
No significant mortality incidents were noted for the years ended 31 December 2019 and 2018.

5 Harvested fish stock

	31-12-2019	31-12-2018
	€	€
Frozen inventory	134.529	-

Receivables

6 Trade debtors

Trade debtors	662.984	247.204
Provision for doubtful debts	-25.000	-
	637.984	247.204

7 Other receivables and accrued income

Taxes and social security charges	292.407	101.069
Current account shareholders	128.279	-
Other receivables and accrued income	349.402	243.235
	770.088	344.304

Taxes and social security charges

Value added tax	292.407	101.069

Other receivables and accrued assets

Trade debtors factoring	164.961	-
Prepaid expenses	70.732	48.850
Deposits Brenntag	32.899	19.286
Guarantee deposit	10.000	10.000
Other deposits	7.100	7.100
Net wages	6.422	-
Insurance premium	-	85.679
Other costs to be invoiced	-	36.495
Other amounts receivable	57.288	35.825
	349.402	243.235

The factoring facility is provided by Rabobank. The factoring limit is € 1,000,000 and is based on 90% of qualifying outstanding debtors. The economic ownership of the debtors remains with Kingfish Zeeland B.V.

Guarantees:
- Pledge on all current and future receivables;
- Pledge on all rights and claims credit insurances.

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8 Cash and cash equivalents

	2019	2018
	€	€
Rabobank	10.520.146	-
Deposit	35.000	35.000
Cash in transit	-	3.518
Cash	-	530
	10.555.146	39.048

The maximum current account credit is € 3,000,000. The account credit consists of a fixed base limit in an amount € 1,500,000 and a related additional limit of maximum € 1,500,000 based upon the value of the pledged inventory. The fixed base limit of € 1,500,000 will be removed on December 31th 2021, the total maximum will then be based upon the value of the pledged inventory. The interest rate is based on 1 month Euribor plus a markup of 2,85%. For the securities provided we refer to note 12 regarding the Rabobank loan.

9 Group equity

The shareholders' equity is explained in the notes to the non-consolidated balance sheet.

Provisions

10 Deferred tax liabilities

The provision for deferred taxes concerns deferred tax of which the value is determined based on differences between commercial and fiscal balance sheet valuations multiplied by the expected rate of taxation of 21.7%.

Long-term liabilities

11 Long-term liabilities

	Balance as at 31 December 2019	Repayment due	Remaining pay-back time > 1 year
	€	€	€
Total	9.392.546	710.968	8.681.578

Remaining maturity > 5 years

€ 4.378.236

	31-12-2019	31-12-2018
	€	€
12 Payables to banks		
Loans	7.089.821	6.561.036
Lease liabilities	1.591.757	1.928.659
	8.681.578	8.489.695

Loans

Rabobank 0050021680	5.539.821	5.761.036
Rabobank 0050099049	750.000	-
Visserij investeringsfonds Nederland 430.005.020	500.000	500.000
Visserij investeringsfonds Nederland 430.004.020	300.000	300.000
	7.089.821	6.561.036

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	2019	2018
	€	€
Rabobank 0050021680		
Balance as at 1 January		
Principal amount	6.053.250	6.053.250
Cumulative amortization transaction costs / cumulative repayments	-67.214	3.893
Balance as at 1 January	5.986.036	6.057.143
Movements		
Repayment	-146.215	-71.107
Balance as at 31 December		
Principal amount	6.053.250	6.053.250
Cumulative amortization transaction costs / cumulative repayments	-213.429	-67.214
Current portion	-300.000	-225.000
Balance as at 31 December	5.539.821	5.761.036

The principle amount of the loan is € 6,100.000. The repayment term amounts to € 75,000 per quarter as from 30 June 2019 and an additional repayment of € 3,100,000 on 30 June 2029. The transaction costs attributable to the loan amount € 46,750 and are deducted from the amount received. The transaction costs will be amortized during the duration of the loan. An amount of € 3.785 is amortized in 2019.

The interest rate is based on 3 months Euribor plus a markup of 3.25%. The markup of 3.25% is fixed for the duration of three years. The facility is a 20 year mortgage, ending after 10 years.

Besides the loan the company also has a working capital facility at Rabobank with a maximum current account credit of € 3,000,000. For further details we refer to paragraph 8.

Guarantees:
- First mortgage for an amount of € 6.100.000 on the land and the company hall at Oostzeedijk 11, 4485 OM Colijnsplaat;
- Pledge on insured stock;
- Pledge on all current and future stocks;
- Pledge on all current and future inventories.

- Satisfy a solvency ratio of at least 45% (as from 31 December 2021);
- Satisfy a debt service ratio of at least 1.3 (as from 31 December 2021);
- Compliance with the negative pledge and pari passu;
- Compliance with a 'No Change of Control';
- Non-dividend statement.

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	2019	2018
	€	€
Rabobank 0050099049		
Balance as at 1 January	-	-
Movements		
Increase	750.000	-
Balance as at 31 December		
Principal amount	750.000	-
Balance as at 31 December	750.000	-

During 2018 the company has entered a new loan agreement with the Rabobank for a loan of € 750,000. The loan is withdrawn in 2019 and needs to be repaid in full on 31 December 2021.

For this loan the company guarantees:
- First mortgage for an amount of € 1,500,000 to be increased by € 525,000 for interest, fees, fines and costs on the pump house on the Oost-Zeedijk 15, 4485 PM Kats.

Visserij investeringsfonds Nederland 430.005.020

Balance as at 1 January		
Principal amount	500.000	500.000
Balance as at 1 January	500.000	500.000
Balance movements	-	-
Balance as at 31 December		
Principal amount	500.000	500.000
Balance as at 31 December	500.000	500.000

The duration of the loan is from October 27, 2016 to October 27, 2021.

The interest rate is 6,25% per annum, fixed for the entire term. After 60 months the loan is being repaid at once. No securities have been provided, therefore the loan is in fact subordinated to the loans of Rabobank, same as all other creditors.

Visserij investeringsfonds Nederland 430.004.020

Balance as at 1 January		
Principal amount	300.000	300.000
Balance as at 1 January	300.000	300.000
Balance movements	-	-
Balance as at 31 December		
Principal amount	300.000	300.000
Balance as at 31 December	300.000	300.000

The duration of the loan is from January 15, 2016 to January 15, 2021.

The interest rate is 6,25% per annum, fixed for the entire term. After 60 months the loan is being repaid at once. No securities have been provided, therefore the loan is in fact subordinated to the loans of Rabobank, same as all other creditors.

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	31-12-2019	31-12-2018
	€	€
Lease liabilities		
Lease liability Volvo XC70, (KG-058-X)	18.938	27.033
Lease liability Rabobank	1.525.991	1.901.626
Lease liability Nissan X-trail, (ZF-372-G)	23.963	-
Lease BNP Paribas, fertilizer machine	22.865	-
	1.591.757	1.928.659

	2019	2018
	€	€
Lease liability Rabobank		
Balance as at 1 January		
Principal amount	3.258.000	1.803.025
Cumulative repayments	-1.051.386	-
Balance as at 1 January	2.206.614	1.803.025
Movements		
Increase	-	1.454.975
Repayment	-304.988	-1.051.386
Balance movements	-304.988	403.589
Balance as at 31 December		
Principal amount	3.258.000	3.258.000
Cumulative repayments	-1.356.374	-1.051.386
Current portion	-375.635	-304.988
Balance as at 31 December	1.525.991	1.901.626
Interest percentage	3	3
Term	50 months	62 months

Kingfish Zeeland B.V. entered a sale and lease back agreement with Rabobank for the total amount of € 3,258,000. Legal ownership of the assets under financial leasing has been transferred to Rabobank.

After expiring of the fixed term of 72 months, the company will be entitled to:
- purchase and acquire title to the Asset at the price of € 260,640; or
- renew the agreement by one year; or
- return the asset to the lessor to a location in the Netherlands designated for that purpose by the lessor.

	31-12-2019	31-12-2018
	€	€
13 Other long-term liabilities		
Rooftop Energy B.V.	-	16.664

The remaining term for the liability is less than 12 months, therefore the liability is reported as part of the current liabilities.

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Current liabilities and accruals and deferred income

	31-12-2019	31-12-2018
	€	€

14 Shareholders loans

Shareholders loan	221.980	1.823.434

The loan is an unsecured loan, which is subordinated to all currently existing debts and obligations of the company to banks and institutional creditors. The loan is provided by 3 shareholders (2018: 13). The interest rate is 10% per annum. The loan in converted to equity in 2020.

15 Amounts owed to credit institutions

Payables to banks	-	3.199.417
Repayment obligations	694.460	537.551
	694.460	3.736.968

16 Payables relating to taxes and social security contributions

Wage tax	68.174	8.460
Pension premiums	42.673	41.930
	110.847	50.390

17 Other liabilities and accrued expenses

Consulting Fees	88.000	-
Fundraising cost	61.000	-
Holiday allowance	59.451	37.421
Housing expenses	58.306	-
Outstanding holiday and overtime	51.479	117.500
Accounting costs	26.250	12.500
Repayment obligations	16.508	16.668
Other interest	10.083	10.190
Interest and commitmentfee loan shareholders	-	75.820
Lease Iveco	-	7.962
Prepaid share capital	-	6.921
Net wages	-	9
Other amounts payable	33.421	-
	404.498	284.991

Off-balance-sheet rights, obligations and arrangements

Disclosure of off-balance sheet commitments

Subsidies/grants
In 2019, the company processed an amount of € 284,176 (2018: € 124,840) in subsidy income in the profit and loss account, which are based on the spent and budgeted costs up to and including December 31, 2019. The actual subsidy benefits depend on the future determination of the subsidy by the subsidy provider.

The total committed subsidy contribution amounts up to a maximum of € 841,218, including the already processed grants

Rent and operating lease commitments

Rent and operating lease expenses amounted to approximately € 66.000 per annum. The main part of future rent commitments relates to the renting of office and storage space and forklifts. The majority of these contracts have an indefinite term and can be terminated with a few weeks' notice.

Off-balance sheet liabilities relating to purchase commitments

The group has committed itself for purchased regarding the expansion of the production facility amounting to € 6,500,000, which is part of a €10,000,000 CAPEX program.

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SUBSEQUENT EVENTS

The coronavirus outbreak during the first months of 2020 has major consequences for the global economy. The consequences of the coronavirus outbreak are classified as events after the balance sheet date that do not provide further information about the actual situation as at the balance sheet date and are therefore not included in the 2019 financial statements. Due to the outbreak of the corona virus and the resulting corona crisis, the results of the company during 2020 have decreased compared to what was budgeted. This decrease has mainly occurred from March 2020. The corona crisis is expected to have a further negative strong effect on the result of the legal entity for the rest of 2020. However, this will also depend on how the coronavirus outbreak can be controlled. In addition to measures aimed at preventing the further spread of the Covid-19 virus, governments in various countries have introduced measures aimed at mitigating the economic consequences of the outbreak. The Group has used some of the available financial measures in the Netherlands and the USA. Despite the disruption caused by Covid-19 the company has been able to continue its expansion plans in the Netherlands and the USA. In addition, the company has seen a rise in sales since the last two months of the second quarter of 2020. However, due to the great uncertainty, it is difficult to map out the different scenarios. As a result, the expected impact of the coronavirus outbreak on our operations is not yet clear.

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NOTES TO THE CONSOLIDATED STATEMENT OF INCOME AND EXPENSES

	2019	2018
	€	€
18 Wages and salaries		
Gross salaries	1.473.459	1.032.539
Subsidy WBSO	-67.776	-71.463
Capitalized own hours fixed assets in progress	-61.079	-53.098
	1.344.604	907.978

Average number of employees

2019

	Number
Average number of employees	34,23

2018

	Number
Average number of employees	22,50

19 Social security premiums and pensions cost		
Social security charges	235.475	148.469
Other pension charges	156.420	102.643
	391.895	251.112
20 Depreciation of property, plant and equipment		
Buildings and land	294.009	78.663
Depreciation costs installations	1.126.192	361.456
Other fixed assets	37.882	37.151
	1.458.083	477.270
Book profit depreciation inventory	5.161	-
	1.463.244	477.270
21 Other operating expenses		
Other expenses of employee benefits	833.032	481.788
Housing expenses	177.469	302.239
Operating and machine expenses	481.435	264.710
Selling expenses	365.140	695.347
Car expenses	42.602	27.074
Office expenses	60.224	31.466
General expenses	324.466	560.247
	2.284.368	2.362.871

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	2019	2018
	€	€
Other expenses of employee benefits		
Third party services	523.055	159.003
Management fee	130.100	258.250
Commuting expenses	60.024	26.998
Motor car allowance	13.936	20.374
Study and training expenses	13.016	8.381
Canteen expenses	3.373	10.167
Other staff expenses	123.128	42.715
	866.632	525.888
Capitalized fixed assets in progress	-33.600	-44.100
	833.032	481.788
Housing expenses		
Rent expenses	51.738	194.558
Cleaning expenses	47.809	45.387
Insurance premium property	46.447	41.144
Property tax	15.247	14.937
Other housing expenses	16.228	6.213
	177.469	302.239
Operating and machine expenses		
Repair and maintenance of inventory	441.476	227.671
Operational lease machines	17.640	18.270
Rental expenses inventory	10.894	18.769
Other operating and machine expenses	11.425	-
	481.435	264.710
Selling expenses		
Travelling and hotel expenses	177.956	137.286
Events	43.949	118.153
Marketing materials	35.116	88.979
Marketing set up costs	26.590	86.235
Addition to provision doubtful debtor	25.000	-
Marketing/sales costs	14.879	200.988
Other selling expenses	41.650	63.706
	365.140	695.347
Car expenses		
Fuel expenses	20.204	6.122
Repair and maintenance cars	12.348	9.225
VAT on private use cars	3.891	2.200
Motor car tax	3.225	2.651
Fines	-	960
Other car expenses	2.934	5.916
	42.602	27.074

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	2019	2018
	€	€
Office expenses		
Telephone and fax expenses	24.449	15.539
Office supplies	22.915	15.927
Automation expenses	12.860	-
	60.224	31.466
General expenses		
Consultancy expenses	235.206	341.916
Insurance premium	144.884	111.794
Accounting costs	60.270	58.805
Provision receivables	60.231	-
Subscriptions	55.687	41.771
Certification	42.858	67.279
Administration costs	2.766	50.004
Expense reversal subsidy	-284.176	-124.840
Other general expenses	6.740	13.518
	324.466	560.247

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	2019	2018
	€	€
22 Financial income and expense		
Other interest and similar income	-	114.640
Interest and similar expenses	-714.827	-456.271
	-714.827	-341.631
Other interest and similar income		
Capitalized fixed assets in progress	-	114.640
Interest and similar expenses		
Paid interest	714.827	456.271
Paid interest		
Interest and other banking costs	326.180	270.906
Interest on loan shareholders	172.982	70.864
Interest on convertible loan shareholders	100.087	-
Interest lease liability	65.578	59.545
Interest Visserij Investeringsfonds Nederland	50.000	50.000
Interest commitment fee	-	4.956
	714.827	456.271

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NON-CONSOLIDATED ACCOUNTS

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NON-CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2019
(After proposal distribution of result)

			31-12-2019		31-12-2018
		€	€	€	€
ASSETS					
FIXED ASSETS					
Property, plant and equipment	23				
Land and buildings		9.293.290		9.587.299	
Plant and equipment		9.434.958		10.349.521	
Other fixed assets		1.357.891		665.603	
Property, plant and equipment in progress and prepayments of property, plant and equipment		588.640		-	
			20.674.779		20.602.423
Financial assets					
Shares, certificates of shares and other types of participating interests in group companies	24	2		-	
Deferred tax assets	25	2.683.747		1.248.637	
			2.683.749		1.248.637
CURRENT ASSETS					
Inventories and work in progress					
Raw materials and consumables	26	376.274		168.836	
Live fish stock	27	2.141.672		2.717.120	
Harvested fish stock	28	134.529		-	
			2.652.475		2.885.956
Receivables					
Trade debtors	29	637.984		247.204	
Receivables from group companies	30	492.828		-	
Other receivables and accrued assets	31	737.211		344.304	
			1.868.023		591.508
Cash and cash equivalents	32		10.391.621		39.048
Total assets			38.270.647		25.367.572

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			31-12-2019		31-12-2018
		€	€	€	€
EQUITY AND LIABILITIES					
EQUITY	33				
Share capital paid called up		415.244		215.320	
Share premium reserve		30.260.199		10.562.342	
Revaluation reserves		3.174.947		3.110.058	
General reserve		-7.927.030		-3.939.473	
			25.923.360		9.948.247
PROVISIONS					
Deferred tax liabilities	34		594.458		493.284
LONG-TERM LIABILITIES	35				
Payables to banks	36	8.681.578		8.489.695	
Other long-term liabilities	37	-		16.664	
			8.681.578		8.506.359
CURRENT LIABILITIES AND ACCRUALS AND DEFERRED INCOME					
Shareholders loans	38	221.980		1.823.434	
Amounts owed to credit institutions	39	694.460		3.736.968	
Trade payables		1.639.464		523.899	
Payables relating to taxes and social security contributions	40	110.847		50.390	
Other liabilities and accrued expenses	41	404.500		284.991	
			3.071.251		6.419.682
Total liabilities			38.270.647		25.367.572

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NON-CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2019

			2019		2018
		€	€	€	€
Net Turnover		4.995.581		791.606	
Changes in inventories and live fish stock		-440.918		1.885.723	
Production value			4.554.663		2.677.329
Cost of raw materials		2.198.682		2.164.857	
Expenses work contracted out and other external expenses		592.238		-	
Wages and salaries	42	1.313.125		907.978	
Social security premiums and pensions cost	43	391.895		251.112	
Depreciation of property, plant and equipment	44	1.463.244		477.270	
Other operating expenses	45	2.175.244		2.362.871	
Total of sum of expenses			8.134.428		6.164.088
Total of operating result			-3.579.765		-3.486.759
Release from revaluation reserve			65.516		19.855
			-3.514.249		-3.466.904
Financial income and expense	46		-714.828		-341.631
Total of result before tax			-4.229.077		-3.808.535
Taxation			1.333.937		593.146
			-2.895.140		-3.215.389
Share in result from participations	47		-140.602		-
Total of result after tax			-3.035.742		-3.215.389

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NOTES TO THE FINANCIAL STATEMENTS OF THE NON-CONSOLIDATED ANNUAL REPORT

Entity information

Registered address and registration number trade register

The registered and actual address of Kingfish Zeeland B.V. is Colijnsplaatse Groeneweg 2, 4485 PA in Kats. Kingfish Zeeland B.V. is registered at the Chamber of Commerce under number 64625060.

General notes

The most important activities of the entity

Established in 2015, the Kingfish Company engages in the production and supply of sustainable, safe and high quality seafood in its target markets.

In 2016 the company sanctioned its first project - a commercial scale pilot farm in the Netherlands for the production of more than 500t / annum of the supply constrained lucrative fish species 'Yellowtail Kingfish' via a proprietary recirculating aquaculture system. Since then the company completed the construction of the farm, closed the 'production cycle' and reached industry leading operational results.

In 2019 the company initiated its scale-up plan, targeting to reach production levels of Yellowtail Kingfish of 20,000 t / annum by 2025; The company is currently engaged in expanding its production capacity in W. Europe (Netherlands site) and developing its first N. America site (Maine, US);
The Kingfish Company continues to explore additional market opportunities across various species and production methods.

Disclosure of going concern

The net result after taxation for 2019 amounts € 2,984,681 negative (2018: € 3,215,389 negative).
The negative results up to 2019 mainly occurred due to the fact that the company is in start up phase. The start up phase is financed by shareholders' equity and bank debt. The shareholders' equity per December 31st, 2019 amounts € 25,974,421 positive.

The board of Kingfish Zeeland B.V. has made a cash flow forecast up until the end of 2022 and shows a net cash flow which is sufficient to meet the short term payment obligations. The company has sufficient funds to reach budgeted cash flows positive.

Going concern assumption
Given this information, the financial statements have been prepared on the basis of the going concern assumption of the company.

Disclosure of group structure

Kingfish Zeeland B.V. is at the head of a group of companies. The group includes Kingfish Maine Inc. (100%) and Yellowtail Hatchery USA Inc. (100%).

Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Kingfish Zeeland B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

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General accounting principles

The accounting standards used to prepare the financial statements

The financial statement is drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, non-consolidated profit and loss account and the cash flow statement, references are made to the notes.

Disclosure of deviation in prior period figures due to a revision

A change has been made in the figures of the prior period. The change regard the processing of subsidy grants. The change has a positive impact on the result of 2018 of € 124,840 (2017: 65,826) and a negative impact on the result of 2019 of € 190,666.The change has the following effects on the figures of the prior period:

General reserve	(+) 190,666
Other liabilities	(-) 190,666
Other operating expense	(-) 124,840

Finance leases

The corporation has lease contracts whereby it retains substantially all the risks and rewards of ownership of these assets. These assets are recognised on the balance sheet upon commencement of the lease contract at the lower of the fair value of the asset or the discounted value of the minimum lease payments. The lease instalments to be paid are divided into a repayment and an interest portion, using the annuity method. The liabilities under the lease, excluding the interest payments, are included under long-term debts.

The interest component is included in the non-consolidated profit and loss account for the duration of the contract on the basis of a fixed interest percentage of the average remaining redemption component. The assets are depreciated over the remaining economic life or, if shorter, the duration of the contract.

Operating leases

The corporation has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the corporation. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the non-consolidated profit and loss account for the duration of the contract.

Accounting principles

Property, plant and equipment

Buildings and land, and plant and equipment are valued at actual cost less straight line depreciation based on the expected life. Land is not depreciated. Impairments expected on the balance sheet date are taken into account. The actual costs concern the actual purchase price or actual production price. The actual purchase price of assets is based on the amount the company, on the date of revaluation, would pay for acquiring the asset if the asset would have the same anility as on the moment of the initial purchase.
The actual production price is based on the cost the company would make if the asset would be produced on the date of revaluation. The increase of value following from a revaluation is processed directly in the shareholders equity through a revaluation reserve. Realization of the revaluation reserve is processed through the profit and loss account.

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

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Interest expenses directly attributable to qualifying assets are capitalized during the manufacturing period. Other interest expenses are recognized directly in the income statement.

Financial assets

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as Kingfish Zeeland B.V. can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Newly acquired participations are initially recognised on the basis of the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

The amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the net result achieved by the participation is recognised in the non-consolidated profit and loss account.

Participations over which no significant influence can be exercised are valued at historical cost. The result represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

In the event of an impairment loss, valuation takes place at the recoverable amount; an impairment is recognised and charged to the non-consolidated profit and loss account.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Impairment of non-current assets

On each balance sheet date, Kingfish Zeeland B.V. assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use.
An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been applied. An impairment of goodwill is not reversed.

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Inventories

Raw materials and consumables
Inventories (stocks) of raw materials and consumables are valued at cost price, based on the FIFO method. If the net realisable value is lower than the cost price, valuation is at net realisable value.

The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current conditions.

The net realisable value is the estimated sales price less directly attributable sales costs. In determining the net realisable value the obsolescence of the inventories is taken into account.

Live fish stock
Inventories (stocks) of livestock are valued at fair value. The live fish stock classify as biological assets. Dutch-GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Harvested fish stock
The harvested product is valued at fair value less expected cost to sell at the point of harvest.
The harvested fish stock classify as biological assets. Dutch-GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Provision for tax liabilities

Deferred tax liabilities are recognised for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax balances are valued at nominal value.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

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Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from contracts after deduction of discounts and such like and of taxes levied on the turnover.

Wages

The benefits payable to personnel are recorded in the non-consolidated profit and loss account on the basis of the employment conditions.

Applied policy of pension costs

Kingfish Zeeland B.V. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

Income tax expense

Tax on the result is calculated based on the result before tax in the non-consolidated profit and loss account, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Share in results of participating interests

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to Kingfish Zeeland B.V..

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NOTES TO THE BALANCE SHEET

Fixed assets

23 Property, plant and equipment

	Land and buildings	Plant and equipment	Other fixed assets	Property, plant and equipment in progress and prepayments of property, plant and e-quipment	Total
	€	€	€	€	€
Balance as at 1 January 2019					
Cost or manufacturing price	6.843.644	10.720.545	766.099	-	18.330.288
Accumulated revaluations	2.818.775	-	-	-	2.818.775
Accumulated depreciation	-75.120	-371.024	-100.496	-	-546.640
Book value as at 1 January 2019	9.587.299	10.349.521	665.603	-	20.602.423
Movements					
Additions	-	211.629	743.831	588.640	1.544.100
Depreciation	-214.597	-1.126.192	-37.882	-	-1.378.671
Depreciation revaluations	-79.412	-	-	-	-79.412
Disposals	-	-	-19.750	-	-19.750
Depreciation on disposals	-	-	6.089	-	6.089
Balance movements	-294.009	-914.563	692.288	588.640	72.356
Balance as at 31 December 2019					
Cost or manufacturing price	6.843.644	10.932.174	1.490.179	588.640	19.854.637
Accumulated revaluations	2.739.363	-	-	-	2.739.363
Accumulated depreciation	-289.717	-1.497.216	-132.288	-	-1.919.221
Book value as at 31 December 2019	9.293.290	9.434.958	1.357.891	588.640	20.674.779
Depreciation percentages	0 - 3,33	5 - 14,3	5 - 14,3		

The other fixed assets include breeding stock for an amount of € 1,092,000 at 31 December 2019 (2018: € 388,215). Impairment of breeding stock as a result of mortality is not presented separately.

The carrying amounts of assets under financial leasing, which are held without legal title by Kingfish Zeeland B.V. are at 31 December 2019 € 2,738,622 (2018: 3,170,227).

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Financial assets

	31-12-2019	31-12-2018
	€	€
24 Shares, certificates of shares and other types of participating interests in group companies		
Kingfish Maine Inc.	1	-
Yellowtail Hatchery USA Inc.	1	-
	2	-

Kingfish Maine Inc.
100% subsidiary founded during 2019. The result of 2019 is € 0, equity € 1.

Yellowtail Hatchery USA Inc.
100% subsidiary founded during 2019. The result of 2019 is € 140.602 (negative), equity € 140.601 (negative).

25 Deferred tax assets

Deferred tax asset	2.683.747	1.248.637

Deferred income tax assets relate to unutilised tax losses of € 12,490,999 (2018: € 7,135,073) in total which are expected to be offset at a tax rate of approximately 21% (2018: 17,5%). Due to a change in estimated tax rates applicable at the time of settlement of the tax losses the tax rate of the deferred tax asset changed from 17.5% in 2018 to approximately 21% in 2019.

Loss compensation

Year	Compensable loss	Deductable till
	€	
2015	60.549	2024
2016	681.886	2025
2017	2.464.723	2026
2018	3.927.915	2027
2019	5.355.926	2025
	12.490.999	

Calculation taxable amount 2019

			2019
		€	€
Total of result before tax			-4.369.679
Added			
Lower fiscal taxation		190.666	
Higher fiscal other operating expenses (fundraising cost)		-1.323.838	
			-1.133.172
Substracted			
Result Yellowtail Hatchery USA Inc.			140.602
			-5.362.249
Partly deductible amounts	Base amount	%	
Application lump sum based on joint taxable wages	1.580.961	0,40	6.323
Taxable amount			-5.355.926

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Current assets

Inventories and work in progress
26 Raw materials and consumables

	31-12-2019	31-12-2018
	€	€
Feed	225.938	160.051
Technical inventory	98.831	-
Packaging materials	41.822	-
Chemicals	9.683	8.785
	376.274	168.836

27 Live fish stock

Live fish stock	2.141.672	2.717.120

Biological Assets
Under the provisions of IAS 41, Agriculture and IFRS 13, Fair Value Measurement, biological assets ("biomass") are measured at fair value less cost to sell, unless fair value is not readily measured. Biomass comprise of live fish in tanks from fry to adult grow-out. All fish held in tanks are considered saleable and are therefore measured at fair value less cost to sell.

The cost of biological assets ("biomass costs") includes all costs required to raise fish from larvae to harvest. Key biomass costs are generally recognized on a historical basis and include fish feed, other raw materials, salary and personnel costs, utilities, and other overhead from production.

The valuation of biological assets under IAS 41 is based on an implied estimated fair value of the fish in a hypothetical market. The estimate of the unrealized fair value adjustment under IFRS 13 is based on several factors such as changes in the final market destinations of fish sold, changes in forward market price and biomass costs, changes in biology, and differences in anticipated quality and size. The key element in approximating fair value is the assumed market price expected to be achieved on the future date in which the fish is to be harvested. Such market prices are based on a variety of sources including, but not limited to, the Companies historical sales prices achieved. The market prices are then reduced for harvesting and freight costs required to sell to arrive at a net value back to farm. The difference between the fair value and the associated cost to sell is recognized under fair value adjustments in the accompanying consolidated statements of operations.

Incident-based mortality is recognized when the facility experiences elevated or substantial mortality due to an incident out of expected normal capacity. In such cases, mortality expense is included as part of cost of materials in the accompanying consolidated statements of operations, and the fair value associated with the affected biomass is then adjusted under fair value adjustments in the Company's statements of operations.

Fair Value Measurement of Biological Assets
Under the provisions of IAS 41, the fair value of the Companies biological assets is calculated based on the market price for the relevant fish quality and size on the reporting period date. As the biomass input is mostly unobservable, biomass valuation is categorized at Level 3 in the fair value hierarchy under IFRS 13. The estimated market price in each market is normally derived from the development in recent market prices. The valuation model for the Company's biological assets calculates the net present value of the expected cash flow from harvested biomass based on the actual number of fish as a starting point. The time to market for live fish is based on a growth table for each generation of fish. The Company considers a live fish weight between 700 gram and 4 kilograms to be the optimal harvest weight with an expected growth period betwen 4 to 12 months. Expected mortality rates are used to estimate the expected volume of biomass that will reach optimal harvest weight. On average, an estimated op more than 95% of fingerlings is expected to reach the optimal harvest weight and takes into consideration both mortality and culling. Observable market prices are used where available.

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As of 31 December 2019 and 2018, the companies biological assets consisted of the following:

(EUR 1,000)	2019	2018
Cost of biological assets	1.033	1.766
Fair value adjustments	1.109	951
Total biological assets	**2.142**	**2.717**

The following represents a reconciliation of changes in the carrying amount of the company's biological assets for the years ended 31 December 2019 and 2018:

(EUR 1,000)	2019	2018
Biological assets at beginning of year	**2.717**	**845**
Increases due to production and purchases	7.093	4.011
Decreases due to harvest	-6.702	-1.457
Decreases due to mortality	-313	-629
Gain or loss arising from changes in fair value less costs to sell	-653	-53
Biological assets at end of year	**2.142**	**2.717**

As of 31 December 2019 and 2018, the companies physical volumes of biological assets consisted of the following:

(EUR 1.000)	2019	2018
Live weight of biomass (in tons)	166	184
Number of fish (thousand)	259	210
Volume of fish harvested during the year (tons whole round weight)	485	64

Sensitivity Analysis

Although the Company has expertise in assessing various factors regarding biomass, the estimate of unrealized fair value adjustment under IFRS 13 is based on several uncertain assumptions, and the realized profit ultimately achieved upon the sale of inventory may differ from the calculations of fair value accordingly. Such assumptions include biomass volume and growth rate, biomass quality and size distribution, biomass costs, fish mortality, and market price.

Biomass Volume and Growth Rate:

Biomass volume and growth rate is estimated from the changes between known tank density prior to the release of fish in tanks and the current tank density with live fish. The difference in densities is then used to estimate growth between any given period, which gives uncertainty with respect to biomass volume and growth rate.

Biomass Quality and Size Distribution:

Biomass quality prior to harvest is estimated based on periodic samples obtained throughout the life of a given batch. However, the actual bio-mass quality for the entire batch population is difficult to assess prior to harvest and some degree of variation of quality is expected. Fair value is first assessed as superior quality fish and the estimated price per kg is reduced on downgraded ordinary and production grade fish based on standard rates from historical benchmarks. Biomass size distribution prior to harvest is estimated from counting and grading systems prior to harvest. Although some degree of variation is expected, actual fish size is not expected to deviate substantially from the average distribution for the overall batch and therefore, the companies estimated value of biomass with this respect.

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Biomass Costs:

Estimated future biomass costs are based on the company's forecasts taking into consideration factors such as uncertainty with feed prices or other biomass cost developments. Changes in the company's estimation towards biomass costs would influence the value of biomass and is recognized accordingly as part of the fair value adjustments in the accompanying consolidated statements of operations.*Fish Mortality:*
Mortality under normal capacity is expected and directly affects the fair value estimates as it ultimately results in a reduction in harvestable biomass volumes. Further, overall biomass costs for a given batch includes the cost of fish that will perish under expected mortality.

Market Price:

The key element in the fair value model of biological assets is the estimated forward market price that is expected to be received in the future when the fish is harvested. An increase in anticipated forward market prices would increase the fair value of the biological assets and vice versa. A change in biomass costs will generally have lesser impact on the estimated fair value calculation that a similar change in anticipated forward market prices.

The fair value of the company's biological assets was calculated based on different parameters.
As of 31 December 2019 and 2018, the estimated effect on the book value of biological assets was as follows:

(EUR 1,000)	**Increase**	**2019**	**2018**
Change in biomass size	5%	2.289	2.879
Change in forward price	5%	2.249	2.853

Incident-Based Mortality
No significant mortality incidents were noted for the years ended 31 December 2019 and 2018.

28 Harvested fish stock

	31-12-2019	31-12-2018
	€	€
Frozen inventory	134.529	-

Receivables
29 Trade debtors

Trade debtors	662.984	247.204
Provision for doubtful debts	-25.000	-
	637.984	247.204

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	31-12-2019	31-12-2018
	€	€

30 Receivables from group companies

Kingfish Maine Inc.	387.169	-
Yellowtail Hatchery USA Inc.	105.659	-
	492.828	-

No interest has been calculated over the receivables, no securities have been agreed upon.

The negative net asset value of Yellowtail Hatchery USA Inc. of € 140.602 is deducted from the receivable.

31 Other receivables and accrued income

Taxes and social security charges	292.407	101.069
Current account shareholders	128.279	-
Other receivables and accrued income	316.525	243.235
	737.211	344.304

Taxes and social security charges

Value added tax	292.407	101.069

Other receivables and accrued assets

Trade debtors factoring	164.961	-
Prepaid expenses	70.732	48.850
Deposits Brenntag	32.899	19.286
Guarantee deposit	10.000	10.000
Other deposits	7.100	7.100
Net wages	6.422	-
Insurance premium	-	85.679
Other costs to be invoiced	-	36.495
Other amounts receivable	24.411	35.825
	316.525	243.235

The factoring facility is provided by Rabobank. The factoring limit is € 1,000,000 and is based on 90% of the outstanding debtors. The economic ownership of the debtors remains with Kingfish Zeeland B.V.

Guarantees:
- Plegde on all current and future receivables;
- Pledge on all rights and claims credit insurances.

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	31-12-2019	31-12-2018
	€	€
32 Cash and cash equivalents		
Rabobank	10.356.621	-
Deposit	35.000	35.000
Cash in transit	-	3.518
Cash	-	530
	10.391.621	39.048

The maximum current account credit is € 3,000,000. The account credit consists of a fixed base limit in an amount € 1,500,000 and a related additional limit of maximum € 1,500,000 based upon the value of the pledged inventory. The fixed base limit of € 1,500,000 will be removed on December 31th 2021, the total maximum will then be based upon the value of the pledged inventory. The interest rate is based on 1 month Euribor plus a markup of 2,85%. For the securities provided we refer to note 14 regarding the Rabobank loan.

33 Equity

Movements in equity were as follows:

	Share capital paid called up	Share premium reserve	Revaluation reserves	General reserve	Total
	€	€	€	€	€
Balance as at 1 January 2019	215.320	10.562.342	3.110.058	-3.939.473	9.948.247
Appropriation of result	-	-	-	-3.035.742	-3.035.742
Addition in financial year	-	20.195.285	130.405	-130.405	20.195.285
Issue of shares	204.924	-	-	-	204.924
Release in favor of revaluation reserve	-	-	-65.516	-	-65.516
Prepaid share premium reserve	-	826.410	-	-826.410	-
Fundraising cost directly in equity	-	-1.323.838	-	-	-1.323.838
Own shares	-5.000	-	-	5.000	-
Balance as at 31 December 2019	415.244	30.260.199	3.174.947	-7.927.030	25.923.360

	2019	2018
	€	€
Revaluation reserve live fish stock		
Balance as at 1 January	784.569	416.758
Addition in financial year	130.405	367.811
Balance as at 31 December	914.974	784.569

The revaluation reserve relates to the difference between fair value and historical cost (production cost excluding personnel and indirect costs. These costs cannot be imputed reliable) of the live fish stock.

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	2019	2018
	€	€
Revaluation reserve tangible fixed assets		
Balance as at 1 January	2.325.489	2.270.902
Addition in financial year as a result of change in percentage deferred taxes	-	70.471
	2.325.489	2.341.373
Release in favour of deficit	-65.516	-15.884
Balance as at 31 December	2.259.973	2.325.489

The revaluation reserve relates to the difference between actual cost and historical cost of the buildings, land, plant and equipment.

Provisions

34 Deferred tax liabilities

The provision for deferred taxes concerns deferred tax of which the value is determined based on differences between commercial and fiscal balance sheet valuations multiplied by the expected rate of taxation of 21.7%.

Long-term liabilities

35 Long-term liabilities

	Balance as at 31 December 2019	Repayment due	Remaining pay-back time > 1 year
	€	€	€
Total	9.392.546	710.968	8.681.578

Remaining maturity > 5 years

€ 4.378.236

	31-12-2019	31-12-2018
	€	€
36 Payables to banks		
Loans	7.089.821	6.561.036
Lease liabilities	1.591.757	1.928.659
	8.681.578	8.489.695

Loans

Rabobank 0050021680	5.539.821	5.761.036
Rabobank 0050099049	750.000	-
Visserij investeringsfonds Nederland 430.005.020	500.000	500.000
Visserij investeringsfonds Nederland 430.004.020	300.000	300.000
	7.089.821	6.561.036

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	2019	2018
	€	€
Rabobank 0050021680		
Balance as at 1 January		
Principal amount	6.053.250	6.053.250
Cumulative amortization transaction costs / cumulative repayments	-67.214	3.893
Balance as at 1 January	5.986.036	6.057.143
Movements		
Repayment	-146.215	-71.107
Balance as at 31 December		
Principal amount	6.053.250	6.053.250
Cumulative amortization transaction costs / cumulative repayments	-213.429	-67.214
Current portion	-300.000	-225.000
Balance as at 31 December	5.539.821	5.761.036

The principle amount of the loan is € 6,100.000. The repayment term amounts to € 75,000 per quarter as from 30 June 2019 and an additional repayment of € 3,100,000 on 30 June 2029. The transaction costs attributable to the loan amount € 46,750 and are deducted from the amount received. The transaction costs will be amortized during the duration of the loan. An amount of € 3.785 is amortized in 2019.

The interest rate is based on 3 months Euribor plus a markup of 3.25%. The markup of 3.25% is fixed for the duration of three years. The facility is a 20 year mortgage, ending after 10 years.

Besides the loan the company also has a working capital facility at Rabobank with a maximum current account credit of € 3,000,000. For further details we refer to paragraph 10.

Guarantees:
- First mortgage for an amount of € 6.100.000 on the land and the company hall at Oostzeedijk 11, 4485 OM Colijnsplaat;
- Pledge on insured stock;
- Pledge on all current and future stocks;
- Pledge on all current and future inventories.

- Satisfy a solvency ratio of at least 45% (as from 31 December 2021);
- Satisfy a debt service ratio of at least 1.3 (as from 31 December 2021);
- Compliance with the negative pledge and pari passu;
- Compliance with a 'No Change of Control';
- Non-dividend statement.

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	2019	2018
	€	€
Rabobank 0050099049		
Balance as at 1 January	-	-
Movements		
Increase	750.000	-
Balance as at 31 December		
Principal amount	750.000	-
Balance as at 31 December	750.000	-

During 2018 the company has entered a new loan agreement with the Rabobank for a loan of € 750,000. The loan is withdrawn in 2019 and needs to be repaid in full on 31 December 2021.

For this loan the company guarantees:
- First mortgage for an amount of € 1,500,000 to be increased by € 525,000 for interest, fees, fines and costs on the pump house on the Oost-Zeedijk 15, 4485 PM Kats.

Visserij investeringsfonds Nederland 430.005.020

Balance as at 1 January		
Principal amount	500.000	500.000
Balance as at 1 January	500.000	500.000
Balance movements	-	-
Balance as at 31 December		
Principal amount	500.000	500.000
Balance as at 31 December	500.000	500.000

The duration of the loan is from October 27, 2016 to October 27, 2021.

The interest rate is 6,25% per annum, fixed for the entire term. After 60 months the loan is being repaid at once. No securities have been provided, therefore the loan is in fact subordinated to the loans of Rabobank, same as all other creditors.

Visserij investeringsfonds Nederland 430.004.020

Balance as at 1 January		
Principal amount	300.000	300.000
Balance as at 1 January	300.000	300.000
Balance movements	-	-
Balance as at 31 December		
Principal amount	300.000	300.000
Balance as at 31 December	300.000	300.000

The duration of the loan is from January 15, 2016 to January 15, 2021.

The interest rate is 6,25% per annum, fixed for the entire term. After 60 months the loan is being repaid at once. No securities have been provided, therefore the loan is in fact subordinated to the loans of Rabobank, same as all other creditors.

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	31-12-2019	31-12-2018
	€	€
Lease liabilities		
Lease liability Volvo XC70, (KG-058-X)	18.938	27.033
Lease liability Rabobank	1.525.991	1.901.626
Lease liability Nissan X-trail, (ZF-372-G)	23.963	-
Lease BNP Paribas, fertilizer machine	22.865	-
	1.591.757	1.928.659

	2019	2018
	€	€
Lease liability Rabobank		
Balance as at 1 January		
Principal amount	3.258.000	1.803.025
Cumulative repayments	-1.051.386	-
Balance as at 1 January	2.206.614	1.803.025
Movements		
Increase	-	1.454.975
Repayment	-304.988	-1.051.386
Balance movements	-304.988	403.589
Balance as at 31 December		
Principal amount	3.258.000	3.258.000
Cumulative repayments	-1.356.374	-1.051.386
Current portion	-375.635	-304.988
Balance as at 31 December	1.525.991	1.901.626
Interest percentage	3.00	3.00
Term	50 months	62 months

Kingfish Zeeland B.V. entered a sale and lease back agreement with Rabobank for the total amount of € 3,258,000. Legal ownership of the assets under financial leasing has been transferred to Rabobank.

After expiring of the fixed term of 72 months, the company will be entitled to:
- purchase and acquire title to the Asset at the price of € 260,640; or
- renew the agreement by one year; or
- return the asset to the lessor to a location in the Netherlands designated for that purpose by the lessor.

	31-12-2019	31-12-2018
	€	€
37 Other long-term liabilities		
Rooftop Energy B.V.	-	16.664

The remaining term for the liability is less than 12 months, therefore the liability is reported as part of the current liabilities.

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Current liabilities and accruals and deferred income_

	31-12-2019	31-12-2018
	€	€

38 Shareholders loans

Shareholders loan	221.980	1.823.434

The loan is an unsecured loan, which is subordinated to all currently existing debts and obligations of the company to banks and institutional creditors. The loan is provided by 3 shareholders (2018: 13). The interest rate is 10% per annum. The loan in converted to equity in 2020.

39 Amounts owed to credit institutions

Payables to banks	-	3.199.417
Repayment obligations	694.460	537.551
	694.460	3.736.968

40 Payables relating to taxes and social security contributions

Wage tax	68.174	8.460
Pension premiums	42.673	41.930
	110.847	50.390

41 Other liabilities and accrued expenses

Consulting Fees	88.000	-
Fundraising cost	61.000	-
Holiday allowance	59.451	37.421
Housing expenses	58.306	-
Outstanding holiday and overtime	51.479	117.500
Accounting costs	26.250	12.500
Repayment obligations	16.508	16.668
Other interest	10.085	10.190
Interest and commitmentfee loan shareholders	-	75.820
Lease Iveco	-	7.962
Prepaid share capital	-	6.921
Net wages	-	9
Other amounts payable	33.421	-
	404.500	284.991

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Off-balance-sheet rights, obligations and arrangements

Disclosure of off-balance sheet commitments

Subsidies/grants
In 2019, the company processed an amount of € 284,176 (2018: € 124,840) in subsidy income in the profit and loss account, which are based on the spent and budgeted costs up to and including December 31, 2019. The actual subsidy benefits depend on the future determination of the subsidy by the subsidy provider.

The total committed subsidy contribution amounts up to a maximum of € 841,218, including the already processed grants.

Rent and operating lease commitments

Rent and operating lease expenses amounted to approximately € 66.000 per annum. The main part of future rent commitments relates to the renting of office and storage space and forklifts. The majority of these contracts have an indefinite term and can be terminated with a few weeks' notice.

Off-balance sheet liabilities relating to purchase commitments

The group has committed itself for purchased regarding the expansion of the production facility amounting to € 6,500,000, which is part of a €10,000,000 CAPEX program.

SUBSEQUENT EVENTS

The coronavirus outbreak during the first months of 2020 has major consequences for the global economy. The consequences of the coronavirus outbreak are classified as events after the balance sheet date that do not provide further information about the actual situation as at the balance sheet date and are therefore not included in the 2019 financial statements. Due to the outbreak of the corona virus and the resulting corona crisis, the results of the company during 2020 have decreased compared to what was budgeted. This decrease has mainly occurred from March 2020. The corona crisis is expected to have a further negative strong effect on the result of the legal entity for the rest of 2020. However, this will also depend on how the coronavirus outbreak can be controlled. In addition to measures aimed at preventing the further spread of the Covid-19 virus, governments in various countries have introduced measures aimed at mitigating the economic consequences of the outbreak. The Group has used some of the available financial measures in the Netherlands and the USA. Despite the disruption caused by Covid-19 the company has been able to continue its expansion plans in the Netherlands and the USA. In addition, the company has seen a rise in sales since the last two months of the second quarter of 2020. However, Due to the great uncertainty, it is difficult to map out the different scenarios. As a result, the expected impact of the coronavirus outbreak on our operations is not yet clear.

APPROPRIATION OF RESULT

The board of directors proposes, that the result for the financial year 2019 amounting to € 2.984.681 (negative) should be transferred to the general reserve.

The financial statements reflect this proposal.

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NOTES TO THE NON-CONSOLIDATED STATEMENT OF INCOME AND EXPENSES

	2019	2018
	€	€
42 Wages and salaries		
Gross salaries	1.456.171	1.032.539
Subsidy WBSO	-67.776	-71.463
Capitalized own hours fixed assets in progress	-16.863	-53.098
Charged wages and salaries	-58.407	-
	1.313.125	907.978

Average number of employees

2019

	Number
Average number of employees	34,23

2018

	Number
Average number of employees	22,50

	2019	2018
	€	€
43 Social security premiums and pensions cost		
Social security charges	235.475	148.469
Other pension charges	156.420	102.643
	391.895	251.112
44 Depreciation of property, plant and equipment		
Buildings and land	294.009	78.663
Depreciation costs installations	1.126.192	361.456
Other fixed assets	37.882	37.151
	1.458.083	477.270
Book profit depreciation inventory	5.161	-
	1.463.244	477.270
45 Other operating expenses		
Other expenses of employee benefits	748.199	481.788
Housing expenses	177.469	302.239
Operating and machine expenses	478.801	264.710
Selling expenses	346.999	695.347
Car expenses	40.033	27.074
Office expenses	60.224	31.466
General expenses	323.519	560.247
	2.175.244	2.362.871

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	2019	2018
	€	€
Other expenses of employee benefits		
Third party services	462.683	159.003
Management fee	86.900	258.250
Commuting expenses	60.024	26.998
Motor car allowance	13.936	20.374
Study and training expenses	13.016	8.381
Canteen expenses	3.373	10.167
Other staff expenses	108.267	42.715
	748.199	525.888
Capitalized fixed assets in progress	-	-44.100
	748.199	481.788
Housing expenses		
Rent expenses	51.738	194.558
Cleaning expenses	47.809	45.387
Insurance premium property	46.447	41.144
Property tax	15.247	14.937
Other housing expenses	16.228	6.213
	177.469	302.239
Operating and machine expenses		
Repair and maintenance of inventory	438.842	227.671
Rental expenses inventory	10.894	18.769
Operational lease machines	17.640	18.270
Other operating and machine expenses	11.425	-
	478.801	264.710
Selling expenses		
Travelling and hotel expenses	160.227	137.286
Events	43.949	118.153
Marketing materials	35.116	88.979
Marketing set up costs	26.590	86.235
Addition to provision doubtful debtor	25.000	-
Marketing/sales costs	14.879	200.988
Other selling expenses	41.238	63.706
	346.999	695.347
Car expenses		
Fuel expenses	19.638	6.122
Repair and maintenance cars	12.348	9.225
Motor car tax	3.225	2.651
VAT on private use cars	3.891	2.200
Fines	-	960
Other car expenses	931	5.916
	40.033	27.074

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	2019	2018
	€	€
Office expenses		
Telephone and fax expenses	24.449	15.539
Office supplies	22.915	15.927
Automation expenses	12.860	-
	60.224	31.466
General expenses		
Consultancy expenses	235.206	341.916
Insurance premium	144.884	111.794
Accounting costs	60.270	58.805
Provision receivables	60.231	-
Subscriptions	54.740	41.771
Certification	42.858	67.279
Administration costs	2.766	50.004
Expense reversal subsidy	-284.176	-124.840
Other general expenses	6.740	13.518
	323.519	560.247

46 Financial income and expense

Other interest and similar income	-	114.640
Interest and similar expenses	-714.828	-456.271
	-714.828	-341.631
Other interest and similar income		
Capitalized fixed assets in progress	-	114.640
Interest and similar expenses		
Paid interest	714.828	456.271
Paid interest		
Interest and other banking costs	326.181	270.906
Interest on loan shareholders	172.982	70.864
Interest on convertible loan shareholders	100.087	-
Interest lease liability	65.578	59.545
Interest Visserij Investeringsfonds Nederland	50.000	50.000
Interest commitment fee	-	4.956
	714.828	456.271

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	2019	2018
	€	€
47 Share in result from participations		
Yellowtail Hatchery USA Inc.	-140.602	-

Kats,
Kingfish Zeeland B.V.

I. Young	O. Maiman	C.J. Kloet
CFO	CEO	COO

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Other information

Provisions of the articles of association relating to profit appropriation

Article 23 paragraph 1 of the company's Articles of Association state that if the General Meeting resolves on a distribution of profits, the preference shares shall have a priority over the ordinary shares as follows.

From the profit (including dividends), hereinafter also referred to as the "Distributable Income" realized in the last financial year, is first if possible on each preference Share distributed one time (1 x) the applicable Original Issue Price, less the amount actually distributed at previous distribution moments (the "First Preferred Amount"), hereinafter also referred to as "Distribution Time". Due to a deficit, an amount will be distributed on each Preference Share pro rata and only in proportion to the preferential amounts that these holders of Preference Shares are entitled to receive as indicated above. Second, after full payment of the aforementioned amount, receive any holder of Preference Shares A and / or Preference Shares A-2 on a pari passu basis with the other holders of A-Shares and / or Preference Shares A-2 and before any other distribution is made to holders of shares, an amount per share equal to twenty percent (20%) of the applicable Initial Issue Price, less the amount of distributions, including dividends, at a previously made Distribution Time (the "Second Preferred Amount" and together with the First Preferred Amount).

The profit remaining after distribution of these dividends on the cumulative preference shares A will be put at the disposal of the Annual General Meeting of Shareholders in accordance with the provisions of Article 23, paragraph 3 of the Articles of Association.

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Auditors

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CONFIDENTIAL
To the shareholders
Kingfish Zeeland B.V.

INDEPENDENT AUDITOR'S REPORT

A. Report on the audit of the financial statements 2019 included in the financial report

Our opinion
We have audited the financial statements 2019 of Kingfish Zeeland B.V., based in Kats.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Kingfish Zeeland B.V as at 31 December 2019, and of its result for 2019 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:
1 the consolidated and company balance sheet as at 31 December 2019
2 the consolidated and company profit and loss account for 2019; and
3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion
We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Kingfish Zeeland B.V in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited corresponding figures

We have not audited the financial statements 2018. Consequently, we have not audited the corresponding figures included in the profit and loss account, in the statements of changes and in the related notes.

Baker Tilly (Netherlands) N.V. is a public limited company and is the exclusive contracting party in respect of all commissioned work. The company's general terms and conditions, filed with the registry of the Dutch chamber of commerce under no. 24425560, which include a limitation of liability, are applicable to all work performed and to all legal relationships with third parties.

Baker Tilly (Netherlands) N.V. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

B. Report on the other information included in the financial report

In addition to the financial statements and our auditor's report thereon, the financial report contains other information that consists of:

- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements
The board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements
Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Goes, 9 October, 2020

Baker Tilly (Netherlands) N.V.

Yours sincerely,

drs. H.J. van den Burg RA

Appendix E – The Company's unaudited consolidated financial statements as of and for the year ended 31 December 2018

KINGFISH ZEELAND B.V.
AT KATS

FINANCIAL REPORT 2018

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LONG FORM REPORT

Auditors

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Kingfish Zeeland B.V.
For the attendance of the board of directors
Colijnsplaatse Groeneweg
4485 PA KATS

Date
3 December 2019

Reference
1011904

Dear board of directors,

ACCOUNTANT'S COMPILATION REPORT
The financial statements of Kingfish Zeeland B.V., Kats, have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2018 and the profit and loss account for the year then ended, with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Kingfish Zeeland B.V. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential..

For further information on the nature and scope of a compilation engagement and the VGBA we refer to www.nba.nl/uitleg-samenstellingsverklaring.

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FISCAL POSITION

Calculation taxable amount

	2018
	€
Result before taxation	-3,933,375
Non-deductible amounts	
For deduction excluded fines	960
Partly deductible amounts	
Application lump sum	4,500
Taxable amount	-3,927,915

Loss compensation

Year	Compensable loss	Deductable till
	€	
2015	60,549	2024
2016	681,886	2025
2017	2,464,723	2026
2018	3,927,915	2027
	7,135,073	

Please do not hesitate to contact us if you require further details.

Yours sincerely,

Baker Tilly (Netherlands) N.V.

drs. A.M.R. Hermes RA

FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31 DECEMBER 2018
(After proposal distribution of result)

			31-12-2018		31-12-2017
		€	€	€	€
ASSETS					
FIXED ASSETS					
Tangible fixed assets	1				
Buildings and land		8,612,314		3,753,808	
Plant and equipment		11,473,109		1,529,504	
Other fixed assets		517,000		435,401	
Fixed assets in progress		-		12,528,694	
			20,602,423		18,247,407
Financial fixed assets					
Deferred tax assets	2		1,248,637		655,490
CURRENT ASSETS					
Stock and work in progress					
Raw materials and consumables	3	168,836		86,954	
Live fish stock	4	2,717,120		845,272	
			2,885,956		932,226
Receivables					
Trade debtors	5	247,204		70,420	
Other receivables and accrued assets	6	321,614		408,699	
			568,818		479,119
Cash at bank and in hand	7		39,048		514,938
Total assets			25,344,882		20,829,180

			31-12-2018		31-12-2017
		€	€	€	€
EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY	8				
Issued share capital	9	215,320		200,083	
Share premium reserve		10,562,342		8,744,240	
Revaluation reserves		3,110,058		2,687,660	
General reserve		-4,130,139		-1,248,509	
			9,757,581		10,383,474
PROVISIONS					
Deferred taxes	10		493,284		567,726
LONG-TERM LIABILITIES					
Debts to credit institutions	11	8,489,695		8,619,764	
Other long-term liabilities	12	16,664		33,332	
			8,506,359		8,653,096
CURRENT LIABILITIES AND ACCRUALS AND DEFERRED INCOME					
Subordinated loans	13	1,823,434		-	
Amounts owed to credit institutions	14	3,736,968		82,069	
Trade creditors		523,899		883,902	
Taxes and social security premiums	15	50,390		36,595	
Other liabilities and accrued expenses	16	452,967		222,318	
			6,587,658		1,224,884
Total liabilities			25,344,882		20,829,180

PROFIT AND LOSS ACCOUNT FOR THE YEAR 2018

		2018		2017	
		€	€	€	€
Net Turnover		791,606		26,937	
Movements in live fish stock		1,885,723		520,947	
Production value			2,677,329		547,884
Cost of raw materials		1,735,624		13,468	
Wages and salaries	17	907,978		219,700	
Social security premiums and pensions cost	18	251,112		65,513	
Depreciation of intangible and tangible fixed assets	19	477,270		72,547	
Other reductions in value of intangible and tangible fixed assets	20	-		40,500	
Other operating expenses	21	2,916,944		889,179	
Total operating expenses			6,288,928		1,300,907
Operating result			-3,611,599		-753,023
Release of revaluation reserve			19,855		-
			-3,591,744		-753,023
Financial income and expense	22		-341,631		-50,423
Result from operational activities before taxation			-3,933,375		-803,446
Taxation			593,146		507,003
Net result after taxation			-3,340,229		-296,443

NOTES TO THE FINANCIAL STATEMENTS

ENTITY INFORMATION

Registered address and registration number trade register

The registered and actual address of Kingfish Zeeland B.V. is Colijnsplaatse Groeneweg, 4485 PA in Kats. Kingfish Zeeland B.V. is registered at the Chamber of Commerce under number 64625060.

GENERAL NOTES

The most important activities of the entity

Established in 2015, Kingfish Zeeland is a mandated to develop a leading position in the Aquaculture sector via several projects for the production of high value marine seafood. In 2016 the company sanctioned the 1st phase of its 1st project: approximately 600 tons per annum production facility for the production of the premium fish species 'Yellowtail Kingfish'. The plot secured can support several onsite expansions upto a total capacity of approximately 4,000 tons per annum. The company adopted a technologically advanced approach, using Recirculation Aquaculture Methods which offer a reliable, sustainable, and fully controlled production environment. The plant became operational in 2018 and since built its livestock levels to maturity and commenced sales activity.

Disclosure of going concern

Financial situation
The net result after taxation for 2018 amounts € 3,340,229 negative (2017: € 296,443 negative).
The negative results for 2018 and 2017 mainly occurred due to the fact that the company is in start up phase. The start up phase is financed by shareholders' equity, shareholder loans and bank debt.
The shareholders' equity per December 31st, 2018 amounts € 9,757,581 positive. The company's current liabilities exceed its total current assets by € 3,093,836. The continuity of the company depends to a large extent on the willingness of the company's financers to continue and extend the financing provided.

Developments
New funding has been secured through an additional equity round and additional shareholders loans. The additional equity round has been approved by the board and has been finalized. Including the new funding, the cash flow forecast up until the end of 2020 shows a positive net cash flow which is sufficient to meet the short term payment obligations. The company has sufficient funds to reach budgeted cash flows positive.

Going concern assumption
Given this information, the financial statements have been prepared on the basis of the going concern assumption of the company.

Disclosure of estimates

In applying the principles and policies for drawing up the financial statements, the directors of Kingfish Zeeland B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

GENERAL ACCOUNTING PRINCIPLES

The accounting standards used to prepare the financial statements

The financial statement is drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, profit and loss account and the cash flow statement, references are made to the notes.

Change in accounting estimates

Due to the change in tax rates in the upcoming years the deferred tax assets are valued at 17,5% instead of 20%. The effect on the result of 2018 and equity at 31 December 2018 is € 100,886.

Finance leases

The company has lease contracts whereby it retains substantially all the risks and rewards of ownership of these assets. These assets are recognised on the balance sheet upon commencement of the lease contract at the lower of the fair value of the asset or the discounted value of the minimum lease payments. The lease instalments to be paid are divided into a repayment and an interest portion, using the annuity method. The liabilities under the lease, excluding the interest payments, are included under long-term debts.

The interest component is included in the profit and loss account for the duration of the contract on the basis of a fixed interest percentage of the average remaining redemption component. The assets are depreciated over the remaining economic life or, if shorter, the duration of the contract.

Operating leases

The corporation has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the corporation. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the profit and loss account for the duration of the contract.

ACCOUNTING PRINCIPLES

Property, plant and equipment

Buildings and land, and plant and equipment are valued at actual cost less straight line depreciation based on the expected life. Land is not depreciated. Impairments expected on the balance sheet date are taken into account. The actual costs concern the actual purchase price or actual production price. The actual purchase price of assets is based on the amount the company, on the date of revaluation, would pay for acquiring the asset if the asset would have the same anility as on the moment of the initial purchase. The actual production price is based on the cost the company would make if the asset would be produced on the date of revaluation. The increase of value following from a revaluation is processed directly in the shareholders equity through a revaluation reserve. Realization of the revaluation reserve is processed through the profit and loss account.

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

Interest expenses directly attributable to qualifying assets are capitalized during the manufacturing period. Other interest expenses are recognized directly in the income statement.

Financial assets

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Impairment of non-current assets

On each balance sheet date, Kingfish Zeeland B.V. assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use. An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill is not reversed.

Inventories

Raw materials and consumables
Inventories (stocks) of raw materials and consumables are valued at cost price based on the FIFO method or lower realisable value.

The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current conditions.

The realisable value is the estimated sales price less directly attributable sales costs. In determining the realisable value the obsolescence of the inventories is taken into account.

Live fish stock
Inventories (stocks) of livestock are valued at fair value. The live fish stock classify as biological assets. Dutch-GAAP does not provide specific guidance for the valuation of biological assets. For processing and valuation, guidance is therefore gained from the International Financial Reporting Standards (IFRS). According to IAS 41.6 fish farming qualifies as an agricultural activity. The live fish stock is valued at fair value less selling expenses. Because market quotations on an active market are not available, fair value is determined from recent transaction prices and/or sector references in accordance with IFRS 13. These references are subject to estimation elements regarding the realizable value.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Provision for tax liabilities

Deferred tax liabilities are recognised for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law. Deferred tax balances are valued at nominal value.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Wages

The benefits payable to personnel are recorded in the profit and loss account on the basis of the employment conditions.

Applied policy of pension costs

Kingfish Zeeland B.V. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

Income tax expense

Tax on the result is calculated based on the result before tax in the profit and loss account, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

NOTES TO THE BALANCE SHEET

FIXED ASSETS

1 Tangible fixed assets

	Buildings and land	Plant and equipment	Other fixed assets	Fixed assets in progress	Total
	€	€	€	€	€
Balance as at 1 January 2018					
Purchase price	921,112	1,554,977	619,220	12,528,694	15,624,003
Balance of revaluations	2,838,628	-	-	-	2,838,628
Accumulated depreciation	-5,932	-25,473	-183,819	-	-215,224
Book value as at 1 January 2018	3,753,808	1,529,504	435,401	12,528,694	18,247,407
Movements					
Investments	4,937,169	10,305,061	118,750	-12,528,694	2,832,286
Depreciation	-58,810	-361,456	-37,151	-	-457,417
Depreciation revaluations	-19,853	-	-	-	-19,853
Balance movements	4,858,506	9,943,605	81,599	-12,528,694	2,355,016
Balance as at 31 December 2018					
Purchase price	5,858,281	11,860,038	737,970	-	18,456,289
Balance of revaluations	2,818,775	-	-	-	2,818,775
Accumulated depreciation	-64,742	-386,929	-220,970	-	-672,641
Book value as at 31 December 2018	8,612,314	11,473,109	517,000	-	20,602,423
Depreciation percentages	0 - 3,33	20	12,5-20	0	

The other fixed assets include breeding stock for an amount of € 452,655 at 31 December 2018 (2017: € 388,215).

The carrying amounts of assets under financial leasing, which are held without legal title by Kingfish Zeeland B.V. are at 31 December 2018 € 3,170,227 (2017: 35,000)

Financial fixed assets

	31-12-2018	31-12-2017
	€	€
2 Deferred tax assets		
Deferred tax asset	1,248,637	655,490

Deferred income tax assets relate to unutilised tax losses of € 7,135,073 (2017: € 3,277,450) in total which are expected to be offset at a tax rate of approximately 17,5% (2017: 20%).

CURRENT ASSETS

Stock and work in progress

	31-12-2018	31-12-2017
	€	€
3 Raw materials and consumables		
Feed	160,051	72,942
Chemicals	8,785	14,012
	168,836	86,954
4 Live fish stock		
Live fish stock	2,717,120	845,272

Receivables

5 Trade debtors		
Trade debtors	247,204	70,420

A provision for doubtful trade debtors is considered not necessary.

6 Other receivables and accrued income		
Other receivables and accrued income	220,545	139,971
Taxes and social security premiums	101,069	268,653
Current account shareholders	-	75
	321,614	408,699
Taxes and social security premiums		
Value added tax	101,069	268,653
Other receivables and accrued assets		
Insurance premium	85,679	60,232
Prepaid expenses	48,850	-
Other amounts receivable	35,825	-
Deposits Brenntag	19,286	36,164
Guarantee deposit	10,000	20,000
Other deposits	7,100	-
Costs paid in advance	-	21,382
Holidays	-	1,831
Net wages	-	362
Other costs to be invoiced	13,805	-
	220,545	139,971

	31-12-2018	31-12-2017
	€	€
7 Cash at bank and in hand		
Deposit Rabobank	35,000	35,000
Cash in transit	3,518	-
Cash	530	-
Current account Rabobank	-	479,938
	39,048	514,938

Of cash at banks and in hand, € 35,000 is not at the company's free disposal (2017: € 35,000).
It contains a guarantee provided by Rabobank.

The maximum current account credit is € 3,250,000. The maximum credit fluctuates based upon the value of the pledged receivables and inventory. The interest rate is based on 1 month Euribor plus a markup of 3,0%. For the securities provided we refer to note 11 regarding the Rabobank loan.

EQUITY AND LIABILITIES

8 Shareholders' equity

	Issued share capital	Share premium reserve	Revaluation reserves	General reserve	Total
	€	€	€	€	€
Balance as at 1 January 2018	200,083	8,744,240	2,687,660	-1,248,509	10,383,474
Appropriation of result	-	-	-	-3,340,229	-3,340,229
Addition in financial year	-	1,818,102	-	-	1,818,102
Addition revaluation reserve	-	-	367,811	-367,811	-
Effect of change in percentage of deferred taxes on revaluation property	-	-	70,471	-	70,471
Issued share capital	15,237	-	-	-	15,237
Release in favor of revaluation reserve	-	-	-15,884	-	-15,884
Prepaid share premium reserve	-	-	-	826,410	826,410
Balance as at 31 December 2018	215,320	10,562,342	3,110,058	-4,130,139	9,757,581

During 2018 a number of shareholders have paid a share premium on shares that are emmissioned on 14 march 2019. According to the Dutch Accounting Standards this prepayment is processed in the general reserve, in 2019 the prepaid share premium will be booked in the share premium reserve.

9 Issued share capital

	Common shares	Preferent shares	Preferent shares A-1	Preferent shares A-2	Total
	€	€	€	€	€
Balance as at 1 January 2018	120,000	54,500	12,289	13,294	200,083
Issued share capital	-	-	-	15,237	15,237
Balance as at 31 December 2018	120,000	54,500	12,289	28,531	215,320

The revaluation reserves concern the following:

	2018	2017
	€	€
Revaluation reserve live fish stock		
Balance as at 1 January	416,758	-
Addition in financial year	367,811	416,758
Balance as at 31 December	784,569	416,758

The revaluation reserve relates to the difference between fair value and historical cost (production cost excluding personnel and indirect costs. These costs can not be imputed reliable) of the live fish stock.

	2018	2017
	€	€
Revaluation reserve tangible fixed assets		
Balance as at 1 January	2,270,902	2,270,902
Addition in financial year as a result of change in percentage deferred taxes	70,471	-
	2,341,373	2,270,902
Release in favour of deficit	-15,884	-
Balance as at 31 December	2,325,489	2,270,902

The revaluation reserve relates to the difference between actual cost and historical cost of the buildings, land, plant and equipment.

Subordinated loans

Subordinated loans		
Balance as at 1 January	-	-
Movements		
Increase	1,823,434	-
Balance as at 31 December		
Principal amount	1,823,434	-
Current portion	-1,823,434	-
Balance as at 31 December	-	-
Interest percentages	10	

This loan is part of an emission program which took place during 2018. The emission is structured as a combined share and loan transaction. The loan amount is an unsecured loan, which is subordinated to all currently existing debts and obligations of the company to banks and institutional creditors. The loan is provided by 13 shareholders.The interest rate is 10% per annum. These loans are being repaid at once on December 31, 2019.

PROVISIONS

10 Deferred taxes

The provision for deferred taxes concerns deferred tax of which the value is determined based on differences between commercial and fiscal balance sheet valuations multiplied by the expected rate of taxation of 17.5%.

LONG-TERM LIABILITIES

Long-term liabilities

	Balance as at 31 December 2018	Repayment due < 1 year	Remaining pay-back time > 1 year
	€	€	€
Total	9,060,578	554,219	8,506,359

Remaining maturity > 5 years

€ 4,891,262

Long-term liabilities

	31-12-2018	31-12-2017
	€	€
11 Debts to credit institutions		
Loans	6,561,036	6,782,143
Lease liabilities	1,928,659	1,837,621
	8,489,695	8,619,764

Loans

Rabobank	5,761,036	5,982,143
Visserij investeringsfonds Nederland 430.005.020	500,000	500,000
Visserij investeringsfonds Nederland 430.004.020	300,000	300,000
	6,561,036	6,782,143

	2018	2017
	€	€
Rabobank		
Balance as at 1 January		
Principal amount	6,053,250	6,053,250
Cumulative amortization transaction costs / cumulative repayments	3,893	-
Balance as at 1 January	6,057,143	6,053,250
Movements		
Repayment	-75,000	-
Amortization transaction costs	3,893	3,893
Balance movements	-71,107	3,893
Balance as at 31 December		
Principal amount	6,053,250	6,053,250
Cumulative amortization transaction costs / cumulative repayments	-67,214	3,893
	5,986,036	6,057,143
Current portion	-225,000	-75,000
Balance as at 31 December	5,761,036	5,982,143

The principle amount of the loan is € 6,100.000. The repayment term amounts to € 75,000 per quarter as from 30 June 2019 and an additional repayment of € 3,100,000 on 30 June 2029. The transaction costs attributable to the loan amount € 46,750 and are deducted from the amount received. The transaction costs will be amortized during the duration of the loan. An amount of € 3.893 is amortized in 2018.

The interest rate is based on 3 months Euribor plus a markup of 3.25%. The markup of 3.25% is fixed for the duration of three years. The facility is a 20 year mortgage, ending after 10 years.

Besides the loan the company also has a working capital facility at Rabobank with a maximum current account credit of € 3,250,000. For further details we refer to paragraph 7.

Guarantees:
- First mortgage for an amount of € 6.100.000 on the land and the company hall at Oostzeedijk 11, 4485 OM Colijnsplaat;
- Pledge on insured stock;
- Pledge on all current and future stocks;
- Pledge on all current and future inventories;
- Pledge on all current and future receivables.

- Satisfy a solvency ratio of at least 45%;
- Satisfy a debt service ratio of at least 1.3 (as from 31 December 2019);
- Compliance with the negative pledge and pari passu;
- Compliance with a 'No Change of Control';
- Non-dividend statement.

During 2018 the company has entered a new loan agreement with the Rabobank for a loan of € 750,000. The loan will be withdrawn in 2019 and needs to be repaid in full on 31 December 2019. For this loan the company guarantees:
- First mortgage for an amount of € 1,500,000 to be increased by € 525,000 for interest, fees, fines and costs on the pump house on the Oost-Zeedijk 15, 4485 PM Kats.

	2018	2017
	€	€
Visserij investeringsfonds Nederland 430.005.020		
Balance as at 1 January		
Principal amount	500,000	500,000
Balance as at 1 January	500,000	500,000
Balance movements	-	-
Balance as at 31 December		
Principal amount	500,000	500,000
Balance as at 31 December	500,000	500,000
Interest percentages	6.25	6,25

The duration of the loan is from October 27, 2016 to October 27, 2021.

The interest rate is 6,25% per annum, fixed for the entire term. After 60 months the loan is being repaid at once. No securities have been provided, therefore the loan is in fact subordinated to the loans of Rabobank, same as all other creditors.

Visserij investeringsfonds Nederland 430.004.020

Balance as at 1 January		
Principal amount	300,000	300,000
Balance as at 1 January	300,000	300,000
Balance movements	-	-
Balance as at 31 December		
Principal amount	300,000	300,000
Balance as at 31 December	300,000	300,000
Interest percentages	6.25	6,25

The duration of the loan is from January 15, 2016 to January 15, 2021.

The interest rate is 6,25% per annum, fixed for the entire term. After 60 months the loan is being repaid at once. No securities have been provided, therefore the loan is in fact subordinated to the loans of Rabobank, same as all other creditors.

	31-12-2018	31-12-2017
	€	€
Lease liabilities		
Lease liability Rabobank	1,901,626	1,803,025
Lease liability Volvo XC70, (KG-058-X)	27,033	34,596
	1,928,659	1,837,621

	2018	2017
	€	€
Lease liability Volvo XC70, (KG-058-X)		
Balance as at 1 January		
Principal amount	49,852	49,852
Cumulative repayments	-8,187	-1,583
Balance as at 1 January	41,665	48,269
Movements		
Repayment	-7,069	-6,604
Balance as at 31 December		
Principal amount	49,852	49,852
Cumulative repayments	-15,256	-8,187
	34,596	41,665
Current portion	-7,563	-7,069
Balance as at 31 December	27,033	34,596
Interest percentages	6.99	6.99
Term	34 months	46 months
Lease liability Rabobank		
Balance as at 1 January		
Principal amount	1,803,025	-
Balance as at 1 January	1,803,025	-
Movements		
Increase	1,454,975	1,803,025
Repayment	-1,051,386	-
Balance movements	403,589	1,803,025
Balance as at 31 December		
Principal amount	3,258,000	1,803,025
Cumulative repayments	-1,051,386	-
	2,206,614	1,803,025
Current portion	-304,988	-
Balance as at 31 December	1,901,626	1,803,025
Interest percentages	3.00	
Term	62 months	

Kingfish Zeeland B.V. entered a sale and lease back agreement with Rabobank fot the total amount of € 3,258,000. Legal ownership of the assets under financial leasing has been transferred to Rabobank.

After expiring of the fixed term of 72 months, the company will be entitled to:
- purchase and acquire title tot the Asset at the price of € 260,640; or
- renew the agreement by one year; or
- return the asset tot the lessor to a location in the Netherlands designated for that purpose by the lessor.

	31-12-2018	31-12-2017
	€	€
12 Other long-term liabilities		
Rooftop Energy B.V.	16,664	33,332

	2018	2017
	€	€
Rooftop Energy B.V.		
Balance as at 1 January		
Principal amount	50,000	-
Balance as at 1 January	50,000	-
Movements		
Increase	-	50,000
Repayment	-16,668	-
Balance movements	-16,668	50,000
Balance as at 31 December		
Principal amount	50,000	50,000
Cumulative repayments	-16,668	-
Current portion	-16,668	-16,668
Balance as at 31 December	16,664	33,332
Interest percentages	0	0
Term	24	36

CURRENT LIABILITIES AND ACCRUALS AND DEFERRED INCOME

	31-12-2018	31-12-2017
	€	€
13 Subordinated loans		
Subordinated loans shareholders	1,823,434	-

The loan is an unsecured loan, which is subordinated to all currently existing debts and obligations of the company to banks and institutional creditors. The loan is provided by 13 shareholders. The interest rate is 10% per annum. the loan is being repaid at once on December 31, 2019.

	31-12-2018	31-12-2017
	€	€
14 Amounts owed to credit institutions		
Amounts owed to credit institutions	3,199,417	-
Repayment obligations	537,551	82,069
	3,736,968	82,069
Amounts owed to credit institutions		
Rabobank, current account	3,199,417	-
Repayment obligations		
Loan Rabobank	225,000	75,000
Lease liability Volvo XC70, (KG-058-X)	7,563	7,069
Lease liability Rabobank	304,988	-
	537,551	82,069
15 Taxes and social security premiums		
Pension premiums	41,930	23,311
Payroll tax	8,460	13,284
	50,390	36,595
16 Other liabilities and accrued expenses		
Subsidies (advance payments)	190,666	65,826
Outstanding holiday and overtime	117,500	-
Interest and commitmentfee loan shareholders	75,820	-
Holiday allowance	37,421	20,508
Repayment obligations Rooftop Energy B.V.	16,668	16,668
Lease Iveco	7,962	-
Prepaid share capital	6,921	-
Net wages	9	-
Other costs to be invoiced	-	119,241
Current account shareholders	-	75
	452,967	222,318

The company received advance payments of € 190,666 concerning subsidy projects.
The total committed subsidy contribution amounts up to a maxumum of € 841,218. Since the formal granting of these subsidies has not yet taken place, the entire advance is presented under current liabilities

OFF BALANCE SHEET RIGHTS, OBLIGATIONS AND ARRANGEMENTS

APPROPRIATION OF RESULT

The board of directors proposes, that the result for the financial year 2018 amounting to € 3,340,229 (negative) should be transferred to the general reserve.

The financial statements reflect this proposal.

NOTES TO THE STATEMENT OF INCOME AND EXPENSES

	2018	2017
	€	€
17 Wages and salaries		
Gross salaries	1,032,539	494,935
Subsidy WBSO	-71,463	-54,480
Capitalized own hours fixed assets in progress	-53,098	-220,755
	907,978	219,700

Average number of employees
2018

	Number
Average number of employees	22.50

2017

	Number
Average number of employees	11.30

	2018	2017
	€	€
18 Social security premiums and pensions cost		
Social security charges	148,469	74,208
Other pension charges	102,643	50,293
	251,112	124,501
Capitalized fixed assets in progress	-	-58,988
	251,112	65,513

19 Depreciation of intangible and tangible fixed assets		
Depreciation of tangible fixed assets	477,270	72,547

Depreciation of tangible fixed assets		
Buildings and land	78,663	4,433
Depreciation costs installations	361,456	22,534
Other fixed assets	37,151	45,580
	477,270	72,547

20 Other reductions in value of intangible and tangible fixed assets		
Impairment of other fixed assests	-	40,500

In the year 2017 9 breeding fish have been impaired to nil due to mortality.

	2018	2017
	€	€
21 Other operating expenses		
Other staff expenses	481,788	170,531
Housing expenses	731,472	111,622
Operating and machine expenses	264,710	27,371
Selling expenses	695,347	201,444
Car expenses	27,074	13,464
Office expenses	31,466	15,531
General expenses	685,087	349,216
	2,916,944	889,179
Other staff expenses		
Managementfee	258,250	268,125
Third party services	159,003	3,400
Commuting expenses	26,998	16,930
Motor car allowance	20,374	23,967
Canteen expenses	10,167	-
Study and training expenses	8,381	-
Insurance premium	7,673	-
Tax free expense allowance	-	15,412
Other staff expenses	35,042	23,741
	525,888	351,575
Capitalized fixed assets in progress	-44,100	-181,044
	481,788	170,531
Housing expenses		
Gas, water and electricity	431,758	64,553
Rent expenses	194,558	41,784
Cleaning expenses	45,387	-
Insurance premium property	41,144	-
Property tax	14,937	11,480
Other housing expenses	3,688	22,975
	731,472	140,792
Capitalized fixed assets in progress	-	-29,170
	731,472	111,622
Operating and machine expenses		
Repair and maintenance of inventory	168,114	-
Small investments inventory	59,557	8,451
Rental expenses inventory	18,769	-
Operational lease machines	18,270	7,274
Nutricion breeding stock	-	11,646
	264,710	27,371

	2018	2017
	€	€
Selling expenses		
Marketing/sales costs	200,988	-
Travelling and hotel expenses	137,286	39,993
Events	118,153	52,865
Marketing materials	88,979	26,249
Marketing set up costs	86,235	66,408
Representation expenses	-	12,124
Other selling expenses	63,706	3,805
	695,347	201,444
Car expenses		
Repair and maintenance cars	9,225	3,364
Fuel expenses	6,122	3,569
Other car expenses	5,916	1,072
Motor car tax	2,651	2,264
VAT on private use cars	2,200	1,525
Fines	960	-
Insurance premium cars	-	1,670
	27,074	13,464
Office expenses		
Office supplies	15,927	5,269
Telephone and fax expenses	15,539	9,056
Postage expenses	-	1,206
	31,466	15,531
General expenses		
Consultancy expenses	341,916	210,360
Insurance premium	111,794	36,812
Certification	67,279	-
Accounting costs	58,805	22,600
Administration costs	50,004	66,492
Subscriptions	41,771	8,432
Other general expenses	13,518	4,520
	685,087	349,216

	2018	2017
	€	€
22 Financial income and expense		
Other interest and similar income	114,640	219,123
Interest and similar expenses	-456,271	-269,546
	-341,631	-50,423
Other interest and similar income		
Capitalized fixed assets in progress	114,640	163,241
Received bank interest	-	55,882
	114,640	219,123
Interest and similar expenses		
Paid interest	456,271	269,546
Paid interest		
Interest and other banking costs	270,906	225,645
Interest on loan shareholders	70,864	-
Interest lease liability	59,545	3,068
Interest Visserij Investeringsfonds Nederland	50,000	40,833
Interest commitment fee	4,956	-
	456,271	269,546

Kats, 3 December 2019
Kingfish Zeeland B.V.

C.J. Kloet Beheer B.V.
Represented by:
C.J. Kloet

Terra Mare B.V.
Represented by:
O. Maiman

Young Card Ltd.
Represented by:
I. Young